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Investigation of Industrial Relations and Working Conditions of Textile and Garment Factories in Northern Ethiopia

Hadush Berhe Asgedom^{a*}, Tsegay Tesfay Mezgebe^{a,b}, Kinfe Tsegay Beyene^a, Josphat Igadwa Mwasiagi^c

^aSchool of Mechanical and Industrial Engineering, Ethiopian Institute of Technology-Mekelle, Mekelle University, Mekelle 231, Ethiopia;

^bUniversite de Lorraine, CRAN, UMR 7039, 54506, Vandoeuvre-les-Nancy cedex, France

^cSchool of Industrial and Textile Engineering, Moi University, Eldoret, Kenya

* Corresponding author. E-mail address: hadush.berhe@mu.edu.et
Mobile number: +251914313629

Abstract

The transformation of the Ethiopian economy involves creation of conducive environment to attract local and international investors on manufacturing industries in general and on textile and garment sector in particular. Since the textile and garment sector is one of the labour intensive manufacturing industries, the government of Ethiopia is working to ensure on industrial relations and working conditions meeting international standards. Besides, research institutions are working to modernize the relationships between workers and their employers on this sector. As part of this effort, this research has conducted a study on industrial relations and working conditions observed in textile and garment factories in the northern Ethiopian context. The study took workers and management of the selected factories and it has concentrated on the availability of labour in relation to their working environment. During the study, face to face interviews, focus group discussions, field visits and observations and sample survey on manufacturing plants of the selected cases have been used. The investigation considering the involvement of the management and labour unions, for example, showed that only 6.8 per cent of the sampled population said the relation between the management/employer and workers is poor while 26 and 42 per cent reported the relationship is very strong and strong respectively. This proves the impact of their smooth relationship to the productivity improvement of the factories.

Keywords: Competitiveness, Industrial relation, working condition, Labour, Productivity

1. Introduction

The textile and garment industry is a labour intensive industry and has been used by several Asian Nations as an initial industry to transform countries into middle level economies [1]-[2]. These Asian countries are the highest exporters of the textile and garment products accounting for 59.5% [3]-[4]. A study by Keane [5] and Velde [6] have reported that the textile and garment industry provide short term benefits in terms of increased income, which can lead to sustained economic growth in the long term for developing economies. While governments encourage local and foreign investments in the textile industry sector, they tend to go towards regions which have cheap labour force. This may be due to the fact that the textile and garment industry is labour intensive. Moreover, this sector is believed to contribute towards employment of skilled and unskilled labour and it is considered as a major source of foreign exchange [7] . Historically, many textile and garment factories moved from the western economies to Asia, due to availability of this cheap labour resource. With time, industrial relations issue cropped up. Buyers from the western economies started demanding some standards in the way the workers were treated.

As part of having such cheap labour force, Ethiopia, one of the fastest growing economy country [8] in the world, has got a comparative advantage on the textile and garment sector since the this decade. Labour productivity in the sector is generally low [9] and thus, increasing the cost structure of overhead costs mainly of the labour costs [10]-[11] secures the interest of foreign investors.

While this industry is contributing to 63% of wage employment in the manufacturing sector [9], the major concern was the use of child labour and other unacceptable ways of labour management. Employers have identified industrial relations as a major challenge facing the enterprises, impeding productivity and efficiency [12]-[13]. Consequently, the western economies have demanded that textiles and garment factory's products imported from the Asian and African countries should provide evidence that fair wages were paid to their employers. For example, operations of 55 factories, in the Asian and African countries, were stopped for a few days due to worker unrest, leading to loss of working hours and inability to meet production

targets [14]-[16]. This lead to study the industrial relations in several textile and garment factories within these Asian and African countries.

Henceforth, this study is designed to address the key challenges and factors affecting the productivity and competitiveness, the industrial relations and working conditions and one-stop service facing at various components of the sector along the value chain in Ethiopian textile and garment industries. It also entails on addressing industrial challenges relating to policy and strategy financing and investment. The rest of the paper is organized as follow. Section 2 presents the survey of related materials and the next section follows to present the methodology employed to conduct the research. Section 4 illustrates results obtained and discusses these results considering different variables and parameters. Finally, a concluding remark is presented in section 5 with few future perspectives at the end.

2. Survey of related materials

The emerging trends of Textile and garment industries have shifted from Western to Asian and African countries due to the availability of the cheap labour resource. For instance, in Bangladesh, where the export of ready-made garments has been going on for over thirty years and the sector accounts for over 80% of the total exports [17], the government is still finding cases of lack of compliance to already laid down basic rules and regulations governing work relations and working conditions [18]. In India, the Textile and garment sector continue to report increased employment rate. However, the status of the workers seems to be deteriorating, with the textile industry attracting lower educated workers and paying them lower wages in comparison with other manufacturing industries [16]. By and large, the situation in the Asian countries seems to be making some improvements. For example, in Malaysian textile and garment sector, the government has instituted strict monitoring to ensure that factories operate within set industrial relations rule [19]. It should however be noted that there are still many variations in the industrial relations that have come due to strict corporate social responsibility standards set by importers from the western economies [6],[19]-[20].

The situation in Africa has some similarities with the Asian situation. The sector started moving to Africa when the labour cost in African countries seemed cheaper, among other issues, like availability of raw materials and trade policies. However industrial relations have not fared

differently in comparison to the situation in Asian countries. A report by Kocer and Hayter [21] has painted a sad picture, where African economies set up acceptable rules and legislations, but are not interested in implementing them. Take the case of the garment industry in Swaziland as an example. The government has accepted the modern labour rules, but yet there is a feeling that the labour rules are a foreign ideology and hence they are implemented in a cosmetic manner, with a view to appease the importers [5]. This has resulted into a state where the workers are highly demoralized since they feel exploited and remain hopeless. Another case to consider is the establishment of the Mulungushi textile factory in Zambia in 1997. The investor ignored the work conditions and the workers deemed the work situation as slavery due to what they termed as low pay and oppressive rules. This leads to several labour disputes, adversely affecting the financial performance of the factory [19].

Coming to Ethiopia, the textile industry has been identified as one of the key industries in the Ethiopian economic growth plan (GTP¹ II) [22]. The country tries to work within the framework of SDGs and the issue of ensuring economic growth coming through decent working environment; not simply exploiting workers' resource. The country has also transformed itself into an ideal candidate country for the apparel industry partly due to cheap energy and abundant labour. However, there are no rules governing minimum wage and regulatory schemes are stronger in law than in practice. Coupling the aforementioned conditions and the fact that the Ethiopian government has selected the textile and apparel industry as one of the strategic industries, the regional and federal governments have set up rules and regulations trying to attract and retain investors in the sector.

Tigray, one of the federal regions in Ethiopia, has identified light manufacturing industries (including textile and garment factories) as crucial in the transformation of its economy from agricultural led to manufacturing led industry. In order to improve efficiency and competitiveness of the textile and garment sector, the key areas inhibiting the optimal performance of this sector have been identified as lack of adequate human resource and management skill, lack of advanced technology, absence of trained technical workforce, high

¹GTP denotes Growth and Transformation Plan

cost of doing business due to very high cost of finance and infrastructure, low industrial productivity, weak institutional set up, weak international and domestic market opportunities. Despite these limitations, new opportunities are emerging from time to time. Yet, to successfully sustain these opportunities and attain the strategic directions of the GTP-II, providing solutions to major challenges in the productivity and competitiveness, industrial relations and working conditions is imperative. This can be achieved by developing strategic roadmap, improving wages of employees and working conditions throughout the sector in the region.

Based on this survey, authors of this research argue that promoting better industrial relations and working conditions can help drive competitiveness by attracting more qualified workforce and enhancing workplace productivity. Therefore, a study of the industrial relations and work conditions for the textile and garment sector in the Tigray region was launched with an objective of establishing the current situation. It is hoped that proper analysis of the current situation will lead to informed intervening measures that could lead to improved competitiveness of the textile and garment sector in the nation.

3. Research Methodology

3.1 Research Design

The study took lower workers and management of Almeda Textile and Garment factory, MAA Garment and textile factory, Velocity Apparelz, and the DBL group as its population. The target was to concentrate on availability of labour force within these factories in particular and in the region in general. With regard to sampling design, a systematic sampling design was used. In so doing, a sample of 97 employees were systematically drawn from each department. The samples of employees were taken in a way it represents all departments of each factory. Similarly, a sample of 21 individuals was selected from the management by taking the number of departments in to account.

Besides, in order to collect important data, face to face interviews, focus group discussions, field visits and observations, and sample survey on the manufacturing plants of the factories described earlier are conducted. Meanwhile, the study has employed a mixed approach in which both quantitative and qualitative research methods have been used together. In other words, the study

used mixed approach to avoid the limitations of using a single research approach. Hence after, the qualitative approach and the quantitative research approach were triangulated.

3.2 Data collection

Key informant interviews (Face to Face interviews) Semi-structured in-depth interviews with key informants who are knowledgeable about the issue under study were conducted. The key informants include federal and regional governmental officials, top and middle management of the textile and garment manufacturers in the region, and officials from Industrial Parks Corporation to list some of them.

Focus group discussions (FGD) The research team conducted series of FGDs with purposefully selected actors and stakeholders across the region focusing on the industrial relations and working conditions of the sector. Participants of focus group discussion include officials and experts from case factories listed earlier, government representatives from Labour and Social Affairs Bureau, Trade, construction and Urban Development bureau of the region, and representatives from other governmental and non-governmental sectors. In doing so, effort was made to make the focus group discussions relatively homogenous in order to make participants/discussants feel free so that they reflect what they feel, without fear of being victimized. The discussions were moderated by members of the research team in which information was gained out of intense group interaction.

Sample survey Aiming at complementing the information gained through the aforementioned qualitative research approaches, the study also used sample survey as one principal method of data collection. The research team developed structured questionnaires that aim at collecting data from the available textile and garment factories. More specifically, this questionnaire was focused on the industrial relations and working conditions of the manufacturing plants of each case factory which was mainly for the lower level workers and shop floor level supervisors.

3.3 Data analysis

Both quantitative and qualitative data analysis was applied to answer the research questions and address the research objectives set. To conduct the quantitative analysis, a 20th version of Statistical Package for Social Science (SPSS) was used. Data was analyzed using descriptive

(charts and ratios). The qualitative part was used to analyze through narrative, case study, content, Value Analysis and mapping technique.

4. Results and Discussion

4.1 The nature of industrial relations

Recognizing the importance of industrial relations, the study was endeavored to look into the nature of industrial relations in each case factory. As the scope of industrial relations is broad, the study specifically sought to assess the relationship between the top management and the lower level workers and relationships among each employee. The information gained through key informant interviews and focus group discussions revealed that the nature of relationships between employees and the management and relationships among each employee has a significant effect on productivity. Looking into the feature of industrial relations in the sector, the study tried to examine the aforesaid aspects of industrial relations. That is, employee-employer relationship and relations among employees. In addition to this, it has sought to examine the prevalence of employee's complaints and job satisfaction and security of employees as yardsticks to scrutinize the nature of industrial relations.

Employee-employer relations with regard to this, it was reported that the textile industries have come through many challenges where the relations were characterized by hostility and frequent conflict. As indicated by the top management, especially on issues like good governance and employees' benefits and rights such as training and promotion, disciplinary measures taken on employees, recruitment and other benefits given to employees, there was a prevalent complaint which worked as a source of hostility and conflict between the employees and the management. Likewise, it was explained by top management and by labour union representatives that there is a fairly smooth relationship. Especially in ALTEX, it was reported that there is improvement in enhancing employee-management relationship as compared to the situation five years back. The management believes that one of the bottlenecks that affected the productivity of the firm where it took a downhill direction in terms of productivity was the nature of the relationship between the employees and the management which was autocratic in nature. The labour union representatives have also indicated that in the past few years the relationship was significantly weak. However, a change in the leadership was made and remarkable changes have been

registered since the ensured change. One of the basic changes was the commitment of the top management to enhance its relationship with the employees.

Correspondingly, the survey result in Table 1 indicated that only 6.8 per cent of the sampled population said the relation between the management/employer and workers is 'poor'. 26 and 42 per cent reported that the relationship is 'very strong' and 'strong' respectively. The role and commitment of the management in improving its relationship was mentioned by both the management and the labour union representatives as main factor. In addition, it was reported that labour unions have an equally important role in narrowing down the distance between the employee and the top management in terms of relationship.

Table 1 Respondents' evaluation of their relationship with their fellow workers

Categories	Freq. (87)	Per cent
very strong	11	12.6
Strong	28	32.2
Acceptable	29	33.3
Poor	15	17.2
very poor	4	4.6

Relationship among employees with regard to this, it seems to be of different image as compared to the relations between the management and workers. As clearly presented in Table 1, only 32 and 12 per cent reported that the relationship among fellow workers is strong and very strong respectively. Nearly 22 per cent rated the relationship as low. The remaining 33 per cent believed that the existing relation between employees is acceptable. Regarding this, the management believes that frequent contact among co-workers than with the management has its own impact on the nature of relationship among workers. This implies that there is frequent contact such that there is a room for conflict and hostility notwithstanding the fact that there would also be an opportunity for cohesion and intimacy.

Level of employee complaint another aspect of industrial relations which could denote the nature of relationship between the management and the employees is the number of complaints raised by lower level employees on a wide range of issues. The discussion with regard to employee-management relationship seems more general; it was sought to take more specific

variables/issues to examine the nature of relationship. Hence, respondents sampled from the management were asked to describe the number of employees' complaint on a wide range of issues including employees' complaint on disciplinary measures such as wage and other benefits, interpretation of the provisions in the collective agreement, recruitment and promotion, working conditions, transfers and trainings, establishment of new conditions for evaluation to explain some of them. The survey result considering these measures are summarized in table 2 followed with discussion.

Table 2 Employee complaint in textile and garment factories

Rating	Decision variables													
	Measures taken		Establishment of new conditions		Interpretation of collective agreement		Recruitment and promotion		Working conditions		Transfers and trainings		Wages and benefits	
	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%
Very high			1	5					1	5			1	5
High	6	30	6	30	5	25	6	30	2	10	5	25	6	30
Unknown	7	35	4	20	11	55	5	25	10	50	9	45	4	20
Low	7	35	8	40	4	20	8	40	7	35	5	25	8	40
Very low			1	5			1	5			1	5	1	5

It was found out that while 30 per cent of the respondents reported the level of employee complaint is high, the 35 per cent believed it is low. The remaining 35 per cent responded they have no information on the case. This substantiates the aforementioned view with good relationship between the employees and the management. In terms of the level of employees' complaint on wage and other benefits, it was reported that 35 per cent of the respondents believe there is frequent complaint by employees whereas 45 per cent responded it is low. The other 20 per cent said 'it is difficult for them to measure its level'. This parameter in turn demonstrates that the nature of employee-management relationship is good.

On the other hand, as shown in table 2, nearly disproportionate number of respondents reported opposing views regarding employees' complaint on the conditions set for evaluation. While 35 per cent reported the number of complaint on the case is frequent, 45 per cent believe the number of complaint is less frequent. The remaining 20 per cent reported it is unknown. Likewise, the result of the survey assessment supports the view of the management and labour union

representatives that the relationship between the management and the employees is good. What was quite different response however that evaluation of the frequency of employees' complaints regarding interpretation of the provisions in the collective agreement. 80 per cent of the respondents reported that the frequency of complaints is high. Only 20 per cent responded it is low. From interviews and discussions with some workers, it was found that there are some circumstances where the issues included in the collective agreement are not fully implemented. Hence, it appears that there are some issues that the management needs to address when it comes to the full implementation of the collective agreement.

Assuming that it could signify the nature of industrial relations, respondents were also asked to put their evaluation of the frequency of employees' complaints regarding procedure of recruitment and promotion. Accordingly, while 30 per cent feel the frequency is high, 45 per cent have responded it is less frequent. The remaining 25 per cent believe it is difficult to know. This result does not diverge from the view that there is good relationship between the management and the workers. Here it appears that there are certain unaddressed problems related to work conditions that could affect the existing relationship between the management and the employees.

The management was also asked to report their evaluation of frequency of employees' complaints regarding measurement for transfer and training. The result indicates that while about 25 per cent of the respondents say it is highly reported that the frequency of complaints is low. However, the vast majority (45 per cent) of the respondents said the level of complaints remains unknown. When it comes to the issue of employees' complaints against layoff procedures employed by the management, although the vast majority of respondents (55 per cent) reported they do not know the level, 25 per cent said it is high. Only 20 per cent reported the level of complaint on the case in point is low. Even if the vast majority did not clearly put the frequency of the complaints, the message obtained presents that the procedures taken for layoff have some problems that demands the management to work on it for improvement.

Finally, the survey considering respondents' evaluation of the frequency of employees' complaints relative to lack of safety equipment presents that while 35 per cent reported it is high,

50 per cent said it is low. The remaining 15 per cent reported the frequency is unknown. However, the result obtained from group discussions and interviews with the management and representatives of labour unions, it was reported that the major problem when it comes to safety equipment is employees' reluctance in appropriately using them rather than availability.

Job satisfaction and security a body of literature on the relationship between job satisfaction and organizational performance also reveals that workers' job satisfaction, whether it is intrinsic or extrinsic, is one of the determining factors of productivity and thereby competitiveness. There is a clear relationship between the nature of industrial relations and level of employees' job satisfaction. In this study, effort was made to measure workers' level of job satisfaction as a factor for or indicator of good industrial relations and to see how it could affect organizational performance. The result in table 3 illustrates that while 28.7 per cent are highly satisfied, 36.8 per cent are moderately satisfied and 9 per cent are with very high level of satisfaction, 13.8 per cent and 10.3 per cent are with low and very low job satisfaction respectively. This confirms that the level of workers' job satisfaction in the case factories is relatively good.

Table 3 Level of employees' satisfaction on the company

Rating	Level of satisfaction		Level of security	
	Freq.	%	Freq.	%
Very high	9	10.3	12	13.6
High	25	28.7	37	42
Average	32	36.8	26	29.5
Low	12	13.8	11	12.5
Very low	9	10.3	2	2.3

Literatures on job satisfaction illustrates that there are two dimensions of satisfaction.

- *Extrinsic*: when work is considered by the worker as a means to an end
- *Intrinsic*: when it is viewed by the worker as an end or goal and satisfying in itself

Based on these dimensions, respondents in this study were asked to mention why they are highly or very highly satisfied. Consequently, as it is indicated table 3, only 29 per cent attach an extrinsic meaning to their work. That is, they reported that they are highly satisfied because their job is their source of income. The remaining majority (around 70%) believe that they are

intrinsically satisfied. Put differently, this majority of respondents believe that the work they engage is not a means to some other end (material ends) rather satisfying in itself. Besides, there are various factors that determine workers' job satisfaction. Job security is one of them. There is growing research evidence that support the direct and strong relationship between job security and job satisfaction. Hence, the study tried to look into workers' job security and its role in enhancing their job satisfaction in the case factories. In so doing, respondents were asked to rate their level of job security in a scale consisting of five categories of responses as clearly indicated in the table 3. In view of that, more than half of the workers (55.6 %) feel highly secured and around 30 per cent said they have good job security. Only 12.5 per cent said they feel unsecured.

Putting together, the above information shows that workers have good job satisfaction and majority of them are with higher job security. Hence, it follows that these good level of job satisfaction and security, partially, implies that there is healthy industrial relations and this in turn takes the level of productivity to the expected level.

4.2 Labour unions and their function

Level of union membership the survey result shows that majority of the employees of the selected case factories are not members of labour unions. As indicated in the pie chart in Figure 1, around 68 per cent of the total sampled workers confirmed they are not members of labour unions. This data contradicts the information obtained from group discussions with the management and representatives of each case factory where it was reported that labour unions are strong enough in representing and defending the benefit and interest of workers. It seems unrealistic to argue that labour unions are effective and strong in defending the rights of workers where the majority of workers are not members. Respondents were asked to explain why they are not members of the unions. Many reasons were reported by respondents and the major ones constitute lack of appropriate environment for labour unions to effectively function, labour unions are not genuine, and labour unions have weak bargaining power. For instance, 27.9 per cent of the respondents reported lack of appropriate environment for labour unions to function as the major reason for not joining trade unions.

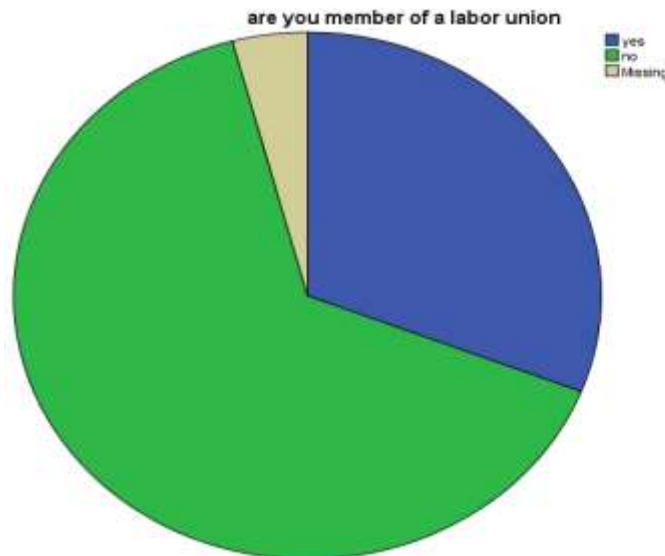


Figure 1 Extent of union membership of factory employees

Regarding the perception of the management towards the role of labour unions in boosting productivity and competitiveness, the survey result supports the view that labour unions lack favorable environment to function. 50 percent of the management does not believe that labour unions significantly contribute to enhanced productivity and competitiveness. Finally, to substantiate the information on the role of labour unions in representing workers, attempt was made to know the government's effort in supporting labour unions specifically in giving training and rising awareness on the importance of labour unions to ensuring decent working conditions and industrial peace. Accordingly, while more than 35 per cent of the respondents rated government's support as inadequate only 24 per cent reported that government's support on the case is high. The other 26 per cent reported that the support is sufficient. This information supports the view that labour unions lack enabling environment to function effectively. Besides, lack of effective tripartite relations presented in Figure 2 contributes to the poor number of membership to the trade union.

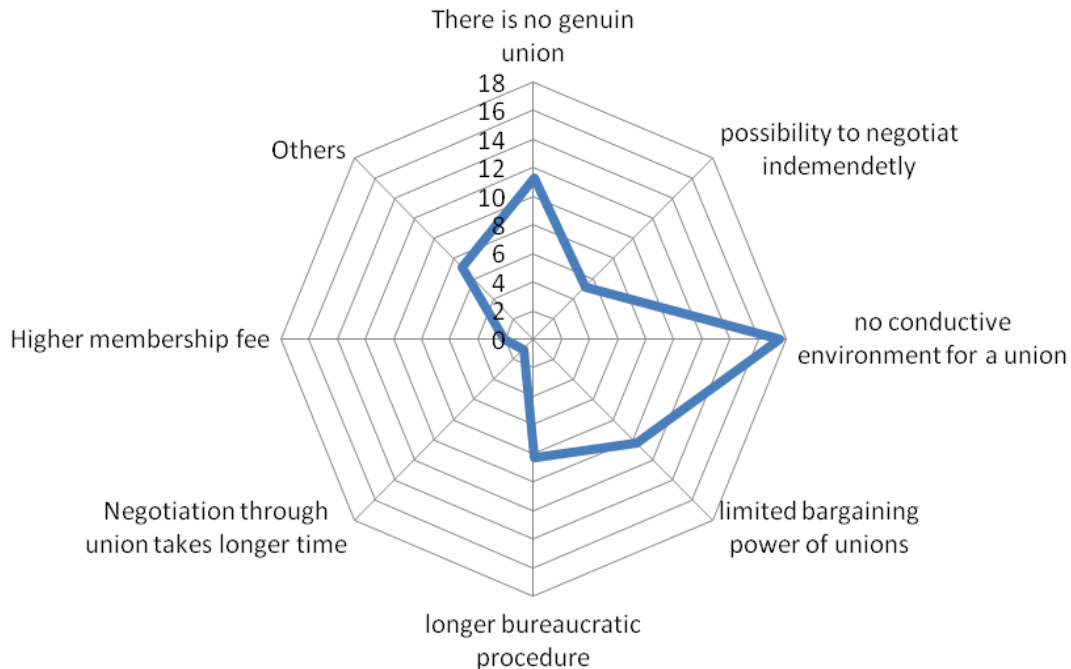


Figure 2 Reasons why employees are not member of trade union in terms of frequency

Currently, there are good tendencies to avoid grievances between the union and the management body. Any concern is seen in priority to the existence and interest of the company and employees. Now, both the labour union and the top management are in one direction, enhancing productivity and creating competitive environment. As part of this, the industries are providing more incentives.

4.3 Function of labour unions

Dispute settlement/grievance handling before we indulge into the role of labour unions in handling conflicts by representing workers, it seems appropriate to see how the dispute resolution process is set up in other sectors within the region. Basically, disputes or conflicts that arise between the employees and the management can be categorized as individual or collective disputes. According to the information obtained from bureau of Labour and Social Affairs of Tigray region, it works closely with different factories and organizations by establishing responsible committee entrusted with the role of handling disputes peacefully. The Bureau mainly focuses on resolving collective disputes. To this end, dispute resolution committees are established in each woreda, one of the administrative levels in the region, under the Labour and

Social Affairs bureau. This committee is responsible for every collective dispute that occurs in work organizations and factories within the woreda. Any dispute case is first reported to the woreda level dispute resolution committee for resolution. If the case is not resolved or if the labour union, the management or its representative does not accept the decision by the committee, the case is referred to either of the labour boards found in Mekelle city or Humera City; which are the two labour board's city found in the region. Again, if the parties do not agree with the decision made by this labour board, the case is again taken to the Supreme Court for final decision.

With regards to individual dispute, the office has no any legal capacity to represent any individual complaint. It only negotiates with the parties to resolve the dispute. As an option, the office has brought new experiences from Singapore and Srilanka. The establishment of Conflict Resolution Committee under each industry has helped to avoid disputes easily. By now, according to *Employment Exchange and Ensuring Industrial Peace Core Process* under the bureau of Labour and Social Affairs of the Tigray, this experience is more effective where over 90 per cent of the disputes are resolved by conflict resolution committees established under each textile and garment factory.

Coming to the role of labour unions in conflict resolution by representing workers, it was found out that labour unions have active involvement in participating in both individual and collective disputes settlements. From the focus group discussions with the management and labour union representatives, it was obtained that in every dispute resolution process labour unions are encouraged to participate and reasonably defend workers' rights. The involvement of labour unions in dispute resolution is testified by the workers. However, where employees do not fully agree with the view that labour unions are strong and effectively defend workers' rights are in the decision made by the concerned body. Likewise, from the interviews conducted with employees, it was learned that labour unions do not fully take a neutral stand in making decisions. They feel that they are influenced by the management and they tend to side with it.

Collective bargaining and ensuring workers benefits the role of labour unions in collective bargaining is found to be fundamental. For the successful implementation of collective agreement, there needs to be active involvement of labour unions; as unions have better

bargaining power than individual employee. The study sought to assess the role of labour unions in defending workers' benefits and rights through engaging in collective bargaining.

As mentioned above, every dispute case is reported to either the Conflict Resolution Committee established under each department within the factory or is referred to the Dispute Resolution committee established under Workers and Social Affairs Bureau found in each woreda. If either of the actors does not accept the result it is taken to the Labour Boards. Hence, the labour union has presence in these committees. The labour union leadership believes that labour union has strong bargaining power in defending workers' rights and ensuring their benefits because in every dispute resolution it has its own say representing the workers. It also reported that because of the active involvement of labour unions in conflict resolution activities the number of disputes cases that are not resolved at factory level has significantly reduced. From the management side also, it was reported that labour unions play a fundamental role in grievance handling. Workers also do not object the view that the labour union has active involvement in dispute resolution endeavors. They believe that it has a strong presence and bargaining power on behalf of the workers. But there are workers who question the commitment of the union leadership in genuinely defending workers benefits and rights. It was mentioned that there are circumstances where the union leadership stands by the management side.

Generally, it was explained that in addition to its role in enforcing the implementation of collective agreement, the union has struggled a lot in ensuring workers' benefits specifically providing waste products, provision of interest free loans to workers, provision of basic healthcare services to workers, subsidized cafeteria services, strengthening the unions so as to support their employees and members and selling of products to the employees at a lower price than the market price.

Acting as workers' voice in decision making in addition to the above mentioned effort in defending workers benefits and ensuring their rights, labour union also actively are involved in different decision making activities representing workers. It was reported that in every decision making process the management consults the leadership of the union for recommendation and support and closely works with the management. Moreover, the union participates in different committees established by the firm. These include, recruitment committee, promotion

committee, discipline committee, etc, this mainly, as the management of the firm and union representatives said, to enable the union to be workers voice.

Major challenges labour unions faced Recognizing the indispensable role they contributed to ensuring workers' benefits and rights, labour unions have also certain basic challenges/problems that they need to deal with. These are challenges identified by the workers and some of the management. These challenges include lack of collective agreement and inconsistencies in its implementation and interpretation, lack of enabling/conducive environment that enables labour unions to function independently and freely and organizational capacity related problems of labour unions. With regard to collective agreement, which is an indispensable element of good working conditions, it was found out that factories like ALTEX have not collective agreement. When asked to explain the case, the management of the factory described that as the factory is part of Endowment Fund for the Rehabilitation of Tigray (EFFORT); it does not have its own separate collective agreement.

Even those textile and garment factories which have a collective agreement have inconsistencies in fully implementing it. As clearly presented in the foregoing discussion it was reported that the firms are inconsistent and are misinterpretations in its implementation, especially on issues like promotion, salary increase, and other benefit. The other mentioned major problem is that labour unions are not independent of the management. It was reported from the workers' side that there is 'undue intimacy' between the management and the union leadership, which workers believe that this kind of intimacy would make union leaders make compromise on the benefit and interest of employees. There is an impression on the part of some workers that union leaders have the tendency side with the management in dispute resolution. Furthermore, labour unions also lack organizational capacity. That is, they are not well organized where they can effectively challenge any pressure and defend the benefits of the workers they represent, and financially they are dependent on the firm.

5. Conclusion

This paper has presented the industrial relations and working conditions considering the Textile and garment factories in the case of Northern Ethiopia. It specifically sought to assess the relationship between the management and the employees, and relationships among employees.

The face to face interview with the management and labour union of the Almeda Textile Factory, MAA garment and textile factory, and Kombolcha textile factory indicated that among the key bottlenecks that affect the productivity of the firm was the poor nature of the relationship between the employees and the employer. The investigation considering the involvement of the management and labour unions, for example, showed that only 6.8 per cent of the sampled population said the relation between the management/employer and workers is poor while 26 and 42 per cent reported the relationship is very strong and strong respectively. This proves the impact of their smooth relationship to the productivity improvement of the factories.

The study has also examined the level of employee complaint regarding disciplinary measures taken on employees, wage and other benefits and interpretation of the provisions in the collective agreement. Accordingly, it was found that 30 per cent of the respondents reported that the level of employee complaint is high in disciplinary measures taken on employees. The respondents' evaluation on the frequency of employees' complaints regarding interpretation of the provisions in the collective agreement illustrates that 80 per cent of the respondents reported as there is high frequency of complaints. Finally, with regard to respondents' evaluation of the frequency of employees' complaints regarding lack of safety equipment; 35 per cent reported that it is high, 50 per cent said that it is low. The remaining 15 per cent reported that the frequency of complaints by employees is unknown. Moreover, while some firms have collective agreements, there is poor level of consistency in its implementation. Most of the employees stated that the level of implementation of the collective agreements especially in regard to salary, benefits and promotion and other rights is low and affecting to their conducive working conditions.

Acknowledgements

The authors gratefully acknowledge the financial support of the Mekelle University through Ethiopian Institute of Technology-Mekelle.

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