

exCHAINS



*Solidarity along the supply chain:
From production to retail, workers unite!*

Good life, health and work here and along the value chain – also in times of Corona 03.04.2020

Every day there are new consequences of the crisis triggered by the corona virus. Governments around the globe are putting together rescue packages, and everyday life as well as political and civil liberties are massively restricted. For workers in the retail trade and clothing industry, this means a further precarisation of their living situation and an uncertain future.

The employers' association has announced to the employees in the **German** retail sector – yesterday still called heroes – that the agreed wage increases in April or May will be postponed until the end of the year. This also affects workers in the food trade, who are currently working under particularly tough conditions. The union ver.di already announced that it would not accept the wage cut.

The Esprit fashion group applied for a protective insolvency for several subsidiaries. It is not clear how many stores will be closed and how many of the approximately 2,300 workers will lose their jobs in the process. Works councils suspect that Esprit is using the proceedings to drive forward a corporate restructuring: a new fashion group after the insolvency without works councils, with new staff and a new concept. At the same time, the Corona crisis makes it more difficult to organise. Workers' assem-



blies do not take place and works council work is usually only possible via video or telephone conference. For April the colleagues have received their wages, but now there is growing concern about how things will continue.

Garment workers in **India** also face this uncertainty. All factories there will remain closed until at least mid-April. Only factories that produce protective clothing and breathing masks are allowed to produce. The wages must continue to be paid according to government orders. Whether the companies will keep to this, will be seen from April 7th, when normally the wage payments are due. At the end of last month, it had already become apparent that not all companies were complying with the government order. Some suppliers refused to pay wages despite factory closures. Our brothers and sisters at GAT-

WU responded by organizing protests via WhatsApp and social media. This is where their well-functioning factory unions pay off. Where they have become active, they have succeeded in building up pressure. A number of companies that refused to cooperate now have to pay.

A big problem, however, is that the workers are only entitled to their basic wages. This is too low to make ends meet. Therefore many workers usually work overtime. In addition, consumer prices are currently rising rapidly. The reason for this is the nationwide shutdown of the economy and everyday life. Admittedly, the food industry and food supply should be guaranteed. But since the police enforce the curfews with violence and often ignore whether people go to work in the grocery store, for example, the supply situation is unclear. This drives up prices. Therefore, the situation of the workers is by no means secure.

The situation in **Bangladesh** is even more precarious. About 90% of the factories there are currently closed. The closures will continue at least until April 11th. Initially, the government wanted to keep the factories open. Protests and spontaneous strikes by workers forced the government to close the factories. Only manufacturers of protective clothing and brea-



thing masks are allowed to produce. But there is a loophole: If the company makes sure that the work is done with protective clothing and breathing masks, the factory may open again. But according to our brothers and sisters at NGWF, this is not controlled.

Wages are not paid according to the current situation. The unions are demanding that there should be negotiations between the government, companies and unions to ensure that wages in the garment industry continue to be paid during the period of factory closures. This is already the case in other private industries and in the public sector. Where there are NGWF factory unions, they are trying to fight for continued pay. However, the dispute is extremely difficult: the companies exert influence on government policy, whereas the unions are hardly heard.

It becomes clear: even in times of Corona the disputes with the companies continue.

Solidarity also applies in times of Corona!

Factory closures with full pay

