The responsibility of Spanish garment retailers for the social and working conditions in Northern Morocco

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REPORT SUMMARY:
"The responsibility of Spanish garment retailers for the social and working conditions in small production centres in Northern Morocco."

Cities in Northern Morocco have traditionally been an attractive area for Spanish investors: they represent the second largest foreign presence in the country's industry, particularly in the area of production where they account for 37% of registered companies and employ a third of the work force.

Tangier is of particular note, since it is home to a fifth of these companies and to a quarter of the workforce.

Tangier's importance in this area soared in the 80s due to the various opportunities that this city has to offer. Companies installed in Tangier see investment benefits multiply, for example they enjoy a 50% reduction in corporation tax, a reduction which, in the case of Tangier, can reach almost 75%.

The CLEAN CLOTHES CAMPAIGN report is divided into 4 sections.

In the first section the research methodology is explained. The research was carried out in two phases. Between March and June 2001 the working group of researchers and study collaborators (5 women, 3 of whom are Moroccan) was formed. During the second stage, from September to March 2002, the information network was set up, two workshops visited, business leaders and trade unionists interviewed and regular observation of a family and a group of female workers undertaken.

With respect to this first chapter of the report, it is important to highlight the intense fieldwork carried out by the research group, which has enabled us to learn more about the social and working conditions in which garments produced by a large number of the main Spanish labels located in Morocco are produced. This has enabled the research team to conclude that in Tangier alone there are more than 500 informal or clandestine textile workshops.

Of these workshops, the Clean Clothes Campaign team investigated the production of 20, in order to obtain a random, representative sample of the sector's activity.

Fieldwork from the first stage was used to establish contact with the various parties: corporate, labour, Trade Union and governmental, collect information on garment manufacturers and determine which Spanish labels these companies supply. The result of this initial study was a preliminary report entitled: "Social and working conditions in the garment industry in Northern Morocco and the relocation of Spanish retailers' production facilities." This preliminary report gave a general overview of the context in which the second part of the study would be undertaken and of the general problems of working conditions within the garment industry. Thus, already in the first report it was shown how the social and working conditions of workers, especially women, is suffering a progressive deterioration as the number of "informal" workplaces increases.

During the second stage of the investigation the following objectives were studied in depth:
To ascertain which clothing labels were produced in clandestine or informal workshops: to obtain "proof" of this production via clothing labels provided by workers themselves or their contacts. Obtain a more detailed profile of the social and working conditions in these small garment production centres: direct access to 8 workshops to obtain in situ evidence of the labels that are being produced and the working conditions there, interviews with workers (male and female) from 15 different workshops, creation of discussion groups with female workers twice a week, regular observation of a family with four daughters working in the garment industry, two of whom were working in informal workshops and two others in established factories.

Study the responsibility of Spanish companies for the social and working conditions of these workshops: 10 workers from established factories and 10 others from informal workshops and various individuals from different areas of these institutions were interviewed.

Analyse the problems that the difficult working conditions in these workshops generate and reflect on possible actions and solutions.

THE SECOND CHAPTER contains an in-depth analysis of these workshops' characteristics and the possible implication of specific Spanish garment manufacturers in these unacceptable working conditions.

This analysis shows that the majority of workshops - of which there are more than 500 in the city of Tangier - are inadequately located in the lower floors of buildings. These workshops commonly employ an average of 60 workers, the majority female, and, on a significant number of occasions, also adolescents. Some of these workshops are legally recognised as companies and therefore sometimes have an official name, but many are completely clandestine or informal.

All the clothing manufactured in these workshops is for exportation and the majority is destined for the European market: France, the United Kingdom, Spain, Germany etc. Currently 25% of retail manufacturers located in Morocco have capital that is totally or partially of foreign origin. In general, these companies dedicate themselves solely to the manufacture of garments for their European matrix, in contrast to the majority of Moroccan enterprises that produce for numerous Western clients.

THE THIRD CHAPTER of the report includes a table that compares workers' social and working conditions in the garment workshops analysed in Tangier. In this table (attached) 4 categories are established for Spanish garment retailers manufacturing in Tangier. These range from those who provide correct and acceptable, even exemplary, conditions with their own manufacturing installations (relocated Spanish firms), to those who subcontract their production to already existent enterprises (workshops) in which the working conditions are extremely precarious and totally unacceptable.

THE FOURTH CHAPTER contains an analysis of the principal problems (working women, child labour, and trade unions) and provides suggestions for possible courses of action that could contribute to solving them.

FINALLY we would like to emphasise that the study has revealed that, out of the 20 workshops investigated (as a random, representative sample), a total of 12 (that is 60%) are producing or have produced for known Spanish labels. That is to say, specific Spanish companies have subcontracted these workshops, whether consciously or not (an aspect which the companies themselves must clarify) to manufacture their garments. Of these Spanish companies the following are particularly prominent:

- Inditex (5 workshops detected/ 25%)
- Mayoral (5 workshops detected/25%)
- El Corte Inglés (3 workshops detected/ 15%)

Other Spanish firms have also been detected, although only on isolated occasions. Therefore, in these instances the results obtained could be due to different circumstances and should be investigated in greater depth.

REPORT EVALUATION

It is possible that the major Spanish labels highlighted above do not manufacture the majority of their garments in these workshops. However, the CLEAN CLOTHES CAMPAIGN considers it a serious
matter that, at the current time, they make use of this practice, considering the negative consequences that it has for the workers involved. Moreover, we believe that these results are only the tip of the iceberg and that they could be extrapolated for the more than 500 informal workshops in the Tangier area.

This study confirms what the Spanish CLEAN CLOTHES CAMPAIGN has long been denouncing: that Spanish retail manufacturers are not distanced from the unacceptable effects of the current process of globalisation, effects which the international CLEAN CLOTHES CAMPAIGN has already denounced in the case of other major retail manufacturers.

The CLEAN CLOTHES CAMPAIGN would like to remind people that some Spanish retail manufacturers, such as Mango and Burberry have already established collaborative agreements with the Campaign. These aim to avoid situations such as those described in this study and to search jointly for solutions, with the aim of improving these companies' social responsibility policies.

This is why the CLEAN CLOTHES CAMPAIGN is once again urging Inditex, Mayoral and El Corte Inglés to assume their responsibilities in these issues and respond positively to the demands made by the campaign in order to search for solution.

### TABLE SUMMARISING WORKSHOP CONDITIONS

#### Work contract
- **Current legislation**: A working contract is established between the employee and employer at the start of their working relationship. There are 2 kinds of contract
  - permanent
  - temporary
- **Practice in small workshop**: No legal working contract is established. The working relationship is usually initiated by the manager, without any transparency, depending on market conditions. Occasionally, but not always, hourly rates are agreed orally.

#### Salary
- **Current legislation**: Employee and employer are free to set the salary rate, but this must not be below the minimum wage
  - $8.77 Dh/h

  In addition, all workers should receive a bonus dependent on length of service. This is fixed by legislation at the following levels:
  - 5% after two years' service, whether continuous or not, in the same company or for the same employer.
  - 10% after 5 years
  - 15% after 12 years
  - 20% after 20 years

- **Practice in small workshop**: Usually fixed at discretion.
  - We divided workshop employees into 3 categories, depending on their area of work:
    1) sewing
    2) ironing
    3) cutting, checking of sewing, packaging of finished garments

    The first category tends to be the best paid. Optimally, hourly rates can reach 9 Dh. A typical hourly rate would be 7 Dh/h.

    Wages in the 2nd and 3rd categories lie in the range of 3 Dh/h - 5 Dh/h.

    Amongst workers in the same category wages can fluctuate widely, without any valid justification.

    Often the monthly wage does not in any way correspond to the agreed hourly rate.

    Exploitation of younger and / or illiterate workers is common and these are often paid a lower rate. Deductions are often made from workers' salaries for social security contributions that in reality are never made and in punishment for e.g. taking a longer break or laughing too loudly.
Working Hours

Current legislation
Working hours are set at 8 hours / day or 48 hours / week. Women and minors under 16 are not allowed to work between 22.00 and 05.00

Practice in small workshop
Working hours are usually dependent on deadlines for orders. Typically workshop employees work 10 hours / day. Occasionally, in order to meet a deadline for an order, employees work all night, in addition to the standard working day. Many women and adolescents (14-16) work from morning all through the following night.

Overtime

Current legislation
Wages must be increased 25% between 05.00 and 22.00. During days-off and holidays, these should be increased 50% between 05.00-22.00 and 100% between 22.00 and 05.00.

Practice in small workshop
Overtime is not paid at a higher rate. If recognised, it is paid at the standard rate.

Social security benefits

Current legislation
The company must become a member of the national social security scheme (CNSS) and affiliate its employees. Social security payments should be made in part by the company and in part by the worker.

The types of social security affiliation are as follows:
- family benefits: 8.87% employer contribution, 0% employee contribution
- Short-term benefits: 0.44% employer contribution, 0.22% employee contribution
- Long-term benefits: 6.08% employer contribution, 3.04% employee contribution.
- Professional formation contribution: 1.6% employer contribution, 0% employee contribution.

The following social security benefits are available:
- Daily compensation for illness or accident
- Daily compensation for pregnancy
- Family assistance
- Widow / widower's pension
- Disability benefit
- Retirement pension

Workplaces employing more than 50 staff must provide medical facilities in the workplace. The costs of this provision are met by the employer.

Practice in small workshop
Usually, no workshop employees are affiliated to the CNSS. Some workers are not aware of the reasons for and benefits of membership. Sometimes money is deducted from their monthly salary but they are not affiliated. Pregnant women lose their positions. In the case of prolonged illness the same thing happens, unless their work is indispensable or they bring a doctor's certificate. In any case, days not worked are deducted from the worker's salary. In some workshops there are weekly doctors visits. In general, workers' opinions of this service are negative. According to them, doctors simply prescribe drugs that the majority of workers cannot afford to pay for. In some cases the workers themselves have developed a shared medical fund which can be used to pay for medicine in urgent cases.

Accidents and illness in the workplace

Current legislation
Workplace accidents are those which occur as a consequence of work or during the journey to or from the place of work. The employer is obliged to:
- Declare the accident within 48 hours
- pay the worker concerned during his / her temporary incapacity at half wages during the first 28 days after the accident and after day 29 at 2/3 of wages.

Practice in small workshop
Accidents at work occur either due to an unsafe act (human factor) or an unsafe condition.
(technical factor, machinery, installations). In this sector, workplace illnesses are due to workers exposure to hazards and the lack of care and provisions from their employers. In general workplaces are not ventilated and have no natural light. Workshops are small and workers lack space. In general machinery is old and obsolete and this causes numerous accidents in the workplace (cuts, needle injuries to hands) The most frequent illnesses are dermatological (contact with dirty materials), respiratory (environmental contamination from materials, heat and steam from irons, bad smells) and lumber problems (unsuitably positions or repetitive movements) When accidents occur, employers sometimes take the worker concerned to hospital. In general the worker pays for medical expenses. If as a result of the accident, the employee is unable to work, s/he is not paid for this time off work. Work-related illnesses are not taken into consideration for various reasons:

- The worker concerned doesn't usually associate the illness with his / her work
- The employer is not interested in the problem: his / her primary objective is to keeps costs as low as possible.
- Frequent changes of workshop (see "work instability", chapter IV, A.1.) means that it is impossible for workers to demand compensation.

Child labour(see Chapter IV,B)

Current legislation
The Dari 2/7/1947 establishes measures for the protection of minors under 16:

- employment of children under the age of 12 is prohibited (article 9)
- nightwork (between 22.00 and 05.00) is prohibited for women and minors under 16.
- minors are prohibited for working in mines, underground or in hazardous or physically demanding areas
- Degree nº 2-59-1019 de 16/9/1957 prohibits employers from hiring- children under 16 or women in positions involving dangerous machinery.
- children under 16 to work in pedal- or crank- operated machinery or with saws, cutting and pressing machines, rolling mills, steam pumps etc

Practice in small workshop
The average age of workshop employees fluctuates between 16 and 22. However it is common to see minors under 16 working in smaller workshops. Girls aged between 12 and 16 are employed in the 3rd category, cutting thread, carrying boxes of material from one chain to another. Some under-15-year-olds work on sewing machines When this happens, the workshop uses it as a kind of apprenticeship for the children. They work a full day at the same speed as the adults, but the majority are paid, at mot, 300 Dh / month. Sometimes they are physically abused. We have also been informed that they also suffer sexual abuse.

Freedom of Trade Union participation(See chapter IV,C.)

Current legislation
Moroccan legislation recognises workers right to syndicate in order to defend their professional interests. Individual disputes relating to the fulfilment of working contracts fall under the jurisdiction of social tribunals.

Practice in small workshop
No union movement is present in the workshops. Many workers do not know the meaning of the work "niqaba" ("syndicate" in arabic). When they have a problem with a particular "right" they approach the floor manager. Any claims are hastily forgotten due to the threat of dismissal.