

“Bulgaria’s accession to the EU: giant steps still needed to bridge the social gap”

Thanks to the “shock therapy” deployed at a huge social cost, Bulgaria is able to boast of solid economic growth in its quest to open the door to the European Union. It’s workers, the lowest paid in the European region are, however, still far removed from any hopes of enjoying the dividends of the “European social model”.

Given the gulf between legislative progress and the reality on the ground, huge efforts still have to be made in terms of social dialogue, the fight against poverty and discrimination, according to Bulgaria’s trade unions.

This on the ground report covers first hand accounts of the women working in the workshops of the “European textile tiger” and the teachers fighting against the discrimination of Romany children.



Rising foreign investments but social dialogue stalled



Although Bulgaria hopes to enter the European Union in 2007, average wages are still lower than in all the other Member States and Romania. The legislature that came to an end in June 2005 was characterised by the government's ultraliberal policies and its refusal to engage in any real dialogue with the social partners.

The growing social discontent culminated with the wave of protests at the end of 2004 and the decision, in early 2005, of the two independent trade union confederations, CITUB and POD-KREPA, to slam the door of the National Council for Tripartite Cooperation, which the government had been using as a platform for presenting employers and unions with pre-made decisions. The two ICFTU affiliates' withdrawal from the Council was also staged in protest at the authorities' recognition of a third national organisation (PROMIANA), which is thought to be implicated in a strategy to undermine the trade union movement. The confederations have denounced the arbitrary procedures

and underhand tactics being deployed to this effect by the government. More generally, there is also a trend towards the proliferation of organisations deemed representative at national level. There are currently six on the employers' side, none of which constitute a credible social partner for the unions. Many employers, moreover, belong to two or even three different associations.

PRIVATISATION AND RESTRUCTURING

The absence of any real social dialogue is one of the reasons behind the trade union movement's decline in terms of membership, despite its success in converting to genuine trade unionism and shedding the remnants of the communist era. Another reason is the high rate of unemployment, particularly among the young and ethnic minority groups, along with the size of the grey economy, which, according to estimates, accounts for some 25% of GDP. There has, however, been a gradual improvement in the situation over recent years,

thanks, notably, to two of the rare successes in the area of social dialogue: the introduction in 2003 of an employment programme subsidised by the State, through which 80,000 long-term unemployed were able to find work paying the minimum wage; and a measure establishing the compulsory registration of all employment contracts with the National Social Security Institute, which contributed to taking 330,000 workers out of the informal economy and increasing public revenue by 224 million euros.

The impact of factory closures, privatisation, and the restructurings that go with it, has been (and continues to be) particularly severe. According to analysts, Bulgaria has been harder hit than most of the other countries in the former Eastern bloc. Entire sectors have disappeared. The most striking example is the fast disappearing military-industrial complex. The last few thousand workers left in the industry are still relentlessly battling for the respect of their rights and the payment of their wage arrears. Last year, the privatisation of the telecoms industry led

to over 10,000 job losses. The tobacco sector, a major employer in Bulgaria, is also floundering. Numerous privatisations have been marred by scandal. The reforms carried out in the health and education sectors have given rise to major staff cuts, yet have done nothing to improve these two key areas of the economy, which are undergoing a major crisis.

SAVINGS ON HEALTH AND SAFETY

The last fifteen years have seen a gradual deterioration in health and safety conditions. The European regulations on these matters have been transposed into Bulgarian law, but their application is long overdue. The country's industrial fabric is widely characterised by technologically-outdated, polluting installations in poor working order. To "survive" the merciless laws of the market for which they were not yet prepared, the managers of these factories decided to cut costs by eliminating the equipment and control mechanisms they deemed least necessary but which are essential to ensuring the health and safety of the workers and local population, such as good lighting, ventilation and purification systems, regular inspections, etc. In January 2004, this short-sighted strategy cost the lives of three workers and left 22 others injured at the Kremikovtzi steel-works. Their 8,000 colleagues and the many others across the country who

continue to work in hazardous conditions have been receiving danger money, which represents a considerable bonus, given their low wages. If it were not for the determination of the trade unions, the government would have prohibited this system of compensation last year. It had argued that the payment of danger money is not compatible with the prevention-based principle of European regulations - which makes sense; what makes none, however, is the government's approach: the logical way of proceeding would have been to first implement the health and safety regulations and then abolish the payment of danger money.

The transformation of the labour market also poses a major challenge for Bulgaria's trade unions. Two out of three workers are now employed in services, a sector which is extremely difficult to organise given that most companies rarely employ more than 10 people. The situation is much the same in the garment industry, which was reported, a few years ago, to be using practices that grossly violate most core labour standards. Foreign direct investment (FDI) in the textile and clothing sectors is growing at an astonishing rate, but is essentially attracted by the very low cost of skilled labour. The trade unions have also learnt that FDI by no means constitutes any guarantee of better working conditions and salaries.

Another challenge facing trade unions is the worrying demographic trends. The population of Bulgaria fell by half a million between 1992 and 2001. Almost a million Bulgarians, often in the prime of their life, are working either temporarily or permanently abroad. Barring the few bilateral agreements between Bulgaria and other European countries, these migratory flows are generally unregulated. The most tragic manifestation of this migration is human trafficking. It is estimated that ten thousand women are being forced to work in prostitution rings abroad. The main demographic indicators are alarming, such as the infant mortality rate (14 per thousand), which is several times higher than the European average and even surpasses the rate registered nationally in 1990. The ageing of the population and the consequences in terms of pension funding are a major source of social conflict. The trade unions were not able to prevent a renewed decline in the value of pensions in 2004. To conclude, it can only be hoped that in the face of all these difficulties the Bulgarian trade union movement will be successful in convincing the new managers of the "Bulgarian enterprise" that a rebalancing of socio-economic policy is more than essential before it can join the European Union. ●

One out of every five Bulgarian workers is poor

Vassilka, aged 40, has two children. Her husband is unemployed. She has been working as a seamstress at the same factory in Targoviste for 18 years. She was appointed by the head of production to answer our questions, on the condition that the interview be held outside the factory. "We have nothing to hide, but the workshop is very small and too noisy to conduct an interview," explained the manager. Vassilka works an average of 40 hours a week. She is paid on a piecework basis: "I sew the borders of buttonholes. I earn less money when a garment has less buttons. It gives me a monthly salary of 250 to 300 leva on average (125 to 250 euros). Trade unions? Yes, I know what that is. But even if there was one, I don't think I'd join. I don't earn enough to pay the dues."

Vassilka is one of the best-paid workers in this factory that employs some 280 people and where the average

salary, according to the head of production, is around 200 leva (100 euros). A slim privilege, perhaps, but Vassilka's earnings (hopefully) place her outside the statistically vague and officially underestimated category of "poor worker". According to ISTUR, the Institute of Social and Trade Union Research linked to CITUB, this category groups the people made socially vulnerable primarily as a result of the low wages in the country. Workers earning no more than the average salary (317 leva or 158 euros in June 2005) run the risk of falling below the poverty line. The high rate of unemployment and the ageing of the population are among the factors exacerbating poverty levels. Rather than demanding shorter worker hours, there is a trend towards voluntary increases in the hours worked and "self-exploitation" in order to earn a little more money. The very low level of wages and the increase in the number of poor workers is undermining reintegration schemes for the jobless.

Although social assistance is very low, there is little motivation to seek formal work, as many find themselves better off supplementing their meagre social benefits with whatever money they can make in the informal economy. According to official statistics, 5 to 7% of Bulgaria's workers could be considered poor. However, experts from ISTUR believe that these figures underestimate a phenomenon that they explore in-depth in their quarterly bulletin by analysing all the factors capable of painting a realistic picture of living standards in Bulgaria, ranging from macro-economic trends to the cost of living. Between 2001 and 2004, for example, the average salary increased by 25%, but during the same period the price of electricity rose by 95%, heating rose by 40% and medication 70%. In conclusion, according to ISTUR's calculations, 18 to 20% of Bulgarian workers – some 550,000 people – are living below the poverty line.

“European social model” still very remote



Bulgaria is expected to enter the European Union in January 2007. On paper, all is going well. On the ground, the social situation remains very shaky.

The task of transposing the Community acquis – 90,000 pages of European regulations – into national law has regained speed after the brief halt this summer linked to the political crisis following on from the general elections. The European Commission’s “yellow card” – a memorandum from the Enlargement DG recalling the urgent need to pursue reforms – was sufficient warning.

Bulgaria was recognised as a “viable market economy” in 2002. With a European Union that sets much greater store

by economic than social criteria, this label is highly treasured. Hence the fears of the Bulgarian trade unions, for whom the adoption of the “European social model” remains consigned to the realm of fantasy.

“Ten or fifteen years ago, Europe seemed inaccessible, and now that the deadline is approaching we realise the extent of the gulf that still divides us. We see our own image reflected in it, and it is by no means radiant,” explains Georgi, a painter artist we met at a café terrace in Plovdiv. “How can we continue to be proud of a country where the average wage is 150 euros?” protests Konstantin Trenchev, President of POD-KREPA. “The progress made in terms of social legislation is obvious, but in practice it doesn’t work,” explains Ekaterina Ribarova, head of European integration affairs at CITUB. The Commission said the selfsame thing in its latest evalua-

tion report, underlining that “Bulgaria’s efforts must now be focused on the effective creation of the implementation structures required in the areas of employment, the fight against discrimination, the promotion of equal opportunities and public health. It should also strengthen social dialogue and increase its financial resources.”

Ribarova has very little time to admire the splendid view of Sofia from her office filled with pile after pile of documents on the 8th floor of the CITUB building. Her involvement in countless councils, sub-committees and other activities associated with her post no doubt makes her one of the best placed to appreciate the validity of the Commission’s assessment. She has often been called on, in her capacity as an expert, to take part in the work of the National Tripartite Cooperation Council, the most important forum for social di-

ologue in Bulgaria "but which PODKREPA and CITUB decided to withdraw from after the government had quashed all hopes of any real social partnership at national level". She also formed part of the team that prepared the law on the creation of the Economic and Social Committee (based on the ESC of the EU and other Member States), which she now serves on as part of the workers' group, alongside civil society and employers' representatives. But the ESC only has consultative powers and, to date, the government has very rarely taken on board its recommendations. "Nonetheless, we feel we have a degree of moral authority, and our views are reflected in the media. It's already something," says Ekaterina.

European integration is a recurrent theme in the work of the ESC, which organises meetings and seminars with civil society organisations and tries to provide the general public with as much information as possible on the subject. It also appoints the Bulgarian members of the EU-Bulgaria Joint Consultative Committee, which liaises with the European Economic and Social Committee, which, in turn, tries to promote the participation of Bulgarian civil society in the accession process. One of the main demands put forward by these two

structures and the trade unions is greater partnership in the sensitive area of how to utilise the financial envelopes allocated by the EU. "The government has exploited the obscurity of legal terms employed and the definition of "civil society" to exclude us from the process. But following our objections and those raised by the European Commission, trade union and employer representatives were invited, in 2004, to take part in most of the sub-committees of the PHARE programme (the main financial aid instrument in the pre-accession process)," adds Ekaterina, before going on to underline the lack of any real progress. "But we are never able to prepare properly for the committee meetings, as we never receive the documents in time. On top of that, we cruelly lack the means and human resources required. I have a highly competent colleague who sits on the Social Development Committee, but she only speaks Bulgarian and French. It's not enough." It comes as no surprise, therefore, that the delay in the establishment of mechanisms for the equitable distribution of structural funds was one of the main issues raised in the warning sent by the Commission in June. In response to this admonition, an "expert" came up with the suggestion that partnerships be es-

tablished between administrative institutions and business circles "reputed for their flexibility and creativity". Civil society groups were left out of the picture.

At company level, transparency has to be ensured by the workers' information and consultation mechanisms provided for in European directives, which Bulgaria will have to implement at some stage. Trade unions are particularly wary of works councils being presented as an alternative form of worker representation. In this respect, Ekaterina mentioned the disinformation campaign waged by an employers' organisation seeking to impose its own vision of works councils and eliminate trade unions in Bulgaria. According to the employers, the trade unions are afraid of the competition from these new structures. But the reality is quite different: the unions are eager to see the day when they will be linked to the European Works Councils (EWC). For the moment, four multinationals operating in Bulgaria have agreed to trade unionists taking part in the EWCs as observers: the Italian group Miroglie, French group Danone, and Belgian groups Solvay and Umicore - a breakthrough made possible thanks to the trade unions in these three countries. ●

An overview of the multinationals operating in Bulgaria by Ekaterina Ribarova (CITUB)

"We work well with the multinationals, as a rule. Some offer clear advantages in terms of work organisation, social responsibility and social climate. We were hoping that the excellent conditions within these companies would spread to others. But this has not been the case, and in some instances good conditions tend to obstruct the signing of branch agreements. There are also many multinationals that give us no end of trouble. When new operations are set up without the takeover an existing company, forming a union is very difficult. We experienced this problem in the distribution sector with the German group Metro. It's the same at Hyundai. We are present, but the corporate culture there is so different from ours - which, in spite of everything, is European. Despite

all these years of totalitarianism, Bulgarians have held on to an individualist, or even anarchist core. They do not have the same sense of discipline as the Japanese or the Koreans. The Russian oil company, Lukoil, is another case. It took over the Bulgarian refinery and announced that the union should be based on its own model, in other words, virtually a company-controlled union. Although it didn't manage to oust the unions affiliated to CITUB or PODKREPA, the company union has the largest membership.

In 2001, we set a "multinationals club". It is an informal, cross-sectoral structure bringing together trade union leaders from multinationals at least twice a year to share information, good practices, etc.. The Solidarity Centre (linked to the U.S. trade union centre AFL-CIO) has provided us with valuable assistance in finding materials on which to base our analyses and activities.

At present, most of the backing we receive is from Swiss and mainly Belgian unions. Our counterparts in Croatia are pursuing a similar initiative. We are working together with a view to setting up an information network linking the unions from other countries in Eastern Europe and the Balkans. We already held a meeting with our colleagues from Macedonia, Serbia, etc., in Sofia in 2003, and another in Zagreb, last year.

We do not want to overlap with the work of existing structures like the Global Union federation, but we consider it useful to hold direct discussions on certain issues, without always having to call on our colleagues from Belgium, France or Italy. The problems encountered by Interbrew workers in Bulgaria, for example, are more akin to those affecting Interbrew workers in Croatia or Serbia than those in Belgium."

Bulgaria's textile sector: European tiger or prey?



Excepting China, Bulgaria was the country that attracted the greatest number of foreign direct investment projects between 2002 and 2004. This unexpected growth was essentially driven by the wage exploitation of Bulgaria's workers and conceals a number of highly conflicting realities.

A container ship bearing the inscription "CHINA SHIPPING" straddlers the quays of Italian multinational "Miroglio Lana" in Sliven. George, president of the local union affiliated to FOSSIL (light industry federation affiliated to CITUB), explains: "The container reached here empty and will leave for Hong Kong with woollen fabrics "made in Bulgaria". This is the only thing we export to China at the

moment," he concludes, laughing. With 5 local production units employing 1700 workers and 186 million euros in investments since 1998, the Bulgarian branch of the Italian multinational Miroglio represents a real success story in Bulgaria. The Italian group's takeover in 1999 of the wool/textile factory in Sliven provided it with an interesting diversification strategy, "without it costing a single job in Italy or elsewhere", explained George. Miroglio did not previously operate in the wool sector, so unlike the group's previous investments in Bulgaria, this one involved no relocations. "The workers here, however, did have to suffer the pains of restructuring. There were 4000 of us in 1999, and now there are only 700 of us, for the same level of production. Many of the jobs have been automated. Everything has changed."

Still, George can barely hide his admiration at such a beautiful production tool. Like the other members of FOSSIL and PODKREPA TCL, he also has every reason to be proud of the work the trade

union has accomplished here. For the last four years, George has been taking part in the group's European Works Council (EWC) as an observer. It came as a real culture shock to a trade unionist familiar with the communist system, in which social confrontation is hardly encouraged. As George recalls: "I really got to know the multinational Miroglio in Naples in 2001, during my first EWC. My Italian colleagues took care of opening my eyes." George was not slow to learn. The following year, the social tension reached a highpoint when the management refused to give a pay rise. Eight hundred out of the thousand workers still employed at the factory signed a strike notice... Since then, each new collective agreement concluded annually includes a wage rise of some 10%, which is much better than in the rest of the sector.

COMPARATIVE ADVANTAGE OF LOW WAGES

Like Miroglio, many international brands and groups consider Bulgaria

to be a good option for placing orders or setting up operations. For foreign investors, the advantage of having access to low-cost skilled labour is sizeable enough to compensate for the scarce outlet for their goods on the local market and the fact that they have to import raw materials.

According to a study on the textile and clothing sector published by UNCTAD in June 2005, Bulgaria has attracted more foreign investment projects in this sector than any other country, excepting China. In addition, many experts believe Bulgaria to be one of the rare countries in the Euromed zone that has little to fear from the current global crisis. It shares more or less the same advantages as Romania: expertise, speed, proximity to EU markets and low wages. Although in Bulgaria the benefits are often greater. The fabric of the textile and clothing industry inherited from Bulgaria's communist era is made up of smaller, more flexible companies capable of responding rapidly even to small orders. The diversification towards high value added goods, driven by the need to remain competitive in the face of mass imports from China, is a strategy already being followed by many of the foreign investors in Bulgaria. But the low wages clearly remain the most decisive comparative advantage for foreign investors and out-sourcers. Indeed, the workers employed in this sector are among the lowest paid in Bulgaria and the sur-

rounding regions. The average salary is 88 euros a month, much lower than the national average across the different sectors (150 euros per month), and significantly lower than anywhere else in the European Union, Romania, Turkey and even Morocco and Tunisia.

DIFFICULT ADJUSTMENT TO EUROPEAN STANDARDS

The Bulgarian textile and garment sector conceals highly conflicting realities. Standing alongside the successful companies is a whole host of others in a sorry state. Resting on a tradition dating back over two centuries, the textile industry has a long history in Bulgaria, and although the State enterprises in the sector have all been privatised, many are struggling to remain competitive. Diana Marinkeva, CEO of one of the former State companies still in operation and head of an employers' association in the sector, paints an alarming picture: "I have just headed a Bulgarian delegation during an economic mission in China. I was shocked to see the size of the companies and the modernity of their machinery. The Westerners there feel completely at home. They have their buying departments; the designers are European, and the models too. How can we fight against this? How can we do anything but cut back on wages and staff? We have been experiencing terrible stagnation over the least few months." The end of the Agreement on Textiles and Clothing (ATC) is not the only cause. Bulgaria also has to complete its transformation in the context

of its forthcoming accession to the European Union. As pointed out by the director of a textile factory set up 75 years ago in Rousse and still running on equipment dating back to the communist era: "Of course we fear Chinese competition, but our priority is Europe, and all that goes with it: the prices and the wages that are going to rise, the certification systems which require major investments."

POOR SOCIAL REPUTATION

At social level, the sector has been saddled with a poor reputation for the last few years: low wages, no employment contracts, insalubrious workshops, forced overtime, anti-union practices, etc. In 1999, a British newspaper reported on the appalling conditions in the companies in the south of the country, spurring wide coverage in other media. Darios, a Greek company working for the multinational enterprise Levi Strauss came under particularly close scrutiny. The management were forcing their (female) employees to undergo strip searches at the end of the working day to check that they had not stolen anything. One woman had refused; she was sacked. In 2001, an inquiry carried out by a Bulgarian NGO in collaboration with Bulgarian textile sector unions within the framework of the Clean Clothes Campaign revealed countless violations of core labour standards.

As for the situation at present, re-

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The textile and garment industry in figures

The official statistics are very vague. They bear witness to the atomisation and volatility of a sector submerged for a large part in the grey economy (between 30 and 50% - although it is difficult to know whether this estimate takes into account the changes since the amendment of the Labour Code making employment contract registration compulsory, which has taken hundreds of thousands of workers out of the informal economy). The industry groups between 3000 and 5000 companies employing between 150,000 and 200,000 workers, which represents a quarter of all industrial jobs in the country.

Between 1997 and 2002, textile and garment production grew 5% per year on average, whilst cross-sector results show a stagnation in industrial production, indicating increasing specialisation in this activity geared almost completely towards export. The sector accounts for an ever-growing share of Bulgarian exports, climbing to 23% in 2003 from the figure of just 7% in 1995. Between 80 and 85% of textile exports are sold to the European Union. Foreign direct investments have risen by US\$226 million since 1998.

Women represent over 80% of the workforce. The average salary in the sector is around 60 to 80% of the national average.

Trade union presence is weaker than

in other sectors: FOSSIL groups 118 affiliated organisations and 20,000 members and PODKREPA TCL groups 60 affiliated organisations representing 4000 members. Unionised companies include the large formerly public enterprises, where the unions have remained in place, and the subsidiaries of several multinationals. Collective agreements cover around 15% of the workforce employed in the sector. There are branch agreements for the knitting, clothing, footwear and leather branches, which are concluded for two years and provide workers with benefits such as 5 training days a year during working hours.

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ports from various sources (trade union included) point to the persistence of "inhumane conditions" following their analysis of the cases given media coverage some years back already. Although with a degree of caution, most experts and trade unions working on the ground would say there has nonetheless been a substantial improvement in the situation. Firstly, the labour inspectorate, although still lacking the necessary resources, is proving to be more efficient at tracking down unscrupulous employers. Unfortunately, given the low level of the fines and the slow pace of legal procedures, the dissuasion factor remains very limited. Secondly, the major brands are increasingly sensitive to the bad publicity created by their subcontractors, as was the case with PUMA and its supplier Darios. Thirdly, the Chinese tidal wave is drowning any illusions that an industry can succeed purely on the basis of low wages, even though in the short term the threat of social dumping is real and very worrying. Fourthly, exploiting the workforce does not pay off. Most of the small

workshops, mainly situated in the south of the country, are in a very poor financial state and cannot entertain any illusions of long-term survival.

According to several of the testimonies gathered, worker mobility exists even in the remotest areas of central Bulgaria. The women workers interviewed in the Kardzali region stated that they had changed company because they knew they could earn more elsewhere.

Many trade unions lament the docility of the workers, particularly the women, who represent the majority of the workforce in the sector.

In the same town, a medium-size company reputed for the many social benefits offered to its employees is struggling to find the 200 to 300 people required to keep the factory running

around the clock. When asked if they were familiar with cases of flagrant workers' rights violations, many of those interviewed responded with accounts of similar incidents: employers, often Greek or Turkish, who, a few months or a few years ago, packed up the sewing machines when no one was around and fled without paying the money owed to the workers or the tax-man. In Targoviste, a young women told us that, in 2004, she had worked for two months in a garment workshop for just 60 leva in total (30 euros), despite the minimum wage set down in her contract being 165 leva a month (82 euros). "I had no experience, but the employer told me it didn't matter, that I'd soon learn. Since I had to reach a quota, I worked far more than 8 hours a day, but even so I never managed. I felt useless. I decided to leave."

Many trade unions lament the docility of the workers, particularly the women, who represent the majority of the workforce in the sector. The lack of combatitive spirit is perhaps a remnant of their communist heritage, or maybe it is owed to the fear of losing their jobs,



as a worker from a metal works explained: "Restructuring in the factories has cost the jobs of tens of thousands of workers. The wages of the women in the textile and garment sector are very low, but they are often the only fixed source of income in the household. They do not want to risk losing everything."

Yvan Neykov (*), former Labour Minister and current director of the Balkan Institute of Employment and Social Policy partly shares this opinion. During a pilot project on corporate social responsibility involving ten companies in the textile and garment sector, he remarked that most workers "... didn't know what the Labour Code was, or a collective agreement; ... they still

haven't quite understood that they have the right to unite and create organisations." But he also criticised the trade unions, which need to be more active on the ground: "The workers from several companies involved in the project had never met a trade unionist before," he pointed out. This former trade union leader regrets the situation all the more given his conviction that social dialogue is the key to improving the lot of the workers in the sector, not the codes of conducts - "the brand's playthings". Like him, the 150,000 to 200,000 workers in the sector are hoping that Bulgaria's entry into the European Union will finally allow them to earn decent wages and enjoy social ben-

efits worthy of the name. Among the best-informed observers, however, there are many who fear that Bulgaria's loss of its main comparative advantage will give rise to relocations and a decline in orders, as seen in Poland and Hungary, but worse, given that the importance of this sector in Bulgaria is proportionally much higher in terms of exports and jobs. ●

(*) See the complete version of the Spotlight interview with Yvan Neykov, entitled "Chinese competition? It is textile employers' major fear and the pretext for doing nothing to improve social conditions", at <http://www.icftu.org/displaydocument.asp?Index=991222978&Language=EN>

The Sahinler factory

Set up in 2001, the Bulgarian subsidiary of the Turkish group Sahinler (a multinational with operations in dozens of countries, its own distribution circuit, and which also works as a subcontractor for major brands such as PUMA) employs 285 people, 80% of whom are women. Its director Sadula Hadjiev sees the positive conclusions of the social audit carried out last year by the ILO as "a passport to orders from abroad and a guarantee that the company meets the international standards regarding working conditions, health, safety and environment." The director cites some of the company's "pluses": free meals and transport, a doctor's surgery open during working hours, chemists close to the workplace, regular checks on the quality of the running water, regular payment of salaries and the possibility of receiving advances, etc. As regards the absence of unions, he is more ambivalent. He stresses that he understands the positive role they could play, pointing out that he personally is in favour of unions being set up in the company, but doubts whether his superiors share the same view. The fact that there is a bilateral committee is, he believes, already constructive. "It is this committee that has just decided to work two hours overtime a day to wrap up the current order on time. The workers will be able to recover these hours over the next four months. A list is going round the factory. The workers are free to add their names to it or to refuse. In the case of the pregnant women, the question doesn't even arise, they have to go home." The director takes advantage to point out how outdated the Labour

Code is in this respect: "We have to inform the labour inspectorate two days in advance if overtime is going to be worked. This rule is too rigid, and does nothing to help us remain competitive in a market that requires ever-increasing flexibility."

THE FALL IN US ORDERS FOLLOWING THE END OF THE ATC

The company went through a difficult period at the end of 2004, beginning of 2005, which the director attributes to the end of the Agreement on Textiles and Clothing (ATC) (1). "In February, we had to send the workers home. They were paid, but we had no work for them. The situation is worse in Romania, where the group decided to close down its operations." The Sahinler group mainly works for the US market, as does its Bulgarian subsidiary, whose main clients are U.S. brands such as Aeropostale, Jacques Moret and Nautica. "It is the U.S. orders that have fallen most sharply," explains Sadula Hadjiev. "That's why our group is having difficulties, whilst the Bulgarian textile and clothing operations geared towards European markets are still doing well. But it's all relative: we have just opened three new production units in Jordan." Whilst remaining somewhat vague regarding the group's strategy, the director intimated that the subsidiaries in Romania and Bulgaria have allowed the Turkish group to substantially develop its work with the US market by circumventing the quotas. The production units in Jordan will, of course, be able to exploit the country's preferential access to the US market for textiles.

CALL FOR BANGLADESHI WORKERS

"These three factories are using labour imported from Bangladesh," says Sadula Hadjiev, drawing our attention to an important fact. "We are seriously considering calling on Bangladeshi workers here. In any case, I have received instructions to do so from my directors and have already submitted an official request to the Bulgarian authorities." But the director of Sahinler Bulgaria believes that it won't be long before the problem of finding new workers reappears. "We are equipped to produce around the clock, but we couldn't find the 200 to 300 people needed." Like many of the people interviewed, the director bemoaned the deterioration in Bulgaria's education system. "The quality has gone down, in less than twenty years. Technical education no longer carries any weight, compared with Turkey, for example, where our group has invested a great deal by creating partnerships with the State. We are trying to do something similar here, but we don't feel that the public authorities have the same interest. We take on young people with no training. They start at the bottom of the ladder, doing packing or washing fibres."

(1) Also see the study published by the ICF-TU: "Disaster looms with the ending of the quota system" at <http://www.icftu.org/www/PDF/rapporttextileOK.pdf>.

(2) For more information on this subject consult the Trade Union World Briefing "Jordan's export processing zones - A political bargaining chip" June 2005, at <http://www.icftu.org/displaydocument.asp?Index=991221894&Language=EN>

Romany children: death bell tolls for school no. 6 of Silven



School no. 6 of Sliven, where practically 100% of the pupils are Romany, is seen as a defeat for the programmes aimed at integrating these children into "Bulgarian" schools. The school's teachers, however, point to the shortcomings of a system that fails to take into account their experience on the ground and, much less, the needs of those most concerned.

One of the classrooms is completely demolished, others have had to be abandoned, the playground is full of rubble. Yet this is not a picture of Sarajevo during the conflict

in former Yugoslavia, but the reality, in May 2005, at school no. 6 of Sliven, attended by 1252 pupils, virtually all Romany. Mitto Mitev, the school's director, explains the origins of the wreckage. "Last year, we received an authorization from the Ministry to refurbish the building. The work had to be done by a Romany enterprise. The boss swindled us. He started the demolition works and then ran off with the down payment, leaving us high and dry. What exasperates him is the artificial character of the regulations and programmes that talk about fighting discrimination and integrating ethnic minorities. He sees them as no more than a varnish to gloss over the lack of a genuine pro-Roma policy backed by far reaching projects (rather than just pale imitations of models imposed from above), effective monitoring and, if need be, corrective action to reassert the rights and obligations of each and every person, to avoid, for example, the type

of fiasco he has just experienced with the unscrupulous entrepreneur.

The school means a great deal to him. He started his teaching career there in 1983 and undertook to come back to the school as its director rather than continuing as a national education inspector. A true vocation. He is appalled at how much the situation has deteriorated. "Before 1989, nearly all the Romany parents had a job. The communist authorities had its own levers to ensure that Romany children attended school. It was a dictatorship, but relatively paternalistic when it came to managing the Romany issue.

The result was that many young Roma used to complete secondary school education. The fact that it was a coeducation system was obvious, not only because of the presence of Romany girls but also the ethnic mix."

Today, all the indicators concerning the Romany population are in the red

(see box) and the director considers the situation to be even worse in the Ro- many district of Sliven, where most of his pupils live. "In nine out of ten cases, the parents are unemployed in this ghetto which houses 20,000 people in the most appalling, overcrowded conditions. The houses are insalubrious. I have seen children sharing their rooms with cats, dogs and hens. Outside, the rubbish is left uncollected. The worst was in 1997 when the country was going through a severe economic crisis. We, the teachers, with our meagre wages, were struggling to get by, but the living conditions of the Roma were such that we did what we could to buy sandwiches for the children and find clothes for them."

Now, basic needs are better provided for by public welfare programmes, but the situation of the Roma has barely improved. Whilst the previous government, obsessed by micro-economic indicators, showed very little concern for improving the daily lives of the population in general, the feeling is widespread that the ultroliberal policies of recent years have been even more devastating for the Roma. Sociologists are speaking of the emergence of an "underclass", with all the social tensions this implies. A UNDP report resumes the situation as follows: "During the fifteen years of transition towards democracy and the market economy, the trends developed by the Roma are towards ghettoization and withdrawal from society." To try to counter this phenomenon, the teachers from school no. 6 have taken the initiative of visiting the Roma district as often as possible. Like Nadia Georgiova, who goes to meet the parents at least once a week to encourage them to send their children to school, to convince them that the children who have dropped out should return, or to simply ask how they are, to try to understand them better.

The birth certificates brought to the school are considered a real treasure. "These documents are required to enrol with the school; we make a photocopy before returning them. It's no guarantee of school attendance, especially given that the parents know that the children have to be enrolled in school to qualify for welfare benefits, but for us, it's already an encouraging sign. It is an opportunity to establish a relationship of trust. Today, among the mothers we met, there was one of my first pupils. I hadn't recognised her. She had promised me that her children would come to school," explains Nadia, with a radiant smile. She has also been working in the school for twenty years and would not swap her post for anything in the world. She concedes that many young teachers break down after a few weeks, and she understands them. "Everyone

follows their own path, but it's true that we sometimes get the impression we're building on sand. It's always the same: we work relentlessly with a group of children and as soon as we think we are getting somewhere half of them disappear for several weeks. Many Roma work as seasonal labourers. Whether we like it or not, they take their children with them. The cherry season is about to start, so we are negotiating with the parents to limit the damage. We do with the revision and the tests before they leave, for example. The girls represent another challenge. Their parents often take them out of school at age 12 or 13, as they want to maintain complete social control over them, by arranging marriages for them."

But Nadia also underlines the rewarding aspects of her work: "I feel connected with real life, and have a duty to meet their expectations. It requires a lot of personal investment and resourcefulness. I often have the feeling that I have taken on too many jobs at once: teacher, psychologist, carer, etc. We are

also faced with the language problem in the classroom. We don't have any Ro- many teachers at the moment, it's a pity. One of our colleagues speaks Turkish, that's an advantage. The younger pupils don't speak Bulgarian. At the beginning, they have to be helped by an older pupil to make themselves understood. We also have to cope with the rivalries between different groups and sub-districts. Parents from rival groups do not like their children to share the same class. It's hard, but I like these challenges. At the end of the day, it's such a recompense when we see the children finish the complete cycle with a solid grounding."

The educators also put all their energy into consolidating the team. The dialogue between the teachers is constant, their experiences are intertwined and their methods perfected. Although limited, they have received some outside support, such as the cooperation project with researchers from Stara Zagora University or contacts with the Soros Foundation. The director explained that a project was about to be launched with MSF France, aimed at opening a "sports hall and a clinic, but the French coordinator passed away and the project fell through". As regards support from trade unions, there have been some exchanges with Belgian, Hungarian and Slovakian colleagues, but no concrete projects to date. The team is delighted, however, about the setting up of a preparatory class between nursery and primary school. "This was long-standing old trade union demand," explains Mitto. "The new class has been in place for the last two years now, in all schools. That extra year is really important to help the little ones integrate, especially here," he adds.

The two teaching federations affiliated to CITUB and PODKREPA group most of the teachers and staff in the education sector, which provides them with the legitimacy to initiate important debates at national level. The Trade Union of Bulgarian Teachers has been particularly influential in this respect. The union's president also heads the Public Women's Parliament, a grouping of around forty women's organisations. The unions played a key role in the creation of this forum, which dates back to 1999. A fine example of unified civil society, the Women's Parliament organised a lobby that was so intense and effective that it led to the passing in 2003 of the Protection against Discrimination Act. On a day-to-day basis, the union federation also works with around 40 Roma organisations and encourages the type of initiatives taken by the members of school no.6.

"Who makes the effort to go to the

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Roma integration: all the indicators are in the red

Bulgaria's 700,000 strong Roma population (one out of ten Bulgarians) is composed of groups with such diverse cultural and religious identities that it has not been able to forge any form of political representation.

According to UN figures for Bulgaria, around 70% of Roma adults are unemployed. Half of the Roma community lives below the poverty line, compared with 10% of the overall population (according to the criteria established by the World Bank). 75% of Roma consider that they do not have access to basic medication (relative to 32% for the rest of the population). Infant mortality among the Roma is double the national average. During the fifteen years of transition towards democracy and the market economy, illiteracy had doubled among Roma adults (20%); the rate is highest among young adults.

Albenas, its beach, its union

Free market economy, corruption, organised crime, tax evasion, low salaries, virtually no unions ... all of Bulgaria's ills converge on the Black Sea coast.

Over tens of kilometres, the spectacle is atrocious. Apartment blocks crammed side by side, construction sites and cranes provide the backdrop to the fine sandy beaches and clear blue sea, perhaps, but above all to the often appalling working conditions endured by tens of thousands of workers in the two sectors where exploitation is most brutal: construction and tourism. The salaries are way below the national average: 15% lower in construction and 35% in the hotel and restaurant trade. At the Sables d'Or resort, construction machinery turns in the infernal dust around the containers seemingly used to lodge the workers. Approaching them, however, is impossible, as an armed guard is there to keep any curious onlookers at bay. Hordes of labourers are busy at work on the scaffolding.

"There is a fatal accident every ten to fifteen days"

"The construction industry is booming in Bulgaria in general, and particularly on the Black Sea coast. The lack of regard for health and safety regulations in the industry is outrageous. There is a fatal accident every ten to fifteen days," assures Chavdar Hristov from CITUB's social legislation and protection department. Close by, on the way to Varna, a road had caved in during springtime after its foundations had been undermined by the excessive construction work.

"During the communist era, when the coast was one of the favourite holiday destinations of the apparatchiks, there were many green areas around the buildings. Then, everything was carved up and built on, with no regard for common sense. It would seem that sustainable development and coherent town planning are unknown concepts. All the new owners want is a rapid return on their investment. The authorities are doing nothing. There is no one

at the helm here, except perhaps the mafia. The very idea of going to talk to them about unions is unthinkable. Except in a few decent establishments, employment contracts are either non-existent or false," recounts Tatiana Djilianova, president of the Federation of Tourism Trade Unions (affiliated to CITUB) and ... head of human resources at a well-run holiday complex in Albenas. Tens of thousands of holidaymakers descend on the resort every summer, but the architectural coherence of this site has been well preserved, with Bauhaus style hotels surrounded by greenery and recreational areas. "It's one of the rare places where the privatisation process has been harmonious.

The salaries are way below the national average: 15% lower in construction and 35% in the hotel and restaurant trade.

The workers hold around 10% of the shares and the management has no problem with it. The exchanges are fruitful. There is a real partnership. The employees are fed, lodged and their clothes are laundered. There are social programmes, ongoing training, language courses, and their families can come and relax in Albenas. But it has to work both ways. The employees are expected to give their all. The wages are linked to the quality of the work done at every level of the hierarchy. The lowest wage is 180 leva, with bonuses it often comes to 250 leva (125 euros). It's slightly lower than the average salary in Bulgaria, but much better than the average in the sector.

There is no question of me defending a worker who has not done the job properly," Tatiana Djilianova is quick to add, as if to point out that she has no qualms about her ambivalent posts. Then, when asked about the informal economy, the manager gives way to the trade unionist: "We have managed to organise around a hundred beach attendants. It's not bad for seasonal work, is it?" ●

Romany children...

◀ CONTINUED FROM PAGE 11

Roma district other than my teachers and the odd social worker? No one, except for politicians during election campaigns," points out Mitto. The director cannot help but being bitter about the gulf between the all the fine words and the reality on the ground, that is, the deteriorating living conditions among the Roma and the spread of prejudice, xenophobia and racism at all levels of society. The "Decade of Roma inclusion" sponsored by the World Bank leaves him somewhat perplexed. "We cannot be against a programme aimed at helping the millions of Roma in Eastern Europe, but one of its objectives is to close establishments like ours, which are deemed segregationist. I head a school in a district inhabited solely by Roma, like some of my colleagues who head schools in villages inhabited solely by Roma. Should they be closed down just for that? Of course, we have to fight against segregation, but the problem can also be tackled from another angle: let's ensure that the quality of this school is as high as possible, to attract non-Roma children to it. The rigidity of the programme as regards integrated classes makes it destined to fail. Roma parents are "encouraged" to enrol their children in these classes; they are lured by advantages such as the school shuttle, free clothes, etc. In truth, they are not given any choice. And what do we see happen next? The Roma children aged 7 or 8 who are enrolled in integration classes become distressed, they do not master the Bulgarian language, and so they just occupy the back rows. After a while, they leave. In the best of cases they return to a school like ours. In the worst, they end up dropping out of school after barely even starting." ●

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