



Organizing in supply chains: limits and possibilities in the Philippines' Cavite ecozone

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During the 108th session of the International Labour Conference, the ILO's Committee on Application of Standards (CAS) called on the Philippine government to accept a high level tripartite mission to investigate the enforcement of Conventions 87 and 98 on freedom of association and the right to collective bargaining (ILO, 2019), in light of continuing allegations of killings of labor unionists and suppression of workers' rights.

The dire situation in the Philippines was highlighted by the murder of Dennis Sequeña, a labour organizer, just a week before the ILO celebrated its 100th anniversary. Dennis was shot in broad daylight in the middle of a labour rights seminar with export zone workers. At the time of the killing, Dennis was assisting workers in three garments factories in the industrial province of Cavite, just west of the capital, Manila. Local and international groups were outraged by the killing and immediately called for justice (ITUC, 2019). As a result, the government made a finding that the fatal shooting was a labour-related killing and the investigation was lodged with the Justice Department (Mercado, 2019). Dennis's death underscores the perils of union organizing in the export processing zones of the Philippines.

The Cavite economic zone is the biggest publicly-owned and managed export processing area in the country. It is also a showcase of the de facto "no union, no strike" policy inside export zones. The labour movement in the Philippines has been declining since the 1990s, mainly due to the impact of neoliberal globalization. One aspect of this decline is the closure of factories that were union strongholds and their relocation to greenfield sites inside export processing zones.

Yet widespread violations of workers' rights and the suppression of freedom of association inadvertently engender discontent and resistance. From 2014 to 2018, a series of labour struggles inside Cavite export zone highlighted not just dismal working conditions but also the limits of the state's dispute-resolution mechanisms and transnational companies' codes of conduct.

The state of rights at work in the zone is illustrated by the struggles of workers in seven factories, including metal, electronics and garment suppliers to global companies, many of which have codes of conduct. Some are members of multi-stakeholder initiatives.

Workers suffered violations of their rights as enunciated in the Philippine Constitution, the Labour Code, international conventions and codes of conduct. They took collective action to redress workplace grievances and build associational power.

But unionization was actively suppressed, using various schemes of union avoidance and union busting. Repression of unionization was meant to stop workers from bargaining collectively to better their wages and working conditions. Indifference from the Labour Department and active connivance by the Philippine Economic Zone Authority spurred employers' impunity, resulting in episodes of protests and strikes which intensified the class struggle between capitalists and workers.

Workers in the seven factories showed how union building and direct action could serve as an effective strategy for engagement with transnational corporations to redress deficits of rights at work. At the same time, their struggles revealed the limits of state dispute resolution and remediation mechanisms of transnational companies and multi-stakeholder initiatives.

The Philippines ratified C87 and C98 in 1953. Yet there is a yawning gap between law and practice. In 2009, an ILO high level mission was sent to the Philippines to probe the spate of killings of unionists, and violations of the right to freedom of association and collective bargaining. A number of reforms were introduced in its wake. But still, labour activists and organizers routinely face violence. And union busting is rampant, especially in the gated complexes of the export zones. The series of labour disputes and workers' struggles in the last five years draw attention to the obvious disconnect between policy and implementation.

In all the cases, management actively undermined the workers' right to unionize, through harassment, firings and closure. Identified union leaders and activists would be intimidated. This was then followed up with threats of factory closure if workers voted for a union. Supervisors and managers were mobilized to frighten workers by saying that customers do not want a union in the factory.

The embattled unions' recourse was to call for the Labour Department to intervene. But the state's dispute resolution mechanisms were unable to stop management interference. The workers then resorted to protests and strikes.

At that stage, export zone security personnel and company guards marshalled their coercive force to harass marches and picket lines. The experience of the seven factories clearly exposed the connivance of the Cavite export zone authorities in union busting schemes of factory management.

Unions tapped into the support of communities and political groups that were active in the province of Cavite. These

provided material and moral support for unionization, strikes and protests inside and outside the ecozone. There were instances when workers marched from their factories to the gate of the Cavite export zone and were met by assemblies of supporters coming from the nearby communities. Similarly, organized workers in other factories visited their brothers and sisters who were on strike.

International solidarity was pursued—principally via union contacts in multinational companies that the factories supplied, and organized sister companies in Indonesia, Cambodia and other Southeast Asian countries. Unfortunately none of these demonstrations of solidarity were fruitful, except for one case. In the dispute at the metal company, a CGT local in the French corporate headquarters of its main customer exerted leverage on its management. As a result, the multinational company told the metal factory to settle the strike immediately on pain of losing its order. Within 24 hours, the factory management signed a collective bargaining agreement to end the strike. The CGT support was effective since it was in a position to put pressure and the metal factory was vulnerable to the action of its main customer. This was a key victory, and the positive example spurred unionization of other factories in the Cavite ecozone.

Partly as a result of the low level of success from international trade union solidarity, supply chain organizing was reduced to vendor engagement through the assistance of international labour NGOs such as the International Labour Rights Forum, the Clean Clothes Campaign and the Business and Human Rights Resource Centre.

Through the mediation of these international labour NGOs, engagement with global brands resulted in reinstatement of unionists who were fired by three supplier factories. This spate of successes helped to overcome workers' fear and curb management intimidation. It was a major factor in workers in the biggest garment factory in the Cavite ecozone voting for union representation.

But the brands' lack of response gave free rein to management interference in three other factories. In these factories, management interference scared workers into voting against a union in certification elections.

In the face of extreme adversity, workers' repertoire of actions was successful to varying degrees. Value chain organizing proved difficult but significant when it blossomed.

Still, even when brands did respond to calls for remediation, the process was opaque. Union leaders were happy to be reinstated but it was always a surprise when it did happen. Brand response was entirely up to the multinational companies and there was no transparent process by which workers could have a voice in the remediation process.

Winning freedom of association and decent work remain challenging, as only the union in the metal factory still exists with a collective bargaining agreement. The unions in the other six factories were all bust one way or another. For example, three months into the implementation of the contract between

the union and management, the biggest garment factory in the ecozone was unceremoniously shutdown. The management alleged that there was a lack of orders. Later, workers learned from the brand that orders were not withdrawn. But the brand still would not lift a finger, on the excuse that it was the factory's prerogative whether to continue operating or not (Partido Manggagawa, 2016).

Clearly, factory closure is a final union busting option. It is rational to surmise that the shutdown of the largest apparel factory in the Cavite ecozone was a decision made in concert with Korean capitalists. The Korean investors were no doubt scared of their workers being inspired by a successful union in another garment factory with a contract. Probably, even the Cavite ecozone authority was part of the manoeuvre to close the factory.

Dennis was a key organizer of the struggles of workers in the seven factories and his murder emphasizes the extremes that employers and their collaborators will resort to, beyond worker intimidation and factory closure. Thus it is incumbent on the international labour movement to exert pressure on the Philippine government to allow the high level mission to ensue to prevent another Dennis being killed and another union being bust in the export zones in the Philippines.

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