

Canada's largest lingerie and swimwear retailer scraps worker bonuses

Alexandra Greene
17 July 2020

Canada's largest lingerie and swimwear retailer, la Vie en Rose, has told workers its bonus program will be scrapped despite the dangerous working conditions they confront amid a raging pandemic. The company, which operates some 360 outlets in over 15 countries, including about 270 stores in Canada, owes its success in recent years to a low-paid workforce with virtually no job security.

La Vie en Rose pays the vast majority of its store-level employees the minimum wage. Hiring contracts only require employees to work a minimum of eight hours weekly to maintain their positions, and even then, that rule is often broken. Workers can go weeks without shifts despite pleading for work hours.

In spite of this, staff are expected to be fully available to work on all weekends and holidays and at least three weekdays, leading many to struggle immensely while trying to make ends meet by juggling multiple jobs.

Workers have relied heavily on the bonuses, to provide them with a little extra over and above their appallingly insufficient wages. These bonuses were only paid out when productivity goals and difficult financial targets were achieved, with the company acting as a master tempting a dog with a treat. Now workers say they have been informed by management that the bonuses have been cancelled with no given date of reinstatement.

When the boutique closed its Canadian stores on March 17 due to the pandemic, it issued temporary lay-off notices to the vast majority of its employees without warning. The retail workers were left to claim the Canada Emergency Response Benefit (CERB), which pays out a mere C\$2,000 per month to each recipient.

In a statement to employees issued on March 17, CEO François Roberge cynically claimed that the company was acting to protect the health of its employees. "This new challenge will help us grow stronger together," he wrote.

The only thing that has grown "stronger" since then is company profits. The company's e-commerce operations continued during the lockdown. According to several sources from within the company, online sales have boomed.

La Vie en Rose achieves more than C\$400 million in annual sales, and is aiming to surpass C\$500 million per year by 2022. The earnings of CEO François Roberge are unknown, but a 2017 profile in the Quebec City-based daily *Le Soleil* reported that he had removed a whopping C\$14 million from his stock portfolio the year prior.

As the reckless back-to-work campaign greenlighted by the Trudeau Liberal government and enforced by its provincial counterparts gathered pace, La Vie en Rose moved swiftly to reopen its stores in May. Initially, only key staff were brought back to run the stores.

"It's as busy as it usually is around Christmas," sales associate Becky,* who has worked for the company for several years, told the *World Socialist Web Site*. "I guess people are just really excited to come and shop again."

According to workers who spoke to the WSWS, smaller locations that normally struggle to meet quarterly sales goals are suddenly on track to make over a million dollars in annual revenue, in spite of the lost sales during the pandemic closures.

Workers' safety is being sacrificed to ensure maximum productivity. No professional cleaning service has been brought in to sanitize the stores. Prior to the pandemic, employees would complete a "paid-out" transaction, taking money from the cash register and purchasing whatever cleaning supplies they deemed necessary for store maintenance. They were and continue to be responsible for cleaning the store themselves.

As the dangers of the COVID-19 outbreak grew in February and March, employees began to bring in their own hand sanitizer and cleaning supplies to share with one another. The company sent some Lysol wipes to stores for employees to wipe down surfaces and door handles with, as well as hand sanitizer for staff and customers.

Upon reopening its doors, the company supplied a totally inadequate number of single-use disposable masks to store employees—25 to a store with 10 employees, in one instance. When employees had used those masks, they had to bring in their own from home for themselves and for co-workers.

The company has since supplied a batch of washable masks, which workers have been told to wash at home.

Workers also told the WSWS that since stores reopened, they have experienced pressure from their superiors to show up for work when sick. Workplace rules regarding sick leave and shift coverage vary from province to province, with individual managers usually given discretion to decide.

In practice, management enforces rules that have no legal basis. For example, sick employees must contact their co-workers in their own time if unwell in order to find someone to cover their shift—no easy task when understaffed workplaces are filled with minimum wage employees with commitments to other jobs. Sick employees are additionally required to supply eight hours' notice if they can't attend a shift, regardless of what state their health may be in.

“All I can say is management as a whole cares a lot more about sales than employees, especially when it comes to safety or comfort. Even though we are the ones who have to make those sales,” says Tanya,* a worker who has never received more than minimum wage in her position, just C\$12.65 an hour, since being hired in 2019. She was recently criticized by her boss for taking time off for being sick. Her symptoms were so strong that she was tested for COVID-19, and the result came back negative.

In early March, the company issued a statement in response to growing employee concern that the packages of incoming products that they were handling—often having come straight from China, the global epicentre of the pandemic at the time—might be contaminated with the novel coronavirus.

La Vie en Rose's e-mailed statement to its workers falsely assured them that the virus cannot live outside of a biological host. This dangerous misinformation was clearly disseminated in an attempt to keep employees working as productively as usual, with little regard for their safety and well-being.

A study published in the *New England Journal of Medicine*, conducted by researchers from UCLA, the National Institutes of Health's National Institute of Allergy and Infectious Diseases, the Centers for Disease Control and Prevention, and Princeton University, discovered that the virus is detectable for up to 24 hours on cardboard and up to two to three days on plastic. Cardboard and plastic are the primary materials used in all of the company's stock packaging.

“This virus is quite transmissible through relatively casual contact, making this pathogen very hard to contain,” said James Lloyd-Smith, a co-author of the study and a UCLA professor of ecology and evolutionary biology. “If you're touching items that someone else has recently handled, be aware they could be contaminated and wash your hands.”

The contempt and disregard for workers' lives shown by the company is in keeping with its business model, which is to pressure low-paid, precariously employed workers to bring in bumper profits. La Vie en Rose outsources its product manufacturing to countries—usually Bangladesh and China—that notoriously place workers in horrific and often fatal working conditions.

Aurélié Daoust-Lalande, vice-president of strategy and development at La Vie en Rose, stated in a 2019 interview, “We have the ambitious goal of doubling the size and profitability of the company by 2022, and our expansion outside of Canada will definitely play a major role in achieving this objective.”

Apparently, the only way to continue on a path to meet these targets is to continuously exploit overseas garment workers and further cut the already meagre earnings of its working-class staff in Canada.

The fate of La Vie en Rose employees is common to workers across the retail sector. Grocery store workers, many of whom also earn the minimum wage, were given a C\$2 per hour bonus by the major grocery store chains at the beginning of the pandemic. While this was presented in the media as a kind employer gesture, it was in reality motivated by management fears that if they didn't provide a temporary pay increase, workers might conclude they would be better off staying home and claiming the meagre CERB than risking their lives for a minimum wage job. Having seen their profits jump during the pandemic as sales increased, the grocery store chains scrapped the C\$2 bonus once the Liberal-led back-to-work campaign gathered pace (See: “Canada's grocery chains slash wages as pandemic continues to rage”).

* Workers' names have been changed to protect them from company reprisals.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact