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Between military violence, union busting and deteriorating working conditions, Myanmar's factory workers are being squeezed from all sides

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For garment worker and labour activist Thurein Aung, the safety of his hour-long motorcycle ride to work in Yangon depends on what fighting has taken place in the days prior. When the conflict between Myanmar's military junta and grassroots resistance forces (in the form of the <u>People's Defense Forces</u>, PDF, in Myanmar's major cities) comes close to the industrial zones, military checkpoints begin to border the main roads.

"Today, the PDF attacked the military, so now there will be more checkpoints," he tells *Equal Times*. This comes at a steep price to personal safety, particularly for the many workers who ride personal or family-owned motorbikes to circumnavigate formal and informal public transport networks, which have varying degrees of reliability. "My bike was confiscated before, so I had to pay them 10,000 kyat (approximately US\$5.60, as much as three times the average daily wage)," he says. There have also been reports of sexual assault and arrests at checkpoints. But in the industrial zones surrounding Yangon, Myanmar's biggest city and industrial hub, this is what workers must face to earn a living.

It has been almost one year since Myanmar's military (known as the Tatmadaw) arrested members of parliament and the state counsellor Aung San Suu Kyi before overthrowing the democratically elected National League for Democracy (NLD) civilian government on 1 February 2021. Labour activists were some of the first organisers of large-scale protests against the coup, as well as a 22 February general strike, all of which helped power a nationwide, non-violent Civil Disobedience Movement (CDM) in support of the National Unity Government (NUG, a national government in exile) and in rejection of the military junta.

The Tatmadaw's response has been ruthless. At the time of publication, <u>close to 1,500</u> <u>people have been killed</u>, with more than 11,500 arrests. On 7 September, the NUG declared a "people's defensive war" against the military regime; some of the worst fighting in decades has followed.

Against this backdrop, the activism of trade unionists has come at a hefty price. As well as the government declaring the 16-union Myanmar Labour Alliance formed in response to the coup illegal, factory workers (approximately 10 per cent of Myanmar's workers are employed in manufacturing, and it is a sector of key economic importance) are facing a gauntlet of challenges: threats of military violence; targeted assassinations of activists; union busting attempts from factory owners cooperating with the junta; mass job cuts caused by the Covid-19 pandemic, now compounded by the coup; rising commodity prices as the valuation of the Myanmar kyat tanks; and the falling value of an already low wage, which currently teeters between the daily minimum of 4,800 kyat

(approximately US\$2.70) and below 3,600 kyat (approximately US\$2) as unscrupulous factory owners take advantage of desperate workers.

Historic strides lost and trade unionists hunted

Almost immediately after the coup, trade unions across various sectors organised both its members and non-union workers to take to the streets to join anti-junta protests. Workers were also encouraged to show their opposition to military rule by participating in strikes, work stoppages and stay-aways. But as the weeks and months dragged on, a daily wage became a lifeline that most workers simply couldn't afford to lose. An estimated <u>250,000 jobs were lost</u> in the garment, textile and footwear sector in the first six months of 2021 alone, with workers involved in the CDM being the first in line to be dismissed.

Thurein Aung – who is still working and has so far managed to evade arrest – says that since the beginning of the coup, 11 individual factory unions in Yangon, which once totalled 1,300 members, are now down to just four. Many of its leaders are on the run. "Some fled to their villages or some other safe zones because of their deep involvement with the [resistance] struggle," he says.

Khaing Zar Aung, treasurer at the Confederation of Trade Unions Myanmar (CTUM, the largest labour federation in the country) and president of the Industrial Workers' Federation of Myanmar (IWFM), confirms that many union leaders are being "hunted" by the Tatmadaw.

"[Factory managers] have been providing the names and addresses of trade union leaders and active members to the police and soldiers," she tells Equal Times. Those who are found can be harassed, arrested, or worse.

For Myanmar's trade union veterans, these tactics are an unwelcome reminder of the <u>decades spent</u> <u>under brutal military rule</u>. Following the 50-year prohibition of unions and workers' organisations, the ten years of democratic rule between 2011 and 2021 saw significant but limited strides in labour rights in the country. For example, reforms carried out by the first post-dictatorship civilian government made trade unions legal in 2011 and established a national forum for the discussion of industrial relations in 2015. With the implementation of formalised labour rights, <u>foreign investors</u> began arriving in Myanmar as an untapped market.

While attempts have been made over the last 10 years to address protections against child labour, forced labour and gender discrimination, the country was still in its beginning stages of creating modern and effective policies. Without strong foundations, these fresh attempts at conciliatory protections from the NLD government were already on shaky legs before the 1 February coup.

A call for sanctions amid the growing threat of violence

As union leaders like Khaing Zar Aung watched these basic, yet hard-won, labour protections slip through their fingers, a firm stance was born. With the residual stigma of union association and its threats ever present, as well as a general low union penetration rate (unionised workers represent less than 1 per cent of the workforce), the call for comprehensive economic sanctions against the junta government from the Myanmar Labor Alliance was a bold attempt to re-establish workers' rights in the country.

The garment sector is of vital importance to Myanmar's economy. Before Covid, it supplied global brands such as H&M, Zara and Primark, and employed over 700,000 low-paid, mostly female workers whose labour accounted for a third of all exports from Myanmar. Although few brands have stopped operating in Myanmar, Burmese and international unions <u>continue to pile on the pressure</u>:

"Currently, there is no right to freedom of association, no right to collective bargaining, no workers' rights and no human rights at all in Myanmar," says Khaing Zar Aung. "Under the dictatorship, no democratic trade union can survive – that we have to understand."

While some workers have been targeted in factories for their union activities, others suddenly found themselves out of work with no warning or compensation as factory owners shut down operations and fled, refusing to pay months of back pay, even before the coup. In <u>a briefing paper</u> published by the International Labour Organization (ILO) in July 2021 (a second assessment is scheduled for publication in late January 2022) found that 1.2 million workers in Myanmar had lost their jobs since the end of 2020, with a 14 per cent reduction in working hours in the first quarter of 2021 and a greater loss for women than men. A United Nations Office for the Coordination of Humanitarian Affairs <u>report</u> also found that since Covid-19 restrictions began, about a quarter of the population had lost a job, with 18 per cent of households having no income and two-thirds reporting a reduced income. It also estimates that in 2022, half the country will be living in poverty.

In the factories that remain open, Khaing Zar Aung says workers have watched the few rights they had previously secured completely vanish. Although the minimum day rate was never a living wage, the <u>60 per cent drop in the kyat's valuation</u> since September alone has been a massive blow to workers. This, coupled with the loss of overtime pay, bonuses, benefits and day-to-day job security (the law hasn't changed but, in this atmosphere of impunity, some employers are now ignoring it), has left many wondering how they will continue to feed their families. She says that forced overtime without pay has become increasingly common, as workers are compelled to do whatever they can to keep their jobs.

In one factory where CTUM members are still able to operate, Khaing Zar Aung reveals that workers were laid off for four months before being forced to sign an agreement that covered just 100,000 kyat (approximately US\$56), or two months of minimum wage. For the 70 employees who refused, junta soldiers were paid off by the factory owner to intimidate workers.

"The workers were told that if they go on strike, they will be killed."

According to various <u>independent reports</u>, six workers were shot in Yangon's Hlaingtharyar Industrial Zone in March following a labour dispute at the Chinese-owned Xing Jia shoe factory, where the owners called the military after a row over wages. Five men were killed after soldiers fired into a protesting crowd, and one female labour leader was shot by police, with 70 more arrested.

Accounts like these have spread fear. Yangon garment worker Ma Tin Tin Wai says that only about 50 per cent of unionised workers remain at her factory. As well as general attempts at <u>union busting</u>, workers have also been dismissed for taking time off sick or for failing to meet ever-increasing production targets. "Employers have taken advantage of the coup to overthrow the unions. They are violating labour rights, cutting wages, forcing workers to work and violating all previous labour agreements," she states. "For employers who have been trying to dismantle unions in the past, the coup is an opportunity for them to join forces with the military and seize the unions."

A rock and a hard place

Despite the continued complaints of workers, solutions about how to address worsening working conditions remain varied. Following the call of the majority of trade unions, IndustriALL's support of economic sanctions in late August <u>made headlines</u>. The global union federation cited Myanmar Labor Alliance's position coupled with the historical knowledge that Myanmar's workers would

never be able to negotiate within factories while being declared illegal and with violent threats from the Tatmadaw.

The absence of freedom of association has also added fuel to the fire at an international level, with many activists demanding greater due diligence from the global fashion brands that are still sourcing from Myanmar. In December, the IWFM union decided to withdraw from the <u>ACT initiative</u>, an agreement under which 20 brands such as ASOS, C&A and H&M joined forces with IndustriALL to promote collective bargaining and living wages throughout the garment, textile and footwear industry in various sourcing countries, and more specifically in Myanmar, to develop conflict solution strategies and commitments to freedom of association. The IWFM's withdrawal prompted ACT's decision to <u>end its activity in Myanmar</u> that same month.

Khaing Zar Aung says that of the disputes she has worked to mediate, workers often settle for less than what they ask for because they lack any leverage. It seems the unions' 2 February 2021 announcement that they would not be participating in any dialogue that involved military representation, such as labour officers, was made with this situation exactly in mind. "We do not use the dispute settlement mechanism in Myanmar because it is no use," she says. The labour officers do not work independently: "They get bribes from the factory. So how are we helping the workers?"

Meanwhile, workers are caught between a rock and a hard place: either they choose to work under increasingly hazardous conditions for wages of eroding value, or brave the frontlines with CDM activists, most of whom survive off of donations or small-scale agricultural initiatives. "It is true that living conditions are difficult, but wages are falling, and commodity prices are rising. Insecurity means that all people can be arrested at any time, even in their own homes," Ma Tin Tin Wai says. "There is no security in this situation."

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