

# Sri Lankan apparel company ELPHIS LANKA locks out workers for taking action demanding job security

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4 June 2026

Sri Lankan apparel company ELPHIS LANKA, located in Ekala, about eight miles from Colombo, closed its factory gates on May 25 to more than 500 employees who had begun a go-slow protest during the previous week, demanding job security.

The employees, most of them women, launched the action on May 19 after learning that the Korean-owned company was planning to sell the factory to an unknown company. The facility, which has been operating since October 1991, produces jackets, blouses, trousers and blazers for export markets.

They were informed by the company on Sunday, May 24 that the factory would be closed from the next day. When they arrived on Monday morning, they found a notice pasted on the gate—supposedly by the “new owner”—stating that “the institution will not reopen until you inform us in writing through the Deputy Labour Commissioner of the Ja-Ela Labour Office that you agree to cease your illegal strike actions and return to work.”

This allegation is spurious because it was, in fact, illegal for ELPHIS to transfer employees to another company without their knowledge and without clarifying what their job security and working conditions would be.

Some worker activists rushed to the nearby Ja-Ela Labour Office and then to the Gampaha District Labour Office to discuss their problems. However, officials turned them away, telling them to lodge a complaint with the Labour Department.

The workers entered into struggle spontaneously; the Ceylon Mercantile, Industrial and General Workers Union (CMU) did not intervene on their behalf.

The CMU leadership has still not called a meeting of its 350 members to discuss what struggle should be launched to defend their jobs. It appears that the union bureaucracy is preparing to wash its hands of the matter by claiming that the workers’ action, which the company used as a pretext to close the factory gates, was initiated by non-union members.

The protesting workers opposed the secret transfer of the factory to a supposed “new owner.” When *World Socialist Web Site* (WSWS) reporters visited the employees, they were displaying placards that read: “No to the exploitation of workers’ labour,” “Labour Commissioner, deliver justice for us!” “Workers have been thrown onto the streets” and “Dear President, listen to us. Secure us compensation.”

Workers were angry. A worker with 20 years of service told the WSWS that some had worked at the factory for around 30 years. “This is an old factory. They have no right to close it. The owners have left, leaving notices for us!” she said.

She noted that her salary had risen from about 20,000 rupees per month 20 years ago (around \$US190 at the time) to only 50,000 rupees (\$US161) today, including overtime, but emphasised that she wanted job security, not compensation. These figures demonstrate the sharp decline in workers’ real wages.

A male worker expressed his disgust: “We went everywhere [to the Labour Offices] and it still didn’t work. They [the company] have deducted EPF and ETF [pension fund contributions] from our wages. They have closed the factory gates without fear. There is a union. We can’t remember its name properly,” he said, indicating the union’s distance from the workers.

Another employee, who had worked at the factory for six years, asked how the company could transfer them to another company without their knowledge. “We can’t be transferred like that. If we are transferred to another group, we should receive what we deserve.”

Instead of calling a membership meeting to discuss the attack on jobs, the CMU bureaucracy has merely called for the “intervention” of the Labour Ministry and Labour Department, thus giving the factory owners time to act in ways that endanger jobs.

When contacted, CMU general secretary S. P. Nathan told a WSWS journalist: “There was a discussion at the Labour

Ministry on May 22 with the deputy labour minister. The new owners (a Brazil-based apparel company, according to Nathan) did not come to the meeting.”

Regarding the sale, Nathan said that even he did not know how the sale of the company had taken place. Nathan stated that during a discussion with Labour Minister Anil Jayantha Fernando on May 29, the minister told him that “we must discuss with the new owner and try to find a solution.”

Nathan said the new owner should retain the services of the union bureaucracy by reaching an agreement in compliance with the Industrial Disputes Act “to protect workers’ rights”—the same kind of hollow agreement that the previous owner has violated.

Exposing the bureaucracy’s collusion with the government, Nathan further declared: “I told the minister that it is we [CMU] who represent them [workers] as the union representing the majority. Any dealings should always be conducted through the union.”

He added that the labour minister and officials admitted that the company and ministry should work in collaboration with the CMU.

The CMU general secretary’s statements show that, without the workers’ knowledge, the bureaucracy was dealing with the labour minister and state officials. Such backroom dealings by the CMU and other unions with companies and the government are common practice. In Sri Lanka and internationally, the union apparatuses act not in the interests of their members but as enforcers of the dictates of profit-hungry corporations.

Some workers at ELPHIS are looking to President Anura Kumara Dissanayake’s government for assistance. This is a false hope. The labour minister has already told union leaders that the government is prepared to deal with the new company. ELPHIS has operated with concessions from the Board of Investment and in conjunction with the Export Development Board. These institutions would have known about the dealings between ELPHIS and the purchasing company: only the workers were kept in the dark.

The apparel industry, mainly based in Asia, faces severe pressures from the global crisis triggered by the criminal US-Israeli war on Iran, which has driven up oil prices and disrupted supply chains. South Asia’s largest apparel-tech manufacturer, Mas Holdings, plans to reduce its workforce by 26,000 and ceased garment manufacturing at its Thulhiriya facility on February 19, destroying 2,200 jobs.

The Mila Fashion factory in Welioya has been closed since April 10, putting more than 400 workers at risk. Workers from Hela Clothing Company in Thihariya (Gampaha) staged a week-long strike in late April against forced resignations prior to their transfer to Emerald Clothing.

Joint Apparel Association Forum general secretary Johan

Lawrence warned that “increasing energy costs, coupled with rising fuel costs, will have a huge impact on the industry.” Apparel exports fell by 2.66 percent year-on-year to \$425.44 million in January, with shipments to the US declining by 2.73 percent and exports to the European Union dropping by 1.93 percent.

Sri Lanka’s exports have also been hit by effective tariffs of over 25 percent imposed by the Trump administration, as part of the US tariff war against the world.

ELPHIS factory workers must convene their own meeting, independent of the union bureaucracy. They must demand the defence of all jobs—not redundancy compensation.

All sections of the working class face the same assault on living conditions and democratic rights, as the government seeks to impose the burden of the global fuel crisis on the working class, on top of austerity measures demanded by the International Monetary Fund.

Apparel workers must build their own action committees in every factory, excluding trade union bureaucrats and all capitalist parties from these committees. This will enable them to unite with workers in other sectors in a common struggle to defend jobs, wages and working conditions.

Sri Lankan workers must unite with their class brothers and sisters across Asia and in every country, who are being driven into struggles against the same attacks, often imposed by multinational corporations. To coordinate their struggles internationally, workers must join and fight to build the International Workers Alliance of Rank-and-File Committees (IWA-RFC).

This struggle must be guided by a socialist political perspective, aimed at abolishing the capitalist system, and establishing workers’ ownership and control over the means of production.



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