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PRESS RELEASE

WORKERS UNDER PRESSURE IN KOREAN-OWNED GARMENT FACTORIES

Myanmar labour rights group, Action Labor Rights (ALR), today issued a report called 'Under Pressure' on labour conditions in a number of garment factories which are either wholly Korean owned or joint-ventures with Korean companies.

The survey, undertaken in mid-2015, compares conditions in factories to Myanmar legal requirements. It reveals significant non-compliance on the part of many factories, particularly concerning laws on working hours and overtime.

In factories surveyed, excessive overtime was the major issue of concern. Almost 30% of the factories surveyed failed to abide by the maximum 16 hours weekly overtime limit. Nearly two thirds of workers surveyed (62%) reported being unable to refuse working excessive hours. This is unsurprising given that almost two-third of workers (63%) said that their take home pay was not enough to live comfortably. A shocking 30% of workers said they were provided payslips only in English or Korean, another direct breach of Myanmar law which requires payslip information to be provided in Burmese. Only 40% of workers claimed that they have signed employment contracts; many of these did not have their own copy.

Despite a legal requirement under the 2012 Settlement of Labour Disputes Law for an employer with more than 30 employees to establish a Workplace Coordinating Committee, only 14% of Korean garment factories surveyed - all of which had more than 30 employees - have one. Other findings cover discrimination against trade union representatives, medical leave, maternity rights, harassment, child labour and working conditions including fire safety.

Thurein Aung, Director Action Labor Rights said *'Our findings show lack of compliance with Myanmar law in many of the factories we studied. This is not a problem only in Korean-owned factories. It occurs across the garment sector.'*

We recognise that are differences between Korean factories. We know that a few of them, who are seeking to supply international brands, are actively working to meet Myanmar legal requirements and international standards. But too many of them are not.

We focussed on Korean investment because it is important to the Myanmar garment sector, and because Korea is a member country of the OECD. We want the Korean government to meet its obligation, as a signatory to the OECD's Guidelines for Multinational Enterprises, to ensure that Korean investments in Myanmar operate 'within the framework of applicable law, regulations and prevailing labour relations and employment practices, and applicable international labour standards'. We hope this study will help them to do this'.

BACKGROUND

1. Action Labor Rights (ALR) is Myanmar human rights defenders organisation which had its beginnings in 2002 when young members of the National League for Democracy were working with the ILO to advocate for freedom of association and to abolish forced and child labour. In May 2007, six ALR members were arrested after taking part in Labour Day celebrations at the US Embassy in Yangon. After their release from prison in January 2012, the activists decided to continue their activities as an organization, and formally established ALR in February 2012. Its activities include training workers on their rights and on labour laws, monitoring the practices of international sourcing companies, research and advocacy, and focusing on the rights of women workers.
2. The 'Under Pressure' report examines the labour conditions in a selection of garment factories in Myanmar, which are either wholly Korean owned or joint ventures with Korean companies. Most of the companies are in industrial zones in the Yangon region and Bago. It is based on qualitative and quantitative data gathered from 1200 employee interviews at 39 factory sites by a team of 10 field researchers in April-June 2015, as well as secondary data, interview with other key informants including managers, and focus groups.
3. The report makes recommendations to all factories in the sector, as well as to government and brands, to take steps to increase respect for Myanmar garment workers' basic labour rights and protect them from labour exploitation and abuse.
4. An Executive Summary of the report is available in Burmese and Korean.
5. The research was made possible with support from the Myanmar Centre for Responsible Business (MCRB) as part of its commitment to build capacity of Myanmar civil society organisations working on business and human rights issues. However, the report's findings and recommendations belong to Action Labor Rights alone.

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