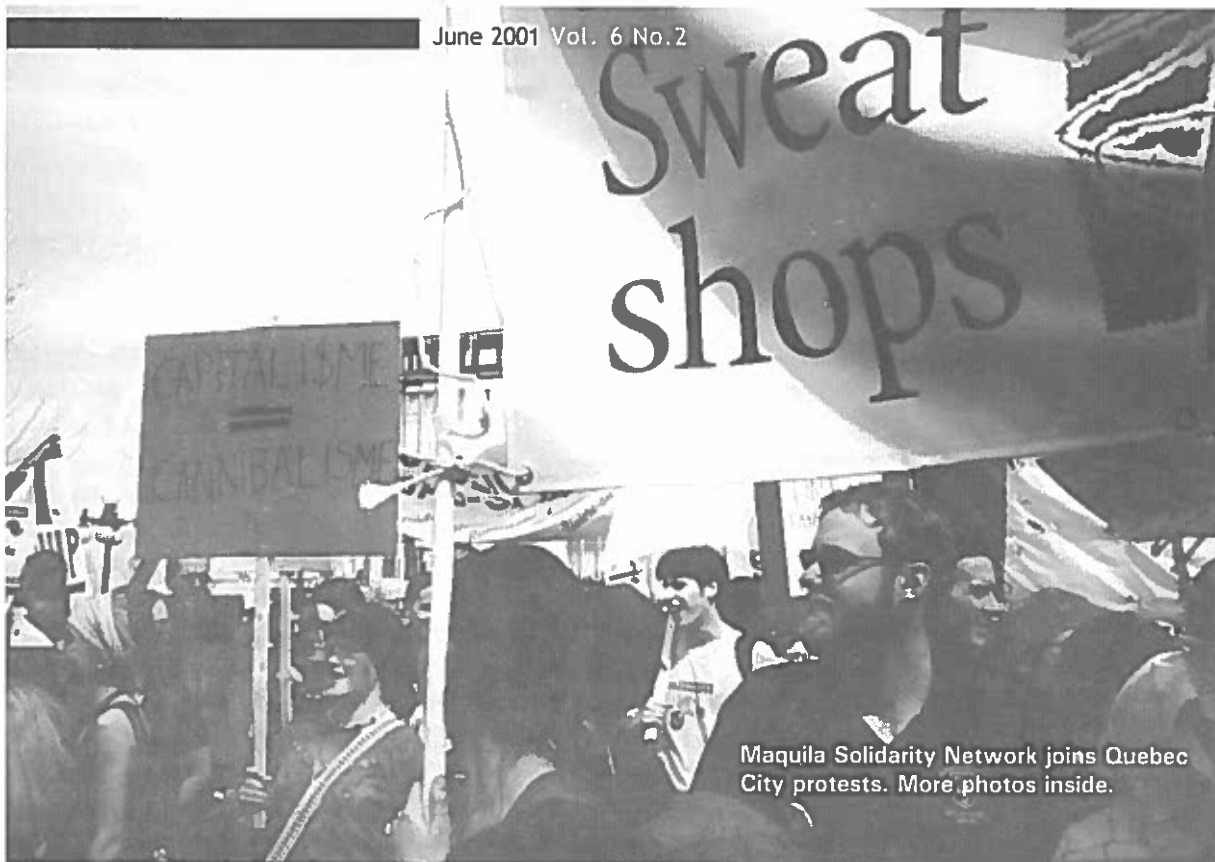


maquila network update

June 2001 Vol. 6 No. 2



Maquila Solidarity Network joins Quebec City protests. More photos inside.

Custom Trim Workers Vindicated

But Will They Be Compensated?

On April 6, two weeks before heads of state gathered in Quebec City to discuss the extension of the North American Free Trade Agreement (NAFTA) to the rest of the hemisphere, the US National Administrative Office (NAO) released a report documenting the failure of the NAFTA labour side agreement to ensure enforcement of even existing labour legislation.

The NAO report confirms allegations of workers at two formerly Canadian-owned maquila autoparts factories in Matamoros and Valle Hermoso, Mexico of exposure to dangerous chemicals and other workplace hazards. It also documents the failure of Mexican government agencies to enforce their own health and safety regulations.

Currently owned by the Florida-based Breed Tech-

nologies, the two plants were once the property of Custom Trim, based in Waterloo, Ontario.

Trinational Complaint

The complaint was filed under the NAFTA labour side agreement by current and former workers at the two factories, and by 25 labour, religious and human rights organizations in Mexico, the US and Canada, including the MSN.

Under the side agreement, workers and interested third parties can only file complaints against a government for failing

— continued on page 8 —

inside	No Sweat campaign	2
	Asian/Latin American	
	Women's Exchange	4
	News and Notes	6
	New Resources	7

No Sweat campaign is off and running

Across Canada, groups are beginning to organize local No Sweat campaigns calling on public institutions to adopt purchasing policies which will ensure that uniforms and other licensed or bulk-purchased apparel products are made under humane working conditions.

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.

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

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The No Sweat campaign was launched on November 24, 2000 in St. John's, Newfoundland where local students and Oxfam volunteers staged a Sweatshop Fashion Show and gathered signatures on a petition urging the City of St. John's to adopt a No Sweat purchasing policy.

Since November, consultations and campaign workshops have been held in St. John's, Halifax, Cobourg and Saskatoon. A national conference is planned for the fall, and follow-up consultations and workshops will be held in Vancouver, Montreal and other cities.

At the national level, the No Sweat campaign is being coordinated by the Ethical Trading Action Group (ETAG). Participating organizations include the Canadian Labour Congress, the Maquila Solidarity Network, Oxfam-Canada, Students Against Sweatshops-Canada, and the Union of Needletrades, Industrial and Textile Employees.

The right to know

Once adopted, No Sweat purchasing policies will require manufacturers to publicly disclose where that apparel is made, and to accept independent monitoring of factory conditions.

As part of the campaign, ETAG is also mobilizing public support for changes in federal regulations to require retailers to publicly disclose the names and addresses of all manufacturing facilities producing apparel products sold in Canada.

No Sweat Universities

There are currently 15 active Students Against Sweatshops groups on campuses across the country.

To date, licensing and/or purchasing policies have been adopted at six Canadian universities (Alberta, Western, Guelph, Toronto, Trent and Dalhousie). However, with the exception of Toronto, these policies were adopted codes without consulting students and are not acceptable to local Student Against Sweatshop groups. On these campuses, students are



MSN, OPSEU, UNITE and SAS-C members model Ontario government apparel during a press conference announcing an NDP No Sweat private member's bill.



MSN supporters hang anti-sweatshop, anti-FTAA signs on Quebec City's "Wall of Shame."



mounting campaigns to strengthen the codes.

As a result of student pressure, codes are under negotiation at four other universities – McMaster, Waterloo, Carleton and Memorial. In addition to codes campaigns, students have also been raising awareness and organizing campaigns against sweatshops at other universities, including UBC, Simon Fraser, Saskatchewan (Saskatoon), Trent, Queen's, Bishops and U-PEI.

No Sweat Schools

High school teachers and students are raising awareness around sweatshop issues in their schools in many parts of the country. Local campaigns urging school boards to adopt No Sweat purchasing policies are currently underway in Toronto, Oakville, Whitby, Oshawa and Peterborough.

Students and teachers are also getting started on the campaign at

schools in British Columbia, Saskatchewan, Ontario and Newfoundland. They're doing research, forming No Sweat groups and spreading the word to other students.

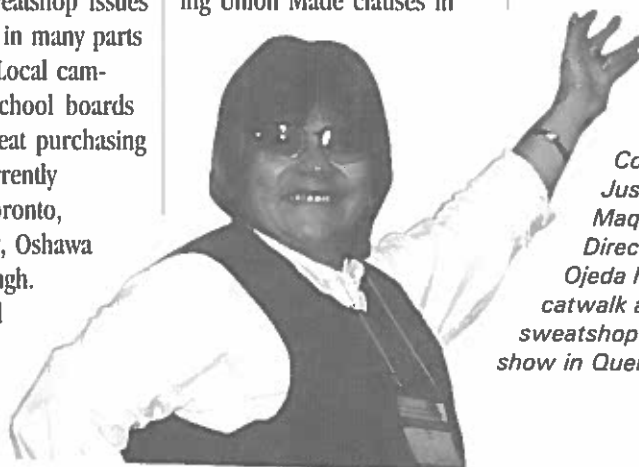
Unions on Board

The Canadian Labour Congress (CLC) is urging its affiliates to take part in the No Sweat campaign by negotiating Union Made clauses in

their collective agreements to guarantee that staff uniforms are made in union shops.

Unions are also being urged to work with coalition partners for the adoption of No Sweat purchasing and procurement policies by municipal and provincial governments.

According to CLC Campaigns Coordinator



Coalition for Justice in the Maquiladoras Director Martha Ojeda hits the catwalk at the MSN's sweatshop fashion show in Quebec City.

Bertrand Begin, union members that could potentially achieve the right to wear No Sweat uniforms include postal workers, security guards, firefighters, flight attendants, hotel workers, health care workers, etc.

Municipal and Provincial Campaigns

On April 11, the Ontario NDP held a press conference at Queen's Park to announce plans to introduce a No Sweat private member's bill, the Stop Sweatshops Act, in the provincial legislature.

While the bill has little chance of passing in Ontario, it is hoped that other provincial governments, as well as municipal governments, will be more willing to adopt similar No Sweat procurement policies.

For more information on the No Sweat campaign, and to download No Sweat resource materials, visit: www.maquilasolidarity.org.

Women Activists Share

On February 10-17, eight women from Asian labour rights and women's organizations met in Nicaragua with their Latin American counterparts to exchange experiences and strategies. The exchange was hosted by the "Maria Elena Cuadra" women's movement and co-sponsored by the Hong Kong-based Asia Monitor Resource Centre (AMRC), Casa de la Mujer/Grupo Factor X of Mexico, and the Maquila Solidarity Network.

Late one evening, May Wong of AMRC and Monina Wong from the Hong Kong Christian Industrial Committee (HKCIC) interviewed Maria Luisa Regalado, coordinator of CODEMUH, the Honduran Women's Collective and Marina Rios, organizer at Las Melidas in El Salvador. This is an excerpt from that discussion.



May Wong



Monina Wong

Monina: I am interested in what's happening in the garment industry in Latin America so we can compare conditions and perhaps find ways for workers to communicate across continents. Some workers are part of the same sub-contracting chain; others are facing similar situations where they are losing jobs as factories close and move to where labour is cheaper.

For example, Hong Kong was a major garment manufacturing centre in the 1970s and early 1980s. But because of the high land rent and labour costs, most factories moved to China. Investors always seem to be able to move to countries

where labour is cheap and they can access quota gaps.

Maria Luisa: Do Asian managers treat workers as badly in Asian factories as they do in Central America?

Monina: Yes, very much so. One problem is that the piece rates and double book-keeping make it very difficult to calculate pay rates. We find that workers [in China] are not receiving any overtime pay, no matter how many hours they work. Maybe sometimes they'd get an extra 25 cents if they work overnight. In low season, workers earn as little as US\$25 a month.

Marina: In El Salvador, employers have to pay a minimum salary. But they also set a production quota or number of pieces that the workers must produce. If the quota is not filled, the supervisors pressure the workers, saying "You are earning a minimum salary, you have to meet the quota."

Maria Luisa: In Honduras, management say they respect overtime and that it is not obligatory, but near the end of the normal work day, they pass a list down for you to sign to say that you're willing to do overtime hours and stay until 8:00 p.m. If you don't sign it – sure – you can leave, but the next day you will to be called into the office.

Experiences

Often workers are then given a three-day suspension, without pay. And the third time workers refuse, they get an eight-day suspension.

CODEMUH recently had a case at a factory called Sune. They had been hiring pregnant women, but only on two-month contracts. At one meeting, the head of personnel actually said that he had made a "gentleman's agreement" with the pregnant women. As he put it, he was at least giving them work, and who else would? One of the workers responded by saying, "This is my second pregnancy while I've worked at Sune. The first time I signed my rights to benefits away, but this time I know better."

We also regularly receive complaints about another

Korean factory where workers work from 7:00 in the morning till 6:00 at night as a normal workday and then, when they have overtime, until 8:30 p.m.

May: You think that is really awful! In China workers have to work overnight.

Maria Luisa: That used to happen in Honduras. I had a nephew who worked at a Korean factory. He would start work at 7:00 am, leave at 5:00 pm, come home for dinner and then return at 7:00 in the evening and work right through till 7:00 the next morning. That's changed, slowly, as a result of all the national and international pressure and also the organizing workers have been doing. Companies are now behaving a little better.

May: Have there been any strikes and demonstrations in the Korean plants?

Maria Luisa: In 1994, CODEMUH participated at a strike of about 200 to 300 women at Paraiso, also a Korean-owned factory. The management was mistreating workers terribly. There was even a case where a supervisor injured a worker by hitting her with the heel of her shoe. Many workers were fired,



Maria Luisa Regalado

including 14 pregnant women. So the union decided to go on strike. It lasted 22 days.

I'll never forget the last day. It was really raining, so we were helping the workers put up a plastic sheet to protect them. The police arrived in force, tore down the plastic and set fire to it. Then they started to throw tear gas. They arrested 50 workers. That broke the strike.

The majority of workers didn't want to go back and managed to win their severance pay. Actually those workers ended up better off than the ones who did go back. The company slowly fired everyone who'd been involved in the strike. Those ones didn't get any severance pay.

Monina: I am so impressed by the women's culture here in Central America. The women are so expressive, mature and energetic. It

seems there are stronger sisterhood linkages.

Marina: The process that our women's organizations are going through is

very, very important. We're raising awareness and building consciousness. Step-by-step women are beginning to recognize and revisit the union structure, but from their own perspective. Perhaps the next step will be for women to form independent women's unions.

It's unfortunate that unions are so weak right now that women's organizations like MEC, Las Melidas and CODEMUH are the ones who have to take the lead in improving conditions in the factories. That's all fine, as long as we keep in mind that when they are able, women in factories should organize unions.

Maria Luisa: It's important that women know their rights. With that knowledge, they can decide if they are going to organize unions or organize in a different way.



Marina Rios

The full Asia /Latin America Women's Exchange report (in English and Spanish) is available on the MSN website: www.maquilasolidarity.org, and in hardcopy from the sponsoring organizations.

news & notes

Nike vs. Free Speech

Never a fan of demonstrations, peaceful or otherwise, Nike has called on the cops to muzzle free speech in Melbourne, Australia. Employing a rarely used bylaw designed to prevent distribution of hate materials, Nike is trying to stop its critics from leafleting its customers. On May Day, 12,000 peaceful protesters gathered outside a boarded up Nike store to protest violations of Australian homeworkers' rights. Three days later at a second protest, Nike called in 30 police, some on horseback, to stop 70 demonstrators from leafleting outside the same store. Two protesters were hit with \$500 fines for distributing literature calling on Nike to sign the Homeworkers' Code of Practice and respect workers' right to organize. Undeterred by Nike's heavy-handed tactics, the FairWear campaign is organizing more store leafleting to protest Nike's exploitation of homeworkers and challenge its misuse of the bylaw.



Gerry Barr of the Canadian Council for International Cooperation handles Nike during the MSN sweatshop fashion show in Quebec City.

Shareholder Actions Target The Bay & Sears

Institutional shareholders led by the BC-based Shareholder Association for Research and Education (SHARE) are challenging The Hudson's Bay Company and Sears Canada to bring their codes of conduct in line with International Labour Organization (ILO) standards, and to provide for independent monitoring of

compliance with those standards and progress reports to shareholders. At the April 17 Sears Canada shareholder meeting, 30 percent of the shares not held by Sears voted in favour of the SHARE proposal. On May 23, Hudson's Bay shareholders debated a similar motion, and over 15 percent of shares supported the resolution. Meanwhile, south of the border, Domini Social Equity Fund has sold all 1.2 million

shares of its Wal-Mart stock because the retail giant rejected a request from a coalition of investors led by the Interfaith Center on Corporate Responsibility (ICCR) to implement an independent monitoring system for its thousands of supply factories around the world.

Suppressed Report Confirms Abuses

On May 9, the US National Labor Committee released a report, which had been suppressed by the Salvadoran government since August 2000, documenting sweatshop conditions and union busting practices in El Salvador's garment maquilas. The report, prepared by the Salvadoran Ministry of Labour, confirms that serious worker rights abuses are common in many of El Salvador's 229 apparel export factories, including inadequate wages, long hours of forced overtime, unrealistic production quotas and demands to complete quotas after hours with no overtime pay, high temperatures, poor ventilation, no access to clean drinking water, and mandatory pregnancy tests. Workers interviewed complained of corruption among government factory inspectors and of threats, firings and blacklisting of union supporters. The Salvadoran government withdrew the report one day after it was released, claiming it was "technically flawed."

No Justice for Banana Workers

In October 1999, the leaders of the Guatemalan banana workers' union, SITRABI, were kidnapped by 200

heavily armed men and forced at gunpoint to call off a planned strike and flee for their lives with their families. In March 2001, 22 of the 200 kidnapers were finally brought to trial. But rather than being charged for kidnapping, the 22 were tried and convicted on lesser charges, and given fines – and no jail time – for their crimes. In April, SITRABI representatives testified in the US in favour of removing Guatemala from the list of countries receiving preferential trade benefits under the US General System of Preferences (GSP) giving evidence of serious violations of GSP labour rights standards, including illegal firings, death threats, abduction and violence against members of their union. According to the US/Labor Education in the Americas Project, while the trial and conviction of the kidnapers is an important development in Guatemala, the outcome of the case is that the guilty are free and the victims are in exile.

Settlement Reached in Chentex Dispute

On May 10, management at the Chentex garment factory in Nicaragua finally signed an agreement to reinstate four union leaders affiliated with the National Textile Workers' Federation and 17 other union sympathizers. The workers were fired over a year ago for union activity. The four union leaders to be reinstated were chosen by the union from among seven of the fired leaders who were acceptable to management. The union leaders, including those who will not be reinstated, will receive one year's back pay, and financial bonuses. Both sides agreed to drop lawsuits pending in Nicaraguan and foreign courts.

Kuk Dong Workers Form Independent Union

On March 18, a group of workers at the Kuk Dong garment factory in Atlixco, Mexico met to form an independent union, SITEKIM, to represent the 800 workers at the Nike supply factory. The meeting took place after an international campaign successfully pressured Nike to facilitate the reinstatement of hundreds of workers who had been locked out, illegally fired and pressured to resign for participating in a January 9 work stoppage. The workers are now seeking legal registration of SITEKIM. Once registered, SITEKIM would then have to petition for a union representation election to determine which union will own the collective agreement. The workers are currently "represented" by the FROC-CROC, an "official" union linked to the state PRI government. Recent reports indicate that harassment of SITEKIM supporters continues, and that workers are being offered money by the CROC to resign from the independent union. On May 15, SITEKIM leader Ivan Diaz Xola was assaulted outside the factory cafeteria by three CROC supporters. Security guards failed to intervene.

Put People Before Profits: Say No to the FTAA, Economic Justice Report, April 2001, Ecumenical Coalition for Economic Justice, 16 pp., contact: ecej@accessv.com.

What's all the fuss about? Globalization and the WTO: what you need to know. Canadian Auto Workers, 12-page anti-free trade comic book, contact: www.caw.ca.

Trading Away Rights: The Unfulfilled Promise of NAFTA's Labor Side Agreement, Human Rights Watch, April 2001, 65 pp., www.hrw.org/reports/2001/nafta/.

Trade Myths and Gender Reality: Trade Liberalisation and Women's Lives. Editor: Angela Hale, Women Working Worldwide, 1999, 88pp., available from MSN.

NAFTA at Seven: Its Impact on Workers in All Three Nations. Economic Policy Institute, April 2001, 30 pp., <http://epinet.org>.

We Need to Go to School: Voices of the Rugmark Children. Tanya Roberts-Davis, May 2001, 48 pp., \$16 hardcover / \$10 paperback at bookstores across the country. www.groundwoodbooks.com.



Custom Trim

— continued from page 1 —

to enforce existing legislation. Complaints cannot be filed against the corporations that are responsible for the violations.

Workers Testify

At a December 12, 2000 hearing, a dozen workers gave testimonies on the serious health problems they and their family members had suffered as a result of exposure to toxic chemicals and other workplace hazards.

Joaquin Gonzales testified that he had become addicted to the glues he was exposed to every day at work.

Bruno Lopez spoke of the death of his child born with spina bifida, and of being told by his doctor he could not give a blood donation to help save his child because his blood was poisoned.

The factory nurse, Isabel Morales, said that five women had miscarriages at work in a one-month period. According to Morales, management instructed her to give the women aspirin and send them back to work. She also told of workers unable to pick up even the smallest items, so acute was their suffering from repetitive strain injuries.

According to Dr. Francisco Mercado, "between 1996 and 1997, 15 women had miscarriages. In 1996, there were five miscarriages in just one month. Between 1996 and 1997, 14 babies were born with birth defects or serious health problems; 13 died during infancy or immediately after birth."

Workers also suffered from carpal tunnel syndrome, shoulder, back and other strains from the fast-paced and repetitive assembly work.

Mexican Government at Fault

The NAO report faults the Mexican government for failing to focus on poor ergonomic conditions when conducting their inspections, and describes the "unwillingness of medical staff [employed by the government's social

security agency] to diagnose injuries as work-related, particularly those that may have resulted from ergonomic strain, and a peculiar tendency to treat physical ailments as psychological problems."

Even more disturbing is an interim report from two occupational health specialists from the US National Institute on Occupational Safety and Health (NIOSH), who toured the two factories in January 2001 at the invitation of the NAO. Their report confirms that despite ten years of protests and negative publicity surrounding the case, workers at the two factories continue to be exposed to unsafe and unhealthy working conditions.

Less Talk, More Action

"Custom and Auto Trim workers are pleased that the NAO report validated the serious health problems they've had to live with over many years," says Manuel Mondragon, local organizer in Matamoros. But the complainants in the case recognize that the 23 previous cases under the NAFTA labour side agreement have not resulted in any serious remedies for the workers involved.

Rather than simply accepting yet another round of "ministerial consultation" with no significant outcomes, the complainants in the Custom Trim case are proposing to the US NAO that the Mexican government reevaluate cases where employees were denied compensation for injuries and illnesses because of previous inaccurate evaluations. They also want both factories to be re-inspected to verify that the company has corrected ongoing health and safety problems.

According to Garrett Brown, a US health and safety expert actively involved in the case, the real lesson of the Custom Trim case is that the NAFTA labour side agreement provides no real protections for workers. "We cannot allow a similar trade agreement, with the same or weaker labour rights provisions, to be negotiated at the hemispheric level," says Brown.

news & notes

Adidas Worker Jailed for 'Displeasing Acts'

Ngadinah Binti Abu Mawardi, a young Indonesian union activist accused of committing "displeasing acts" for her participation in a labour dispute at an Adidas factory, has been released from detention, but could still face up to six years in prison under laws dating back to the Dutch colonial period. Ngadinah was released May 23 after being refused bail and forced to spend one month in jail. She attributed her release to the support she received from national and international labour and solidarity organizations. Ngadinah was arrested on April 23, six months after participating in a work stoppage at the PT Panarub plant, an Adidas sports shoe factory where she is the secretary of the Footwear Workers Association (Perbupas). The three-day strike, which took place in September 2000, ended with an agreement between the company and the union that there would be no reprisals against workers who took part.

New York to Adopt 'No Sweat' Policy

On March 30, New York City mayor Rudolph Giuliani vetoed an anti-sweatshop purchasing policy approved by the City Council. The No Sweat policy is similar to those being promoted in Canada. City councilors are vowing to override the mayor's veto. If successful, the mayor has threatened to take the issue to court. The No Sweat policy would require manufacturers producing apparel for the city to ensure that those products are made under humane working conditions.