

NATIONAL AND GLOBAL AGREEMENTS IN THE GARMENT SECTOR: WHEN?

We need guarantees for the sector's future

Due to the tremendous social and economic situation that we are experiencing as a result of the healthcare crisis produced by the COVID-19 pandemic, we are heading towards a profound global crisis that may have devastating effects on the garment industry. We are obliged to tackle it with a joint response on the part of all interest groups that have responsibility in the sector of the Fashion Industry, in order to contribute towards its continuity and future.

According to the latest report from the International Labour Organization (ILO), the global COVID-19 crisis may result in a loss of around 200 million full-time jobs, including those in the black economy. As a result, the future of many sectors will depend on the pandemic's evolution, as well as that of the corrective measures that are taken to overcome it. Not only with political and economic measures –large-scale, integrated ones on the part of the respective Governments– in developed countries, where the brands' and multinationals' parent companies are located, but also in the countries where their supply chains are. And also supranational measures, both regionally (as is taking place in the European Union) and globally.

We are directly involved as the sector's key actors, i.e. multinational enterprises along with global trade unions and those of the countries where the main brands are located, as well as the countries where their supply chains, and their local trade unions, are. And with them, national and supranational business and government institutions.

To that end, the CCOO-Industry trade union calls for the promotion of far-ranging Agreements in the sector of the Fashion Industry, which are required to guarantee its future.

In our case, we have asked the main international brands of Spanish fashion to act with social responsibility, in the face of this pandemic, and to coordinate our efforts in order to guarantee the sustainability of supply chains with a series of proposals at all levels.

At CCOO-Industry, we believe that both national projects and a global one are required to tackle this crisis in national and global industrial and business structures. To that end, we propose the direct involvement, with the corresponding initiatives and agreements, of:

1. **The sector's main Spanish multinational brands**, who we believe should commit themselves to providing the necessary support for all of their supply chains' suppliers and to promoting respect for the basic rights of the workers therein.

- 2. Supranational, global and European trade union structures (IndustriALL Global Union and IndustriALL Europe), who have particular responsibility in this situation, as well as local trade unions in such supply chains.
- 3. Governments and employers' associations in the countries of the multinationals' parent companies, as well as the countries to which their supply chains extend.
- 4. Global administrative and economic institutions, ranging from the UN to the International Monetary Fund and the World Bank.

We believe that it is necessary to implement the following measures, within the corresponding deadlines required for their effectiveness:

- a) **Health and Safety measures** on the part of companies for the workers in all suppliers throughout their supply chain
- b) **Responsible purchasing practices**, guaranteeing that no orders are cancelled, assuming responsibility for manufactured garments and engaging in responsible discussions regarding future orders in relation to the current consumer model.
- c) **Not applying emergency clauses** that may be included in contracts, which may be used to stop orders that are under way or as a pretext for not paying manufactured products.
- d) **Establishing guarantees of remuneration for workers that have had to stop working during this period**, due to the pandemic's repercussions in industrial activity. To that end, we have a useful reference in the wage guarantees established in the Bangladesh Safety Accord, in the case of employees that are out of work due to factory renovations.
- e) **Guaranteeing complete willingness towards recommencing production**, including employees that worked in their supply chain before this exceptional situation, facilitating to that end the work of the different trade union organisations operating therein.
- f) Promoting country, supranational and global Agreements to provide suitable funding for such measures, with the appropriate contribution of extraordinary funds.
- g) Social dialogue measures to promote these proposals among all interest groups. This requires having up-to-date information on the current situation of each supply chain according to country, in relation to company closures as well as the measures that have been adopted therein, both general measures and particular ones in the respective units of the indicated supply chains.

Spanish trade unions, and CCOO-Industry in particular, believe that generic measures are also necessary for employees working in the fashion sector's companies in our country, and not just in multinationals.

The following measures have been implemented:

a) Health and Safety guarantees, by means of workplace safety protocols.

b) Suspension of layoffs during the emergency, by means of temporary Contract Suspension Agreements (ERTEs), as well as in the recommencement of activities unemployment benefit that allow a justified and agreed upon flexibility.

c) Reorganizing work time, taking advantage of shifts, to minimize the impact of the pandemic in the workplace.

d) Reorganising activities, to direct them towards the production of healthcare and sanitary material (40% sector).

e) Other special measures for workers:

- 1. From March 30th to April 9th:
 - a. Paid leave to decrease even more drastically movements related to work reasons in sectors not considered essential (with agreements between workers and employers, to be recovered before December 31st),
 - b. No worker can be fired.
- 2. Unemployment benefits for long term workers whose contracts have expired.

h) For companies, possibility of stopping taxes and credit restitution wages, etc.

The generalisation of measures in this regard can and should help to **attain a wide-ranging Global Agreement, along with particular Agreements in the different fields**, which will thereby contribute to the future of the garment sector. This is the time to adopt courageous decisions, to provide leadership and transparency for this process. It is the time to share responsibilities, to value social dialogue, with the commitment of working together to find sustainable solutions. This will be the greatest and best guarantee of a future for the sector's workers and for its contribution to our society's development.

Madrid, April 14, 2020

Víctor Garrido Sotomayor

Secretariat for International Trade Union Action of CCOO-Industry Coordinator for IndustriALL Global Union of the Global Framework Agreement with Inditex Coordinator of the Bilateral Agreement with Mango