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Executive summary

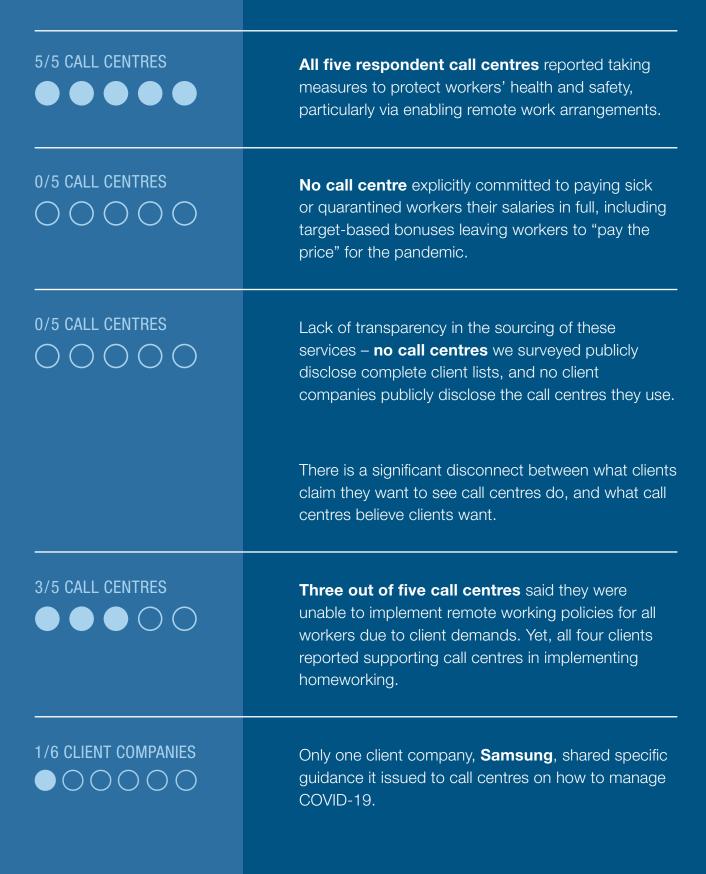
The global spread of COVID-19 has prompted unprecedented measures to contain the virus, including the temporary shutdown of business and widespread restrictions on movement. Around the world, travel plans and workplaces have been disrupted and work habits changed. Yet throughout the pandemic, it has been business as usual for some offshore call centre agents in Tunisia and Morocco, who continued handling calls and queries on behalf of multinational companies to serve the needs of clients and customers abroad. This briefing summarises some of the key human rights risks to workers in this sector, and considers the steps taken by ten call centres operating in and six clients outsourcing services to Tunisia and/or Morocco to protect workers amidst the crisis. We found that the pandemic has exacerbated systemic risks of economic hardship, psychological strain – due to long hours under constant surveillance, verbal abuse and stress - and introduced new risks linked to health hazards amid the virus. Similar concerns have been reported in other parts of the world, including South Korea, the US and Brazil, underscoring the endemic, transnational nature of these risks, which have long been a reality for many call centre workers. The briefing also outlines recommendations for companies to address these.

Both the Tunisian and Moroccan Governments instituted lockdowns in response to the COVID-19 outbreak, prohibiting all but essential services. Despite this, many call centres continued to operate, with some moving to remote work and others being granted authorisation to maintain physical operations as an "essential service". Tightly packed spaces with shared workstations and equipment provide fertile ground for the virus to spread,

and almost immediately, workers began expressing concern that continuing to work in crowded offices, without adequate health and safety protections or social distancing measures, put them at heightened risk of contracting COVID-19. Furthermore, many call centre workers rely on target-based bonuses to make up their salary, meaning those unable to work due to illness or quarantine, risk losing out on a substantial portion of their income, suffering disproportionate financial hardship as a result of the pandemic.

Following these reports, Business & Human Rights Resource Centre conducted deskbased research as well as interviews with workers and trade unions in April 2020 to record key human rights risks linked to the call centre sector in Tunisia and Morocco. In May 2020, we approached ten call centre companies and six identified international clients who outsource their customer relationship management to call centres in both countries. We asked companies specific questions on the steps they were taking to prevent the spread of COVID-19, assist workers who become infected, and ensure workers do not suffer disproportionate economic hardship. We received five responses from call centre companies and four from clients. The responses we received show that many companies took important steps to prevent the spread of COVID-19. However, our research also indicates that call centres and international clients with leverage over call centres, need to take action to improve working conditions, including systemic issues around pay and work-induced stress, as well as the risk of disproportionate harm to their workers as a result of the pandemic.

Key Findings





Background

The outsourcing of call centre-work by multinational companies to low-cost countries is a booming business. While this offers huge employment potential, the industry has come under fire for its poor and exploitative working conditions, laid bare in the context of the pandemic. In April 2020, a coalition of labour unions filed a complaint with the French OECD National Contact Point against call centre company **Teleperformance**, alleging the outsourcing giant with global operations from Europe to North Africa and Asia had violated workers' right to a safe workplace during COVID-19, failing to protect employees in Portugal after several confirmed cases, and leaving workers who were unable to travel to work due to restrictions in the Philippines, to sleep on the floor. The complaint also alleges trade union leaders were dismissed and workers who organised for better protection faced retaliation. Similar concerns are described in ten other countries. highlighting the pervasiveness of human rights risks in the sector.

Due to their proximity to Europe, low wages, and governments' fiscal incentives, Tunisia and Morocco have become global hotspots for call centres, handling customer service for a variety of large multinational companies, particularly the francophone market. It is estimated that 80,000 workers in Morocco and 25,000 workers in Tunisia are formally employed in the call centre sector, although these numbers are likely to be much higher as they do not include the large informal call centre industry. Call centres attract young, multilingual university graduates who otherwise face high rates of unemployment. Women are estimated to make up 85% of the call centre labour force. In Tunisia, the sector is estimated to generate around 300 million euros per year which represents 1.2% of the Tunisian GDP. This is the case for Morocco who, in 2004 was ranked in third among OECD countries, behind Estonia and China in the growth of jobs created by the offshoring call centre sector.

As soon as COVID-19 reached North Africa, allegations emerged that call centre workers were forced to work despite the danger of contracting COVID-19. In Tunisia, a <u>digital campaign</u> was set up by a group of trade unionists and civil society activists relaying and collecting testimonies of call centre workers facing intimidation and the threat of dismissal. In Morocco, media <u>reports</u> documented fear among workers operating in packed call centres. In a <u>public letter</u>, call centre workers in Morocco denounced a lack of protective equipment in their place of work.

Business & Human Rights Resource Centre spoke with ICT union representatives from Tunisia and Morocco as well as international labour rights groups such as Solidarity Centre to understand the challenges facing workers and their representatives, particularly during the crisis. We also conducted in-depth Skype interviews with five workers and asked them about working conditions, both before and during the pandemic. The names of interviewed workers have been changed or omitted for safety reasons. We also had informal conversations with local groups working on socioeconomic rights as well as economic policy specialists in Tunisia, namely Forum Tunisien Des Droits Economiques et Sociaux, (FTDES) and Observatoire Economique Tunisien. The following section outlines general and COVID-19 specific risks we have documented linked to call centre work.

Risk 1: Long hours, high pressure and stressful environment

Call centre work is notorious for long hours and high pressure, as workers describe high levels of stress due to constant supervision, often undertaken by multiple managers. While the labour law partially regulates working hours respectively to 44 and 48 hours per week, the working hours in call centres are irregular and sometimes through the night and workers have limited control over their working schedule.

Breaks, including those to the toilet, are closely monitored and require approval, and workers are under constant pressure to achieve targets. Depending on the work, this means hitting record numbers of calls or achieving sales. Much of the work is repetitive and scripted which can be mentally challenging, especially when dealing with difficult customers. Workers are given different names and are asked to keep customers on the phone regardless of the aggression they may be exposed to. Very recently, a worker in a Tunisian company was sanctioned because he allegedly hung up the phone on a customer.



In ten years working in this sector, I feel absolutely drained by my daily operations and the level of violence I am dealing with every day. I have gotten to a point where I simply don't mind having my salary deducted as long as I can breathe for a second.

Risk 2: The struggle to receive full wages and benefits

Wages in the industry depend highly on variable contributions and bonuses. A key concern is that workers find themselves in situations where they need to achieve unrealistic targets in order to receive full wages.

They are also disincentivised from taking sick leave due to the impact of stringent attendance requirements on their salary. This further threatens their ability to take home a full wage, particularly in the context of COVID-19. Workers we spoke to also reported that this wage system contributes to increased stress and a lack of wellbeing in the workplace. Moreover, although Moroccan and Tunisian legislation compensate for sick leave from the 4th and 5th day of reported sickness respectively – workers' salary is still strongly impacted by any sickness, as they get meagre compensation when sick, don't get compensated for the first days and lose their bonuses. Underpayment and non-payment of overtime is another problem in the sector. This is particularly prevalent in call centres where labour union representation is largely absent. Casual workers within the call centre industry are the most vulnerable: they are often paid in cash, face higher risk of receiving incomplete or miscalculated salaries, do not receive any social security payment and are at greater risk of dismissal.

Miscalculation of overtime is such a common practice in my company, and it is so exhausting and sometimes just impossible to contest.

Essia, Morrocan worker

In the last call centre I worked for, I arrived five minutes late and my salary was cut by a third. Initially you think the salary is good enough to maintain a decent living but soon you realise you can't even be absent when sick if you want to make ends meet.

Hayat, Tunisian worker

Risk 3: Lack of effective representation and barriers to unionisation

In Tunisia and Morocco, typically only large foreign call centre companies have union representation and active worker-employer assemblies to effectively facilitate an ongoing dialogue between workers and management. According to Ayoub Douad, Secretary General of the National Federation of Employees and Executives of Call Centers and Offshoring Industries, more than 80% of the sector in Morocco is not affiliated to any union. This lack of representation is concerning as it inhibits workers' voices, their capacity to negotiate better terms and conditions, and their ability to lodge grievances in cases of abuse.

There are several barriers to effective representation, both in the industry and each country. In Morocco, records of union busting, i.e. company-led practices intended to silence, intimidate or dismiss workers who engage in unionisation have previously been <u>denounced</u> by the UMT. According to the union groups we interviewed, this continues to be a persistent problem. Unions also face challenges accessing so-called "technological parks" – export oriented zones where call centre companies are often based, and which increasingly rely on migrant workers. These zones are often socially removed which inhibits the capacity to organise. Furthermore, access to these zones is only granted with authorisation which is difficult to get for union representatives.

In Tunisia, where unionisation is stronger and the National General Trade Union (UGTT) played a critical role in ensuring political and social stability, challenges to organising in the call centre industry are mostly linked to the relatively recent birth of collective organising in the sector of the call centre as well as the persistent challenge of retention in the industry, with workers often leaving due to strain.

Finally, a key challenge pertaining to representation in the sector is the lack of a legal framework specifically regulating wages, hours, and terms and conditions of employment in the sector. In both countries, unions have been calling for an industry-wide collective bargaining agreement on working conditions in the sector with a view to addressing specific risks and working conditions. In line with studies on the <u>importance of union representation</u>, our interviews with union partners confirmed that working conditions in call centres in Tunisia and Morocco are better in call centres where there is worker representation.

Currently, companies where there is a social dialogue and effective representation seem to perform better in terms of monitoring and addressing human rights risks. Yet, we keep inviting employers for discussions around a collective bargaining agreement, but these fail to join the conversation every time.

Ali Ourak, Head of the Information, Communication & Technology General Trade Union in Tunisia

COVID-19 exacerbating existing risks and posing new threats

The outbreak of COVID-19 has amplified existing human rights risks, with workers now facing additional levels of stress fearing further wage losses due to illness or quarantine. At the same time, COVID-19 has also brought about new health risks for workers in the industry, particularly where there is a lack of personal protective equipment or social distancing measures at work. Migrant workers are also likely to face additional risks due to their inability to return home.

Our interviews with workers indicate that some call centres may have given extra financial incentives to workers to physically go into work, offering to pay three times the usual salary. Others mentioned that while some call centres have put in place a list of "volunteers" who are willing to go to the workplace during the crisis, some accounts have raised questions around the voluntary nature of this initiative.

Nourredine Taboubi, Secretary General of the Tunisian National General Trade Union UGTT, <u>condemned</u> the practice of granting call centres authorisation to maintain physical activities as "endangering Tunisian workers in order to meet the needs of foreign businesses."

Company outreach

We contacted ten prominent call centre companies, primarily headquartered in Europe, with operations in Tunisia and/or Morocco. We also identified and approached six international companies outsourcing some of their customer support operations to call centres in Tunisia and or Morocco.

We received responses from five of the biggest call centres in Tunisia/Morocco:

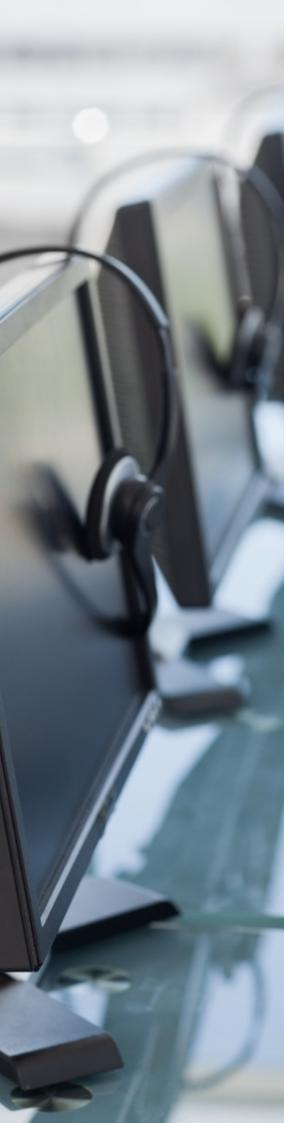
- AXA Services Maroc (Morocco)
- Majorel (Morocco)
- **Téléperformance** (Morocco and Tunisia)
- **Transcom** (Tunisia)
- Webhelp (Morocco).

Armatis, Comdata, Intelcia, Mezzo and **Newco Communications** did not respond to our invitation.

We received responses from four clients: **Microsoft**, **Orange**, **PayPal** and **Samsung**.

Uber Eats and **UPS** did not respond to our invitation.

There is little transparency around call centre clients and supply chains, as neither the call centres nor their clients disclose their business relationships. We identified the clients through media articles as well as interviews conducted with trade unions. We were unable to trace specific clients to specific call centre sites in Tunisia and Morocco based on publicly available information, however the information did suggest the clients are sourcing call centre services from Tunisia and Morocco.



Findings

Steps to prevent COVID-19

We asked call centre companies whether they were maintaining operations that required the physical presence of workers in Tunisia and Morocco, and if so, what protocols call centres put in place to prevent the spread of COVID-19 in their workspaces. We also asked about specific measures companies were taking to protect vulnerable workers, as well as whether workers or trade unions were consulted in the development and implementation of these measures.

All five call centres that responded reported a significant reduction in on-site work through the introduction of work-at-home solutions. To safeguard workers that remained on site, companies outlined a number of steps, including information and awarenessraising protocols, hygiene measures such as additional cleaning of sites, providing hand sanitiser, and distributing masks, as well as ensuring social distancing by increasing the space between workstations and reorganising transport to a maximum occupancy of 50%. Majorel, Transcom and Webhelp added that complimentary transportation was made available to all staff. Transcom and Webhelp stated that they closed areas where distancing could not be guaranteed, such as cafeterias, prayer rooms, and nurseries. One client company, Samsung, additionally said it had issued guidance to its call centres to provide employees with individual lunch boxes to eat at their desks.

All five call centres outlined arrangements they made for high-risk workers such as pregnant women and workers with chronic health conditions, by giving them priority for homeworking and or placing them on paid leave. However, no company disclosed specific details on steps taken to identify and protect vulnerable workers such as pregnant women at particular risk of being severely impacted by COVID-19. We encourage companies to undertake a detailed risk assessment of all their staff in order to identify and protect all vulnerable groups.

All five companies reported consulting with employees and employee representatives about the pandemic response, yet little detail was provided on this process. Without this information, it is difficult to tell how representative and effective this dialogue is in addressing all (potential) worker concerns.

Although **all five responding call centres** reported introducing home or teleworking policies for some employees, three out of five (**Majorel**, **Téléperformance**, and **Webhelp**) said that home or teleworking is not possible for all employees, because either the client data they handle is confidential or the client they work for does not allow remote access to its programmes and applications. **Téléperformance** added that "teleworking can only be implemented with the written agreement of [their] clients". This resonates with our interview with a Tunisian worker who explained that clients may be encouraging call centres to continue operations or refusing to permit homeworking arrangements.

Interestingly, **none of the four call centre client companies** who responded to our survey reported asking call centres to keep workers on site, or mentioned concern about confidentiality as a hindrance to homeworking. In fact, **Microsoft**, **Orange**, and **Samsung** all said they had engaged with their providers in Tunisia and or Morocco to implement remote working policies, while PayPal said they were "supporting [their] outsourcing partners" but did not explain how. While we cannot match specific call centres to clients based on publicly available data, there is clearly a disconnect between the answers we received from call centres and from clients.

Samsung was the only client company to share guidance it had issued to call centres in March regarding actions it requested them to take to prevent the spread of COVID-19. In addition to referencing clear hygiene and social distancing measures that should be taken and establishing a reporting structure for confirmed or suspected cases, it also makes clear that a work at home infrastructure should be pre-checked and then rolled out.

Assistance for workers with COVID-19

We asked call centres what steps they are taking or will take to assist workers that have contracted COVID-19.

Only two companies, **Majorel** and **Téléperformance**, referred to specific management protocols or contingency processes in the event of a confirmed case on site. **Majorel** also said it ensures 100% health care coverage for all employees. **Transcom** said that it would apply the government social funds thus leaving workers who fall ill with a gap in sick leave compensation, given national legislation. It also means they lose their bonuses. This approach is likely to incentivise workers to hide illness out of fear they will be forced to pay for their medical care out of their own pocket and lose some of their salary too. This working culture puts the workers at large at even greater risk and threatens ongoing business operations.

Worker hardship

Finally, we asked companies how they will ensure that workers do not suffer disproportionate financial hardship as a result of the pandemic, and specifically whether they provide full pay, including target-based bonuses for sick or quarantined workers and workers at call centres that had to close temporarily.

No company explicitly committed to paying sick or quarantined workers their salaries in full, including target-based bonuses. Majorel said that "[it] ensures 100% health insurance coverage, together with a compensation and benefits plan that mitigates against any potential financial impact in such cases". AXA Services Maroc said that "the variable salary is paid to teleworkers", although it was not clear whether this also applies to sick and or quarantined workers. They also said they were reimbursing "up to 125 Moroccan Dirham (approx. USD13) for the internet subscription of employees who telework".

AXA Services Maroc was the only company to specifically say it is not planning to rely on government assistance to pay workers. This is particularly relevant given questions raised about whether foreign call centre companies – who benefit from tax breaks and fiscal incentives in North African countries and still pay out dividends – should receive financial support from governments with more fragile public economies. Our follow up conversation with the representatives from Moroccan and Tunisian unions, confirmed that workers continue to bear the cost of COVID-19. According to union representatives, workers have been forced to take unpaid leave during the crisis or seen a reduction in their salary in different ways, due to a loss in bonusses or reduced working hours. In Morocco, Ayoub Saoud also explained that issues around internet cuts and weak infrastructure have had an impact on the performance of remote workers, which in turn affected their salary.

Large companies have more resources and appear to be taking up the option of state aid through the pandemic. However, workers in the call centre industry are still at real risk of suffering disproportionate hardship due to the sector's pay structure and other systemic issues in the industry. It is essential that the risk associated with COVID-19 is not disproportionately placed on workers and it is therefore vital that these companies commit to paying all workers' salaries in full and ensure that no one is incentivised to work when they are ill or at risk of infection.



Recommendations

All call centres should

- Commit to paying sick workers their full salary and benefits, including target-based bonuses, and providing employer-paid sick leave.
- Continually assess and update COVID-19 prevention protocols in line with government guidelines in consultation with workers and unions. This should include adequate distance between desks, the provision of sufficient work and personal protective equipment, as well as staggering shifts and breaks to avoid crowded break rooms. Develop a management protocol in the event of a confirmed case on site.
- Consult with workers and representatives to put in place clear home-based work policies wherever possible and ensuring priority arrangements for vulnerable workers.
- Strengthen communication between workers and management through unionisation and consult with unions on actions to tackle issues affecting workers as a result of the pandemic.
- Actively partake in negotiations for an industry-wide collective bargaining agreement with unions to set a specific legal framework for the sector.
- Remove barriers to freedom of association and collective bargaining in the workplace, including publicly supporting unionisation and making it clear that workers will not face discrimination for joining an independent union.
- Put in place crisis protocols to mitigate the impact of any potential future crisis in consultation with relevant stakeholders such as unions

Clients should

- Carry out robust labour rights due diligence of their entire value chain, including call centres, with a view to addressing risks posed by COVID-19 as well as systemic risks. Report publicly on these efforts. Due diligence should include a review of how the structure of their contractual relationships may increase risks to workers and assess what steps they can take to reduce these for example by allowing more shift flexibility to their contact centres to help reduce worker stress.
- Publicly disclose a full list of call centres they outsource to, including their site locations.
- Engage with call centres to support remote working policies wherever possible.
- Have clear policies to support the fundamental rights of freedom of association and collective bargaining, and monitor implementation with sanctions for call centres who do not respect these rights.
- Commit to a zero tolerance for retaliation against labour organising, and actively favour contractual relationships with call centres where freedom of association is respected and actively encouraged.
- Ensure workers have access to remedy; this includes ensuring workers of outsourced call centre companies have access to grievance mechanisms.

Governments in Tunisia and Morocco should

Strengthen inspection on labour compliance in call centre services, and boost efforts to protect the rights of casual and precarious workers.



Business & Human Rights Resource Centre

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Business & Human Rights Resource Centre is an international NGO that tracks the human rights impacts (positive & negative) of over 10,000 companies in over 180 countries making information available on its eight language website. We seek responses from companies when concerns are raised by civil society. The response rate is 73% globally.

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