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Challenges and Experiences in Organizing Home-Based Workers in Bulgaria

Dave Spooner¹

Homework is where the poor are, millions of them. Those who want to “make poverty history” would be well advised to use as a point of leverage those standards, like the Home Work Convention, which are specifically designed to address the problems of the poor, and particularly of poor women, who make up the vast majority of homeworkers.

Dan Gallin, GLI

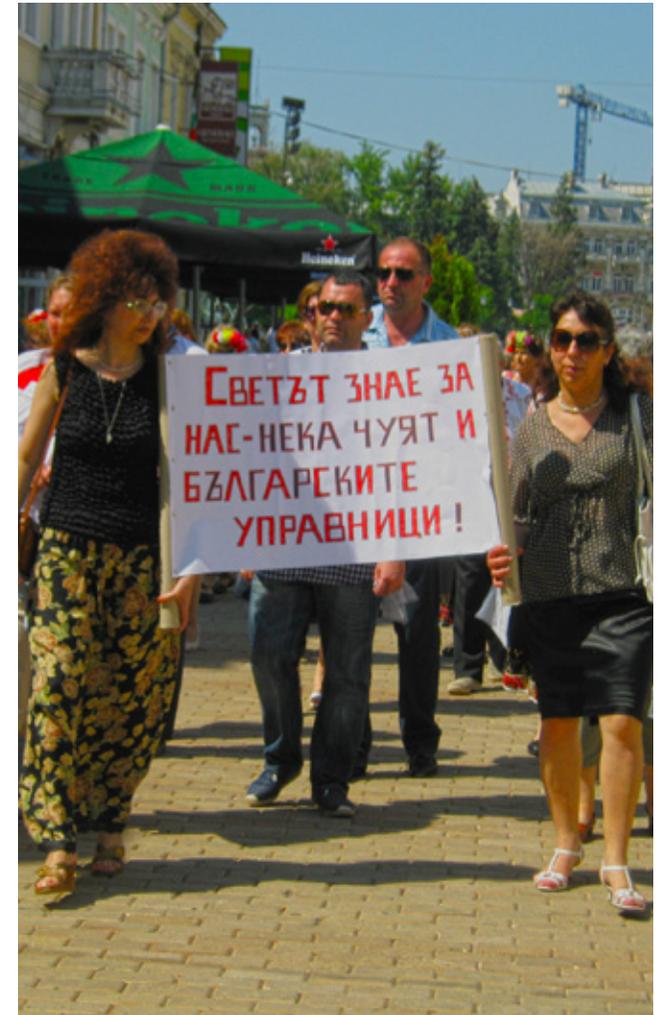
The Home-Based Workers' Association in Bulgaria has built an impressive national organization, has won substantial gains for home-based workers, and has begun to assist the development of home-based workers' organization throughout South-East Europe.

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There is a great deal of interest in how the Bulgarian home-based workers achieved these successes, especially as the association is apparently financially self-reliant and built from the bottom up by the voluntary effort of its members. In particular, the national and regional HomeNets² in Asia are very interested to know more about how the Association is organized, how it undertakes collective bargaining, and how it relates to the Bulgarian trade union movement.

In order to research the Association, a programme of meetings and conversations was undertaken against a dramatic back-drop of political upheaval in Bulgaria. In early February 2013, sudden electricity price rises provoked a national wave of popular protest, which quickly grew into a broader uprising against growing poverty, unemployment, and political corruption. The protests took place largely independently of traditional political parties and (for the first

² In Asia, membership-based organizations, groups of home-based workers and supportive NGOs have joined together to form national and regional networks: HomeNets.



"The World knows about us. Let the Bulgarian Government hear about us".

Members of the Home-based Workers Association of Bulgaria, their children and supporters, marching to make their voices heard, June 2012.

few weeks, at least) the trade union federations. Led from the streets and social media, it found its voice through a broad coalition of civil society groups. It was in effect a revolt against the entire Bulgarian political class.

As soon as the protests started, the Association called meetings in each province to discuss what should be done, and it was agreed to issue an open letter in support. The demonstrations were supported by the local Associations and their allies. Many home-based workers had been among the first to join the protests on the streets. By contrast, the trade union federations were very slow to react, seemed out of touch with the protesters, and appeared at a loss to know how to respond, much to the frustration of Association leaders.

Home-Based Work in Bulgaria

There are an estimated 500,000 home-based workers in Bulgaria, both own-account and industrial outworkers (Marshall 2010).

Own-account workers are self-employed home-based workers who do not hire others but may have unpaid family members working with them. In Bulgaria, these include many thousands of mostly women workers, providing services (hairdressing, private tuition, translation, IT, etc.) or making a variety of products that street vendors and shops, some of which are Association-operated, sell in markets.

Many of the own-account workers supply the tourist market as well as Bulgarians looking for goods produced using traditional Bulgarian craft skills—embroidery, wood-carving, iconography, macramé, *martenitsi*, etc.³

³ *Martenitsi* are small broaches or pendants made of red and white yarn, worn by Bulgarians throughout March, marking the beginning of spring. March 1st is a traditional holiday to welcome the arrival of spring, and the making and selling of *Martenitsi* is a major source of employment for home-based workers.



Own-account workers are self-employed home-based workers who provide services (eg hairdressing, translation) or make a variety of products for street vendors and shops. Many of these are crafts designed to appeal to the tourist market using traditional Bulgarian craft skills like embroidery, wood-carving and *martenetsi*.

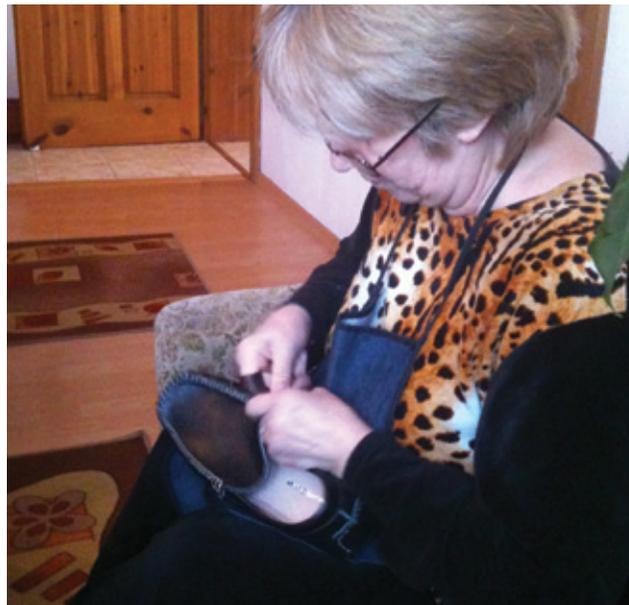


Many own-account workers also have factory-based jobs or work as migrant workers—particularly in agriculture in Spain or Italy. In the Pleven province, for example, 40,000 people, some 30-40 per cent of the working population, work seasonally in Italy and Spain every year, mostly in agriculture and construction. Migrant workers have a custom of taking souvenirs with them every summer when they leave Bulgaria, which results in a good market for the home-based workers' products. The ebb and flow of migrant workers also affect the Association's membership figures, which fluctuate with the seasons. For example, one of the Association's most successful artists—a tapestry weaver—is also a migrant worker who works as a cleaner in a Greek tennis club.

Industrial outworkers ("homeworkers" as defined by the International Labour Organization (ILO)) are those home-based workers who carry out paid work for firms/businesses or their intermediaries, usually on a piece-rate basis. In Bulgaria, the work typically includes hand-stitched shoes, beadwork and embroidery, packing spare buttons in the plastic bags that are provided with new suits, packing sets of socks, producing laminated paper bags for retailers, and sewing buttons onto cuffs, etc.

The pay industrial outworkers receive is extraordinarily low. The women sewing buttons onto shirt cuffs, for example, earn BGN 20 (US \$13.00) for every 400 pieces. A team of five workers make 10,000 laminated bags per week—

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folding and gluing laminated printed sheets provided by an employer's agent (other homeworkers add the string to the bags). They earn BGN 10 (US \$6.50) for every 300 bags produced, plus a BGN 2 contribution to the workers' health insurance (administered by the Association).

Many home-based workers do both own-account and out-sourced work, often on a seasonal basis. Out-sourced workers in winter are often own-account workers in the summer, particularly as agricultural small-holders or in small-scale market gardening.



Outworkers in winter will often become own-account workers in the summer, for example in small-scale market gardening.

The Association

The Home-Based Workers' Association in Bulgaria, formed in 2002, has 35,000 members, who are defined as all those who have paid a membership fee at some point. The Association has 8,000 members who pay on a regular basis, members in 22 of Bulgaria's 28 provinces, and members in 56 of the 264 municipalities—including many groups in villages within the municipalities. It is particularly well-organized in the south-west and north-east of the country and less developed in the towns and cities of the Black Sea coast.

Origins

In 1999-2000, Violeta Zlateva, the Association's current National Chairperson, was employed by a Clean Clothes Campaign⁴ project to undertake a survey of factory garment workers in south-west and north-east Bulgaria. In interviews with garment workers, she learned that in winter many of the factory workers worked at home and that many companies out-sourced to home-based workers. In Petrich, a local representative of the Podkrepa⁵ trade union federation knew some of these workers and introduced them to Violeta.

The workers explained that cars delivered to them semi-completed garment pieces, and workers were paid in cash totally informally for completed work. Violeta then began to explore other forms of home-based work in the local Petrich economy and was introduced to Rozalina Ivanova, who then (as now) produced laminated paper bags for a Greek company. At the time, there were 3,500 home-based workers

⁴ The Clean Clothes Campaign is an alliance of organizations in 15 European countries dedicated to improving working conditions and supporting the empowerment of workers in the global garment and sportswear industries.

⁵ Confederation of Labour – Podkrepa, established in 1989.



Activists outside the Veliko Tarnovo shop.

making these paper bags in Petrich (by 2013, this had reduced to 1,200 after the employer switched production to a town with a predominantly Muslim population where the Association finds it very difficult to organize the workers).

Violeta questioned why these workers were not organized. The Podkrepa official explained that the national centre had decided not to attempt to organize home-based workers as a matter of policy. So Violeta decided to do it herself.

Violeta subsequently met Jane Tate from the UK-based NGO Homeworkers Worldwide (HWW),⁶ who showed a lot of interest in the research and mapping of home-based workers in Bulgaria. Violeta agreed to be involved—but as a first step in organizing, rather than simply as a research exercise. The Association for Development and Spiritual Renewal, a Bulgarian NGO with links to HWW, channelled US \$90,000 of project funds into a mapping project in four areas—Ruse, Petrich, Sandanski, and Gotse Delcher. Each area hired paid coordinators.

⁶ <http://www.homeworkersww.org.uk/home>

Within two months, the Home-Based Workers' Association was launched (April 2002). Within three months, each of the four coordinators had organized groups of more than 50 women.

In Pleven in 2002, Svetla Ilieva, who had been the owner of a number of small businesses (bars and restaurants), but who is now the Association's local coordinator for that area, came across a feature article in a popular women's magazine about home-based workers. The article included an interview with Violeta and Rozalina, along with their contact details. She phoned to ask whether she could form a local group and was immediately invited to a meeting on the Black Sea. Two days later she returned to Pleven and started meetings every Saturday in her own home. Since 2008, Svetla has been working solely for the Association, surviving on a small pension supplemented by puppet-making.

The Ruse Association started as a loose social network of craft-workers and artists looking for outlets to sell their products. They started organizing exhibitions, which in turn encouraged others to join the group. This network then became aware of the national Association, made contact, and joined.

According to Violeta, soon HWW became nervous at the speed and unplanned scale of organizing and thought that the coordinators were "getting ahead of themselves", rather than concentrating only on the mapping exercise. In February 2003, the project was closed after one year even though there was a further year to go.

Subsequently, HWW, working directly with Rozalina, started working together with Australian donor funding to launch a local rival association in Petrich—Kaloyan—which, when invited to international meetings in Europe, Turkey and India, claimed to represent

the Bulgarian movement. This angered the national Association until the HWW funds were directed elsewhere (reportedly to an NGO in Serbia).

The differences between the Home-Based Workers Association and Kaloyan were not reconciled until 2010, when Kaloyan collectively re-joined the Association.



Violeta Zlateva speaking at the South-East Europe home-based workers' conference, hosted by the Bulgarian Association, February 2012.

Governance

The Association is governed by the Annual General Assembly, composed of around 150 elected delegates: one delegate per 20 members. The Assembly elects a Board and a National Chairperson, who is currently Violeta Zlateva, for a five-year period. Between the meetings of the Annual General Assembly, there are generally quarterly meetings of a national Coordinators' Council.

In each province, the Association elects voluntary elected committees and coordinators every four years at Annual General Meetings. Every town and village group regularly reports to its respective provincial committee.

According to Violeta, all decision-making power rests with the local organizations. Each year, the local organizations send proposals for activity to the Chairperson. These are integrated into a draft national plan, which is then sent back to the local groups for ratification or further proposed changes. During each year, the plan may be amended or extended locally, with the local groups informing the Chairperson of each change or any other decisions taken.

All of the policies and activities of the national Association are determined by local decision-making: the national leadership cannot sign a document or reach agreement with external organizations without the agreement of the local organizations. The Coordinators' Council is in effect a federal structure, and, says Violeta, the National Chairperson has a "24-hour relationship" with local leaders.

Locally, Association activists generally meet monthly or more frequently. In the town of Veliko Tarnovo, for example, the activists meet once or twice per week, and there are monthly general meetings, attended by perhaps 50 members. The agenda for the meetings is

typically dominated by discussion on how to increase sales at members' shops, marketing ideas, plans for exhibitions, and sometimes the need to provide support to members in personal crisis. In Pleven, members meet weekly by craft or occupation (meetings for embroiderers for example) in addition to monthly general meetings.

Each local Coordinator, along with a treasurer, is elected every three years although the General Assembly has the power to change the local Coordinator at any time by a simple majority. If the Coordinator breaks national rules of the Association, s/he can be replaced by the national body. The treasurer is responsible for sending monthly financial reports to the National Chairperson.

So far, the democratic processes have been successfully maintained in all the provinces—with the exception of in Ruse, where the National Chairperson had to intervene. The coordinator in Ruse was discovered to have been misusing the shop's income and membership fees for her own benefit. The local group did not have the necessary experience or skills in the governance of democratic organizations to run the local Association, and the treasurer was not effective in overseeing the finances. The coordinator was subsequently removed from her post. As a result, the Association introduced tighter rules, with members having more direct oversight over the accounts, and training was provided for local treasurers.

Self-reliance

The Association prides itself on transparency and on financial self-reliance based on membership fees. Each province has its own treasurer, who reports to provincial assemblies of the members. In 2012, the total income for the Association was approximately BGN 120,000 (US \$75,000), which included membership fees and shop income. All income from membership dues remains in the local organizations, which are responsible for their

own costs including the costs of travel and accommodation to attend national meetings.

Membership fees are generally collected from house to house as many home-based workers cannot afford to take time off work to attend frequent meetings. Each city has a meeting room where members gather every three months or so though the frequency varies amongst local organizations. Between meetings, the local leaders are in frequent contact with the members, especially those facing problems.

The national Association receives some project income from EU-funded programmes and international donors, ranging from US \$15,000 to US \$35,000, primarily for their work in building a network of home-based workers' organizations in the Balkan region and beyond in Eastern Europe. The national Association also receives grants from the national government totalling around US \$75,000 per year to create employment opportunities for unemployed members, providing about 25 temporary jobs.

Generally, members pay fees when they are in work or earning. In Petrich and the surrounding area, for example, the Association is growing and currently has more than 8,000 members. But at any given time, only approximately 4,000 pay the membership fee of one per cent of the minimum wage, or BGN 1.00 (US \$0.65) for pensioners, disabled workers, or the unemployed. This average produces an income for the local Association of up to US \$2,000 per month. From time to time, members voluntarily pay more to support other members in financial difficulties.

In Velika Tarnovo, famous as the historical capital of the Second Bulgarian Empire and so a major tourist destination, the Association has about 2,000 members, of whom 300 members regularly pay a monthly fee of BGN 3 (US \$2.00). Here, the Association in effect works as a collective of own-account workers (artists and arti-

sans) that sells crafts and artifacts at the tourist market. Members' products are sold through the Association's own shop in market, which also serves its office and meeting place. Emelia Ivanova, the local coordinator, estimates that 80 per cent of members depend on home-based work for their livelihoods, but few are able to make a decent living. Those facing economic hardship are the most active in the Association.

In Ruse, in the north-eastern part of the country on the River Danube border with Romania, the Association has around 1,000 members although the numbers fluctuate. Nine hundred members pay membership fees of about one per cent of the minimum wage—about BGN 3—while disabled members or pensioners pay less. Members are all own-account workers who make a variety of products including Martenitsi, hand-made lacework (based on a 16th Century Bulgarian technique), jewellery, woollen ponchos, and children's clothes.

The Pleven Association has approximately 5,000 members, of whom 2,000 pay membership fees varying between BGN 0.5 and BGN 2 (US \$0.33 and US \$1.32) per month, which covers the costs of office rent and materials. The Pleven group used to get donations from local businesses—especially from cooperatives—but with the decline in industry, it now only receives donations in kind. Given Pleven's high unemployment, most of the donated goods are given to the Association's members in greatest need. Sixty per cent of the members are own-account workers, and 40 per cent are out-source workers to Greek and Italian companies for bead-work or hand-finishing of garments and shoes. Out-source workers tend to turn towards own-account work when there is no out-sourcing available. Some of the members are involved, on the other hand, purely as a hobby. The Association includes a small number of men working on their own account who produce wood carvings, paintings, decorative candles, glassware, and so on.

Own-Account Workers: Markets, Trade & Traditional Skills

In common with most own-account workers around the world, the priorities for the own-account home-based workers in Bulgaria are to expand or find new markets for their products and services and to improve the quality of both. The Association helps in several ways: providing shops in major urban areas for direct to consumer sales of home-based workers' products; exploring possibilities of trade within Bulgaria and between Bulgaria and the wealthier markets of western Europe and elsewhere; organizing national and international festivals to publicize and market goods; and promoting and passing on traditional craft skills.

The Association's Shops

The statutes of the Association do not permit commercial activity, so a company—the Society for Development & Home-Based Production—was registered under commercial law to operate a network of shops selling goods produced by the Association's own-account members. The company is a limited liability partnership owned collectively by the coordinators (including the National Chairperson) and is a member of the Confederation of the Employers and Industrialists in Bulgaria (KRIB), one of the 6 nationally represented employers' organizations.

The Company earned BGN 36,000 (US \$23,000) in 2011, a figure that has since risen as the number of shops has expanded. Eighty per cent of this income is paid to the workers and the remainder is transferred to the Association. The workers who supply the shops have contracts

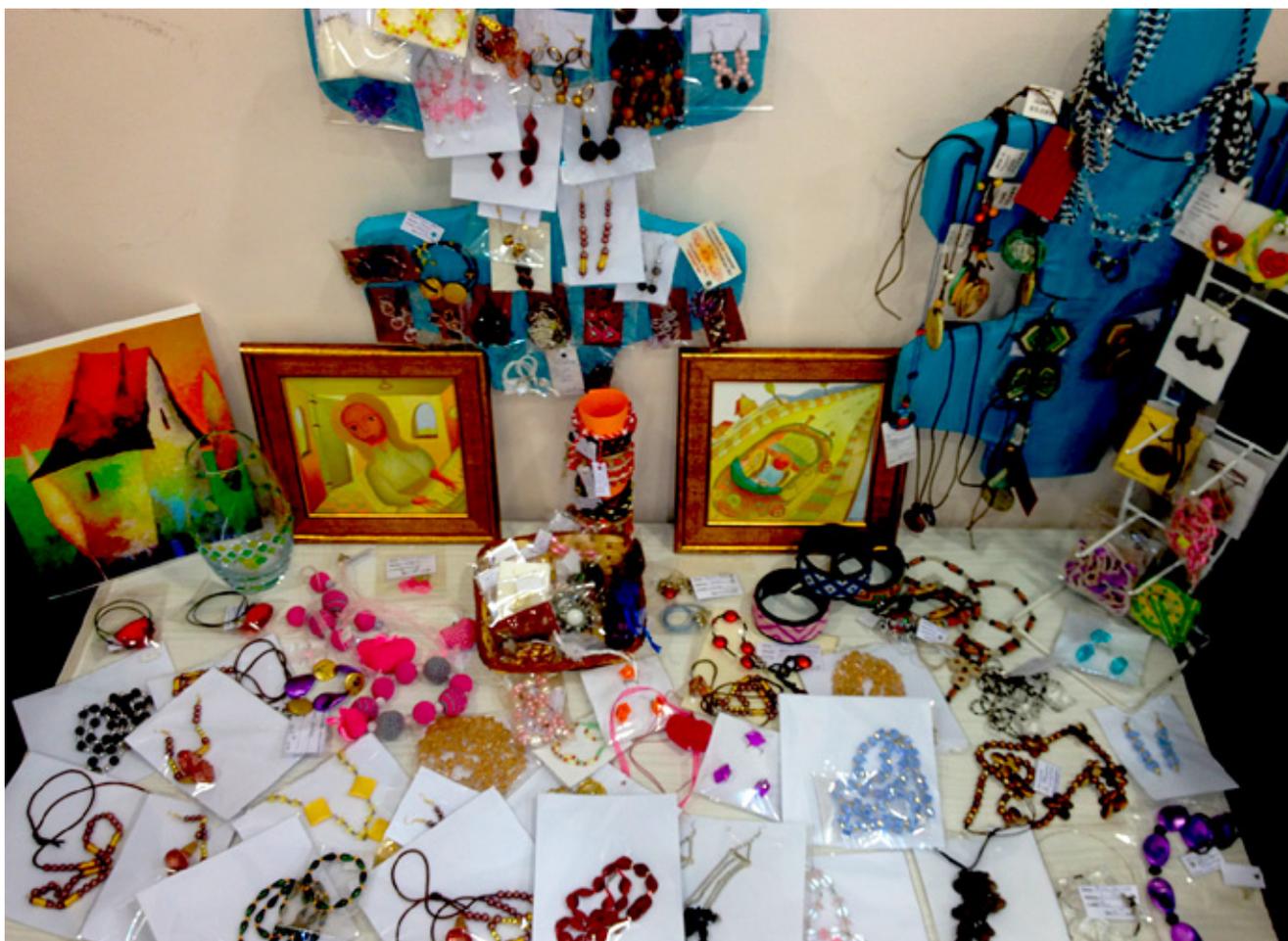


and pay social security contributions, tax, etc. All the bookkeeping is done locally and is audited annually by the national centre. The National Chairperson receives the daily cash register records of all the Association's shops as well as all of the receipts of membership fees.

The Ruse Association acquired a shop around 2010, but the shop was barely viable after deductions of rent, wages to a shop manager, and other bills. In the winter, there was practically no income. More recently, however, a local businessman—a supporter and ben-



The statutes of the Association do not permit commercial activity, so a company—the Society for Development & Home-Based Production—was registered under commercial law to operate a network of shops selling goods produced by the Association's own-account members. Pictured here are the Pleven and Petrich shops.



A colourful display of products at the Ruse shop showcases local craft.

efactor of the Association—gave the Association the use of a small three-story building with a new shop on the ground floor. More than 70 per cent of Association members, particularly the artists, depend on the shop to make an income. The shop takes 20 per cent of the stated price on merchandise towards the Association's costs. Generally, incomes in Ruse are low—suggested to be an average of BGN 400 (US \$250) per month—but home-based workers may have to survive on half that amount.

The Pleven Association has a well-located shop, for which it has to pay a rent of BGN 800 per month. It generates a monthly income of BGN 500-1,200 (US \$300-800). In Veliko Tarnovo, the “Made By Two Hands” shop manager is paid with support from an EU youth employment project. Everyone else working in the shop is a volunteer from the Association. The shop is rented, and it is difficult to financially break even, especially in the winter when there are very few tourists. In 2012, the shop had net sales income of about BGN 2,000 (US \$1,320), but the rent alone was BGN 3,600 (US \$2,376), so the shop relies on subsidy from the Association's income from membership fees.

New Markets? New Products?

During shop visits, it was made evident that there is a very limited market for most of the goods—mostly hand-made clothes, soft furnishings, children's toys, hand-crafts and art-work—produced by the own-account workers. Depending on the shop location, customers tend to be mostly Bulgarian or Greek tourists or local consumers interested in folk traditional artisan skills. The quality of goods is variable and sometimes poor yet the prices have to reflect the long hours of work by hand required to produce the goods. The prices are also easily undercut by cheap imports, notably from China.

Yet some members of the Association believe that the problem would be solvable by expanding or finding new local markets for the goods through better-located, well-managed, and well-publicized shops. There is, for example, interest in finding new international markets for the home-based workers' products, especially in the richer countries, and the associations have plans to establish permanent craft centres in Western Europe, perhaps named Made with Two Hands International, and it also has an interest in making contact with the Sabah network in South Asia.

The Association has also been setting up an “e-shop” to promote and sell its products, enabling direct sales to customers. Supported by an EU project, this is a new national initiative launched in January 2013. The old site had received small orders from the UK for leather bracelets and from Italy for knitted hats. If the new e-shop can generate large orders, the Association can distribute the work.

In addition, the Provincial coordinators of the Association are undertaking local, national, and international market research, enabling members to switch production to meet demand—this was to be a key theme in a regional conference to be held in Sofia later in 2013. The Association is keen to identify employers to engage in this process. At a national level, the Association is being assisted by the Sofia club of Zonta International, the US-based international NGO network of executives in business and the professions “advancing the status of women worldwide”.⁷

There is, in general, a consensus that it would be better for Association members to be out-sourced workers than own-account or to somehow find a way of combining out-sourced work with traditional craft skills.

Cooperatives?

Some of the Petrich members are own-account workers who often perform seasonal market garden work on small-holdings when out-sourced work is not available; as a result, the Association has formed a cooperative to market fresh organic vegetables and to provide germinated seedlings.⁸ The cooperative started with ten members and has grown to 35 although progress is difficult. Vegetable buyers attempt to split the cooperative, playing members off against one another for cheaper prices. In Ruse, Mr Obreshkov, a local businessman, res-

⁷ See www.zonta.org

⁸ There is a strong tradition of cooperatives in Bulgaria. They are relatively easy and inexpensive to register.



Many of the Association’s members are highly skilled, such as this maker of hand-made musical instruments, and are proud to be preserving Bulgaria’s craft traditions.

taurant-owner and supporter of the Association was helping it look for a city-centre shop with 30-40 square metres of space to become “a centre for trans-border cooperation” with Romania. He was a Social Democrat and strongly supported projects to develop cooperatives among home-based workers. His mother had been a home-based seamstress and after meeting the Association through political and trade union connections, he helped attract donors from local businesses. He had previously organized more than 1,000 garment

workers through cooperatives and self-help groups. He would have liked to develop a craft training centre, maintaining the craft traditions, and was keen to explore the formation of a cooperative of home-based beekeepers to exploit lucrative markets for honey in the Middle East. He was also very interested in developing a small farmers' cooperative capable of reaching international markets with organic produce. Sadly, Mr Obreshkov died in June 2013.

Traditional Craft and Culture

Some own-account members of the Association also work as teachers/trainers in craft skills. The Association introduces children to traditional handicrafts in a number of local schools. This brings in a small amount of income but more importantly builds the Association's links with the local community.

The Pleven Association, for example, endeavours to maintain cultural traditions by demonstrating and teaching craft skills such as weaving and garment-making to young children. The program is currently trying to raise money for a professional standard weaving loom. The Association also works closely with the cultural centres in the 120 villages in the province, demonstrating crafts (bread-making etc) at local fairs, festivals and public celebrations. These centres are remnants of the former regime—large meeting halls, social clubs, and offices built in each village during the 1960s and 70s, now very neglected, but still playing an important function in village communities. The Association has representatives in every village, thus forming a province-wide network. There is a revival of folklore groups, traditional choirs, dancing, and rural folk festivals, which match the Association's craft products very well and provide a good market for sales. The resurgence of interest in dancing and the fashion for traditional dress at weddings fuel demand for traditional costumes made by Association members.



Some Association members sell their products directly on the street.

Quality Control

A common problem faces many own-account workers in Bulgaria (and elsewhere): poor design of products, poor quality of work, and unrealistic pricing. Many of the goods produced are simply not good enough to be sold despite the frequently long hours required to make them. Despite using traditional hand-craft methods, many of the products are indistinguishable from the imported goods (from China and elsewhere) available in local markets at a fraction of the price.

The Petrich Association, which runs a shop provided by the Municipality in the local covered market, recognizes that it cannot simply tell the workers that their products are not good enough. Instead, it has a rule—if an article on display in the shop is not sold within three months, it is withdrawn, and the worker is offered help and guidance from the Association's creative council. In Ruse, the Association elects an artistic council, which approves and ensures quality control of products sold in the shop.

Out-sourced Workers: Bargaining the Rate for the Job

The Association has an estimated 12,000 members working as out-sourced home-based workers, undertaking work in their own homes for companies, predominantly in the garment and shoe sectors, but also in many other industries where labour-intensive work by hand is required as part of the production process. The Association's out-sourced workers are most successfully organized in Petrich, a town in the south-west of Bulgaria close to the borders with Greece and Macedonia, which has large numbers of homeworkers both in the town itself and in surrounding villages. The Petrich Association has built considerable skill and experience in collective bargaining with employers and agents to improve the livelihoods, respect, and status of out-sourced workers.

The essential focus of the organizing effort is directed at improving the rate of pay for the job. Out-sourced workers are almost all paid on a piece-rate. It is rare for the employer (often based overseas) to be directly involved in distributing the work to the homeworkers, determining the rate of pay, or setting the deadlines for completion of orders. These decisions are mostly taken by agents or local companies working on sub-contract. Foreign companies often open a small factory or workshop (directly or indirectly through a Bulgarian-registered company) in Petrich that is formally registered, accountable to Bulgarian law, and open to inspection. But the company then contracts the bulk of the work to homeworkers in a process that is invisible and unaccountable to the state.

Naturally, the agents and employers prefer that negotiations on price, if they are to take place at all, are

held individually with the workers or perhaps with each village. Like any trade union organizing the workers into an effective negotiating group, the Petrich Association finds the employers can be forced to improve terms and conditions of employment, but it is far from easy, and the nature of home-based work requires the Association to develop its own innovative means of establishing a system of collective bargaining.

When the workers first approach an employer—a local factory or trading company, for example—there is no negotiation. The employer sets the price. The Association asks the members how much they are being paid, and if the price is low, the Association does some research, perhaps finding comparative rates elsewhere. The Association then approaches the employer and requests a raise in the rate paid. As it is essential to ensure that the members do not lose the work, this request is (initially at least) very polite and made with a “positive attitude”. If, as is normally the case, the employer refuses to meet, the Association will try three or four times—sometimes attempting to negotiate with armed security guards through the chain-link fence surrounding the factory.

If all else fails, the Association organizes a strike, carefully timed to coincide with a tight deadline for orders or when a complicated order has to be completed. The Association always remains patient, sure to not immediately get into conflict. Rather, it waits for the right moment to call a strike. If the employer subsequently agrees to increase the wages, the Association then ensures that the deadline for the order is met. In 2012, the Association organized five strikes, four of which were successful.

The Association has taken collective action in many other cases. There have been a number of examples of Greek-owned unregistered garment sweatshops

whose owners have simply attempted to disappear without paying the workers, but the Association has organized picket lines to prevent the owners removing the machinery.

The Association is now well-prepared when new products or designs are ordered. For hand-stitched shoes, for example, it can work out precisely how much work is required, i.e. how many stitches are required per piece, and can negotiate a reasonable price.

The Petrich Coordinator, Rozalina Ivanova, described a current dispute with a Greek employer that had out-sourced the production of laminated carrier bags for retail chains. The Association managed to make direct contact with the Sofia-based contractor, cutting out the local agent, and gained a 40-50 per cent better price for the workers and worker access to health coverage. The agent, though, accused Rozalina of “stealing my workers” and creating competition.

Obviously, this all makes the Association highly unpopular with some people. Rozalina frequently receives phone threats, and the livestock in her village have been attacked.

It is always very painful when the Association loses a strike. In some cases, companies, particularly larger ones, can simply shift production to another town where the Association is unable to organize—to the town, for example, 60 kilometres away with a predominantly Muslim population where the women “don't defend themselves”.

Recognition and Support from the Municipality

The Association in Petrich receives considerable assistance from the local municipality. The Mayor, Velyo Iliiev, has known Rozalina for many years. He recognized the importance of Rozalina's work with home-based workers and felt "obliged to help" because home-based work affects everyone—especially women.⁹ The Association did most of the work in gaining the recognition of the employers, but the Municipality did much to help. For example, the Municipality asked the local Podkrepa officials to cooperate with the Association, and it organized meetings between homeworkers and local employers. One employer now has formal employment contracts with 40 homeworkers.

Petrich is a small town where everyone knows everyone else. If, for example, an employer delays payments to the workers but refuses to meet with the Association, the Mayor provides legitimacy by vouching for the integrity and right of the Association to represent the workers. The Mayor can call the employer to a meeting and explain that the interests of the Association should be upheld and protected.

When employers refused to negotiate, the Association was only sometimes able to get the Municipality to intervene. Now, it is able to go to the Municipality after the employer's first refusal.

In 2012, the Petrich Municipality established a local tripartite council (unions, employers, and local gov-

⁹ The Mayor was elected as an independent candidate although he remains a member of the Union of Democratic Forces (UDF). He explained that the current protests were not just about the rise in electricity prices, but about deeper causes of poverty and unemployment. The protestors in Petrich asked him to close off the roads to allow space for the protestors. He agreed on the condition that he was allowed to join the protests himself.



ernment) for economic and social cooperation. The council meets twice a year to discuss industrial relations, threats to the labour market, factory closures, new investment, etc. The Association was included from the start, and Rozalina is now a member of the local tripartite committee. Local union officials were resistant, and the Mayor had to insist that the Association be included. He surmises that perhaps the unions were jealous of an organization representing 8,000 workers.

From left to right: Violeta Zlateva, the Association's current National Chairperson, Velyo Iliiev, the mayor of Petrich and Rozalina Ivanova, the Associations regional coordinator for Petrich; The cooperation between the municipality and the Association in Petrich means that they receive considerable support from the local municipality.

The Mayor explains that he has learned much from the Association. He knew nothing about the laws affecting home-based workers, for example, until he started working with the Association. Now Petrich is frequently referred to in the media concerning home-based work, other municipalities contact him, and he passes on these contacts to the Association. At the close of the interview for this brief, the Mayor offered to initiate a meeting between the national Home-Based Workers' Association and the Director of the national association of local municipalities.

Nowhere else in Bulgaria has the Association yet built such negotiating strength for out-sourced workers. The Pleven Association attempts to collectively bargain with the agents and middlemen of the out-sourced work, but each claim to hold no power in improving the terms of contracts, and it is normally very difficult to identify the real employer. Very rarely, will agents approach the Association to request labour.

Some of the workers have been working for the same employer for ten years or more, and in general, there is a fairly stable out-sourced workforce in Pleven. But there are several semi-legal unregistered companies. The agents work from their cars or apartments with lists of workers on their mobile phones, or agents run advertisements in local papers and through networks of friends and relatives. There are no labels and no idea of where the products go.

In summary, even though the Association is sometimes unable to negotiate better wages and conditions out-sourced workers continue to join because from time to time, the Association receives orders for work, which can be distributed among the members. In addition, the Association can help sell members' own-account products, provide some skills training, and it provides a social function.

“Space and Patience”: Organizing in Villages

Many of the out-sourced workers in the Petrich Association live in the 58 local villages within the Petrich municipality.

A team of seven activists has responsibility for organizing in Petrich, each by keeping contact with the home-based workers in a cluster of villages and by visiting each village three or four times a month. When not working themselves, they voluntarily collect membership fees, provide training, and give support and help. Sometimes, when a particular village is facing a tight deadline, an order will be divided up with neighbouring villages. The Association also operates as a self-help group—organizing support for members facing ill-health, weddings, funerals, expensive electricity bills, etc.

The Petrich Association has good contacts in the neighbouring town of Sandanski, about 30 km away on the road to the Greek border. Sandanski is a spa town, popular with tourists, where many Greeks own second homes. Research undertaken by the Association revealed that some employers distribute work to home-based workers in both towns. In 2012, local Petrich employers were temporarily without work, so the Association covered the transport costs for workers to collect work and materials from Sandanski, where there was more work than the local members could handle.

In Petrich, sometimes the contractors or agents give work directly to the workers, sometimes the work is delivered to and distributed by the Association, and sometimes the work is collected from the employer for distribution. There is generally a better price for the work in the town than in the villages, so the Association negotiates and organizes the work in the town, then distributes it to the villages—thus cutting out the village agents and increasing the pay of the village workers.

Starting from Scratch: Organizing Tactics

Organizing many villages within an entire municipality is no small feat and raises the question as to how the Association achieved success. As Rozalina describes below, the organizing is done with patience and judicious use of contacts.

In 2003, after organizing in Petrich for a couple of years, the Association heard that one of the shoe companies in Petrich was now distributing work to three villages 20 km from Petrich: Gabrene, Kluch and Skrud.¹⁰ After discussion at meetings, the Association decided to visit the villages to determine what was happening.

Rozalina caught a bus to Kluch to get some first impressions. She went into a café and ordered a coffee. Villagers started looking at this stranger and wondered who she was and what she was doing there (“peasants are naturally curious people”). The café owner started asking questions about what she was doing in the village. She made up a story about waiting for her relatives to arrive. She noticed that there were younger people in the village and asked what they did for a living. She was told that they did agricultural work, but Rozalina thought this was unlikely. After a while, she got the bus back to Petrich.

She reported back to the Association in Petrich that the villagers were polite but wary of strangers. After discussion, the Association realized it needed someone to help make introductions to the villagers—someone that the villagers would trust, perhaps the Mayor, a priest, a doctor, the owner of the café (café owners have a crucial role in villages).

¹⁰The company also out-sources stitching work to a prison in Sofia. Even when taking transport costs into consideration, this still works out to be cheaper than using local home-based workers. The prisoners get their sentences reduced in lieu of payment. It is a highly corrupt practice, requiring bribery by the company and subsidies by grants from the state.

On the second visit to Kluch, two other members (Soltana and Vasca) went to the café. They explained to the café owner's wife that they wanted to buy seeds for peppers. The wife was not helpful, so they drank their coffee and caught the next bus back to Petrich.

They then contacted the doctor responsible for the Petrich hospital as he was an old school friend of one of the activists and was supportive of the Association. He oversaw the doctor in Kluch and agreed that when the Kluch doctor next visited Petrich, he would arrange a meeting.

Some weeks later, the meeting was arranged. The Petrich doctor explained that the shoe factory in Petrich had closed, and that there were now many home-based workers in Petrich and the surrounding villages. Would the Kluch doctor help them make contact with the workers in the village? He agreed and introduced them to "Auntie Maria". Rozalina immediately recognized Maria from the old big Petrich shoe factory, which was closed, not privatized, shortly after the collapse of the old regime.

Maria started introducing the group to the Kluch home-based workers, and they socialized together. The Association activists visited the village frequently and quietly began collecting information: how many home-based workers were there? How many hours were they working? What rates were they paid? Who were the employers?

All of this took four months, during which time news and gossip of the conversations started to spread into the other two villages, Gabrene and Skrud. The Association discovered that there were 50 workers in Kluch, 30 in Gabrene, and 70 in Skrud, or 150 workers in total. Raw materials were being delivered to the villages twice per week.

Eventually, the Association decided to take a risk and reveal their true intentions to two of the women whom they had identified to be potential leaders in the village. They explained the work of the Association in Petrich, showed them documentation describing what they had achieved. The Association demonstrated that the rate for the same work was higher in Petrich, and that they should unite because the Petrich workers could help the villagers get higher wages.

At first, the two women in Kluch were terrified: "No! Impossible! My brother-in-law gave us the contract. We will lose their jobs!" The women didn't believe the difference in rates of pay, so the Association paid their bus fare to Petrich and introduced them to members doing the same work. The Kluch workers were astonished to discover that in Petrich the company paid the women BGN 0.60 to stitch each pair of shoes whereas in Kluch they were paid BGN 0.40. The women returned to the village and explained to the other workers how they were being exploited.

"We gave them space and time to think," explained Rozalina.

After a month, one of the women from Kluch travelled to Petrich and visited Rozalina in her home. "What do we have to do to get the same price as you?" she asked.

"Tell the agent that you want the same rate," replied Rozalina.

"But he's a relative. He will lose his job! It will cause trouble in the village!"

Despite the fears, the women in Kluch decided to gather together and tell the agent (whose job was simply to distribute the work within the village) "We

want the same rate as the women in Petrich, or we refuse to take the work".

The agent refused to increase the rate, arguing that he was not responsible for the decision. He thought the village workers were bluffing. "What will you eat? You will come back begging to take the work".

The women refused to take the work. In effect, they were on strike. Meanwhile, the employer started putting pressure on the agent. "Where are the shoes? How are you going to meet the deadlines?"

Stitching shoes is skilled work, and it is impossible to replace so many workers in the time available. More than 1,000 pairs of shoes per day of production were being lost. The employer was facing the payment of substantial damages to Bruno Magli, the Italian shoe company if it did not meet the order by the specified deadline.

If necessary, the Petrich workers were prepared to take strike action in solidarity with the village workers. After two weeks, the employer caved in. The agent told the workers in the village to call the Petrich Association and explain that they would now offer the full rate to everyone. The workers re-started the work immediately. In total, the new full rate benefited workers from eight villages.

"The fundamental principle is one of **space and patience**, never **telling** workers what to do, but listen, and provide advice and help when requested. We do not organize. We listen, we advise, we help, and **then** the workers want to join. We work to change consciousness: help yourself, by organizing. It can be explained economically: by working together, you reduce costs and become more productive."

Rozalina Ivanova, Petrich Coordinator.

Relationships with the Trade Union Movement

The Home-Based Workers' Association in Bulgaria is not registered as a trade union but as an association. Nevertheless, it has fee-paying members and a democratic constitution, engages in collective bargaining, represents workers to government and other authorities, and campaigns for workers' rights. In other words, it behaves, looks, and operates as a trade union.

With a membership of 35,000, were it to be formally recognized as a trade union, it would be among the largest in Bulgaria.

There are two main union confederations in Bulgaria. These are KNSB (often known by its initials in English as CITUB – the Confederation of Independent Trade Unions in Bulgaria) and Podkrepa. KNSB emerged in 1990 with a reformed structure from the official trade union confederation of the communist period. Podkrepa was established in February 1989 as part of the opposition movement to the then communist government. In the years that followed the fall of the communist government in November 1989, the two confederations played a major role promoting reforms in the Bulgarian economy and society as a whole.

KNSB has always been larger than Podkrepa, and figures compiled for the most recent trade union census (2007) show 328,000 members for KNSB and 91,000 for Podkrepa. Of the KNSB members, 80,000 are teachers and 35,000 are civil servants. There are very few members in private sector light industry, perhaps only 3,000 in total.

The issue of membership numbers is important as it is one of the factors in deciding whether or not a union confederation is representative. Representative confed-

erations have seats on a range of tripartite bodies, made up of the unions, employers and the government, which have both an advisory role and administer parts of the social security system. These tripartite bodies exist at the local as well as national level. Representative unions also have specific rights in the area of collective bargaining.

The Bulgarian labour code states that in order to be represented at the national level, an organization must fulfil a number of conditions. As well as having had the appropriate legal status—that of a non-profit association—for at least two years, a representative union confederation must have at least 50,000 members; it must have at least 50 local trade union organizations, each with at least five members affiliated to it, and these must be in more than half of Bulgaria's industries; and it must also have legal bodies in at least half of Bulgaria's municipalities as well as a national executive. At present, only KNSB and Podkrepa have the status of representative union confederations at the national level.

In effect, this means that the Association is excluded from the formal national tripartite structures and cannot be formally recognized as the democratic representative voice of home-based workers.

Moreover, according to the rules of both KNSB and Podkrepa, only out-sourced home-based workers can join a union—or only those with employment contracts. Therefore, the self-employed are excluded from collective bargaining arrangements with the government.

Up until 2013, the Association has been an “associate affiliate” of KNSB, and the KNSB leadership has expressed public support. In reality, in common with many national trade union movements in the former communist countries, the Bulgarian unions are weak, dependant on national agreements with government, and have very little experience of a “bottom-up” organizing approach. Some national leaders, particularly those with international ex-

perience, are attempting to introduce strategic organizing approaches in an attempt to rebuild the unions from below, but this is very difficult when many local leaders have little experience or skill in organizing. The culture of some unions has changed little since 1989.

By contrast, the Home-Based Workers' Association has built an effective national organization from scratch, with few resources other than the voluntary effort of its members. For some in the trade union leadership, the Association poses an interesting model of democratic member-led trade unionism that could be an important component in union renewal.

Krasimir Mitov, one of the speakers at the opening of the HomeNet South-Eastern Europe conference in March 2013, argued that the model of unionism in Bulgaria has to change. He argued that the established trade unions act as if they represent the majority of workers, but this is not the case, and it is necessary to renew the trade union movement in Bulgaria.

Mitov is the President of Zashitita (“Workers' Defence”), which is in effect a third national trade union centre, although not yet recognized as such by the Bulgarian state (or by KNSB and Podkrepa) as it fails to meet current legal restrictions (minimum numbers of workers and organized sectors, etc). Zashitita was founded in 2005 as a break-away from Podkrepa. Several years ago, it started to organize in the informal economy (free-lance workers, agricultural workers, and small holders), but most of its members are in traditional sectors such as the metal industry, engineering and construction. Zashitita also organizes some teachers and nurses.

In June 2013, the Association's Coordinators' Council decided not to renew the associate membership of KNSB, but to work together with Zashitita, and the Association of Democratic Trade Unions to create a new organization while ensuring that each organization will retain its legal independence.

The Future?

Irrespective of the outcome of discussions on trade union identity and status, the immediate objectives for the Association in 2013 are to campaign for new legislation, recognition, and protection for own-account home-based workers and to organize direct negotiations with the employers (both Bulgarian and foreign) of out-sourced workers, cutting out the middlemen and agents. In addition, the Association plans a new project on labour law: education, a help-line, and awareness-raising on workers' rights in the informal economy as a whole.

Most immediately, the Association faces a fight with the government on the recognition of rights for self-employed workers. Meetings with the Minister of Labour and Social Policy in June 2013 were evidence that the government is very hostile to the inclusion of self-employed workers within the scope of employment legislation. The Association is also campaigning for the inclusion of industrial outworkers in government training programmes as well as their recognition within the National Employment Plan.

The Association is also leading the development of home-based workers' organizations in neighbouring countries in the Balkan region, through HomeNet East Europe, which was registered as an independent organization in 2012.

Reference

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Typical housing for many home-based workers in Veliko Tarnovo

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