

Maquila Solidarity update

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inside

2 **Over a thousand Nicaraguan women** meet to demand decent work.

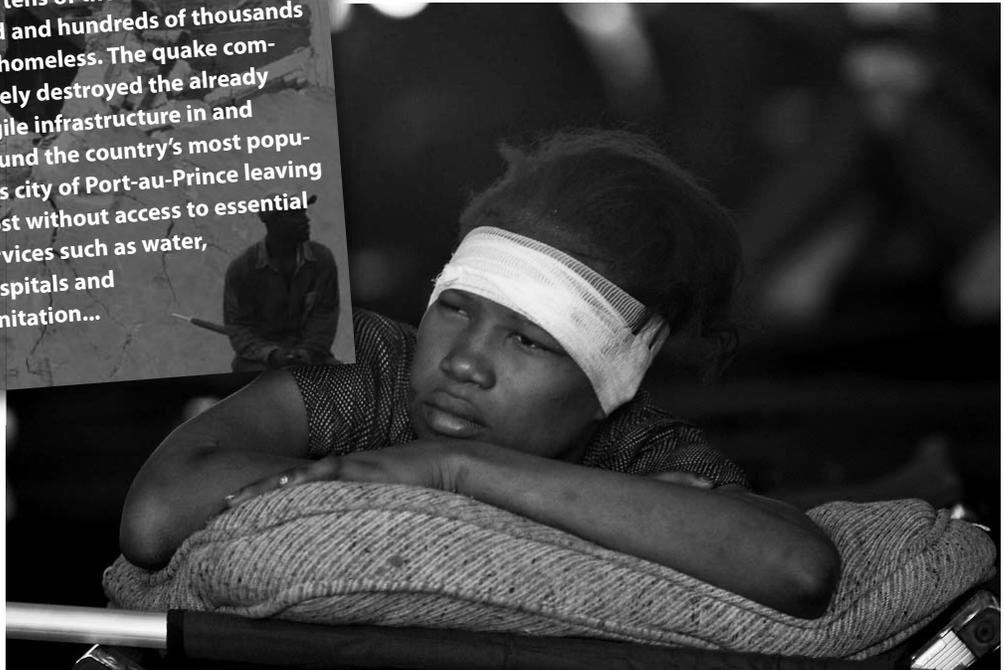
3 **Two irresponsible closures** leave former Honduran Nike workers angry at the brand's failure to act.

4 **It is possible to organize:** Evangelina Argueta of the Honduran General Workers' Confederation speaks about her life as a union organizer.

6 **A 'new day' for Jerzees de Honduras workers** as new, unionized factory opens its doors.

7 **The high cost of low prices:** Bangladesh fire exposes the underside to the country's clothing boom.

The Magnitude Seven earthquake that struck Haiti on January 12 left the island nation in tatters with tens of thousands feared dead and hundreds of thousands left homeless. The quake completely destroyed the already fragile infrastructure in and around the country's most populous city of Port-au-Prince leaving most without access to essential services such as water, hospitals and sanitation...



PHOTOS: AGENCIA BRASIL (TOP-LEFT), UNDP (LEFT)

After the devastation, what lies ahead for Haiti's garment industry?

MANY FEARED THAT THE earthquake would cripple Haiti's garment industry, the country's largest formal, private sector employer and largest source of export income, leaving thousands of workers unemployed. However, early reports from the ground indicated that rel-

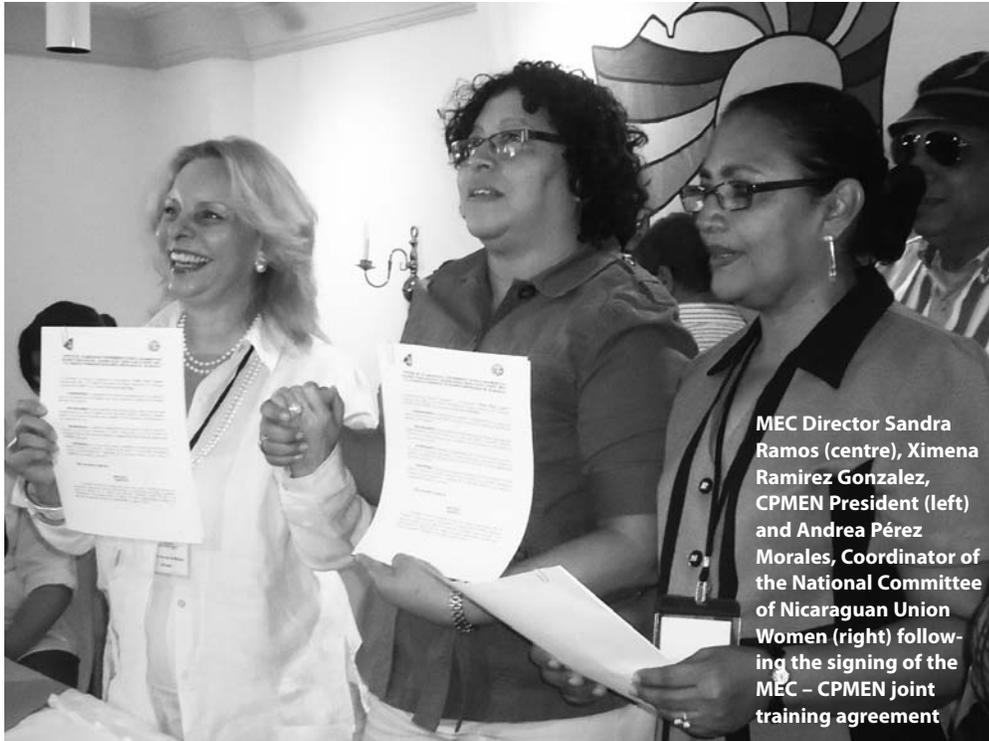
atively little damage was done to garment manufacturing facilities.

All but five of the country's 28 garment factories escaped with relatively minor damage, and many factories were back in operation by early February. The most tragic exception was the collapse of

the Palm Apparel factory that killed an estimated 500 workers. One of Palm Apparel's main customers was Canadian T-shirt manufacturer Gildan Activewear.

Although Haiti's garment industry survived the earthquake relatively unscathed,

● see 'Haiti rebuilds' p.8



MEC Director Sandra Ramos (centre), Ximena Ramirez Gonzalez, CPMEN President (left) and Andrea Pérez Morales, Coordinator of the National Committee of Nicaraguan Union Women (right) following the signing of the MEC – CPMEN joint training agreement

Nicaraguan women demand decent work

On March 7, over 1,000 local leaders of the Maria Elena Cuadra Movement of Working and Unemployed Women (MEC) – mostly women employed in maquila garment factories – gathered in Managua, Nicaragua for MEC’s twelfth annual Colloquium.

THIS YEAR’S COLLOQUIUM, which was co-sponsored by the Maquila Solidarity Network (MSN), focused on the theme “Labour and Women’s Rights in a Time of Crisis.” The event was dedicated to the memory of Neil Kearney, General Secretary of the International Textile, Garment and Leather Workers’ Federation (ITGLWF), who died of a heart attack in Bangladesh in November 2009.

Representatives from national unions, government, and the maquila industry as well as women’s and labour rights groups from Nicaragua,

Mexico and other Central American countries were present. International guests also included representatives from development agencies and global garment brands, including Adidas, Levi’s, Wal-Mart, and Gap.

During the opening panel,

MEC’s Director Sandra Ramos provided a sobering account of the impact of the economic crisis on women maquila workers in her country.

According to MEC estimates, a total of 34,736 jobs have been lost in Nicaragua’s maquila sector since 2006, with women

making up 70% of these unemployed workers. And although some new factories have opened, these have only been able to re-employ about 20% of the workers who lost their jobs. Over the last year alone, nine garment factories have shut their doors.

Ramos highlighted three recent examples of “irresponsible closures,” where maquila owners closed their factories and fled the country without notice, leaving workers without severance pay, and owing back wages. In each case, workers found themselves embroiled in lengthy legal battles and were forced to seize garment pieces and equipment or occupy factories in attempts to recover a portion of what was owed to them.

However, despite these problems, there have been some improvements in employer compliance with their legal obligations, including significant increases in the number of employers providing workers with formal employment contracts and making accurate social security deductions, according to a 2001-2009 comparative study MEC published for the Colloquium.

The study shows an increase in the number of worker-management health and safety committees estab-

● see ‘Nicaragua..’ p.8

The *Maquila Solidarity Update* is published in English and Spanish by the Maquila Solidarity Network (MSN). MSN includes over 400 organizations and individuals across Canada. MSN is a labour and women’s rights advocacy organization working to improve conditions in maquiladora factories and export processing zones worldwide. MSN acts as the secretariat for Canada’s Ethical Trading Action Group (ETAG).

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www.maquilasolidarity.org

Honduran workers expect more from Nike

Two more irresponsible closures

It's been more than a year since the Vision Tex and Hugger factories shut their doors, leaving over 2,000 workers in Choloma, Honduras unemployed and owed over US\$2 million in unpaid wages and severance pay.

A March 16 report by the Worker Rights Consortium (WRC) found that both facilities also failed to make legally-mandated payments to Honduras' national health insurance system, cutting off workers' access to a health plan over the last six months before the facilities closed.

"We have been left with nothing – not even the social security benefits that were owed to us," Gina Cano, a former Hugger worker, told MSN recently. "Many of us had been working for 13 years with the company. We believe that we have a right to recover at least a part of what is owed to us – at least a part of the wealth that we helped generate for the owners."

Although Nike had the largest share of production in both Hugger and Vision Tex over the past few years, it has so far refused to take responsibility for its subcontractors' failure to meet their legal obligations to the workers.

Rather than engaging with the workers to obtain legal entitlements, Nike is arguing that now-absent factory owners are solely responsible for paying the monies owed. To make matters worse, Nike has diverted attention from the central issues of compensation and their responsibility by engaging in hair-splitting debates about the percentage of production in the two factories destined for the collegiate market.

Not surprisingly, the workers are frustrated and angry. For months now, they have asked Nike to meet with them to discuss how to resolve the outstanding issues of severance, back pay and alternative employment. Nike has refused to

"We believe that we have a right to recover at least a part of what is owed to us – at least a part of the wealth that we helped generate for the owners."

Gina Cano, former Hugger worker

meet unless the agenda is limited to Nike's proposal to establish a worker training program.

"We've been producing Nike products for over 15 years, without any criticism about quality," said Cano. "We're not opposed to training, but what we really need are jobs."

In a March 1 memo, Nike claims that its nearby suppliers are committed to hiring former Hugger and Vision Tex workers on a priority basis when jobs become available. However, the workers told MSN that they know nothing about any plans

for priority hiring and that former Vision Tex and Hugger workers are being black-listed. Cano, for example, reported that she managed to get a new job at one of Nike's main suppliers, only to be dismissed 12 days later, without any explanation.

MSN is working with the CGT, the WRC and others to push Nike to take a more

responsible approach to ensuring that the workers receive their due – starting with direct meetings with the workers involved, without preconditions. United Students Against Sweatshops is calling on universities that have licensing agreements with Nike to pressure the company to ensure that the workers receive their full legal compensation and employment opportunities.

In recent years Nike has worked with MSN and others on developing guidelines for responsible actions in the event of factory closures and worker layoffs. The company has also expressed a keen interest in broadening social safety nets in countries like Honduras.

For these general guidelines and verbal commitments to have any credibility, Nike will have to demonstrate in practice that real workers suffering real violations aren't left to go it alone when their factories close. ■

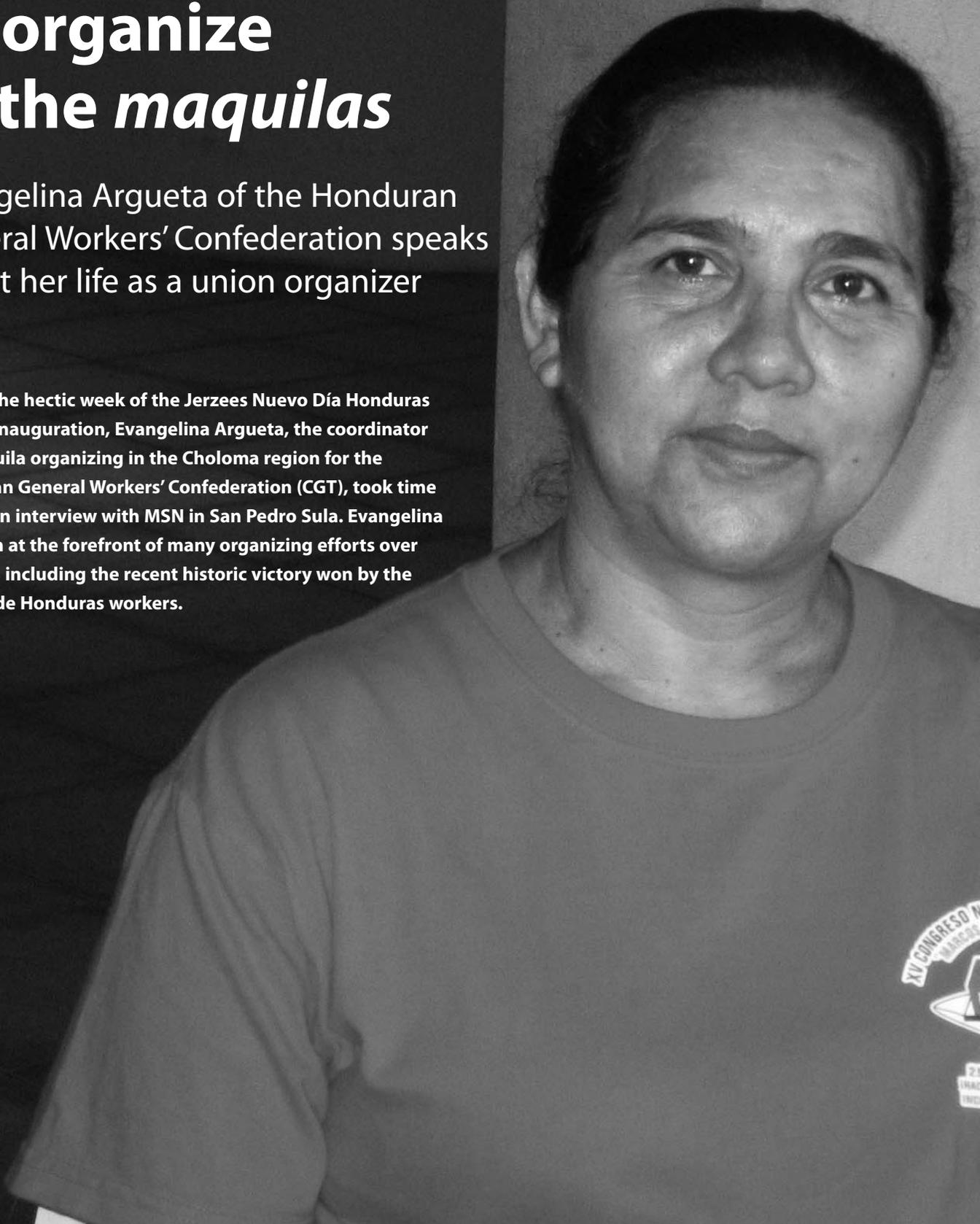


PHOTO: MSN

It is possible to organize in the *maquilas*

Evangelina Argueta of the Honduran General Workers' Confederation speaks about her life as a union organizer

During the hectic week of the Jerzees Nuevo Día Honduras factory inauguration, Evangelina Argueta, the coordinator for maquila organizing in the Choloma region for the Honduran General Workers' Confederation (CGT), took time out for an interview with MSN in San Pedro Sula. Evangelina has been at the forefront of many organizing efforts over the year, including the recent historic victory won by the Jerzees de Honduras workers.



How did you become a union organizer?

I myself am a former maquila worker. Like so many other young people in Honduras I started working in a factory here in San Pedro Sula when I was fifteen. I was still a minor. In those days, there wasn't much opposition to child labour, and the exploitation of minors in the workforce was rampant.

I worked in the maquila during the day, and went to school at night. My dream was to become a lawyer.

I worked for nine years in that maquila, a factory that employed about 800 workers. I had been there only one year when we decided to form a union. I was one of the founding members. It was in 1980 when there was so much violence and repression in Honduras. Union organizing was next to impossible.

Back then, for a union to prevail, the workers had to occupy the company's offices. That's what we did, and we were successful.

That was my introduction to the labour movement — being thrown directly into a major battle. I've been totally committed to unions and union organizing ever since.

Why did you stop working in the maquila?

After nine years of working in that factory I was fired along with 484 other workers. The employer argued that it was no longer economically feasible to pay our salaries, despite the tremendous level of productivity at the factory. We (the union) decided to

take the factory owners to court for unlawful dismissal — a process which took over five years and wound up in the Supreme Court.

Unfortunately, we ended up losing the case. The Supreme Court ruled in favour of the employer and as a result denied us our rights. Four hundred and eighty five workers were left without jobs.

That experience filled me with incredible frustration and rage. It also reaffirmed my commitment to workers and to basic human rights, as well as to ensuring that workers in Honduras are able to have a seat at the negotiating table.

How did you become involved with the CGT?

After being fired, I was unable to find work in any other factory. In the eyes of Honduran companies, being involved in a union is equivalent to committing a crime. They share the names of union leaders, and these names are put on a blacklist in order to make sure that workers who support unions are unable to work.

I had been involved in training programs with the CGT for a few years by then, so in 1987 they decided to make me part of their organizing team. I have been in charge of the Choloma region ever since, organizing and providing legal and other support to maquila workers, whether they are interested in organizing or not. That is our day-to-day work.

What are the main obstacles to union organizing in Honduras?

Business leaders in Honduras still perpetuate the myth that in this country — and particularly in the maquila industry — it is impossible to organize, that under no circumstances will unions be tolerated. This is why the Russell victory is so important. It proves that it is possible to organize in the maquilas.

Russell went to great lengths to stop us, but we persevered, and at great personal risk. There were times when we were followed by men on motorcycles or photographed by unknown people in cars with tinted windows, yet that didn't stop us. We were willing to risk our lives.

The agreement reached with Russell has demonstrated the benefits of trade unionism. But now the SITRA-JERZEESND union in the new plant faces a great challenge — members must watch carefully over their union. If SITRA-JERZEESND fails, it will be a setback for union organizing in other maquilas.

The media is another challenge. The media in Honduras is on the side of the business leaders and not the workers. They refuse to tell the real story of Jerzees — how winning the re-opening of the factory is one of the great victories in our labour history.

Instead, they praise Honduras for being a good place to invest, using the Jerzees "New Day" plant opening as an example. It is up to us to spread the real story.

What has it meant to you to be a woman union organizer and leader?

One of the biggest challenges I have faced has been discrimination and harassment by men for being a woman in a leadership position within the union. There was always an assumption that women couldn't do the job as well as men. Even today men still have a hard time accepting and respecting women leaders.

Unfortunately one of the pitfalls of the trade union movement is that it is still largely-male dominated, even in the maquila industry where the vast majority of workers are women.

But I should point out that of the fourteen leaders of the CGT's federations, six are women. There has been some progress in terms of getting more equal gender representation, and men have had to learn to accept this.

I think that the way forward is to continue recruiting more women into unions, and into leadership positions. In order to do this we must invest in training, but not just in training women. Men also need to be trained; they need to learn that harassment and discrimination against women will not be tolerated in the union movement.

I also firmly believe that unions have to be at the service of workers, both women and men, and unions that do not serve the workers are not good unions.

One of my greatest sources of satisfaction has been my decision to serve the workers by becoming a union organizer. ■

A New Day for Jerzees de Honduras workers

Despite ongoing repression in Honduras, close to 1,300 former employees at Russell Athletic's shuttered Jerzees de Honduras (JdH) factory have reason to celebrate.



ON MARCH 3, representatives of the workers, Russell's parent company Fruit of Loom, and Honduran trade union, women's and human rights organizations came together to celebrate the inauguration of a new Russell factory, appropriately named Jerzees Nuevo Día (New Day).

The new factory is located in the municipality of Choloma, a short distance from the old factory which was closed in January 2009 in the midst of first contract negotiations. This closure was widely condemned as an attempt to destroy the workers' newly formed union.

Jerzees Nuevo Día was opened as part of a precedent-setting agreement struck between Russell Athletic, the Honduran General Workers' Confederation (CGT) and SITRAJERZEESH, the union at the old JdH plant, after an international campaign brought the company to the bargaining table.

Also present to celebrate the factory inauguration were

representatives from several international organizations that had contributed to the achievement of the agreement, including the AFL-CIO Solidarity Center, the Fair Labor Association (FLA), Fontheim International, the Worker Right Consortium (WRC), United Students Against Sweatshops (USAS), and the Maquila Solidarity Network (MSN).

"Nuevo Día represents an historic undertaking for our company and an historic moment for the country of Honduras," said Rick Medlin, Fruit of the Loom's Senior Vice President for Human Resources. "This is a New Day... A new day to prove that labour and business can operate successfully together..."

Presiding over the ribbon cutting ceremony along with Mr. Medlin were US Ambassador to Honduras Hugo Llorens, newly appointed Honduran Labour Minister Felicitó Avila, and Moisés Montoya, President of SITRAJERZEESND, the union at the New Day factory.

"Today marks a new day in worker-management relations," said Montoya. "It is the fruit of successful dialogue between our union, the CGT and the company. We must continue to challenge the myth that unions are formed to ruin companies. We have shown that it is possible for unions and companies to work together to improve working conditions and win rights and benefits for workers."

Nuevo Día opened on January 4 and currently employs about 300 workers, all former JdH employees. The company has committed to increasing that number to 750 workers by April and to ensuring that all JdH workers will be re-hired either at Nuevo Día or at other Fruit of the Loom facilities in Honduras.

In addition to opening Nuevo Día and re-hiring workers, Russell has made its first of three scheduled payments to a workers' welfare fund, which resulted in a dis-

tribution of about US\$1,000 – the equivalent of more than five months salary – to about 95% of eligible workers.

After the formal inauguration, SITRAJERZEESND hosted a celebration at the cultural hall in the centre of Choloma, where the Jerzees Nuevo Día workers

were joined by workers from other factories including Gildan Activewear, Star, Vision Tex, and Huger, for an evening of speeches, dance, poetry and song. The union and CGT paid special tribute to four international labour rights organizations – USAS, WRC, Solidarity Center and MSN – that had provided support to the workers throughout their long struggle.

"Today as we entered the factory for the inauguration, we saw tears of joy on many of our colleagues' faces," said CGT's Evangelina Argueta. "This experience has taught us that alone our dreams are only dreams, but united, we can make these dreams come true." ■

ABOVE: Union members hold the first T-shirt produced at the Nuevo Día factory

Fire exposes the underside of the Bangladesh clothing boom

Bangladesh has experienced a 17% increase in its global garment exports over the past year, making it a destination of choice for companies seeking low-cost clothing production. But the country's export success has been underwritten by workers who effectively subsidize the industry with poverty wages and too often, as recent tragedies remind us, with their lives.

ON FEBRUARY 25, a fire at the Garib & Garib Sweater Factory in Gazipur, Bangladesh took the lives of 21 workers.

The fire was started by an electrical short-circuit which generated thick black smoke and absorbed all of the oxygen in the air, suffocating workers who were trapped by blocked stairways and locked exits. H&M, a major buyer from the Garib & Garib factory, insists that their last audit of the factory, which took place in October 2009, "did not show any serious safety shortcomings." According to



Burnt machines at the Garib & Garib factory

the Dhaka Fire Service and Civil Defence, however, the factory's fire-fighting equipment was "virtually useless," and none of the security guards on duty reportedly knew how to operate fire extinguishers and hydrants.

"This tragedy, which echoes so many others in Bangladesh's garment sector, is a brutal reminder of the grossly inadequate safety measures in place in Bangladesh's garment factories," said Patrick Itschert, General Secretary of the International Textile, Garment and Leather Workers' Federation.

A continuing pattern

For years, Bangladeshi organizations have been call-

ing for a review of all garment factories in the country following many fatal accidents which shared the same hallmarks – blocked stairways, locked factory gates and/or emergency exits, bad ventila-

tion, missing or inappropriate fire extinguishers and lack of emergency training.

In fact, a previous electrical fire at the same Garib

& Garib factory last August reportedly led some brands – including Canada's Mark's Work Wearhouse and Wal-Mart – to pull production from the factory.

On March 21, tragedy struck at yet another factory, Matrix Sweater, when a fluorescent light exploded, causing a cloud of smoke. When the fire alarm went off, workers panicked and fled the building crushing one woman and injuring 25 in the ensuing chaos. Early reports from police say that there were no emergency exits and that stairways were blocked with cartons. The factory was producing sweaters for the Hudson's Bay Company, among other companies.

The death toll in the Bangladeshi garment industry since 2000 now stands at over 230.

Compensation and next steps

H&M reports that thus far compensation of 300,000 Taka (approximately C\$4,400) has been promised to each of the families of the deceased. Some of this has been paid out already by the Bangladeshi industry association. If the rest of the funds materialize, it would be a start, but it is far from sufficient.

The Garib & Garib factory workers are demanding compensation of 500,000 Taka (approximately C\$7,350) for each of the victims' families. They are also demanding action by the Bangladeshi government and the industry association to better regulate factory health and safety. They want a criminal investigation to identify those whose actions or negligence caused this tragedy.

The fact that these problems persist throughout the industry after years of factory auditing by a number of major companies suggests that more proactive, sustained, and coordinated measures are needed to eliminate these systemic abuses. Companies sourcing in Bangladesh have a responsibility to work proactively with Bangladeshi unions and labour rights NGOs to bring collective pressure on the Bangladesh government, industry associations, and local suppliers to ensure that worker health and safety is protected in all Bangladeshi factories. ■

Safety demands implicate all buyers from Bangladesh

APRIL 11 MARKS THE FIFTH ANNIVERSARY OF THE COLLAPSE of the Spectrum Sweater factory in Bangladesh, which killed 64 workers and injured at least 74 others. The Spectrum disaster focused global attention on the chronic safety problems in the Bangladesh industry. Five years later these problems persist. MSN and our international partner organizations are asking retailers and brands sourcing in Bangladesh to take a series of measures collectively and within their own supply chains to ensure that workers lives are no longer put at risk to produce cheap clothing. For more information, see: www.maquilasolidarity.org

Haiti rebuilds

● continued from page 1

garment workers did not. “In the aftermath of the earthquake, many apparel workers have migrated to the countryside or are unaccounted for,” said a February 9 report from the Worker Rights Consortium (WRC). “And, of those who have returned to work, many have lost relatives and remain homeless, without adequate food for themselves and their families.”

In response to this emergency situation, the Maquila Solidarity Network (MSN) joined with the WRC, the International Textile, Garment and Leather Workers Federation, and the AFL-CIO Solidarity Center in putting forward a series of recommendations to garment companies producing in or sourcing from Haiti. These have been the focus of conversations with several brands and the ILO Better Works program which was in the midst of

preparing for the launch of a Better Works initiative in Haiti prior to the quake.

The recommendations included a call to set up humanitarian relief programs to be carried out through apparel factories, some of which are among the few large institutions still functioning after the earthquake, to provide displaced workers with severance pay and outstanding wages, and to offer compensation and assistance to earthquake victims or their families.

Companies were also urged to carry out safety inspections of supplier factory structures to prevent further danger to workers, and to keep production in Haiti either by shifting it from damaged facilities to those that were not damaged or by building new factories to replace damaged ones.



Haitian people work to rebuild

PHOTOS: UNDP (TOP LEFT AND RIGHT), AGENCIA BRASIL (BOTTOM)

Given the history of labour rights abuses in Haiti’s apparel industry, MSN and our partners also urged apparel companies to work with stakeholders to establish decent working conditions in their supplier factories, including by providing “orders at volumes, prices and delivery dates that will enable these factories to operate and provide decent work to employees during the recovery process.”

To their credit, two of the major apparel manufacturers

sourcing from Haiti, Gildan Activewear and Hanesbrands, did respond quickly to the crisis. In addition to contributing to special emergency relief funds, both are providing workers food baskets and temporary shelter (tents) through their suppliers. Gildan is also working with the owner of Palm Apparel to provide special assistance to disabled workers and to families of workers who lost their lives.

With the arrival of the rainy season, more assistance is desperately needed to ensure that Haitian garment workers who continue to suffer as a result of the earthquake receive adequate emergency assistance, full financial compensation owing, and employment under decent working conditions. ■

Nicaraguan women combat economic crisis

● continued from page 2

lished in the same period, and a corresponding decrease in workplace accidents and injuries. It also points to a decrease in the number of minors working in the sector and a reduction in sexual harassment in the workplace.

Also speaking at the Colloquium were MSN’s Coordinator, Lynda Yanz, who described the impact of the crisis on women garment workers at the global level, and Jose Ramirez, Americas Secretary for the ITGLWF, who discussed the challenges facing the union movement in the region in a period of economic crisis.

After the opening panel, participants divided into six thematic “mini-forums” where they debated and formulated recommendations to address the negative impacts of the economic crisis on labour rights, workers’ health, employment policy, violence against women, migration, and freedom of association.

During the Colloquium, MEC and the Permanent Congress of Nicaraguan Business Women (CPMEN) announced a formal agreement to collaborate on joint training activities in order “to promote a culture of labour and women’s rights compliance on the part of management and workers.”

“If you, as women workers, do not know

your rights, you will not know how to defend them; and if we as employers do not know our obligations, then neither will we know how to comply. This is why we are signing this agreement between our two organizations today,” stated Ximena Ramirez Gonzalez, President of CPMEN.

The Colloquium closed with the adoption of proposals to the Nicaraguan government to guarantee women workers’ rights, including better and more rapid enforcement of laws regarding employers’ responsibilities in the event of a factory closure and a review of the minimum wage to ensure that it reflects the cost of a basic needs basket in the country. ■