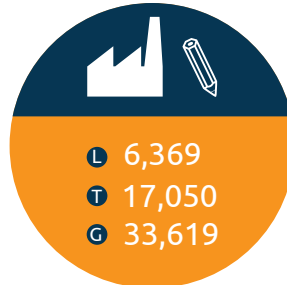


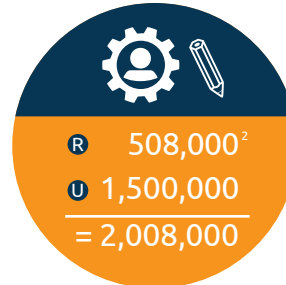
Population (2013)



Registered garment factories (2012)



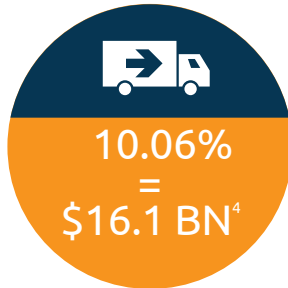
Employees in the garment/shoe industry (2012)



Share of employment in the garment/shoe industry in total employment



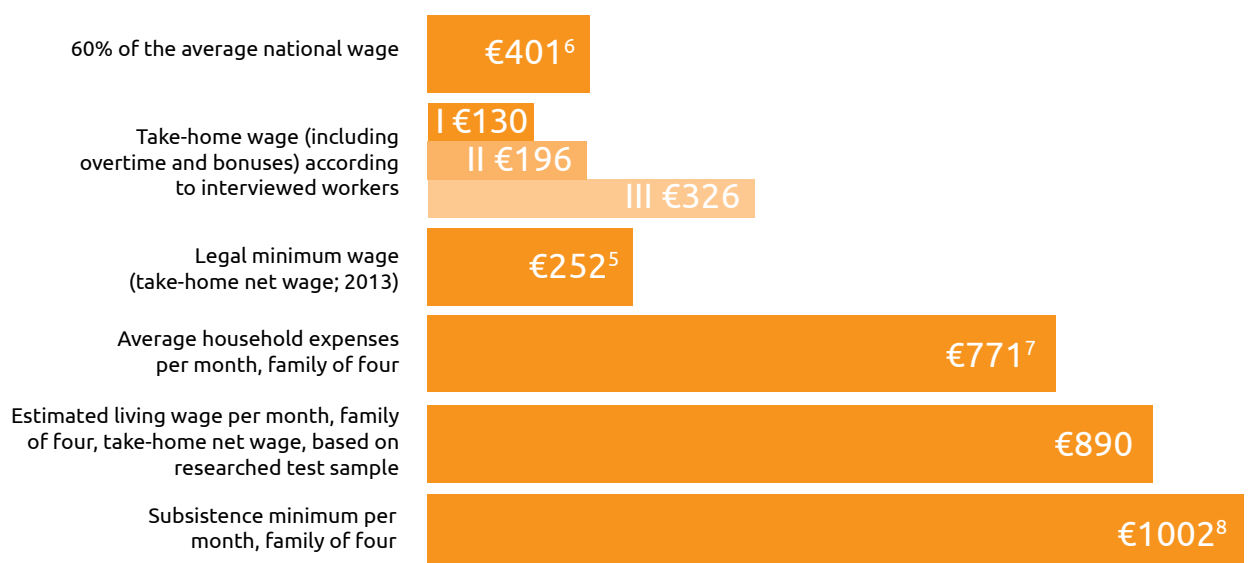
Share of garments/shoes in total exports (2012)



Over the past 25 years the garment industry in Turkey has been growing slowly and steadily. The textile, garment and leather sectors are the leading sectors of Turkey's economy because of their shares in GDP, total employment and exports.

L leather T textile G garment R registered workers U unregistered/informal workers (estimation)

WAGE COMPARISON



I ateliers Eastern Anatolian region II factories Eastern Anatolian region III factories Istanbul

DEMANDS

- ▶ As a **first immediate step**, global buyers have to make sure that workers in Turkey 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.
- ▶ Enter into **dialogue with unions** and labour / human rights organisations on ending abusive labour practices and urge supplier management to stop these practices
- ▶ **Take responsibility** for and control supply chain including **informal work**,
- ▶ Ensure code of conduct, and **national and international regulations** are **implemented throughout the supply chain**, especially in relation to wages, overtime, and freedom of association
- ▶ Ensure **workers, trade unions and NGOs are consulted in auditing processes** and corrective action plans

GARMENT INDUSTRY IN TURKEY

In Turkey about 508,000 workers are registered in the garment and leather industries (excluding the textile industry) and about 1.5 million are estimated to be working informally in this industry.

While post-socialist countries' main activity in the global supply chain of garments is sewing, in Turkey all parts of the textile chain can be found. The Turkish fashion industry sources more and more from the whole Euro-Med-region including the post-socialist countries of the Balkans and the Caucasus.

Over the past 25 years the garment industry in Turkey has been growing slowly and steadily. The textile, garment and leather sectors are the leading sectors of Turkey's economy because of their shares in GDP, total employment and exports.

Between 1980 and 1999, the textile and apparel industry grew to become the country's largest manufacturing exporter with an annual growth of 20.5%. Due to the availability of raw materials, especially cotton, relatively low labour costs, proximity to Europe, and the customs union agreement with the European Union, the textile and apparel industry was able to greatly increase its exports from US\$ 777 million in 1980 to US\$ 9.9 billion in 1999. In 1999, due to an earthquake, economic problems, and currency fluctuations, Turkey faced a fatal drop in total exports for the first time in thirty years. Nevertheless, the textile and garment sector recovered between the years 2000 and 2007, and exports increased by more than 100%. In 2007, exports reached US\$ 16 billion a year. Production in the textile and garment sectors declined again in 2008 and 2009 due to the global economic crisis.

Interviewees said these buyers or brands produced in the researched factories: ZARA, Hugo Boss, Mayerline, Otto, Benetton, LC Waikiki, De facto, Julietta

"There is nothing in our hands; we are only surviving on a daily basis."

"If there is no overtime, there is no money. But we need overtime because of the additional money. Because our wage is not enough as you can see. How can I make my living when I pay 950 TL for our house and what remains is not enough for the rest of the cost?"

However, these sectors recovered remarkably after 2010. One of the regions in Southeastern Turkey where garments are produced is being advertised with the slogan “Cheaper than China”. Investors are lured to the region by promises such as that garment workers only get paid minimum wage.

The industry is mainly composed of small to medium-sized businesses. Most of the state-owned enterprises have been privatized and the private sector now dominates the industry. The largest share of exports is made to Germany (21.4%) with Spain and UK coming in second and third, respectively. Other crucial EU markets are France, the Netherlands, Italy, Denmark, Belgium, Sweden, Poland and Romania.

WAGE RELATED RIGHTS VIOLATIONS

- Wages far below a living wage
- Under-reporting of workers' wages and overtime in order to avoid paying taxes and social security contributions
- Unregistered workers without legal protection or social security
- Long-term apprentice and trainee-status of workers depriving them of higher wages, severance and termination rights and annual leave
- Excessive overtime, overtime not paid according to the law and inability to refuse overtime
- Wage deductions for being ill
- Necessity to work multiple jobs and/or rely on agriculture in order to survive
- Barriers to organizing due to very restrictive trade union legislation, informal employment or subcontracting, threats, discrimination, dismissals, blacklisting, violence, and harassment
- Barriers to collective bargaining due to restrictive regulations

FIELD RESEARCH FINDINGS¹⁰

The research focused on different levels in the supply chain: one factory in Istanbul, two factories in the Batman region (province in the South-East of Turkey, Eastern Anatolian region) that work as subcontractors, and one atelier in the Batman region that works as the subcontractor of a subcontractor. The field research shows how wages decrease and vulnerability increases towards the end of the supply chain. Usually factories in Batman produce for companies who are suppliers and producers of big international brands in big cities well connected to international market such as İstanbul, İzmir, Bursa.

CASCADE OF WAGES AND VULNERABILITY

While workers in Istanbul can earn wages (including overtime) of around 1000 TL (326 Euro), workers in Batman factories earn between 600 to 900 TL (196-293 Euro), and workers in the Batman ateliers can earn as little as 400 TL (130 Euro) per month including overtime.

Workers in all researched workplaces stated that the wage is far from granting the minimum subsistence level. Workers in Batman claim they always have to draft advance money, usually 200-300 TL (65-98 Euro) from the workplace to make it to the end of the month.

“We were working very hard before the struggle, but the struggle was also costly. Any way, if I were in the same position, I would do it again. Never hesitate. I am not regretful”.

One of the factories in Batman employs between 80-90 workers whilst the other employs 220-230 workers, of whom 30-40% are unregistered and therefore deprived of their most basic social benefits. The two researched factories supply well know brands including H&M and Zara/Inditex.

Additionally to the two factories, a small atelier (subcontractor of the local factories) was researched. The atelier employs 18-20 workers. The workers are Kurdish women and unregistered. As unregistered workers, they have difficulties in obtaining health services. For more serious problems they have to go to the hospital which they have to pay for themselves. They state that they “are trying hard not to get ill”. Among the workers there were also workers from Syria. An 18 year old female worker from Syria was working there for two years without any legal protection.

EASTERN ANATOLIAN REGION - TURKEY'S CHEAP BACKYARD

Interviewed workers in the Batman region are mainly young women aged between 18 and 30 years. These young women try to prepare their dowry until their marriage. They buy clothes and other fabrics for that purpose. Although the majority of them are planning to quit their job after marriage, they also consider their job as an opportunity to go out of their home and socialise. Work, even though its conditions are not good, is still a space for women to earn their life and feel freer than staying at home. They earn approximately 730 TL (238 Euro) per month and their monthly average living costs are 1,020 TL (332 Euro), which is exactly the hunger level that was publicised by the Confederation of Turkish Trade Unions. The women try to cover the gap between their needs and wages by doing overtime. Since overtime payments are not paid at a higher rate, they are only able to earn 160-200 TL (52-65 Euro) per month when they do 30 and 50 hours of overtime. Without overtime workers were not able to meet their most basic needs, even though they already sacrifice most of their needs, such as education of children, cultural activities, clothes, shoes, holidays, health, or maintenance of their houses.

EXCESSIVE WORKING HOURS FOR LESS THAN A STARVATION WAGE

Normal working hours in the Batman region are around 10-10.5 hours per day. Additionally, interviewed workers usually had to work overtime until 21.00 two or three times a week as well as on Saturdays until 13.00. Workers indicated that they didn't know exactly how their overtime payments are calculated; however, most of them think that they are not being paid a fair wage. In smaller ateliers, workers are often not registered and therefore deprived of their most basic social insurance benefits. Workers in the ateliers stated that they start working at 9.00 and had to work sometimes until midnight or even until the mornings if needed.

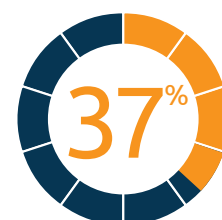
Depending on the region and position within the global supply chain, workers can earn between 130-440 Euro per month, including overtime and bonuses. Without overtime, workers in the Batman region can just make between 87-134 Euro per month. A living wage was estimated by the interviewees to be around 890 Euro per month for a family of four

Workers complain about having “zero social life” and none of them even think about going on a holiday with their families. When workers talk about holiday, they usually use words like “dream”, “heaven”, “luxury for us”.

THE AVERAGE NET WAGE of the interviewed garment workers covers between



(Eastern Anatolian region) and



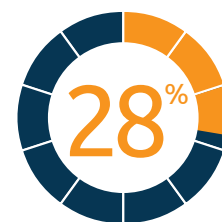
(Istanbul) of a minimum living wage.

The average salary including overtime of the interviewed garment workers in Istanbul

€ 326

does not cover the family expenses and is even below the hunger level for one person as defined by the Confederation of Turkish Trade Unions (332 Euro)

The legal minimum wage covers



of a minimum living wage.

N'S STORY – FACTORY WORKER IN TURKEY

N is 30 years old. He quit middle school to go to work because his family wasn't able to pay his school fees. He had to contribute to his family's budget so he started working in the textile and garment sector as a child worker. After working in different jobs in the industry, the factory where he worked was closed down. After the closure, he applied at another factory in Istanbul. He has now been working for that factory for seven years.

He didn't know anyone in the factory when he started working there. Now, he has a lot of good friends thanks to the struggles they are going through. He says: "We were seeing each other more than our family members. 12 hours a day at that time. But we did not like each other; we were competing at the beginning. Thanks to one of our friends, we learnt to be friends first. Then we learnt to struggle together. We were working very hard before the struggle, but the unionizing was also costly. Anyway, if I were in the same position, I would do it again. Never hesitate. I am not regretful". He is now working in the machine section as an operator. He has no other training or education related to his job.

He is married, and has two children. His daughter is 5 years old and his son is 3 years old. He lives with his children, his wife and his mother. His wife does not work because she has to look after the children together with his mother. He lives quite far away from the factory. He wakes up very early every day, at around 05.00 and returns back home at 17.00. He works six days a week. His small son has a lot of health problems and often gets sick. Since N is a registered worker, his son is also under the protection of health insurance. "One of the most important things in our lives" he says "without health insurance, we cannot survive".

Last month, his wage was 1350 TL (440 Euro) and he received 200 TL (65 Euro) for transportation costs and 100 TL (33 Euro) minimum living allowance. Wages are usually paid on time on the 7th of the month and they can take advance payments every 22nd of the month. Before they got organized, they were working 12 hours a day for the same money. The downside is that they don't have any overtime now. "This is another problem" he says, because if "there is no overtime, there is no money. But we need overtime because of the additional money. How can I make my living when I pay 950 TL (310 Euro) for our house and what remains is not enough for the rest of the costs?"

He spends 200 TL (65 Euro) for food. He says they cannot buy meat or meat products and they mostly eat meat during the Kourban feasts once a year. They usually buy vegetables from the open air bazaar which is cheaper than super markets. His family also receives some support in form of a dried foods packet from their relatives from their hometown. He says that since he has that much debt, there is no money to put aside for any urgency. But he still thinks that he has a reason to be hopeful. "Because" he says "we will sign a Collective Bargaining Agreement very soon. Then our wages will be raised and we will have no more fear of being fired." "I am hopeful" he says "for my son and my daughter".

¹ <http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=15844>

² Registered garment and shoe workers according to the Ministry of Labour, data as of June 2012

³ www.invest.gov.tr/en-US/investmentguide/investorguide/Pages/DemographyAndLaborForces.aspx

⁴ <http://www.timakademi2023.org/wp-content/themes/a23/docs/tekstil-hazir-giyim.pdf>

⁵ Ministry of Labour: www.csgeb.gov.tr/csgebPortal/ShowProperty/WLP%20Repository/csgeb/dosyalar/istatistikler/net_brut_asgari_uc, May 31, 2013

⁶ <http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=16200>

⁷ <http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=13579>

⁸ The Minimum Wage Fixing Commission asked the Turkey Statistical Institute (TUIK) to determine an amount for livelihood. This amount was calculated by TUIK as net 1025.40 TL in November 2012. In the structures of this calculation, the family of the worker is not taken into consideration, so this is a basic consumer basket for one worker and currently the only available official data. For this overview, the subsistence minimum for a family was calculated with 3 consumption units based on the basic consumer basket for one worker

⁹ <http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=16200>

¹⁰ During August and September 2013, a total of 45 qualitative interviews with workers from 4 different factories were conducted.

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