

## Strike Related Articles

*All Posts: 2006-2008*

- **Is Wal-Mart Good for Asia?** Article excerpt from **The Rushford Report Archives**, January 6, 2008 *page 3-8*
  - **Eight US apparel companies and retail giant signed follow up letter and expressed their concern anew on recent violent attacks of strikers at Chong Won Fashion, Inc. in CEPZ**, August 11, 2007 , *page 9-10*
  - **WAC Condemns on-going and continued violence and attacks of unions**, August 10, 2007, *page 11*
  - **Strikers at Wal-Mart supplier attacked anew for a two million contract price**, June 12, 2007, *page 12-14*
  - **Wal-Mart's decision to pull out order self-serving, betrayal to own ethics** , March 31, 2007 *page 15-17*
  - **Workers elated to letters from abroad, but ask to do more**, March 31, 2007, *page 18-20*
  - **HUMAN FACE: Workers' rights and garment labels** , Posted by the **Worker's Assistance Center, Inc. (WAC)**, November 23, 2006, *page 20-22*
  - **Wal-Mart still equally accountable; gross labor rights violation on**, November 18, 2006, *page 23-25*
  - **Workers Charged PEZA Director General, Three Others For Rights Violation**, October 24, 2006, *page 26-27*
  - **Eight Workers Illegally Arrested and Falsely Charged**, September 30, 2006, *page 28-29*
  - **Violent dispersal injures 35 workers in one day; two seriously**, September 29, 2006, *page 30-31*
  - **Korean factory hostage worker's rights for bankruptcy**, August 26, 2006, *page 32-33*
  - **Workers warns factory may abscond after filing insolvency**, May 14, 2006, *page 34-35*
  - **Korean employer charged for non-remittance of benefits**, April 23, 2006, *page 36-38*
  - **Korean employer exploiting workers' dire need in Cavite**, March 19, 2006, *page 38-39*
-

*Chong- Won and Phils Jeon Strikers related Posts:*

- **Is Wal-Mart Good for Asia?** Article excerpt from **The Rushford Report Archives**, January 6, 2008 *page 3-8*
- **Eight US apparel companies and retail giant signed follow up letter and expressed their concern anew on recent violent attacks of strikers at Chong Won Fashion, Inc. in CEPZ**, August 11, 2007 , *page 9-10*
- **WAC Condemns on-going and continued violence and attacks of unions**, August 10, 2007, *page 11*
- **Strikers at Wal-Mart supplier attacked anew for a two million contract price**, June 12, 2007, *page 12-14*
- **Wal-Mart's decision to pull out order self-serving, betrayal to own ethics** , March 31, 2007 *page 15-17*
- **Workers elated to letters from abroad, but ask to do more**, March 31, 2007, *page 18-20*
- **HUMAN FACE: Workers' rights and garment labels** , Posted by the **Worker's Assistance Center, Inc. (WAC)**, November 23, 2006, *page 20-22*
- **Wal-Mart still equally accountable; gross labor rights violation on**, November 18, 2006, *page 23-25*
- **Workers Charged PEZA Director General, Three Others For Rights Violation**, October 24, 2006, *page 26-27*
- **Eight Workers Illegally Arrested and Falsely Charged**, September 30, 2006, *page 28-29*
- **Violent dispersal injures 35 workers in one day; two seriously**, September 29, 2006, *page 30-31*
- **Korean factory hostage worker's rights for bankruptcy**, August 26, 2006, *page 32-33*

*Wal-Mart Related Posts:*

- **Is Wal-Mart Good for Asia?** Article excerpt from **The Rushford Report Archives**, January 6, 2008 *page 3-8*
- **Strikers at Wal-Mart supplier attacked anew for a two million contract price**, June 12, 2007, *page 12-14*
- **Workers elated to letters from abroad, but ask to do more**, March 31, 2007, *page 18-20*
- **Wal-Mart still equally accountable; gross labor rights violation on**, November 18, 2006, *page 23-25*

*SP Ventures Workers Related Posts:*

- **Eight Workers Illegally Arrested and Falsely Charged**, September 30, 2006, *page 28-29*
- **Workers warns factory may abscond after filing insolvency**, May 14, 2006, *page 34-35*
- **Korean employer charged for non-remittance of benefits**, April 23, 2006, *page 36-37*
- **Korean employer exploiting workers' dire need in Cavite**, March 19, 2006, *page 38-39*



[2008 – 01/26]

January 6, 2008

## Is Wal-Mart Good for Asia?

*Article excerpt from The Rushford Report Archives*

**Talk about big. Wal-Mart Stores Inc., headquartered in rural Bentonville, Arkansas (population 29,000), is the world's largest corporation, with annual revenues approaching the \$350 billion range. Wal-Mart's revenues are larger than the combined GDPs of Hong Kong and Malaysia. Wal-Mart imported about \$27 billion in merchandise from China last year—about the same as did Singapore. What began 45 years ago when hillbilly entrepreneur Sam Walton launched a no-frills mom-and-pop discount store in a remote corner of the American South, now is a corporate empire that spans the globe. In the United States, Wal-Mart directly employs a workforce of about 1.4 million so-called “associates” who work in 4,000-plus Spartan big-box stores.**

Another 550,000-plus workers are found in 3,010 Wal-Mart-owned international outlets that serve some 49 million customers from São Paulo to Shenzhen, the site of one of 192 retail outlets in 34 Chinese cities. Wal-Mart also controls 394 Seiyu discount stores throughout Japan and is planning to move into India in 2008. The world has never seen a corporation quite like the hardscrabble beast from Bentonville—which has a passion for secrecy that is almost cult-like, and is so famously pennywise that it boasts that its executives fly economy and share hotel rooms when traveling.

As any casual reader of newspapers would know, opinions differ greatly as to whether that beast has economic beauty. There's a sort of yin and yang as one begins to sort out the criticisms. The contradictions begin with those decidedly downscale big-box stores, which are to beauty what Josef Stalin was to architecture. Wal-Mart is the economic and cultural opposite of ritzy retail outlets such as Japan's Mitsukoshi, where wealthier shoppers along the Ginza don't mind paying extra for frills like those unnecessary-if-charming female employees who bow courteously to shoppers as they step into elevators. To some on the conservative end of the economic spectrum, Wal-Mart is an inspiring entrepreneurial success story, its ruthless price-cutting a model of Adam Smith's beneficent invisible hand. To liberal champions of the poor, Wal-Mart personifies the wonders of a global marketplace that delivers low-priced goods to grateful consumers who will never see the insides of a Shanghai Tang or Mitsukoshi. But to others who consider themselves liberals, Wal-Mart is an arrogant, union-busting

employer that refuses to pay its own employees, many of whom don't even have health insurance, decent wages.

Still other critics accuse Wal-Mart of exploiting hundreds of thousands of anonymous poor workers who work in the sweatshops in some of the poorer parts of the world—especially Asian countries like China, Bangladesh and the Philippines—that churn out all those cheap toys, clothing and so forth. To some of the corporation's more energetic cyber critics who inhabit the blogosphere, Wal-Mart is a hated capitalistic "Satan." Beyond the fringes, the growing chorus of Wal-Mart sentiments have now reached the mainstream of American politics, where anti-globalism sentiments are on the rise: all seven Democratic aspirants to the U.S. presidency are currently busy wooing union audiences by running against Wal-Mart and the globalization it stands for.

So how to sort out the "truth"?

### **The Truth About Wal-Mart**

Perhaps it is a loose combination of "all of the above." While Wal-Mart is certainly not satanic, neither is it—or any "soulless" corporate behemoth that is designed to keep its greedy eyes on the bottom line, for that matter—always saintly. For instance, after years of foot-dragging and denials, Wal-Mart has recently been praised by critics like Andrew Stern, the president of the Service Employees International Union, for taking steps to provide health insurance to more of its employees—yet less than half of the corporation's U.S. work force is covered. Is this glass half full, or half empty?

Wal-Mart is often accused of exercising what antitrust theorists call "monopsony" purchasing power, squeezing its suppliers for ever-lower prices until they go out of business. The blogosphere is full of accusations, for example, that Wal-Mart's relentless cost-cutting pressures in the late 1990s eventually drove Vlasic Pickles into bankruptcy. Yet that story doesn't check out. As recounted in author Charles Fishman's *The Wal-Mart Effect*, an often-critical history that detailed Wal-Mart's rise from mom and pop to an economic superpower, Vlasic was indeed pressured mercilessly to cut its prices for gallon jars of pickles, to the extent that profits were barely a penny a jar. But Mr. Fishman added that when Vlasic went into Chapter 11 bankruptcy proceedings in 2001, its dealings with Wal-Mart were not "by any reason, the cause." Today, Vlasic, out of bankruptcy, is part of a food conglomerate that is owned by the Blackstone private-equity group—and Vlasic pickles are still on Wal-Mart's shelves, where they compete with other brands, some of which are priced even lower.

Indeed, Wal-Mart's aisles are filled with products made by corporate giants, including famous brands like Pfizer's Listerine, Kellogg's Special K cereal, Procter & Gamble Co.'s Crest toothpaste, Johnson's Baby Lotion, Gillette Razors and Bayer vitamins. Consumers should be delighted that Wal-Mart is on their side, squeezing the big players in a competitive marketplace, turning profits by offering lower prices to consumers. If it is true that hard-nosed capitalistic competition, viewed up close, is never pretty, it is also true that the end result can serve an economic public good.

Another sign of a highly competitive marketplace working as it should is in the flat-panel, state-of-the-art televisions that Wal-Mart offers at extremely low prices. On Nov. 23, the famous annual “Black Friday” day of incredible sales after America’s Thanksgiving holiday—so named because of the profits generated by sales—Wal-Mart offered a Polaroid 32-inch liquid crystal display flat-panel television for \$448 (at least a \$100 discount), and a 42-inch Polaroid for \$798 (a whopping \$400 discount). Both televisions were made in China. Eager shoppers were standing in lines at 5:00 a.m. to snap up the bargains.

The story of those Wal-Mart televisions has some politics. In 2003, a small U.S. company based in Greeneville, Tennessee named Five Rivers Electronic Innovations LLC brought an antidumping case that targeted television sets that were being imported from China and Malaysia by Wal-Mart. It wasn’t difficult to see the economic flaws in the case. Five Rivers actually made cabinets, and was buying its color picture tubes, printed circuit boards and other electronic components from places like China and putting them together in television sets for companies like Samsung. Nevertheless, the Tennessee assembler persuaded compliant U.S. antidumping officials to slap tariffs on the Chinese picture tubes. As cathode tubes were quickly being supplanted by modern flat-panel lcds, the tariffs didn’t have much practical effect. Five Rivers has exited the business. And on Black Friday last month, one of the hottest items on sale at the Greenville, Tennessee Wal-Mart was ... flat-panel televisions from China.

In the course of researching this article, I spent time in various Wal-Mart outlets in poor towns in the U.S. South, observing shoppers who looked like they didn’t have a dime to spare. I also visited an ASDA supermarket in London’s gritty East End (Wal-Mart owns that British retail chain), and saw the looks in the eyes of obviously struggling Muslim immigrants and poor Britons looking for bargains. There is a moral lesson here that the critics seem to gloss over. Sainly or not, the beast from Bentonville does give needy consumers a (much-deserved) break.

Alas, the story—and legitimate concerns—don’t quite end here. Wal-Mart’s critics quickly retort that these consumer savings come with a price tag that is taken off the hides of poor, often exploited, Asian workers who make the cheap blue jeans. Indeed, the criticisms don’t just come from the antitrade crowd. There is widespread, if understandably muted, agreement inside the rag trade that the criticisms are reasonable. While everyone in the clothing industry has to worry about sweatshops, Wal-Mart’s extreme cost-cutting business model appears to give the company’s contract suppliers incentives to cut costs by the usual sweatshop methods: refusing to pay statutory minimum wages, demanding excessive overtime hours and then cheating their workers out of overtime pay, secretly subcontracting parts work out to children, and otherwise skirting internationally accepted labor practices. Wal-Mart claims to be on top of the problems, but there is ample room for doubt.

One doesn’t even have to visit a factory to understand the suspicions. On last month’s Black Friday sales, the Wal-Mart supercenter that I visited in rural Virginia had advertised some Asian-made denim jeans for only \$7.50. These were quickly snapped up by the 5:00 a.m. crowd. Strolling through the aisles later that morning, I saw \$9 women’s Chinese-made blue jeans, along with \$7.84 children’s blue jeans, which were made in Swaziland. There were also \$10 shirts from Bangladesh, and some Chinese-made sweaters that were going from \$7.92 to \$9.00. Even some ardent advocates of free trade in the clothing industry

who were interviewed for this article said such prices made them uneasy. Said one insider, who asked not to be identified by name: “Wal-Mart claims that these are not loss leaders. Well, if that’s true, imagine the costs of the denim, the zippers, the buttons, the shipping costs, the store overhead, and there certainly isn’t much room left over to pay for the costs of labor. I love free trade, but this makes even me uncomfortable.”

Here’s where the corporate passion for secrecy enters the story. Wal-Mart’s Website boasts that the company is the biggest corporate philanthropist in America. Indeed, the company and its foundation report that they gave more than \$300 million in charity to some 6,700 world-wide communities. The company is eager to publicize its giving, particularly that aimed at showing its more saintly side to its liberal critics—a \$1 million grant to the Congressional Black Caucus Foundation, an equal amount to a medical college center to support research into “minority women’s health issues,” assistance to small-scale farmers and indigenous peoples in Brazil’s rain forests, etc. But when asked about whether Wal-Mart’s global-sourcing model encourages sweatshops, the spinmeisters say the company has “zero tolerance” for abuses—and then clam up when asked for details.

### **The End of the Production Line**

Earlier this year, there were various newspaper accounts of labor strife at the Korean-owned Chong Won Fashion, Inc., a Wal-Mart supplier of T-shirts, pants and baby blouses in Rosario, Cavite, a gritty Philippine town a bumpy two-hour drive outside of Manila. When I asked Wal-Mart officials for their side of the story, spokesman Kevin Gardner referred me Verité Inc., a respected Amherst, Massachusetts-based nonprofit firm that specializes in fact-finding “social-compliance” audits of overseas clothing factories, and had investigated the situation for Wal-Mart. But when I called Verité officials, I learned that Wal-Mart had instructed not to discuss what they had found. When I asked why he would do that, Mr. Gardner said in an e-mail that Wal-Mart would not be “participating” in “this story opportunity.”

Little wonder. When I visited Rosario in July, I heard a sad story. Chong Won had folded, after a long struggle with workers, who said they had earned two or three dollars a day and had been pressing for a better deal since the mid-1990s. I was told how the company would offer a one peso-per-day raise for each year they worked. As one peso—depending upon varying exchange rates—is worth pennies, it could take perhaps 40 to 50 years to get a raise of \$1 dollar a day. And to avoid even that prospect, Chong Won hired many of the factory’s workers, which at one time numbered about 1,000, as five-month contract employees. This is a familiar Philippine story, as contract workers are fired the day before their sixth month, thus allowing the employers to avoid paying legally required benefits such as health care. Often, contract workers are shifted to another factory for another five-month stint, or are even rehired immediately for another five months in the same place. The one word for this is: exploitation.

Since 1994, Chong Won workers had been trying to form a union, hoping to negotiate a collective bargaining agreement. But the organizing efforts had been vigorously suppressed by the factory management, which paid scant heed to the Philippine freedom of association laws.

Persisting, Nagkakaisang Manggagawa ng Chong Won, as the union calls itself, managed to win a certification election in 2004. That's when the management got really tough. The union's president, a determined 46-year-old woman named Ressurecion Ravelo, told me how she had been transferred from the sewing lines and forced to be a trimmer, where she had to stand all day. When the intrepid Ms. Ravelo, who might reach 5 feet if she stood on her tiptoes, further complained, she was made to work in a room that lacked ventilation. The upshot was that Ms. Ravelo and her colleagues went on strike in September 2006. All 119 members of her union were promptly fired, and the factory, which by then was down to a few hundred other contract workers, ceased operations. Ms. Ravelo said she had written to Wal-Mart officials, but that her letters had not been answered. After reports of the labor unrest hit the newspapers, Wal-Mart retained Verité to try to figure out how the situation might be salvaged.

A leaked copy of Verité's report to Wal-Mart, which was completed on March 26, 2007, essentially confirms the workers' allegations. Verité recommended that Wal-Mart guarantee to keep buying clothes from Chong Won, provided the Korean owner would refrain from further illegal union-busting activities, and rehire the fired workers, with back pay (as provided by Philippine law). Wal-Mart apparently accepted the recommendations, but by then Chong Won had gone out of business, changing its name to C. Woo Trading (which presumably could reopen in another location, another familiar sweatshop tactic in poor Asian countries). By whatever corporate name, the Korean executives declined to respond to requests to be interviewed for this article.

The now-unemployed former Chong Won workers I interviewed said they weren't really angry with Wal-Mart, just disappointed that the company hadn't been more aggressive earlier to keep their factory in operation. "Wal-Mart did too little, too late, to save our jobs," Ms. Ravelo told me.

Meanwhile, back in the U.S., Wal-Mart is being criticized on the 2008 presidential campaign trail for providing too many jobs to Asians. Current Democratic frontrunner Sen. Hillary Clinton has called Wal-Mart's existence "a mixed blessing." Ms. Clinton has returned Wal-Mart campaign contributions and said the company's business practices raise "serious questions about the responsibility of corporations." She has vowed that, if elected, to name a "trade prosecutor" to take "tougher standards" on imports, particularly imports from China. Candidate Barack Obama, a senator from Illinois, has sought union votes by asserting that "people don't want a cheaper T-shirt if they're losing a job in the process." Mr. Obama recently was quoted as telling a New York City audience that some American workers "now compete with their teenagers for minimum-wage jobs at Wal-Mart because their factory moved overseas." Former Sen. John Edwards has not only campaigned against Wal-Mart and the globalization it stands for, but has staffed his campaign with anti-Wal-Mart activists.

Problem is, the political critics often have their own contradictions. Ms. Clinton is a former director of Wal-Mart. Mr. Edwards owned Wal-Mart stock before he ran for national office. And Mr. Obama's wife,

Michelle Obama, was associated with a company that supplies Wal-Mart with pickles, until she resigned earlier this year when the association raised questions.

Perhaps, whatever one thinks about Wal-Mart, the greater cause for concern is with the double standard associated with politicians who want to become president of the world's economic superpower by pandering for antiglobalist votes against America's No. 1 employer. 

*Mr. Rushford is editor and publisher of the Rushford Report, a Washington-based newsletter that specializes in the politics of international trade*

*Article excerpt from The Rushford Report Archives*



[2007 – 08/11]

August 11, 2007

## **Eight US apparel companies and retail giant signed follow up letter and expressed their concern anew on recent violent attacks of strikers at Chong Won Fashion, Inc. in CEPZ**

**Eights US Apparel companies and retailer giant such as Walmart, American Eagle Outfitters, GAP, Jones Apparel Group, Liz Claiborne, Philips-Van Heusen, VF Corporation, and Polo Ralph Lauren has sent a second letter of concern following the recent violent attacks of strikers at Chong Won Fashion Inc. (now C. Woo Trading) in Cavite Export Processing, Rosario, Cavite last June 10 and 11.**

The strikers at Chong Won had been violently attacked by armed and bonnet-masked men on two succeeding periods at 8:30 in the evening of June 10 and 3:30 AM of June 11.

The letter stated that “as companies that source apparel products in the Philippines, we are writing to follow up on a letter of November 7, 2006, wherein the signatory companies, including many of the signatories to this letter, expressed their concern about disturbing reports of violence and threats of violence against human and labor rights promoters, labor leaders, and workers and the alleged negative role of the Municipal and Export Processing Zone police in such attacks and assaults.”

It may be recalled that the joint letter of these US apparel companies on November 7, 2006 had sparked the succeeding stronger calls of the Joint Foreign Chambers of Commerce (JFC) for Arroyo to Stop Political Killings last November 14, 2006.

It may be recalled that the joint letter of these US apparel companies on November 7, 2006 had sparked the succeeding stronger calls of the Joint Foreign Chambers of Commerce (JFC) for Arroyo to Stop Political Killings last November 14, 2006

Rev. Fr. Jose P. Dizon, executive director of the Workers Assistance Center, Inc. (WAC) have said that it is about time that President Arroyo and her government heed this call against the on-going labor and human rights violations seriously and finally have the will to resolve this once and for all.

He lamented that it has been nine months since the first letter of these big US Apparel companies have been sent and received by President Arroyo but their call seemed to have fallen on deaf ears as human and labor rights violations continue to happen under this government.

The last violent attack on the Chong Won strikers had been very traumatic for the workers, he further said. “Until now, we are still helping some of these workers seek medical help because of a post-traumatic syndrome illness they have suffered.”

Furthermore, he said that almost all international human rights organizations, human rights supporters and advocates and even international lawmakers including US lawmakers have joined the swelling ranks of those condemning the current infamy and flagrant human rights violations happening with impunity in the country.

“We will not stop calling the Arroyo government to stop all these violence and political killings and we will not stop in our continued call for the support of every freedom-loving and human and labor rights advocates and supporters of the world,” Dizon explained.

In closing the joint-letter of the big US apparel companies have said that “it is imperative that companies doing business in the Philippines remain confident in the government’s commitment to freedom of expression, freedom of association and the rule of law.”

The signatories to the letter are Guy D. Bradford, vice-president for Corporate Social Responsibility and Customs Compliance Officer of American Eagle Outfitters; Dan Henkle, senior vice-president of Social Responsibility of Gap, Inc.; Laura Wittman, vice-president of compliance and human rights of Jones Apparel Group; Daryl Brown, vice president of Business Ethics and Compliance of Liz Claiborne; Marcela Manubens, vice president of Global Human Rights & Social Responsibility Programs of Phillips-Van Heusen; David Uricoli, senior director of Global Human Rights Compliance of Polo Ralph Lauren; Ron Martin, director of Social Compliance of VF Corporation; and Rajan Kamalanathan, director of Compliance, Global Procurement of Walmart.

Aside from President Arroyo, it was also addressed to Atty. Lilia De Lima of Philippine Economic Zone Authority; Arturo Brion, Secretary of Department of Labor and Employment; Purificacion Quisumbing of Commission on Human Rights; and Mr. Yong Ryul Kim, President of Chong Won Fashion, Inc. 



[2007 – 08/10]

August 10, 2007

## **WAC Condemns on-going and continued violence and attacks of unions**

**Only days after eight big US apparel companies expressed their concerns to President Arroyo about disturbing reports of violence and threats of violence against Chong Won strikers in CEPZ, another union in a Korean firm Phils Jeon Garment, Inc. had suffered another attack from the now dreaded bonnet-masked men who seemed to be free to roam around the tightly-secured economic zone.**

According to Rev. Fr. Jose P. Dizon, executive director of the Workers Assistance Center, Inc. (WAC) which assist the union at Phils Jeon, the attack happened on 12:00 midnight of August 6, 2007.

He said that the strikers who were women were taken by surprise by around ten bonnet-masked wearing men. According to the workers the men were wearing denim short pants and T-shirts and some wearing black jackets. The strikers were hog tied, blind folded, and loaded to a waiting truck. They also dismantled their makeshift tents and had it loaded to the truck along with their other belongings.

After that they were left just outside Gate Number 3 of the CEPZ in an area called Bacao.

Dizon noted that the violent attacks on the strikers in CEPZ had now taken a more sinister and bold extra-legal measures and we have reasons to believe that it is being sanctioned by the Philippine Economic Zone Authority (PEZA) and its police force.

“Until now, PEZA have still to act on the request of the union at Chong Won to investigate on how the armed and bonnet-masked men were able to enter the tightly-guarded CEPZ on that unforgettable date of June 10 and 11. And yet another similar attack happened to the strikers of Phils Jeon Garment, “ Dizon lamented. Furthermore, he said it seems like PEZA is hiding something or evading this investigation.

Dizon further said that these recent violent attacks on the unions and strikers at CEPZ only bolster the claim of the workers that there is indeed a connivance between the PEZA and the capitalists and that as a government agency attracting foreign investments, PEZA is also bent on protecting and serving the interests of these investors to the detriment of the workers and their basic rights. 



[2007 – 06/12]

June 12, 2007

## **Strikers at Wal-Mart supplier attacked anew for a two million contract price**

**Seven strikers manning the picket line at C. Woo Trading, Inc. (formerly Chong Won Fashion, Inc.) in Cavite Export Processing Zone (CEPZ), Rosario, Cavite were violently attacked twice by heavily armed men wearing military fatigue pants and knife-wielding goons who boastfully introduced themselves as hired by the struck company for a two-million contract.**

“We are paid two million to demolish your strike,” said one of the attackers, when asked by the strikers what authority do they have to dismantle their lawful strike. The attackers even challenged the strikers to call the police, which they hinted would not come for the latter’s assistance.

Two of the attackers tried to stab union secretary Florencia Arevalo and union president Resurreccion Ravelo of Nagkakaisang Manggagawa sa Chong Won (United Workers in Chong Won) when they resisted but was stopped by one of the attacker’s companion because it was not part of the contract. Arevalo and Ravelo sustained bruises and minor wounds during the scuffle.

The alleged two million contract is the latest of the three pay offs from the struck company that has surfaced this year. The first and second pay offs allegedly worth P 50,000 and P 300,000 were to ensure favorable decision from labor officials handling the cases of union registration cancellation and the illegal strike, respectively. The management got what it wants from these pay offs, according to the strikers.

The first attack happened at 8:30 p.m. of June 10. Nine men armed with crowbars and knives and reeking with liquor alighted from a white closed-van vehicle with plate number UVD-390 and with Rapid Air Freight written on its side. They were held at knifepoint while the men started dismantling their makeshift tents, throwing all their personal belongings and food in the street, breaking the bottles of their reserved drinking water, and threatening to kill them if they don’t abandon their strike and leave the struck company. Their attackers then left them while laughing.

The second attack happened at 3:30 a.m. the next day. Around 20 bonnet-wearing men in fatigue pants and armed with M-16 assault rifles arrived in three vehicles with covered plate numbers at the workers picket line. They rounded up the strikers in one corner of their vehicle and ordered them to lie face down while the barrel end of the M-16 rifles pointed at the strikers head. Ravelo was kicked at the back and her hair was repeatedly pulled by one of the armed men.

The armed men totally demolished to the ground the remaining structures of the strikers' makeshift tents and threw every piece of materials into their waiting truck.

"They (armed men) threatened to kill us one by one if they still see our strike in the morning. They also robbed us of our cell phones, camera, wallet, a sack of rice, and other personal belongings," said Arevalo.

Arevalo believed that the second attack was done by elements of Philippine Economic Zone Authority police or by military and police elements hired by their company. Only people vested with authority are capable of bringing high-powered firearms in a highly and strictly guarded CEPZ, she said.

The strikers went to the PEZA police station to seek for assistance but were told by the police on-duty that they could not assist them nor conduct investigation because tomorrow (Monday) is a declared holiday. They went also to the Rosario Philippine National Police (PNP) Municipal Station but likewise rejected of any assistance by Deputy Chief of Police Senior Inspector Jonathan Genetiano allegedly for lack of jurisdiction. The PNP investigators SP03 Philip Gomez and P01 Eric Pureza also refused to blotter the incidents on two occasions.

"We have already been denied of our jobs and our rights, and now they also want to kill us," lamented Arevalo.

"We are afraid that we may end up part of the rising statistics of the extra-judicial killings under the Arroyo government. If something worst happen to us, PEZA Director Lilia de Lima, DOLE Secretary Arturo Brion, C.Woo Trading Inc. owner Yong Ryul Kim, PEZA police force, and the Rosario PNP force should be the ones held accountable," Arevalo further stated.

"That kind of death threat is a very serious matter that Labor Secretary Arturo Brion and Mrs. Arroyo should look into without delay. Two million pesos pay off is a huge money to simply ignore the threat," said Workers Assistance Center executive director Father Jose Dizon.

Father Dizon also said that the government has to resolve the issues of the nine-month old strike decisively and with utmost will before unknown assassins take the lives of the strikers one after another.

Arevalo is demanding Wal-Mart to share its huge profit for the striking workers and be part of the solution instead of playing neutral to the conflict while at the same time backstabbing the workers. Wal-Mart's "Pontius Pilate" character has already been proven disastrous to all stakeholders, she said.

Shortly after the heavily armed men left the picket line at C. Woo Trading Corporation, the PEZA police set up two checkpoints again to prevent the re-entry of the strikers and for reconstructing its demolished structures. This virtually gave confirmation to the strikers that the two attacks were well planned and PEZA was the one behind it.

The strike at C. Woo Trading Inc. has been going on for almost nine months now due to management's refusal to bargain collectively for a first collective bargaining agreement with the union and the reinstatement of two dismissed union officers. In September last year, the company dismissed 118

strikers as a retaliatory action against the strikers. The company is a supplier of the US retail giant Wal-Mart. 🇺🇸



[2007 – 03/31]

March 31, 2007

### **Wal-Mart’s decision to pull out order self-serving, betrayal to own ethics**

**On March 29, workers on strike at Chong Won Fashion Inc. (CWFI) were called for a meeting by an executive of Wal-Mart Philippines, Edwina Reunilla. Reunilla had informed the workers that Wal-Mart is seriously considering of not putting orders on Chong Won through its agency One-Step-Up in New York City, U. S. Wal-Mart’s decision came out following a report by Verite—which was commissioned by Wal-Mart—to look into the labor dispute and the ongoing strike.**

The Verite’s finding merely confirms the long-overdue grievances by workers on strike—gross violation of labor rights and right to freedom of assembly—and the earlier independent investigation by the Workers Rights Consortium (WRC). The Worker’s Assistance Center and the union leaders at Chong Won however has yet to receive its official copy of the Verite’s report. It obtained copy from the WRC.

While the union has yet to fully comment on Verite’s finding pending it receipt of the official copy, it however cited some of its recommendations, amongst others that; a) For the management to withdraw its termination to 117 workers, b) develop strategies to ensure it cooperates with [the] course of action, c) focus on initial meetings on conflict resolution, and meetings for collective bargaining agreement (CBA).

None of these recommendations, however, are expected to be acted upon by Wal-Mart considering that it abruptly decided to pull out orders because the factory, which was reinforced by Verite’s reports, is not adhering to their policies for “Standards for Suppliers”. Wal-Mart finds it fit to quit rather than to engage further to resolve the conflict to save itself from further constructive criticism and condemnation here and abroad for failure to ensure one of its suppliers to observe to their policies.

The workers on strike, however, is consistent long before that pulling out order will not in any circumstance solved the ongoing labor conflict, but rather an act by which self serving and saving for Wal-Mart alone. It likewise reiterated its position in a letter submitted on March 29 to Wal-Mart at their Philippines office in Makati. There cannot be a solution to the problem where those involve and those responsible for exacerbating the situation, simply quits by ending relationship in absence of finding an effective solution to it.

Firstly, by pulling out orders it implicates that Wal-Mart does not only failed in upholding its policies for its suppliers; but it is also sending a strong message towards other transnational engaging business here they could get away with any responsibilities and accountabilities easy by ending any form relationship to factories. This, however, does not exonerate Wal-Mart from its responsibilities towards the workers but rather strengthens perception of its misery in promoting their policies. In dealing with labor conflicts in country, like the Philippines, where even the basic system to ensure protection of labor rights is subverted, requires not only by upholding to policies and empty talks but to actively engage to ensure this is realized.

Secondly, when Wal-Mart decided to put orders on Chong Won late last year it did not consider the striker's request that there should be an agreement by way of involving workers on strike in the production while the strike is on. It, however, ignored any suggestions for an agreement thereby allowing Chong Won to operate its production free hand, and in fact have other orders sub-contracted to other factories. It also allowed hiring of contractual employees—which is in violation of labor code to prevent scab workers to get in during on strike. It also terminated the workers on strike for not reporting to work. Wal-Mart's intervention and claims it is helping the worker resolve the labor was a complete lie. It did not help nor upheld its policies on standards for suppliers but rather it allowed being used and had connive with the management to further violate the worker's rights.

Obviously, had the Verite not release its findings of the worst forms of atrocities and continuing violation of labor rights, there is little expectation that Wal-Mart would rather listen to workers. Wal-Mart is presumably could have expected Verite's findings. The fact Wal-Mart had earlier indirectly tolerated Chong Won's arbitrary acts by putting orders while conducting the investigation, to pull out orders and end relationship with the factory in an effort to save itself from it is unacceptable for workers. It is a betrayal to their own policies on standards for suppliers and gives precedent to other transnational to do the same—who wanted to also be saved their selves in event of labor disputes. This trend of systematic labor rights violation is grossly endemic inside the Cavite Export Processing Zone (CEPZ), Cavite. And Wal-Mart's decision rather provides precedent justification for others instead of breaking these unjust practices.

The worker's request for Wal-Mart to retain its order should not be seen by Wal-Mart as union's desperate plight, but rather to prove its sincerity to protect the workers whose blood and sweat is producing its products, and to hold them accountable. The workers and other consumer abroad promoting protection of labor rights have all the right to strongly condemn Wal-Mart of either indirectly or directly part of perpetrating violation of workers rights. But to correct the ugly image Wal-Mart has created cannot be and will never be solve by pulling their orders out. This is superficial solution to an endemic problem. It should be by way of effectively engaging in intervening to resolve the labor conflict and to uphold to its words in reality; and also to the concerns it earlier aired to President Arroyo to protect the workers' rights.

Even if Wal-Mart pull out orders from Chong Won or came up with agreement with the latter's agent One-Step-Up not to provide orders for Chong Won, there cannot be assurance that this could be realized. Since Chong Won had already changed its name to C. Woo, any agreement not to provide them

order under its old name will become moot. Wal-Mart may have escaped and save itself from this problem, but as long as it is engaging business in the Philippines, for them to confront similar labor conflict is inevitable in the future. It is the practice inside the CEPZ for factories to close down, change names and would later re-open and receive orders from the same transnational companies. And for Wal-Mart not to break this arbitrary practice will worsen and tolerates these illegal practices by transnational and factories to systematically violate labor rights.

It is also highly condemnable for Wal-Mart to commission a group Verite to conduct an investigation—which is one of the objective is to find solutions to the problem—for not acting the group's recommendation. Although the union has yet to fully comment on the Verite's report pending its receipt of the official copy, it nevertheless proves the legitimacy and rightfulness of the worker's demands and struggle to defend their lawful rights. In fact, the group's finding is a fraction of the worst reality the workers are suffering. It anyhow reflects how serious and systematic the problem is. And the seriousness of the problem cannot be resolve by pulling out orders, but one it to realize Verite's recommendations.

By pulling out orders and ending relationship with Chong Won, Wal-Mart will have no business at all to intervene into the labor dispute thereby providing them convenient excuse from any responsibilities from the labor conflict. Once again, those who gain from these action is Wal-Mart itself; not the workers whose families have long been starving, who are now having difficulty of looking future jobs because they have already been blacklisted, who have been subjected to legal persecution by the local police, management and CEPZ, who have long been denied of their lawful right to collectively bargain and freely associate, who are often subjected to violent dispersal, amongst others.

If Wal-Mart cannot realize its policies and standards in Chong Won operating in a country where violations of labor rights are systematic and a de facto policy, it has no right all to do business here in the first place—much more of claiming it is adhering to its standards and policies. Considering that the Philippines is a country where violation of labor rights is systematic, companies like Wal-Mart should have made sure that its Code of Conduct is observed rather than turning a blind eye to the violations and poor working condition to the production of its products. To ensure this become a reality should involve proactive actions not of escaping and saving itself. 



[2007– 03/31]

March 31, 2007

## Workers elated to letters from abroad, but ask to do more

**Workers were elated after receiving letters and emails of support from abroad, mostly from France, over their struggle to fight for their rights.**

It was Réseau-Solidarité, a French NGO working for the defense of Economic, Social and Cultural Rights, based both in Paris and Rennes, France, who initiated the campaign. After they included in their campaign the desperate condition of the workers on strike at Chong Won Fashion, Inc. (CWFII) and Phils Jeon Garment, Inc (PJGI) it created huge response not only amongst their members, but also those who responded to their on-line appeals.

Over the past three months, hundreds of letters are arriving, and workers wasted no time to read each of them with joy. What contained in the letter mostly are;

“I have been informed by Réseau-Solidarité of the ongoing use of violence against trade unionists and labour rights activists in the Cavite Export Processing Zone (EPZ), in particular the violent attacks on striking workers and labour rights promoters, and most alarming, the murder of labour rights advocates.

I support your action and sent a letter to the Philippines Ambassador to France requesting that he takes immediate action to implement your demands.”

It is also reported that some of the letters it has several signatories, even included the family member of the letter sender—an indication where the workers plight is being discussed and had been part of the French household and society. Some of those sending letters are University students, while those sending emails are those responding to the group’s appeals.

The group’s online appeal written in French is located at:

<http://www.peuples-solidaires.org/article781.html>

Although it was not immediately known what actions have been taken by the French embassy in the Philippines, which was part of the group’s campaign objective for them to intervene, but such call for support and action is helpful for workers to realize their fight gained support from abroad.

In a separate email received from Fanny Gallios of Réseau-Solidarité, not only the issues of workers on strike are being taken up it also condemned the death of the late Bishop Alberto Ramento, former chairman of the board of Workers' Assistance Center, Inc. (WAC) in October and union leader Buth Servida in December last year and asked the government to investigate deeply into these cases.

"We are a network of over 8,000 members engaged for the defense of labor rights, and we are going to ask our members to send the Philippines' Ambassador to France (Mr. Jose A. ZAIDE) a letter requesting that the Philippines' authorities take the appropriate measures to stop violence and to investigate," Gallois wrote.

While the workers and those stakeholders of these issues deeply appreciate the group's initiative, it however urges them to do more and take proactive action their demands on behalf of the workers—which is the subject of their appeals and petitions—to the French and the Philippine government are made into reality.

One is to consistently monitor and situation in the field and to speak on behalf of the workers should there be atrocities occurring once again. The workers also made requests to consider the issues of workers in Cavite to be part of the French group's long term work and as well as its local movement in France. This will ensure the continuity of the campaign in defending the worker's rights. 🇵🇭



[2006 – 11/23]

November 23, 2006

## HUMAN FACE: Workers' rights and garment labels

Posted by the Worker's Assistance Center, Inc. (WAC)

*Published on Page A11 of the November 23, 2006 issue of the Philippine Daily Inquirer*

By Ma. Ceres P. Doyo  
Inquirer

**“SR. STELLA L.,” a 1984 multi-awarded Mike de Leon-Pete Lacaba film, was on cable TV a few nights ago. While watching it I recalled the hot afternoon we spent at a location where several strike scenes in that movie were shot. A bunch of us women journalists were there as extras shouting “Welga! Welga!” [“Strike! Strike!”] We did it for free. The shooting was in an old bodega-like place that was made to look like a cooking oil factory.**

It was quite an outing, what with an award-winning bunch there — Vilma Santos playing Sr. Stella L., the late Tony Santos as Dencio, Laurice Guillen as the other Sr. Stella or the “tokayo” [namesake], Anita Linda and several “nuns” linking arms with the workers in the picket line. There was Sr. Stella L. emerging from her baptism of fire and delivering an impassioned plea on behalf of the strikers. And there we were, taking it all in under the scorching sun. It was like the real thing. We each had an orange drink after that.

What timing, I thought while I was watching it again after 22 years and waiting for the credits to roll so I could catch our names. For I had received an urgent call from the Workers Assistance Center (WAC) in Cavite. This was concerning the ongoing strike at the Cavite Export Processing Zone (CEPZ). Unlike the “Sr. Stella L.” strike that was in a small local factory, the strikes at the CEPZ are in foreign-owned companies.

I went around CEPZ some years ago to do a labor-day series on the strikes there and to interview CEPZ workers, particularly young women, on how they lived. I visited some of them at their congested lodging houses where the lodgers took turns in using double-deck beds because, they reasoned, anyway they

worked and slept in shifts. They didn't have beds to call their own. One of the companies on strike was producing sacred images that were exported to Europe.

The ones on strike now, since Sept. 25, are workers of two Korean-owned companies — Chong Won Fashion Inc. and Phils. Jeon Garments Inc. — suppliers of garments of big and known companies abroad. The former supplies products to Gap, Wal-Mart, Target, American Eagle Outfitters, Mervyn's and White Stag, while the latter produces for DKNY, Hanes, Al-elseel, O/X, Dream Station, etc. Name it. You might be wearing some of the labels that came from the CEPZ.

Last week the Inquirer ran an editorial ("Condemned") on the strike, but the strike remains unresolved. In Chong Won Fashion, the strikers are raising the issue of unfair labor practices such as refusal to bargain, illegal suspension of union officers and members, and discrimination of union officers and members on overtime affecting 210 union members and more than 700 contractual workers.

In Phils. Jeon Garments, the issues are refusal to bargain, union busting, and illegal dismissal of the union's president Emmanuel Bautista. Of the 400 regular rank-and-file employees, 185 are union members.

One of the interesting developments in these two strikes is the intervention of the big foreign firms for which the Korean companies at the CEPZ supply garments. By writing to President Macapagal-Arroyo, these corporate entities are weighing in with the strikers. They are stressing their awareness of the importance of labor rights in their global operations.

Here are some familiar brand names and labels that you usually see on garments and product ads but which went (brand logo and all) to their representatives' letter of appeal to the President. American Eagle Outfitters, Gap Inc., Jones Apparel Group, Liz Claiborne Inc., PVH, Polo Ralph Lauren and Wal-Mart.

And here are excerpts from their common letter, which say something about their corporate conscience.

"As companies buying apparel products from the Philippines, we write to bring your attention to a matter of urgent concern. As you know, there have been recent reports of alleged violent attacks on striking workers and the assaults and killings of labor rights promoters. Our industry is alarmed by such reports and urges your immediate attention to the situation. We are particularly disturbed about allegations that Municipal and Export Processing Zone police may have been involved in some of these attacks and assaults. In addition, we are concerned about the reports that Export Processing Zone authorities have banned some striking workers from entering the CEZ.

"We urge your government to take proactive measures for ensuring the physical safety and for protecting the rights of workers and labor rights promoters."

But the pleasant giveaway of their corporate values is this:

"As companies that seek to source in countries and from suppliers that share our commitment to ensuring respect for workers' rights, we believe that local and human and labor rights nongovernmental

organizations (NGOs) can play an important role by partnering with manufacturers and governmental entities as well as suppliers and companies to help improve labor practices and working conditions in the apparel industry. These NGOs should be able to express their views and carry out their legitimate role freely and without fear of violence.

“Additionally, we strongly believe that individuals working in factories that produce our goods must have the right to associate freely, join organizations of their choice and bargain collectively without unlawful interference. Workers should have the opportunity to work and live in an environment free from the threat of physical violence or harm.”

When you look at your garments’ brand labels, think of the labor rights of those who made them.





[2006 – 11/18]

November 18, 2006

## **Wal-Mart still equally accountable; gross labor rights violation on**

**After US retail giants, including Wal-Mart, signed a joint letter expressing deep concern over violence against workers on strike inside the Cavite Export Processing Zone (CEPZ), substantial progress, if there would be any, are yet to be seen by the workers on strike to arrest their desperate plight.**

Even as Wal-Mart has expressed concern and asked the government to “take pro-active measures” to ensure that rights of the workers are protected, their supplier—Chong Won Fashion, Inc. (CWFI)—still declines to cooperate. To date, they refused to begin negotiation for the collective bargaining agreement (CBA), refused to reinstate workers it terminated, continued on harassing picket line and often effects food blockade.

While the workers on strike acknowledge the Wal-Mart’s actions, they reiterate it remains equally accountable for the continued illegal acts of their supplier—by which Wal-Mart claimed to have not encourage. Wal-Mart’s Code of Conduct “ensure that workers at all its suppliers be provided with a wide range of basic rights”.

This, however, is being violated by Chong Won and Wal-Mart may have not done enough to pressure their supplier to comply with it. Amongst the defiant acts Wal-Mart’s supplier committed its refusal to honor the final and executory ordered by the Secretary of the Department of Labor and Employment’s (DoLE) to begin negotiation for CBA.

There cannot be respect to basic rights if workers who are demanding for an increased pay, improved benefits, humane working condition, and to assert their rights to self-organize are being subjected to violent attacks. This is what Chong Won continued to defy but Wal-Mart fails to exhaust effective means to uphold their Code of Conduct.

On November 14, a Chong Won security guard forcibly removed the picket line and the worker’s makeshift toilet’s top cover. One of the strikers, Rebecca Bernal, had already fallen ill. Her colleagues too started not to feel well as their strike drags on. They were forced to endure the heat and cold for lack of sufficient cover. On November 15 evening, several vehicles were seen smuggling out factory’s machine—which is not legal unless had consent with and notification from the workers on strike.

### **Gross labor rights abuses on; DoLE's response cover-up, lies;**

Not only workers on strike at Chong Won experience similar abuses. Workers of Another Korean-owned factory, Phils Jeon Garments, Inc., suffered the similar fate. The employer too refuses to begin negotiation for CBA, and had those who joined the lawful strike terminated—which is illegal while on strike under Philippine labor laws.

Despite the illegal acts these two companies commit, there are no indications that the Department of Labor and Employment (DoLE) would effectively intervene to resolve the labor dispute.

Secretary Brion claimed the government “continues to promote, in partnership with labor and management nationwide, the enforcement and observance of labor standards to improve working conditions and occupational safety and health, as well as avert and prevent disputes”.

In Secretary Brion's news release published in DoLE official website on November 15 in response to the US-based retail company's letter to President Gloria Macapagal-Arroyo, instead contain false claims and rhetoric of how the DoLE claims to uphold respect for labor rights. While the government claims to uphold worker's rights, its actual implementation is completely negligent and often favorable of the capitalist.

Even as Secretary Brion makes assurance that “workers protection and welfare continue to be primary priorities of the government” it has no meaning for those affected workers. It is, however, the DoLE's attempt to either whitewash or cover up the illegal and arbitrary acts by foreign-owned companies, atrocities by the Philippine Economic Zone Authority (Peza) officials and its security forces. The DoLE's record to protect labor rights is poor.

### **Has DoLE turned a blind eye to Peza's officials and policemen gross abuses?**

Although Peza Director General Lilia de Lima, Peza lawyer Jane Arada and Peza Police Chief Jose Sarasua have already been charged by the two unions with the Commission on Human Rights (CHR) and Provincial Prosecutor's Office in Imus, Cavite, for gross rights violation and criminal offenses respectively, no sanction were imposed on them yet.

Unless these accused Peza officials and security chief are relieved from their post, the workers on strike would continue to endure potent threat of being violently attacked, harassed and intimidated while the strike is on. As expected, on frequent occasions, the workers on strike in two unions had limited access to the picket line, continue facing harassment and intimidation from the Peza security forces and guards.

The Peza's supposed role of ensuring the protection of workers rights has effectively virtually turned into the worker's oppressors and strike breakers. The Peza's action of violently dispersing a lawful strike, escorting scabs workers into the factory, denying worker's entry into the Cavite Economic Zone on the

basis of the company's illegal termination orders are completely blatant violations of labor laws. The Peza is not in a position to intervene into a labor dispute, much more to acknowledge the illegal orders by the companies.

It is shocking, however, that the DoLE had turned its eye blind on the atrocities the Peza authorities are committing inside CEPZ. 🇹🇼



[2006 – 10/24]

October 24, 2006

## **Workers Charged PEZA Director General, Three Others For Rights Violation**

**A formal complaint on October 23 was filed against Director General Lilia De Lima of the Philippine Economic Zone Authority (PEZA) and three others before the regional office of the Commission on Human Rights (CHR), by union leaders and members for rights violations.**

Union secretary Merly Grafe of Kaisahan ng mga Manggagawa sa Phils. Jeon (KMPJ) and union president Resurreccion Ravelo of Nagkakaisang Manggagawa sa Chong Won Fashion (NMCW) had their complaints received by CHR-National Capital Region investigator Carlo Altiche.

The union leaders demanded to have the illegal and arbitrary acts allegedly committed by Director General De Lima, PEZA Industrial Relations Division Chief Atty. Mary Jane Arada, PEZA Police Chief Jose Sarasua, and Philippine National Police (PNP) Chief Inspector Audie Lirio Madrideo, head of the Rosario Municipal Police Station, investigated by the Commission.

Grafe and Ravelo are accusing the respondents of allegedly conspiring with each other in using their authority to blatantly violate the fundamental rights of the workers in connivance with the managements of the struck companies.

“Our government and its law is not with us. We follow the rule of law, yet our rights are being trampled and our bodies are being assaulted violently. Our Korean companies arrogantly-mocked our law, yet they are not being clubbed to suffer head and body injuries but rather enjoy full protection and relentless favor from the government,” according to the union’s joint statement.

In their complaint, they cited the violent dispersals of their strike carried out by PEZA and its security forces on September 25 and 27 in Chong Won and Phils. Jeon respectively without any lawful written order. A total of 50 workers on strike were injured in that separate incidents, including a three-month pregnant worker, Analyn Diaz, of Phils. Jeon who had a miscarriage days later.

According to Ravelo, “The September 25 and 27 violent incidents were the days we learned our painful lesson - that violence and repression is indeed a state policy.”

The union leaders also strongly condemn PEZA Director General De Lima for the blanket authority she gave, in particular, to Atty. Arada and Sarasua, in using violence, arbitrary and coercive acts against the workers on strike such as banning the entry of the strikers to the economic zone, continued enforcement of food and water blockade, supplying and escorting of scabs to get into the factory, confiscation of strikers' company identification card and zone pass, and setting up of checkpoints to ensure no entry of strikers to their picket lines.

Ravelo and Grafe also lamented the further denigration of their rights. On October 19, without any provocation, and upon order from Atty. Arada, the combined force of Peza police, Rosario PNP, Jantro security guards, company guards, goons and scabs, dismantled the makeshift shelter of the strikers one after the other, according to them. The striking workers are now forced to stay in their picket lines in an open view under the heat of the sun and cold of the night.

Ravelo and Grafe further said that instead of resolving the labour dispute, the PEZA and the owners of the two Korean companies, shamefully conspired in undermining and stamping out their rights as workers and human being. Not only they were denied of their rights to strike and to bargain collectively, inhumanely, they are being denied of their most basic rights as human beings - their right to food and drinking water.

The unions at Chong Won Fashion Inc, a Wal-mart supplier, and at Phils. Jeon Garments Inc. went on strike on September 25 following the continued refusal by the two Korean-owned companies to commence negotiation for collective bargaining agreement (CBA) despite the finality of the decision of the Department of Labor and Employment declaring both unions as sole and exclusive bargaining representatives of all regular workers in the said companies. 



[2006 – 09/30]

September 30, 2006

## **Eight workers illegally arrested and falsely charged**

**As crack down on strikers and workers supportive of them continues, eight workers were illegally arrested and charged on September 28 in Rosario, Cavite.**

Armed without any arrest or search warrants, elements of the Philippine Economic Zone Authority (Peza) police and Jantro security guards started arresting workers who were staying at a warehouse inside the Cavite Export Processing Zone (CEPZ).

They arrested and subsequently turned over workers Gemma Lape, Lorna Reli, Ivy Villasan, Analou Estrimos, Glaysa Layesi, Josephine Bahar, Pablito Sapata and Rodelito Amo to the Rosario Municipal Police Station (RMPS) where they are presently detained. The Peza police and Jantro guards arrested them over allegations they are facilitating storage of supply of food to workers on strike nearby.

It can be recalled that workers of two of the Korean-owned factories, Phils Jeon Garments, Inc. and Chong Won Fashion, Inc. inside the CEPZ went on strike since September 25.

The Peza police and Jantro security has since imposed food blockade at the picket line of Chong Won strikers. The workers on strike insist that the violent dispersal and actions against them had orders from Peza director general Lilia De Lima.

Although the arrested workers, seven of them are former employees of another Korean-owned garment factory SP Ventures Inc., has since been allowed to stay at the warehouse, the Peza police insisted they are trespassing. On September 29, charges of trespassing and inciting to sedition were filed against the eight workers.

While on their way to the police station, one of the arrested workers, Gemma Lape overheard one of the female Peza police threatening that she should be killed. The Peza police at the time were questioning her involvement in the on going strike. The Peza police forced her to admit her involvement but Lape insisted her innocence.

“Sabi n’ya sanay ‘yan. I-salvage nalang natin (She said I am smart. So why don’t they just kill me),”according to Lape. In Philippine context, the term salvage is equivalent to extra-judicial killing. It was used during the Martial law days.

Once they arrived at the Rosario police station, the police investigators started illegally searching the workers’ personal belongings and seized Lape’s mobile phone. They subjected each one of them for questioning in absence of their legal counsel and against their will. The police investigators later refused to free them claiming they have found materials of “subversive” contents. They were padlocked inside the police detention center.

While in detention, the police custodian either refused to or made alibis not to provide food and medicines to the eight arrested workers. Those assisting the workers have had to get food and medicines for them.

As this developed, on September 29, workers on strike at Chong Won have already been prevented by Peza police and Jantro security from entering the CEPZ. Not only they cancelled the workers’ zones passes and company IDs, they also confiscated them effectively preventing workers on strike from entry. The food blockade is also still in effect.

It can be recalled that on September 27, the workers on strike at Chong Won, Peza officials and the management held a dialogue. Among those agreed upon is that workers must not be prevented entry and out of CEPZ and that their access to food must not be blocked. All this agreement, however, has not been implemented and ignored.

The names of strikers at Chong Won that should have been allowed free access of entry and going out was instead being used as list of black listed and banned workers by the Peza police and Jantro guards. This, after the Chong Won Fashion, Inc. management issued a memorandum preventing their workers on strike from entry. 🇵🇭



[2006 – 09/29]

September 29, 2006

## **Violent dispersal injures 35 workers in one day; two seriously**

**A total of 35 workers were injured, two of whom seriously, when police and security guards once again separately assaulted and violently dispersed workers on strike on September 27 evening.**

Hours after striking workers at Chong Won Fashion Inc. (CWF) were assaulted leaving 22 injured—one of whom collapsed and taken to a hospital, another picket line of workers on strike at the Korean-owned garment factory Phils. Jeon Garments, Inc. were violently dispersed and brutally beaten without mercy with clubs and shields injuring 13.

Around 50 elements of the Philippine Economic Zone Authority (Peza) police and Jantro security guards started attacking the strikers at around 8:30pm in front of the factory. Two of the 13 injured victims, namely Agustina Haya and Jimmy Eder, had their heads bleed and suffered injuries due to beatings. Eder, an organizer for labor alliance Solidarity of Cavite Workers (SCW), had his upper lips ruptured.

The other victims too suffered bruises and injuries all over their bodies. One of whom had one of her fingers broken. Most of the victims are female. According to the victims, some of the Peza police and Jantro guards were drunk when they were assaulted.

“Wala silang awa, kahit tumba at hindi lumalaban ang mga welgista pinagpapalo pa rin nila kami (They have no mercy, even those striker that already fell down are still being beaten)” one of the victims said.

Instead of helping the injured victims, the police and guards refused to ferry them to the hospital. The victims had to force their way out of the picket line as the Peza police and guards blocked their way. Had the workers not been able to force their way out, they would have not been able to seek medical attention at Savior Hospital in Rosario, Cavite.

It is reported that Peza police Chief Jose Sarasua gave orders to violently disperse the striking workers following request by the management for them to do so.

The assault took place despite a status quo. Both the management and workers on strike have already agreed to hold a dialogue on September 28, to resolve the labor conflict peacefully at the office of

Cavite Export Processing Zone (CEPZ). However, the strikers were attacked a day before the dialogue is held. The dialogue did not pushed through as it was overtaken by the violent dispersal.

The union members have strongly condemned such actions by the Peza police and Jantro security guards, in particular Peza director general lawyer Lilia de Lima for giving indirect orders for violently dispersing the strikers and for tolerating violent actions of their men in the field. She also failed prevent and refrain her men from attacking the strikers.

It can be recalled that workers on strike at the Phils. Jeon Garments, Inc. went on strike following the continued refusal by the management to negotiate with them for their collective bargaining agreement (CBA) despite a lawful order by the office of the Secretary of the Department of Labour and Employment (Dole) in favor of the labor union.

The factory is producing T-shirts, underwear, and lingerie products for Al-alseel, O/X, DreamStation and CNI. The products are being exported to countries like South Korea, Japan, Middle East and in the US. 



[2006 – 08/26]

August 26, 2006

## **Korean factory hostage worker's rights for bankruptcy**

**Union members of a Korean-owned factory decry the management's propaganda move to discourage their fellow workers from supporting the strike.**

On August 18, a one-page leaflet was distributed to workers that details the concerns of a possible closure, loss of job by workers and non-payment of separation pay benefit once they pushed through with their plans to hold a strike.

Although the leaflet, which was written in Tagalog, had no signatories on it but the fact it was the company's security guard who gave them to workers, it is an indication that the leaflet's distribution is with consent by the management. The leaflet is obviously a propaganda attacking the workers' right to negotiate for their welfare provided by labour laws.

It can be recalled that union members of the Nagkakaisang Manggagawa sa Chong Won (United Workers of Chong Won) voted yes to hold a strike following a deadlock in the collective bargaining agreement negotiation (CBA). The company, Chong Won Fashion, Inc., has continued on refusing to begin the CBA negotiation.

The union leaders likewise condemned the management's claim as deceiving that they have threatened or harass union members who would vote against the strike.

"Hindi namin pwedeng gawin 'yun, iligal 'yun [threatening workers] eh (We cannot do that, it is illegal)", according to one of the union leaders.

Under the labour code, union members have a right to collectively negotiate with the management for their rights and welfare. It is the responsibilities of the company to settle their financial obligations and debts, if there is any, and that the worker's welfare must not be taken as hostage in any negotiation for this.

The union members and the management are supposed to hold a dialogue at the office of the Cavite Export Processing Zone (CEPZ) on Friday, August 25, but was postponed when the latter called it off. The

management claimed they have to postpone the dialogue for another appointment but was later found to have none.

The union members have renewed calls for consumers to boycott their produce products until their company begins the negotiation for their CBA.

The company supplies garment products for the Wal-Mart, the biggest retail stores in US. Their buyers also includes GAP, Target (Cherokee, Mossimo), American Eagle Outfitters and Mervyn's. 

[2006 – 05/14]

May 14, 2006

## Workers warns factory may abscond after filing insolvency



*The picketline, a makeshift tent, workers have intalled in front of their closed factory a day after it filed insolvency in court.*

**After failing to pay for the benefits of its workers, there are serious concerns that a Korean-owned garment factory may abscond after it reportedly filed for insolvency or bankruptcy.**

The S. P. Ventures Corporation was reported to have filed for insolvency before a Regional Trial Court (RTC) in Cavite City on 5 May 2006 without formally notifying their workers. The manner by which it was filed was suspicious and may be intended to hide it from the workers.

On May 10, after the workers received “unverified information” they immediately requested copies of court documents before the Office of the Clerk of Court (OCC). The OCC, however, have yet to act on their request. The workers knew of the case number of the case.

The Solidarity of Cavite Workers (SCW) has had experiences of companies absconding from their responsibilities after closing down. It has become a usual practice inside the Cavite Export Processing Zones (CEPZ) as a result of the failure of the Department of Labour and Employment (DoLE) and the CEPZ to compel the companies to pay their workers and meet their obligations before giving them clearance.

In previous years, workers of the companies who have already closed down, namely the Eastar Export Ventures Corp., Woo Chang Co. Inc., and J.B. Manufacturing Philippines, were unable to claim benefits and their back wages either after the company absconds or after winning their claims. The DoLE and CEPZ are failing to ensure the workers are paid before they could leave.

In most cases, the workers of those companies who are facing closure have to set up a picketline at the factory's gate to prevent them from taking equipment outside the company's premises. The remaining equipment inside would be used a collateral to pay for the workers. The workers, however, were sometimes violently dispersed by the guards and police.

The S. P. Ventures Corporation reportedly filed insolvency after four of its workers charged their president, Sung Chul Park a.k.a. Kevin Park, for non-remittance of their benefits. [Please see related story: [Korean employer charged for non-remittance of benefits](http://groups.google.com/group/WAC-news-alert/browse_thread/thread/7513a0a058230ffd) (http://groups.google.com/group/WAC-news-alert/browse\_thread/thread/7513a0a058230ffd)]

On May 13, the SCW reported that some of the workers guarding the factory fell sick due to heavy rains and strong winds because of the tropical storm.



*Life goes on for this worker at the picketline. She is one of the many workers who opted to stay in the makeshift tent or "kubol".*

The SCW warns that they would hold the DoLE and CEPZ accountable once the S. P. Ventures Corporation is given clearance and leaves without paying their workers. There are at least 130 workers who are regulars in the company. 🇵🇭

[2006 – 04/23]

April 23, 2006

## **Korean employer charged for non-remittance of benefits**



*Factory workers for S.P. Ventures Corporation whose benefits are not regularly paid by their company.*

**A Korean employer and his company was charge for failing to pay for regular contribution of benefits to his employees despite having it deducted from their salary.**

Charged before the Office of the Provincial Prosecutor in Imus, Cavite

on April 12 was Sung Chul Park a.k.a. Kevin Park, president of the S. P. Ventures Corporation, a garment factory operating in Cavite Export processing Zone (CEPZ).

The complainants, namely Lerma Buelba, Gemma Lape, Rosita Balaga and Mariano Erwin Maranan, accused Park and his company for non-remittance of their Social Security System (SSS) and Home Development Mutual Fund (HDMF) or Pag-ibig contributions. The complainants are regular employees.

In her signed affidavit, Balaga claimed her application for salary loan with SSS was rejected due to her employer's failure to remit regularly her contribution. Her employer also did not pay her contribution to Pag-ibig of five months, which was already deducted from her salary.

Balaga's three other fellow complainants also accused the company of non-payment of their SSS and Pag-ibig on certain periods.

These are yet another instances of unjust practice by the S. P. Ventures Corporation amongst their employees inside the CEPZ.

Earlier, a complaint of illegal dismissal has been filed against them with the National Labor Relations Commission (NLRC) in Quezon City. The complaint stemmed in connection with the management's decision to suspend their operation and declare vacation on 16 February 2006 without properly informing their employees.

It is later found they resumed their operation unannounced. While some of workers returned to work the others refused to in defiance with the management's condition. The workers were asked to sign an agreement that they agree to delay payments of their unpaid salary and benefits should they decide to return to work. (for details: [Korean employer exploiting workers' dire need in Cavite](http://groups.google.com/group/WAC-news-alert/browse_thread/thread/16e80c7692d52aac)  
[http://groups.google.com/group/WAC-news-alert/browse\\_thread/thread/16e80c7692d52aac](http://groups.google.com/group/WAC-news-alert/browse_thread/thread/16e80c7692d52aac))

Although Park issued notice on 6 April 2006 requesting their worker to resume work in order to complete the orders targeted for 11 and 20 April, there are no assurance the workers will have succeeding jobbing or get their pays soon after completing the order. 



[2006 – 03/19]

March 19, 2006

## Korean employer exploiting workers' dire need in Cavite

At least 80 garment factory workers are in threat of losing their jobs for refusal to resume working for S.P. Ventures Corporation, a Korean-owned garment and wearing apparel firm. They refuse to agree to delay payment of their unpaid salary and other benefits as a management's condition before they could get back to work. Each worker earns P256 (USD 4.9) a day.

On February 16, the management shut down the factory and subsequently declares vacation without having properly notified their workers. They also failed to properly inform them of when it would resume work. At the time, the management owed them unpaid salary and benefits of two months. The factory operates inside the Cavite Export Processing Zone (CEPZ).

It was later found out the factory resumed its operation unannounced. While 15 of workers' agreed to resume work but not after they sign an agreement with the management allegedly containing a condition to delay the payment of their unpaid salary and benefits. No payment will also be made for workers' overtime work if they fail to meet quota of their produce. Some workers were to force to go back to work by agreeing to the management's condition out of dire needs.

The management is allegedly refusing to meet their obligations by complying with the demands of the majority of the workers. Instead of reinstating them, the management hired contractual workers to replace their positions.

A complaint of illegal dismissal has been filed against the management before the National Labor Relations Commission (NLRC) in Manila. While waiting for complaint to be resolved, the affected families of workers are forced to find other sources of income. Others are trying to work as contractual in other firms.

This is yet another instance of alleged abuses and unfair labor practice by foreign investors operating inside the CEPZ. The practices of non-payment and delayed payment of salaries, benefits and the excessive overtime work is blatantly violated by some companies inside CEPZ, as in this case.

In this case, the affected workers have raise concern that may lose jobs and that salary and benefit would no longer be paid. Their concerns that their Korean employer may abscond responsibilities once it declare bankrupts. There have been incidents of this of previous companies operating in CEPZ.

Likewise, the workers are set to request the Philippine Economic Zone Authority (PEZA) officials to initiate a dialogue between them and their employer. They are likewise calling upon their immediate intervention to closely monitor their employer's activity to ensure they are held accountable of their liabilities. 