Top brands probe 'union-busting' as virus spurs sackings at factories in Asia

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Major brands including Primark, Bestseller, Mango and Zara are investigating reports of mass sackings of union workers in their supply chains, amid fears from labour advocates that coronavirus has fuelled ‘union-busting’ at factories across Southeast Asia.

As the pandemic batters the global economy, numerous Western retailers have cancelled orders or demanded discounts from suppliers in countries such as Cambodia, Myanmar and Thailand, leading to many workers going without pay or being sacked.

Unions and activists in the region said factory bosses were targeting and firing union members while keeping on non-unionised workers, and feared that the outbreak could spur a rollback of rights on issues from decent pay to safe workplaces.

“Clearly some employers believe they can take advantage of the COVID-19 pandemic and economic slowdown to violate workers and their rights with impunity,” said Robert Pajkovski, Thailand program director at the Solidarity Centre, a U.S.-based charity.

Under rising pressure from campaigners and consumers alike to improve working conditions and tackle modern slavery, big-name brands have vowed in recent years to only do business with suppliers that allow workers to unionise and demand better pay.

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Fashion brands Bestseller, Mango, Primark and Zara said they had launched probes into reports of union-busting in Myanmar.
“We acknowledge an increased risk of union-busting during COVID-19 ... (and) have therefore increased our due diligence,” said Morten Norlyk, a spokesman for Danish retailer Bestseller.

In one case, labour leaders and industry watchers said the Huabo Times factory in Pathein fired four union executives and 103 members three days after the union had been registered.

Inditex-owned Zara confirmed it was looking into the issue, while Bestseller and Britain-based Primark said they were also investigating but that the sackings were in line with Myanmar’s labour laws. Huabo Times could not be reached for comment.

Labour activists last week said Myan Mode - a Yangon factory that supplies to retailers such as Mango and Zara - had agreed to rehire 25 unionised workers it fired in March when it let go 751 staff - including all 520 members of the factory’s union.

The factory has also agreed in principle to rehire hundreds of other fired union members when business picks up as the pandemic eases, according to the Solidarity Centre.

Myan Mode could not be reached for comment.

“It’s a mild victory but it’s remarkable how hard the brands fought against what is a very clear case of union busting,” said Andrew Tillet-Saks, a labour campaigner based in Myanmar, criticising brands for being slow to take action on the issue.

“It’s clear that the brands hold leverage,” he added. “The fact that they don’t step in immediately shows that their commitments to sustainability in the supply chain are nonsense.”

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