



#### INTERNATIONAL FORUM ON DECENT WORK IN PERU'S TEXTILE AND CLOTHING INDUSTRY

# Lima, Peru, 20 – 21 March 2012

The present document contains the demands articulated by trade unions and labour rights' groups during the course of the International Forum on Decent Work in Peru's Textile and Clothing Industry, held in Peru on 20 and 21 March with the participation of unions, labour rights groups, suppliers, brands, multistakeholder initiatives and representatives of the Peruvian and US governments.

The undersigned organisations are concerned at the extremely precarious nature of employment in the textile and garment industry under DL 22342, the decree governing "non traditional" exports. We believe that participation in world trade must take place on the basis of decent work and compliance with national laws and international labour standards, including job security. We therefore urge the stakeholders to take the following measures to eliminate in law and in practice the use of short-term "non traditional" employment contracts in Peru's textile and garment industry.

## **EXECUTIVE / LEGISLATIVE**

- Repeal articles 32, 33 y 34 of DL 22342 (and the corresponding article 80 of DS 003-97 TR), thus bringing textile and garment workers under the coverage of legislation covering the private sector.
- Monitor more closely the use of short-term contracts, ensuring that workers who are de facto permanent workers are employed under open-ended contracts.
- Monitor compliance with the formal requirements of DL 22342 as long as the decree remains in force.
- Ensure that Labour Ministry inspectors are properly trained in how to monitor DL 22342.
- Where DL 22342 is inappropriately applied, ensure that fixed-term employment contracts are changed to open-ended contracts.
- Facilitate tripartite dialogue regarding precarious employment and other working conditions in the sector, restoring a joint industrial committee.
- Restore sectoral collective bargaining for textiles and clothing.

#### **SUPPLIERS**

- Develop a clearly-defined plan on the use of fixed-term and open-ended employment contracts that justifies any use of short-term contracts.
- Ensure that this plan includes a transparent review of the composition of the workforce (including the number of workers employed on short-term and open-ended contracts, export levels and steps planned to transfer workers from fixed-term to open-ended contracts).
- Convert fixed-term contracts to open-ended ones if they are not justified in accordance with the above-mentioned plan.
- Ensure that all workers under fixed-term contracts receive the same wages and benefits to which workers carrying out the same functions are entitled.
- When employing workers, ensure their job security at least as long as the company continues to produce for export.
- Comply with national laws and international labour standards and with the terms of agreements entered into with unions representing workers in the sector.
- Respect the right of freedom of association and the right to bargain collectively, and adopt a positive attitude towards the activities of trade unions.
- Provide unions with the information they need to be able to adequately represent workers and negotiate on their behalf (including information on the financial situation of the company, etc).

### **BRANDS**

- Take a clear position with the government and Congress of Peru regarding the need to repeal articles 32, 33 and 34 of DL 22342, as well as the corresponding article 80 of DS 003-97 TR.
- Take measures to eliminate the use of fixed-term contracts in their supply chain, and in particular:
  - Adopt a joint approach where possible to dealing with this systemic issue;
  - ensure that any use of fixed-term contracts is in response to a clearly-defined plan that justifies their use;
  - ensure that where the use of fixed-term contracts is not justified, these contracts are converted to open-ended ones;
  - monitor more closely the use of short-term contracts and involve trade unions in this process;
  - ensure that workers employed on fixed-term contracts receive the same wages and benefits to which permanent workers carrying out the same functions are entitled;
  - ensure that national labour laws and international labour standards are upheld;

- ensure that wages and working conditions are set through collective bargaining rather than by individual agreement;
- ensure that workers are aware of their rights under national laws and corporate codes of conduct and are aware of the complaints' mechanisms available to them;
- provide incentives to suppliers to work towards the elimination of fixed-term contracts by means of long-term, stable and predictable relationships.
- Disclose details of their Peruvian supply chain.
- Urge their suppliers to provide details of their workforce (including the number of
  workers employed on short-term and open-ended contracts, export levels and steps
  planned to transfer workers from fixed-term to open-ended contracts) and to make that
  information available to unions representing workers.
- Urge their suppliers to engage in good faith in bipartite and tripartite dialogue.

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These demands are put forward by the national trade union organisations representing workers in the sector:

Federación Nacional de Trabajadores Textiles del Perú (FNTTP) Federación de Trabajadores en Teijidos del Perú (FTTP)

The demands are supported by the following national and international organisations:

AFL-CIO Solidarity Center

International Labor Rights Forum (ILRF)

International Textile, Garment and Leather Workers' Federation (ITGLWF)

Maguila Solidarity Network (MSN)

Programa Laboral de Desarrollo (PLADES)

US Labor Education in the Americas Project (USLEAP)

Workers' Rights Consortium (WRC)