

Fired Myanmar workers reject ‘unfair’ employment offer from Adidas shoe factory

Wednesday 11 January 2023, by [THIT Han](#) (Date first published: 4 January 2023).

More than 20 employees fired for protesting conditions in a Yangon factory opt out of signing a contract to be rehired, stating that their demands to address rights violations were ignored



Workers from Myanmar Pou Chen factory, which produces Adidas shoes, are seen asking for an increase in daily wages in October 2022 (Supplied)

Officials at a sportswear factory in Yangon’s Shwepyitha Township asked more than 20 employees to return to work in late December after they were fired two months earlier for organising and participating in a strike, sources within the labour force said.

Monday marked the deadline for the workers to sign a new employment contract with the site, Myanmar Pou Chen, which manufactures shoes for the global brand Adidas. The employees told Myanmar Now that they rejected the terms of the offer as “unfair and one-sided,” because it required them to give up previous demands for improved labour conditions and required them to refrain from engaging in future protest.

More than 2,000 of Myanmar Pou Chen’s 7,800 workers went [on strike](#) during a three-day period in late October last year, calling for amendments to factory regulations. They asked that the minimum daily wage be increased from 4,800 kyat (US\$2.27) to 8,000 kyat (\$3.78) to accommodate skyrocketing food prices such as the doubling of the cost of rice.

Their demands were ignored, and the strike ended with the firing of 26 workers, including 16 members of the factory’s labour union who were believed to have led the strike.

Myanmar Pou Chen labour union chair Phyo Thida Win, who was among the dismissed workers, said that the offer of re-employment did not accommodate the workers’ initial demands for paid overtime, guaranteed days off, and manageable production targets. Officials instead reportedly only offered to compensate the employees for the period in which they were laid off.

“We were asked to sign a contract that said we were satisfied and would not negotiate further. We cannot accept that,” he told Myanmar Now. “They did not accept any of the terms we proposed. It seemed like we were being made to simply accept their conditions, so I didn’t sign and I left.”

He was among 17 employees who refused the offer; the remaining nine accepted the compensation before then resigning. With negotiations having effectively failed with the factory officials, the workers said that they would next relay their demands to Adidas.

Phyo Thida Win added that the officials in question had also refused to allow the union to join a Work Coordination Committee (WCC), problem-solving mechanisms which in theory must have equal representation between employees and employers but have been [described](#) by union leaders as “notorious for working in favour of the employer.” The junta requires complaints to be filed with WCCs before the issues can be considered by the regime labour ministry.

Shortly after the February 2021 military coup, which was widely protested by the labour movement, the junta declared trade unions and workers’ rights organisations to be illegal. Factory employees began forming WCCs, however, labour rights activists noted that the members selected to represent the workers typically were those who had positive relations with the employers, rather than those with a background in advocacy. At Myanmar Pou Chen, for example, union members were barred from entering the selection pool of candidates to serve on the committee, Phyo Thida Win said.

Factory officials did not respond to Myanmar Now’s requests for comment on the negotiations with the employees in question.

Demands to raise the minimum wage at Myanmar Pou Chen were [initiated](#) on August 14 to compensate for the soaring of basic commodities in the aftermath of the February 2021 coup. Workers at factories throughout Yangon have also reported an uptick in verbal and physical abuse by their supervisors during this time, and the termination of social security benefits.

In 2015, under the government led by former general Thein Sein, the minimum wage was set at 3,600 kyat for an eight-hour work day, then valued at approximately \$2.70. The minimum wage was raised to 4,800 kyat in 2018 under Aung San Suu Kyi’s National League for Democracy government, worth around \$3.60 at that time.

Laws dictate that Myanmar’s daily minimum wage should be reviewed every two years, but at the time of reporting, the current rates had not changed in nearly five years. Although the military has been amending and abolishing a range of laws since their seizure of power, they have not made changes to statutes concerning minimum wage.

Han Thit

- Myanmar Now. Published on Jan 4, 2023:

<https://myanmar-now.org/en/news/fired-myanmar-workers-reject-unfair-employment-offer-from-adidas-shoe-factory>

Yangon factory and Adidas supplier sacks nearly 30 workers for striking in demand of wage increase

The Myanmar Pou Chen garment factory singles out and fires labour union members believed to have organised a 2,000-person strike



A garment worker makes disposable surgical gowns at a factory in Yangon on April 30, 2020 (Myanmar Now)

Twenty-nine workers from a garment factory in Yangon's Shwepyitha Township were fired after they organised a recent strike, sources from within their labour union told Myanmar Now.

The walkout at Myanmar Pou Chen began on October 25, with 400 employees demanding a raise from the 4,800-kyat (US\$2.27) minimum daily wage to 8,000 kyat (\$3.78), as well as to provide local transportation for workers, bonuses for high performance and implement other amendments to factory policy.

The factory employs some 7,800 workers and is a supplier for global sportswear brand Adidas.

Officials from Myanmar Pou Chen notified the local military authorities of the protest on the afternoon of the same day it began, prompting the arrival of 10 soldiers and police officers in four army vehicles.

"They warned us not to continue the protest the following day," a woman who was later fired told Myanmar Now. "They threatened to arrest us if we protested outside the factory area, or if factory equipment was damaged during our protest. They said they had been wanting to detain us for a while."

The workers continued their strike on October 26 despite the threats, as well as on October 27, by which point more than 2,000 employees had joined.

One day later, factory officials fired 26 workers, including 16 members of Myanmar Pou Chen's labour union who were believed to have led the strike. They recorded the three days of protest as unauthorised absences from work, and a violation of their employment contracts.

"We cannot enter the factory anymore. A team leader went inside to meet the officials, and he was given his salary and a termination letter," another woman, who was a member of the union, said. "They confiscated his employee card. He didn't sign the termination agreement or accept the salary."

"We asked if it was lawful or if they had the right to fire us. They replied they had made a unilateral decision, regardless of whether it was illegal," she added.

On October 29, three more employees were dismissed—all women—another worker told Myanmar Now.

"They also walked around the factory and yelled into megaphones that further action would be taken against the protesters for damaging the factory. If they saw two workers standing together, they would shoo them away like dogs," she said.

The terminated workers filed a complaint with the Department of Labour Relations under the

military council's Ministry of Labour.

Demands to raise the minimum wage at Myanmar Pou Chen were initiated on August 14 to compensate for the skyrocketing prices of basic commodities, including food.

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Shortly after the February 2021 military coup, which was widely protested by the labour movement, the junta declared trade unions and workers' rights organisations to be illegal.

Since then, conditions have further deteriorated for workers, particularly those in Myanmar's many garment factories, according to the Confederation of Trade Unions Myanmar (CTUM). The group has accused many companies operating in the country of withholding overtime pay from employees, even as workers are expected to put in longer hours to reach higher production targets.

Employees have also reported being routinely subjected to physical and verbal abuse by their supervisors, the CTUM said.

The International Labour Organisation said in an August [1] report that Myanmar had shed more than one million jobs over the past two years.

"The quality of jobs is under serious strain. Labour conditions are tenuous for many workers with severe incursions of labour rights," it said.

Han Thit

- Myanmar Now. Published on Nov 3, 2022:

<https://myanmar-now.org/en/news/yangon-factory-and-adidas-supplier-sacks-nearly-30-workers-for-striking-in-demand-of-wage>

Footnotes

[1] <https://myanmar.un.org/en/192899-ilo-brief-employment-myanmar-first-half-2022>