

# maquila network update



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## Indonesian workers protest Nike, Reebok job cuts

**As Nike and Reebok shift production from Indonesia to China and Vietnam, thousands of Indonesian workers are protesting factory layoffs and proposed anti-union legislation designed to keep and attract foreign investment.**

On August 19, 15,000 garment workers marched through West Java's capital city of Bandung, demanding the rejection of proposed labour laws that would threaten the right to strike and allow striking workers to be tried in the courts and make them subject to fines and imprisonment.

The shooting of two local labour leaders by police and the arrest and interrogation of 30 others during the protest is raising fears of a return to government repression of the

emerging independent labour movement.

Suparjo, a rally coordinator and local chairman of the Garteks union, was reportedly shot in the leg by a police officer during a scuffle between protestors and police.

A second rally coordinator, Syarif Hidayat, was apparently shot in the head. Both were treated in hospital and later released. Some of the 30 workers arrested and interrogated were reportedly beaten and tortured.



ABOVE: DINDA, AP, COURTESY JAKARTA INDYMEDIA  
BELOW: DADANG TARI, REUTERS, COURTESY JAKARTA INDYMEDIA

### Workers Protest Layoffs

On August 20, 4,000 Nike production workers rallied in the



streets of Jakarta to protest plans to lay off 7,000 employees. The demonstration was one of several by both Nike and Reebok workers resisting cutbacks in orders to Indonesian suppliers.

Earlier in the month, more than 1,000 Reebok workers

demonstrated against the company's plans to slash 5,400 Indonesian jobs.

The Indonesian garment and footwear industry associations claim the nation's rising wages, current labour laws, and "security concerns" linked to September 11 are the reasons Nike and other sports shoe merchandisers are shifting production to mainland China and Vietnam.

Indonesian union leaders counter that the shoe giants

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# Retail Council lobbies against transparency

## Some retailers break rank

**MSN has confirmed that the Retail Council of Canada (RCC) met with federal government officials to lobby against a proposal from the Ethical Trading Action Group (ETAG) that would require apparel companies to disclose the names and addresses of the subcontractors who manufacture their goods.**

### 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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Meanwhile, Mountain Equipment Coop, Roots Canada and the Eastern Association of College Stores have declared their support for ETAG's proposal.

ETAG's proposed changes to federal labelling regulations would provide consumers with information through an Industry Canada database on where clothes sold in Canada are made. Using the CA number listed on clothing labels, Canadians would be able to identify not only the company that imports or produces the goods, but the factories the company uses to manufacture its products.

"Our proposed changes to federal labelling regulations won't give consumers all the information they need to make ethical choices when they shop," says Bill Hynd, Oxfam Canada's No Sweat campaign coordinator, "but they will make it much easier to discover whether clothes sold in Canada are made under humane working conditions or in sweatshops."

According to Hynd, factory disclosure regulations would



*Cut it out: No Sweat activists cut out clothing labels to present to Industry Minister Allan Rock.*

also encourage Canadian retailers and manufacturers to improve monitoring of their contract facilities to ensure they meet international labour standards and local laws.

#### RCC Nightmare

Earlier this year, representatives of the RCC met with Competition Bureau staff, arguing that the Ethical Trading Action Group's proposal is "unworkable." The Competition Bureau, which oversees the regulations concerning textile labelling, is currently reviewing the ETAG proposal.

In the May issue of its magazine *Canadian Retailer*, the RCC claims "registering each factory with a number [would] be a nightmare," and keeping the CA number information up to date would be "highly problematic." In the article, the RCC also argues that the names and location of factories is proprietary information, that "it's unclear how much it would cost to track every factory," and that the regulations would be "knocked

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# Nike loses Kensington Marketing war

When Nike moved into Toronto's Kensington Market, a vibrant neighbourhood of alternative youth culture, they should have known they would have a fight on their hands.

Shortly after the Nike Presto showroom opened, local graffiti artists let Nike know it wasn't welcome by tagging buildings and

over 300 people, electronic artists mixed beats between speeches by MSN, UNITE, city counsellor Olivia Chow, local author Jim Munroe and the

encouraged to wear Nike's new Presto sneakers during their shows. "Wardrobe Guidelines" in the bands' contracts explicitly forbade the wearing of any logos of Nike's competitors. Bar staff were issued Nike shoes and apparel, and a display of Presto gear went up on the wall.

In line with Nike's stealth marketing strategy, the familiar swoosh was nowhere to be seen on the club sign or outer wall. Many residents had no idea it was a Nike marketing project until they walked through the door and saw the sneaker display on the wall and all the staff wearing Nikes. But it didn't take long for opposition to grow against this attempt to infiltrate the local indie arts community.

## OPPRESTO: the counter-concert

Members of Future Rhetoric, a collective of local electronic artists and DJs, had been invited to play at Presto. When they learned they were being used to market Presto sneakers, they immediately pulled out and decided to organize a counter-concert and street party called Oppresto, with the help of MSN.



Left: Speaking out from a nearby balcony.

Above: Breakdancers and DJs counter Nike's spin.



mailboxes with messages like, "Nike = sweatshops = get lost." A pair of sneakers, dripping with red paint, appeared overnight hanging from the Presto sign.

The battle culminated when local youth, together with the Maquila Solidarity Network and UNITE, organized an anti-Nike street party and counter-concert to protest the company's sweatshop labour practices and infiltration of the Kensington Market.

Staged on a balcony three doors down from Presto, the concert opened with the local break-dancing crew SheBang! B-Girls. Before a crowd of

Toronto Public Space Committee. The street was shut down for two hours as youth danced, partied and chanted "Nike go home!"

## Presto comes to Kensington

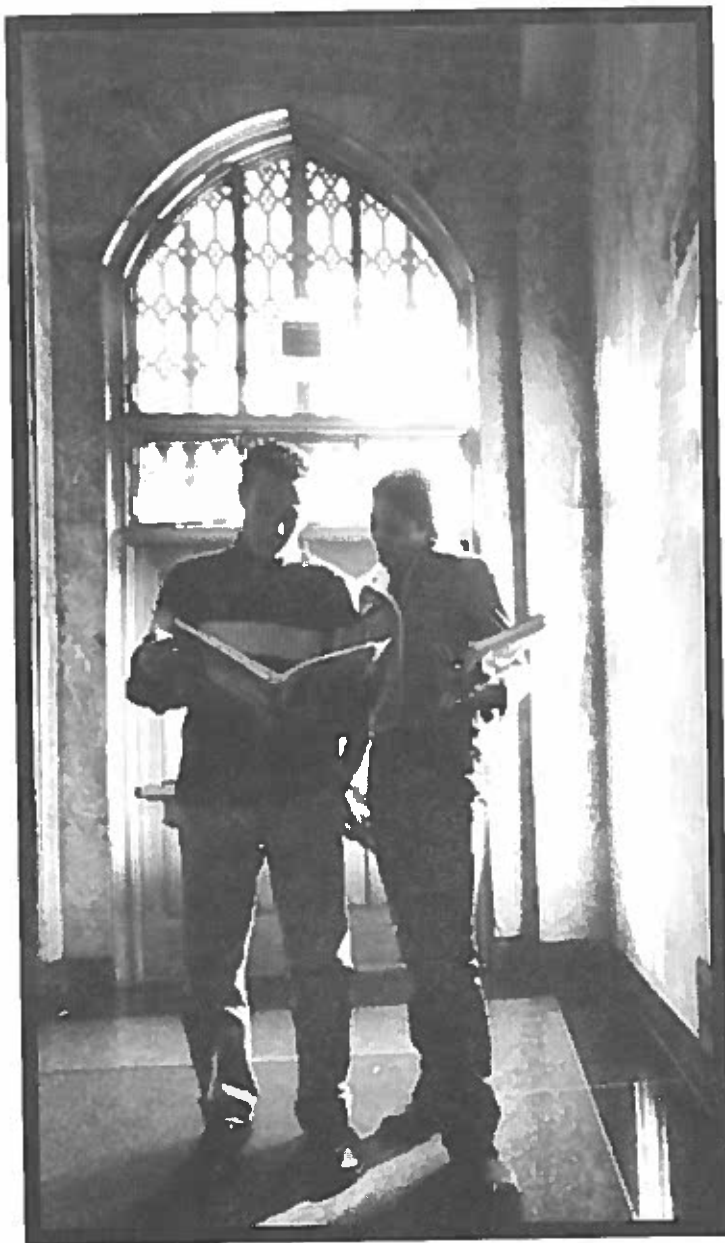
When Nike decided to market their new "Presto" sneakers to an alternative, "indie youth" crowd, they must have known it would be a tough sell. To reach the target market, Nike opened a music venue called Presto in the Kensington Market in June.

They hired a youth marketing firm to book local alternative bands that were

"I was offended," says collective member and concert organizer, Rod Caballero. "The concept of an all-ages arts venue funded by Nike was just plain fake. And the fact that it was funded by a corporation with such an atrocious record of abuses worldwide made the concept even more disgusting? For me, organizing Oppresto was my way of saying to Presto, I ain't buying it— both figuratively and literally."

As Nike's marketing project comes to a close in the streets of Toronto, Caballero feels Oppresto's message to the sportswear giant was loud and clear. "Why not use the money spent on such elaborate and absurd marketing campaigns for fair wages for sweatshop employees around the world? Sooner or later, Nike is going to realize that is the 'coolest' thing they could ever do."

# Back to School No Sweat!



Unfortunately back to school means back to the books... but back to school is also a great time to get involved in campaigns to help get rid of sweatshop abuses and support garment workers fighting to win decent wages and working conditions.

## Back-to-School Shopping

Whether it's at Club Monaco, the Gap, the Bay, Wal-Mart, or Mountain Equipment Co-op, ask questions when you're shopping. Companies target youth to buy their products. They care what you think, so make sure they listen to what you have to say.

If the store clerks can't answer your questions, and chances are they can't, ask for the name and address of someone to write to who does know the answers. Often store clerks are students like yourself, possibly with their own complaints about working for brand X.

You'll probably get a reply letter from the company. If it doesn't answer your questions, write again, demanding satisfactory answers. The more people ask questions, the more companies will be pressured to take action.

## Ask the Companies

- \* How does your company guarantee your clothes are made under humane working conditions?
- \* Do you have a code of conduct that outlines the minimum standards for working conditions in your supply factories? Can I have a copy?
- \* Does an independent organization monitor the factories that make your products to verify whether they live up to your code of conduct?
- \* Do you provide reports to customers on the factories you are using, monitoring results, and what you are doing to improve conditions? Can I have a copy?

# ool?

## Sweat-free Schools

Ever wonder whether your school uniform was made in a sweatshop or in a factory with decent conditions? And what about the sports and band uniforms, gym clothes, and spirit wear that your school buys or asks you to buy? Were the workers who made those products treated fairly?

You can help make your school "sweat-free" by starting a campaign to get your school board to adopt a No Sweat purchasing policy.

Sweat-free schools require uniform and other school clothing suppliers to report to students, teachers and your school board on where their products are made, and under what conditions. Companies that want to do business with your school would have to meet those requirements. No more keeping secrets!

**Last spring, students in Hamilton and Waterloo, Ontario convinced their school boards to pass No Sweat policies in the coming year. You can make it happen at your school too!**

**Coming soon: MSN's new No Sweat Schools Action Kit. Watch our website for more information.**



## Start a No Sweat campaign at your school!

- \* Check the labels on school uniforms and other school clothing to find out what companies supply these products to your school, and the countries where the clothes are made.
- \* Find out whether your school board already has a policy on uniform and other apparel purchases and what you need to do to make a No Sweat policy a reality.
- \* Check out the MSN website for a model No Sweat policy you can use.
- \* Call or write to your school uniform and clothing suppliers and ask what they are doing to make sure that their products are made under humane conditions. (Later this fall MSN will have information on school suppliers on our website.)
- \* Circulate a petition at your school calling on your school board to adopt a No Sweat policy. Collect labels from school uniforms and other school clothing to present to the school board, along with your petitions.
- \* Contact sympathetic school trustees and ask them to support a No Sweat policy.
- \* Join with other students, teachers and parents in presenting your proposal to the school board, along with your petitions and labels.

## Get Moving and Get Connected!

Start a Students Against Sweatshops group at your school. Be vocal about your concerns and get other students involved! There's lots of ways to spread the word:

- \* Stage a Sweatshop Fashion Show to illustrate the sweatshop facts behind a company's image. (Check out the MSN website for information on how to organize a fashion show, including a model script.)
- \* Work on a No Sweat zine.
- \* Organize a school forum on sweatshops. Invite speakers from companies and anti-sweatshop groups.

Joining with others in your school and your community can help make your campaign stronger. Think about approaching supportive teachers, your school and student councils and community groups for support.

# news & notes

## Children working in Ecuadorian banana plantations

The use of child labour is widespread in Ecuador's banana plantations, says a recent Human Rights Watch (HRW) report.

HRW investigations reveal that children as young as eight are working twelve-hour days, hauling heavy loads of bananas, exposed to toxic chemicals, and, in some cases, subjected to sexual harassment.

The report charges that major banana producers like Chiquita, Del Monte, Dole and Ecuadorian-owned Noboa and Favorita are failing to ensure that worker rights are upheld in the fields.

According to the report, roughly 90% of children interviewed reported they continue working while airplanes spray toxic fungicides onto banana fields. The children earn, on average, US\$3.50 a day, only 60% of the legal minimum wage.

A recent *New York Times* article reveals that the wages of Noboa banana workers producing Bonita brand bananas are so low that children are obliged to work alongside their parents in the fields.

In March, attempts to unionize and improve conditions at Bonita's Los Alamos plantation were met by mass firings and violent repression. Bonita



Alvaro Noboa

is the leading banana brand of Noboa, a company owned by Ecuador's leading presidential candidate, Alvaro Noboa.

For more information visit: [www.hrw.org](http://www.hrw.org) and [www.usleap.org](http://www.usleap.org)



## Union pitching for sweatshop-free baseball

A small, but militant union is targeting the Milwaukee Brewers and the Pittsburgh Pirates Baseball Clubs in a campaign to overhaul how major league baseball merchandise is made.

The Industrial Workers of the World (IWW) is urging the teams to sign a "Sweat-Free Baseball Code of Conduct" to ensure that their baseball merchandise isn't made in sweatshops.

Pointing to case of women in Bangladesh sewing baseball merchandise for eight cents an hour, the campaign is calling for fair wages, respect for basic labour rights and public disclosure of all factory locations producing for the teams. The issue has been forwarded to Major League Baseball for consideration.

The IWW has also written to the Major League Baseball Players' Association asking for its support in the campaign.

The IWW is a historically important union sometimes known as the Wobblies, of which Joe Hill was a member. They plan to extend their campaign to other cities in the fall.

## Workers trapped in Indian factory blaze

On May 24, 42 workers were killed and 11 injured in a tragic fire at a Shree Jee International footwear factory in Agra, India.

The factory's 250 workers were trapped inside the plant as all the windows were closed and secured with wire mesh and the only exit door was locked.

A fact-finding team discovered numerous labour law violations that led to the fire and the high number of deaths. Criminal charges have since been laid against the owner. Some financial compensation has been awarded to the families of the deceased and those injured.

The fact-finding team's report recommends that the company and the government provide full legal compensation, adequate safety training and regular factory inspections.

Shree Jee supplies shoes to several British shoe companies.

## Thai workers win reinstatement

On June 11, 850 Light House factory workers in Thailand held a work stoppage to protest the firing of 20 recently elected union leaders. All the protestors were immediately fired.



Thailand: LightHouse factory workers protest firings of union leaders

On June 16, over 200 workers presented protest letters written in their own blood to the Thai parliament.

In response to the protests, the company agreed to reinstate 400 workers, including the union leaders. However, 75 workers continue to be locked out of the factory.

Light House is a supply factory for the American luggage giant, Samsonite Corporation.

## McMaster goes No Sweat

Hamilton's McMaster University has become the eighth Canadian university to adopt a No Sweat purchasing policy.

The new code of conduct was approved by the university's senior administration in June. The policy requires that all McMaster-crested apparel and giftware be made under ethical working conditions and that all factory locations are publicly disclosed.

Among other companies, the code will apply to Nike Canada, one of the school's "preferred" suppliers of athletic apparel. This will be the first time Nike has been required to publicly disclose factory locations as a condition of doing business with a Canadian institution.

McMaster is also the first Canadian university to become a member of the Worker Rights Consortium (WRC), a non-profit consortium of over 100 US universities and colleges that assists in the enforcement of codes of conduct.

Along with the No Sweat policy, McMaster has also adopted a fair trade coffee policy requiring coffee providers to offer consumers the choice of fair trade coffee at all campus locations.



El Salvador: Poisoned workers at Hoon factory

## Over 500 poisoned in Salvadoran garment plants

On July 5, hundreds of garment workers were evacuated and treated for chemical poisoning when chlorine leaked from a tank at the Hoon Apparel factory in El Salvador. Two hundred and eighty-eight workers were treated for poisoning symptoms, such as vomiting, dizziness and loss of consciousness.

Three days later, 214 more workers were treated for chlorine poisoning at two other Hoon factories in the same free trade zone. In total, over 500 workers had been poisoned at three Hoon Apparel factories.

While the government's National Emergency Committee and Labour Ministry initially brushed off the incident as mass hysteria, the Attorney General's Office and the Red Cross finally confirmed that chlorine poisoning did in fact occur at three maquilas.

The Salvadoran maquila association and the country's vice-president charge that the Salvadoran Textile Workers' Union (STIT) caused the leak to sabotage the image of the maquila industry. The union, however, maintains that officials are simply trying to distract attention from the poor conditions in El Salvador's maquilas.

**China Capacity Building Project-Occupational Health and Safety, May 2002.** Report on worker health and safety training project at three Chinese footwear factories. Visit: [www.igc.org/mhssn/](http://www.igc.org/mhssn/).

**Codes, Monitoring and Worker Organizing, February 2002.** Report on MSN-sponsored seminar in Puebla, Mexico on how codes and monitoring could assist worker organizing. Visit: [www.maquilasolidarity.org](http://www.maquilasolidarity.org).

**Deceptive Beauty: A look at the Global Flower Industry, VIDEO, May 2002.** Labour and environmental impacts of Colombia's cut flower industry. Visit: [www.vida.ca](http://www.vida.ca).

**Paying the Price, Worker Unrest in Northeast China, Human Rights Watch, August 2002.** Visit [www.hrw.org](http://www.hrw.org).

**What's wrong with the Retail Council of Canada's "Guidelines"? MSN, July 2002.** Assessment of RCC code of conduct. Visit: [www.maquilasolidarity.org](http://www.maquilasolidarity.org).

### What's wrong with the Retail Council's Guidelines?

The document contains a list of guidelines and a small photograph of a person. The text is partially obscured by a large watermark.

PHOTO: FRANKLIN RIVERA/EL DIARIO DE HOY



# Companies support transparency

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down in short order under international trade rules.”

According to Hynd, the RCC's suggestion that retailers don't know where their products are made and have no way of tracking that information is hard to accept. "Whenever ETAG questions retailers about their labour practices, we are assured that none of their clothing is made in sweatshops," says Hynd. "If they're doing such a good job of monitoring working conditions, then surely they must know where the factories are located." Companies already keep track of their production for quality control purposes, says Hynd, and there should be very few additional costs associated with registering that information with the federal government.

According to Hynd, ETAG is not proposing that every factory be given a number, nor is it proposing a system which discriminates against imports and therefore might be subjected to trade challenges.

On the question of proprietary information, Hynd argues that the question for Canadian citizens is not whether particular information is currently considered proprietary, but whether, on balance, consumers and shareholders need that information in order to make ethical and wise choices. "In this instance, the right of consumers to make informed decisions must be weighed against the desire of corporations to keep factory locations secret," says Hynd.

## Breaking Rank

Despite the RCC's opposition to ETAG's proposal, some retailers have broken rank and announced their support.

In a recent letter to Industry Minister Allan Rock, the Eastern Association of College Stores (EACS)— an association representing 47 campus stores in Canada — wrote that "EACS supports [ETAG's] recommendation to ensure that apparel manufacturers are publicly linked to factories and workshops in which goods are manufactured... We urge you to make changes to the *Textile Labelling Act*



Checking the label: Currently consumers can't tell which factories clothing companies use.

regulations that will increase transparency and by doing so, allow customers and retailers to use this information to raise awareness of labour conditions in the apparel industry."

Mountain Equipment Coop and Roots Canada, supplier of Canada's Olympic uniforms, have also written to Allan Rock expressing support for the proposal. Other companies are expected to follow.

"In a more transparent market," writes Roots CEO Marshall Myles, "there could be a competitive advantage for responsible manufacturers who are linked only to factories which uphold basic labour rights over those that are linked with sweatshops.

"We urge [Allan Rock] to make changes to the regulations which will increase transparency and by doing so, allow customers and investors to use that knowledge to raise the bar for labour conditions in the apparel industry."

For more information on the No Sweat Campaign including camera-ready copies of the "Stop Pulling the Wool Over Our Eyes" petition and information about the Cut It Out labels campaign, visit: [www.maquilasolidarity.org](http://www.maquilasolidarity.org)

## Nike, Reebok flee Indonesia

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are running from the growing strength of Indonesia's unions to countries where workers don't have the right to freely associate. They charge that the proposed new labour laws are an attempt to weaken the union movement and keep wages down in response to pressures from the IMF.

### Companies Deny Charges

Both Nike and Reebok deny that their decision had anything to do with union organizing, labour laws or labour costs.

Reebok maintains that improving "business efficiencies" was behind the decision. Nike claims it is "overexposed" in Indonesia.

Notably, both Reebok and Nike posted dramatic growth in their net incomes this summer (74 and 28 per cent net growth, respectively).

Indonesian Nike workers are planning further demonstrations if the multinational does not follow through on promises to help laid off workers with small loans, education and health care.