

Cambodian union leaders call off garment workers' mass strike

John Roberts
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At the request of Prime Minister Hun Sen's government, Cambodian union leaders last Thursday called off a four-day strike that had rapidly spread to involve tens of thousands of garment workers, who were demanding that the minimum monthly wage be increased to \$US93.

The strike was the latest in a wave of stoppages and protests, many involving clashes sparked by violent police attacks on strikers. Impoverished workers, mostly young women, remain angry over a July 25 agreement between the government and some union leaders to increase the wage, as of October, from \$56 to \$61, and then freeze wages until 2014. That level is far less than they need to cover rent and other living expenses, let alone send remittances to their rural families.

The return to work call came despite there being no wages settlement. According to Social Affairs Minister It Samheng, the government simply promised to sit down with the employers and unions on September 27 to discuss "benefits for garment and footwear workers".

In a joint statement, the unions called the government response reasonable. Cambodian Labour Confederation President Ath Thun claimed workers started returning to work soon after the union statement was issued.

The employers had already made plain their implacable opposition to any further wage rise. Their peak organisation had directed its members to seek court injunctions declaring the strikes illegal and ordering workers to return within 48 hours or face dismissal.

The union leaders called off the strike just as it was growing in strength. By Thursday, according to the unions, 210,000 workers from 95 factories had joined the strike, up from 60,000 on Monday. More than half

the total garment industry workforce of 345,000 had walked out. The Garment Manufacturers Association claimed the figure was around 30,000, but admitted the number of strikers was growing.

Clearly taken aback by the size of the walkout, Cambodian Labour Confederation secretary general Kong Athit told the AFP news service on Wednesday that the strike had exceeded expectations because "workers are having difficulty surviving on their low wages". He warned that the strike could continue for at least a month.

Instead, the strike was called off the next day. The government had obviously brought considerable pressure to bear. Minister Samheng warned that any further stoppages would "affect benefits for the workers, employers and our nation that is facing the impact of the global financial crisis".

International financial institutions backed the government's position. On Monday, the Asian Development Bank chief economist for Cambodia, Peter Brimble, said the garment industry had been hard hit by the slump in the United States and Europe and, "it's not the right time" for a wages strike.

Among the union leaders calling for a return to work on Thursday was Ath Thorn, president of the Coalition of Cambodian Apparel Workers Democratic Union. Earlier in the week, he had predicted a strike lasting longer than the five days, unless the employers agreed to pay the \$93. Yet on Thursday he said: "This is a good result... when the government and the company say they will negotiate, we feel happy."

On July 25, following the release of a report that a living wage for garment factory workers in Phnom Penh, the capital, was around \$91 per month, between 3,000 and 4,500 workers protested at the National Assembly against the paltry \$5 rise to \$61. Two days

later, a strike at PCCS Garments, a Malaysian-owned manufacturer of goods for Adidas, Gap, and Puma, ended when police used electric shock batons, assault weapons and tear gas to force 3,000 workers back into the factory. Workers retaliated with plastic chairs and water bottles.

Young garment workers often share small rooms, occasionally in factory-owned housing, paying between \$15 and \$25 per month in rent. Utilities can add another \$10 per month, and food costs run about a dollar a day, taking the total to \$55 to \$65 per month. Yet many workers have to support their families in the provinces, and send around \$50 back home every month. The UN estimated last year that the wages of factory workers keep about 1.6 million of Cambodia's 14 million people afloat.

Hun Sen's Cambodian Peoples Party government has sought to establish the country as a cheap labour platform through free market pro-investment "reforms" and a wages structure more attractive to foreign investors than its competitors in the region. In practice, the union leaders are part of this operation.

The garment industry contributes over 70 percent of Cambodia's export earnings. Most of this production is for major North American and European brand names, also including Nike and Benetton. More than half the firms operating in Cambodia are owned by companies based in China, Taiwan and Hong Kong.

The regime in Phnom Penh is intent on keeping wages lower than in rival countries amid the uncertainty produced by the austerity measures in Europe and the continuing downturn in the US. Any wage rises could threaten the limited recovery underway from 2009, when Ministry of Labour figures show that 93 factories closed and 70,000 jobs were lost.

The militancy expressed by the Cambodian workers is part of what the *Financial Times* on Monday called an "Asian trend". The article referred to strikes in China, Vietnam and Bangladesh, and lamented: "Although garment manufacturing is easy to relocate, there are few under-industrialised Asian nations for manufacturers to move to. With upward pressure on wages in all the lowest cost production centres, many manufacturers see little option but to accede to at least some union demands."

Hun Sen's government has demonstrated its determination to resist such pressures through a

combination of repression and sordid deals with union leaders to block any movement by workers for higher wages.



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