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Haiti - Dominican Republic Export Processing Zones

Taking on Grupo M

The Dominican EPZ model is faltering and manufacturers are looking to move to Haiti to benefit from even lower wages, bringing mass layoffs, frenetic production rates and increasingly brutal anti-union practices. On the Dominican side, the garment manufacturing giant Grupo M has no scruples about resorting to yellow unions, whilst on the Haitian side, it has been forced to yield to the workers at its CODEVI factory, a Levi's and Sara Lee supplier, and negotiate a collective bargaining agreement, an all time first.

This is proof that local action combined with international solidarity can make all the difference. It is hoped that this example will spread to the factories of Port au Prince and the Dominican Republic. On the spot reporting, eyewitness accounts and analysis.

In Ouanaminthe (Haïti), every Sunday, the Codevi workers attend the meetings of their local union, Sokowa. Their main demand is for a living wage.

Dominican Export Processing Zones: fading illusions

The EPZ model that once fuelled the Dominican economy is starting to falter. Confronted with thousands of job losses and an uncertain future, the garment sector is seeking a new path to survival. Meanwhile, the day-to-day reality for garment factory workers is a mix of increasing layoffs, forced overtime, union bashing, and instances of violent repression.

The doors at Rainbow Fashion International remain padlocked. Following the closure of this unionised clothing company based in the San Pedro de Macoris Export Processing Zone (EPZ), 240 workers, men and women, were left jobless without compensation, in breach of the Dominican Labour Code. Every day, a group of around twenty former workers gather in front of the entrance of the Rainbow Fashion company under a leaden sky to claim what their former employer owes them. Before the closure, the factory manufactured trousers for export to the US. "Although he had promised to pay us, the owner is now trying to get out of it," an indignant Antonio Jimenez tells us. "We are not able to look for work elsewhere since we have to come here every day to try to recover the money they owe us." Six-month pregnant Judelka is equally indignant: "They refused to treat me at the hospital," explains this 29-year-old mother to be. "They said the company had not paid its contributions to the medical insurance fund. Where did the money go?" Judelka paid for the medical check up out of her own pocket but cannot afford the further cost of the necessary tests.

FEAR AND SUSPICION

Since the formation of the Rainbow Fashion workers' union four months ago, the company's management has embarked on a harsh repression campaign. Military units were called into the factory and started to threaten the unionised workers, blackmailing the leaders into abandoning their struggle. Even though they violate both the Dominican Labour Code and the Conventions of the International Labour Organisation (ILO) ratified by the Dominican Republic, such union bashing practices are widespread in most of the country's EPZs.

"Trade union freedom represents a permanent struggle in the export processing zones," sighs Soto Sanchez, who works as a coordinator for the National Federation of EPZ Workers (FENATRAZONAS). "When employers find out or suspect that their workers intend to set up a union, their response is to sack them on the spot." An enquiry carried out by the International Labor Rights Fund (ILRF) in 2003 noted that 80% of the 600 Dominican EPZ workers interviewed stated that they did not belong to a union, whilst only 9% said they would turn to the union in case of an industrial dispute. These accounts bear witness to the climate of fear and suspicion that has become the daily reality for workers confronted with systematic anti-union repression in EPZ companies.

The San Pedro de Macoris export processing zone, like most industrial zones in the Dominican Republic, has been hard hit by the expiry of the Agreement on Textiles and Clothing (ATC) and the consequent upsurge in global competition from Asian producers. According to the US Department of State, "There has been a notable increase in employer hostility towards unions, particularly in EPZs, as competitive pressure from Central American and Chinese companies has intensified." Every day, newspapers feature pieces about companies that are on the

"Freedom of association means nothing here"

Spotlight interview on Ignacio Hernández H. (FEDOTRAZONAS) (*)

...Here, the term 'freedom of association' is devoid of meaning. It merely exists on paper in the law and in the Republic's Constitution, but not in practice. Any worker who makes a fuss and starts making demands, is immediately sacked under some other pretext. All companies, ranging from those less opposed to the unions to their fiercest enemies, are exploiting the sector's critical job losses to disrupt the unions and sack any workers affiliated to them. When a company with 10,000 workers sacks 100 people, 50 of whom are unionised and 50 of whom are not, this is a clear attempt to launch an anti-union campaign. And it's extremely worrying, because this year many companies have drastically reduced the number of union affiliates, which is why the Dominican unions are currently so very weak...

...What's more, companies punish unionised workers by reducing their wages and benefits. Consequently, many workers don't want to join a union because it could do them more harm than good. This situation is seriously affecting workers' potential to engage in collective bargaining...

...The speculative approach adopted in the commercial sector, the indifference shown by the government which is not monitoring the situation at all, and the reduction in wages imposed by the employers in the sector mean that the workers have switched from being merely poor to becoming destitute. Workers' wages are so low that they cannot afford to eat three meals a day...

...SOKOWA has gained a foothold Grupo M in Haiti and SITRAFMIN in Grupo M in the Dominican Republic. We have engaged in constant exchanges on working conditions ever since. Haitian workers became aware of the large wage differential between them and us, of the production target and also of the issue of working hours, theirs being far longer than they are here. They had an inkling that wages were higher here, but didn't really know for sure. The workers in both two companies have met up to exchange information on the production system and on working conditions. We are still coordinating our efforts and exert pressure together...

(*) read the whole interview with Ignacio Hernández at: http://www.icftu.org/displaydocument.asp?Index=991223134 verge of bankruptcy, about to carry out mass redundancies or lay off up to 80% of their labour force.

BETWEEN 8,517 AND 30,000 JOBS LOST

Since 1 January 2005, how many of the 180 000 EPZ jobs have been lost? Whilst most of the stakeholders acknowledge that there is a crisis, it is still difficult to make a precise evaluation of the full scale of the job losses in the garment industry. Estimates vary widely according to the source, ranging between 8,517, according to the Central Bank, and 30,000, according to the Dominican Association of Export Processing Zones (ADOZONA), for example. According to the May 2005 edition of the The Economist, "since December, layoffs in the export processing zones (...) have affected one out of every ten workers". The National Trade Union Unity Council (CNUS) believes, on the other hand, that employers are purposely exaggerating redundancy figures to "force the government to slash the exchange rate". In spite of relentless demands from trade union organisations, company representatives refused to concede the minimum wage rise they had previously agreed to as part of tripartite negotiations. The employers' rebuttal comes as a particularly hard blow in a country where over 36% of the population does not earn a living wage, notes the "Poverty Estimates" report published in June 2005.

Despite benefiting from exceptional access conditions, the Dominican Republic's garment exports to the US market (which absorbs 80% of all Dominican exports) are progressively declining. A fall of 6.7% (from approximately US$1.5 billions to US$1.4 billion) was registered between September 2004 and September 2005, according to the figures released by the Office of Textiles and Apparel (OTEXA) of the US Department of Commerce. Furthermore, according to the statistics of the National Export Processing Zones Council (CNZF), although garment processing accounts for 70% of the output of the 610 EPZ companies in the Dominican Republic, less than 20% of the new companies set up in the zones during the first half of 2005 operate in this sector.

In spite of progressive production diversification in the EPZs, garment manufacturing nonetheless continued to be the leading industrial activity in 2004, both in terms of the number of companies (281, thus representing 49.4% of all companies) and jobs (131,978, that is 70% of the total). Whilst the overall value of exports from EPZs rose progressively between 1995 and 2004, going from US$2.9 billion to US$4.5 billion, the value of garment exports fell year on year (US$2 billion), according to the figures of the Central Bank.

A "VULNERABLE, UNSUSTAINABLE AND INEFFECTIVE" MODEL

Although EPZs have significantly contributed to creating employment, boosting foreign currency earnings and integrating women into the labour market since the beginning of the eighties, the time has now come to restructure, at least according to the United Nations Development Programme. Dominican EPZ companies have opted to prioritise preferential access to the US market over high value added production, vertical integration and supply source diversification, a move the UNDP qualifies as "vulnerable, unsustainable and ineffective" in its 2005 national report. According to the Economic Commission for Latin America and the Caribbean (ECLAC), Dominican EPZs "have, for the fourth year running, had difficulty recreating the dynamic that had characterised them during the second half of the nineties". Despite this rather gloomy panorama, new companies have appeared on the market, generating new jobs, although not enough to compensate for those previously lost in the textile sector. The North American brands Sara Lee and Gildan Activewear, for example, have announced plans to open production units in several Dominican EPZs, which should lead to the creation of over 9000 jobs as of January 2006.

What can be done to mitigate the negative impact of the textile quota phase out? Rather than dealing with the structural problems undermining the national garment industry's competitiveness (energy costs, bureaucratic obstacles, monopolistic market structures, excessive concentration of exports to the US market), most employers are doing nothing but promoting the Free Trade Agreement between the United States, the Dominican Republic and Central America (DR-CAFTA) ratified and passed by the Dominican government in September 2005. According to ADOZONA, the entry into force of the Free Trade Agreement in 2006 will contribute to injecting new dynamic into the EPZ sector, expanding the country's trade relations and attracting new investors wishing to benefit from its preferential access to the US market.

WORKERS' RIGHTS PUSHED INTO THE BACKGROUND

Under the terms of this free trade agreement, the countries of Central America, including the Dominican Republic, will be granted preferential access to the US market, as was the case with Mexico some ten years ago. Dominican industrialists are hoping that they will benefit from a rule of origin that will allow them to manufacture clothing with fabric or fibre imported from China or Mexico – rather than exclusively with raw materials from the US – without having to renounce the privilege of duty-free export to the United States. This rule is all the more significant given that the Dominican Republic imports practically 99% of the raw materials used in garment manufacturing. According to some observers, however, CAFTA will not offer the Dominican Republic much in the way of added advantages, given that most of the garments produced there are already sold to the US market free of tax.

The lack of attention given to the clauses related to labour rights in the

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negotiation of the agreement is also a cause for concern. The agreement does not, in fact, provide for any more than respect for the labour legislation already in force in the signatory countries. How has the trade union movement responded to this?

As pointed out by the US NGO Human Rights Watch (HRW), the free trade agreement does not include a single clause on sexual discrimination, nor does it offer any protection for women workers, who represent 52% of the workforce in Dominican EPZs. The only provision related to labour rights stipulates that the signatories must respect the labour laws in force, without, however, establishing any kind of control mechanisms or sanctions. It is, therefore, highly probable that application of the laws in the workplace will remain ineffective. According to the accounts given by female workers, any woman applying for a job in an EPZ controlled by the Dominican consortium Grupo M must take a pregnancy test. “It’s compulsory,” says Criseydy, who makes trousers in an EPZ in Santiago. They sent me to the company clinic.” And what if the test was positive? “They wouldn’t have given me the job.”

TOWARDS A BI-NATIONAL PRODUCTION MODEL

Another strategy being considered by Dominican industrialists to mitigate the impact of the quota phase-out is crossing the nearby border to Haiti. Many Dominican manufacturers are considering the option of relocating part of their business, that is, the labour-intensive operations, to the neighbouring country – with the cheapest labour in the Americas. If the upcoming elections in Haiti give way to a more stable political environment, Hispaniola is likely to see the creation of many new EPZ companies based on the “split production” model.

It is against this background that solidarity initiatives have emerged between the trade union movements of the two countries. Over recent months, the Dominican union SITRAFMIN, based in Santiago, and, SOKOWA, from Ouanaminthe, have been working on the development of a common front to tackle Grupo M. “The Haitians are now aware of the battle being fought on our side and have organised on theirs,” points our Aurelia Cruz, secretary of the Women’s Committee of the Dominican Federation of EPZ Workers, FEDOTRAZONAS. “The fact that the Haitians have formed a strong trade union with the firm backing of the workers also plays in our favour, given that companies systematically opt for non-unionised factories.” ●

Levi Strauss and Grupo M play the “yellow union” card

Grupo M undoubtedly hopes, at the expense of the legitimate trade union organisations, to reach a collective bargaining agreement without having to take into account the wishes of its workers. This strategy is backed by intimidation and blackmail.

“We have to sew the buttonhole and attach the button. A single worker has to take care of three machines at the same time,” explains Leonida Monegro, who sews Dockers®, branded clothing for men, developed by top US label Levi Strauss. “We have to dash from one machine to the other. Sometimes they only give us one chair. It’s like a bottomless pit that we are never able to fill.” Managers at the FM1 factory, like most others in the Santiago EPZ, Grupo M, the largest private-sector employer in the country, are trying to cut costs by placing greater pressure on the workers. “It’s exploitation,” protests Genaro Antonio Rodriguez, the complaints and disputes secretary of the Dominican EPZ workers’ federation, FEDOTRAZONAS. Genaro has received death threats and been imprisoned on several occasions simply for being a trade unionist. “Nowadays, one employee has to do the work of three”. Those among the 968 employees at the FM1 factory who dare to ask for a pay rise for these additional tasks risk losing their jobs. In October, three employees were dismissed without receiving any severance pay.

To reach the 100% production target, each unit of 21 workers has to produce 3000 finished pairs of trousers a week. Depending on the level of specialisation, the most a worker can earn is 1,848 pesos (€46.50) a week. But when reaching work on Monday, Criseydy de Leon, for example, never knows how much she will take home at the end of the week. Her weekly wage rarely exceeds 1,655 pesos (€41.60) and in some cases can fall as low as 700 pesos (€17.60), when, for example, the management decides to give her less work. It should also be pointed out that overtime, even when frequent, does not generate enough additional income. “The company doesn’t care whether I finish 500 pairs at two in the morning or two in the afternoon.”

Last year, when the independent union SITRAFMIN,which is affiliated to FEDOTRAZONAS, was formed, a “yellow” union was set up at the same time, in all likelihood, on the initiative of the management. The fictitious union usurped the name SITRAFMIN. Whilst still refusing to talk to the legitimate union, the management instantly recognised the new organisation, despite the fact that its representatives had not been elected by the workers.

Some months ago, just when SITRAFMIN was on the point of reaching the quorum required for registration, Grupo M announced its plans to negotiate a collective bargaining agreement with the parallel union. During this time, the Dominican group had decided to merge the FM1 factory with one of its other companies, thus further delaying negotiations with the genuine trade union SITRAFMIN. Which would have led to a memorandum of understanding that takes no account of the workers' interest. FEDOTRAZONAS could clearly not accept this, and decided to take the case to court, to question the legitimacy of the "yellow" union, and demand that the assembly be declared null and void.

This type of practice, which the ICFTU has also denounced on several occasions in numerous Grupo M factories in the Dominican Republic and Haiti, would sadly appear to constitute the rule rather than the exception. A similar case was denounced at the TMC factory, where a yellow union was formed. "They do not, in fact, defend the workers," points out Francisco Peña, who found himself isolated when all the other unionised workers were transferred to other production units belonging to Grupo M. "They think that the company is always in the right. The yellow union makes no demands and exerts no pressure on the employer, given that it is on the management's payroll." Production worker Luis Ramon Rodriguez was offered the salary given for the maximum production quota, regardless of his output, in exchange for joining the management-controlled union. "The management called on me to support a union that would not create any problems. They said they would pay me the full wage for supporting the yellow union." Luis rejected the offer. Other workers, however, accepted and are now earning the maximum wage, in breach of the productivity-based modular production system.

BLACKLISTS

Some months ago, an anonymous list, several pages long, was published with the names of all the workers affiliated to the independent union, a move intended to intimidate employees and dissuade them from affiliating. If Luis, Leonida, Francisco or Criseydy were to lose their jobs, they would probably never find another in the export processing zones in the Santiago region. ●

Could Haiti become an example of successful trade unionism?

A collective agreement may be about to be signed in a Haitian export processing zone. After two years of anti-union repression, negotiations are currently underway. This unprecedented step forward may well spread to the rest of Haiti and beyond.

Sunday, 2 pm, around 30 members of Sendika Ouvriye Kodevi Wanament (SOKOWA) are engaged in a heated discussion in the shade of the trees. Dame-Lourdes Mondésir would not miss a single one of these weekly meetings, so eager is this 25-year-old Haitian worker to learn. Having been dismissed in June 2004 for being a member of the local union, SOKOWA, she spent almost 11 months without a job, struggling to live off the sale of second hand clothing along the Dominico-Haitian border.

"The factory is a more democratic place now. I really feel free to discuss and raise problems. In the past, we were fired on the spot if we dared to open our mouths."

Since her reinstatement to her former post in the CODEVI export processing zone in Ouanaminthe, thanks to SOKOWA, she feels her rights are better protected: "The factory is a more democratic place now. I really feel free to discuss and raise problems. In the past, we were fired on the spot if we dared to open our mouths."

Over the two years prior to the opening of negotiations, workers in the CODEVI zone had been subjected to a succession of unfair anti-union practices and demeaning treatment at the hands of the company's managers, in blatant violation of the Labour Code applicable nationwide, including in the EPZ. Independent NGO reports denouncing such practices were piling up: unpaid compulsory overtime, restricted use of the toilets, the administration of suspect vaccines to pregnant workers and intimidation including armed threats and beatings. On two occasions, Haitian courts even ruled in favour of the workers: CODEVI and its security chief were found guilty of grievous bodily harm. The discriminatory dismissal of the majority of the trade union leaders by the company controlling the CODEVI factories, Grupo M, constituted a serious breach of the right to organise, which is guaranteed by article 35 of the Haitian Constitution as well ILO Conventions 87 and 98, which have both been ratified by the Haitian State. As a supplier of Levi Strauss jeans and Sara Lee T-shirts, Grupo M, the garment manufacturing giant from the Dominican Republic, also had a duty to respect the clause of the codes of conduct concerning freedom of association. Perhaps most importantly, at the request of the ICFTU, the loan of the World Bank's lending arm, the International Finance Corporation, to Grupo M was made conditional to respect for trade union rights.

It would now seem, however, that the painful page of trade union repression has at last been turned. In early 2005, following an 8-month standoff, CODEVI's management finally yielded. The renewal of the dialogue between the management and the union required a strong show of determination from the workers coupled with relentless international pressure. "CODEVI's managers were amazed at the international support for the workers. They never expected that. They thought that no one would be interested in this isolated corner of Haiti," reveals Yannick Etienne, a representative of the ESPM Bataye Ouvriye federation, to which SOKOWA is affiliated. Whilst the ICFTU and organisations in the United States such as the Solidarity Centre and the Workers' Rights Consortium contacted Levi Strauss and the World Bank to stop orders from being cancelled, campaigns were waged throughout Europe by organisations such as the "Clean Clothes" Campaign (Belgium), Réseaux Solidarité (France) and the Haiti Support Group (UK). "It was incredible," recalls Yannick Etienne. "Letters of support flooded in from everywhere, especially the United States and Europe. Grupo M's managers didn't know what to do. They complained that they were still receiving letters even though the negotiations had started."

Slow progress is being made in the collective bargaining process initiated in September 2005. Slower than foreseen. "It's getting harder and harder," confesses Yannick Etienne, who is also a member of the negotiating committee. "We are in the midst of dealing with the clauses related to pay. But one of the most important gains the workers have secured is respect." The union and the employer have already agreed on several points, such as the creation of a

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health and safety committee, optional Saturdays, the payment of overtime and the recognition of SOKOWA as the exclusive union in the industrial site. At present, the number of dismissed workers not yet reinstated is under 10. As regards the progress made, Yannick says that she is "generally satisfied yet cautious". The workers' main demand, a pay review, remains a major stumbling block in the negotiations with the management. The stakes are high: the conclusion of a collective agreement in the Ouanaminthe export processing zone would constitute a ground-breaking experience in a country where social dialogue is virtually non-existent. As Yannick conjectures, how much longer will the bosses of the industrial parks be able to unilaterally govern industrial relations if other Haitian trade unions adopt the "SOKOWA model"?

Meeting of Haitian local trade union SOKOWA.

INDUSTRIAL PARKS, EPZS UNDER A DIFFERENT NAME

Although offering investors less fiscal incentives, the five industrial parks in and around the Haitian capital strongly resemble EPZs in terms of trade union rights, the only real difference being their name. Of the 100,000 or so jobs created by the clothing assembly industry in the eighties, only 25,000 to 30,000 remain. These formal jobs are worth their weight in gold in this Caribbean country that ranks among the lowest in the Human Development Index (153rd out of 177 countries) and where 95% of the active population has to rely on earnings from the informal economy. More than 3 out of four Haitians earn less than US$2 a day and 56% earn less than US$1, according to the United Nations. The garment workers, mainly women aged 25 to 35, are pushed by poverty into accepting wages of between €2 and €3.50 a day, that is, three times less than in the neighbouring country, Dominican Republic. Charles-Henry Baker, manager of PB Apparel, believes they should nonetheless be grateful. Also the vice president of ADIH (Association of Haitian Industries), he insists that, "Our only hope is to create employment. These jobs, although not well paid by international standards, are three times higher than the minimum wage of 70 gourdes in Haiti." What Mr Baker forgets to mention is that the minimum wage has fallen 21% in real terms as a result of the skyrocketing inflation of 2004.

Gross exploitation in the subcontracting sector of Port-au-Prince? According to an ILO inquiry carried out in Haiti in 1998, the claims of gross exploitation are hardly exaggerated. In 2005, the US Department of State also reported "frequent verbal abuse and intimidation of workers and organizers" in the sector. And yet, Haitian garment assembly employers could take voluntary action to end such abuse, as highlighted by an ILO project carried out between 2000 and 2004, which led to significant progress in the 12 companies involved. But how can workers' rights be protected in the long term if trade unionists remain persona non grata in the industrial parks?

Moreover, with the everyday violence, kidnappings and assassinations affecting workers and employers alike, the climate of insecurity affecting many districts of Port-au-Prince has made union organising all the more difficult since the overthrow of former president Jean-Bertrand Aristide in February 2004. "Nowadays," underlines Yannick Etienne, "the prime concern of the workers living in the danger zones is survival. There lives are at risk. How can we talk to someone who doesn't know if they will be alive tomorrow about organising to improve working conditions?" Contrary to all expectations, in spite of the political instability in Haiti, the electronic and textile subcontracting sectors are not faring too badly. Exports even grew during 2004, both in terms of volume (7%) and value (15%), according to the UN Economic Commission for Latin America and the Caribbean. Whilst overall growth in Haiti's manufacturing industry is falling (-0.4%), the garment assembly branch is progressing. During the first quarter of 2005, the flow of Haitian clothing exports to the United States, the country's main trading partner, grew by 23%, remaining unaffected by the ending of the quota system, according to the International Monetary Fund. In its latest annual report, the Canadian sportswear giant Gildan Inc. announced that the opening of a new manufacturing hub in Haiti/Dominican Republic is expected to "significantly impact upon our production capacity and manufacturing cost structure in fiscal year 2006". According to the International Finance Corporation (IFC), the global project for the Ouanaminthe site foresees the creation, in the long term, of 60,000 direct or indirect jobs in total, as opposed to the 1300 posts currently spread over the two jeans and t-shirts factories.

LAST HOPE FOR THE DOMINICAN REPUBLIC

Why is it that Haiti's long-standing advantages – cheapest labour in the Western Hemisphere and its proximity to the United States – are suddenly attracting so many investors? One reason is the ending of the quota system. Increasing numbers of Dominican manufacturers confronted with the end of the multifibre arrangements (MFA) say that they are ready to transfer part of their operations to Haiti, following in the footsteps of companies such as Grupo M and Interamerica. The Dominican garment industry has become particularly vulnerable in the post-quota environment and is suffering from the low level of vertical integration and "full-package" production - among the lowest in the Caribbean and Central American region, according to INCAE 2004 and the UNDP. North American market suppliers now see the Dominican Republic's EPZs as less competitive and too expensive. Between 8,000 and 20,000 EPZ jobs have already been lost since the beginning of the year, and manufacturers are looking to relocate to Haiti, one of the last sources of hope.

International donors, through the Haiti Interim Cooperation Framework (ICF), Dominican President Leonel Fernandez and the head of the US Treasury are all encouraging Haiti to develop its export processing zones as a means of reviving its private sector. Haitian employers were banking on a preferential bilateral trade agreement with the United States, the main market for their exports, to promote foreign investment in the subcontracting industrial parks. The idea behind the proposed Haitian Recovery Act (HERO) was to allow several Haitian products, mainly clothing, to enter the United States exempt of all customs duties, without having to meet the obligation of using US raw materials to manufacture them. Some 200,000 new jobs could havecome to Haiti. But at the end of 2005, the passing of the HERO act met with uproar from fabric manufacturers from the southern US states. A new version, with much fewer benefits for Haiti, re-baptised "HOPE", is currently being examined and debated.

As with the constantly delayed opening of the Drouillard EPZ in Port-au-Prince, it is most probable that both investors and donors will hang on until after the upcoming presidential elections in Haiti before embarking on any sizeable new industrial projects. The trade unions, meanwhile, are not wasting any time. Maibel Batista, a Dominican lawyer with the CNUS (National Council for Trade Union Unity) specialised in EPZs, is closely following the negotiation process in Ouanaminthe by providing Batey Ouvriye with much appreciated legal assistance. Two unions representing workers in factories run by Grupo M, SITRAFMIN on the Dominican side and SOKOWA on the Haitian side, have been developing ever-closer ties over the last year, building solidarity links and even envisaging joint actions. Could the groundbreaking collective agreement project in Ouanaminthe be applied to the Dominican companies run by the same textile manufacturing group? Could a united stance in the face of the same employer succeed in reconciling the oft-divided peoples of the same island? Once a laboratory of trade union repression, could Haiti's CODEVI export processing zone eventually become a haven of social progress for workers? ●

Trade union repression by a company supplying Levi's and Sara Lee

● 12 August 2003
CODEVI (Industrial Development Company) opens the first of the two factories in the free trade zone of Ouanaminthe.

● 20 January 2004
International Finance Corporation (IFC) grants a loan to Grupo M, subject to respect for trade union rights at the CODEVI EPZ - a precondition established thanks to pressure exerced by the International Confederation of Free Trade Unions (ICFTU).

● 6 February 2004
Workers form a local union baptised Sendika Ouvriye Kodevi Wanament (SOKOWA).

● 25 February 2004
First arrest of a worker by a supervisor and dismissal of a worker, followed by a stoppage on 26 February.

● 1 March 2004
First wave of mass dismissals affecting 34 employees, including virtually all the members of the local union, SOKOWA.

● 13 April 2004
Reinstatement within the factories of the dismissed workers.

● 3 June 2004
Following the presentation of a strike notice, armed Dominican soldiers forcefully intervene in the labour dispute.

● 7 June 2004
Strike action supported by the overwhelming majority of workers in support of demands for a pay increase and an end to military intervention in the EPZ.

● 9 June 2004
The International Textile, Garment and Leather Workers' Union denounces the violations of trade union rights at CODEVI during the International Labour Conference in Geneva.

● 11 June 2004
Second wave of mass dismissals affecting some 350 workers and the closure of several production units.

● June - December 2004
Intensification of the international solidarity campaign waged by the international trade union movement and various NGOs in Haiti, Dominican Republic, Europe, Canada and United States.

● December 2004
Start of the mediation process between CODEVI management and trade union representatives.

● 5 February 2005
Signing of a memorandum of understanding between SOKOWA and the management of CODEVI including the gradual reinstatement of the workers fired and recognition of the local trade union as a legitimate representative.

● February - September 2005
Application of the Memorandum of Understanding, including the reintegration of the trade union leaders, the gradual reinstatement of the workers and the setting up of a joint committee.

● March - April 2005
Increase in orders placed with CODEVI by Levi Strauss and Wrangler.

● 22 March 2005
Condemnation of CODEVI and its security chief by a Haitian court for inflicting grievous bodily harm on workers.

● 28 September 2005
Start of negotiations between SOKOWA and the management of CODEVI with a view to concluding a collective bargaining agreement.

"Just enough to survive on"

"When I arrived, I was just given a form to complete. I simply signed it, without even knowing what was written." Georges Macès soon realised that the working conditions at the CODEVI export processing zone did not correspond to what had been agreed. This Haitian worker has been employed for almost two years at a factory in Ouanaminthe, on the border with the Dominican Republic, making jeans sold abroad under top brand names such as Levi's or Wrangler. A second factory in the CODEVI zone makes T-shirts for Sara Lee.

In theory, Georges could earn up to 1300 gourdes a week (€25.54), if he could sew 1180 trouser hems a day. Not surprisingly, the 32-year-old worker has never managed to reach this unrealistic production target and has to settle for 750 gourdes a week (€14.86). It is more than the legal minimum wage (70 gourdes/day) provided for in Haiti's Constitution, but "it is just enough to survive on", complains Georges. "Although I earn a little more than before, it's still by no means sufficient. Life is becoming increasingly costly." Georges lives with his wife and young daughter in a small house that floods every time the nearby river bursts its banks during the rainy season. They would like to move, but cannot afford to.

Georges and other workers at the EPZ were motivated to form a local union, SOKOWA, in the hopes of securing a wage increase and extra pay for compulsory overtime. But events were to take a turn for the worse. "When one of the workers had problems, we would go to the office to defend them. That's why the management drew up a list of trade union members and dismissed most of us." At the beginning of 2004, the management resorted to more brutal measures. "Dominican soldiers were hired as security agents inside the free trade zone. They would intervene on the slightest pretext. Workers were beaten on several occasions," explains Georges. The day following a stoppage drawing large support among the workers, around 350 of them were fired. Was this a coincidence, or a deliberate reprisal against the union?

In a video message published on the ICFTU(*) website, Georges Macès makes an appeal to those who by the jeans which he makes.

The management then elicited "acts of violence within the factory" to justify its subsequent lockout of the workers.

Months of unrelenting local mobilisations and strong international pressure were the required to make Grupo M - the Dominican garment manufacturing giant managing CODEVI - give way. A memorandum of understanding was finally concluded in February 2005. The majority of the dismissed workers were to be gradually reinstated; SOKOWA was recognised as a legitimate representative, and a joint committee was set up. "They treat us with more respect," Georges recognises. "We also have a direct line of communication with the management, which previously refused to talk to us." Nonetheless, the trade unionists involved in the collective bargaining process are not resting on their laurels. Around twenty members of the Haitian union meet every Sunday afternoon, because, in spite of the progress made, several problems remain: low wages, undrinkable water, a stifling work environment…

What if other garment manufacturers established themselves in the Ouanaminthe export processing zone? "It would no doubt be good for employment," admits Georges. "But the wages are still just as low; the same kind of poverty will always prevail in Haiti." ●

(*) to see the video video portrait of Georges: http://www.icftu.org/displaydocument.asp?Index=991223109

"The workers' demands have been constantly backed by international solidarity"

Spotlight interview with Yannick Etienne (*)

…The workers continued to mobilise in spite of all the difficulties. They came to the meetings, took part, discussed and made decisions. All the violations committed were rigorously documented, which gave us a very solid case. Secondly, CODEVI's managers were amazed at the international support for the workers. They never expected that. They never thought that anyone would be interested in this lost corner of Haiti…

…What was amazing was the massive mailing campaign. Letters of support flooded in from everywhere, especially the United States and Europe. CODEVI's managers didn't know what to do. They complained that they were still receiving letters even though the negotiations had started. Honestly, mailing campaigns are really very important. At least three European countries, Belgium, France and the UK, contribute to it through organisations such as the Clean Clothes Campaign (Belgium), Réseau-Solidarité (France) and the Haiti Support Group (United Kingdom)…

…In the United States, organisations from the labour movement such as the Solidarity Center and the Workers' Rights Consortium were in contact with the companies like Levi's and exerted important pressure on the World Bank, which is financing the project, to prevent orders from being withdrawn. The support of North America students associations such as United Students Against Sweatshops (USAS) and the Haitian community abroad should also be mentioned…

…The international solidarity organisations were always attentive to what the workers said and wanted. This was the most important factor: there was constant communication with the workers through SOKOWA… ●

(*) read the whole interview with Yannick Etienne, spokesperson of the "Inter-union 1st of May – Batay Ouvriye (Workers' Struggle)" at: http://www.icftu.org/displaydocument.asp?Index=991223116

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