

maquila network update



December 2002, Vol. 7 No.4

Alcoa workers vote for democratic union

Despite ongoing management harassment, workers at two Alcoa auto parts plants in Piedras Negras, Mexico, have sent a clear message to the company that they want an independent union.

On October 18, workers at Plant #1 voted overwhelmingly in favour of the independent "For Unity" slate, shutting out candidates supported by the Confederation of Mexican Workers (CTM) and Alcoa management.

The CTM is an "official" union controlled by Mexico's historical ruling party, the PRI, which

still controls the government of the state of Coahuila where the factories are located.

The vote came only weeks after 20

workers from both factories were fired for staging a legal protest outside the factories on October 3 and 4. Five of the fired workers had been candidates running for the

leadership of the union in Plant #1. After firing them,



Above: Steelworkers union leads demonstration with fired Mexican workers at Alcoa shareholders meeting.

Left: Fired Alcoa workers, Ciudad Acuna, Mexico

PHOTOS: NATIONAL LABOR COMMITTEE

Alcoa management forcibly drove several of the workers to different points in the city to prevent them from communicating with their co-workers.

At Plant #2, among the workers fired were four members of the union sectional committee. Although still technically affiliated with the CTM, last March, new leaders of the committee won an historic election to oust

their corrupt predecessors and democratize their union. For six months, they achieved unprecedented success by

—continued on page 8—

inside

- Clean clothes? 2
- No Sweat campaign 3
- Victories & setbacks 4
- News and Notes 6
- New Resources 7

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 Ethical Trading Action Group and is active in Stop Sweatshops campaigning.

Editorial Staff

Bob Jeffcott
Sonia Singh
Kevin Thomas
Ian Thomson
Adria Vasil
Lynda Yanz

Translation
Anibal Viton

Special thanks to OPSEU for printing the *Update* at no cost.

Maquila Solidarity Network
606 Shaw Street
Toronto, ON, M6G 3L6 Canada
Phone: 416-532-8584
Fax: 416-532-7688
E-mail: info@maquilasolidarity.org
web: www.maquilasolidarity.org



“Where can I buy clean clothes?”

“Where can I buy clothes that aren't made in sweatshops?” is probably the question we at MSN are asked most frequently, over e-mail, by phone and, quite often, in person. Especially during the holiday season.

It's a fair enough question, but to date there are no easy answers. Boycotting particular countries or brands doesn't necessarily support workers' struggles to improve conditions in those countries. While buying “Made in Canada” products might benefit the Canadian garment industry, it doesn't guarantee that your clothes weren't made in sweatshops. The “Union Made” label is a pretty good guarantee of fair working conditions, but you won't find it on many apparel products sold at the local mall.

Despite the general lack of ethical shopping options, there are a few promising developments. As more and more US and Canadian consumers become aware of sweatshop abuses and ask questions about where and under what conditions clothes are made, there is clearly a growing market for

sweat-free clothing. A few companies and fair trade initiatives are beginning to fill the void in the sweat-free niche market.

Pioneering Efforts

A new US company, No Sweat Apparel, plans to sell clothing produced exclusively by members of independent trade unions in North America, Europe and the developing world. Its “Union Made” sourcing strategy is designed to help protect unionized workers in the North and fragile union victories in the South, and to support worker organizing.

Two other ventures have taken a more US-focused approach. All SweatX brand clothing is sewn in a unionized factory in Los Angeles, which is run as a cooperative with the workers as co-owners. Hoping to cash in on US university demands for clothes made under ethical

conditions, the company plans to focus on wholesale orders of popular collegiate apparel styles, like T-shirts and caps.

Another Los Angeles-based company, American Apparel, also markets its products as “sweatshop free.” The T-shirt and undergarment manufacturer claims to have discontinued the use of sweatshops, subcontracting and offshore factories. It says its workers receive a living wage, health benefits and pensions. Its ads fail to mention that its employees are not represented by a union.

A fourth initiative, the UK-based Ethical Threads, sells T-shirts made by women's cooperatives in Nicaragua and Bangladesh, and by a network of UK factories employing people with disabilities. According to the Ethical Threads website, conditions in all its

—continued on page 8—

Disclosure proposal gets a hearing

In October 2002, the Ethical Trading Action Group (ETAG) learned that the federal government was commissioning the Conference Board of Canada to study ETAG's proposal for new regulations requiring apparel companies to publicly disclose the names and addresses of factories where clothes sold in Canada are made.

In November, the Conference Board interviewed various "stakeholders" and conducted focus groups in Ottawa, Toronto and Montreal. It will release its report in mid-December, and will hold roundtable discussions in January.

The government's decision to review the proposal indicates the level of support ETAG has mobilized among faith, student, teacher, labour and non-governmental organizations, as well as a few companies, including Roots Canada and Mountain Equipment Co-op.

Meanwhile No Sweat activists across the country continue to keep the pressure on Industry Minister Allan Rock. In addition to cutting out clothing labels and mailing them to the Minister, supporters are also sending No Sweat greeting cards to Rock for the holidays.

No Sweat greeting cards



Above: Checking the tag still doesn't tell us where our clothes are made

are available at:
www.maquilasolidarity.org.

Student campaigns heat up

The first half of the academic year has generated renewed enthusiasm for the No Sweat campaign on Canadian university campuses.

Campaigns for the adoption of No Sweat policies are currently underway at Simon Fraser (British Columbia), Memorial (Newfoundland), St. Francis Xavier (Nova Scotia), McGill (Quebec), and Trent (Ontario) universities, and the Université de Montréal.

The new wave of No Sweat campaigns is inspired by the victory at McMaster University over the summer. In July,

McMaster became the eighth Canadian university to adopt a No Sweat purchasing policy for university-licensed apparel and other products.

It also became the first Canadian university to join the Worker Rights Consortium (WRC), and to adopt a policy requiring coffee suppliers on campus to provide fair trade coffee as an option.

Other campus campaigns are now also adding fair trade coffee to their list of demands.

support of city council.

The motion calls on the City's Director of Purchasing to work with interested parties in developing a No Sweat



Toronto city councillors Shaw and Miller supporting No Sweat

City of Toronto moving ahead

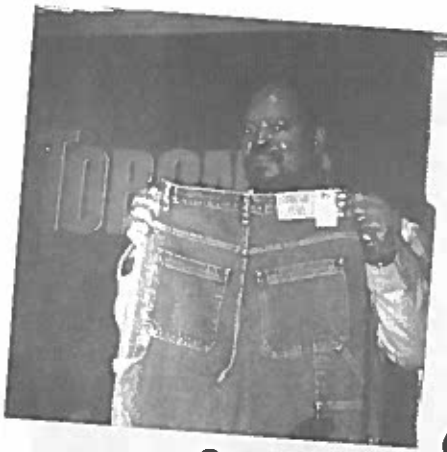
On October 1, the City of Toronto became the first Canadian city to pass a resolution committing the city to develop a No Sweat policy. The motion was adopted with the unanimous

purchasing policy. The Toronto No Sweat coalition includes MSN, UNITE, Oxfam, the district labour council, municipal employees'

unions and faith groups.

Municipal No Sweat campaigns are also underway in Halifax, Winnipeg, Thunder Bay, and Windsor.

Stop Sweatshops Review 2002



Victories, Setbacks & Continuing Camp

The following is a year-end review—from a distinctly Canadian perspective—of victories, setbacks and continuing campaigns in the movement to end sweatshop abuses.

Victories

Mex Mode Union Wins Wage Increase

The independent union at the Mex Mode garment factory in Atlixco, Mexico not only survives 2002, it also negotiates a significant increase in workers' wages. In 2001, Mex Mode workers won recognition of the only independent union with a signed collective agreement in Mexico's maquiladora factories. An international solidarity campaign helped achieve the victory and convinced Nike to resume orders with the factory.

No Sweat Policies Adopted

McMaster University becomes the eighth Canadian university to adopt a No Sweat purchasing policy and the first to join the Worker Rights

Consortium. The Mac policy also requires all coffee suppliers on campus to offer fair trade coffee. Meanwhile, the City of Toronto and two Ontario school boards pass motions to adopt No Sweat policies.

BJ&B Workers Organize
With the support of Students Against Sweatshops and the intervention of the Worker Rights Consortium and the Fair Labor Association, workers at the BJ&B cap factory in the Dominican Republic win recognition of their union.

Settlement Reached in Saipan

Seven hold-out companies join 19 other US retailers in agreeing to settle a class action suit alleging sweatshop abuses in apparel supply factories in the US Commonwealth island of Saipan. The



settlement creates a \$20 million fund to pay back wages to workers and develop a monitoring system to prevent future abuses.

Shareholders Vote for Transparency

At the Hudson's Bay Company (HBC) annual shareholder meeting, 37% of shareholder votes are cast in favour of a resolution calling for more transparent reporting on labour practices in HBC supply factories around the world.

Setbacks

Hudson's Bay Cuts and Runs

In response to allegations of sweatshop abuses in three factories producing Zellers private label clothes in Lesotho, the Hudson's Bay Company (HBC) cuts and runs rather than working with suppliers to improve labour practices. The HBC refuses to report back on results of a factory audit.

Nike Cuts Orders to Indonesia

Nike pulls out of the PT Doson sports shoe factory in Indonesia, leaving 7,000 workers unemployed. Most PT Doson workers were members of an independent union. Nike and other companies are shifting production from Indonesia to China and Vietnam, where wages are lower and freedom of association isn't respected.

Where do Companies stack up on labour rights?

Gildan Activewear: 2 steps forward
Gildan agrees to external audits of its factories and to release public reports on the results.

Gap: 1 1/2 steps forward

Gap finally agrees to a settlement of the Saipan class action suit, and facilitates dialogue between union and management at two Nien Hsing factories in Lesotho. Will Gap continue pressuring Nien Hsing to respect freedom of association, or cut and run?

**Mountain Equipment Co-op:
1 step forward**

The former winner of MSN's picket fence award climbs off the fence and declares its support for factory disclosure regulations.

Roots Canada: 1 step forward

Canada's rising brand responds to store protests by Students Against Sweatshops by joining MEC in supporting factory disclosure regulations.

Nike: 1 step forward, 1 step back

Nike does the right thing at Mex Mode by continuing to place orders with a factory where workers have won an independent union. Then Nike cuts orders to an Indonesian supply factory where most workers are represented by an independent union.

Hudson's Bay Company: 2 steps back

HBC cuts and runs from its responsibilities to workers in Lesotho, and refuses to release any information on the results of a factory audit. The company's only response to reports of sweatshop abuses: We have a good code of conduct, so trust us.

Wal-Mart: corporate bottom-feeder

The world's biggest retailer continues its union-busting practices in North America, while sourcing clothes made in sweatshops around the world. Wal-Mart cashes in on employee deaths, collecting thousands of dollars on secret life insurance policies on the lives of their low-paid associates. The US National Organization for Women names Wal-Mart a "Merchant of Shame."

And the "Sweatshop Retailer of the Year" is... Check our website on December 16 for this year's winner. www.maquilasolidarity.org.



aigns

Continuing Campaigns

Union Grows in Lesotho

With no help from the Hudson's Bay Company, the Lesotho Clothing and Allied Workers Union (LECAWU) signs up over 50% of the workers at two former HBC supply factories. In response to pressure from ETAG and UNITE, Gap, which also sources from the factories, facilitates dialogue between the union and management and union access to the factory, but management continues to refuse to recognize the union.

Disclosure Proposal Gets Hearing

In response to a year-long ETAG campaign for factory disclosure regulations, the Canadian government commissions the Conference Board of Canada to conduct a study of ETAG's proposal. While the Retail Council of Canada opposes the proposal, Roots Canada and Mountain Equipment Coop write letters of support.

Gildan Commits to External Monitoring

The Canadian T-shirt manufacturer, Gildan Activewear, agrees to seek certification of its manufacturing facilities under the SA8000 external monitoring system. In response to letters from institutional buyers concerning alleged worker rights violations at its Honduran factories, Gildan promises to disclose monitoring reports.

Alcoa Workers Seek Independent Union

Despite harassment and firings of union supporters at two Alcoa factories in Piedras Negras, Mexico, workers elect democratic union leaders. However, the company and Mexican authorities continue to resist worker attempts to win an independent union.



Photos, clockwise from top left:

Daniel Maraisane of LECAWU shows off jeans made for Hudson's Bay in Lesotho;

Vacated Nike factory in Indonesia;

LECAWU workers rally in Lesotho;

Gildan tag;

Student picket at Roots prior to Roots supporting disclosure campaign;

Saipan campaign image

news & notes

BJ&B union recognized

With the support of Students Against Sweatshops and the intervention of the Worker Rights Consortium (WRC) and the Fair Labor Association (FLA), workers at the BJ&B factory in the Dominican Republic have won recognition of their union, and are about to enter negotiations for a first collective agreement.

The victory was achieved after the company agreed to a union card check by former Dominican labour minister Dr. Rafael Alburquerque, acting as an ombudsperson for the FLA.

However, the company's recent layoff of over 100 workers raises fears that its anti-union campaign is continuing. While BJ&B claims the layoffs

are due to a lack of orders, the WRC is concerned that the layoffs were not on the basis of seniority, and that a disproportionate number of union members were among those laid off.

BJ&B produces baseball caps for Nike, Reebok and a number of US universities.



Australian retailers sign homemaker code

On September 18, at New South Wales (NSW) Parliament House, the Australian Retailers Association and the Textile, Clothing and Footwear Union (TCFU) signed an anti-sweatshop code of conduct to ensure that suppliers do not exploit homeworkers.

The Retailer Ethical Clothing Code of Practice is a new tool for monitoring

working conditions of this otherwise invisible workforce. It requires retailers to provide the TCFU access to company records on their clothing suppliers and contracts so the union can investigate whether homeworkers are receiving legal wages and benefits.

The code is designed to rectify shortcomings in the Homeworkers Code of Practice, which didn't adequately address retailer responsibility for ensuring respect for homeworkers' rights.

Officials of the TCFU are pleased with the agreement, but say legislation for mandatory compliance in NSW and other states is needed to make the code effective.

Doc Martens gives the boot to UK workers

On October 24, Doc Martens announced plans to close its shoe factories in the UK and move production to China. More than 1,000 workers are expected to lose their jobs.

According to company officials, cheaper production costs in Asia prompted the decision. An additional 190 retail workers are set to be laid off as the shoe company closes some British stores and downsizes its administration.

Doc Martens' managing director, David Sudden says, "The offshore strategy is the first step in moving the company and the brand forward in a positive direction."



Lesotho workers go union

With the support of the Ethical Trading Action Group (ETAG), UNITE and others, the Lesotho Clothing and Allied Workers Union (LECAWU) has succeeded in signing up more than 50 percent of workers at two

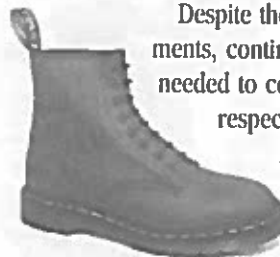
garment factories in the small southern African country of Lesotho.

However, the owner of the two factories, Nien Hsing, still refuses to comply with its legal obligation to recognize the union. Nien Hsing is a Taiwan-based multi-national that manufactures apparel for a number of brands.

The Nien Hsing plants are two of three former Hudson's Bay Company (HBC) supply factories that until recently were producing private label clothes for its Zellers stores. When presented with evidence of serious worker rights violations at the three factories, the HBC decided to cut and run, rather than working with its suppliers to improve labour practices.

In contrast, Gap, which also sources from the two Nien Hsing factories, responded to pressure from ETAG and UNITE by facilitating dialogue between union and management. As a result, Nien Hsing agreed to allow LECAWU delegates into the factories to recruit union members, as required by Lesotho law.

Despite these positive developments, continuing pressure is needed to convince Nien Hsing to respect its workers' right to freedom of association.





Women protest murders in Juarez, Mexico

Women demand action on Juarez murders

On November 22, a delegation of Canadian women, including representatives of the Anglican Church, the Canadian Association of Sexual Assault Centres, and the MSN, travelled to Ciudad Juarez, Mexico to express their solidarity with victims of violence in this border maquiladora city.

Since 1993, 300 young women have been murdered in Juarez, and despite numerous arrests, those cases are still unresolved and new murders keep occurring. Many of the murdered women had migrated from southern Mexico to work in the city's maquila factories.

The delegation participated in a solidarity forum sponsored by a national coalition of Mexican women's, human rights and labour organizations, and met with local women's and human rights groups, and local and state government officials.

They joined with their Mexican sisters in demanding a serious government response to the murders and changes in hours of work,

transportation and employment practices by maquila companies to provide safety to women workers.

Thai Nike workers protest layoffs

On November 5, workers from Bed and Bath Prestige Co. marched to Nike's Thai headquarters, protesting the factory's sudden closure.

The factory, which produced for Nike, Adidas, Fila and a number of US universities, closed without notice in October, laying off 900 workers.

Workers are demanding that Nike deliver unpaid wages and compensation for their sudden job loss.

Workers also charge that Nike had long failed to live up to its code of conduct, as workers at the factory faced forced overtime, wage cuts, and lack of access to maternity or sick leave.

Retail giants settle Saipan lawsuit

On September 26, seven US apparel retailers and 23 manufacturers agreed to a US\$11.25 million settlement in the class action suit filed by garment workers on the US Pacific Commonwealth island of Saipan. They join 19 retailers that had agreed earlier to a settlement of \$8.75 million.

The settlement ended a three-year battle between workers and US retailers, such as Gap,

Abercrombie & Fitch, Talbots and JC Penney. Though the class action lawsuit alleged violations of wage and hours of work laws and other workers' rights, the settlement does not include an admission of wrong-doing.

The \$20 million settlement will help finance an independent monitoring program and provide compensation to 30,000 "guest workers" from China and other Asian countries. Many workers had to pay recruitment fees of US\$2,000-\$8,000 to work in the island's factories.

Levis Strauss is the only defendant still refusing to settle.



Refashioning Resistance: Women workers organizing in the global garment industry. Linda Shaw, *Women Working Worldwide*, 2002. Contact: info@women-ww.org

Students Against Sweatshops. By Liza Featherstone. Verso Books, 2002. Contact: www.versobooks.com

Can We Put An End to Sweatshops? By Archon Fung, Dara O'Rourke and Charles Sabel. Beacon Press, 2001. Contact: www.beacon.org

Free Trade and Uneven Development. The North American Apparel Industry after NAFTA. Edited by Gary Gereffi, David Spener and Jennifer Bair. Temple University Press, 2002. Contact: www.temple.edu/tempress



Alcoa workers entering factory gates

PHOTO: NATIONAL LABOR COMMITTEE

Uphill battle at Alcoa

—continued from page 1—

leading an experiment in democratic unionism inside the plant of almost 2,000 workers. However, because of continuing harassment by local CTM officials, Alcoa workers at both plants are now seeking legal recognition of an independent union.

Despite the recent electoral victory, workers face an uphill battle to win the right to be represented by the union of their choice. As in many Mexican states, the local conciliation and arbitration board, which has the power to accept or reject applications for union registrations, continues to be dominated by members of the PRI and former leaders of the “official” unions.

For that reason, labour rights groups, including MSN, are pressuring Alcoa to respect the results of this election, immediately reinstate the 20 fired independent union supporters, and ensure that there is no further harassment by management personnel or CTM officials.

For many years, the 14,000 workers employed at Alcoa’s maquiladoras in the Mexican cities of Piedras Negras and Ciudad Acuña fought successfully to organize and bargain collectively. They

won significant improvements in their wages and working conditions. But during the past year, workers had to defend these important achievements against Alcoa’s attempt to slash benefits, reverse contractual gains, and attack the workers’ right to freedom of association.

The recent firings of key leaders in the fight for a democratic union is the latest event in Alcoa’s continuing pattern of harassment and repression against the independent organization formed by its employees.

Last year, Alcoa fired 185 workers in Ciudad Acuña, and in February of this year it fired six other workers from Plant #1 in Piedras Negras.

In Mexico, the workers’ efforts to win an independent union are being supported by the Border Workers Committee (CFO), and in the US and Canada by a number of labour and solidarity group, including MSN, AFL-CIO, Campaign for Labor Rights and Students Against Sweatshops.

Check the Maquila Solidarity Network web site for current news and updates on these and other stories:
www.maquilasolidarity.org

Clean clothes

—continued from page 2—

workplaces meet or exceed international labour standards outlined in ILO Conventions. Ethical Threads T-shirts are being marketed to rock bands, concert promoters and others purchasing for the UK music industry.

No Easy Answers

These “sweat-free” alternatives may not be the answer to the growing problem of sweatshop abuses, but they do show it’s possible to respect workers’ rights and compete in the marketplace. They are also setting new standards for transparency and accountability by revealing where their products are made, and committing to respect and promote international labour standards.

Before sweat-free choices are widely available at the local mall, there will need to be increased pressure on apparel industry giants to eliminate sweatshop abuses throughout their global supply chains.

While ethical holiday shopping may be a small part of the solution, supporting garment workers’ struggles to organize and improve their working and living conditions continues to be the most promising route to a sweat-free garment industry. That’s not an easy answer to the question of where to find clean clothes, but it’s still the best answer.

For more information on the companies mentioned in this article, please visit:

<http://nosweatapparel.com>
<http://www.sweatx.net>
<http://www.americanapparel.net>
<http://www.ethicalthreads.co.uk>