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Press Release

Myanmar Government Must Amend Labor Laws and Policies to Protect Workers

By Progressive Voice

[Yangon, 1 December 2016] – The National League for Democracy-led Government must amend problematic labor legislation and enact policies that offer greater protection and promotion of the rights of workers, particularly in the garment industry, Progressive Voice said in a report released today.

The report finds that workers in the garment industry typically work long hours, six days per week, with constant pressure and intimidation from factory owners and management, face disproportionate wage deductions for taking days off, and that many of the healthcare and sanitation facilities are inadequate. One key finding of the report was that despite the introduction of the minimum wage over a year ago on 1 September, 2015, over half of the workers interviewed reported negative impacts of this policy, including stricter working conditions, more pressure to complete orders, and the loss of other benefits and incentives.

"While the introduction of the minimum wage was a victory for the actions taken by workers, for many working conditions have deteriorated, as they are forced to meet bigger production targets and feel more pressure as they are pushed harder and harder by their employers," said Ko Thurein Aung, Director of Action Labor Rights, a research partner of the Progressive Voice for this report. "Added to this is the rise in living costs and commodity prices, meaning that despite increases in their basic wage, their quality of life does not improve," he continued.

The report, "Raising the Bottom: A Report on the Garment Industry in Myanmar," is based on over 200 interviews with garment factory workers, unionists, private sector and other stakeholders, primarily focusing on industrial zones in the Yangon area, but also Pathein, Bago and Indagaw.

The report points to big flaws in labor legislation that restricts the freedom to join and form unions. "For factory owners, it is easy to ignore the decisions of the Arbitration Council," said Pyi Paing Ko Ko (aka) Ko Thit, Director of Let's Help Each Other, "Thus, if a factory owner fires workers for joining a union, and the Arbitration Council orders the owner to rehire those workers, it is easier for that owner to simply ignore the decision and pay the low fine."

Unsurprisingly, the report finds that levels of trade union membership are low, and many workers are deterred by the intimidation and threat of dismissal for joining a union.

Given that over 90% of workers in Myanmar's garment industry are female, there is also a pressing need to ensure that women's rights are better protected. Speaking at the report launch, Ma Thwel Zin Toe, Coordinator of Networking and Alliance Building Program of Burmese Women's Union stated, "Many women are not able to take maternity leave, even though it is prescribed by law. Furthermore, for many of these female workers, if they are forced to work overtime as is often the case, walking home late in the evening through dangerous areas means they are vulnerable to sexual harassment and violence."

When analyzing these trends in the garment industry, the report also notes hugely important structural pressures. The integration into the global economy means that factories struggle to remain competitive. Buyers need cheap fashion which means factories often cut corners at the expense of the workers. It is thus vital that international investors and buyers promote and advocate for internationally recognized labor standards to the government and factory owners.

"Given these structural pressures, it is imperative that the Government amends legislation and implements a people-centred labor policy that is robust enough to protect the factory workers. At this critical juncture in Myanmar's reintegration into the world, the garment industry can play a key role in being a model for sustainability, but it must also fit into a broader, more equitable economic development of the country." said Aung Khaing Min, Interim Coordinator of Progressive Voice.

The report gives recommendations to key stakeholders in the industry, including the Myanmar Government, factory owners, buyers and private investors, trade unions and labor rights organizations, the arbitration bodies, and the ILO.

For more information, please contact:

Ko Aung Khaing Min, Interim Coordinator, Progressive Voice: +95 (0) 926 100 9995, akm@progressive-voice.org (Burmese/English)

Ko Thurein Aung, Coordinator, Action Labor Rights: +95 (0) 942 530 6037, actionlaborrights@gmail.com (Burmese)

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