

maquila network update

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PVH Grinch Steals Christmas in Guatemala

On December 11, Phillips-Van Heusen (PVH) workers arrived at the company's Guatemalan apparel-for-export factory expecting their Christmas bonuses. Instead, they found security guards blocking their entry. They were given a written notice that PVH was closing its Camisas Modernas plant and the workers were out of a job.

The closing of Camisas Modernas is not only a major blow to the 500 workers who are losing their jobs, it is also a major setback for all maquila workers in Guatemala and throughout Central America. Camisas Modernas was the only maquiladora in Guatemala with a negotiated collective agreement.

In a statement to the workers, Phillips-Van Heusen, the leading US marketer of men's dress shirts, justified the abrupt closure of its Guatemalan factory by claiming that the loss of a major client resulted in overcapacity in its directly-owned facilities.

However, PVH's own figures indicate that the "major" customer accounted for less

Monica Felipe Alvarez, General Secretary of the PVH Workers' Union and Hannah Frisch of US/GLEP celebrate 1997 victory.



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CAB Ruling Vindicates Custom Trim Workers

On January 6, 28 Mexican maquiladora workers who were fired in June 1997 for leading a strike at the Custom Trim auto trim factory in Valle Hermoso, Mexico, received notice of an unprecedented Conciliation and Arbitration Board (CAB) decision ordering their reinstatement with full back pay.

maquila network update

is published quarterly in English and Spanish by the Maquila Solidarity Network (MSN). The MSN includes over 400 organizations and individuals across Canada. The MSN promotes solidarity between Canadian labour, women's and social movement groups and Mexican, Central American and Asian counterparts organizing to raise standards and improve conditions in maquiladora and export processing zones. The MSN acts as the secretariat for the Labour Behind the Label Coalition and is active in Stop Sweatshops campaigning.

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Unfortunately, the Custom Trim workers' long struggle for justice is not yet over. The Miami-based Breed Technologies, which purchased the formerly Canadian Custom Trim company in February of 1997, has appealed the CAB ruling.

According to Manuel Mondragón, a Coalition for Justice in the Maquiladoras Board member who has worked closely with the Custom Trim workers throughout their struggle, the appeal could delay the workers' return to work for months if not years.

Agreement Violated

The dispute began in May 1997, when 240 Valle Hermoso Custom Trim workers walked off the job, demanding improved wages, profit sharing and improved health and safety practices.

When negotiations broke down, management threatened to fire any employees who did not return to work, offering a profit-sharing

bonus of 430 pesos to those who did. When the workers refused management's offer, they were locked inside the factory grounds and told they were all fired.

On the fifth day of the strike, the workers learned that management had already signed a secret contract with the local representative of the Confederation of Mexican Workers (CTM), thereby ending negotiations.

On May 23, the workers agreed to accept the company's offer of a profit sharing bonus, and signed a statement that they would not strike again if they would be allowed to return to work without reprisals or harassment.

However, management violated the agreement by firing the 28 strike leaders and pressuring them to sign another statement informing them that they were being fired for illegal strike activity. Most of the strike leaders refused to sign.



Fired Custom Trim worker Salvador Bravo

Worker's Family Threatened

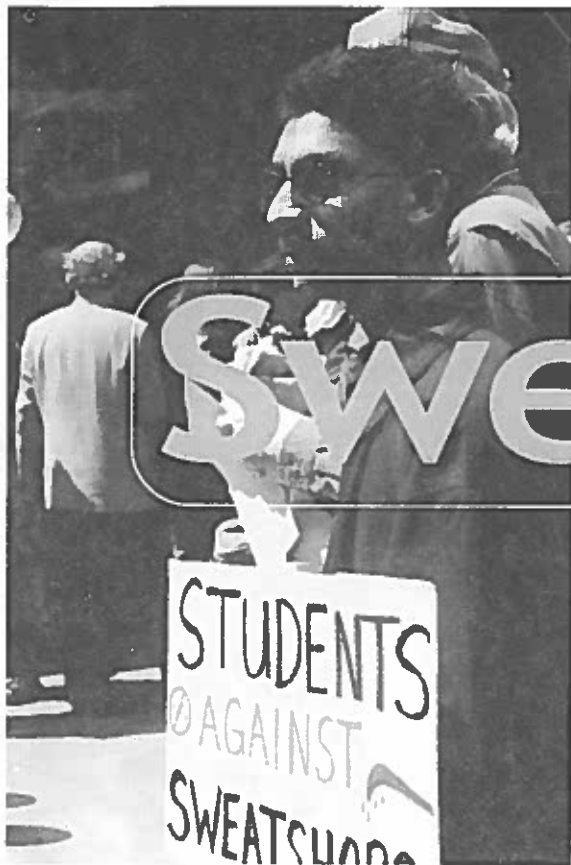
In August of 1997, the Custom Trim Workers Committee filed a complaint to the Conciliation and Arbitration Board, demanding reinstatement. In the same month, one

of the fired workers, Salvador Bravo, traveled to Ontario at the invitation of the United Steelworkers of America (USWA), as part of the union's "Jobs with Justice" campaign.

In Waterloo, Bravo met with Canadian Custom Trim workers whose employment was also being threatened by the company's restructuring plans. Upon his return to Mexico, members of Bravo's family were threatened by unnamed men who were searching for Bravo.

Despite the threats and harassment, the Custom Trim workers continued to demand their rights. On May 19, 1998, they filed a petition to the Mexican Department of Labour and Social Welfare calling for an inspection of the hazardous health and safety conditions inside the plant.

See the MSN website for information on how you can support the workers' struggle.



Students Campaign for Sweat Free Campus

All it took was a small group of students signing petitions and handing out leaflets, but the University of Toronto seems to be responding to a newly-launched student campaign for a code of conduct guaranteeing that no apparel bulk-purchased by the university or licensed to bear the university name or insignia is made under sweatshop conditions.

In November 1998, the U of T Students Against Sweatshops began handing out leaflets and collecting signatures on petitions at the school's bookstore, where clothes bearing the U of T insignia are sold.

The leaflets and petitions pointed to the need for a code of conduct which can ensure that clothing licensed by the university is made under decent working conditions.

There is currently no policy at U of T that guarantees that basic labour standards will be respected in the manufacture of clothing bearing the U of T name or logo. U of T students checking labels in the school's bookstore found clothing they suspect is made in sweatshops.

Shortly after the campaign began, the University administration announced they are re-working the current licensing policy, but refuse to

include students in drafting the policy changes. U of T Director of Alumni and Development Rivi Frankle says that the new policy "will not be as comprehensive as Duke's," referring to the code of conduct for licensees passed at Duke University last year. That code is seen by student activists as a floor for other codes—the minimum standards that would be acceptable in a university's code.

Preliminary reports on U of T's new policy confirm its lack of substance. Alison Liddell, U of T Manager of Affinity Services, told the student newspaper *The Varsity* that the school's new policy requires that a company producing U of T clothing has to be legal, has to provide references, and can't disrespect the university.

Students Against Sweat-

shops counters that U of T must pass a code which respects international labour standards such as the right to organize and bargain collectively, a safe and healthy workplace, non-discrimination, no forced labour or exploitive child labour, a living wage and no forced overtime. They are also demanding that licensees provide full disclosure of their factory locations and accept independent monitoring of factory conditions.

Both Frankle and Liddell have denied that the student actions prompted a review of their policy. Frankle claims they've been working on new policies for a year and a half, while Liddell says it's been several months.

The students aren't buying it. They are demanding student involvement in the drafting of new policies for

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Late breaking news

A 31-hour student occupation of an administration building at the end of January forced Duke University to modify plans to sign on to a new licensing code which would not require apparel manufacturers to disclose the whereabouts of their factories. The Collegiate Licensing Corporation's (CLC) code of conduct – which the company hopes its 160-plus client schools will adopt – falls short of student demands for a code which guarantees full disclosure and a living wage for production workers.

Once Duke's Students Against Sweatshops took over the building, university administrators signed an agreement promising to pull out of the CLC agreement unless full public disclosure is added to the code within the next 12 months.



New Initiatives for Corporate

As the Canadian government inches toward convening a federal task force on sweatshop abuses, negotiations in other countries are moving rapidly ahead.

In a number of countries, multi-company, industry-wide or multi-sectoral codes of conduct on labour and environmental practices have been agreed to by major consumer products firms.

In some cases, monitoring and certification of supplier factories is already being carried out by accredited "social auditors." In others, pilot monitoring projects are being planned, which could include participation of Southern NGOs in labour rights monitoring.

As codes of conduct, monitoring and certification systems are being implemented, labour, NGO, student and religious organizations in the North and South are demanding greater participation in monitoring, increased corporate disclosure of information, and transparent mechanisms for Northern and Southern civil society groups to lodge complaints and challenge auditors' reports.

Canada

On June 23, 1998, petitions signed by 30,000 Canadians and over 200 organizations calling for a federal task force on sweatshop abuses were presented to Canada's Minister of Foreign Affairs, Lloyd Axworthy.

On December 17, representatives of labour, religious and non-governmental organizations met with government officials to discuss the proposal. Government is also consulting with private sector groups about their participation. Agreement is being sought on a facilitator for the next stages in the process.

Meanwhile, Ten Days for Global Justice groups across Canada are distributing thousands of postcards addressed to Minister Axworthy expressing support for the task force. From Vancouver to Sioux Lookout to St. John's, local Ten Days groups are organizing Sweatshop Fashion Shows and other public educational events.

United States

On November 2, 1998, major US apparel companies, including Nike and Reebok, and some NGO participants in the Apparel Industry Partnership (AIP) announced agreement on a multi-company code of conduct, monitoring and certification system.

However, US labour and religious organizations have withdrawn from the AIP and are criticizing the "Accord" for failing to include provisions for a living wage or adequate protections on hours of work.

The Accord has also been criticized for allowing companies to hire their own monitors, and for not requiring companies to disclose the location of supplier factories, which factories are being monitored, or sufficient information on results of monitoring.

United Kingdom

The Ethical Trading Initiative (ETI) brings together NGOs, companies, unions and non-governmental organizations to identify and promote good practices in the implementation of codes of conduct, including monitoring and independent verification.

The ETI has developed a multi-sector code of conduct based on International Labour Organization (ILO) standards. It includes provisions for a living wage, freedom of association, and security of employment.

The ETI is planning three pilot projects in different sectors to test approaches to monitoring and verification.

Accountability

Netherlands

The Clean Clothes Campaign (CCC) was successful in bringing together Dutch NGOs, labour centrals and associations of apparel retailers and manufacturers in negotiations for an industry-wide code of conduct with provisions for independent monitoring and certification.

Unions, NGOs, retailers and manufacturers will be represented on a foundation that will hire external monitors, evaluate their reports and certify apparel companies and their supplier factories. Agreement has been reached on a voluntary code that includes strong provisions on freedom of association, hours of work and a living wage.

Australia

The Textile, Clothing and Footwear Union of Australia (TCFU) and its religious and NGO coalition partners in the FairWear campaign had succeeded in pressuring close to 40 major retailers and over 50 manufacturers and fashion houses to sign the Homeworkers' Code of Practice.

The Australian Code of Practice is unique in addressing the specific problems of homeworkers and in its strong provisions requiring companies to disclose to the union detailed information on contractors, subcontractors and the use of homework.

The Code requires retailers and manufacturers to ensure that homeworkers sewing for their labels receive minimum wages, benefits and working conditions provided for under Australia's awards system. The union is mandated to monitor working conditions.

In June 1998, the TCFUA brought charges against Nike, Adidas and 11 other apparel companies for failing to meet legal requirements for homeworkers sewing their products.

Adidas has since agreed to settle at the mediation stage and to sign the Code of Practice. Nike has so far refused.

SA8000

Social Accountability 8000 is an initiative of the US-based Council on Economic Priorities (CEPAA), which calls SA8000 "a comprehensive global verification standard for auditing and certifying corporate responsibility."

Its objective is to bring consistency to labour rights standards in various codes and in procedures for "social auditing." SA8000 standards are based on ILO and UN conventions and the Universal Declaration of Human Rights.

The CEPAA trains and accredits social auditing firms and individual auditors, who then are hired by companies to certify their and/or their suppliers' compliance with SA8000 standards. CEPAA-trained social auditors are already certifying supplier factories in China and other countries where labour rights abuses are common.

SA8000 has been criticized for the dominant role it gives to giant social auditing firms and the minimal role allowed for Southern and Northern NGOs.

news & notes

Apparel Giants Sued for Sweatshop Abuses

On January 14, US lawyers filed two class actions suits against 18 major US apparel manufacturers and retailers, charging them with using indentured labour under sweatshop conditions to produce clothing on the island of Saipan in the US Commonwealth of the Northern Mariana Islands in the South Pacific. The apparel giants linked to sweatshop abuses in Saipan include the Gap, Tommy Hilfiger, Wal-Mart, The Limited, OshKosh B'Gosh, and Sears. The law suits seeking more than US\$1 billion in damages were filed on behalf of more than 50,000 workers from China, the Philippines, Bangladesh and Thailand who were allegedly lured to Saipan with promises of a better life in the US. Instead, they found themselves working up to 12 hours a day, seven days a week without overtime pay in unsafe, unsanitary and abusive conditions. The predominantly young women "guest workers" were reportedly required to repay "recruitment fees" of between \$2,000 to \$7,000, which were deducted from their pay cheques. The Marianas are exempt from US minimum wage and immigration laws. Garments made in Saipan may carry a "Made in USA" label. However, the MSN has discovered "Made

in Saipan" or "Made in the Northern Mariana Islands" labels on Eddie Bauer, Tommy Hilfiger, Calvin Klein and Dockers garments sold in Toronto and Vancouver.

Panel Rules Against Mexican Government

The first ever Canadian hearing on the NAFTA side agreement has produced a decision highly critical of the Mexican government's failure to protect the rights of workers at the ITAPSA break plant near Mexico City. Forty-seven labour petitioners from Canada, the US and Mexico, lead by the Canadian office of the United Steelworkers of America (USWA), complained that workers who attempted to win representation by a democratic union, the Authentic Labour Front (FAT), were held captive during the vote by more than 100 armed thugs bused in to the workplace by the government-controlled union, while other workers were barred from the plant where the vote was taking place. In its December ruling, the Canadian panel found that Mexico appeared to have failed in its obligation under NAFTA to provide for a high standard of protection for workers involved in organizing campaigns and for a fair vote. Mexico also failed to enforce laws which would

have provided a safe voting location and would have protected union members from discriminatory firings. The panel also suggested that Mexico failed to ensure fairness, and that the circumstances of the vote were reviewed by arbitration panels whose members had conflicts of interest. ITAPSA is owned by Echlin Industries, which was recently purchased by the Dana Corporation.

As Long as Living Doesn't Include Eating

If ever proof was needed that workers producing Nike shoes overseas aren't being paid a living wage, the December 26 protest by Indonesian Nike workers should be sufficient. Hundreds of workers employed by Nike contractor PT Doson Indonesia staged a rally at the factory over an inadequate meal allowance and the lack of response to workers' demands by factory executives. The workers demanded the dismissal of five executives. To its credit, Nike responded by increasing the workers meal allowance on January 20, admitting that the workers weren't getting enough meat and protein. But that's from a company that insists that its workers are receiving a living wage, which presumably should include enough to eat.

Security Snares Santa

Mall security was quick to react when Santa Claus entered a Footlocker store to ask them to disclose where and how their shoes are made. Santa's attempts to find out who's naughty and nice earned him a one-way trip out of the Toronto Eaton Centre.



Is Phil Knight a Closet Commie?

In a bizarre twist of ideological rhetoric, one of capitalism's poster children has accused its US critics of being anti-communist. A Nike executive has blasted some of the company's critics for having a hidden agenda of seeking to overthrow the communist system in Vietnam. Jozef Ha, a Nike Vice-President in Vietnam, said US-based critics such as Vietnam Labor Watch are targeting Nike not because of its poor labour record but "because Nike helps to create many jobs in Vietnam." Ha charged US labour rights groups with having a hidden political objective: "to create a so-called democratic society on the US model." Nike employs up to 40,000 people in Vietnam. The US-based Vietnam Labor Watch denied that it has a hidden agenda. It called the Nike letter "a crude attempt to stop the ongoing cooperation between Vietnam Labor Watch and labor organizations in Vietnam by appealing to the anti-American sentiments of some Vietnamese." Ha's statements were made in a letter to the Vietnam General Confederation of Labour which was reprinted in the confederation's newspaper *Laodong (Labour)*.



In a January 20 letter to Phil Knight, Nike's NGO partners in the Apparel Industry Partnership (AIP) condemned the Nike letter as being "completely at odds with the principles underlying the AIP agreement, and casting grave doubt on Nike's stated commitment to that agreement." They charged Nike with undermining "the fragile cooperation between Vietnamese Nike workers and NGOs seeking to assist them to secure the rights your company pledged to afford them by adopting your Code of Conduct and agreeing to the AIP Workplace Code...."

CJM Launches Health and Safety Training Campaign

The Coalition for Justice in the Maquiladoras is launching a multi-year campaign on workplace hazards in the 4,000 maquiladora plants on the US-Mexico border, with financial assistance from the MacArthur Foundation, the United Auto Workers in the US and the Canadian Autoworkers (CAW). Technical assistance will be provided by health and safety monitoring and training programs at UCLA and Berkley and the Labour Research and Legal Assistance Centre (CELAS) in Mexico City. 1999 activities include three regional trainers' training workshops for health and safety activists, local training workshops for maquila workers, production of popular materials on workers' health and safety legal rights, as well as a campaign in support of a new NAFTA side agreement complaint against the Mexican government for failure to enforce Mexico's workplace health and safety laws.

Sweating for a T-shirt, 23 min. video by Global Exchange. Describes conditions in Honduran maquilas, and what students can do to help eliminate sweatshops. English or Spanish. 1-800-497-1994, info@globalexchange.org.

Twenty Pieces, 26 min. video by Australia's Fair Wear Campaign. Exposes sweatshop practices worldwide, from factory to the home. 61-03-92515200, website: <http://vic.uca.org.au/fairwear>.

Jeans, Clean Clothes Campaign, Amsterdam, 1998, 10 pps. Story of labour rights abuses in production of jeans around the world. ccc@xs4all.nl

Working for the Rat, Murray MacAdam, New Internationalist, Dec. 1998. Report on campaign to improve working conditions for Disney garment workers in Haiti.

A Job or Your Rights: Continued Sex Discrimination in Mexico's Maquiladora Sector, Human Rights Watch, December 1998. 52 pps. hrwnyc@hrw.org. website: <http://www.hrw.org>

Fighting the Mexico Mantra: Labour's New Internationalism, DonWells, Our Times, Nov./Dec. 1998, pp. 20-27

Tough Times: Labor in the Americas, NACLA Report on the Americas, Jan./Feb. 1999.

Alternatives for the Americas: Building a People's Hemispheric Agreement, CCPA & Common Frontiers, 1999, 94 pps. Alternative vision and proposals for trade and development in Americas. CCPA, 804-251 Laurier Ave. W., Ottawa, ON, K1P 5J6.

PVH Workers Fight for Jobs

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than 2% of its annual apparel sales. The company has acknowledged that it will continue to contract work to low-wage, non-union maquila factories in Guatemala and other Central American countries.

Historic Victory Reversed

In 1997, PVH workers made international news when they won a six-year struggle to obtain union recognition and a signed collective agreement. An international support campaign led by the US/Guatemala Labor Education Project (US/GLEP) and supported by the Maquila Solidarity Network helped secure the victory.

The campaign succeeded in gaining agreement from PVH Chief Executive Officer Bruce Klatsky to abide by findings of a special investigation by Human Rights Watch. The investigation found that the company was under legal obligation to negotiate with the workers.

Klatsky is a member of the Board of Directors of Human Rights Watch. His company is also a member of the US

Apparel Industry Partnership, whose stated objective is to improve conditions for garment workers world-wide.

Fighting for Their Jobs

PVH workers are not giving up without a fight. On January 4, 300 workers blocked the road to the Camisas Modernas factory to prevent the removal of equipment from the plant.

On January 5, half the workers continued to block the road, while the other half converged on the Ministry of Labour, where they discovered PVH management entering the ministry office. The workers refused to allow the managers to leave the building until they agreed to meet with the union.

At the January 6 meeting, PVH officials apparently admitted they had violated the collective agreement, which requires 30 days advance notice of changes in work status, and Guatemalan labour law, which prohibits firings of pregnant or nursing women and requires extra payments to the end of their nursing period.

PVH is a member of the US Apparel Industry Partnership, whose stated objective is to improve conditions for garment workers world-wide.

"What PVH is doing in Guatemala is smashing the human rights of workers and throwing us back into sweatshops that pay starvation wages and treat us like animals.

The 500 Camosa workers will not go back to the sweatshops. We will fight for our rights, for our dignity and that of our families, and for the tens of thousands of workers in the maquila industry in our country who are mercilessly exploited by the big multinational corporations that hide behind pretty words."

*Executive Committee,
STECAMOSA (PVH workers' union),
December 15, 1998*



Since the January 6 meeting, PVH workers have continued to block the road to their factory.

In a December 15 letter from the PVH union to its international supporters, the workers demanded that the company open its books to determine why PVH "cannot reduce its supply from any number of the hundreds of sweatshops from which it now sources, instead of from one of the few plants where workers have won a measure of respect and dignity."

See the MSN website for updates and information on how you can support the PVH workers' struggle.



Conference on Sweat Free Campuses

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licensing and bulk purchasing. Students Against Sweatshops is planning more leafleting and petitions, and, if the university won't meet with them, demonstrations at administrative offices. They are currently collecting endorsements and resolutions from other student groups and university departments.

U of T's sweatshop connections will be highlighted at an upcoming provincial anti-sweatshop conference at U of T at the end of February. Students Against Sweatshops and the Ontario Public Interest Research Group (OPIRG) are hosting the conference, which will bring together students from universities around Ontario for two days of workshops, networking and strategy discussions.