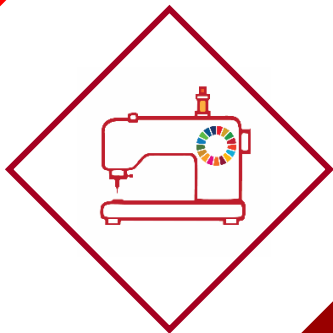
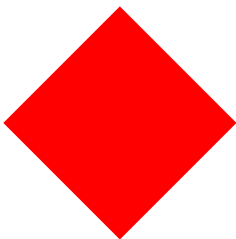


solidar



MAQUILA WORKERS IN CENTRAL AMERICA

**Falling off the boat in the
coronavirus storm?**



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1 | INTRODUCTION

SOLIDAR members have a long-standing presence in Central America. They work with human rights defenders, civil society and labour movement organisations to promote civic space and the realisation of Economic and Social Rights. As such, they bring a concrete contribution to the implementation of the 2030 Agenda for Sustainable Development and the EU Strategic engagement with CSOs.

Central America's economy was already weak and uneven before the onset of the Covid-19 crisis, but now its situation is becoming even more precarious. According to the Economic Commission for Latin America (ECLAC) the already slow economic growth of the last seven years in the region, characterized by extreme poverty and inequality, will be aggravated as a result of the crisis, significantly affecting women.¹

The impact of COVID-19 will be more acute in this region due to the high rates of people in the informal sector that are not protected by a social security system. In Central America, workers in free zones are victims of violations on their labour rights, such as unjustified mass dismissals, suspension of work without pay, mandatory advancement of work vacations, compulsory subscription of 'voluntary resignations', infractions to safety and health conditions at work, etc.

The following briefing provides a zoom into the impact of the current COVID-19 pandemic on the (already) critical working

conditions of the garment maquilas' workers in Central America (namely in Guatemala, El Salvador, Honduras and Nicaragua). **A strong presence of female workers characterises this sector. The briefing provides space for their voices, needs and demands to shape a post-COVID 19 economic model that leaves no-one behind.**

The briefing was written with the participation of SOLIDAR members [Assamblea de Cooperacion por la Paz](#) (ACPP, Spain), [Istituto Sindacale di Cooperazione allo Sviluppo](#) (ISCOS, Italy) [Instituto Sindical de Cooperacion al Desarrollo](#) (ISCOD, Spain) and [Fonds voor Ontwikkelingssamenwerking - Socialistische Solidariteit](#) (FOS, Belgium). It received the support of the Movimiento de Mujeres Trabajadoras y Desempleadas 'Maria Elena Cuadra' (MEC, Nicaragua).

To accurately capture the impact of the COVID-19 crisis on the maquila workers in Central America, SOLIDAR and FOS met, on 21 April 2020, the following trade union leaders: for Honduras, Nahum Rodriguez, Secretary-General of the Gildan Companies, and Evangelina Argueta, Maquila coordinator in the Central General de Trabajadores (CGT); for El Salvador, Marta Zaldaña, Secretary-General of FEASIES; and for Nicaragua, Darling Huembes, Secretary-General of the union of STAHLs, and Lourdes Gómez, Secretary-General of the union of Wells.

¹ See: SOLIDAR, Impact of COVID-19 in Central America: Economic and Social Rights cannot be kept on hold!, <https://www.solidar.org/en/news/impact-of->

[covid-19-in-central-america-economic-and-social-rights-cannot-be-kept-on-hold](#)

2 | UNDERSTANDING THE MAQUILAS IN CENTRAL AMERICA

2.1 WHAT ARE THE MAQUILAS

'Maquila' or 'maquiladora' is the colloquial term used in Latin America to refer to the export processing zones (EPZs). The International Labour Organisation (ILO) has defined EPZs as 'industrial zones with special incentives set up to attract foreign investors, in which imported materials undergo some degree of processing before being (re)exported again'. EPZs take many forms, including free trade zones, special economic zones, bonded warehouses, free ports and maquiladoras.²

The governments in Central America provide the EPZs with special conditions

and legal regimes, including a package of privileges and differentiated regulations. Some key elements in these promotion packages are generous tax incentives, cheap (and preferably non-unionised) labour, and lax regulations.^{3 4 5}

About 80% of the maquilas in Central America are linked to the garment industry (textile and clothing). They are owned by companies from the United States of America, Asia and Europe, and their primary consumption market is the USA.⁴



Source: Own elaboration based on: Foul Play. Sponsors Leave Workers on the Sidelines. BASIC for Collectif Ethique sur l'ethiquette. 2018.

² See: ILO, Resource guide on export procession zones (EPZs), <https://www.ilo.org/inform/online-information-resources/resource-guides/export-processing-zones/lang--en/index.htm>

³ See: ILO Monitor: COVID-19 and the world of work. Second edition Updated estimates and analysis. 7 April 2020.

https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/briefingnote/wcms_740877.pdf

⁴ See: Oxfam International - 263.000 mujeres explotadas en las maquilas de Centroamérica, <https://www.oxfam.org/en/node/7455>

⁵ See : FOS, Q&A: kleren uit de maquilas <https://fos.ngo/nieuws/qa-kleren-uit-de-maquilas/>

The maquila and the Global Supply Chain

The global supply chain (GSC) is the system that companies use to source and distribute their products and services from origin to customer (see Fig. below).

Today most of the largest companies use the GSC to exploit people in developing countries. They shift operations from higher-to-lower wage countries to use cheap labour, escape government regulation and reduce taxation in a 'race to the bottom'.

The evolution to fast fashion, in which several collections are launched per season, is causing enormous stress in the maquilas. The pressure on workers increases, resulting in working more for less money. Maquila workers toil at a hellish rate for starvation wages in an unhealthy environment.

SOLIDAR member FOS says: *'Our clothes may be dirt cheap, but the workers bear the real costs'*. FOS has worked with organisations in Central America and in Belgium for a long time, to combat this injustice among others, within the Clean Clothes Campaign, which has the objective of improving working conditions in the global garment industry.

Some companies committed to ensuring fair wages, long-term contracts and safe and secure workplaces, but this is by no means the norm.

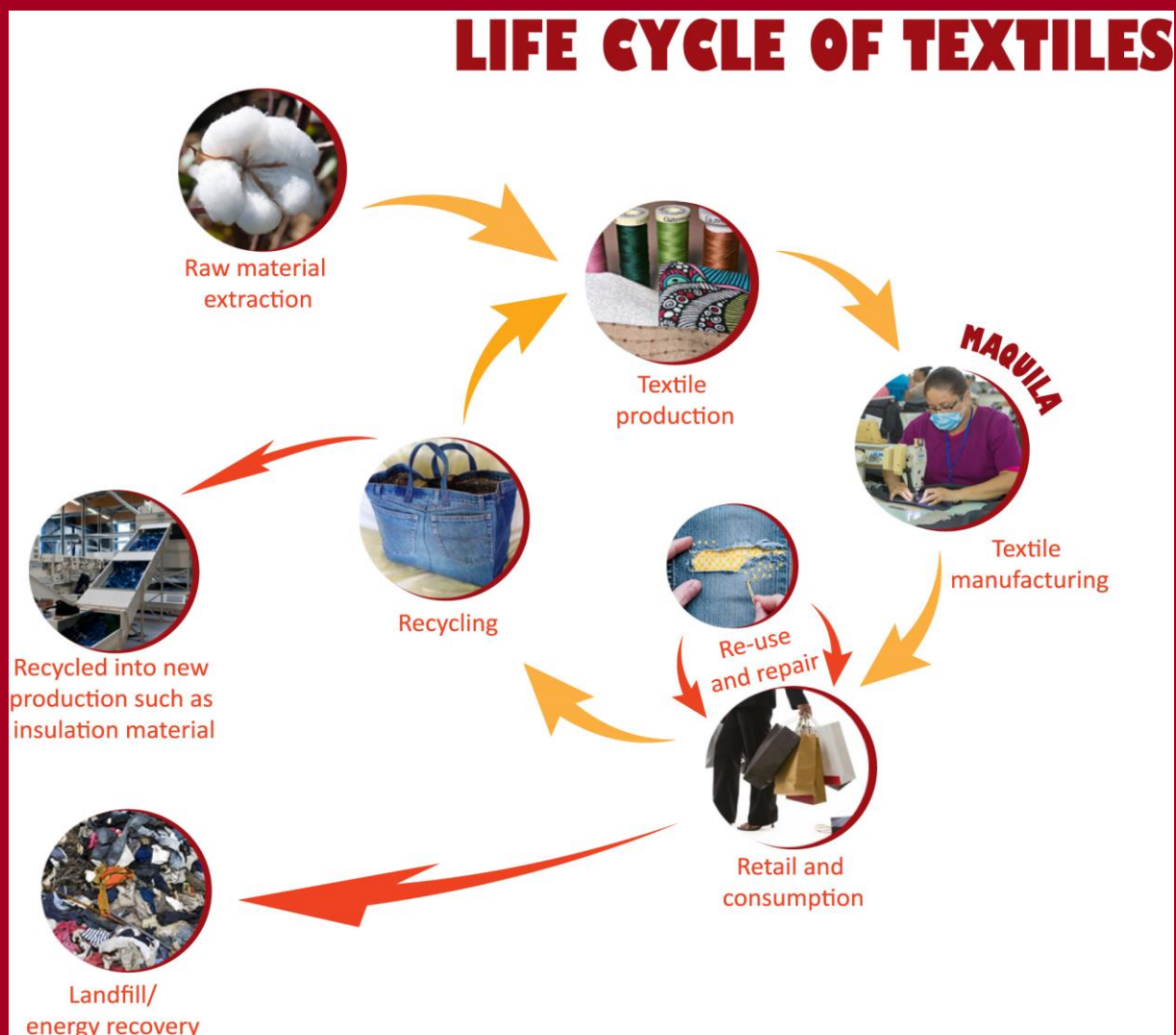
'Before the pandemic arose, workers were in the spotlight of the brands; they talked a lot about corporate social responsibility (CSR) to attract customers. Now amid the COVID-19, workers don't count anymore, brands and companies say they don't have money. We ask ourselves: if they can give famous athletes so much money to promote the product, then why can't they support us, their workers, at this moment?', say union leaders in Central America.

A report of the University of Sheffield Political Economy Research Institute (SPERI) confirms that companies indeed use the rhetoric of *living wages* to improve *public perception* while keeping low-wage work on the ground. The report also revealed that weak CSR schemes are not supportive of freedom of association rights disempowering workers from raising concerns about unmet wage commitments.

What is Europe doing?

The EU and its Member States have committed to increase cooperation with the private sector and to support responsible business practices and responsible management of supply chains (European Consensus on Development signed in May 2017).

More specifically, the European Commission has adopted a development cooperation package for sustainable garment value chains in 2017. The engagement on textiles and garment was not new. Still, in this staff working document, the Commission showed its commitment to step up development cooperation in this area and set directions. Thematic priorities are (i) women's economic empowerment; (ii) decent work and living wages; and (iii) transparency and traceability in the value chain. The main intervention areas are (i) providing financial support; (ii) promoting social and environmental best practices; and (iii) reaching out to consumers and raising awareness.



Source: Own elaboration based on: *Foul Play. Sponsors Leave Workers on the Sidelines. BASIC for Collectif Ethique sur l'ethiquette. 2018.*

2.2 WHO IS WORKING IN THE MAQUILAS?

There are about 400.000 workers in the maquilas, mostly women (60% to 80% of the labour force in the sector). The group includes many poor, low educated women with children (many of them are single mothers) who act as the head of their household. Those women were, in some cases, fleeing from rural areas.^{5 6}

Most Maquila workers are women between 15 and 35 years old.



(Photo credit: FOS Belgium)

⁶ For a complete description of maquila workers per Country in Centro America see: Maquila Solidarity Network, Las trabajadoras(es) de la industria

maquiladora en Centroamerica (2016).
<https://www.maquilasolidarity.org/en/node/409>

2.3 WHAT ARE THE WORKING CONDITIONS IN THE MAQUILAS?

Maquila workers are exposed to precarious working conditions. Many of them are facing violations of fundamental human and labour rights. A significant number of workers report that:⁵

- wages are low (mostly not enough to cover the basic basket of goods and services);
- working hours are long (longer than 44-hour per week);
- the environment is unhealthy (lack of ventilation, excessive heat, dust, noise and lack of adequate safety equipment);
- the benefits in case of illness are inadequate or non-existent;

- unionisation is restricted, union leaders are often persecuted;
- stress levels are high.

Sadly enough, even when the conditions are far from the best, a precarious job is still better than no job at all. The workers have not much of an option: for them, the maquilas represent a palliative for the insufficient response from the public and private sectors to provide decent employment and progress. For the governments, maquilas represent the engine of their economy, together with tourism and remittances.



(Photo credit: FOS Belgium)

3 | THE STORM AND BEWILDERING OF THE SEA: the coronavirus crisis

3.1 FROM A HEALTH CRISIS TO A SOCIAL AND ECONOMIC CRISIS

The World Health Organization (WHO) declared the Covid-19 outbreak a global pandemic on 11 March 2020.⁷ Two days later, the regional heads of state in Central America joined in an extraordinary meeting. They agreed to work together to counter the spread of the virus to avoid infections and deaths and to handle human and economic impacts strategically.⁸

Most of the countries in the region have taken different types of lockdown, except for Nicaragua.^{9 10} President Ortega rejected shutting down the economy, saying 'if Nicaraguans don't work, they will die'.¹¹

[The International Labour Organisation](#) (ILO) predicts devastating losses in working hours and employment due to the Covid-19 crisis. On the 2nd edition of the ILO Monitor: COVID-19 and the world of work, the pandemic is described as 'the most severe crisis since World War II'. It also announced that the crisis would wipe out 6.7 % of working hours

globally in the second quarter of 2020, which means 195 million full-time workers.

According to a recent report of the United Nations [Economic Commission for Latin America and the Caribbean](#) (ECLAC),¹² COVID-19 will have serious short- and long-term effects on the region. The intensity and extent of which will depend on domestic conditions of each economy, global trade, how long the epidemic lasts and the social and economic measures taken to prevent its spread.

In its report on measuring the impact of COVID-19 with a view to reactivation,¹³ ECLAC estimates that the Latin American and Caribbean economy will contract by 5.3% in 2020, increasing the number of poor by almost 30 million. The unemployment rate is expected to climb to around 11.5%. This would bring the number of unemployed in the region to 37.7 million. The projected GDP growth rate is negative for all countries in Central America (in average -2.3%). For

⁷ See: WHO Director-General's opening remarks at the media briefing on COVID-19 - 11 March 2020, <https://www.who.int/dg/speeches/detail/who-director-general-s-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020>

⁸ See: Declaration by the heads of states and governments of Belize, Costa Rica, Guatemala, Honduras, Nicaragua, Panama and Dominican Republic facing the pandemic of COVID-19/ 13 March 2020, https://www.sica.int/documentos/declaration-by-the-heads-of-states-and-governments-of-belize-costa-rica-guatemala-honduras-nicaragua-panama-and-dominican-republic-facing-the-pandemic-of-covid-19_1_121411.html

⁹ See: The Guardian, Nicaragua's Daniel Ortega reappears to call coronavirus 'a sign from God' 16 April 2020. <https://www.theguardian.com/world/2020/apr/16/daniel-ortega-reappears-nicaragua-coronavirus-sign-from-god>

¹⁰ See: CNN World, Nicaragua's president Daniel Ortega hasn't been seen in a month, 14 April 2020, <https://edition.cnn.com/2020/04/13/world/nicaragua-president-ortega-intl/index.html>

¹¹ See: Nicaragua Not Backing Down Despite Criticism Over Lax Measures During Pandemic, Carrie Kahn, 18 April, <https://www.npr.org/sections/coronavirus-live-updates/2020/04/18/837933706/nicaragua-not-backing-down-despite-criticism-over-lax-measures-during-pandemic?t=1587317535892>

¹² See: ECLAC, Latin America and the Caribbean and the COVID-19 pandemic Economic and social effects https://repositorio.cepal.org/bitstream/handle/11362/4/53511/S2000263_en.pdf

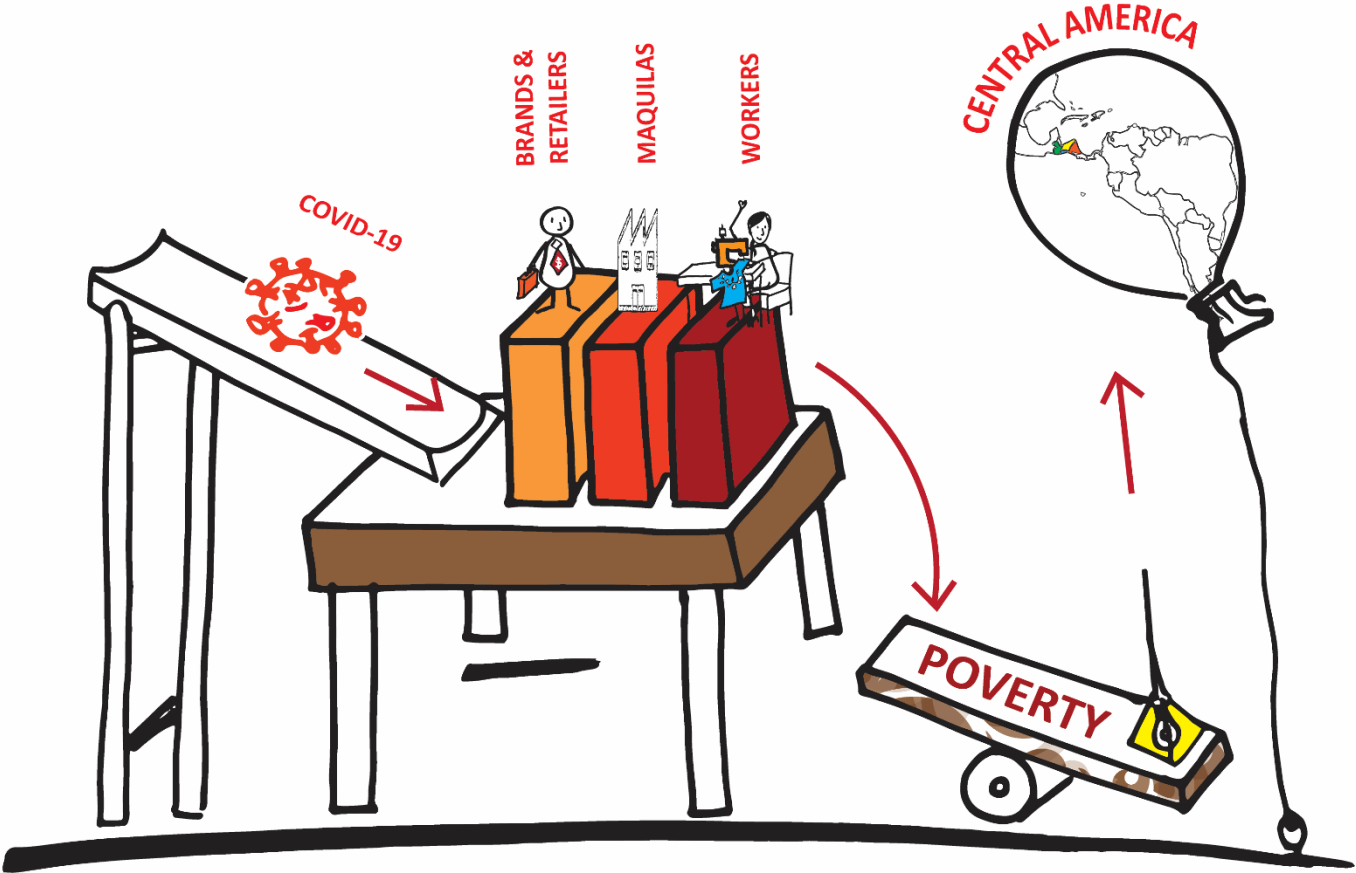
¹³ See: ECLAC, Measuring the impact of COVID-19 with a view to reactivation, https://repositorio.cepal.org/bitstream/handle/11362/4/54771/S2000285_en.pdf

Guatemala this rate is projected as -1.3%, for Honduras -2.8%, For El Salvador -3.0% and for Nicaragua -5.9%.

The pandemic is affecting the economies of Latin America and the Caribbean through

external and domestic factors whose combined impact will lead to the most severe contraction in economic activity that the region has experienced since records began in 1900, ECLAC's report states.

COVID-19 chain reaction



Source: Own elaboration.

3.2 MAQUILAS HARD HIT BY THE COVID-19

Store closures in Europe, USA and beyond has shut much of the garment industry down. While online shopping is still available, shopping for new clothes is neither an option nor a priority.^{14 15}

In Central America, workplace closures have increased rapidly in the last weeks,¹⁶ first because of the lack of raw material due to the lockdown in China and other countries, and then due to the national governments' directives in the region.

The Central American Solidarity Network with Maquila Workers (REDCAM) warns that

without appropriate policy measures, maquila workers face a very high risk of falling into poverty. As a consequence of the crisis, they could experience major challenges in regaining their livelihoods during the recovery period.

The Regional coordinator of the Garment Maquila (La Coordinadora Regional de Sindicatos de Maquila Textil), demanded in its official communication to the governments of the region, the respect of social dialogue to guarantee full participation of the workers' unions and called on the companies to respect workers' human and labour rights.

Evangelina Argueta, union leader and coordinator of the Maquilas within the Central General de Trabajadores (CGT), said: *The principal buyer for our products is the USA, but who is thinking about buying clothes now? Our factories are closing. However, we are not only worried about what is happening now, that is already critical because our people come to ask help to get food, but we also fear for the future. What is going to happen when the health crisis is over? What if brands and companies close and leave the country?*

¹⁴ See: Abandoned? The Impact of Covid-19 on Workers and Businesses at the Bottom of Global Garment Supply Chains Mark Anner, Ph.D., Director, Center for Global Workers' Rights in Association with the Worker Rights Consortium, <https://www.workersrights.org/wp-content/uploads/2020/03/Abandoned-Penn-State-WRC-Report-March-27-2020.pdf>

¹⁵ See: No Contagiamos Al Empleo El Mundo del Trabajo en Tiempos de COVID-19 Mesa virtual de

diálogo de OIT en América Latina v 14 de abril de 2020, https://www.ilo.org/wcmsp5/groups/public/---americas/---ro-lima/documents/briefingnote/wcms_740450.pdf

¹⁶ See: Informe realizado por la Asociación Organización de Mujeres Salvadoreñas por la Paz, ORMUSA 'Contexto de la Maquila en El Salvador ante la Pandemia COVID-19', 25 March 2020.

4| THE BOAT IN THE STORM: what is happening in the maquilas and why?

Central America is one of the most fragile regions in the world.¹⁷ The maquilas entered the COVID-19 storm armed with an already very vulnerable socio-economic construction. The maquila workers have years of low wages behind them leaving them with no savings and have little hope for governments' support.

Many of the workers (and their families) with weak lungs or immune systems because of malnutrition are more vulnerable to the coronavirus.

The governments, after years of very weak fiscal policies, have minimal margin of manoeuvre. Regrettably, most of the companies in the maquilas are failing their workers and are attempting to use the coronavirus as a way to cut wages, lay off workers and even stop workers' efforts to form trade unions.

The REDCAM, reported a series of violations of their labour rights, including:

- unfair dismissals;
- suspension of work without pay;
- compulsory advance of work vacations;
- compulsory subscription of 'voluntary resignations';

- violations of safety and health conditions at work;
- lack of provision or inadequate provision of biosecurity material (suitable masks for COVID-19, disposable polypropylene gloves, alcohol gel);
- lack of sterilisation of tools and work areas etc.

If workers lose their monthly wages, they have problems to put food on the table for them and their families. Additionally, as COVID-19 starts to gain a foothold in Central America, workers and their families will also be burdened with considerable healthcare expenses. Even before, it was already hard for maquila workers to survive on the poverty wages they were getting. Additionally, stress, inadequate nutrition and unsafe and unsanitary workplaces make the maquila workers highly vulnerable to the worst effects of the COVID-19 virus.¹⁸

As ILO points out, the crisis caused by COVID-19 is not just a health crisis, it is also a social and economic crisis of which the solution requires a global and local effort at the level of international organizations, governments, communities, families and companies.

¹⁷ See: Central America's Turbulent Northern Triangle <https://www.cfr.org/backgrounder/central-americas-turbulent-northern-triangle>

¹⁸ See: Annie Kelly. Garment workers face destitution as Covid-19 closes factories, [https://www.theguardian.com/global-](https://www.theguardian.com/global-development/2020/mar/19/garment-workers-face-destitution-as-covid-19-closes-factories)

[development/2020/mar/19/garment-workers-face-destitution-as-covid-19-closes-factories](https://www.theguardian.com/global-development/2020/mar/19/garment-workers-face-destitution-as-covid-19-closes-factories)

4.1 Guatemala

The Association of Women in Solidarity (AMES) reported that the President of Guatemala declared a curfew from 4:00 p.m. to 4:00 a.m. The government called on employers and workers to reach bipartite agreements on the suspension of employment contracts. This provision creates uncertainty and endangers workers. *'What the president is saying is: settle among yourselves as you can'*, said lawyer René Girón.

The measures at the company level vary a lot. There are places where the work is from 7:00 a.m. to 13:00 p.m., in other places the

work schedules vary, but no-one works after 14:00 p.m. due to the curfew. Some workers indicate that they are not working unless they are being paid, others report that they are not paid and do not receive any information from the companies either.

As for biosecurity measures, in some maquilas they were given masks, and in others they work without the respective protocol.

Additionally, many workers spend more money on transport because the President limited the use of public transport.

4.2 Honduras

Nahum Rodriguez, Secretary-General of the Gildan companies, said: *'From 16 to 29 March the company paid our wages. From 30 March to 13 April, the company gave us a wage but on account of our vacation. From 13 April to 7 June, we do not have any income. It is not clear what will happen, we are waiting and hoping for rescue money from the government and the companies'¹⁹. The governments would use the money of the national programme 'Con Chamba Vivis Mejor' (having work, you live better).'*

Evangelina Argueta said that *'this potential help would not be sufficient to cover the basic consumption basket: they would receive*

6000 lempiras (€ 222) while the basic wage is 8226 lempiras (€ 305). The brands should pay the rest up to 8226 lempiras, but the companies say they can not pay because they are not selling and do not have money for us'. The origin of the funds for this rescue programme is not known. *'We asked, but nobody knows or says where our government will get the money'*.

"20 % of the maquilas have re-opened to make masks for the USA. The government accepted this re-opening on the condition that the factories would also deliver masks for the government", she added.

The trade union leaders in the region said that the impact of the COVID-19 for the workers is dramatic. *'We live on our weekly income, and we can simply not save with the low wages we have. Some factories announced they could stop even for up to 4 months. We can hardly survive for two weeks, imagine the desperation of our people? Our members contact us as leaders, especially the single mothers, and they say that they do not have enough to pay for food, for rent, for water, said Nahum Rodriguez, president of the union from Gildan industries in Honduras. If someone in the family gets sick, it is hell, the health system is terrible, and it is challenging to attention, our members fear death, they said.'*

¹⁹ Both should create a rescue budget, the government would provide 40% and the companies would pay 60% of the total.

4.3 El Salvador

The Association Organization of Salvadoran Women for Peace (ORMUSA) reported that the government of El Salvador had declared a state of emergency by COVID-19 and it has taken various measures. It decided that workers over sixty years of age, women in gestation and people with chronic diseases, in both, the public and private sectors, will go in quarantine. They will, during this period, receive their salary. On the other hand, the executive health decree number 10 determines a suspension of 15 days for commercial and industrial activities in call centers and maquilas.

The government stated that unfair dismissals or discounts in the wages are not allowed. However, the companies in the maquila are massively laying off workers. Some are suspending activities paying their workers 50% of their salaries; others are giving them a salary on vacation account, and others are not giving them anything at all. Some companies have continued working, many of them without sufficient provision of biosafety material (masks, disposable polypropylene gloves, alcohol gel) and lack of sterilization of tools or the workplace.

In its turn, the National Association of Private Business (ANEP), has requested to withdraw the measures taken by the government, arguing the direct effect on the income of companies. They have also queried that the wages of workers in quarantine must be

assumed by the Salvadoran Social Security Institute (ISSS), because without generating profits in the emergency period they will not be able to pay their workers' wages.

Workers are facing a lot of uncertainty due to the lack of clear information, correct interpretation and timely application of the different regular regulatory mechanisms of the Labour Code and the Extraordinary Executive Decrees.

Trade unions report that about 83.000 people in the free trade zone lost their income due to the suspensions. The national legislation allows companies to suspend operations even up to nine months in emergencies and does not oblige them to pay their workers. *'The government would give some support to people working in the informality, but people that have a formal contract, like us in the maquilas, can not receive money. We are, therefore, excluded from public support. Still, we do not receive any help from the companies either; we are in the limbo!'*, said Marta Zaldaña, Secretary-General of FEASIES El Salvador. *'Some companies returned to activities to make masks, but the big majority announced a suspension without a fixed date of return to activities. In the case when companies returned to make masks, some of them called their workers to work voluntarily, others oblige them, and if workers do not go, they fire them'*, she added.

'The companies closed for the quarantine, and we did not get clear information. The President said that el Instituto Salvadoreño de Seguridad Social (Salvadoran Social Security) would pay all workers in quarantine, but The government does not have sufficient money to pay the workers, meanwhile the companies suspended activities and announced they are not going to pay wages. There is a lot of uncertainty, we do not know if and who is going to pay our wages, our members do not know what to do and consider even going to streets to protest, but there is compulsory quarantine. They risk going to jail for 30 days when the police pack them', said a trade union leader.

4.4 Nicaragua

The Movement of Working and Unemployed Women 'Maria Elena Cuadra' (MEC), reported, based on their analysis of 44 companies in the free zones, that maquila workers (60% of them being women) are facing a continuous violation of their labour rights. The national tripartite agreement signed by enterprises, governments and unions, far from confronting the negative consequences of COVID-19, exacerbates the already precarious situations. The companies sent 61.879 workers to their homes under the concept of advanced vacations. 9.700 workers suspended activities with special leave, receiving only 50% of the minimum wage. 2.771 workers lost their jobs due to contracts cancellations, and about 5.430 workers did not stop working.

Trade union leaders of some companies remarked: *'The companies have declared a*

suspension of activities from 27 March to 27 April. We have, before the suspension, already sat together with the manager and negotiated deals. The government announced that in the case of suspension the companies should pay six days. However, through dialogue, we could get the company so far as to pay us 50% for the whole period. Some companies have re-opened since 21 April to make masks and coats for the USA. The call to work in these companies was voluntary.'

As in Honduras and El Salvador, the situation for the maquila workers in Nicaragua is very difficult: 56% of the maquila workers are women, 81% of this group are single mothers who have to pay for everything, and they are hopeless. Many of them are experiencing already electricity cuts due to lack of payment.

In all countries **the communication of the suspension of activities by the companies** often created extra unnecessary uncertainty and fear for the workers.

In Honduras and El Salvador, the companies did not follow an appropriated communication protocol, the trade unions said. *'They simply announced the suspension via social media, Whatsapp or other, no-one received a personal letter. This was very difficult for us and debilitated our work as leaders, people came to us to ask, but we did not know what to say'*.

Evangelina Argueta added: *'We already have well structured, good functioning and fast communication channels with our members, but the companies did not come to us to communicate in the first place. The companies simply bypassed the trade unions'*.

5 | SAILING THROUGH THE STORM: what are the maquila workers asking?

5.1 ENSURING FREEDOM OF ASSOCIATION

Some companies in the region are attempting to stop workers' efforts to form trade unions. In El Salvador, for example, many managers are asking workers to sign 'severance agreements,' which provide an immediate payment but also ensure that they will not be rehired. Trade unions activists say that employers attempt to eliminate the unions even before they are consolidated and the COVID-19 pandemic is conveniently used as a way to close factories rather than to negotiate with workers.

(Photo credit: FOS Belgium)

Evangelina Argueta explained that in Honduras the trade unions worked very hard over the last ten years, and that they have strengthened their capacity to represent and defend the interests and rights of the workers. 65 to 68% of the maquilas do now have a union. *'We achieved important things like collective contracts, for example. However, the COVID-19 crisis brings a big and real risk. To be recognised as a union, we need to have a minimum number of members, if the crisis remains, and people are fired, the number of members could decrease putting in danger the existence of the union. We ask brands, companies and governments to change this criterion and keep the recognition for the unions as legitimate representatives, even the number of members decreases under the demanded minimum. Otherwise, unions could disappear and together with the unions the active defence of the maquila workers and labour rights and democracy'*, she said.





5.2 PROTECTING INCOMES AND ENSURING SOCIAL DIALOGUE

The closing of factories raises the need to activate or put some measures into place in order to protect incomes.

COVID-19 is making it clearer and clearer that there's an urgent need for national governments to strengthen the public health and social protection systems to 'leave no one behind' during and after the crisis.

As highlighted by the ILO, all measures to handle the crisis and prepare the recovery must be based on social dialogue involving governments, employers and workers. This collaboration will allow the adoption of concerted strategies and reduce social tensions^{15 20}.

The representatives of the maquila workers must have a seat at the negotiations' table when it comes to defining the strategy to confront the coronavirus crisis, and they should definitely not be left at the back seat just waiting for the governments and companies to resolve their future.

Taking the trade unions, legitimate workers' representatives, as partners in policy and decision making, will be a win-win situation for all people and represent an opportunity to advance the social and economic rights of the population.

'We ask the companies to make a global fund of solidarity to support us at this moment of crisis. And in the possible case that factories do close, they should give appropriate compensation. Many people have been working for more than ten years in these factories. If the companies were to close, we ask that they do not send the people to the street with empty hands', said Marta Zaldaña from Honduras.

²⁰ See: COVID-19 and Supporting the World of Work <https://unglobalcompact.org/academy/covid-19-and-supporting-the-world-of-work>

6 | WHO IS GOING TO RESCUE THE MAQUILA WORKERS?

The role of the European Union

Europe and the world's wealthy countries are ready to spend trillions of dollars to shore up the income of their workers and to rescue their corporations. The European Commission has, for example, recently proposed a new instrument for temporary support to mitigate Unemployment Risks in an Emergency (SURE).²¹ This instrument will allow financial assistance up to EUR 100 billion from the EU to the affected Member States.

Likewise, the EU launched the 'Team Europe' initiative to support countries around the world under the lemma 'we can only win this together'. The initiative was taken by the European Commission and the European External Action Service, together with EU Member States and financial institutions. It includes a 15.6 billion euro package to support partner countries to combat the coronavirus pandemic and its consequences.²²

As stated by the High Representative for the Common Foreign and Security Policy, Jose

Borrell, the first priority is to assist the most vulnerable in developing countries and conflict zones. Maquila workers should fit into this prioritised scheme and should be taken into account. At the same time, Jutta Urpilainen, European Commissioner for International Partnerships stated that *'European support for our partner countries in their efforts to counter the social and economic impact of the crisis needs to be equally wide-ranging and robust. It must include helping with measures to support people's incomes, provide them with some form of social protection, protect workers at the workplace, prevent discrimination and social exclusion, and **safeguard human rights, especially where women, girls and the most vulnerable in society are concerned**'.*

In this framework, SOLIDAR, together with its members and partner, highlight the need not to forget Central American maquilas workers and to mobilise all the necessary efforts to :

1. Ensure Social Protection for All, including income and food support

As urged by the ILO, a global action to extend social protection to all, including the set-up of National Floors of Social Protection,

to protect incomes and to ensure access to health care is needed.

²¹ See: A European instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE) https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-financial-assistance/loan-programmes/sure_en

²² See: Team Europe initiative, [https://eeas.europa.eu/headquarters/headquarters-](https://eeas.europa.eu/headquarters/headquarters-homepage/77470/%E2%80%9Cteam-europe%E2%80%9D-global-eu-response-covid-19-supporting-partner-countries-and-fragile-populations_en)

[homepage/77470/%E2%80%9Cteam-europe%E2%80%9D-global-eu-response-covid-19-supporting-partner-countries-and-fragile-populations_en](https://eeas.europa.eu/headquarters/headquarters-homepage/77470/%E2%80%9Cteam-europe%E2%80%9D-global-eu-response-covid-19-supporting-partner-countries-and-fragile-populations_en)

In line with the *COVID-19: Action in the Global Garment Industry* initiative, it is urgent to add to health funding to ensure income and food distribution for millions of the world's people to avoid starvation. Because in those sectors where teleworking is not

possible, and where there's no income, people are condemned to extreme poverty.

Safety guarantees and income support provided to citizens should be extended to migrant workers.

2. Regulate Global Value Chains and hold companies responsible for their workers in the whole global value chain.

The problem with the maquilas is actually the global value chain system itself, which the COVID-19 crisis is now brutally exposing.²³ The almost immediate impact of the crisis on workers' jobs and incomes, lays bare the immense and historical structural, systemic inequalities.²⁴ Brands and retailers have the biggest benefits at the cost of workers at the supply side, like the ones in the maquilas, who produce the raw materials and manufacture the products.⁸

A binding international standard to regulate Multinational Enterprises (MNEs) is needed and should be part of the global recovery plan.

What is needed is a new design of the structure in order to deliver a fairer share of value and to ensure that the market rewards employers, brands and retailers for delivering good-quality jobs to the people who make their products.

3. Ensure the respect for Fundamental Principles and Rights at Work including occupational health and safety.

The fact that societies' highest priority is eradicating the coronavirus, should not be used as an excuse to bypass rights, debilitate the democratic foundation of our systems and reduce the space for civic and trade union activism²⁵.

the opportunity, as expressed by the Network of Central America and the Caribbean (REDCAM), to guarantee the sustainability of jobs, expand social security, prevent layoffs and protect female workers in vulnerable situations.

COVID-19, far from being the excuse to ignore the pillars of decent work, should be

²³ See: Declaración de la Red Centroamericana en Solidaridad con las Trabajadoras de la Maquila (REDCAM) en respuesta a la crisis del Covid-19. 01 April 2020.

²⁴ See: Respuesta de Oxfam al COVID-19, <https://www.oxfam.org/es/respuesta-de-oxfam-al-covid-19>.

²⁵ See: Solidar statement, https://www.solidar.org/system/downloads/attachments/000/001/120/original/Impacto_del_COVID-19_en_Am%C3%A9rica_Central_%E2%80%93_An%C3%A1lisis_y_recomendaciones_para_la_Uni%C3%B3n_Europea.pdf?1587634863



4. Promote an enabling space for Civil Society Organisations and Workers' Trade Unions

In Central America, just like in other parts of the world, CSOs and Trade Unions are being at the forefront to provide direct assistance, support, information and a voice to those most affected by COVID-19.

Nevertheless, in many contexts, including in Central America, they are being victims of repressive legislations and actions aiming at reducing their capacity to operate.

The European Union has recognised CSOs and Trade Unions as strategic development partners.

Within the current context the EU should keep strengthening its partnership with CSOs and Trade Unions to valorise their expertise and ensure that the crisis is not used to shrink their space of action.

COVID-19 Impact on Maquilas Workers through the lens of the SDGs

This crisis shows that the achievement of the SDGs in Central American countries is endangered in the absence of International solidarity and global frameworks that guarantee the social and economic rights of the population.

<p>1 NO POVERTY</p>	<p>Workers lost their income. Wages in the sector are so low that they do not have savings. The Covid-19 crisis pushes them into poverty.</p>
<p>2 ZERO HUNGER</p>	<p>Malnutrition in the population was already high before the crisis, with no income it will rise even more. The Covid-19 crisis brings a potential risk of starvation in the region.</p>
<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>The public health system in the region is deficient. If workers or their families become sick, they experience even more economic pressure and fear death.</p>
<p>4 QUALITY EDUCATION</p>	<p>Workers do not have enough resources or systems for remote learning. Access to inclusive and qualitative education is reduced. Poverty after the crisis might push children to the labour market or lead to migration compromising their education.</p>
<p>5 GENDER EQUALITY</p>	<p>Most of the maquila workers are women who often face discrimination and violence. Besides they have huge, mostly not recognised, responsibilities of children and elder care.</p>
<p>6 CLEAN WATER AND SANITATION</p>	<p>Workers don't always have easy access to clean and sufficient water to wash their hands.</p>
<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Various workers have lost access to electricity due to non-payment of energy bills.</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>There is no decent work and now with the crisis workers don't even have an income. Labour rights are being violated and social protection systems are very weak or non-existent.</p>
<p>10 REDUCED INEQUALITIES</p>	<p>Workers are pushed into poverty and rising economic inequality. Improved regulation of global social responsibility is needed and increased support, through increase ODA for example, is vital for the region.</p>



Difficult and not always appropriate living conditions due to meagre wages. Access for maquila workers to safe and affordable housing and basic services needs improvement. Confinement measures might be challenging during the crisis.



The workers are left alone because brands and companies do not fulfil their social responsibilities. The production model in the global textile value chain keeps maquila workers poor and unprepared for crisis like the Covid-19.



Workers' highest priority now is to assure an income to survive during and after the crisis. Covid-19 shows their resilience and adaptative capacity to climate-related and natural disasters is weak.



Lack of income and the potential starvation lead to increasing social unrest and probable conflicts in the region in the coming period. Migration pressure will rise inevitably.



International financial support is needed. Coherence with the 2030 Agenda requires workers to receive social protection. Workers need to play a role in the multi-stakeholder partnerships defining Covid-19 strategies.



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SOLIDAR is a European network of 60 NGOs working to advance social justice in Europe and worldwide. SOLIDAR voices the concerns of its member organisations to the EU and international institutions across the policy sectors social affairs, international cooperation and lifelong learning.

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