## Thousands of Vogue Tex garment workers in Sri Lanka protest over bonuses

Aruna Malalagama 15 April 2025

Around 2,000 workers from Vogue Tex garment factories located at Weligama and Hikkaduwa in Sri Lanka's southern province held angry protests on April 8, and the following day, against management's refusal to pay the Sinhala-Tamil New Year bonus.

The bonus is for the April 13–14 holidays, the major annual festival for Sinhala and Tamil communities in Sri Lanka. Private sector workers, who are paid low wages in Sri Lanka, are usually given an annual bonus to celebrate the festival.

Vogue Tex management announced on April 8 that that it could not pay the New Year bonus because of new US tariffs on Sri Lankan exports. Management closed its factories until April 22, transferring workers' monthly salaries to their bank accounts but not their New Year bonuses.

On April 2, US President Donald Trump announced harsh tariff hikes on international imports around the world, with the highest rates imposed on China. Sri Lanka's tariff was lifted to 44 percent, Bangladesh 37 percent, and Pakistan 30 percent with other Asian countries also facing steep hikes.

Trump's announcement sent shockwaves through Sri Lanka's export industries, and garments, in particular. The US is the single largest market for Sri Lanka's exports.

Workers at the Weligama plant downed tools after hearing about management's plans, surrounding the manager's office and preventing him from leaving until the bonus was paid. They told the management it was "irrational" and "unfair" to use the new tariffs imposed by the US as an excuse to justify not paying bonuses.

"These bonuses should be paid from the profits earned last year, before the new tariffs were imposed," the Vogue Tex workers said. Workers protested outside the plant, chanting slogans, "Pay bonuses immediately." Management called the police to quell protesters, but workers continued their action until dawn the next day.

The Colombo-based *Daily Mirror* published a video of the protesting Weligama workers on April 9. It reported that management told the workers that the bonuses would be paid by 8 a.m., the following day. Management, however, has only paid half the bonus amount given during previous years.

One worker told the newspaper that "one pack of clothes would be enough to pay the wages of ten people," and angrily denounced the high level of exploitation at the plant. Voicing her anger over the government's indifference to this exploitation, she asked, "What is the president [Anura Kumara Dissanayake] doing?"

In another video circulating on social media, a Weligama worker, who is only paid 35,000–40,000 rupees (\$US117–133) per month, said workloads at the factory had been increased to unbearable levels. She said that her hopes of "celebrating [the New Year], at least in a small way" with her children and family had been shattered by the non-payment of bonuses.

A garment worker from Vogue Tex's Hikkaduwa factory plant told the *World Socialist Web Site* that there was rising unrest among the 850-strong workforce at that plant when they heard about the company's decision to halt the bonus.

He explained that his monthly salary, including all allowances, was only about 36,000 rupees and that his whole family, including his wife and her mother, had to try and survive on this meagre amount.

"How can we live on that? Even though they say the factory will be opened on the 22nd, I am very sceptical and think we need to discuss this with other workers," he said. We planned to do many things during the

festival with the small bonus amount, he added.

"Today, a group of workers are going to the Galle Labour Office to file a complaint. But where will we get the money to spend on a year investigating this complaint and getting payment for the bonus? This is the ultimate injustice. I've been working in this factory for about five years but in the end, this is how the factory treats us," he said.

Vogue Tex began operations in Sri Lanka in 1991, as a partner company of German-Sri Lanka investors who opened one plant in Kosgoda. Today, it has eight factories, employing over 10,000 workers who produce over 1.5 million garments and bring in \$US100 million in export revenue per year. Vogue Tex manufactures for Levi's, Ralph Lauren, Marks & Spencer, Tommy Hilfiger and Gerry Weber in the US and the European Union.

The company's plant in the Koggala free trade zone was shut down about two months ago with some of its workers relocated to Hikkaduwa and the rest to Weligama. Vogue Tex garment workers told the WSWS that the company's Anuradhapura plant was closed some time ago.

Sri Lanka earns \$1.5 billion annually from its apparel exports to the US with industry experts predicting that the new US tariffs will cut that revenue by \$600 million. The sector employs 15 percent of the country's total industrial workforce.

Several Sri Lankan garment plants have shut down in recent years, resulting in the destruction of thousands of jobs. In 2022, at least half a million people, including garment and service workers, lost their jobs.

This job destruction was precipitated by global financial pressures caused by the COVID-19 pandemic and US-NATO proxy war in Ukraine against Russia. The global downturn led to a major economic breakdown in Sri Lanka, beginning in 2021, and resulting in the eruption of a mass anti-government uprising involving millions of workers and the poor in 2022.

While there are around 350,000 workers directly employed in the garment industry, another 600,000 are indirectly involved. Many of the indirect workers, including underage people, are employed by subcontractors on extremely low wages and harsh conditions. According to industry insiders, larger garment manufacturers in Sri Lanka have already

demanded these sub-contracting companies slash production cost by 40 percent. This means more mass lay-offs, wage cuts and even more exploitative conditions.

While Trump has announced a 90-day tariff pause, no one can predict exactly what his next step will be. Some international financial commentators are warning that the tariffs could precipitate a global recession.

Johan Lawrence, secretary general of Sri Lanka's Joint Apparel Association Forum (JAAF), told the media: "These tariffs are extremely high relative to our regional competitors... The impact will be rapid and severe once the tariffs are implemented. We could see more US businesses in our country move to competitive markets."

In other words, Sri Lankan-based exporters must impose brutal cost-cutting attacks on their workers.

Giant retailers in the US and Europe are already reaping huge profits importing from garment manufacturing countries, such as Bangladesh, Vietnam, Sri Lanka and Taiwan. China is currently the top garment exporter to the US. In the wake of Trump's new tariff measures, these retailers will demand even cheaper production costs.

President Dissanayake's government, and the Sri Lankan ruling elite, were shocked by Trump's tariff initial increase announcement. Colombo has informed the Trump administration that Sri Lanka will take every measure to "mitigate" its trade balance with the US.

The Sri Lankan government's principal focus, however, will be to make workers and the poor pay. Dissanayake has publicly declared that "people will have to prepare to face the crisis as a nation," a statement fully endorsed by all the parliamentary opposition parties.

The determined and active opposition of Vogue Tex workers against management's refusal to pay the regular New Year bonus makes clear that workers will not tolerate company attacks on their jobs, wages and working conditions.



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