

**INDEPENDENT INVESTIGATION REGARDING FREEDOM OF ASSOCIATION
AND UNION FAVORITISM AT ÖRMA TEKSTİL FACTORIES, TURKEY**

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Introduction

The principle of trade union pluralism is an international principle of unionization from the very early days of union history in democratic countries. It is a beneficial concept for workers, as unions are organizations that constantly work on improving working conditions both in terms of benefits and health and safety aspects. Having more unions in the same industry creates more options for workers to choose; it also brings the concept of union competition as a natural consequence.

In Turkey, the history of unions and the legal background that regulates the formation of unions and the collective bargaining processes have favored the trade union pluralism since the very first regulation dated 1947, through the most recent regulation, the “Unions and Collective Bargaining Law 6356” of 2012.

Competition in workplaces often leads unions to follow divisive strategies as part of their unionization efforts within the same workplace and this usually creates tension among the unions and their members. Most of the time, this tension leads unions to pursue destructive and radical unionization methods in order to eliminate the other unions in competition to determine which union will start the collective bargaining agreement process with an employer. It is also a known fact that this kind of competition usually serves employers, as they can benefit from the competitive environment.

ILO Convention 87, which Turkey has ratified, points out that having strong unions in different industries favors workers. But this cannot be accomplished through local law by limiting the number of unions in each industry. Rather, this should happen in due course by the free will of workers through the choices they make.

The ILO does not see itself as an authority on union competition cases, as it encourages both the trade union pluralism and independent unions concepts. ILO suggests that union competition cases should be solved through independent courts or independent mediators, without interference from public authorities. It is also suggested for unions to have mutual agreements and organize independent secret ballot elections for solving complex union competition cases.¹

Observations at Öрма Tekstil Duzce Factory

Total number of workers at the factory: 420 (372 workers, 48 managerial staff)
Total number of workers interviewed: 339
Total managerial staff interviewed: 10

The investigation team visited the facility in Duzce on August 28 and 29 and was very quickly provided access to the premises. The company owner, general manager and factory manager were present at the opening meeting, at which the purpose of the visit was explained.

After the opening meeting, worker interviewers immediately started their tasks, while the general manager delivered a detailed presentation about the unionization process at the meeting room that included some important timelines and explanations/observations and

¹ *La Liberte Syndicale*, BIT 2006: 240-241 articles: 1121-1125.

comments from management's side. Right after completion of this presentation, the investigator started the review of documents and managerial staff interviews.

Documents review, meetings with union and management representatives:

1. The company's general manager stated that they respect the FOA and CBA rights of the workers in their factories and they are not against ongoing unionization efforts of both unions. They have not helped or favored either of the unions.

2. According to documents provided by Teksif and Öz Iplik-Is, it was observed that the Teksif union had started its unionization efforts at the Duzce location earlier than the Öz Iplik-Is union. Teksif registered its first member from Öрма Duzce factory on 21/8/2006, while Öz Iplik-Is's first registration was on 30/5/2014. (For the two Öрма Istanbul factories, it was observed that Öz Iplik-Is's first member registration date was 2/6/2014, while there was no registration documentation for the Teksif union in these two factories.)

3. During the meetings with representatives of both unions on August 25-26, it was observed that there is a history of competition between these two unions, as they used accusatory language against each other and recalled competitions at other factories -- for example, Özak Tekstil, Yatsan and Tanriverdi Tekstil -- and they referred to each other as being a "yellow union." Öz Iplik-Is's representatives openly shared that they have recently filed a lawsuit against Teksif in one factory where Teksif has the majority in retaliation for a lawsuit filed by Teksif at Öрма Tekstil, where Öz Iplik-Is has the majority.

4. Representatives of both unions were quite confident about their majority presence at Öрма Tekstil factories, and in order to end these claims on manipulation and management's interference, both of the union representatives have accepted the idea of organizing an independent secret ballot under supervision of FLA, IndustriALL and H&M representatives to determine workers' actual preference between these two unions. When this idea was discussed with the employer, he resisted it, saying that he is in favor of waiting until the result of ongoing legal process. Although the Investigator explained that the legal procedures would take a long time due to the complexity of the situation stemming from several lawsuits that have been filed by the unions and further explained that both of the unions have accepted this proposal, he hasn't changed his mind. He also asked the company's lawyer to call Öz Iplik-Is representatives and reported that they told company's lawyer that they are also against the secret ballot election.

5. Although Öрма Tekstil managers mentioned that they are totally neutral and maintain the same distance from both unions, they mainly complained about Teksif and its unionization manager, saying that he had insulted the company's owner and several managers during the protests he staged in front of the factory as well as in his meetings with Teksif members. Management provided as evidence recordings of speeches he delivered during Teksif protests in front of factory building and meetings at the union's office. Even though the recordings do not include any direct insults of the employer or the managerial staff, it contained some irritating statements, such as "bringing down the company owner to his knees." Neither the company owner nor the managerial staff has raised any complaints against any Öz Iplik-Is's union representatives.

6. It was observed that two out of three individuals responsible for production and ten out of sixteen production supervisors were registered with the Öz Iplik-Is union. Two of the supervisors resigned from Öz Iplik-Is later on. At present, 10 out of 19 managerial staff in the production department are registered with the Öz Iplik-Is union.

7. Management representatives mentioned that a client had cancelled a contract in January 2014 due to some quality issues, shipment delays and claims/chargebacks. This cancellation

has resulted in the need for retrenchment among the workforce. It was observed that management has applied to the Ministry of Labor and Social Security for retrenchment of 200 workers and already retrenched 26 on March 2014 as a start. It was observed that there wasn't any objective criteria followed on selecting workers in this retrenchment and management prepared the list of workers to be retrenched based on verbal feedback from production supervisors; 41.5% of these workers were registered to the Teksif union at the time of the visit.

8. It was observed that 19 new workers were hired in March 2014, during the same time frame that the retrenchment of 26 workers was taking place. Management claimed that new workers were hired to different positions -- most of the dismissed workers were from the ironing/quality control sections -- but there was no attempt from management's side to evaluate the skills and eligibility of the 26 retrenched workers in order to see if any of them could be transferred into the open positions.

9. Management representatives mentioned that main reasons for retrenchment were decrease in orders and increase in production costs, and provided figures to support this claim. But the following observations on the figures provided make it hard to justify the retrenchment:

- a. Örma Tekstil is an established and important H&M supplier, and most of its production is allocated to this client. Although management claimed that the end of the business relationship with another client was the main reason behind the retrenchment, it was observed that H&M's orders increased during the same period and compensated for the loss. Comparing the period January-August 2013 and January-August 2014, it was observed that H&M's orders increased almost 7%, and the total number of orders decreased only 4%, while total turnover in Euros actually increased 8%. Compared to the same month in 2013, it was also observed that the total number of orders increased in the months of January, March, April, May and June 2014.
- b. With respect to total overtime hours worked in the Duzce factory, it was observed that there was a continuous positive trend of overtime work between July 2013 and July 2014. Even in March 2014, when the retrenchments took place, total overtime hours worked was 14,978 hours, for an average of 30 hours/month per worker, while the corresponding figure was 18 hours/month per worker in April 2014, 32 hours/month per worker in May 2014, and 8 hours/month per worker in June 2014. The managerial staff's claims that the overtime was caused by slowdowns ordered by the Teksif union, is not a convincing argument, as these figures were also high in 2013 (18 hours/month per worker in July 2013, 21 hours/month per worker in August 2013, 30 hours/month per worker in September 2013, 10 hours/month per worker in October 2013, 26 hours/month per worker in November and December 2013).
- c. Management has not explored other potential alternatives for avoiding a retrenchment process, such as:
 - i. Örma Tekstil uses a number of subcontractors, as its internal production capacity is often not sufficient to produce the total orders they receive from different clients. Although this figure changes, it is observed that between 30%-40% of overall production is allocated to subcontractors. Management has not explored the possibility of shifting a certain amount of this production in-house in order to avoid retrenchment.
 - ii, Management has not explored some alternatives like short work subsidy² or unpaid leave.

10. Implementation of the retrenchment decision has affected peace at the workplace environment. The first wave of dismissals that took place in March 2014 resulted in the

² See Regulation for Short Work Subsidy dated 30/4/2011.

dismissal of 26 workers, 10 of whom were registered with the Teksif union. Right after these dismissals, H&M's social compliance department received a number of complaints from the workers and it ordered factory management to stop retrenchment procedures until an investigation was carried out. It was observed that there is not a standard procedure in place for H&M suppliers to notify H&M in advance on important actions such as retrenchment, delays of payments, severe work accidents, potential fire incidents, etc.

11. It was observed that Teksif union representatives did not try to get in touch with factory management at that point to discuss the retrenchment and rather preferred to file a complaint with H&M directly.

12. It was observed that most of the workers that registered with the Teksif union in May and June 2014 did so as a reaction against the retrenchment that took place in March 2014 and excessive overtime work performed during these months. Only 6% of the total number of workers had registered with Teksif before April 2014, indicating that the unionization process in this factory is relatively recent.

13. The company's owner organized a gathering at the workplace in June 2014 and addressed the workforce at the Duzce factory. During his remarks he suggested workers to unite and not to harm the peaceful environment at the workplace just because of the ongoing union competition. He also mentioned that all workers need to perform their tasks without slowdowns or causing quality issues. He underlined that he's totally neutral and maintains an equal distance from both of the unions competing with each other. Finally he mentioned that the company would pay a bonus of half a month's salary as a sign of goodwill to ease tensions at the workplace. Although the company owner took this action with good intentions -- as a way to reduce tensions and to motivate the workers -- doing such a thing in a hot union competition environment was interpreted differently by the workforce, as many of them believed that the action was the result of their having registered with a union.

14. Most of the workers interviewed mentioned that this meeting was a major breakthrough for them, as communication with upper management had been problematic and this was the first time that company owner addressed all workers within the factory.

15. The company owner openly shared his personal opinion about unions during talks with the Investigator and mentioned that he does not believe that unions are protecting workers in Turkey and there is not a single example suggesting that any textile factory became more competitive after being unionized. He also mentioned that his personal opinion doesn't affect the company's commitment on respecting the FOA and CBA rights of the workers.

16. Although the company owner and general manager claimed that they keep the same distance from both unions and they are ready to start CBA negotiations right after completion of legal process, it was observed that most of the issues listed on the document "Örma Tekstil Unionizing Process Management," which was prepared by Örma management, were about the Teksif union, as they cover almost two and a half pages, while issues about Öz Iplik-Is cover only half a page.

17. It was observed that the Öz Iplik-Is union has received a letter of authorization – communication of competence -- from the Ministry of Labor and Social Security on June 6, 2014, which states that Öz Iplik-Is union has organized more than 40% of the total workforce at all three Örma Tekstil factories. During the review of documents, the investigator noted that the Öz Iplik-Is union registered 170 workers from the Duzce factory within 5 days -- the first member registration from the Duzce factory is from 30/5/2014; this is an unusual and surprising performance. Similarly, it was observed that the Teksif union had not reached the 40% limit for applying for letter of authorization –communication of competence— even though the first member registered with Teksif on 21/8/2006.

18. Both Teksif and the employer have filed lawsuits seeking to cancel the letter of authorization –communication of competence-- issued by the Ministry of Labor and Social Security on June 6, 2014. The employer’s objection is based on a claim that the number of Öz Iplik-Is members is less than 40%. When asked, the employer mentioned that the lawsuit has been filed mainly in order to prolong the legal process and gain some time before starting CBA negotiations with Öz Iplik-Is. This action contradicts the employer’s statement regarding respecting workers’ rights of FOA and CBA. Some Teksif representatives and members mentioned that this was a wise move executed by the company’s lawyer in order to prevent any potential claims that Öz Iplik-Is is working together with the employer on the unionizing process. In any case, the lawsuits filed by Teksif and the employer have blocked the CBA process and the delay is causing potential loss of workers’ wages and benefits.

Worker Interviews:

1. Most of the workforce consists of female workers -- more than 80% -- and considering the fact that most of them are uneducated and not seen as family breadwinners -- meaning that their wages are perceived as an additional income rather than primary income -- it wouldn’t be realistic to expect them to make a rational selection on unions. Very few of Öрма Tekstil workers have worked in unionized workplaces or registered with any union before their experience in this factory.
2. Four groups of workers were identified during the interviews: (1) Teksif members (45% of the workers interviewed); (2) Öz Iplik-Is members (32%); (3) workers that haven’t registered to any union (20%); and (4) workers not aware of their status regarding union membership (3%).
3. One important point observed during the worker interviews was workers’ selection of words to define the two unions. Most of the workers actually called Teksif an “outside union,” while calling Öz Iplik-Is the “employer’s union” or “factory’s union.”
4. Most of the Öz Iplik-Is union members were not able to say the union’s name correctly; they mostly called it Hak-Is -- which is the name of the confederation with which Öz Iplik-Is is affiliated -- or Öz Tekstil, etc.
5. Most of the Öz Iplik-Is union members mentioned that their managers asked them to register with Öz Iplik-Is, saying that if Teksif would get the majority and start CBA negotiations, this could lead to the closure of the factory or create big conflicts among the workforce.
6. During the worker interviews, the dominance of Öz Iplik-Is union among managerial staff at production department level -- as mentioned at point 6 above -- was observed; this created psychological pressure (mobbing) on workers.
7. 50% of the Öz Iplik-Is members interviewed mentioned that their supervisors/managers explained about Öz Iplik-Is to them and asked them to register with this union.
8. 30% of the Öz Iplik-Is members interviewed mentioned that accounting and H&R department representatives asked them to register with this union.
9. 20% of the Öz Iplik-Is union members interviewed mentioned that they had heard about the union from their friends.

10. 10% of the Öz Iplik-Is union members interviewed mentioned that their supervisors/managers helped them with registration, as they provided transportation to the post office in order to get the e-state passcodes that are needed for online union registration.

11. Some workers have registered with the Teksif union as reaction to the manipulation of their managers/supervisors, while some Öz Iplik-Is members mentioned that their motive behind registering with Öz Iplik-Is was a reaction against Teksif's protests and divisive unionization strategy.

12. Although management organized a training session on June 12 on FOA and CBA topics upon H&M's request, it was observed that topics covered during this training were mainly limited to individual labor law instead of collective labor law and moreover that they focused on the legal framework instead of providing some practical information about unions and collective bargaining. As a result, this training is considered as ineffective as none of the workers interviewed were able to answer even some simple questions about these concepts, irrespective of whether they were registered with a union or not.

13. There have been long discussions between factory management and H&M representatives over one worker ("Worker A"), who is registered with Teksif and actively worked on the unionization process at the Öрма Duzce factory. Management's complained mostly about his unacceptable behavior -- such as excessively using H&M's complaint channels on purpose and calling H&M's hotline under direction of Teksif officials, encouraging and sometimes threatening workers to join slowdowns, and rejecting the authority of his supervisors/managers. During an interview, this worker mentioned that he has been demoted, physically harassed by factory security and even his employment was terminated; only after H&M's intervention was he reinstated. There were a number of written complaints against this worker, most of them filed by members of Öz Iplik-Is. It was also observed that some Teksif members also filed some complaints and told interviewers that they are not happy about this worker's attitude as he's not performing his duties and claiming that he was assistant supervisor before, which is not true.

14. There were 15 written complaint forms filed against "Worker A." The investigator found that 2/3 of the complainants were registered with Öz Iplik-Is union while the remaining 1/3 were not registered with any union.

15. "Worker A" claimed that one of the security guards at the main entrance of the factory told him that he had been dismissed and only as a result of H&M's intervention was he reinstated, after a long paid leave period between June 18 and August 1. When it was checked, it was found that this security guard is a member of the Öz Iplik-Is union.

16. Almost all workers interviewed mentioned that during the period of competition between the unions, there have been some improvements on some chronic issues like excessive overtime and leave -- annual and casual.

17. Some female workers mentioned that they have registered with the Öz Iplik-Is union just because some managers/supervisors told them by doing so, their children can be accepted in the daycare center located within the factory.

18. Less than 5% of the workers interviewed claimed that during the unionizing process they were coached by their supervisors before and during social compliance audits from H&M and other brands. This claim was found to be unreliable. During this period as H&M received numerous complaints from the Öрма Duzce factory on a variety of issues and a hotline number was readily available for the workers to express concerns; the issue of coaching was not reported even once. It is more likely that the coaching --to the extent it might have occurred -- was provided to some workers by union officials.

19. During conversations with the HR representative, she mentioned that almost 3% of the workers have credit card debt and their wages are confiscated by banks (1/4 of their wages deducted on a monthly basis).

20. Claims of employer's interference with unionization process through getting e-state passcodes of workers without their consent and knowledge and use of these passcodes for registering them with the Öz Iplik-Is union was one of the most controversial points. Currently, 55 workers have filed lawsuits on penal court making this claim.

21. Most of the workers interviewed mentioned that their e-state passcodes have been taken from a post office in Istanbul without their consent or knowledge. It was observed that 55 of these workers have filed a lawsuit before a penal court through a uniform complaint letter to the district attorney. This letter says that workers have called the Alo 160 – a hotline where they can check the status of their e-passcode -- and found that their e-state passcodes have been taken from the Istanbul Basaksehir post office, although their actual residence is in Duzce. Company management's explanation about this issue in documents provided to the Investigator during opening meeting – document on Öрма Tekstil Unionizing Process Management -- states on page 6: "competition between unions on member registration has created disruption at Istanbul & Duzce production locations." In fact, as explained in detail in the Öрма Tekstil Istanbul section of this report, no competition has taken place at the Istanbul factories, as these factories are dominated by the Öz Iplik-Is union.

22. It is a criminal act for management or managerial staff to interfere in the unionization process by sending the list of the workers to the post office without workers' consent and trying to get their e-state passcodes, even if it is done with good intentions. "It is not clear for which purpose these e-state passcodes received or applied to be received will be used. Even if these passcodes were requested just to simplify the registration process, as claimed by management representatives, it is possible for anyone who gets these individual passcodes to register these individuals into any union or check their status on union membership."³ Another suspicious point about management's e-passcode request was the location of the post office: the Basaksehir post office is located near the Öрма Tekstil Istanbul factories and almost all workers working in these two factories are registered to the Öz Iplik-Is union.

23. One of the shuttle buses carrying workers back from work to Akcakoca stopped at a restaurant on its route to Akcakoca and workers were asked to join a meeting at which the Öz Iplik-Is union was explained; the union bought the meals served during this meeting. In addition to this specific incident, it was observed that both of the unions engaged in active propaganda activities by distributing flyers and handouts. A most interesting attempt to reach workers observed was Öz Iplik-Is's coiffeur discount coupons handed out to the female workforce.

24. Management representatives have claimed that Teksif has ordered its members to slow down production, not to stay for overtime, and ignore quality standards; these factors have had a negative effect on the overall efficiency of the factory. A balance sheet provided by factory management reflects an increase of labor costs in the months of January, February and March 2014, probably caused by overtime. Considering the fact that Teksif's unionization efforts intensified in March 2014 and the first mass registrations happened in May-June 2014, there were no reductions in production figures observed on said period. On the contrary, the figure for total sewing production increased 13% comparing the August-December 2013 and

³Alpagut, G. (2013) "Evaluation of new Labor Unions Law 6356 in light of EU and ILO Norms", 124; Melda Sur, "Evaluation of Law 6356 with respect to International European Council, European Union and ILO norms" *Work & Society* 2013/4.

January-May 2014 periods. The period June-August 2014 showed total sewing production of over a million pieces, which is higher than many quarters, especially considering the fact that overtime work has been significantly reduced on this period.

25. H&M's timely intervention in March 2014 stopped an unplanned and badly designed retrenchment process and no dismissals have taken place after that date. However, H&M's intervention has been misinterpreted by some workers and union officials and used as a propaganda tool to create some rumors within the workplace such as that H&M wants Teksif to be organized in this factory over Öz Iplik-Is.

26. The Investigator had a chance to conduct offsite interviews with some of the Teksif union members who were part of the first wave of retrenchments on 28/3/2014 and gathered the following information:

- a. Management selected the 26 workers to be retrenched, as they knew 10 of them were registered with Teksif and the 16 others were about to register, as they were close friends.
- b. Most of them stated that the main reason why they registered with the Teksif union was excessive overtime.
- c. Most of them claimed that it is almost impossible to find another job within the Duzce area as they have been blacklisted and all other factories know why they have been dismissed from Öрма Tekstil. This issue was discussed between H&M and the employer right after receiving some complaints from the affected workers and the employer assured H&M that there is no such a blacklisting practice in place and he can personally help these workers to find new jobs if the workers get in touch with him. It was observed that none of these workers attempted to get in touch with the employer and explore this alternative.
- d. Some of them blamed one Teksif member for sharing their names with factory management in return for getting full severance and notification pay. The Investigator checked the name of the individual provided by the workers and learned that this worker was dismissed by the employer on 4/11/2013 and received both severance and notification payments.

Observations at Öрма Tekstil Istanbul Factories

Total number of workers at the factories: 287 (161 workers, 126 managerial staff) Total number of workers interviewed: 161 Total managerial staff interviewed: 17

The investigation team visited the facilities in Istanbul on September 1-2 and was granted access to the premises. The company's owner and general manager were present at the opening meeting, at which the purpose of this visit was explained. After the opening meeting, interviewers immediately started worker interviews while investigator started documents review and managerial staff interviews. Below is a combination of observations being made during this visit.

Documents review, meetings with worker and management representatives:

1. Almost all of the workers interviewed mentioned that they are registered with Öz Iplik-Is union.

2. Worker interviewers noticed that workers have replied to their questions with the same answers, which created suspicions of coaching of these workers.
3. Only 1% of the workers confirmed that their supervisors coached them before the investigation team's visit, and that the same supervisors forced them to register with the Öz Iplik-Is union by saying that their employment contracts would be terminated otherwise.
4. Most of the workers mentioned that they had been told by their supervisors to say that "Supervisor A" was the person who actively worked on unionizing process and promoted Öz Iplik-Is when they were asked during the worker interviews.
5. Just like in the Duzce factory, it was observed that workers do not know much about unions and their FOA and CBA rights, as most of them could not answer a basic question like why they had registered with a union and only a few of them said it was because a union could protect their rights more effectively. Almost none of the workers in these factories had worked in a unionized workplace and therefore it would be unrealistic to expect them to make a rational selection on unions.
6. 10% of the workers interviewed stated that they registered with Öz Iplik-Is as a reaction to Teksif's protests that took place in front of the factory building and that they were irritated by insulting and untrue statements made by Teksif officials during these protests.
7. The Investigator personally interviewed six managerial staff, out of which four had registered with the Öz Iplik-Is union. All of them mentioned that the unionizing process started in the Istanbul factories before the Duzce factory, as one of the managerial staff who works in the Istanbul facility has a friendship relation with one of the Öz Iplik-Is union officials. They also mentioned that Teksif's protests staged in front of the factory building generated a strong reaction against Teksif and many of the workers registered with Öz Iplik-Is because of that reason.
8. One of the managerial staff interviewed mentioned that his political views are totally against Öz Iplik-Is and Hak-Is, as he prefers to call himself as a social democrat while he believes Öz Iplik-Is a conservative rightist union. But he also mentioned that he and many of his friends were irritated with Teksif's protests and decided to join Öz Iplik-Is union as a reaction. He also mentioned that he actively promoted the Öz Iplik-Is union in his department and helped workers register with this union. He also mentioned that none of the Teksif officials ever got in touch with workers in the Istanbul factories and Teksif totally ignored these factories.
9. One of the managers interviewed, "Manager A," mentioned that he actively worked on Öz Iplik-Is's unionization efforts as he thought that Teksif's actions at the Duzce factory and in Istanbul were totally wrong, as they upset the employer with untruthful accusations and tried to convince the workers at the Duzce factory with some unrealistic promises, like 4 bonuses per a year and some other unfounded financial projections. He mentioned that these promises were impossible to keep, as he knows the profit margins in the textile business. He felt that unethical unionizing strategies had to stop. He also mentioned that it was easy for Teksif to trick workers at the Duzce factory with unrealistic promises but here in Istanbul factories workers are pretty much aware of the situation and workers never registered with the Teksif union because of that reason.
10. One of the managers interviewed, "Manager B," mentioned that he prepared a list of names of the workers working in the Istanbul factories at Manager A's request, as Manager A told him this would speed up the registration process since workers were waiting on long queues to get their e-state passcodes. He also mentioned that he mistakenly sent the list of

names of the Duzce factory workers along with the list of names of the workers at the Istanbul factories.

11. One other managerial staff interviewed mentioned that seniority is much higher in the Istanbul factories and the majority of the workforce consists of male workers as opposed to the Duzce factory, where the majority of workers are female. According to him, it is almost impossible for Teksif to register many workers from the Istanbul factories because workers here can see unrealistic promises unlike workers at the Duzce factory.

COMMENTS AND RECOMMENDATIONS

The comments and recommendations that follow are based on the investigator's professional judgment, based on his observations, information gathered from different sources and his experience. It is important to bear in mind that it is not always possible to find objective evidence or a paper trail in complex union competition cases and worker and managerial staff interviews could be misleading due to strong coaching and even self-coaching caused by a competitive environment.

1. Although there are ongoing lawsuits regarding this issue, there wasn't enough evidence found to draw a conclusion that the dismissal of 26 workers in March 2014 was solely based on their Teksif union membership. Considering the fact that only 10 of them were registered with the Teksif union and the rest not registered with any union, and that the 26 dismissed workers were only a part of the 200 workers planned to be retrenched, it is not possible for the Investigator to accept Teksif's claim. It is also important to bear in mind that this company is a long-time supplier of H&M and has basic knowledge about FOA and CBA rights of workers from H&M's code and local law requirements -- both the Constitution and labor law. The Investigator found that management mishandled the retrenchment process, which was decided in haste, without exploring other alternatives described in detail at point 9 of the Duzce section of this report.

2. One of the major root causes identified during this investigation was the concept of "competition" between the two unions. As clearly described by union officials during the union office visits, there is a historical rivalry between the two unions mainly caused by some past experiences that have fueled the competition and led to an unethical competition environment within these three factories. This kind of rivalry could easily create conflicts like the ones experienced at Öрма Tekstil even in other factories, even some that are unionized. It is important to bear in mind that this is especially not a good practice for countries like Turkey, where unionizing efforts are limited by local legislation. It is strongly recommended that executives of these two unions get together under the supervision of IndustriALL to end their rivalry and concentrate their efforts on organizing non-unionized factories, rather than in prolonged union competition cases like this one.

3. Trade union pluralism and union competition cases are inevitable when more than one union is involved in the unionization process. But it is important to underline that the current situation -- particularly at the Öрма Duzce factory -- goes beyond the reasonable, as both of the unions are polarizing the workforce with different arguments and coaching militant union members, increasing tension and threatening peace at work. As a result, some of the workers have lost faith on unions in general and on potential benefits of a unionized workplace, and resigned from both of the unions.

4. Given the fact that the Öz Iplik-Is union has a lot of members among managerial staff in all three factories, and these managerial staff have played an active and strong role in the competition among the union as they have affected the workers' decisions on union membership by promoting Öz Iplik-Is, it is not possible to say that management was totally insulated from the competition between the two unions. More than half of the production

managers/supervisors registered with Öz Iplik-Is are at the Duzce factory, as are other managers, and the situation is pretty much same for Istanbul factories where many supervisors and managers are registered with Öz Iplik-Is.

5. Both workers and managerial staff lack knowledge on rights and responsibilities regarding FOA and CBA, and this has created turmoil within all three factories. In order to overcome this weakness, it is important to organize training sessions with different content for both workers and managerial staff. It is important to bear in mind that these training sessions should be delivered by an independent trainer selected and endorsed by H&M, FLA and IndustriALL. These sessions should:

- a) Train workers on their rights and responsibilities about FOA and CBA issues in light of both local law and ILO conventions, and provide some practical information on how to register or resign from a union. A section for militant union members that briefly covers do's and don'ts during the unionizing process could ease the tension between the members of these two unions.
- b) Train managerial staff on their rights and responsibilities about FOA and CBA issues in light of both local law and ILO conventions and provide them some practical information about key points about which they need to be careful in order to not to use their managerial positions to promote any one union or influence workers

6. There are three large unions along with a number of smaller unions in the Turkish textile industry. It is important to bear in mind that according to international standards, it should be the workers at workplaces who are the ultimate decision makers about which union will organize and achieve a majority in a given workplace. Therefore it is a universal norm to organize independent secret ballot elections to determine the union that holds majority in order to end conflicts in the workplaces in union competition cases. The Investigator suggests following this rule for all three Öрма Tekstil factories, considering the following points:

- a) Before organizing such independent secret ballot elections, both of the unions involved in this conflict should get together under the supervision of IndustriALL representatives. It is important to keep this meeting at the presidential level and to limit participation to elected union officials. An MOU should be signed after this meeting covering the following agreements: (i) immediate withdrawal of authorization request filed by Öz Iplik-Is and lawsuits filed by Teksif; (ii) a declaration from representatives of both unions that they'll honor the results of the election; (iii) a clear declaration that they will follow the suggested solution under this article; (iv) a declaration of goodwill to resolve all historical disputes they have had and a commitment to solve disputes through dialogue under IndustriALL's supervision.
- b) H&M should discuss with Öрма Tekstil management the benefits of a secret ballot election in resolving the ongoing disputes at the factory. It is incumbent upon Öрма Tekstil to take responsibility for working with the IndustriALL, H&M and FLA representatives to organize and hold the secret ballot election and to honor the result.
- c) Independent secret ballot elections must be organized after completion of trainings suggested on point 5 in this section.
- d) Secret ballot elections should be organized at all three factories with the combined efforts of H&M, FLA and IndustriALL representatives, without any interference from the employer and any of the unions involved in the conflict.
- e) It is suggested that the secret ballot elections be organized during breaks, such as during the lunch break. An independent observer from FLA or IndustriALL should be present during the whole voting process; it is also possible to have one observer from each union.

f) Any union that exceeds a 40% limit of workers at all three factories (i.e., 707 workers) will apply to the Ministry of Labor and Social Security to get the letter of authorization –communication of competence-- and immediately start CBA negotiations. If both of the unions exceed that limit, then the union that gets the majority of the votes will start the CBA negotiation process. If neither of the unions reaches the 40% limit, then both will continue their organizing efforts and member registration process, and whichever union first reaches 40% should apply for a letter of authorization –communication of competence-- from the Ministry of Labor and Social Security and start CBA negotiations.

7. In order to restore workplace peace, which has been severely effected by union competition since June 2014, it is suggested that Öрма Tekstil management organize social activities in all three factories.

8. It is suggested that Öрма Tekstil management take the initiative and explore job opportunities in the Duzce area for dismissed workers or workers who resigned from their jobs, in order to put to rest the claims about blacklisting.

9. Although Öрма Tekstil management has recently taken some steps to establish management systems within the factories -- such as working with a productivity consultant, preparing written procedures on grievance systems, developing a worker handbook, etc. -- it was observed that these efforts still require some guidance and supervision, as managerial staff need to be trained and some of the newly-created procedures need to be checked in order to make sure that they are in line with both local law and H&M code requirements. It is also important to bear in mind that Öрма Tekstil is a family-owned company, and the owner of the company engages in micromanagement. This could be a good management style for small-sized companies, but considering the fact that Öрма has three textile factories, in addition to investments in other industries, it is important to have a more structured and less owner-dependent management style in place.

CONCLUSION

This detailed investigation has revealed that some workers at Öрма Tekstil have been treated differently because of their choices over union membership, and some of them felt obliged to register with one union over the other because of the active involvement of some managers in the ongoing union competition.

These interferences into the union competition were mainly caused by individual decisions on the part of managerial staff rather than by a general company strategy endorsed by top management and the company's owner. Many mid-level managers and supervisors registered with the Öz Iplik-Is union openly admitted that they had done so as a reaction to Teksif's unethical behavior, divisive organizing strategy, unrealistic promises and offensive language and claims against the employer.

Members of Öz Iplik-Is and Teksif, as well as workers who have not registered with either union, verified that they shared this view, as Teksif's organizing strategies have been aggressive and divisive. It is important for Teksif to review its unionization strategies to make sure that they take into account that campaigns against employers and management, polarization of the workforce and purposely excessive/overuse of complaint channels of brands and MSIs, rather than dialogue with management, are not helpful in solving complex problems and actually might make situations worse by generating a reaction against the union among workers and blocking communicating channels with management. Unionization-related issues must be solved through solidarity and support from fellow workers at the workplace rather than through using international brands' complaint channels at the first sign of trouble. This practice will not strengthen the union movement and will create a new role

for international brands and MSIs of control authorities auditing claims on each and every complaint.

In order to eradicate the destructive union competition taking place at Öрма Tekstil, this Investigator strongly recommends the implementation of the roadmap set out in the Comments and Suggestions of this report and provide for the union that gets majority -- above 40% of the total workforce in a secret ballot election -- to immediately launch CBA negotiations with company management.

Its important to recall that FOA is a major component of workers' rights, and every worker has the right to freely join any union without any interference: it is a constitutional right as well as an integral part of ILO Convention 87 which has been signed and ratified by Turkey.