

# Myanmar garment workers to face military court after forming union

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**The arrests have reportedly prompted the owner of retailer Zara to plan its exit from the military-run country.**

Seven Burmese garment workers and union activists will face trial on incitement charges in a military court for advocating for a pay raise at a factory that supplied Inditex, the owner of the Spanish retailer Zara, a labor activist said Friday.

The case has put a spotlight on the plight of workers in Myanmar's troubled garment sector. Several companies have exited the country since the February 2021 military coup and subsequent deterioration in labor conditions.

Inditex is reportedly set to make [a phased exit](#) from the country after the arrests of the five garment workers and two union activists in June. They worked at a Chinese-owned factory operated by Hosheng Myanmar Garment Company Limited in Yangon division. They formed a union in April to bargain for better conditions.

An activist affiliated with the union, declining to be named for safety reasons, told RFA that the seven accused are still being held at Hlawga police station in Shwepyithar Township.

On Friday, despite a scheduled hearing, the activist was told that the seven would remain in custody awaiting a trial for incitement. If convicted, they face up to two years in prison under section 505 (a) of Myanmar's penal code.

"Before setting up the trade union, the working conditions had many rules - no complaints, forced overtime, very low salary," the activist said. "The factory doesn't like the trade union, so that's why the seven trade union members were dismissed."

The activist said the trial of the seven will be held behind closed doors at a military court in Shwepyithar Township in Yangon. The township is under martial law.

RFA has reached out to Inditex for comment.

## **Workers lack recourse from labor abuse**

Nearly [500,000 people](#) are employed in Myanmar's garment sector, but labor activists say the military takeover has diminished regulatory oversight of factories. They say workers have less ability to negotiate with their employers and lack recourse in cases of labor abuse. But faced with [economic instability](#), some feel they have no choice but to accept any job available.

In the last two years, as Myanmar has sunk into civil conflict and international condemnation of the military junta has grown, Inditex and other European brands have decided to quit the Southeast

Asian country, including Primark, C&A, and the UK-based Tesco PLC and Marks & Spencer.

Since December, the European Union and international retailers have funded the Multi-stakeholder Alliance for Decent Employment in Myanmar, or MADE, to provide more accountability for conditions in factories that supply garments for export, expanding on a previous project. Roughly [380,000 garment jobs](#) are directly reliant on EU trade.

Labor activists have called for the program to be axed, claiming brands still present in the country have not been able to ensure worker protection in factories. Out of 37 brands linked to labor violations in Myanmar factories since the coup, Inditex was reported to be linked to the [highest number](#) of alleged abuse cases, followed by H&M and Bestseller.

[One rights group](#) found that freedom of association was “nearly non-existent” and that business-military collusion was found in 16% of cases. At Hosheng, soldiers were recorded [telling workers](#) there were no unions under military rule.

In April, the 16-union Myanmar Labour Alliance sent a letter to EU leaders requesting that the program be defunded. It said that training for workplace coordination committees provided by MADE would undermine union efforts and allow management to conduct elections which would threaten existing unions.

### **‘We don’t have any legal mechanism’**

The alliance reported that since the coup, 53 union members and activists were murdered and 300 were arrested. Khaing Zar Aung, a representative of the alliance and president of the Industrial Workers Federation of Myanmar, told RFA that brands had no capacity to oversee working conditions on the ground.

“What mechanism do we have?” she asked. “We don’t have any legal mechanism applicable.”

However, the EU has also remained firm in their stance on the program.

An EU spokesperson told RFA in a statement that funding for MADE provides ways for workers to file complaints about workplace conditions, “as well as facilitating dialogue between employers, workers and international stakeholders.”

While acknowledging the constraints on freedom of association, the spokesperson wrote: “Nonetheless, the EU and the Multi-stakeholder Alliance for Decent Employment in Myanmar (MADE) partners believe that the interests of workers are best served if EU companies continue to source from the country, as long as this is done responsibly.”

“When large international retailers exit, this will inevitably lead to a loss of jobs, regardless of how the retailer goes about this,” Jacob A. Clere, a team leader of the MADE project, told RFA. He said retailers are currently being enrolled in MADE for 2023, with the first cohort to be finalized this coming month.

“We estimate that between 130 and 170 facilities could collectively be covered by those who initially joined MADE in 2023.”

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