

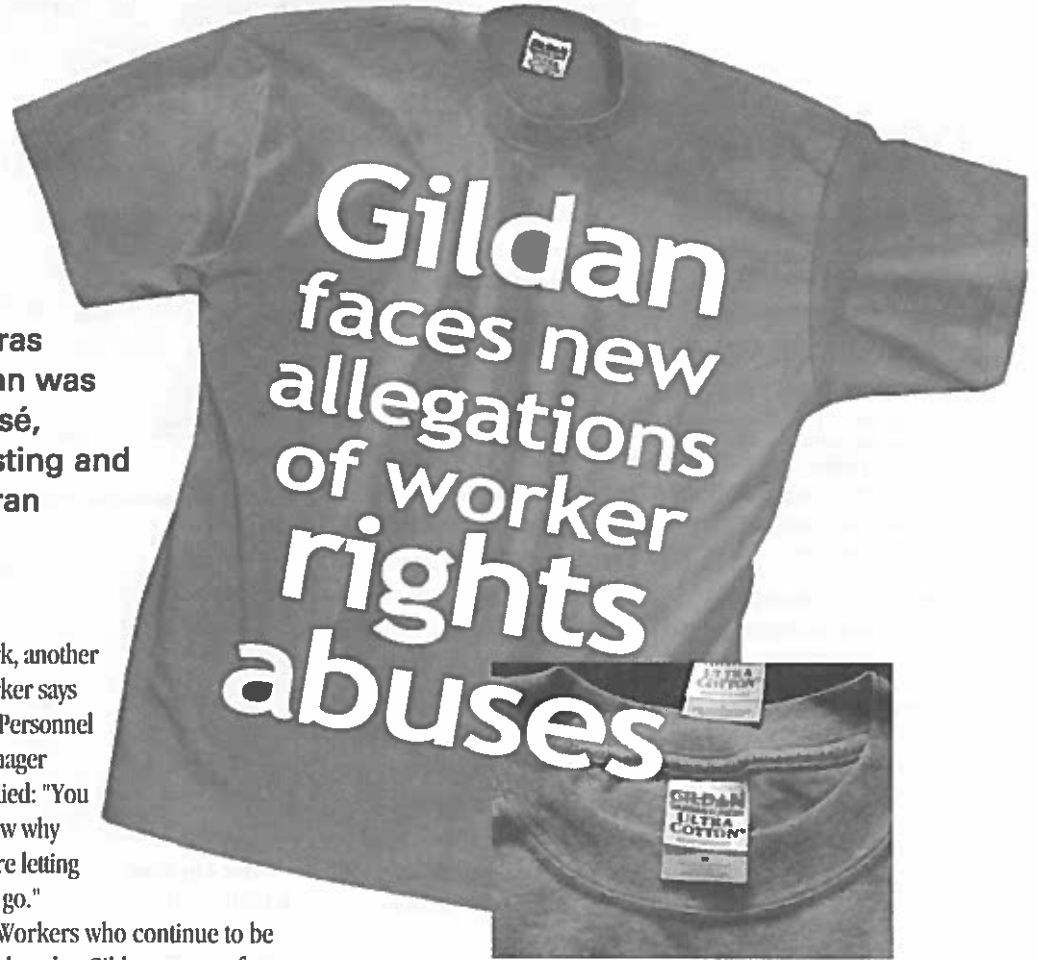
# maquila network update

March 2003, Vol. 8 No. 1



**8** Thousands of labels make it to Ottawa

**Canadian T-shirt manufacturer Gildan Activewear is once again facing allegations of worker rights violations in its Honduras factories. One year ago, Gildan was the subject of a CBC TV exposé, alleging forced pregnancy testing and other violations of its Honduran workers' rights.**



**O**ne year later, Gildan is again in the news, this time for alleged violations of freedom of association.

On November 24, 2002, ten days after filing for the registration of a union, 38 workers who signed the application letter were called one by one to the Personnel Manager's office, told they were fired and escorted out of the industrial park by a security guard.

According to the workers, none of them was given a written explanation of why they were being let go. One worker reports being asked several times by the Personnel Director if she wasn't a union member. After asking why he was being fired if there were no complaints about his

work, another worker says the Personnel Manager replied: "You know why we're letting you go."

Workers who continue to be employed at Gildan report of supervisors saying people were fired for signing up for the union, and of the Production Manager stating that organizing

a union will not be permitted at the factory.

Some 23 of the fired workers have filed a complaint with the Regional Office of the Ministry of Labour, accusing Gildan of failing to pay their full severance.

On December 4, a Ministry of Labour inspector attempted to visit the factory to investigate pay records, but was prevented from entering the

industrial park by security guards. She subsequently issued three summonses to Gildan, to which the company has so far failed to respond.

When MSN brought the allegations to Gildan's attention in early December, the company denied receiving official notice that the workers had formed a union or knowing about the organizing

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# The Vancouver No Sweat story

By Tom Sandborn, MSN volunteer

## 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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Over the past six months, several local No Sweat campaigns have taken off in the British Columbia Lower Mainland, putting the issue of sweatshops and ethical procurement policies squarely on the public agenda.

This fall, the BC Ethical Purchasing Group (BCEPG) was formed as a local umbrella group, involving the Simon Fraser University (SFU) No Sweat Campaign, the Canadian Labour Congress, Oxfam Canada, MSN, UNITE, area labour councils and union locals representing workers at Simon Fraser.

BCEPG has submitted a resolution to the SFU Board of Governors calling on the university to implement a No Sweat purchasing policy and mandate the sale of only fairly traded coffee on campus. Over 1,000 signatures have been collected on a petition supporting the campaign, and that number continues to grow.

Across town, law students in a social justice group at the University of British Columbia

have announced their intention to campaign for a No Sweat policy at their school as well. Parallel proposals are being advanced to city councils in Vancouver and

Burnaby, and to the Greater Vancouver Regional District.

In December, our coalition sponsored a speaking tour to Vancouver of Carmen Julia Silva, a worker from the Duro Bag Factory in Rio Bravo, Mexico. Carmen was fired for her attempts to organize an independent union.

At the time of her visit, SFU students organized a series of educational events on sweatshops at the university campus. Our coalition also helped organize a public forum on February 12 focusing on Vancouver's current Olympic bid and its potential links to sweatshop issues.

Stay tuned for reports of BC No Sweat victories in the months ahead!

## Montreal hosts No Sweat conference



The No Sweat campaign is taking off in "la Belle Province." On January 31 and February 1, university students, teachers, union members and human rights activists gathered in Montreal to learn more about ETAG's campaign for the adoption of ethical purchasing policies by public institutions.

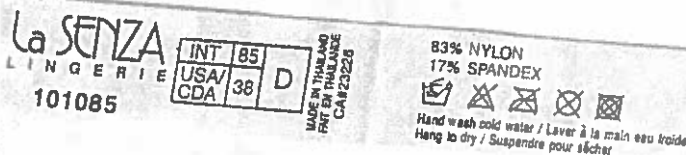
ETAG representatives facilitated workshops about No Sweat campaigning at schools, universities, municipalities and workplaces, and described the federal lobbying campaign using

the popular "Disclosure Clothesline."

Conference participants identified the need for a strong anti-sweatshop movement in Quebec, particularly given the important contribution of garment workers to the Quebec economy. A steering committee was formed with representatives from labour, student, NGO and social investment organizations.

For more information, please contact André Leclerc, *Affaires internationales*, FTQ: [aleclerc@ftq.qc.ca](mailto:aleclerc@ftq.qc.ca)

# Dirty Lingerie: the un-sexy side of Jacob and La Senza



## WARNING!

It is possible that the sexy bra you're wearing was made in Thailand by workers who have been harassed, intimidated and denied their right to freedom of association.

An MSN letter-writing campaign linking Montreal-based retailers Jacob and La Senza to worker rights abuses in Bangkok, Thailand has spurred interest from media outlets in Quebec, including stories on Valentine's Day in the *Montreal Gazette* and the *Journal de Montreal*.

The Gina Form Bra Company, a lingerie manufacturer contracted by retail chains, including Boutique Jacob, La Senza, Gap and Victoria's Secret, has engaged in unjust lay-offs and firings of union members, falsely accused workers of gambling and sexual impropriety, and forced workers to sign blank sheets of paper and used their signatures on individual contracts that undermined their collective agreement.

Workers at the Gina Form factory have been involved in ongoing labour disputes ever since new management came in 2001. Since then, union membership has dwindled as workers have been intimidated and subjected to heavy surveillance aimed at busting the union, which was formed in 1994.

More than 450 workers and 200 trainees were fired between August and December 2001. Five union executive committee members and 27 rank and file members were laid off in September 2001, as the company challenged the legitimacy of the union. Gina Form management also hired contract workers with lower wages and benefits, while regular workers were deprived of any work. More security guards were also hired,

increasing the tension in an already-volatile situation.

According to the Gina Relation Labour Union, management has introduced new regulations that undermine the existing collective agreement, and is now trying to sabotage the collective bargaining process by refusing to consider the union's annual bargaining proposals.

In a November 21, 2001 decision, Thailand's Labour Relations Committee ordered the reinstatement of the workers laid off in September of that year. The Gina Form Bra Company has ignored this ruling, as well as a September 17, 2002 judgment of

the Thai National Human Rights Commission finding the company in violation of the country's Labour Relations Act (1975), and UN international covenants on human rights.

Despite these rulings, the Gina Form factory has been certified by the Worldwide Responsible Apparel Production Certification Program

(WRAP) as being in compliance with the WRAP code of conduct. WRAP is a code monitoring initiative of US apparel manufacturers, and is supported by Wal-Mart and many Canadian manufacturers and retailers. The Retail Council of Canada's Responsible Trading Guidelines are virtually identical to the WRAP code of conduct.

On December 26, the Gina Relation Labour Union wrote to WRAP, challenging the certification and demanding an investigation and corrective action, including the reinstatement of

Ms. Sombun Rodjareon, current treasurer and former

chairperson of the union.

On February 18, the Ethical Trading Action Group (ETAG) wrote to WRAP, requesting an explanation of their failure to respond to the workers' complaint and information on how workers and third parties can register complaints when workers' rights are violated in

—continued on page 8—



# Local organizing + international

## How Lesotho garment workers won respect for their rights



**M**ost Canadians have probably never heard of Lesotho (rhymes with Bishop Tutu), a small, land-locked country surrounded by South Africa. Even fewer are aware that Lesotho is becoming a big producer of brand-name denim and other apparel products.

Over the past two years, MSN and our faith, labour and NGO coalition partners in the Ethical Trading Action Group (ETAG) have participated in an international campaign in support of Lesotho garment workers' efforts to win respect for their rights and decent wages and working conditions.

In December 2002, this campaign achieved a precedent-setting victory when workers won recognition of their union at two Lesotho garment factories owned by the Taiwanese multinational Nien Hsing.

### Research and Action

In September 2001, MSN received information from the European Clean Clothes Campaign (CCC) on worker rights violations at a number of garment factories in Lesotho. The information was based on extensive research carried out by the Dutch Centre for Research on Multinational Corporations (SOMO) and the South Africa-based Trade Union Research Project (TURP).

That same month, MSN and UNITE received a call for solidarity from the Lesotho Clothing and Allied Workers Union (LECAWU).

We were surprised to learn that at least one of the factories profiled in the SOMO/TURP study, Sun Textiles, was producing private label clothes for Zellers, which is owned by the Hudson's Bay Company. We also suspected that Zellers' Cherokee-brand

jeans were being made in two other Lesotho factories owned by Nien Hsing.

The report documented serious sweatshop abuses in the three factories, including poverty wages of US\$16 a week, excessive hours of work and forced overtime, verbal and physical abuse, locked emergency exits during working hours, and discrimination and firings of union members.

In October 2001, the Ethical Trading Action Group (ETAG) presented information from the report to officials of the Hudson's Bay Company. They promised to investigate the situation and report back to ETAG.

After waiting two months for a report back, ETAG decided to commission TURP to carry out a follow-up study to confirm that violations were still taking place at the three factories and that Zellers'

Cherokee jeans were being made at the two Nien Hsing factories.

### Campaign Launched

In February 2002, ETAG received a letter from the HBC acknowledging that a factory audit had been carried out at Sun Textiles and hinting that they were no longer buying from the factory, but giving no information on the audit results or what actions they had taken.


ETAG immediately released the new TURP report and launched a letter-writing and store leafleting campaign to persuade the HBC to stay in the factories and work with its suppliers to eliminate the abuses.

In Europe, the Clean Clothes Campaign posted the report on its website and sent out action alerts to its contacts around the world, requesting protest letters to the HBC. In

**Above:**  
*LECAWU mass meeting.*

**Below:**  
*Daniel Maraisani holds up jeans made in Lesotho.*

# CAMPAIGN = Worker Victory



the US, UNITE used the report as part of its ongoing campaign targeting Gap, which was also sourcing from the two Nien Hsing factories.

MSN also contacted Gap, urging them to pressure Nien Hsing to clean up its act. Unlike the HBC, Gap lived up to its promises and reported regularly to MSN on progress in its talks with its supplier.

## Workers Protest

In March, workers at C&Y Garments, one of the two Nien Hsing factories, staged a work stoppage to protest management's failure to resolve several grievances. During a protest inside the factory a manager stabbed a woman worker with scissors.

In May, LECAWU General Secretary Daniel Maraisane travelled to North America at the invitation of UNITE. In the US, Maraisane told the workers' story to protestors and shareholders at Gap's annual meeting. In Toronto, he marched with ETAG members to the Hudson's Bay headquarters where he demanded and got a meeting with company executives.

On May 22, while UNITE

and MSN picketed outside the HBC annual shareholder meeting in Toronto, the campaign received a huge boost when 37% of the shareholder votes were cast in favour of a resolution demanding more transparent reporting on the HBC's labour practices.

## Union Recognized

In July, the General Secretary of the Africa section of the International Textile, Garment and Leather Workers' Federation (ITGLWF-Africa) visited Lesotho to support worker organizing at the two Nien Hsing factories. Meanwhile, in Montreal hundreds of UNITE members marched through the Hudson's Bay store and protested outside the Gap, demonstrating their support for their Lesotho brothers and sisters.

On July 16, after talks involving LECAWU, the ITGLWF-Africa and Nien Hsing, LECAWU and the company signed a Memorandum of Understanding, including a company pledge to recognize the union once it had signed up over 50% of the workers. On December 5, the two parties signed an addendum to that agreement, recognizing the union at both factories.

The signing of that agreement was the culmination of months of in-plant organizing by workers, campaigning by Northern support groups, and dialogue involving international labour organizations, Nien Hsing and Gap.

## Interview with Jabu Ngcobo, ITGLWF-Africa

In this interview, which originally appeared in an ITGLWF-Africa organizing booklet, ITGLWF-Africa General Secretary Jabu Ngcobo discusses why the Nien Hsing campaign was successful.

There are many reasons for the successes and most of them are interlinked, but I think the first reason would be the union on the ground. Without this first and critical level of organization it would have taken far longer to develop campaigns about abuses or even come to know about them.

The union showed a lot of courage even when harassment of officials took place and employers continuously refused to adhere to the law.

The second important factor was international pressure, as these companies do become intimidated when their consumer markets are targeted. Campaigning organizations, such as the Clean Clothes Campaign (CCC) and the Ethical Trading Action Group (ETAG), along with unions such as UNITE, need to be commended for their efforts.

Another strength was basing the campaign around facts and the use of research in establishing these facts. Having regional solidarity coordinated through the ITGLWF-Africa was also useful.

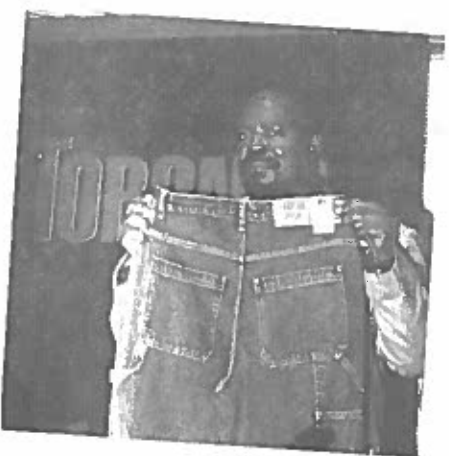
Finally, I think there was a success because the strategy was focused at a number of different levels targeting different key actors. The first level is plant workers who play a key role in organizing themselves and bringing issues to the union's attention, as well as developing a union presence on the shop floor.

Then the union plays a key role at a sectoral as well as a national level, coordinating workers efforts and putting issues into the public debate, for example through media campaigns.

Next is the subregional level, in other words the Southern African Development Community (SADC), where the ITGLWF-Africa office was able to coordinate efforts between different unions in different countries, and was also able to assist in developing capacity within unions in different countries.

The research across countries was also an important aspect of the success, in that it highlighted many similarities, but also because it provided useful information that could be used to strategize an approach to certain employers.

Lastly, the international solidarity networks, such as the Clean Clothes Campaign, ETAG, the AFL-CIO Solidarity Center, and UNITE, were very valuable to build pressure on employers, particularly Nien Hsing.



# news & notes

## Bed and Bath workers win partial compensation

On January 30, garment workers of the Bed and Bath factory ended their three-month long picket outside the Thai Ministry of Labour. The workers had maintained a 24-



hour picket ever since their factory closed unexpectedly in late October. The owners of the factory vanished without giving their employees any warning, and owing them a total of US\$400,000 (16 million baht) in back wages and compensation.

The Bed and Bath factory supplied several major US brands including Nike, Reebok, adidas-Salomon and Levi Strauss & Co. An international campaign was mounted, calling on these client companies to ensure workers received what they were legally entitled to under Thai labour law - their outstanding wages, and severance pay based on their

years of seniority.

All 171 remaining workers have decided to accept partial compensation from the Ministry of Labour, and plan to pursue their employer for additional compensation through the courts.

The international solidarity campaign involved MSN, the Clean Clothes Campaign, AFL-CIO, Campaign for Labor Rights, ITGLWF and the Nike Watch Campaign. On January 31, Bed and Bath workers sent a victory message to their international supporters, thanking everyone who wrote letters and participated in this important campaign.

## Hamilton Catholic Board adopts uniforms policy

On December 17, students and teachers in Hamilton, Ontario scored the first major victory in the No Sweat schools campaign. Trustees in the Hamilton-Wentworth Catholic District School Board approved a "Sweatshop Free Purchasing Policy" for all school uniforms and athletic uniforms.

Under the policy, suppliers must ensure clothing for the board is manufactured in accordance with ILO conventions, and must open their facilities to third-party monitoring at the board's request.

However, the clause on the public disclosure of factory locations is weaker than in other No Sweat policies. Under the current provision, students and teachers will have to pressure the board and their school principals to make this information available to the public.

The No Sweat schools campaign in Hamilton was launched as a World Youth Day initiative involving students, teachers and parents, and was supported by MSN, Development and Peace and the Catholic Youth Organization.

## No Sweat: auto town to the ivory tower

Canadian Autoworkers Union (CAW) members are lobbying the city of Windsor, Ontario, the heart of Canada's auto industry, to adopt a No Sweat policy for municipal government procurement. On February 17, Windsor city council supported their call and requested that city staff begin working with CAW members and other community activists on possible amendments to the city's purchasing policy.

In December, Trent University and Memorial University Newfoundland adopted anti-sweatshop purchasing policies, which will require collegiate apparel companies to publicly disclose factory locations and ensure workers' rights are respected in those facilities. Both victories were the result of two-year student campaigns, supported by MSN and Oxfam Canada.

## Mexican workers demand justice from Puma

Workers sewing for the German sportswear giant Puma in Puebla, Mexico are protesting serious labour rights abuses, including forced overtime, non-payment of wages, verbal abuse, unhealthy cafeteria food and the denial of their right to freedom of association.

On January 13, workers at the Matamoros Garment factory staged a one-day strike to protest their employer's

failure to provide one week's pay, plus their two-week December holiday bonus. They also decided to form their own independent union. On January 20, they filed papers for legal recognition of their independent union, SITEMAG, with the local labour board.

Officially, the workers are represented by a union affiliated to the CTM, a corrupt government-controlled union federation linked to Mexico's historical ruling party, the PRI. The CTM had entered into a "protection contract" with the factory owners in 1999, which essentially protects the owners from having a democratic union form and represent the workers' interests. The Matamoros Garment workers had never met representatives of the official union, nor had any of them seen the collective agreement.

In early February, three Puma officials were flown into Mexico to conduct an investigation into the workers' allegations. They met with the Worker Support Centre (CAT) in Puebla, which has been working with the workers at Matamoros for the past two years. CAT urged Puma officials to conduct off-site worker interviews with an independent witness present.

Instead, Puma conducted worker interviews on the factory premises and, according to CAT, video recordings of all the interviews were later seen in the hands of the factory director. Following its investigation, Puma was willing to concede that some workers were being paid less than the legal minimum wage, but denied all other allegations. On February 19, CAT published the findings of its own investiga-

tion that supplement and, in many areas, contradict Puma's findings.

In 2001, Puebla's garment industry captured worldwide attention when workers at the Kuk Dong (now Mex Mode) factory staged a similar strike. With international support, Mex Mode workers eventually succeeded in ousting the official union and winning the only worker-controlled garment union in the state.

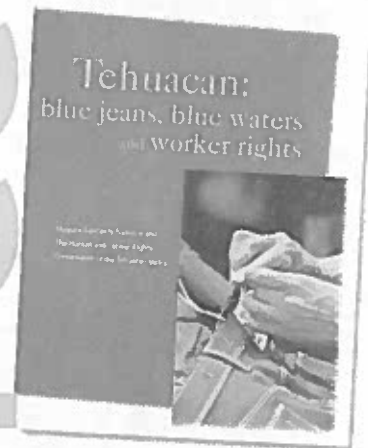


### Wal-Mart wins sweatshop vote

Close to 2,000 votes were cast in MSN's third annual online election for Sweatshop Retailer "People's Choice Award" for 2002. The undisputed winner was Wal-Mart, which collected 56% of votes.

Wal-Mart was recognized for union-busting practices in its North American stores as well as its contribution to the global sweatshop problem. Among Canadian voters, Disney and the Hudson's Bay Company tied for second place.

For complete voting results, visit: [www.maquilasolidarity.org](http://www.maquilasolidarity.org)



***Tehuacan: blue jeans, blue waters and worker rights.*** MSN and the Human and Labour Rights Commission of the Tehuacan Valley, Feb 2003, 59 pp. Contact: [info@maquilasolidarity.org](mailto:info@maquilasolidarity.org).

***What can your company do to ensure your products are made under humane conditions?*** Ethical Trading Action Group, 2003. Visit: [www.maquilasolidarity.org](http://www.maquilasolidarity.org)

***Making Sweatshops: the globalization of the U.S. apparel industry.*** By Ellen Israel Rosen, University of California Press, 2002. Contact: [www.ucpress.edu](http://www.ucpress.edu)

***Made in Southern Africa.*** Clean Clothes Campaign, 2002, 97 pp. Visit: [www.cleanclothes.org](http://www.cleanclothes.org)

***Moving Mountains: 25 years of perseverance.*** Committee of Asian Women, 2002. Contact: [caw@mozart.inet.co.th](mailto:caw@mozart.inet.co.th)

***Sweatships: what it's really like to work on board cruise ships.*** By Celia Mather, War on Want and the International Transport Workers' Federation, 2002. Visit: [www.waronwant.org](http://www.waronwant.org)



## Rock Against Sweatshops?



No Sweat campaigners pour out labels to deliver to Allan Rock in Ottawa

**O**n February 24, the Ethical Trading Action Group (ETAG) delivered tens of thousands of clothing labels and petitions signed by over 20,000 Canadians to the office of Industry Minister Allan Rock.

The label drop demonstrated broad public support across Canada for proposed changes in federal labelling regulations to require public disclosure of factory locations where clothes and other textile products are made.

Marilyn Reed, an Oxfam volunteer and retired school teacher from St. John's, Newfoundland, delivered labels collected by high school students, NGO volunteers and church members from across her province. Representatives from Oxfam, the Canadian Labour Congress and MSN added thousands of labels collected in other provinces.

Rock was not available to receive the labels and petitions, but officials from the Competition Bureau of Industry Canada accepted them on his behalf.

They promised that the Competition Bureau's report on ETAG's factory disclosure proposal and other policy options to address sweatshop abuses would be released on February 28.

For ETAG's assessment of the report, and suggested actions, visit [www.maquilasolidarity.org](http://www.maquilasolidarity.org).

## New abuses reported at Gildan

—continued from page 1—

drive. In Honduras, employers are not permitted to fire union members when they are in the process of seeking legal recognition of a union.

Informed of the November firings, bulk purchasers of Gildan T-shirts, including Oxfam Canada, Amnesty International and the Winnipeg Folk Festival, have written to Gildan urging the company to circulate a statement to its current employees and fired union members, reaffirming its commitment to freedom of association and offering to reinstate any fired union members who wish to return. The University of Toronto has also sent Gildan a letter questioning the firings.

Gildan is also under fire for backing away from earlier commitments to strengthen its code of conduct and achieve SA8000 certification of its offshore factories. In our December 2002 *Maquila Network Update* annual "Stop Sweatshops Review," MSN had recognized Gildan for taking two steps forward in committing to SA8000 external audits of its factories and to publicly disclose the audit reports. Gildan has since backed off those commitments. MSN received reports of the November firings shortly after the *Update* went to the printer.

Gildan is, however, in the process of achieving factory certifications under the Worldwide Responsible Apparel Production Certification Program (WRAP), an industry-controlled initiative with weak labour standards and little transparency.

At Gildan's February 6 annual shareholder meeting in Montreal, a representative of the ethical fund management firm, Real Assets, questioned Gildan CEO Greg Chamandy about the November firings and his company's waning commitment to SA8000 factory certification.

Chamandy denied any wrongdoing and pointed to an award Gildan had received one day earlier from the Canadian International Development Agency (CIDA) for "excellence in corporate social and ethical responsibility" in its Honduras operations, and for achieving WRAP certifications. The Ethical Trading Action Group and the Canadian Labour Congress have since written letters to CIDA criticizing the granting of the award to Gildan.

The Quebec Federation of Labour's Solidarity Fund, a major investor in Gildan, is calling for an independent investigation into Gildan's labour practices in Honduras.

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## La Senza and Jacob

—continued from page 3—

WRAP-certified factories. As we go to press, neither the union nor ETAG has received information as to whether or how WRAP will deal with the complaint.

According to Neil Kearney, General Secretary of the International Textile, Garment and Leather Workers Federation (ITGLWF), the WRAP code of conduct damages rather than upholds or enhances worker rights, because it undercuts the minimum labour standards of the International Labour Organization (ILO). Michael

Posner of the US Lawyers Committee for Human Rights has described WRAP as a "closed door" system because of its lack of transparency or independence.

MSN is calling on La Senza and Jacob to take immediate action to ensure that the Gina Form Bra Company complies with the Labour Relations Committee and National Human Rights Commission rulings, and urging them to not cut and run from the lingerie factory, but to work with their current supplier to end the harassment and intimidation of workers.