

# maquila network update

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## P-VH Workers Score Major Victory

**P**hillips-Van Heusen (P-VH) workers in Guatemala have scored a major victory in winning the right to negotiate a first collective agreement with their employer. If negotiations are successful, the members of the STECAMOSA union will become the only Guatemalan maquiladora workers protected by a union contract.

Phillips-Van Heusen's decision to negotiate came one day before the release of a Human Rights

Watch report verifying that the union had achieved the 25 percent membership threshold that legally compels a company to negotiate. The report also verified allegations of harassment of union supporters.

On March 17, P-VH CEO Bruce Klatsky, who also sits on the Board of Directors of Human Rights Watch, flew to Guatemala to announce the company's decision to the union leaders. The company had earlier disputed the union's figures and

denied harassment charges.

According to Steve Coats of the US/Guatemala Labor Education Project, the intervention of the US human rights

grass-roots membership blitz in Guatemala with simultaneous solidarity actions in the US and Canada. On Labour Day, 1996, as the P-VH union

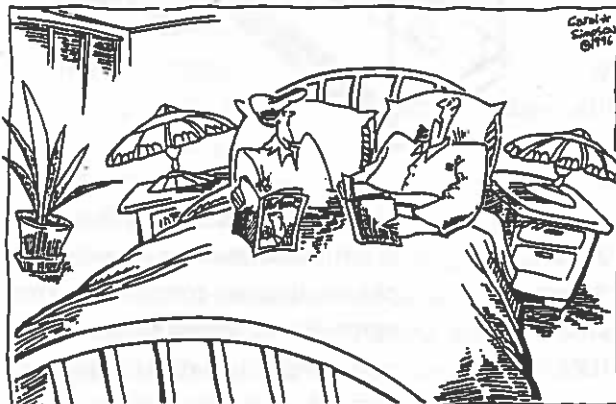
was filing its request for negotiations in Guatemala City, support groups in six US cities leafleted stores selling P-VH products.

P-VH union members also received support from Guatemalan unions such as the Coca-Cola workers.

As they head into negotiations, P-VH workers are

demanding a 20 percent wage increase, a grievance procedure and an end to discrimination against union members. Although P-VH's mostly women workers are among the highest paid in Guatemala's maquila garment industry, their salaries are only half what is required to meet a family's basic needs.

*Thanks to all the Maquila Solidarity Network members who wrote letters to P-VH and the Guatemalan government.* ♦



*"I'm afraid I'll have that awful dream again... the one where I actually NEGOTIATE with the union."*

group, with the company's cooperation, is an example of how independent monitoring can work when governments refuse to enforce their own legislation. The Guatemalan Ministry of Labour had refused to rule on the union's application to negotiate, and had referred the issue to the courts where it might have languished for years.

The P-VH victory was also the result of an innovative union drive that combined a

# US Accord Targets Sweatshop Conditions

After eight months of negotiations, the US Apparel Industry Partnership has announced agreement on a voluntary code of conduct and general "principles of monitoring" to challenge sweatshop conditions internationally. The partnership includes major US retailers and unions as well as human rights, consumer and church organizations.

The accord has both raised hopes and created controversy among US labour rights groups campaigning for improved standards and independent monitoring in garment factories in Asia and Latin America.

In Canada, the Ontario District Council of the Union of Needletrades, Industrial and Textile Employees (UNITE) and the Labour Behind the Label Coalition are calling on the Canadian government to "aggressively pursue a similar strategy" to address the spread of sweatshop conditions in Canada.

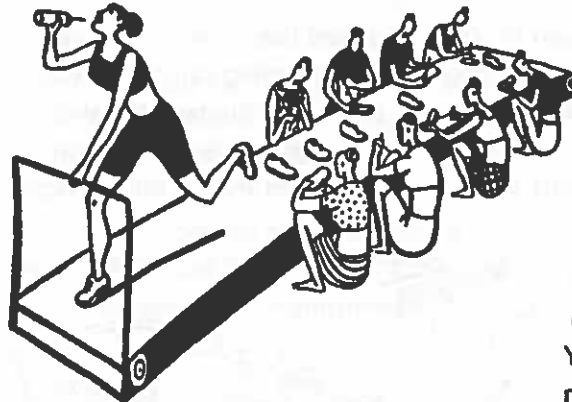
## One Step Forward

Supporters of the US accord, including UNITE President Jay Mazur, declare it an historic step toward a new global system in which designers, retailers and manufacturers take responsibility for the conditions under which their clothes are produced.

Critics like Medea Benjamin

of Global Exchange raise concerns about weak protections in the code on issues such as hours of work, the lack of provisions for a "living wage," and limited progress on independent monitoring.

The accord provides for a



six-month transition period to establish a non-profit association to include companies, unions, consumer, human rights and religious groups. The association then must work out unresolved issues such as the criteria for company membership in the association and criteria and procedures for monitoring the code.

## When Is Monitoring Independent?

The signing of the accord comes just as a debate is surfacing on how to ensure that monitoring of corporate codes of conduct is truly independent.

Until recently, major apparel corporations like Nike, one of the signatories to the accord, resisted the very idea of an external body monitoring conditions in factories producing its clothes.

Development and Peace (D&P) has just completed a two-year campaign to pressure Nike to adopt independent monitoring of its code of conduct world-wide. In April, D&P delivered 147,000 postcards to the Nike head office (in addition to the 86,500 they sent last year) calling for independent monitoring.

Nike responded by attempting to redefine independent monitoring. In February, Nike hired former US ambassador to the UN, Andrew Young, to head up its global monitoring operation. While Nike claims Young is an independent monitor, labour rights activists question whether anyone employed by an apparel company can be truly independent.

And Nike isn't the only company trying to co-opt the notion of independent monitoring. Disney Corporation--which has been the target of an international campaign led by the US National Labor Committee--recently hired SGS, a Swiss-based multinational specializing in quality control, to monitor conditions under which Disney products are made outside the US.

## Southern Involvement Essential

Independent monitoring was the focus of an April New York conference sponsored by the National Labor Committee. Keynote speakers at the conference were Benjamin Cuellar and Mark Anner of the Salvadoran Independent

## ***Maquila Network Notes***

Monitoring Group, which monitors compliance with the GAP's code of conduct at the Mandarin International plant in El Salvador.

To be credible, they said, monitoring must be carried out by local, independent human rights groups with a track record of dealing with local labour rights issues. Monitors employed by and accountable to the retailer will not be trusted by the workers, they stated.

Others, such as Pharis Harvey of the International Labor Rights Education and Research Fund cautioned that since companies are already hiring external monitors, we need to pressure for transparency and participation of local human rights groups in the monitoring process.

### **Next Steps?**

Despite weaknesses in the accord, groups like the National Labor Committee see it as an important step forward because it is the first US apparel industry agreement on off-shore standards and because it sets the stage for negotiations on terms and conditions for external monitoring. The challenge will be to move negotiations forward without silencing criticism of companies participating in this process.

According to Steve Coats of the US/Guatemala Labor Education Project, whatever the merits and weaknesses of the accord, the priority should continue to be organizing on the ground to force corporations to respect workers' rights. ♦

### **More Disney Violations**

At the end of February, 200 women workers at the Keyhinge factory in Vietnam fell ill, 25 collapsed and three were hospitalized as a result of exposure to acetane. The young women who work 9 - 10 hours a day, seven days a week for as little as six cents an hour, produce give-away toy Disney characters for McDonald's restaurants. ♦

### **Mattel Keeps Silent**

In Tijuana, Mexico, the state court has dismissed criminal charges brought by four maquila workers producing for Mattel who were detained and interrogated for over ten hours by company guards and the factory manager for carrying literature critical of the Mexican government. The women are appealing the court decision. Meanwhile, the Mattel subsidiary continues to violate workers' seniority rights. ♦

### **NIKE Protests Mount**

On April 22, 10,000 Indonesian workers at a Nike shoe factory took to the streets to protest PT Hardaya Aneka Shoes' failure to pay the new minimum wage. In Canada, Nike will close its Cambridge, Ontario "Bauer" skate manufacturing plant by the end of 1997, laying off 400 workers.

In May, Indonesian former Nike worker, Cicik Sukaesih, toured British Columbia, Alberta and Ontario, speaking out against Nike sweatshop conditions. In 1993, Sukaesih and 23 co-workers were fired for attempting to organize a union. The tour was sponsored by the CAW Social Justice Fund. ♦

### **Solidarity Mission to Mexico**

In March, eight Canadian unionists travelled to Mexico to promote solidarity with Mexican workers. The group, sponsored by the Edmonton Centre for International Alternatives, returned with plans to raise financial support for the Authentic Labour Front's workers' centre in Ciudad Juarez. ♦

### **Breakthrough Victory in Nicaragua**

Maquila workers at the Taiwanese-owned Fortex Industrial clothing maquila recently won union recognition and a collective agreement, a first in Nicaragua's free trade zones. Meanwhile, at the Nien Hsing maquila, ten workers were recently fired after filing for union recognition with the Ministry of Labour. ♦

# new resources

*Desert Capitalism: Maquiladoras in North America's Western Industrial Corridor* by Kathy Kopinak. New paperback version explores the downside to maquiladora industry on Mexico's northern border. Black Rose Books, Montreal, 1997.

*Corporations and Human Rights: Freedom of Association in a Maquila in Guatemala.* Human Rights Watch Report pivotal in the Phillips-Van Heusen union victory. 60 pages. March 1997. Contact: HRW, 485 5th Ave, New York, NY 10017-6104; fax: 212-972-0905; e-mail: hrwnyc@hrw.org.

*Wear Fair Action Kit* by the Labour Behind the Label Coalition. Corporate Profiles, Issue Sheets and Action Tools for individuals and organizations interested in corporate campaigns. June 1997, \$5. Contact: Maquila Solidarity Network.

*Ensuring Monitoring is Not Coopted* by Elaine Bernard, Harvard University Trade Union Program. Outlines five stages in corporate responses to consumer campaigns and provides a list of general principles for independent monitoring. 3 pages. April 1997. Contact: Maquila Solidarity Network.

"Where the Big Fish Eat the Little Fish: Women's Work in the Free-Trade Zones" by Helen I Safa. Excellent article on maquilas in the Dominican Republic. *NACLA Report on the Americas*. March/April 1997.

*Clean Clothes*, Newsletter of Europe's Clean Clothes Campaign. February 1997 issue includes updates on retail campaigns and an excellent overview of independent monitoring debate. Contact: CCC, PO Box 11584, 1001 GN Amsterdam, the Netherlands; fax: 31-20-420-9925; e-mail: ccc@xs4all.nl; web site: <http://www.xs4all.nl/~ccc>.

*News from IRENE: International Restructuring Education Network Europe.* February 1997 issue reports on IRENE Seminar on Global Employment and Workers Rights. Includes assessments of various code of conduct campaigns. Contact: IRENE, Stationsstraat 39, 5038 EC Tilburg, the Netherlands; fax: 31-13-535-0253; e-mail: IRENE@ANTENNA.NL

## Web Sites To Watch

*Coolwomen:* CoolWomen Cafe highlights the Labour Behind the Label Coalition and the Wear Fair Campaign. Visit: <http://www.coolwomen.org>

The **Maquila Network Update** is published bi-monthly in English and Spanish by the Maquila Solidarity Network. The Network includes over 200 organizations and individuals across Canada. The MSN promotes solidarity between Canadian labour, women's and social movement groups and Mexican and Central American counterparts organizing to raise standards and improve conditions in maquiladora zones.

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