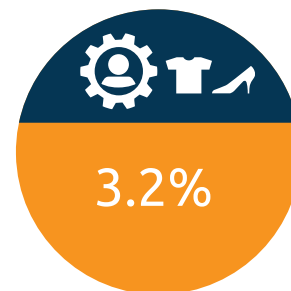
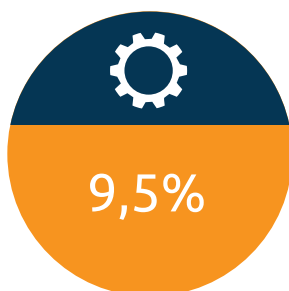
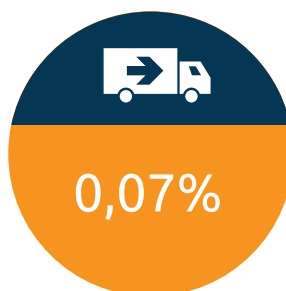
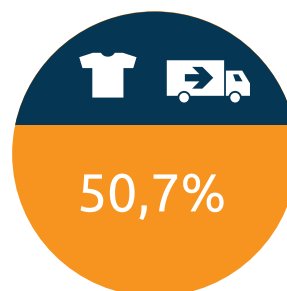


Population (2014)



Registered garment factories (2013)

Registered employees
in the garment industry
(2013)Share of employment of the
garment industry to the total
employment in the industryUnemployment rate
(2014)Share of garments in total
exports (value - 2014)Share of exports in pro-
duced garments (2013)

WAGE COMPARISON

Minimum wage (net wage; 1.1.2015)

1.286,16 PLN 312 EUR¹

Average net wage

interviewed workers
(including overtime and bonuses – 2015)

1300 PLN 315 EUR

garment industry (2013)

1546.52 PLN 374 EUR

industry (2014)

2657.42 PLN 643 EUR

whole economy (2014)

2702.02 PLN 654 EUR

Subsistence (socioeconomic) minimum
per month, family of four (2014)

3.409,35 PLN 825.48 EUR

60% of the average national wage (2014)

1.621 PLN 401 EUR

Estimated minimum living wage
according to interviewed workers
per month, family of four, net wage

4264 PLN 1032 EURO

1. In order to compare the data to other findings, the amounts in Polish zloty have been converted according to the average Euro exchange rate of the National Bank of Poland of 31 May 2015 – 4.1301 zlotys.

DEMANDS

- As a **first immediate step**, global buyers have to make sure that workers receive a basic net wage (without overtime and bonuses) of at least **401 Euro** (60% of the national average wage). As a **further step**, the basic net wages have to be **increased towards the level of the estimated minimum living wage**.
- Buyers **have to analyse and adapt their price structure** in order to make sure that the actual price they pay to the supplier allows for these wage hikes.
- We insist that **companies cannot abuse their buying power**, the poor enforcement of labour rights and the low unionization in order to increase their profits. They are obliged to **respect the internationally recognized human rights**, including labour rights, especially the right to a living wage.
- We are calling on the **Polish government** and **appropriate EU institutions** to **raise the legal minimum wage to the level of at least 60% of the national average**, effective immediately, and to make it possible to **gradually increase the legal minimum wage to the level of the estimated living wage**.

GARMENT INDUSTRY IN POLAND

The Polish garment industry has a long tradition but for the last 20 years its scale and significance was gradually diminishing, due to the economic transformation after 1990. An important cause of this collapse was the fact that most of the factories produced in the OPT system (Outward Processing Trade) which meant that clothes were only made in Poland according to the designs of foreign companies, using their materials and often also their machines. Much of the exports is still the so-called outward processing production for western brands. Germany remains the main buyer, as Poland's most important foreign trade partner, followed by the Netherlands, Russia, Austria and the Czech Republic.

The textile and garment industry in Poland has a strong position in the EU, ranking 8th in terms of sales volume, 3rd in employment and 2nd in the number of companies. About 86% of garment manufacturers are referred to as small enterprises, employing less than 50 workers. Also, the sector features a considerable informal economy particularly in microenterprises. In 2014, while employers keep talking about a labour shortage, there were about 5,400 seamstresses registered as unemployed in Łódź – an indication that some of the work is done “under the table.” The reasons are low wages close to the legal minimum wage. A seamstress working “under the table” can earn twice as much if she does not sign the contract. I.e. the seamstress makes up for the low wages by sacrificing her social security.

Owing to the highly skilled workforce and the proximity to the selling markets, Polish garment factories are still contracted to manufacture high quality clothes for foreign brands. Buyers include Hugo Boss, Burberry, Puma, Campus, Levi's, s.Olivier, Disney, Kenzo, Escada, Diesel, Decathlon, Lee Cooper, Mustang, KappAhl, Promod, Bon Prix, Simple. Polish fashion companies manufacturing in Poland are Vistula, Wólczanka, Reserved.

REMUNERATION SITUATION

Despite all the well-known buyers, working in the garment industry creates poverty rather than protecting from it. Most garment workers all over the world earn close to the legal min wage. The minimum net wage in Poland as per 1 January 2015 is 312 EUR net while the subsistence (socio-economic) minimum for a family of four is set at 825.48 €. Moreover the legal minimum wage is even below the mere biological minimum of 449 € for a family of four. The minimum wage is set through tripartite negotiations. The unions unilaterally demand higher minimum wages.

“Such a pay also shows that the worker's self-esteem is undermined and kept low.”

*Another worker adds:
„I thought... well, it was awful, I thought I wasn't making enough to justify the costs of my work. Not only do I work so hard, I don't even deserve what they give me.”*

Another factor for women's meagre wages in the garment industry is the gender pay gap. The Central Statistical Office report *"Women and Men in Labour Market"* indicates that *"the largest gap between average gross remuneration of men and women for October 2012 was recorded in the industrial workers and artisans group. The ratio of the average women's remuneration to average men's remuneration in this group was 66.3%"*. The same report also shows that women working in industrial manufacturing account for a larger share of workers with earnings below the poverty line calculated for a family, i.e. 50% of the national average.

The research *"Working Conditions of Women in the Polish Garment Industry"* of 2005 already stated that it was mostly women, prevalent among the workers that were hit by the changes in the clothing industry. Still, layoffs of seamstresses or cases of unfair treatment did not get much publicity in the Polish public debate. The authors of the report notice that the problems of the garment sector and women are trivialized. Women see themselves as too weak to fight for their rights. It can be said that the female face of this industry refers to the fact that aiming at lower production costs, companies use the weaker position of women in the labour market.

SITUATION OF TRADE UNIONS

The clothing industry is highly fragmented, the wages are low, the working conditions harsh, the employment insecure and the unionization extremely poor. In Poland, in the last 20 years the level of unionization dropped from about 80% of workers to about 14%. This general picture is even worse for the garment industry. Due to the low unionization level there is an imbalance of power and influence on working conditions. Consequently *"the collective agreement for the garment industry"* has not been signed, despite the attempts made in 2001 and 2002. Many employers withdrew from the talks. Collective agreements are a rarely regulating employment relationships in Poland. Moreover, in experts' opinion, the government side has been avoiding social dialogue since 2011. The trade unions are focused on influencing legislation (minimum wage, pension age, trade union act); they fail in direct interventions on working conditions. For example while just 2% of complaints with the National Labour Inspectorate (PIP) are filed by unions, employees file 37%.

"It was not the lack of orders that was the problem? No! We were up to our eyes in work, just as long as we worked without leave, for the lowest wage, did overtime and kept quiet. This hard work made someone very well-off. Everybody knows that with each extra piece there's extra profit, so they press you right till the end."

WAGE RELATED RIGHTS VIOLATIONS

- Wages far below a living wages
- Legal minimum wage sometimes earned only including overtime, working on Saturdays and bonus
- Work pressure through quota and constant pressure exerted by management
- Wide-spread fixed-term contracts renewals through evading the law (i.e. forced breaks in contracts) and forced unpaid leave.
- Overtime payment "under the table" / "off the books"

"There were very few months without overtime or additional Saturdays. It was when a lot of wages were topped up to reach the legal minimum. The workers who performed poorly got an additional Saturday."

FIELD RESEARCH FINDINGS

According to workers, buyers of the researched factories include: **Hugo Boss, Levi's, Vistula** (Polish brand)

Low unionization of the garment industry combined with high fragmentation of the sector made for a very limited access to the employees. In addition, when attempting to reach out to them, we were met with high reluctance and/or fear of speaking up despite ensuring anonymity and confidentiality of the interviews.

The widespread attitude of the management focused on “cost savings” connected with “increasing efficiency” means higher pressure on employees to work even harder for ever lower wages. The research findings in Poland show that, similarly to other countries covered by the CCC research, there is a dramatic gap between the legal minimum wage and the estimated minimum living wage. A particularly disturbing conclusion from the survey is the low level of unionization, seen especially in the region of Łódź, traditionally associated with textile industry. **We recorded excessively low wages, health hazards, poor legal protection in case of illness and the fact that the rights to holiday leave are rarely exercised. However no steps are taken to improve the situation.** Many factories lack enterprise branches of any trade unions. Though harsh in their assessment of the effectiveness of trade unions, the interviewees tend to see them as the only entity they can turn to in need.

In the opinion of most of the interviewees, the National **Labour Inspectorate** PIP does not contribute to the improvement of working conditions in their factories in any significant way. This is confirmed by the 2005 research report on a larger group of workers, concerning employment and working standards in the Polish garment industry. The workers surveyed then talked about how the employers were preparing for an approaching inspection. Such practices were confirmed by all of our interviewees.

What was often emphasized in the interviews was **ill-treatment** by the managing or administrative staff. Workers are constantly informed about the difficult situation of the factory and the need to work even harder or make so-called “small sacrifices.” The instability of the garment industry profoundly affects workers’ mental health as well.

The research shows that garment workers are mostly women and many of them are **single mothers or sole breadwinners** as it is in the case of Maria, described below. I.e. the low wages in Poland’s garment industry is in many cases the family income. The need to do housework and look after children is usually not taken into account. When both parents work, they pay for childcare, whereas housekeeping is unpaid work mostly performed by the women, as it is rare to pay for domestic help.

IN POLAND, AS IN OTHER COUNTRIES, WOMEN COPE WITH THEIR POVERTY WAGES BY:

- economizing on every element of life, referred to as “limiting oneself in everything” and restricting their own needs,
- keeping a home garden, preserving food,
- not fulfilling so-called higher level needs, such as leisure or holidays. This is not just about going on vacation but also about having a real rest and not working another unpaid job at home (making food preserves, farming, sewing),
- working overtime, mentioned as the only way to increase their wages, consenting to get part of the payment (overtime, working Saturdays) “under the table.”

The lack of opposition or protest can stem from a sense of being alone. This feeling was emphasized by the interviewees when asked about the possibility of changes. Lack of leadership, support, dialogue structures or an effective representation contributes to the sense of being left alone. That is why the fact that the issue of the rights of Polish seamstresses entered the public debate is so important.

While interviewed workers at the **Hugo Boss supplier** earned about 312 € net and were actually **not paid the legal minimum wage** (only earned minimum wages with overtime and bonus), workers at the **Levi's supplier** were paid between 541 € and 796 € net and thus above the poverty line.

„I try not to take sick leave for children. If I have to go to the doctor with my kid, I prefer to take a few hours off and then make up for the work missed than to take leave.”

“The situation is pretty bad, they keep telling us that, and that you have to tighten your belt and quit whining. The CEO told us: I do everything according to the law, you can't do a thing to me.”

The legal minimum wage covers 30% of an estimated minimum living wage. Workers’ remuneration, who sometimes are the sole breadwinners in the household, falls very often short of the absolute biological minimum.

MARIA'S STORY – FACTORY WORKER IN POLAND

According to workers, buyers of the researched factories include: Hugo Boss, Levi's, Vistula (Polish brand)

Low unionization of the garment industry combined with high fragmentation of the sector made for a very limited access to the employees. In addition, when attempting to reach out to them, we were met with high reluctance and/or fear of speaking up despite ensuring anonymity and confidentiality of the interviews.

Maria has worked for 12 years in a factory supplying Hugo Boss. In the past, as a young girl just out of vocational school, she was a sewing machine operator in the same factory. Now she works as an "assembler," which means she collects elements from different workstations and takes them to other workstations to be sewn together or finished. Her work requires constant concentration and a lot of running around. After she was transferred to this job, she lost 10 kilos.

„You wouldn't have recognized me” – says this petite, smiling woman with a frame of a teenage girl. – „I was more on the plump side”

She begins her work by laying out the right batches at the workstations at 5.20 a.m. She signs the attendance list at 6 a.m., though, so about 40 minutes per day are not included in her official working hours. The wage in April was 794.40 zlotys, because before Easter all the staff received an advance payment of 500 zlotys. Easter was just before pay day so the management made a gesture and paid part of the wages as an advance. Of course Maria put this advance aside to pay the bills, she did not splurge on Easter.

“I thought they wouldn't deduct this advance from our wages, though I stashed it just in case. They could've repaid us for those extra hours we worked last year. Practically, every other day we worked 10 hours and 2 extra Saturdays a month.”

The workers tried to fight together to be paid for those extra hours they worked last year, amounting to a dozen or even several dozen days of unpaid work. In response to a letter from a lawyer that the workers clubbed together to pay for, the CEO of the factory just laughed. At a meeting with the staff before Christmas, he announced he would pay when a suitable profit was achieved, and as for now he was not able to.

To be at work at 5.20 a.m., Maria could take a bus from her town but the ticket is 3.20 zlotys one way, so she prefers to walk the 4 kilometers on foot. She gets up after 3.00 a.m. to get ready, wash, get to the factory and start work at 5.20. She usually finishes at 2.00 p.m.

“You have to meet the quota within 8 hours. They make us worried and scared, constantly saying that we are falling behind and you don't know how long the orders will last. And if we don't like it, 'he's not forcing us, we can quit.'”

Her husband and son do not work, at least at the moment. If they manage to find a casual job, they earn about 1000 zlotys each, even though construction work is hard. Maria's low but permanent earnings are for now the family's main source of subsistence.



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