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Stephen Coats

\*Organizations listed for

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June 15, 1999

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Mr. Jon Rosenbaum Assistant U.S. Trade Representative **GSP Subcommittee** Office of the U.S. Trade Representative 600 17th St., N.W., Suite 518 Washington, DC 20506

Dear Jon:

The U.S./Labor Education in the Americas Project (US/LEAP) hereby submits a petition to the USTR on the basis of worker rights violations in Guatemala in accordance with Section 502(b)(7) of the Trade Act of 1974, as amended. The petition is submitted as required by the notice printed in the Federal Register.

Sincerely,

Stephen Coats

**Executive Director** 

# WORKER RIGHTS AND THE GENERALIZED SYSTEM OF PREFERENCES

## **GUATEMALA**

The U.S./LEAP Petition to the Office of the U.S. Trade Representative

June 15, 1999

#### 1999 GSP WORKER RIGHTS PETITION ON GUATEMALA

## I. INTRODUCTION

Earlier this year the Office of the U.S. Trade Representative decided not to accept for review a GSP worker rights petition filed by the AFL-CIO and a second one filed jointly by the U.S./Guatemala Labor Education Project (US/GLEP), the International Labor Rights Education Fund, the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers (IUE), and the United Electrical, Radio and Machine Workers of America (UE).

We respectfully disagreed with that decision. Moreover, we believe that over the past 12 months, Guatemala has once again not met the standard under the GSP program law requiring steps forward in respecting worker rights. We therefore request that USTR begin a new GSP worker rights review on Guatemala.

This 1999 petition is based on the lack of progress in areas identified consistently by petitioners and USTR alike as fundamental areas in which progress on worker rights should and can be measured. These areas formed the basis for the establishment of benchmarks in 1996 by USTR which were supported by petitioners.

We also submit new evidence of widespread denial of worker rights in the maquiladora sector and of efforts to criminalize labor unions and leaders that engage in legitimate labor activity.

#### II. REVIEW OF STRUCTURAL ISSUES IDENTIFIED IN BENCHMARKS

#### A. IMPUNITY

There has been no progress on impunity in the past year. It is still the case that not a single person has been convicted of a violent crime directed at workers because of their trade union activity. Victims report no progress in the last year on investigation or prosecution in any of the impunity cases that were cited during the course of the 1992-1997 review.

#### B. NO PROGRESS IN THE LABOR COURTS

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The Guatemalan labor court system continues to be dysfunctional and ineffectual. Benchmarks have previously identified the need to reduce the backlog of cases of a collective nature and the need to decentralize the court system.

Three years ago, the GOG announced it would establish new labor courts outside of Guatemala City able to handle cases of a collective nature. As reported to USTR in last year's petition, the GOG issued accords for the creation of eight new courts for the country's regional economic zones in April 1997. While some members of the tribunals were named and

authorized last year, business "vocales" (representatives) were either not named or never attended, thus blocking the courts from functioning. In April 1999, the Secretariat of the Supreme Court finally issued a directive that business representatives ("vocales") would be named by the court itself given the business sector's intransigence. These courts of Arbitration and Reconciliation have languished another year. The "new" courts have now been almost completely inoperative for two years.

While we have been unable to obtain a specific count of the number of collective cases that have been resolved in the past year and the number that remain pending, the failure of the new labor courts to be operational for most of the past two years would suggest that the backlog has continued to increase.

### C. NO PROGRESS IN EXECUTIVE BRANCH ADMINISTRATIVE REMEDIES

Until there is a functional judicial system, USTR, petitioners and even the GOG have agreed that there is a need to strengthen administrative remedies in enforcing Guatemalan labor law. However, there is no evidence of progress in this regard: the executive branch has not been granted new remedies and it has not used effectively the remedies it already has at its disposal.

The benchmark proposals for administrative remedies and their current status are:

- (1) Granting the Labor Ministry authority to impose sanctions on violators. The legislature has not provided the Labor Minister with any new authority to impose sanctions.
- (2) Export license denials. In the past year, the GOG did not use its authority to deny export licenses to worker rights violators.
- (3) Mediation. Guatemalan trade unionists have been unable to identify a single major case where the Labor Ministry has engaged in successful mediation. The most prominent illustration in the past year have been the banana conflicts, where mediation was initiated by the Human Rights Attorney General, not the Labor Minister. Regardless, the GOG's mediation effort was unsuccessful.

#### D. NO LABOR CODE REFORM

As noted above, the legislature has not granted new authority to the Labor Ministry to enforce the labor code. Nor has there been legislation to formalize intent of Article 380 requiring the reinstatement of workers illegally fired within 24 hours. Thus, neither of these two benchmarks have been met.

#### E. OTHER

(1) Denial of basic rights for public sector workers. Last year petitioners cited Decree 114-97, passed on November 13, 1997, that appeared to remove public sector workers and their

unions from the Labor Ministry's responsibility, thereby denying public sector workers the ability to have their unions obtain legal recognition or collective bargaining rights. Article 40, Paragraph D of this decree redefined the responsibilities of the Labor Ministry to include recognizing "the juridical personality and register labor unions and solidarity organizations of non-state workers and administrate all this is relative to the exercise of their labor rights."

On September 30, 1998, Decree 63-98 declared Decree 114-97 null and void. However, after Decree 114-97 was voided, the Labor Minister circulated an internal document to the labor inspection office in which he stated that the Labor Inspection Office and the labor inspectors should abstain from intervening in any issue related to a public sector union. This effectively leaves public sector workers without a government regulatory entity in which they can register their complaints, seek inspections or solicit mediation since there is no other entity to which they can appeal. The GOG continues its assault on the rights of public sector employees.

#### III. NEW EVIDENCE OF WORKER RIGHTS VIOLATIONS

### A. Violations in the Maquiladora Sector

US/LEAP released on June 15 an investigative report into working conditions of contractors in Guatemala's maquiladora sector that produce for Phillips-Van Heusen. This report is based on extensive interviews with over two dozen workers, conducted at four different contracting operations over the course of the past six months. Most interviews were conducted by Guatemalans, off-factory premises, during lunch breaks or after quitting time.

Workers from the following plants were interviewed: the Corporacion Mercantil del Caribe (CMC), located at Kilometer 16, Carreta a San Juan (Calzada San Juan); Cardiz, located at 10a Avenida 25-63, Zone 13, Guatemala City; Bluca, located at 7 Calle 28-37 Zona 4 Mixco, Finca El Naranjo, and Camisas Miltas Alpas near Antigua. Factory-by-factory summaries are contained in an attached appendix.

Workers reported extensive violations of Guatemalan labor law at every contractor interviewed. Labor law violations were reported with respect to the failure to provide legally-required benefits (e.g. severance, 14th month and Christmas bonus), failure to provide access to medical care, involuntary overtime, unpaid overtime, minors, and involuntary overnight shifts. Specific findings include:

1. Excessive hours. The legal work week is 44 hours. But most workers interviewed described having to work much longer hours to meet their production quota, working from 7 a.m. to 6 p.m. or later Monday through Friday, with a long-half day on Saturday of 7 a.m. to 1 p.m. or 2 p.m., for work weeks of 56-57 hours, excluding overnights.

<sup>&</sup>lt;sup>1</sup>While workers at Camisas Miltas Alpas reported similar conditions: mandatory overtime, poverty-level wages, minors, etc, interviews from workers at this plant are not incorporated into this report because workers said that the factory had had a temporary suspension of Van Heusen label work.

MASTD

2. Involuntary and Unpaid Overtime. According to Guatemalan labor law, overtime must be voluntary and compensated at the rate of time-and-a-half for anything over 44 hours a week or 8 hours during the day, based on the average earnings per hour of the payroll period (including piece rate pay). However, one of the most consistent complaints of workers was the failure to pay overtime and the necessity of having to work overtime. Workers are required to stay extra hours to meet production goals in order to earn anything more than the legal minimum wage. Consistent failure to meet high production goals not only results in lower wages but dismissal. At one factory, Bluca, workers were recently told by management that overtime is voluntary but production goals are set too high to be completed during regular work hours.

"On some occasions I've needed to leave after working eight hours but they haven't let me. Management has told me that extra hours are obligatory. I've also seen that the overtime is not compensated, because the salary is the same, overtime or not. . . . Other workers are treated just as badly as I am. People must work overtime no matter how far away they live or no matter where the busses leave them off at night or what time the busses stop running. In my case, for example, the last bus leaves at 7:00 P.M. and I must walk very far from the bus stop to my home."

--- CMC worker

- 3. Involuntary overnights. Mandatory overnights are illegal under Guatemalan labor law. All overtime is voluntary and workers are not allowed to work consecutive day and night shifts. In two factories, Cardiz and CMC, workers reported mandatory overnights during rush periods. For example, workers at Cardiz reported that earlier this year they had been required to work overnight shifts a couple times a week, working first a regular shift from 7 a.m. to 4 p.m., then resuming work at 7 p.m. and working until 5 a.m. or 6 a.m. before doing another day shift from 7 a.m. to 4 p.m.
- 4. Illegal denial of health care and benefits. According to Guatemalan law, employers are required to deduct payments from salaries for IGSS, the Guatemalan national health and social security system. Employees are to be given IGSS identification cards which are required in order to visit IGSS hospitals and doctors. However, a recurrent complaint of workers interviewed is that employers make the deduction but then refuse to issue IGSS identification cards for months or even years. Those who decide to use other health care providers not only have to pay for the care, but their paychecks are docked for lost time. And those who have been given IGSS cards are refused permission to go to IGSS.

"Management deducts Q20 [equivalent to about \$3] from my salary [every two weeks] to A pay for IGSS, but I've worked at CMC for several years and they've never given me an IGSS card even though I've asked for it several times. Without the card, I can't go for a consultation or register at IGSS. They always say that I've got to wait until there's a big enough group so that they can send the application with all the names. Management seems to prefer that we not know that we're entitled to this benefit. Besides this, management denies us the permission slips that we need too to IGSS. One day I asked for permission so that I could get my IGSS card but my supervisor refused. Worse, he told me that if I went without permission at noon they would dock my pay for the entire

CAM3

Age 2

day plus the 7th-day bonus [i.e. the equivalent of two days pay]."

--- CMC worker

"When we ask for a certificate to be able to go to IGSS they refuse to provide it. They say they don't have any. Many people are sick and have to continue working without medical care."

Cardiz worker

"A worker who suffered a work-related injury says it took her nearly two days to persuade management to let her go to IGSS. IGSS then told her to take off work for several weeks. Upon her return, she was assigned to a new, lower-paying job. The worker believes she's being punished for having used the medical services to which she is legally-entitled."

Cardiz worker interview summary

5. Legal Benefits Denied. According to Guatemalan law, workers are entitled to a Christmas bonus and a "14th month" bonus equivalent to a month's salary, severance pay equivalent to one month's wages for each year worked, and a two week vacation with pay. But workers at all three contractors reported that severance pay was not provided in accordance with the law, that Christmas bonuses were not paid in full or paid late, and that the 14th month bonus was usually paid at half the legal rate. Workers at Cardiz report that last year's Christmas bonus was paid late and paid only after a work stoppage in February.

"Since I started working at CMC [over three years] they've never given me vacation. And we've had to hold work stoppages to force them to let us take off on the official holidays."

--- CMC worker

"We've always had problems getting them to pay us Bono 14 [14th month bonus]."

— CMC worker

6. Minors. According to Guatemalan labor law, youth under the age of 16 are prohibited from working in the maquiladora sector, unless they have the permission of both their parents and the Labor Minister. Employment of minors was cited at two factories but whether or not they had the requisite permission is not known. But based on the fact that workers reported that efforts were made to hide minors when "foreigners" visited, it's probable that the minors were employed in violation of the law.

"There are about 800 of us working in this factory. All age groups are present, including minors under 16 years of age. The majority are women. On my line there was a young woman who quit who was underage. They only paid her Q300 [about \$40, in severance]."

--- CMC worker

"Six underage workers who worked in packing and ironing quit because of the conditions."

#### — CMC worker

7. Right to organize and freedom of speech denied. According to Guatemalan law, employers must respect freedom of association and the right to organize and cannot fire or discriminate against workers who seek to exercise these rights. However, workers interviewed at two plants reported that workers who protested the failure of the employer to provide legally-required benefits were fired. In addition, workers reported threats by supervisors and owners to fire workers who engaged in union activity. For example, when workers organized a work stoppage at Cardiz to demand payment of the overdue Christmas bonus in February, the owner showed up at the factory and reportedly threatened to fire all the workers. Several workers were indeed fired shortly after the work stoppage, including one of the two women who had served as spokespersons on this issue.

"In 1997 we held a work stoppage to force them to pay us this bonus, but they fired several of the work stoppage organizers.

— CMC worker

"Jaime Monroy was a supervisor at Camisas Modernas [the closed PVH plant] but he now works at Cardiz. He always gives threatening messages to the ex-Camisas Modernas workers who now work at Cardiz. He tells us that our names are going to appear in a black list and that we'll never find work anywhere else due to our participation in the Camisas Modernas union, and that only in Cardiz will we find work. During the week of January 20 to 25, they sent a circular around the plant which said that we shouldn't pay any attention to the Stecamosa [the PVH union] workers, that they were just rabble rousers and that Carlos Arias [the owner] would never negotiate with them."

- ex-Camisas Modernas worker now at Cardiz

"What's happening now is that they're watching over us closely, and we suspect that the company has hired people just for that role. They called all the workers off the line to the office during the week of [April] 12th to the 17th to tell us that management had gone to the General Labor Inspection in order to file complaints against the workers for bad production quality and for supposedly robbing clothing. The idea being that if we wanted to complain to Labor Inspection, it would be useless since they wouldn't listen to us."

#### --- CMC worker

8. The Case of Camisas Modernas. In December, 1998, the only maquiladora in Guatemala with a collective bargaining agreement was abruptly shut down by Phillips-Van Heusen. The failure of PVH to provide any advance notice of the closing violated the union's contract and therefore Guatemalan labor law, according to the union's legal representatives. The case is currently pending before the Supreme Court.

The closing of Camisas Modernas must be seen in context. The GSP worker rights reviews of 1991 and 1992 were instrumental in persuading the Guatemalan government to grant legal recognition to the PVH union in August, 1992, the first maquila union legally recognized in six years. An international campaign that culminated in a Human Rights Watch investigation that determined that the workers had met the legal threshold obligating management to negotiate finally led to the collective bargaining agreement in 1997. At the time, the head of Guatemala's maquiladora sector, VESTEX, was quoted as saying that the factory would close in a year and production transferred to contractors. His prediction was correct: PVH has closed the union plant and is concentrating production at non-union sweatshops that workers report are characterized by extensive violations of Guatemalan labor law. Under the circumstances, the closing of Camisas Modernas can only be interpreted as a denial of the right of workers to collective bargaining.

# B. Criminalization of Labor Disputes

Labor experts in Guatemala report that it has become common practice to accuse labor leaders and activist-workers who are involved in organizing efforts or other labor conflicts of criminal activities. Employers take advantage of the corruption and ability of the justice system to be manipulated to open criminal cases against workers. This diverts the issue away from the labor conflict and converts the target of the labor case into a victim of a supposed criminal activity.

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A prime example is the criminalization of SITRABI, the largest private sector union in the country, which represents banana workers and is an affiliate of the International Union of Foodworkers and of CUSG. During the process of supporting workers from the Mopa and Panorama banana plantations who wished to organize unions, Mr. Enrique Villeda, a member of the SITRABI executive committee, was accused of coercion and inciting an illegal strike on February 20, 1998. However, he was in Germany at a meeting of banana union representatives on that date. He presented evidence of his trip, including certification of immigration documents, certification of his travel with the airlines, and certified statements by those present at the meetings in Germany. He presented this evidence to request that he be absolved of the accusation, but instead he was detained in the courts, fined more than \$3,000, and his case was sent to trial. As of May 1999, his case had still not been heard and Mr. Villeda continues to be limited in his rights as a citizen as a consequence (e.g. he has to report to the police on a weekly basis and he cannot travel outside of Guatemala).

Twelve other members of SITRABI are also accused of criminal acts supposedly committed on the Mopa and Panorama plantations. SITRABI has paid a total of \$16,000 in fines for accusations against its Executive Board members. While all of the cases have gone to trial, none of them has been settled.

# COMPARATIVE CHART BETWEEN CAMISAS MODERNAS AND PVH CONTRACTORS

	PVH Owned Union Shop (Camosas)	PVH Contractor Sweat shop (CMC)	PVH Contractor Sweat shop (Cardiz)	PVH Contractor Sweat shop (Bluca)
Wages: <sup>2</sup>				
Typical daily range Overtime rate fully paid: Absence of punitive fines:	\$8.69-\$9.66 Yes Yes	\$3.36-\$5.17 No* No	\$2.60-\$6.72 No* No	\$3.62-\$5.17 No* No
Hours:				
Normal Weekly <sup>3</sup> No Overnight shifts: OT not mandatory	44 Yes Yes	57 No* No*	56 No* No*	50-60 Yes No*
Health and Safety				
Sanitation: # of workers per bathroo Adequate potable water On-site medical care Hospital visits un-penalize Protective gear provided Adequate Ventilation	Yes Yes	90* No No No* No No No	66* No No No* No	N.A. No N.A. No* No
Legal Benefits Fully Provi	ided	•		
Christmas bonus Annual bonus (14 <sup>th</sup> ) Severance pay	Yes Yes Ye	No* No* es No*	Paid late No* No*	No* No* No*
Absence of reports of physical abuse	Yes	No*	Yes	Yes
Absence of reports of illegal firings	Yes	No*	No*	Yes

<sup>\*</sup>Illegal under Guatemalan labor law

<sup>&</sup>lt;sup>2</sup>Using exchange rate of Q6.9 per US \$1.

<sup>&</sup>lt;sup>3</sup>Excludes breaks for lunch and rest; excludes periodic overnight work at CMC and Cardiz.

# MAQUILA FACTORY SUMMARIES OF INTERVIEWS

Corporacion Mercantil del Caribe, S.A. (CMC).

Ownership:

Mr. Long Han Chong

Size:

1,000 workers

PVH Relationship:

Current PVH labels:

Van Heusen, Geoffrey Beene, Etienne Aigner

Since CM closing:

Shortly after Camisas Modernas closed, workers say that CMC significantly increased its PVH production, going from 3,000 shirts per day to 5,000 shirts per day. Workers interviewed say that while the Van Heusen and Geoffrey Beene labels have always been sewn at the factory, in recent months these two labels have represented the majority of the factory's work. Hired Roxana de Nelson., a production supervisor from Camisas Modernas.

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Wages:

Operators earn an average of \$33 to \$36 per week with overtime, \$21 without; assistants earn between \$23.55 to \$33 a week with

overtime

Hours:

Regular work hours are from 7 a.m. to 6 p.m. Monday through Friday and 7 a.m. to 2 p.m. on Saturday. But workers interviewed

say it is common for workers to stay until 8 p.m. to meet

production.

Overtime:

Overtime is mandatory and is not paid in accordance with the law,

according to workers interviewed.

Overnights:

Required of packing and cutting sections, according to workers

interviewed.

Minors:

Workers interviewed report that minors less than 17 years of age

are employed.

Payment of legal benefits:

Severance pay

Not paid in accordance with the law. Severance pay reportedly is limited to two weeks salary, regardless of how long a worker is employed, in violation of Guatemalan law that requires employers to pay a month of severance for every year employed. Workers say that supervisors keep a book listing all mistakes ever made by a worker and that these "mistakes" are then deducted from severance pay.

Annual bonuses

Not paid in accordance with the law. Annual bonuses are underpaid, reportedly at less than half of what is required by law

Christmas bonus

Not paid in accordance with the law.

Health and Safety:

Drinking water

One large water jug is allotted to 35 workers. This supply usually runs out and the jug is refilled with tap water.

Bathrooms

Eleven. Described as very dirty.

Ventilation

Four ventilators were recently installed but workers say the heat is still stifling.

Protective gear

Not provided.

On-site medical care

There is no doctor, no nurse and no first-aid station.

Hospital visits

Workers who have to go to the hospital or doctor lose two days

pay.

Social Security cards

Workers say that \$2.50 to \$3.00 is deducted each two-week pay period for IGSS (the Guatemalan national health and social security system) but they are not given IGSS identification cards

which are needed in order to use the system.

Other

Physical abuse

There are reports of occasional hitting of workers.

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Local transport costs:

Some workers commute up to four hours a day, paying \$1.66 a day or the equivalent of 25% to 30% of daily earnings.

Cash payments

Workers say they are paid in cash.

Other costs

Workers must pay for their own tools: \$3 for scissors and \$6 for

bobbins.

Illegal firings

Workers report that a woman was fired three months ago when a supervisor, looking at her, asked if she was pregnant and she didn't

deny it.

B. Cardiz, S.A.

Ownership:

Carlos Arias Maselli

Size:

800-1,000 workers

PVH Relationship:

Current PVH labels:

Van Heusen

Since CM closing:

Dress shirts increased from 350 dozen per day to 600 dozen per day, workers say. Former PVH supervisors reportedly hired.

Wages:

Workers say operators earn between \$29 and \$47 per week with overtime, as little as \$20 without; assistants reportedly earn between \$18 and \$36 per week with overtime.

Hours:

Regular work hours are from 7 a.m. to 6 p.m. Monday through Friday and 7 a.m. until 1 p.m. or 2 p.m. on Saturday. Workers have 30 minutes for lunch and two 15-minute breaks during the day but one worker interviewed said it was common to work through breaks in order to make the production quota.

Overtime:

Overtime is mandatory and is not paid in accordance with the law, according to workers interviewed.

Overnights:

Workers (except for those with seniority) were required to work overnight shifts once or twice per week earlier this, said those interviewed. Overnight shifts mean working 30 hours in a 48 hour period. The women have a 2-3 hour dinner break the first day and a 2-3 hour break early the next morning. They lie on the floor beside their sewing machines to catch a few hours of sleep before the regular shift beginning at 7:00 a.m. Hours for an overnight shift were reported as follows:

- o 9 hours from 7:00 a.m. to 4:00 p.m.
- o 10 hours from 7:00 p.m. to 5:00 or 6:00 a.m.
- o 11 hours from 7:00 a.m. to 6:00 p.m. the following day.

Minors:

None reported

Payment of legal benefits:

Severance pay

Not paid in accordance with law. Fired workers are told to come back in three months in order to collect severance pay, but workers interviewed report that such benefits are never paid. Some workers commented that it's better not to try to collect because one could spend a year waiting outside the factory without getting anything.

Annual bonuses:

Not paid in accordance with the law, say workers interviewed.

Christmas bonus

Paid this year only after workers protested.

Health and Safety

Drinking water

Jugs of purified water are provided but workers are suspicious that

the water may just be tap water.

**Bathrooms** 

Twelve bathrooms, locked. Described as unhygienic.

Ventilation

Described as insufficient.

Protective gear

Not provided.

On-site medical care

Not provided.

Hospital visits

Permission to go to the hospital is routinely denied, workers say.

Social Security cards

While IGSS is deducted from a worker's pay from the first day, the IGSS identification card is provided only after a worker has been

employed for three months.

Right to organize:

Workers interviewed said (a) those who have tried to organize a union have always been fired and (b) supervisors have recently been cautioning workers against forming or even speaking about a union or making other demands. Workers say they were fired recently for questioning non-payment of benefits in February,

1999.

Other

Physical abuse

None reported

Punitive deductions:

If a worker arrives five minutes late, s/he is docked an hour's pay or his/her bonus status, worth \$4.34 to \$9.56 per week. Time taken to get drinking water or go to the bathroom is deducted.

Local transport costs:

Bus service provided at cost of about \$3 per week.

Food costs:

Workers who buy lunch at the factory concession pay about \$1.25 per day, between a third and a quarter of what workers make.

Bluca, S.A. C.

Case 10

Ownership:

Se Hyena Oh and See Han Ann

Size:

500 workers

PVH Relationship:

Current PVH labels:

Van Heusen, Manhattan, and John Henry

After PVH closing:

In February, management convened a meeting of the workers who were told to sign a document stipulating that they were in agreement with a new schedule change. The supervisors said that this recommendation was made by

Van Heusen.

Wages:

Operators earn an average of \$33 to \$36 per week; assistants earn

between \$25 to \$29 a week, say workers.

Hours:

Regular work hours are from 7:00 a.m. to 5:00 p.m. Monday through Friday and 7 a.m to noon on Saturday. However, workers interviewed say it has been common for workers to stay until 8

p.m. to meet production.

Overtime:

Overtime is mandatory and is not paid in accordance with the law,

according to workers interviewed.

Minors:

Workers interviewed report that minors less than 17 years of age

are employed.

#### Payment of legal benefits:

Severance pay

Not paid in accordance with the law. Most workers don't get severance because most workers quit. According to interviewees, when the company wants a worker to quit, they give her or him increasingly difficult work and treat them poorly.

Annual bonuses

Not paid in accordance with the law. Annual bonuses are underpaid, reportedly at about half of what is required by law

Christmas bonus

Not paid in accordance with the law, according to workers

interviewed.

#### Health and Safety:

Bathrooms

Described as inadequate.

Hospital visits

Not permitted to go to IGSS; workers are penalized if they take a day to go to private doctor by being docked the equivalent of two

days wages (about \$12).

Social Security cards

Routinely denied

Other (

Physical abuse

There are several reports of occasional physical abuse.

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Local transport:

Inadequate: only one bus, and it can't transport all the workers. The factory is located in a remote and dangerous neighborhood.

Punitive fines

Docked an hour's pay for being five minutes late.

Dining area

Only a small area in the factory so most workers must eat in the

street.

Ventilation

Poor.