

Maquila Solidarity update

1994 - 2014



PHOTO: Sommitto Garments Sramik Federation

Bangladeshi garment workers form human chain demanding compensation for Rana Plaza survivors.

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Rana Plaza one year later Brands failing to deliver on compensation to survivors

MORE THAN A YEAR AFTER ONE OF THE WORST INDUSTRIAL disasters in modern history, most of the international brands using factories in the Rana Plaza building prior to its collapse have failed to provide the full compensation they owe the survivors.

As of May 15, the Rana Plaza Donors Trust Fund, which was established to provide long-term compensation to the families of over 1,100 workers killed and approximately 2,500 seriously injured, had raised less than half of the

\$40 million needed to cover their lost income and medical expenses.

Meanwhile, reports from Human Rights Watch and Action Aid reveal that the Rana Plaza survivors are continuing to suffer the consequences of

the disaster as a result of the long wait for compensation.

Survivors and relatives interviewed by Human Rights Watch said “they continue to suffer from life-changing injuries, psychological trauma, and a loss of income... some are struggling to feed their families and send their children to school.”

According to the International Labour Organization

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20 Years of Solidarity

This is the last issue of the *Maquila Solidarity Update*. After 20 years, MSN is phasing out much of our public program at the end of 2014. In November, we'll be publishing a special MSN 20th Anniversary publication, reviewing highlights of work that MSN has been involved in over two decades defending the rights of workers in global supply chains.

Later this year, we'll update network supporters and partners on how some of the critically important work MSN has been doing will move forward after 2014.

Editorial

Will brands deliver on promise to help improve Cambodian workers' wages?

On May 30, Cambodian courts ruled that 23 workers and human rights defenders arrested in January were guilty of causing violence during a massive strike for an increase in the country's minimum wage.

However, to the surprise of many of us, the courts handed down suspended sentences and ordered the release of 21 of the accused who had been detained for the past five months.

The fate of those convicted is still uncertain; they face heavy fines and could be rearrested for participating in strikes or protest activities. Human Rights Watch has called for their convictions to be quashed, along with their criminal records, noting that the convictions could "incur penalties such as a prohibition on serving as union leaders."

Given, the total absence of credible evidence presented at the trials, it seems that the only thing the 23 are actually guilty of is the

crime of defending workers' right to a salary that is sufficient to meet their nutritional and other basic needs.

While factory owners continue to dismiss the numerous incidents of garment workers fainting on the job as cases of female mass hysteria, a number of recent studies have identified the real causes of the fainting as starvation wages, long working hours and overheated factories.

To their credit, major apparel brands whose products are made in Cambodia appear to have played a significant role in helping to gain the release of the imprisoned labour activists.

On May 26, a delegation of brands, including H&M, Inditex, Gap, Levi's and Puma, together with the Global Unions, met with the Cambodian government to reiterate their message that "political stability and respect for human and worker rights are essential

to maintaining sourcing in Cambodia."

According to the Global Union IndustriALL, the brands have made a commitment to adjust their prices to accommodate an increase the minimum wage. Whether they make good on that promise is yet to be seen.

Ultimately, there will be no resolution to the underlying causes of worker unrest in Cambodia unless and until the brands are willing to pay fair prices to their suppliers that allow them to pay wages that meet workers' basic needs.

At this moment, however, we want to join with the families, colleagues and friends of the 23, as well as all those who worked so hard for their release, in celebrating their freedom. ■

Lynda Yanz
for the MSN team

The Maquila Solidarity Update is published in English and Spanish by the Maquila Solidarity Network (MSN). MSN is a labour and women's rights advocacy organization working to improve conditions in maquiladora factories and export processing zones worldwide.

Editorial Staff:
Ana Enriquez
Bob Jeffcott
Tara Mathur
Caren Weisbart
Lynda Yanz
Translation: Anibal Vitón

Maquila Solidarity Network
606 Shaw Street
Toronto, ON, M6G 3L6 Canada
Phone: 416-532-8584
Fax: 416-532-7688

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www.maquilasolidarity.org

Cambodian garment workers continue to mobilize despite government repression

BRUTAL REPRESSION BY THE Cambodian government has failed to deter garment workers from staging protests for a just increase in the minimum wage.

On May 1, close to 1,000 workers and supporters defied a government ban on public assemblies to take part in the annual May Day demonstration in the capital city Phnom Penh.

A union request to hold their May Day rally in Freedom Park had been denied by the government, and when workers arrived at the park, they were confronted by rows of riot police positioned behind razor-wire barricades.

As the protestors were leaving the site, they along with several bystanders and journalists were attacked by about 200 club-wielding government security forces. At least five people were beaten and injured during the attack.

Later that day, the unions organized a march to the National Assembly in an attempt to deliver a petition calling for an increase in the minimum wage from US \$100 to \$160 a month and demanding that the charges against the 21 detained labour activists and two others that have been released on bail be dropped.

Free the 23

“Free the 23” had become a rallying cry of the worker rights movement in Cambodia, as well as their international supporters, after 23 workers and trade union leaders were arrested on January 3rd and detained in a high security prison at the height of the government’s crackdown against tens of thousands of workers taking part in a nationwide strike that had shut down the country’s garment industry.

On that day, heavily armed government

security forces fired on a crowd of protesters, killing five and wounding a number of others.

A wave of repression followed the killings. The striking workers were forced back to work, public assemblies were banned, hundreds of workers were fired for participating in the strike, union leaders were threatened with legal action, and registration of new unions was suspended.

Guilty, but released

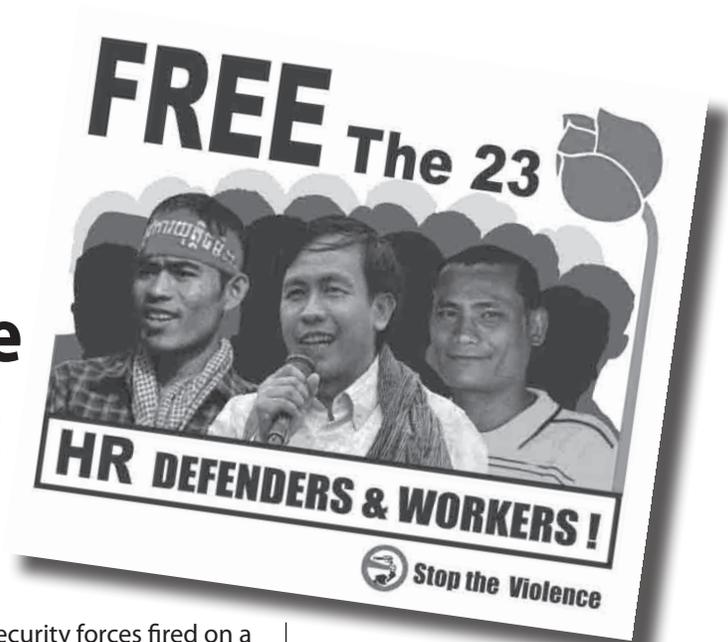
On May 30, the 23 labour activists were found guilty of causing violence, but in a surprise move their prison sentences were suspended and those detained were ordered released.

“Twenty-one innocent people were held in an isolated prison under harsh conditions for five months after their arrest despite the total lack of evidence that they committed any crime,”

says David Welsh of the Solidarity Center in Cambodia.

While acknowledging the efforts of 30 major apparel brands, including three Canadian companies (the Hudson’s Bay Company, Loblaw and Lululemon), in lobbying the Cambodian government to release the detained activists, Welsh says the brands must make good on their commitment to tackle the underlying cause of worker unrest.

“Workers are protesting because they are being paid starvation wages,” says Welsh. “While today [May 30] is about celebrating families reuniting and innocent people being freed from prison, there won’t be a solution to this problem until the brands are willing to increase the prices they pay their suppliers so that those suppliers can pay the workers decent wages.” ■



Women's and labour organizations launch Women's Agenda for Maquila Industry

ON MARCH 2, THE Central American Women's Network in Support of Maquila Workers (REDCAM) publicly launched a women's labour rights agenda for maquila workers in the region.

The regional launch took place in Managua, Nicaragua at the annual Colloquium of the Maria Elena Cuadra Movement of Working and Unemployed Women (MEC). National launches of the Agenda have taken place in Honduras and Guatemala.

The "Women's Labour Rights Agenda for the Central American Maquiladora Industry" is the product of two years of consultation with women maquila workers and women's and trade union organizations in the Central American region.

The Agenda is endorsed by 11 national women's organizations and two trade union bodies – the National Committee of Nicaraguan Women Trade Unionists and the Central American Coordinator of Unions in the Maquila. The Central American Women's Fund and MSN are also signatories to the Agenda.

MSN is working with signatory organizations to present the Agenda to international apparel brands and lobby for changes in brands' labour standards policies and practices in order to address the priority issues of women maquila workers. The first briefing will take place in Nicaragua in July.

Below are brief summaries of some of the key demands to governments, apparel manufacturers and brands:

Right to employment with a dignified salary:

- Create provisional funds to guarantee payment of statutory benefits to workers in the event of a factory closure.
- Adopt affirmative action policies to prohibit discrimination in hiring.
- Prohibit the contracting of workers on a temporary or hourly basis, and the use of non-standard work schedules to avoid paying legal overtime premiums.
- Guarantee women's maternity rights, as well as job security, during pre- and post-natal periods.
- Enforce legal requirements for workplace child care facilities.
- Impose sanctions against employers that make salary deductions when workers take time off work for social security medical exams.

- Through the Central American Parliament, promote the adoption of a minimum wage in each country that is based on an analysis of their respective basic market baskets.

Right to a safe and healthy workplace:

- Train management personnel, government functionaries and workers on health and safety hazards associated with how work is organized in maquila factories.
- Impose sanctions on employers that fail to establish mixed health and safety committees, fail to comply with international ergonomic standards, or fail to implement legally required preventive measures.
- Train social security personnel and staff in workplace clinics on occupational medicine.



To read the full Agenda (in Spanish) and the complete list of demands (in English), see <http://www.en.maquilasolidarity.org/node/1204>

- Carry out regular ergonomic studies and utilize the findings to redesign work stations and work environments.
- Improve the physical conditions and organization of the workplace in order to prevent muscular-skeletal injuries.
- Eliminate 4x4, 3x4 and 5x2 work shifts that violate the right to the eight-hour day, remuneration for overtime, and a safe work environment.
- Improve health and safety inspections to give greater weight to the opinions of workers, and prohibit dismissals of workers based on a diagnosis of their health risks.

Right to sexual and reproductive health:

- Prohibit testing for pregnancy and/or HIV as a requirement for hiring or retaining employment.
- Impose sanctions on employers that demand pregnancy tests as a condition of hiring or that discriminate against women based on pregnancy or maternity.
- Ensure that pregnant women are not forced to do tasks that cause harm to themselves or their babies.
- Ensure that women workers have the right to their statutory maternity benefits and to return to their job without the threat of dismissal or changes in their employment contracts.

Right to Social Security:

- Carry out regular inspections to ensure that employers are respecting the right of workers to be registered with social security and have access to social security health services.
- Monitor the performance of private workplace clinics in order to prevent the provision of poor quality services, illegal charges for such services, or the substitution of private care for access to social security health services.
- Guarantee that personnel working in private workplace clinics are not influenced by their financial or other relationship to the employer.

Right to a workplace free of violence and sexual harassment:

- Improve coordination among relevant government ministries and institutes to better attend to the complaints of women maquila workers concerning violence (physical, verbal, sexual, psychological, and economic) at the workplace.
- Improve preventive mechanisms and legal sanctions against sexual and other forms of harassment and violence against women workers and provide them with effective legal instruments to address these abuses.



PHOTO: MEC

More than 1,000 maquila workers and their supporters endorse the Women's Agenda at the MEC Colloquium.

- Improve internal complaint mechanisms in the workplace regarding sexual and other forms of harassment and violence against women, and promote educational campaigns among factory personnel.
- Develop information strategies to educate women workers in order to facilitate and attend to women workers' complaints concerning harassment at the workplace.
- Promote legislative changes that encourage maquila owners to adopt security measures, such as improved infrastructure and public lighting in order to prevent violence against women.
- Provide proper training to personnel in the criminal justice and law enforcement institutions involved in investigations and criminal proceedings in order to ensure that attention given to these cases is of high quality

and does not result in the re-victimization of women complainants.

- Ensure that management personnel are trained about these crimes and how to prevent them from happening in the workplace.

The right to training and technical assistance:

- Ensure that educational institutions elaborate programs designed for women workers to give them the opportunity to pursue technical and professional careers. ■

Wage theft in Mexico: the cost of an unpaid lunch break

THE COST OF AN unpaid lunch break may not seem like much, but when you add up the lost income over a number of years, it represents a significant amount of money, particularly for a low-paid Mexican maquila worker.

Workers at a Jobar jean factory in Aguascalientes, Mexico are well aware of how much income they have lost because of their employer's failure to comply with Mexican labour law.

The average amount owing each worker per year is US\$207. Many of the workers have been employed by Jobar for 10 years, which means they are entitled to over US\$2,000 in back pay. For 2013 alone, Jobar owes the 893 workers at the factory a total of approximately US\$185,000.

This story of wage theft becomes even more disturbing given that the major buyer from the factory is Levi's Strauss, a company that prides itself as being socially respon-

sible, and that Levi's has known about the situation since 2009.

In that year, Colectivo Raiz (CR), a Mexican labour rights organization based in Aguascalientes, wrote to Levi's Vice-President of Sustainability, Michael Kobori, detailing a number of worker rights violations at Jobar, including failure to pay workers for their lunch breaks.

After a lengthy negotiation process, involving Levi's, Colectivo Raiz, and MSN, Levi's agreed to contract the monitoring organization Verité to undertake a third-party investigation.

Among the worker rights violations identified by Verité were:

- Jobar signing a collective agreement, as well as other agreements that diminished workers' en-

titlements, with a "protection union" without the workers' knowledge or consent;

- Failing to provide clearly understandable pay slips, making it impossible for workers to verify whether they were being paid properly; and
- Failing to pay workers for their lunch breaks, which resulted in them losing 2.5 hours overtime pay a week.

Following the release of the Verité report, Levi's required Jobar to distribute copies of the collective bargaining agreement

(CBA) to the workers, which was done in March 2011. However, it appears that workers have not received copies of their updated CBAs, or copies of other agreements signed between the company and its protection union.

While not disputing Verité's finding that Jobar's protection union is not an authentic representative of the workers, Levi's did dispute its finding that workers were being denied their lawful right to be paid for their half hour lunch break. It did however agree to ensure that workers' pay slips



"Three years ago, we had hopes that Levi's would help win justice for these workers, but now those hopes are gone."

– Sara Montes,
Colectivo Raiz

What is a protection contract?

clearly indicate how their weekly pay was calculated – something that still has not been done.

To resolve the lunch-break issue, Levi's, MSN and Colectivo Raiz agreed to contract a Mexican labour

rights expert to provide an independent legal opinion of whether workers in Mexico were legally entitled to be paid for their lunch breaks. The expert's October 2011 report confirmed that they were, noting that because Jobar workers were required to work a 50.5 hour workweek, they should have been paid for 2.5 hours overtime a week.

In January 2012, Levi's informed MSN that the company would accept the legal opinion and

"Employer protection contracts... have been described by the Trade Union Confederation of the Americas (TUCA) as the 'most grotesque product of the Mexican labour model.' These 'protection contracts,' that is, bogus collective agreements drawn up by the employers and negotiated behind the workers' backs... constitute a violation of trade union rights, as they prevent any real collective bargaining and the possibility of exercising the right to strike."

INTERNATIONAL TRADE UNION CONFEDERATION,
2010 ANNUAL SURVEY OF VIOLATIONS OF TRADE UNION RIGHTS

on May 17 reported that Jobar had agreed to pay workers for their lunch breaks beginning immediately. Levi's was unwilling to require Jobar to provide back pay for overtime hours previously worked.

However, when the workers received their next pay slips, Colectivo Raiz was able to verify that workers' total pay remained unchanged.

Two and a half years later, after much correspondence and many staff changes at Levi's, in

May 2014 Levi's informed MSN and Colectivo Raiz that rather than paying the workers what they are owed, Jobar would be extending the lunch break by another 31 minutes, thereby creating a break in employment and, in Levi's opinion, complying with Mexican legal requirements.

In other words, the workers would not only continue to be denied their lawful right to be paid for their lunch break, but would have to stay at the factory 31 minutes

longer each day for no extra pay.

In fact, any change in the terms of employment requires workers' consent. MSN and Colectivo Raiz can only assume that the pro-

tection union "representing" Jobar workers has signed off on this wage-theft agreement without the workers' knowledge or consent.

Colectivo Raiz and MSN will continue to demand that Levi's require its supplier to provide back pay owing to workers and follow through on its stated commitment to ensure that Jobar pays workers for their lunch break and provides them with clearly understandable pay slips. ■

• continued from page 1

(ILO), which oversees the Trust Fund, only US\$17 million has been raised to date. Of that, UK brand Primark has contributed a total of \$8 million, while Canada's Loblaw (owner of Joe Fresh) has contributed close to \$3.4 million.

All other corporate contributions to the Fund are \$1 million or less: Walmart \$1 million, The Children's Place \$450,000, German retailers KIK \$500,000 and Guldenpfenning GmbH \$500,000, and the Dutch C&A Foundation \$690,000.

The remaining companies listed as donors have so far declined to reveal the amounts of their contributions.

Even more disturbing than the small amounts of most of these contributions is the fact that 15 of the 29 brands that have been linked to factories in the Rana Plaza building, including major European retail companies like Benetton and Auchan, have contributed nothing to the fund to date.

"Brands are failing workers a second time," says Ineke Zeldenrust of the Clean Clothes Campaign. "First they failed to ensure the factories they bought from were safe, and now they are failing the survivors and the families of those who lost loved ones by not contributing significantly to the Donor Trust Fund."

Time to Pay Up

In response to these miserly contributions by major international brands and retailers, an international coalition of trade union and labour rights organizations – Global Unions UNI and IndustriALL, Clean Clothes Campaign, International Labor Rights Forum, Worker Rights Consortium, and MSN – have launched

held demonstrations at Children's Place stores in Vancouver and Toronto and at Walmart stores in Sudbury and Montreal.

MSN continues to lobby Canadian and US companies sourcing apparel products from Bangladesh to make substantial contributions to the Rana Plaza Donors Trust Fund.



Kalpona Akter of the Bangladesh Centre for Worker Solidarity (BCWS) speaks at Vancouver rally.

PHOTO:
BC Federation
of Labour

the Pay Up Campaign to pressure companies to make substantial contributions to the Trust Fund. On the April 24 one-year anniversary of the Rana Plaza tragedy, as unions and Rana Plaza survivors took part in protests and memorial events, the Pay Up campaign staged store actions in cities across Europe and North America targeting The Children's Place, Walmart and Benetton.

In Canada, labour, women's, community and international development organizations

Accord moves forward on factory inspections

As companies lag behind on payment of just compensation to the Rana Plaza survivors, the Accord on Fire and Building Safety in Bangladesh is moving forward on safety inspections in the approximately 1,600 garment factories covered by the Accord.

As of May 10, 1,400 structural, fire and electrical inspections had been carried out in more than 450 factories. So far, ten factories have had to be temporarily closed be-

cause of structural flaws in the buildings.

Under the Accord, workers are entitled to receive their regular pay during temporary closures, and the signatory brands must ensure that the cost of necessary factory upgrades is covered.

Over 160 major retailers and brands based in Europe, North America, Australia and Asia have signed the legally-binding Accord, which provides for independent factory safety inspections, public reports on the findings and corrective action taken, health and safety training for workers and management personnel, and an active role for workers in hazard detection through health and safety committees.

To date, only one Canadian company – Loblaw – has signed the Accord.

On April 24, World Vision Canada announced a campaign calling on major Canadian retailers to sign the Accord. World Vision also released the findings of an Ipsos Reid poll showing that 8 of 10 Canadians would feel more willing to buy products from retailers who have signed the Accord.

The poll also found that 88 percent of Canadians believe the Accord should be the standard for the textile industry and safety standards, and 85 percent believe that all major Canadian retailers should sign the Accord. ■