

From: info@cleanclothes.org [<mailto:info@cleanclothes.org>]
Sent: Wednesday, January 03, 2007 12:15 PM
To: ccc-international@cleanclothes.org
Subject: [Cleanclothes] Hermosa: emergency fund set up and new action request

Dear friends,

We wish you a happy and successful 2007 and look forward to working together with all of you in our struggle to improve labour rights in the worldwide garment and sportswear industry.

In 2006 we have several times asked you to support the Hermosa workers, whose factory closed in May 2005 following an attempt to organize a union. A determined group of 63 workers has since been campaigning to receive their legally owed severance and other payments, and to end the blacklisting that prevents them from getting new jobs in the Maquila.

Brands sourcing from Hermosa, including Adidas, Nike and Walmart, were asked to contribute to a fund to cover their legally outstanding wages, overtime payments and severance pay; as well as to require their suppliers to hire the former Hermosa workers on a priority basis and address the ongoing hiring discrimination. They were also asked to pressure the Salvadoran government to fulfil the laws, ensure payment of the outstanding wages, overtime payments and severance pay; and respect the right to organize in a union. For earlier updates see: <http://www.cleanclothes.org/urgent/06-08-10.htm>

Emergency fund established: amount insufficient

We are pleased to report that some (small) progress has been made just before Christmas: the Fair Labor Association on December 22 reported they had established an emergency fund intended to "provide immediate and direct assistance to the workers while efforts continue to hold the government of El Salvador and the factory owner responsible for carrying out their legal obligations to workers". The fund, with an initial sum of 36,000 US\$, will be administered by the Fundacion de Estudios para la Aplicacion del Derecho (FESPAD), who has cooperated closely with the group of organized workers and with the other organisations involved in the case. Former Hermosa workers who have not been able to find employment, particularly because of blacklisting, will be eligible to receive the payments. FESPAD determines which of the former Hermosa workers who meet the above criteria.

FESPAD reports on 29 of December that 57 workers have been identified as eligible for assistance (all of whom belong to the group of 63 organized workers) and have received and cashed their cheques. Representatives of the organized workers were present and report that the process went smoothly and with total transparency.

While happy that the organized workers have received some relief during the holiday season, we are disappointed that the fund the FLA established is not intended to reimburse workers what they are legally owed, but consciously framed as a humanitarian aid gesture. It does not acknowledge that brands share responsibility for the current situation, where workers who for years were making their clothes are owed large sums of money. We're also very disappointed that the initial amount distributed (36,000 US\$) is so small compared to the amount legally owed to the workers. The organized group of 63 workers are owed at least 100,000 US\$ more. If the total group of ex-Hermosa workers are taken into account the amount due is over 825,000 US\$. The way the FLA fund is set up it would be open to all dismissed workers. According to the FLA a second distribution may be made if additional funds become available, but none have been confirmed.

In a statement on December 20 the group of organized workers says that they are willing to accept the offer "although it does not reflect in any way the hardships we have lived during this period, and it is not an indication of the good will of the brands in supporting our struggle.

Rather, it is a reaction to our pressure and struggle against so many injustices. The amount, in our view, is miserable compared to the profits that the brands make based on the sacrifice of workers and on violations of human and labor rights. We accept the amount, but nevertheless our struggle will continue to get the brands to guarantee in the near future the sustenance of our families through the opening of jobs in factories where work is done on products that the brands sell and on which they obtain profits of 300%."

Brands need to do more: request for action

In their press statement FLA refers a number of times the responsibility of the owner and government to ensure workers receive their legally due payments, but is silent on the (co)responsibility of the brands.

In a reaction Maik Pflaum from the Christliche Initiative Romero (CIR) who has led the campaign for CCC for the past two years, says "Brands have a clear defined responsibility as they sourced over many years at Hermosa not detecting or even ignoring the labour law violations. This initial contribution is welcome but clearly insufficient. We expect additional contributions will follow shortly, and will continue to publicly call upon the brands to require their other El Salvador suppliers to hire the former Hermosa workers on a priority basis in order to facilitate these workers gaining employment and to address the illegal discrimination that has occurred. We also hope that the Hermosa case will help strengthening monitoring mechanisms of brands and FLA so violations can be detected in earlier stages, or better prevented".

We'd like to underline that the situation is far from resolved and call upon all of you to continue campaigning in support of the Hermosa workers. None of the group of organized workers have been able to find new jobs in the maquila. As indicated above, the workers are still owed substantial amounts, and still have no access to ISSS medical care system. More pressure is also needed on the government of El Salvador on these issues.

We call upon you once more to contact all the brands (adidas, Nike, Walmart, Puma, Russel Athletic and Pentland) and request them to:

- Contribute, or increase their contribution to the fund administered by Fespad until the workers have received their legally outstanding wages, overtime payments and severance pay;
- Require their suppliers to hire the former Hermosa workers on a priority basis in order to facilitate these workers gaining employment and to address the illegal discrimination that has occurred;
- Prevent further retaliation against these workers, in the form of intimidation and hiring discrimination;
- Pressure the Salvadoran government to fulfil the laws, ensure payment of the outstanding wages, overtime payments and severance pay and access to the ISSS medical care system; and respect the right to organize in a union.

Sample letter [names and addresses at bottom of message]

Dear former Hermosa buyer,

19 months since the sudden closure of their factory the workers that were involved in defending their rights at Hermosa are still without formal jobs, do not have access to ISSS medical system for employees that covers basic medical care unlike the free government health clinics, and have only received a very limited contribution to their outstanding wages, overtime payments or severance pay.

I understand some brands have made a contribution to an emergency fund set up by the Fair Labor Association, and while I appreciate the effort i am disappointed that the fund does not explicitly intend to cover the amounts legally due, and even more disappointed that the sum distributed so far is only 36.000\$.

This is clearly a pittance given the size of the companies involved, and completely insufficient to meet the amounts due. I am told the organized group of workers is owed at least 100.000 US\$ more, and the total amount due to all ex-Hermosa workers is over 825.000 US\$. I urge you to re-evaluate the amount you have paid so far, or if you have yet to contribute, to do so immediately.

The former Hermosa workers also continue to be discriminated against when applying for new jobs, and despite reassurances given in the past have not been given priority by any of your other suppliers when hiring new workers.

I urge you, as you have been urged many times before, to meet the demands of the workers to:

- Contribute, or increase your contribution to the fund administered by Fespad until the workers have received their legally outstanding wages, overtime payments and severance pay;
- Require their suppliers to hire the former Hermosa workers on a priority basis in order to facilitate these workers gaining employment and to address the illegal discrimination that has occurred;
- Prevent further retaliation against these workers, in the form of intimidation and hiring discrimination;
- Continue to pressure the Salvadoran government to fulfil the laws, ensure payment of the outstanding wages, overtime payments and severance pay; and respect the right to organize in a union.

I look forward to hearing what action you have taken in this case.

Names and adresses [the full action request will be available on our website shortly]

Wal-Mart (White stag): Rob Kusiciel and Rajan Kamalanathan:

Rob.Kusiciel@wal-mart.com, Rajan.Kamalanathan@wal-mart.com

Pentland: Lesley Roberts: Lroberts@pentland.com Russell Athletic: Ivan Viera:

Vieralvan@russellcorp.com

Adidas: Frank Henke: Frank.henke@adidas.de

Reebok: Doug Cahn: Doug.cahn@reebok.com

Nike: Dusty Kidd, Caitlin Morris: Dusty.kidd@nike.com, Caitlin.morris@nike.com

Puma: Reiner Hengstmann Reiner.Hengstmann@puma.com