

Sri Lankan workers must defend retrenched Next apparel workers

Garment Workers Action Committee and the Socialist Equality Party (Sri Lanka)
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The Garment Workers Action Committee (GWAC) and the Socialist Equality Party (SEP) in Sri Lanka call upon Sri Lankan apparel employees and other workers in the private and state sectors across the country to come to the defence of laid-off Next garment employees. Management of the Next Manufacturing plant, which is located in the Katunayake Free Trade Zone, suddenly shut down the factory on May 20, destroying nearly 1,500 jobs.

Next Manufacturing has another two plants—at Andigama and Nawagaththegama—located away from Katunayake and employing over 1,000 workers. These plants are owned by Next UK, one of Britain’s high-street fashion retailers.

Next Manufacturing management claimed “high operational costs” were responsible for the factory’s closure. This must be taken by employees at Next’s two other factories as a warning that their jobs are threatened.

Announcing the job destruction, the company claimed it would pay “due compensation” and other benefits according to Sri Lanka’s Termination of Employment of Workmen (Special Provisions) Act (TEWA). This is a ploy.

Next Manufacturing has flagrantly breached TEWA. This law requires the company to have prior approval from the Labour Commissioner, to formally notify the Board of Investment, which oversees companies registered under it, and to inform the relevant trade unions.

Faced with the sudden and brutal deprivation of their livelihood, some Next workers are coming to the KFTZ entrance each day in the hope that they will be hired by agents of labour contractor companies, which pay low daily wage rates.

The shutdown of Next is part of a developing disaster in the apparel industry amid the deepening crisis of world capitalism. Apparel-producing countries are engaged in cost-cutting competition as giant retailers in the US and

European countries continuously demand low-cost production.

This dog-eat-dog process has been intensified by US President Trump’s imposition of harsh tariffs on exporting countries, including Sri Lanka which faces a 44 percent tariff. Although there has been a 90-day pause since April, uncertainty remains.

In early April, the Vogue Tex factory located in Weligama and Hikkaduwa in the Southern Province cut the New Year bonus of 2,000 workers by half, citing the impact of the US tariff hikes. Vogue management now says it is short of export orders with similar situations facing other apparel factories. Closures, lay-offs, wage cuts and further increases in workloads are on the cards for the hundreds of thousands of employees in this industry.

Angry Next employees speaking to GWAC and SEP members near their now sealed-up plant, have condemned the factory closure and want their jobs back, or if not, then fair compensation.

President Dissanayake’s Janatha Vimukthi Peramuna/National People’s Power (JVP/NPP) government has sided with the company. After meeting with Next Manufacturing bosses on May 22, Deputy Labour Minister Mahinda Jayasinghe addressed the media, echoing the company’s reasons for closing the plant: “The factory had made losses of over Rs. 10 million [\$US33,000] in the past six years since 2019.”

Media reports, however, show that Next’s parent company in the UK increased its annual profit by 10.1 percent, reaping “a pretax profit of 1.011 billion pounds (\$US1.31 billion)” in the year to January 25, 2025, profits extracted from Sri Lanka workers and others employed by this giant corporation.

Speaking like a lawyer for Next Manufacturing, Jayasinghe covered up the fact that the company had violated the TEWA law while claiming that it had

presented a retrenchment compensation plan for the sacked workers. Next Manufacturing, which had just destroyed 1,500 jobs, he cynically declared, would help to provide jobs for workers in other industries!

Last September, President Dissanayake told a Business Forum meeting: “For the first time, your interest is our interests. Our interest is yours.” Jayasinghe, who is also secretary of the JVP-led Teacher Services Union, was simply repeating Dissanayake’s pro big-business line.

Anton Marcus, leader of the Free Trade Zones and General Services Employees Union (FTZGSEU), has also lined up with the government and the company. Many Next workers are members of this union.

Marcus held talks with Deputy Minister Jayasinghe on May 23, calling on him to organise a meeting between Next management, union officials and the deputy minister. Marcus later told the media that his concern was not compensation but getting the jobs back.

The FTZGSEU leader’s claims are sheer hypocrisy. The other day, he suggested to a group of Next employees that the union should go to court. One retrenched worker told SEP and GWAC members that he and his colleagues rejected going to the courts, correctly pointing out that this would not help them regain their jobs.

Marcus wants to entangle workers in drawn out court cases that would ultimately rule in favour of the company and direct workers to accept the company’s actions. At the same time, union officials like Marcus will not hesitate in selling out workers’ jobs for meagre compensation—payments that company managers will readily ignore, as they abandon their plants and return to their home countries.

This private sector job destruction comes as the JVP/NPP government has intensified its savage International Monetary Fund austerity measures, increased the price of essentials and is preparing to “restructure” state sector enterprises, destroying at least half a million jobs in the process.

What should be done?

The GWAC urges the working class to come to the aid of their Next colleagues without delay. Their struggle to defend their jobs and basic rights is intimately connected to your fight. An attack on one section of workers is an attack on all! That should be the motto for unity among

workers. We must unite and prepare to fight back.

- No to job cuts, the slashing of wages and working conditions!
- Oppose all closures, prepare for industrial action, including factory occupations.
- Reject the meagre compensation decided by employers and union bureaucrats. Demand compensation on full pay until new jobs are provided.
- Fully paid medical leave. Decent housing and health facilities.

Workers cannot expect the FTZGSEU or other union leaders to fight for their rights. The JVP-led Inter-Company Employees Union is completely silent about this job destruction and supports the companies. Many JVP trade union leaders are ministers, deputy ministers and MPs.

The fight for the above demands requires the development of organisations that fight for workers’ interests. We appeal to Next workers to form their own democratically-elected action committees to carry out this campaign.

Apparel workers in Sri Lanka, along with their class brothers and sisters in the private and state sector, need to form independent action committees in every factory and workplace. The trade union bureaucracies, which have become agents of companies and the government, must not be allowed into these committees.

We urge workers to democratically decide and organise class actions, such as demonstrations and strikes, to defend the sacked Next employees. The struggle against big-business corporations and investors, including retailing giants, and the IMF, is an international battle and must be advanced through the development of the International Workers Alliance of Rank-and-File Committees.

The SEP stresses that the working class can only defend its social and democratic rights in a conscious political battle against the capitalist system and the national ruling elites. This is inseparable from the fight for a workers’ and peasants’ government to implement socialist policies as part of the struggle for international socialism.



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