

Maquila Solidarity update

Laid off workers from the *Exportadora de Pantalones* factory seize the factory's equipment, July 15, 2011



PHOTO: COLECTIVO OBRERAS INSUMISIAS

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Mexican human rights defenders threatened for supporting laid-off workers

HUMAN RIGHTS DEFENDERS FROM THE *COLECTIVO OBRERAS Insumisas* (Defiant Women Workers' Collective) of Tehuacán, Mexico have been subjected to death threats for offering advice and support to workers unjustly fired from a local jean factory.

In addition to the threats, Las Insumisas' leader Reyna Ramirez, and Rodrigo Santiago, a human rights defender who advises the group, have reportedly had a

● see 'Stop interfering', p.8

In this year-end issue of the *Update* we highlight some of the victories that workers and the labour rights movement achieved this past year, as well as some of the setbacks.



Editorial

STEPS FORWARD SUCH AS the commitment gained from some brands to eliminate the dangerous process of sand-blasting in jean laundries (see article p. 7) to the historic collective bargaining agreement won by workers at Russell Athletics' *Jerzees Nuevo Dia* factory in Honduras give us reason to be optimistic that advances on workers' rights are possible even in this difficult economic and political climate.

The setbacks we faced in 2011 will clearly be on our agenda in 2012. Attacks on human and labour rights defenders, for example, continue to be a serious concern (see cover story).

Many labour rights groups, including MSN, have also identified poverty wages and precarious employment in global supply chains as priority issues for 2012.

Precarious work, including the increased use of short-term employment contracts and third party employment agencies, is an alarming global trend that is reducing workers' incomes and denying them their rights, their social security benefits, and other legal entitlements (see article p. 6).

The UK worker rights group Labour Behind the Label's 2011 *Let's Clean Up Fashion* report found that real wages being paid to the millions of women and men employed in the global garment industry are actually falling rather than improving.

With a new recession seemingly on the horizon, we can expect that already inadequate wages will come under even more pressure in 2012.

Recent cases in El Salvador demonstrate how far we have to go before the giant apparel brands recognize their responsibility to ensure that the workers who make their products are paid a living wage.

Reports from the Global Institute for Labor and Human Rights (GILH) found that workers at two different factories in El Salvador were being paid a quarter of what they need to meet the basic needs for themselves and their families. The GILH reports that real wages for Salvadoran garment workers have declined 13 per cent since 2003.

At one of the factories, workers making Dallas Cowboys children's wear were

receiving just 10 cents for each garment they sewed – garments that sell for \$15 to \$20 in the USA. According to the GILH, the Dallas Cowboys took in \$406 million in 2010. Their owner, Jerry Jones, personally owns \$1.9 billion in assets.

With the rise of movements like Occupy Wall Street, which is finally drawing public attention to the question of economic inequality, this kind of massive wealth disparity will loom even larger on the agenda in 2012. The poverty wages being paid to the workers in El Salvador – and to workers throughout the global apparel industry – border on the obscene when compared to the substantial profits being made at the top end of this industry.

Unless and until apparel companies and the industry as a whole seriously address this central problem of poverty wages, they cannot honestly claim that sweatshop abuses are being eliminated in their global supplier chains. ■

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.

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PHOTO: INTERPRESS SERVICE (USED BY PERMISSION)

LEFT: Workers at the One World Apparel factory in Haiti

Haiti's showdown on union rights

THE APPAREL INDUSTRY WAS WIDELY HAILED IN SOME circles as a vital economic opportunity for Haiti, particularly after the devastating earthquake which hit the country in January 2010. Although the creation of approximately 26,000 jobs in the country is certainly welcome, the full benefits of those jobs will only be felt if the workers have access to their legal rights, including the right to form unions and bargain collectively, and are paid a living wage.

APPROXIMATELY 90% of Haiti's exports to the USA are apparel, aided by targeted trade programs that provide duty-free access to US markets. Linked to those trade benefits, the International Labour Organization and International Finance Corporation launched the Better Work Haiti program in 2009, which monitors conditions in 29 Haitian factories and reports publicly on their compliance with international labour standards.

Unpaid wages

The Better Work program's latest public report, issued in

October, indicates that compliance with those standards is still remote. Ninety-one percent of factories are not even paying Haiti's CAD\$6.28/day minimum wage. Eighty-seven percent were not compliant with legal working hours. Only one apparel factory has a functioning union.

Union-busting

This lack of union representation was something a group of Haitian workers sought to change when they registered a new industry-wide labour union, Sendika Ouvriye Takstil ak Abiman (SOTA) with the Ministry of

Social Affairs and Labour on September 16, 2011.

However, according to the union federation of which SOTA is affiliated, shortly after SOTA was registered six of the seven workers who serve on the executive committee were fired or forced to resign by the factories where they worked.

The Genesis factory, which produces almost exclusively for Canadian-owned Gildan Activewear, was the first to terminate members of SOTA's leadership: one worker was forced to resign on September 23, and three workers were dismissed on September 26. Another factory which produces for Hanesbrands, One World Apparel, dismissed the Secretary of SOTA on September 26 after he spent time handing out SOTA flyers outside of the factory before his shift.

"The fact that nearly all of the union's executive commit-

tee members were fired within weeks of their emergence as union leaders, as well as the specific circumstances of the dismissals, strongly suggest that these firings were direct results of these workers' decision to exercise their rights to freedom of association," says Scott Nova of the Worker Rights Consortium (WRC).

Urging action

MSN, the WRC and more than twenty other organizations are calling on Gildan and Hanesbrands to ensure that the discharged union leaders are reinstated immediately, on a provisional basis, while an investigation into the layoffs is carried out. Better Work is currently conducting a fact-finding exercise in the factories involved.

"It's not acceptable that factory owners can fire workers for organizing to defend their rights," said Yannick Etienne of Batay Ouvriye, a Haitian workers' organization that works closely with SOTA, during a recent visit to Canada. "We hope people in Canada will support the sacked workers in their fight to be reinstated right now."

Twenty US and Haitian organizations have written to Gildan and Hanesbrands urging them to ensure respect for the rights of the workers who make their products. "Exercising their right to advocate for fair wages and safe and decent conditions of work is an important means by which the people of Haiti can improve their economic circumstances, overcome the poverty that has long plagued the nation, and secure a viable future," says the letter. ■



Advances and

in the Global Fight for Workers' Rights

As the end of 2011 approaches, it's time once again to review the **Advances and Setbacks in international campaigns for workers' rights over the past year.**

IN THE MIDST OF A SHAKY economic recovery and events that threaten to drag us into another recession, the international labour rights movement has been surprisingly successful in winning some precedent-setting victories and important advances on critical issues like freedom of association, precarious work and workers' health and safety.

Yet, despite the advances, our movement also suffered a number of serious setbacks that we will hopefully overcome in 2012.



Advances

Sportswear Brands Sign FOA Protocol

After two years of negotiations and with the support of the international Play Fair Alliance, Indonesian workers won new protections for their trade union rights in sportswear factories. The Freedom of Association Protocol was signed on June 7 by major international sportswear brands, including Nike, adidas and Puma, their local suppliers, the country's principal union federations, and the International Textile, Garment

and Leather Workers' Federation (ITGLWF).

Nike Compensates Workers Denied Severance

Workers at two factories in Indonesia that were closed without severance being paid received at least part of what they were owed when Nike agreed to compensate them based on its share of the factories' business. While expressing its disagreement with the idea of partial responsibility, the Worker Rights Consortium (WRC) recognized Nike's con-

tribution of over \$1 million to the dismissed workers as a positive step. The WRC continues to call on the other major buyers – adidas and the Dallas Cowboys – to live up to their responsibilities to the workers.

Shutting Down Sandblasting

International campaigns led by the European Clean Clothes Campaign and the ITGLWF for a global ban on sandblasting of blue jeans have raised consumer awareness of the serious damage it causes to work-

ers' health and convinced a number of major jean manufacturers, including Gucci, H&M, Levi's, Giorgio Armani, Benetton, Esprit, and Versace, to ban the dangerous practice. (See article on page 7.)

The Right to Know in Mexico
MSN and *Colectivo Raiz* achieved a small step forward

on freedom of association in Mexico when a Levi Strauss supplier in Aguascalientes agreed to give all its workers copies of their collective bargain agreement (CBA). Worker access to their CBA – a no-brainer in most countries – is precedent-setting in Mexico where corrupt unions and lawyers routinely sign

“employer protection contracts” behind workers’ backs and then refuse to divulge their contents. Other brands are now pledging to follow suit, and the Fair Labor Association has made distribution of CBA’s a requirement in their new Code of Conduct.

A *Nuevo Dia* for Honduran Maquila Workers

Workers at Russell Athletics’ *Jerzees Nuevo Dia* factory in San Pedro Sula, Honduras won an historic collective bargaining agreement and a substantial wage increase. The agreement came after a two-year campaign in Honduras, the US and Canada pressing

the company in 2010 to reopen a factory that had been closed in the midst of first contract negotiations.

Another Breakthrough at Johnson Controls

Workers at the Johnson Controls Interiors auto parts factory in Puebla, Mexico who won the right to be represented by an independent union in 2010 were successful in negotiating their first authentic collective bargaining agreement in 2011. Throughout their struggle, the workers were supported by trade union and labour rights organizations in Mexico, the US, Canada and Europe.

Setbacks



Setbacks

Worker Rights Defenders Attacked

In Puebla, Mexico, members of the Worker Assistance Centre (CAT) and *Las Obreras Insumisas* (See article on page 1) were harassed, assaulted and subjected to death threats for the crime of giving maquila workers advice and support. The head of the local industry association, CANAC-INTRA, went so far as to publicly label the CAT “a danger to Puebla” working to “destabilize companies” in the state, thereby legitimizing the attacks. Attacks on defenders of workers’ rights are, unfortunately, becoming more common in many countries.

Independent Monitoring Group Threatened

In the Dominican Republic, the Dominican Labour

Foundation (FLD) was harassed, had a computer stolen and were subjected to lawsuits for the crime of verifying union representation at a Gildan Activewear factory for the Fair Labor Association and Worker Rights Consortium. Criminalizing the legitimate work of a local independent monitoring group not only impacts the group involved, but also discourages other civil society groups from taking on a role currently dominated by private sector auditing firms.

Foxconn Fails to Deliver on Wage Commitment

What looked like a major victory in 2010 when electronics manufacturer Foxconn promised a big wage increase for its 1 million Chinese workers turned out to be an empty

promise for many of those workers. In response to international outrage at a wave of worker suicides at Foxconn factories, the company committed to increase workers wages by 30 percent and Apple and other US buyers promised improved working conditions. However, research carried out by the Hong Kong-based Students and Scholars Against Corporate Misbehaviour (SACOM) in 2011 revealed that workers employed in the company’s newer factories in the interior of the country had not received the promised increases.

Cambodian Workers Fired for Striking for Living Wage

Hundreds of Cambodian garment workers who participated in a nation-wide strike for a

living wage were later fired by their employers. Pressure on brands sourcing from the factories was successful in getting their suppliers to sign an agreement to reinstate 160 of the workers. However, as of the latest update, over 140 dismissed workers from 13 garment factories were still being locked out.

Brands Backtrack on Compensation for Factory Fire Victims

In December 2010, 29 Bangladeshi garment workers lost their lives and dozens more were injured in a fire in a factory owned by the Hameem Group, one of the biggest manufacturers in the country. After months of negotiations with international and local trade unions and

● see ‘Setbacks’, p.8

What do sportswear brands say they'll do about precarious work?

THE INCREASED USE OF SHORT-TERM employment contracts and third party employment agencies is an alarming global trend that is denying workers their social security benefits and other legal entitlements, discouraging workers from organizing unions, and undermining the enforcement of national labour regulations.

IN A MARCH 2010 SURVEY BY THE International Textile, Garment and Leather Workers' Federation (ITGLWF), for example, 69 percent of their affiliate unions that responded reported an increase in short-term contracting in their country. Over 66 percent reported that wages paid to short-term contract workers were less than those paid to permanent workers, and 21 percent reported that wages were less than half those of permanent workers.

Changing the rules

MSN has been trying to counter this trend by engaging with international brands on the issue of precarious work, calling for an end to abuses of short-term contracts and other forms of precarious work and for changes in company policies to better address the problem.

Over the past three years, MSN and others have also been working within the Fair



Labor Association (FLA) to improve its Code of Conduct and Benchmarks, which define the labour standards FLA member companies agree to meet in their supply chains.

The previous FLA Code had been criticized by a number of labour rights organizations, including MSN, for its weak provisions on critical issues like hours of work, wages and security of employment.

One of the most important changes in the new FLA Code, announced in June of this year, is a new set of standards meant to address the increasing use of short-

term contracts, labour subcontracting and casual labour in apparel and sportswear factories around the world.

As a general rule, changes to a code of conduct – given the thousands of codes that now litter the corporate landscape – don't raise many eyebrows. But the fact that giant global sportswear and apparel brands like Nike, adidas and Puma subscribe to the FLA Code, as do over 200 universities that make compliance with the Code a condition of lucrative licensing contracts, made strong language in *this* code worth fighting for.

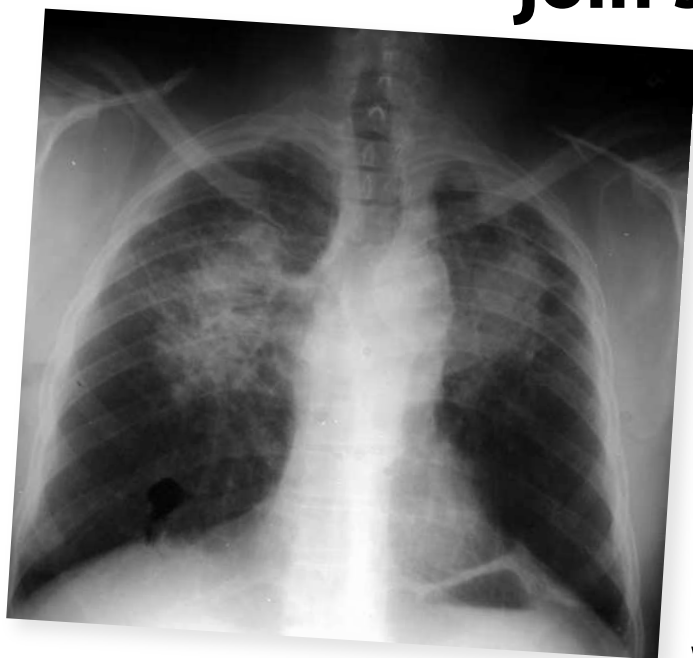
The FLA Code is also important because the FLA accepts third-party complaints from workers and their advocates when brands' suppliers are violating Code standards. Starting in 2012, FLA member companies are expected to ensure these revised standards are being met in their supplier factories.

A new code of conduct is not an answer to the problem of precarious work, but it's one of the many tools MSN and other organizations will be using to push companies to take responsibility for the working conditions of the women and men who make their products. MSN and other labour rights organizations will be monitoring implementation of the new Code to ensure that supplier factories make necessary changes over the coming year. ■

What does the new Fair Labor Association Code require on precarious work?

- Factories must pay workers directly, and the employer is solely responsible for any employment agency fees.
- Temporary contract work can only be used in unusual circumstances – temporary contracts can't be a regular employment practice.
- Contract workers must receive the same compensation and other conditions as regular workers.
- Temporary workers who become permanent employees must have their seniority dated from the time of their first contract.
- All workers – including subcontracted workers – must be allowed to join unions and bargain collectively.
- Minimum standards are set for the recruitment and hiring of migrant workers.

Major fashion houses join sandblasting ban



ABOVE: X-ray of silicosis in human lungs

FAMOUS ITALIAN FASHION HOUSE Armani recently took to the social networking site Twitter to announce its new policy on sandblasting. On September 2 the company posted, “The Armani Group announces that sandblasting technique has been eliminated from the entire production” starting from the Autumn/Winter 2011-12 collection which is currently in stores.

Armani’s decision comes on the heels of a similar move made by another famous Italian fashion house, Versace, who announced in July that it had “asked every supplier (and will ask any new supplier as a condition to work with Versace) to certify that they are not using sandblasting.” The company added that if any supplier was found using the technique, “they will be considered in breach of contract and dismissed accordingly.”

Unnecessary danger to workers

Sandblasting is a finishing process carried out in denim laundries in which jeans

THE WORLDWIDE CAMPAIGN AGAINST THE DANGEROUS practice of sandblasting jeans has made some major gains in the last few months as high-profile fashion houses have added their names to the growing list of companies banning the practice. The recent successes are largely the result of the work of the Clean Clothes Campaign (CCC) and the International Textile, Garment and Leather Workers Federation (ITGLWF), which are leading the charge against sandblasting.

and other denim products are blasted with sand particles in order to give them a worn, vintage look desired by Western consumers.

Exposure to sandblasting can lead to silicosis, a serious occupational lung disease characterized by inflammation and scarring of the lungs.

Sandblasting has been blamed for dozens of worker deaths in Turkey, with thousands more workers in the country and around the world being put at risk for the mere satisfaction of Western fashion trends.

Social media plays role

Versace had been the target of a petition campaign launched by the CCC on the advocacy website change.org. The campaign led some petitioners to post angry messages on Versace’s Facebook wall forcing the company to temporarily restrict access to its wall.

Christa Luginbühl of the CCC says the change of heart by Versace and Armani is important not only because it will mean an elimination of sandblasting in their supply chains, but because it “may also have an impact on the large market for knock-offs of those brands.” Presumably if these companies stop using sandblasting, the fake versions of their products will also be made without the process.

The CCC, however, has not had similar success with Italian fashion house Dolce & Gabbana despite a campaign on change.org that has so far attracted over 45,000 signatures. According to Luginbühl, “D&G have not responded to any of our calls. Though they have received tens of thousands of protests through change.org, they simply ignore us.”

Are alternatives safe?

Since the campaign was launched in November 2010, dozens of major brands including Levis, H&M, Benetton, Gucci, Burberry, Pepe Jeans and Replay have committed to stop sandblasting.

According to Luginbühl, one of the big questions now is how brands make sure that alternatives to sandblasting do not cause other health problems for workers. Alternative techniques include chemical treatment, stone-washing, laser, brushing or the manual use of sandpaper. These techniques may cause occupational asthma, risks to the upper and lower respiratory tracts, and intoxication from chemicals used. Sandblasting though is by far the most dangerous and deadly technique.

Given the health concerns, “it is important that brands execute risk assessments for these alternative techniques in order to avoid causing other health problems for workers,” concludes Luginbühl. ■

'Stop interfering'

● continued from page 1

price put on their heads by the company that owns the factory.

On July 4, workers at the *Exportadora de Pantalones* factory walked off the job demanding better wages and working conditions. Among their complaints were wages as low as US\$15 per week, a lack of social security and medical coverage, and the fact that the union that was supposed to represent them was an "employer protection union" allied with the company.

When workers returned to work on July 5 they found out that they had all been fired and the plant had been closed.

Las Insumisas helped the workers file a claim with the local labour board seeking their reinstatement, or compensation for their unjust dismissal and other entitlements and benefits owing under Mexican labour law.

The workers also demanded their legal right to seize company machinery as a guarantee against any money that would be owed to them. After receiving authorization from the labour board, on July 15 the workers went to the factory and began to seize the equipment. While they were doing so, two men standing at the factory gate approached Santiago and threatened to "eliminate" him if he didn't stop "interfering."

On July 5, representatives of the fired workers met with Joaquín Reyes of the labour federation FROC-CROC, who

holds title to the collective bargaining agreement (CBA) at the plant and whom the workers accused of representing the owner's interests.

Reyes informed the workers that the company's legal representative had put a price on the head of Rodrigo Santiago and Reyna Ramirez.

In Mexico it is common practice for illegitimate unions to gain title to a CBA without the workers' knowledge or consent. These agreements are called "employer protection contracts" because they protect employers by preventing workers from forming or join-

ing legitimate democratic unions in order to negotiate authentic collective bargaining agreements that offer better wages and working conditions.

More recently, on October 4, as Santiago exited a meet-



ABOVE: *Exportadora de Pantalones* workers demonstrate

ing with former *Exportadora* workers, one of the men that had threatened him on July 15 approached him and warned once again that if he continued with the unjust dismissal claim, he would be eliminated.

Fearing for his and his colleagues' safety, Santiago went to the Public Ministry of Tehuacán to submit a formal complaint and ask for protection against the threats. After three hours of waiting, he was told by officials that they had

no toner to print the ratification of the complaint, and that he had to come back the next day.

Santiago was forced to return to the Public Ministry the next day where his complaint

was finally received.

"The complaint is asking the authorities to block any plan to attack Reyna Ramirez Sanchez and myself by launching a prompt and effective investigation into the threats and punishing those responsible," Santiago said.

"Beyond the obvious, what is regrettable is that these acts of intimidation against our organization force us to focus on defending ourselves, which to some extent affects the work we are committed to doing on behalf of the garment workers," he concluded.

Las Insumisas and the Mexican human rights organization ProDESC are calling on allies to send letter to Mexican authorities requesting protection for both Reyna and Rodrigo. MSN has worked with both over many years. ■

Setbacks

● continued from page 5

labour rights organizations, some progress has been made on providing compensation for the victims and their families but no final settlement has been reached. Brands have yet to commit to any meaningful fire prevention program.

FLA Drags its Feet on Honduras Complaint

Over one year after the Honduran Women's Collective

(CODEMUH) filed two third-party complaints with the Fair Labor Association (FLA) regarding serious work-related injuries suffered by female and male workers at garment factories in San Pedro Sula owned by Hanesbrands and Gildan Activewear, FLA has still not set a date for an investigation of the production practices that cause those injuries. ■