



Report

WORKWEAR in TUNISIA



December 2017

WORKWEARS in TUNISIA

By :

Mounir HASSINE

Amani ALLAGUI

And

Zied HADJ AYED

Contents

I.The status of the textile and wearing apparel sector in the national economy	03
II.General framework of the textile industry	04
1. Hierarchical structure	04
2. Characteristics of the workforce	06
3. Challenges and difficulties of the textile sector	07
III.Geographical distribution of the textile and clothing industry in Tunisia	08
IV.The structure of the textile sector's enterprises in Tunisia	09
V.The industry of Work wear in Tunisia	11
1. The sector of Work wear in Tunisia	11
2. German work wear factories in Tunisia	13
VI.Tunis KONITEX enterprise..	15

I. The status of the textile and wearing apparel sector in the national economy

The textile and wearing apparel industry is one of the main sectors on which the Tunisian industrial economy is based. It represents about 32% of the total industrial enterprises in the country with 1603 enterprises until October 2017 and employs more than 158,000 workers, representing about 34% of the total industrial labor force.

The textile and wearing apparel industry remains an important sector despite its continuous decrease since the cancellation of the multi-fiber agreements in 2005; the number of enterprises has dropped from about 2500 in 2005 to 1603 at present, as well as the number of labor force which fell from more than 250,000 workers in 2005 to about 158,000 workers now. Which means that it lost more than 1/3 of the number of enterprises in 10 years.

Evolution of the number of enterprises and employment			
	2005	2015	2017*
N° of enterprises	2500	1788	1603
N° of workers	250138	172336	158301

(*: until October 2017)
Source: Agency for the Promotion of Industry and Innovation (APII)

This industry contributes about 5,500 million Dinars (2.3 million Euros) in Tunisian export, which represents about 20% of the total value of Tunisian export and contributed to the industrial GDP in 2016 to 1955,30 million Dinars which means 18.25% of the total gross domestic product of all industries. It is the third largest export sector after the mechanical, electrical and food industries.

Gross domestic product (GDP) for various industries					
	2012	2013	2014	2015	2016
Added Values of the Manufacturing Industries Sector	10 346,8	10 506,4	10 600,6	10 598,7	10 713,90
Added Values of the Agribusiness Industries Sector	1 989,9	2 039,4	1 988,7	2 094,5	2 148,80
Added values of the Textile, Clothing and Leather sector	2 005,7	2 053,9	2 049,2	2 025,1	1 955,30
Added values of the Miscellaneous Industries sector	1 041,0	1 040,5	1 073,6	1 083,7	1 090,80
Added Values of the Oil Refining Sector	180,2	166,5	153,3	125,4	123,2
Added values of Chemical Industries	931,8	962,0	940,6	890,7	974
Added values of the Building materials, ceramics and glass sector	929,0	965,2	1 017,6	1 011,8	1 000,50
Added values of the sector Mechanical and electrical industries	3 269,3	3 279,0	3 377,6	3 367,7	3 421,20

Unit: million Dinars Source: National Institute of Statistics

The decrease in the status of this sector in the economy is due to its fragile nature, its weak competitiveness, its strong dependence on the European market and its inability to cope

with the changes that occurred following the cancellation of the multi-fiber agreements and the end of the quota system. Which forced it to open up to global competition under harsh conditions which have deprived it of its competitive position in terms of cost, which represented the most important element of attracting investment in this sector, causing erosion of the profits margin of enterprises as a result of the continuing decline in prices of fabric products of medium and simple quality in the global market.

II. General framework of the textile industry:

1. Hierarchical structure: Tunisia's textile sector is organized according to a pyramid structure consisting of three levels of varying importance, influence and ability to control the sector.

- **At the top level:** We find the world's leading companies and brands, which represent the strong and influential party in the textile industry. This party is the decision maker in this market. It therefore determines the conditions of production, by imposing costs, prices, production time and quality, and imposing strict contracts that oblige the owners of the implementing enterprises to comply with its terms. They often legally disclaim their social and environmental responsibilities by adopting a subcontract formula in the industry.
- **At the middle level:** We find textile platforms that play the role of mediation in the subcontracts between the global brands and small subcontractor enterprises, and owns a number of sewing and processing enterprises and laboratories, through which the framework and conditions of production, cost and technical requirements, and all the supplies for the completion of work are being determined. They lead the negotiations with distributors and decision makers on the cost and time of production, delivery schedules, etc., and impose the same unfair conditions on other enterprises engaged as subcontractors).
- **At the bottom level:** We find the subcontractor enterprises and they represent the weakest link as it is mostly limited to passive conversion (sewing services).

This hierarchy reflects the unequal relations between the various actors in the textile sector, which appear in the study of how to distribute the surplus value between the three levels; All data confirm the existence of large differences between what the big international companies and brands which are decision-makers gain and what the enterprises working as subcontractors in this sector obtain, especially the share of workers in this sector defined by the weak wages, whose value continues to decrease under the impact of the sharp rise in prices and the collapse of the value of the dinar.

The cost of production is determined by the minute. Added to that other costs include raw materials, spare parts, cutting, processing, rolling, etc. The average production time is determined by international companies and brands. The price of the minute of work is determined according to the pieces and according to the prices quoted in the global market, which are often imposed by these companies. It is noted that the determination of the time required for production falls under conditions that do not resemble the conditions at the production factories. Which is a major burden on workers, often representing an area of

violation of their rights; if they can't respect the pre-set period of production, the extra time will not be counted in salvation. The average price per minute is about 0.172 Dinars (0.06 Euros) in sewing fashion wears and 0.22 Dinars (0.07 Euros) in sewing work wears. The difference between the profits achieved by the international companies (brands) is 8 times the profits of the subcontractor enterprises. Also, the wages earned by the workers represent only about 3.5% of the profit achieved by global companies and brands. Wages are defined according to the joint agreement of the textile sector, which is currently 2.391 Dinars on hour (0.81 Euros). To get a monthly wage of about 450 Dinars (150 Euros per month), and this shows the great disadvantage experienced by women workers in this sector, which relies mainly on a low-wage worker. Overall, large companies and distributors are deliberately exploiting the competitive conditions imposed by the global market to determine the cost of production in sewing factories under subcontracting contracts, imposing the price per minute and reducing the workload.

The current policies of these companies are aimed at reducing the cost of production from the overall cost of the product, through the globalization of this sector, which is higher in poor countries of South Asia. Since the "Rana Plaza" incident, they have moved to look for new locations in sub-Saharan Africa searching of more favorable conditions for exploitation and to avoid surveillance.

- The textile and garment sector is subject to the Labor Code, which was reviewed in the mid-1990s to accommodate the new changes imposed by globalization, its most important part is the adoption of the principle of flexibility in operating, which approved all forms of fragile work such as fixed-term contracts and permanent contracts just under certain conditions, part-time work, subcontractor workers and others. The sector is also subject to the provisions of the joint agreement of the textile sector, which specifies the laws of the sector, grants and wages and classifies its workers into two categories:

- Workers whose wages are defined by month, like executives and some other specialties.
- Workers whose wages are determined by hour and include the majority of workers in the sector according to the categories in the production stages, most of them are third category who are the sewing workers. The agreement provides for wage adjustment as agreed by annual social negotiations between the Government, the Tunisian General Labor Union (UGTT) and Tunisian Union of Industry, Trade and Crafts (the bosses' Union: UTICA). The recent agreement on wage increases in 2016 triggered a crisis within the bosses' union because most enterprises refused to raise wages by 6% and led to the dissolution of most of them to establish their own union under the name of "the Tunisian Federation of Textiles and Clothing" in March 2017, which has a total of 528 employees who hold about 70% of the labor force in the textile sector. This new union announced its rejection of the March agreement on the wage increase in the textile sector, which was signed by the Union of Bosses, and demanded the opening of new negotiations with the government on this issue, as they represent the majority of the sector. It accuses the Union of bosses of agreeing to an increase in wages in the textile sector, without consulting all the owners of the enterprises and without taking into account the specificities of the sector and its fragile economic situation. It claims that the increase in wages will strain the sector's enterprises by increasing

the cost of production by 12.35%, while the wage mass in this sector represents between 70% and 75% of the total cost of production. The working hour of the sewing worker category (1) is currently estimated at 2.391 Dinars (0.81 Euros). Workers in the sector are subject to 48 hours per week at a rate of 208 hours per month. The daily working hours range from 8 hours to 10 hours, with just half an hour for lunch, generally between 11:30 and 13:00, though it must be an hour according to the law. Most enterprises in this sector prefer working 9 hours a day.

The sector is also subject to the investment Code, recently reviewed, which provides more incentives, privileges and tax exemptions in the context of encouraging investment such as:

- Exemption from performance on imported materials that are converted into wholly exporting foreign enterprises.
- Exemption from performance on income on the number of transactions and profits for 10 years renewable for the exporting enterprises.
- Exemption from indirect performance on materials, equipment and services purchased from the local market.
- Partial exemption of the social charge of funds and the cost of infrastructure services for the enterprises of the free zones.
- The abolition for enterprises with 100% foreign capital, of the preliminary authorization of the institution charged with the control, in this case the superior commission to the investments.

2. Characteristics of the workforce:

- Women represent the vast majority of the workers in the textile and sewing sector by 86% and workers on sewing machines about 80% of workers in this sector. Women are abundant labor with low wages and work for a limited period, the average length of employment of women in the sector is about 20 years, and their employment is often complementary to family income.
- More than 80% of workers in this sector are between 18 and 35 years of age. The textile enterprises prefer young workers due to their high returns and productivities. Older workers are excluded from work in two ways. The first is not renewing the work contract for those working under the fixed term contract (CDD). The second one is through the sudden closure of the company for those working under the permanent contracts (CDI) and that result in protests and disputes in the courts which end with the disappearance of the enterprises and the violation of the rights of workers despite the provisions issued for their benefit.
- Most of the workers in this sector are single, while married women make up about 35% and 91% of them have children.
- About 55% of the women working in this sector are from internal areas and live in difficult housing conditions due to their low wages and are more vulnerable to violations.
- 85% of the labor force in this sector have a level of education which does not exceed the secondary school, of which 45% at the primary level and about 7% illiterate.

- More than 90% of the workers in the sector belong to the poor and middle classes and the fragile social strata. About 40% of them are the sole breadwinner for the family. About 20% live on less than \$ 1 per day because of poverty.
- About 1/4 of the workers in this sector do not benefit from social coverage due to the violations recorded in this sector, and this is reflected in their right to health, as they have to bear the burden of high health expenses.

Overall, the labor force in the textile and sewing sector represents an important factor available at low wages, who are exploited wildly by the sector's interventionists and controllers directly or indirectly, by violating their rights in inappropriate working conditions and in labor relations imposed by laws and labor contracts within the flexibility of work.

3. Challenges and difficulties of the textile sector

The textile sector today faces major challenges that seriously threaten the future of this sector and are reflected on the operational relations between the different parties involved, the most important of these challenges are:

- The weakness of the structure of this sector, which makes it fragile and unable to keep abreast of the changes in the textile sector on the international level.
- The weak competitiveness of this sector, which depends on its openness to global competition to the advantage of low wages provided by cheap labor force.
- Excessive dependence on the European market, which makes this sector work mainly for distributors and large companies that loot the excess production of workers by imposing harsh conditions on behalf of competition mechanisms and conditions of market economy.
- The impact of the cancellation of the multi-fiber agreement, which led the sector to lose one of the most important features that it used to have to ensure a share in the global markets.
- The various crises that were directly reflected on the situation of the sector, especially the crisis in the euro area and the deterioration of the security situation and stability in Tunisia, especially after the revolution, which prompted many investors to leave the country and reduce investments in this sector.

These challenges and impediments are reflected in the labor market in this sector, the workers are forced to submit to the conditions of employers and to ignore violations of their economic and social rights within the equation between 'the acceptance of underemployment and inappropriate work' or 'the unemployment'.

And the most important obstacles hindering the textile and sewing sector in the region are:

- The limited diversification of the markets to which this sector is exporting, since 95% of the exports of this sector are to the European market and mainly to France 33% and Italy by 29% and Germany by 14%.

- Excessive dependence and connection to one client is characteristic of the majority of the subcontractor enterprises in this sector, which weakens their ability to develop and therefore remain hostage to accepting the unfair conditions of the controllers in this sector of large distributors and major companies.
- Concentration on the supply of highly-priced raw materials imported by 85% of the European market, especially from Italy (27%) and France (20%), while the rest of the supply markets are limited, such as Turkey (8%) and China (6%).
- The weakness in percentage of added value achieved by this industry as a result of its location at the bottom of the production chain and its specialization in the field of cheap sewing services, which makes it unable to cope with the changes taking place in the global textile industry, which is developing towards a "surplus value cost" approach where the cost of production represents only a fraction of the total cost..

III.Geographical distribution of the textile and clothing industry in Tunisia

The textile and clothing industry is mainly concentrated in the center and north-east of Tunisia, with 83.17%.

Monastir is the first governorate to attract the industry, with 491 enterprises in 2017 representing 27.46% of the total textile enterprises in the country. It employs 47210 workers, representing 27.39% of the total labor force in this sector. In the second place is Greater Tunis, which hosts 19.23% of the total enterprises and 12.37% of the labor force, followed by Nabeul respectively with 11.85% and 15.08%, Sousse with 11.57% and 8.29%, Sfax with 7.7% and 5.85% and Bizerte with 5.31% and 11.32%. The rest of the Governorates of the country do not exceed 16.83% of the total enterprises and 19.67% of the labor force in this sector.

Enterprises and workers in 2015 by governorate				
Governorate	N° of enterprises	%	N° of workers	%
Monastir	491	27,46	47210	27,39
Greater Tunis	344	19,24	21319	12,37
Sousse	207	11,58	14297	8,30
Nabeul	212	11,86	25990	15,08
Sfax	138	7,72	10095	5,86
Bizerte	95	5,31	19520	11,33
Others	301	16,83	33905	19,67
Total	1788	100,00	172336	100,00

source: APII (Agency for the Promotion of Industry and Innovation)

Most of those enterprises are located in urban areas of small and medium-sized towns and coastal villages, outside the industrial zones in spaces that are usually unprepared for this

activity. They look like medium-sized warehouses (500m² and 1000m²) which are located in residential areas and are poorly ventilated and dimly lighted. The majority do not respond to the conditions of the work Code; we don't find the necessities for workers' comfort from break rooms, eating rooms, showers, sanitary facilities, first aid rooms/nursing rooms and others.

IV. The structure of the textile sector's enterprises in Tunisia

- This sector is characterized by weakness and fragility of the enterprises. Most enterprises are of medium and small size, the average number of workers in this sector is 96.38 which means less than 100 workers by enterprise. The enterprises with less than 50 workers represent more than half. The big enterprises (more than 300 workers) represent just 6% and employ 1/3 of the workers in this sector. 80% of the enterprises are specialized in sewing and 90% of them are totally exporting. This means that they are at the bottom of the production chain, at the sewing service level, which is characterized by low capital density, technology and added value, unlike the enterprises in the high production chain. Moreover, these enterprises do not have significant competitive capacities, which makes them subject to the conditions of the decision-making companies. So they should respect and listen to the Major companies (the brands) which take all the decisions and control the global textile market on imposing the rules and conditions of the work in this sector, also on controlling the cost of production by determining the price of the minute, the time needed for production and the quality; all this by imposing very strict contracts which don't respect the specificities and the conditions of production in producing countries.
- Most enterprises in this sector are subcontractors of the second level, whose role is limited to passive conversion. They are often employing not very competent workforce, and are therefore subject to global companies and brands. They depend on the continuity of the privileges granted by the Code investment.

The enterprises in this sector are distributed by activities as follows:

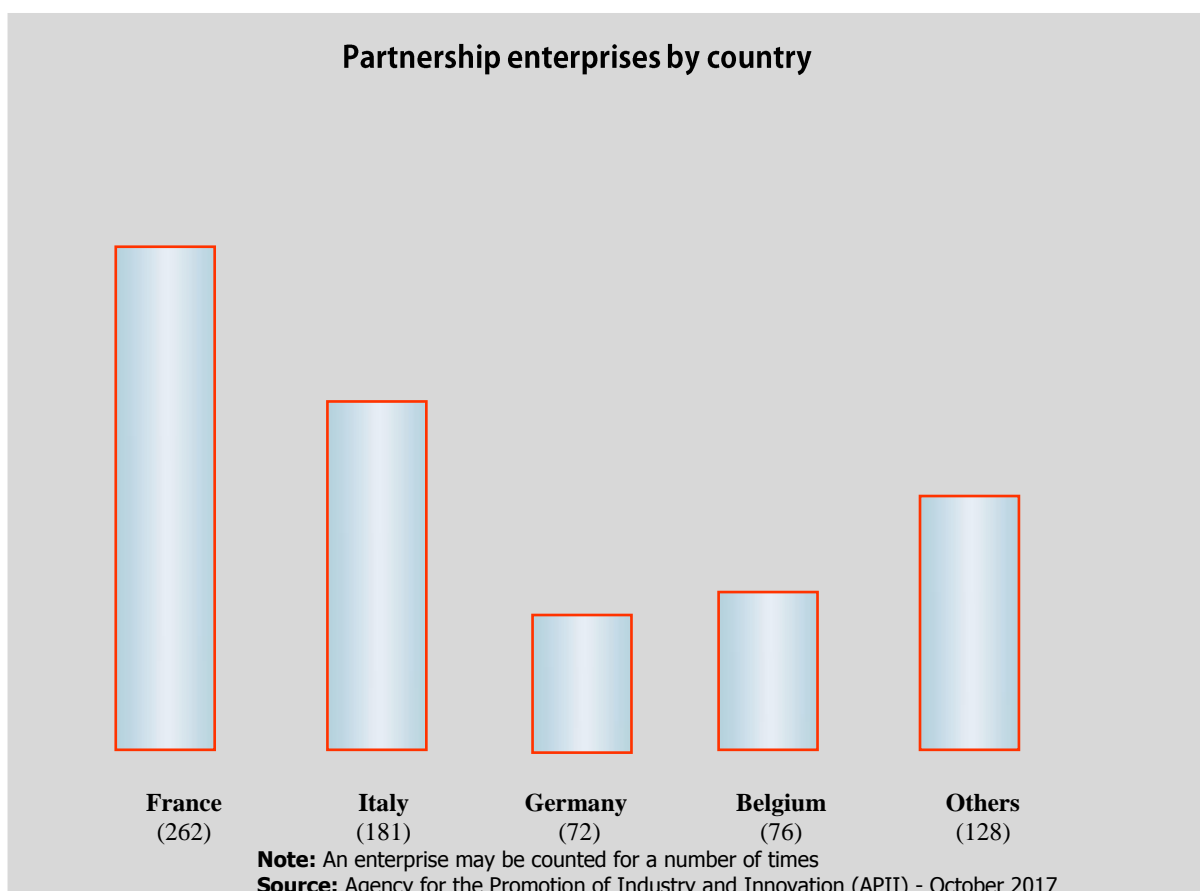
Enterprises employing 10 or more persons by activity and regime (October 2017)			
Activity	TE*	OTE*	Total
Thread	4	18	22
Fabric making	11	14	25
Finishes	30	12	42
Hosiery	131	33	164
Manufacture of fabric and knitted wear	1066	147	1213
Other textile industries	202	98	300
* TE: Totally exporting * OTE: Other than totally exporting. Note: An enterprise may be counted for a number of times			
source: APII (Agency for the Promotion of Industry and Innovation)			

- These enterprises are characterized by dynamism and instability, with an enterprise average age in this sector being less than 10 years, and most of them have seniority of less than 5 years, which often disappear after 5 years of work, to be refunded later under a new

legal name. And this in order to obtain the privileges mentioned in the investment Code, and to get rid of their duties towards the workers.

One of the main consequences of this situation on the rights of workers is to deprive them of permanent contracts, forcing them to work for a long time without having any guarantees of stability in their work. Which deprives them from having their rights in case of dismissal or closure of the factory and they can't access the different systems, like banking and others to improve their situation. Especially that the Labor Code states that the worker must be demarcated (have a permanent contract) if the duration of his employment with the fixed term contract exceeds four consecutive years of work. In spite of that, we find that more than 75% of the workforce in this sector is governed by fixed-term contracts.

- 42% of the enterprises of this sector are foreign or partnership (the owners are Tunisian and foreign) enterprises and 96% of them are fully exporting.
- The number of foreign and partnership enterprises is 675, representing 42% of all enterprises in this sector. France ranked first with 262 enterprises, that is 38.8% of all partnership enterprises, followed by Italy with 181 enterprises (26.8% of the total), Belgium with 76 enterprises and 11.2% of the total and Germany ranked fourth with 72 institutions and 10.6% of the total.



This industry is characterized by a strong dependence on the European market, which is highlighted by the indicators of trade in this sector.

On the export level, the total value of the sector's exports amounted to 4983 million Dinars (2.258 million Euros) in 2015. The value of exports of the sector has decreased

continuously under the impact of the cancellation of multi-fiber agreements, the fierce competition of Asian countries in this sector and the continuing decrease in the prices of clothing in the global market.

The sector's exports are mainly made up of trousers (jeans and others) with 27.16%, Pull-over and Tee-shirt with 17.2%, work wear by 9% and underwear by 7%.

The European Union monopolizes 95% of the exports of the sector. Within it, 6 countries monopolize 93% of Tunisian textile export: France, Italy, Germany, Belgium, Netherland and Spain, with only 3 countries accounting for 76% of these exports: France 33% , Italy 29% in second place and Germany with 14% in third place.

On the level of imports, it reached 1727 million Euros (3810 million TND) in 2015. The value of imports has risen steadily since 2005, under the influence of rising prices of raw materials (fabrics, yarns, etc.) in the global market. The fabrics account for 62% of the sector's total imports and the denim fabrics 16%. In total, the sector supplies more than 450 million meters of fabric per year.

The dependence on supply to the European market, which monopolizes 85% of the sector's imports, stands out, with Italy and France leading the list.

Overall, the EU alone monopolizes respectively 95% and 85% of the sector's exports and imports. The trade balance of the sector recorded a continuous decrease, under the influence of the decline in the value of exports and the increase in the value of imports and the continuous collapse of the value of the dinar.

The value of trade balance decreased from 813 million Euros (1525 million Dinars) in 2009 to 531 million Euros (1173 million Dinars) in 2015.

This dependence on the European market is stifling the sector and keeping it under the mercy of the big companies and distributors, that impose strict conditions and strict standards which increase their vulnerability and make them very sensitive to changes in the European market.

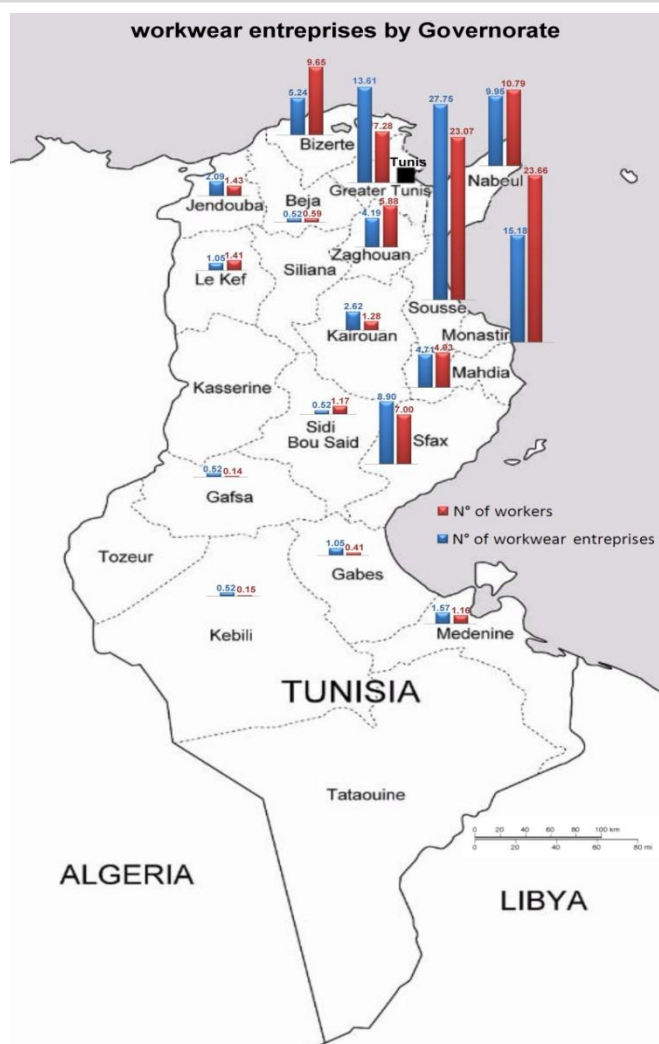
V.The industry of Work wear in Tunisia:

1. The sector of Work wear in Tunisia

There are 191 enterprises specialized in work wear, which represent 12% of all enterprises in the textile sector. They employ around 17.000 workers (10.7% of total labor force in this sector). The industry is mainly concentrated in the coastal governorates, in the center, and in the north-east, which alone monopolizes 89.5% of the total enterprises and 92.2% of the total labor force in the work wear industry. The Sahel ranked first in the industry with 47.6% of the total enterprises and 51.6% of the total labor force. In the second place, this industry is concentrated in Greater Tunis with 13.61% and 7.28%, respectively, followed by Nabeul with 9.95% of enterprises, 10.79% of workers and Sfax with 8.9% and 7%. The average size of enterprises in this industry is 89.4 workers, and the size of enterprises in this sector varies by governorates. Bizerte ranked first with 164.8 workers, followed by Monastir (139.3 workers), Zaghwan (125.5 workers), and the rest of the governorates with less than 100 workers.

Work wear Enterprises by Governorate				
Governorate	N° of work wear enterprises	%	N° of workers	%
Greater Tunis	26	13,61	1244	7,28
Beja	1	0,52	101	0,59
Bizerte	10	5,24	1648	9,65
Gabes	2	1,05	70	0,41
Gafsa	1	0,52	24	0,14
Jendouba	4	2,09	245	1,43
Kairouan	5	2,62	219	1,28
Kebili	1	0,52	25	0,15
Le kef	2	1,05	241	1,41
Mahdia	9	4,71	842	4,93
Medenine	3	1,57	198	1,16
Monastir	29	15,18	4042	23,66
Nabeul	19	9,95	1843	10,79
Sfax	17	8,90	1195	7,00
Sidi Bouzid	1	0,52	200	1,17
Sousse	53	27,75	3941	23,07
Zaghouan	8	4,19	1004	5,88
Total	191	100,00	17082	100,00

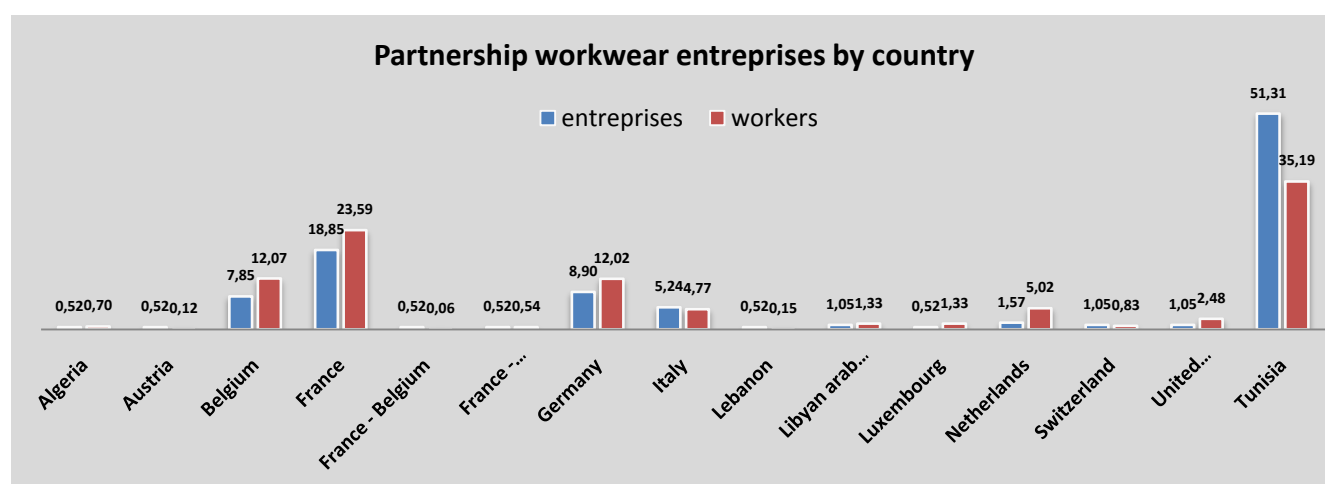
Source: Agency for the Promotion of Industry and Innovation (APII)



Of the 191 work wears enterprises in the sector, 93 are foreign enterprises or partnership enterprises, accounting for 48.6% of the total workwear enterprises. They employ 64.81% of the labor force. France occupies the top rank with 18.8% of work wear enterprises and 23.5% of the labor force, Germany is ranked second with 8.9% of work wear enterprises and Belgium the third with 7.85% of work wear enterprises. The three countries account together for 68 enterprises, representing about 73% of all foreign work wear enterprises and 35.6% of all work wear enterprises operating in this sector.

Partnership workwear enterprises by country				
Country	N° factories	%	N° workers	%
Algeria	1	0,52	120	0,70
Austria	1	0,52	20	0,12
Belgium	15	7,85	2062	12,05
France	36	18,85	4029	23,54
France - Belgium	1	0,52	11	0,06
France - Morocco	1	0,52	93	0,54
Germany	17	8,90	2053	11,99
Italy	10	5,24	815	4,76
Lebanon	1	0,52	25	0,15
Libya	2	1,05	228	1,33
Luxembourg	1	0,52	228	1,33
Netherlands	3	1,57	857	5,01
Switzerland	2	1,05	142	0,83
United Kingdom	2	1,05	424	2,48
Tunisia	98	51,31	6011	35,12
Total	191	100,00	17118	100,00

Source: Agency for the Promotion of Industry and Innovation (APII) - October 2017



The total foreign exporting enterprises represent 155 enterprises, accounting for 81.1% of the total enterprises in the work wear industry.

2. German workwear factories in Tunisia:

The total number of German enterprises in this sector is 17, accounting for 8.9% of the total foreign enterprises in this sector. They occupy 12% of the total labor force in the workwear industry and 18.5% of the total labor force in the foreign enterprises. The average size of the German enterprises in this sector is 120.7 workers compared to 119 workers for foreign enterprises.

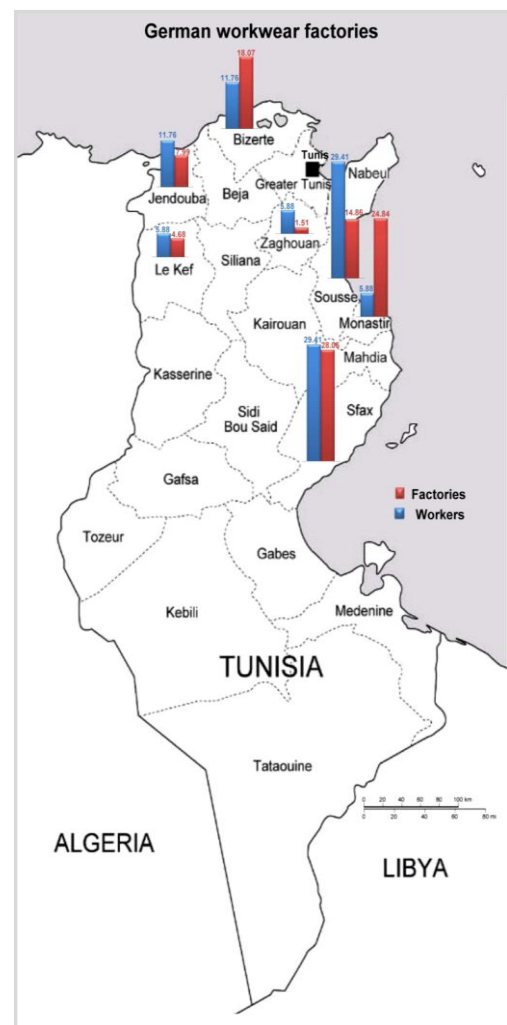
German workwear factories				
Governorates	N° of factory	%	N° of workers	%
Sousse	5	29,41	305	14,86
Sfax	5	29,41	576	28,06
Bizerte	2	11,76	371	18,07
Jendouba	2	11,76	164	7,99
El Kef	1	5,88	96	4,68
Zaghouane	1	5,88	31	1,51
Monastir	1	5,88	510	24,84
TOTAL	17	100,00	2053	100,00

Source: Agency for the Promotion of Industry and Innovation (APII) - October 2017



The German enterprises are spread geographically over 7 governorates. 4 of them are coastal with 13 enterprises subdivided over Sousse and Sfax with 5 each, Bizerte with two Monastir with only one enterprise. And 3 internal governorates, which have four enterprises subdivided into two enterprises in Jendouba, and Al Kef and Zaghouan one each.

The largest German factory is in Monastir in the city of Teboulba, which employs 510 workers, about 1/4 of the workforce operated by German enterprises in this sector. The rest of the factories are medium or small, with an average size between 185.5 worker in Bizerte and 31 in Zaghouan. They are sorted by size as follows: 6 factories with less than 50 workers, 4 with 51 to 100 workers, 5 with 101 to 200 workers and one factory with 201 to 300 workers. German factories operating in this sector are mostly small and medium-sized, characterized by weak capital intensity due to limited investments, most of them work as subcontractors for the benefits of the big foreign companies and international brands in this sector. These enterprises benefit from incentives and tax exemptions provided by the Investment Code to maintain their competitiveness. They also benefit from the operational flexibility provided by the Labor Code by circulating work within the framework of fixed-term contracts for the majority of the labor force in its enterprises. Generally, the general framework in which the work wear industry operates is not different from the rest of the textile sector.



VI. Tunis KONITEX enterprise

All the information and observations related to Tunis KONITEX enterprise are based on the statements made by the manager of the enterprise and the workers through the questionnaire prepared for this purpose, which included 10 workers, and based on what was examined during our visits to the factory.

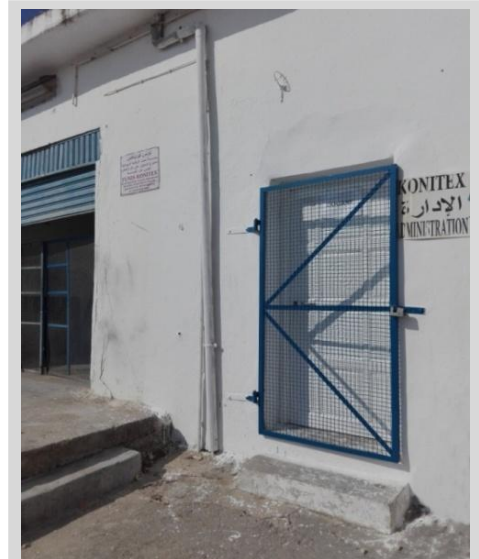
Tunis KONITEX is a German foreign enterprise with limited liability and it's owned by the German brand **Leo Köhler**, which was established in 1989 and has 28 years of history and it is specialized in military clothing. It is located in "ALIA" city of Bizerte government in the north-east of Tunisia. It's a totally exporting factory for the benefit of "Leo Köhler". The enterprise operates under a subcontract, and is subject to the conditions of the German brand, and the factory supplies raw materials according to conditions and implements all stages of production. The price per minute in production in Tunisia actually is about 0.220 Dinars (0.08 Euros), plus the cost of raw materials and other expenses. The cost of sewing for one pair of trousers is between 7 Dinars (2.4 Euros) and 12 Dinars (4 Euros) according to the design. The total cost of a

trouser can be between 20 Dinars (7 Euros) and 40 Dinars (13Euros), the average total cost of one jacket is 31 Dinars (11 Euros), and for Caps, it is 9 Dinars (3Euros).

The enterprise is totally controlled by the German brand and it's under constant control through continuous communication by direct connection between the Tunisian manager in the factory and the decision makers in Germany.

The company employs 90 workers, including 10 man and 80 females. It's has 4 chiefs and 2 directors. The number of employees with permanent contracts is 60 and the rest are employed under fixed-term contracts as the manager said.

The building of the factory is relatively old and has the effects of moisture especially on the roof. Ventilation windows are small, so the side doors are opened to let the air enter, and the lighting is weak inside the factory. The height of the building is less than 3 meters, which causes the heat to rise indoors in summer and decline in winter, the workers complained especially about summer heat. There are no air conditioners in the factory but there are just some fans.



Tunis KONITEX Factory Entrance



Photo outside the factory of Tunis KONITEX



Photo inside the factory of Tunis KONITEX

Previously, they had a trade union that was in conflict with the administration as the manager said. The factory's administration was able to convince the workers to disassociate themselves from the union that was dissolved later due to lack of sufficient number of participants (50 workers). In the opinion of the manager, the trade union causes disruption of work. The factory has an advisory committee, as required by law, elected by the employees, but it seems to be formal because the candidates are chosen by the administration, as the manager said.

The daily working time is 10 hours with half an hour from 11:30 to 12:00 for lunch. The work begins at 7:00 am and ends at 5:00 pm, and they do not work in Saturday and Sunday.

The interview included 10 workers: 8 fixed-term contractors and 2 permanent contractors.

All workers are working in all specialties according to the demands of the work and dealing with all kinds of military clothing (caps, trousers, coats, jackets...).

6 workers in 10 consider the workplace comfortable and 4 consider it uncomfortable and complain about chairs.

The seniority of the workers in this factory and the total experience in this kind of work is as follows:

Workers	Seniority in this factory (years)	Total years of experience
1	4 months	11
2	1 year, two months	14
3	2	3
4	3	7
5	3	10
6	6	7
7	7	3
8	7	7
9	25	25
10	29	29

We notice that only two out of 10 workers were stable in the factory and in their entire carrier and they are permanent workers and they are the oldest ones in this factory. There are 3 workers whose seniorities in the factory have exceeded 4 years (between 6 and 7 years) and have not yet got permanent contracts, the workers said that the administration makes in general a break of contract before the worker reaches these 4 years of work and renews it afterwards to avoid having permanent workers. The rest have a seniority less than 4 years. Among the 8 contractor workers, there are 6 workers who have a total experience of more than 7 years, which reflects the instability in this sector.

9 out of 10 workers said that they were not exposed to violations and only one confirmed that she was exposed to this because of the timing of sewing. In terms of punishments, 8 out of 10 confirmed that they had not been exposed to and 2 were punished (3 days off) due to lateness and absences. The percentage of absenteeism among workers is particularly high in summer and reaches 24%, as the director said.

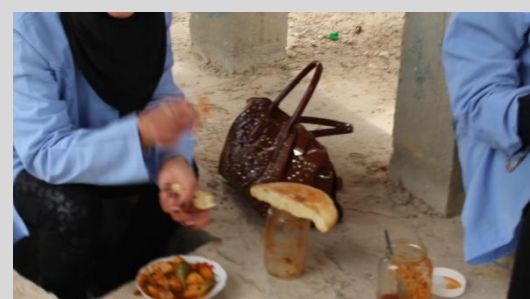
About the respect for occupational safety rules, 6 considered that these rules were available, 3 considered them insufficient and one considered them unavailable. The chairs and tables used are tiring and uncomfortable and cause back pain. Four of them mentioned having health problems associated with back pain and two of them considered it to be related to working conditions. 2 of 10 suffered from occupational accidents, one of them because slipping in the toilet and getting injured. She was well treated by the administration and taken to the hospital. With regard to the responsibility for the deterioration of working conditions, they pointed out that responsibility is shared between the administration, the owners of the factory and the foreign consumers and they considered that they are oppressed in this sector.

The interviewees confirmed that they enjoy the annual summer vacation which is paid. With regard to bonuses, they affirmed enjoying the bonus of production, which is given at the end of the year. And they denied receiving the rest of the bonuses such as the attendance bonus, the basket bonus, the transportation allowance... For the working clothes, we have found that all the workers wore a blue uniform on which is written KONITEX.

They also receive monthly payslips. Only 3 of them confirmed that they were getting a copy of the labor contract and it was written in French. 8 of the interviewees receive their wages directly from the administration and 2 through a current bank account. The workers agreed to enjoy social security. 8 of the interviewees had a health card.

The relationship with the administration is normal according to 8 workers and good for two. The treatment of the director and the head of the chain is normal for seven workers, good for two women and one finds it bad. 6 of the interviewees confirmed that there was constant pressure in work and 4 confirmed that it is sometimes, which is mainly related to the periods of export and before the annual holiday in particular. 6 of them considered that to be linked to pressures imposed by the ordering company (Leo Kohler); 3 workers find that there is discrimination in treatment between workers. All of them said that they do not enjoy the right to strike for fear of arbitrary expulsion.

In terms of hygiene in the work place, four of them confirmed that it's good and five considered it medium and one considered it bad and there is almost unanimity on lack of hygiene in the toilets, knowing that they bring soap with them to wash hands. There are 6 toilets for the workers: 4 for female workers, one for the head of the chain and one for men. (They make badges outside the sanitary space according to the number of toilets available. If at least one badge is present, it means that one toilet is vacant, if the badges are not present, this means that the sanitary spaces are not vacant, and therefore the workers are not entitled to go to the sanitary space and have not to waste time). There is no sanitary space for pregnant women. There is no room for breastfeeding their babies. There are no



Workers taking their lunch outside the factory

showers in the factory. There is a first aid kit. The factory is subject to periodic visits from the labor doctor, according to some workers.

The factory has an eating room but it can't accommodate all the workers so we found some workers taking their lunch in front of the factory on the pavement and around a building under construction next to the sand piles and stones, where they were sitting on the ground to eat what they brought from their homes since the early morning. They were eating some traditional low-calory foods, or a cheap sandwich (1 dinar) consisting of chili sauce and a little bit of fortified tuna bought from a small shop next to the factory. We also find that some of them ate just biscuits and small pieces of cake. The director of the factory said that he provides a "water-bath" service for the food heat.



Worker eating a cheap sandwich outside the factory

Most of the factory's employees are from the region, coming from the cities of Al-Alaya, Manzel Bourguiba and neighboring villages. The factory provides a bus for the transport of workers between "Manzel Bourguiba" and the factory in "Al-Alaya" with the deduction of 35 Dinars monthly of the wages of workers as transport expenses, knowing that the cost of movement between "Manzel Bourguiba" and "Al-Alaya" in public transport amounts to 1.490 Dinars.

Workers are between 18 and 55 years of age. The average age of workers is 32 years. The age group 20-40 represents more than 75% of the workers. The assignment of workers is directly by the factory according to contracts edited in French. Most workers do not understand the content of the contract due to their low level of education. The contract contains only 5 items that concern the worker's duties without mentioning the duties of the employer.

The most important problems referred to by workers are the low of wages and bonuses, the absence of permanent contracts, the daily workload and the working conditions. Five of them think of the possibility of leaving the factory. The workers agreed that the owners of the factory visit the factory periodically, but they do not have relations with the workers, they do not talk to them and do not impose conditions to improve working conditions.

The age of the interviewees is as follows:

Age of workers	N° of workers
25 – 21	2
30 – 26	3
35 – 31	0
40 – 36	2
45 – 41	1
50 – 46	2

The educational level of workers is distributed as follows

Education level	N° of workers
primary	4
preparatory	5
secondary	1

8 of them are married and 6 of them have children (4 have 3 kids and 2 have 2 kids), and 2 are single. 3 of them live with their parents and 7 with their own families. Eight of the interviewees own private homes and 2 rent housing. Nine of them move to the work place via the factory's bus. Two of the interviewees are the only person who gets a regular salary in their families, which are composed of 4 persons on average.

The average wage is between 450 Dinars (155 Euros) and 400 Dinars (138 Euros) monthly, all of them confirmed that it is not enough and believe that the minimum wage to provide their vital necessities is 750 Dinars (250 Euros). The wages are usually paid between the 4th and 6th of every month. When workers have financial difficulties, they come to borrow from relatives or friends.

Relations within the factory among workers are cautious, as a number of workers near to the administration transfer everything that happens in the workplace and outside, which means that there is an unusual relationship between workers and the administration. Workers are afraid of being dismissed because of their difficult conditions, so we found it difficult to interview them. Most workers suffer from exhaustion due to the length of daily work, inadequate working conditions and domestic work. The German company (Leo Kohler) does not monitor and verify the production's conditions and therefore bears responsibility for the recorded violations of working conditions and professional relationships.

Overall, "Tunis KONITEX" the German factory specialized in sewing military clothing for export to Germany, is like the majority of the garment factories that do not provide decent working conditions. It is also responsible for violations of the economic and social rights of its workers on two levels:

- Violations in the working conditions which we evaluate as moderate.
- Violations in the labor relationship, which we evaluate as uncomfortable and dominated by fear and disrespect.

Which makes working in this factory not based on proper rules to preserve the dignity of workers and provide them decent work as stipulated by all international conventions and national laws.