Worsening conditions at Hirdaramani garment plants in Sri Lanka

By our reporters
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Following President Gotabhaya Rajapakse call for “reopening” the economy, most of Sri Lanka’s largest factories have now resumed production, in defiance of growing COVID-19 infections.

Sri Lanka reported 10 new cases yesterday, raising the total number of people who have contracted COVID-19 to 935. The country, however, has only conducted 41,118 PCR tests between February 18 and May 14.

The pandemic has hit Sri Lanka’s apparel sector, which stopped production during the national lockdown, and confronts reduced orders, particularly from retailers in Europe, the US and the UK. The industry contributes 6 percent to Sri Lanka’s GDP while accounting for 40 percent of the country’s total exports.

Apparel manufacturers have responded to the crisis with a new wave of wage and job cuts, as well as the elimination of various allowances and the imposition of increased working hours and productivity targets. Workers employed by Sri Lanka’s giant Hirdaramani Group have been particularly targeted.

Hirdaramani, which mainly employs women and is notorious for its harsh conditions, has factories in Katunayake, Maharagama, Kirindiwela, Avissawella and Vavuniya. The company also has factories in Ethiopia, Vietnam and Bangladesh and a total workforce of 55,000.

The *World Socialist Web Site* spoke to workers from the company’s Katunayake and Maharagama plants about job cuts and their new working conditions.

One employee said: “All the workers are now only paid the basic salary. In the name of making up for ‘lost time,’ they have to work an extra hour per day but with no additional pay. All allowances, including the attendance allowance, have been cut and the New Year bonus was not paid. This is severe exploitation. I’m weary of this job but have to continue working here because it’s difficult to find another job.”

He explained that the company’s so-called “lost time” referred to the national lockdown and that management claimed that this amounted to about 182 hours of production. He said that about 50 female workers, who had been employed for less than three months at Hirdaramani’s Katunayake plant, and several from the Maharagama factory, had been laid off. The sacked workers were only given 60 percent of three months’ pay as compensation.

Another worker said that although sanitisation, hand-washing and personal temperature measurements were occurring, working conditions at his plant meant that if one worker was infected with COVID-19, it could spread to hundreds of other employees. He warned that management could announce more job cuts and force the remaining workers to maintain production targets.

A female worker, who had been at the plant for more than a year, said: “We make jackets. If we previously sewed 100 per hour, management now want this increased to about 150. We are working under extreme stress and we fear losing our jobs during the pandemic. That’s why we continue to work.”

Referring to the company’s wage and allowance cuts, she said: “Because last month’s salary was remitted to the bank, we did not receive a salary slip. I only got the basic salary. After one year’s work, workers are granted one month’s salary as a bonus, but this also wasn’t paid. If you speak out against this, you’ll be laid off. Several workers who complained about workers’ rights were sacked even before the virus hit.” She also warned that management was preparing to reduce workers’ annual leave.

The company previously had three facilities in the Katunayake Free Trade Zone (FTZ). Two of these were closed a few years ago, leaving the Hirdaramani Mercury plant still operating. Seeking even cheaper labour, the company opened two factories at Vavuniya in Sri Lanka's war-ravaged north. It recently opened a new plant in Ethiopia where monthly salaries are only $US30.

Hirdaramani's assault on its employees points to the vicious social attacks being prepared by the Rajapakse government and big business, in collaboration with the trade unions, on other garment workers and the rest of the Sri Lankan working class.

Aspects of this regressive agenda were revealed in an April 25 letter from Kanishka Weerasinghe, director-general of the Ceylon Employers' Federation, to Dinesh Gunawardena, the minister of labour relations and foreign affairs.

Weerasinghe's proposals included the elimination of 30 percent of Sri Lanka's total garment sector workforce, the axing of overtime payments and an end to salary increments for up to six months. He also called for a 50-hour work week, instead of the current 45-hour week until December this year, the sharing of workers between companies, and the suspension of current collective agreements or the preparation of new agreements.

Several companies, in fact, have already started implementing these measures.

Sri Lankan operators of the Hong Kong-based Esquel, have started cutting allowances and imposing layoffs. Brandix, which employs 47,000 workers, has cut wages by between 5 and 30 percent, gutted welfare allowances and sacked temporary workers.

National PVC, which is located in Kerawalapitiya, Wattala, sacked 60 casual workers when the lockdown began and, on reopening, increased the working day by four hours to 12 hours for permanent production workers. Management is discussing whether this increase will be imposed in other sections of the plant. Workers opposed these changes and walked out on strike. The company has 80 permanent employees.

On May 13, Board of Investment head Sanjaya Mohottala told a television discussion entitled "Reopening of Garment Factories" that Sri Lankan garment exports had dropped by 30 percent and that if the COVID-19 crisis persisted in Europe and the US, the export decline would continue.

Workers from Trincomalee and Kirindiwela telephoned during the program, pointing out that they had not been paid in the last months. Mohottala cynically told them to send written complaints to him or the labour department.

Confronted with rapidly shrinking international orders, Asian garment exporters, including in Bangladesh, Vietnam, India and Sri Lanka, are ignoring the coronavirus threat and opening their plants in a desperate attempt to secure their markets.

Sri Lankan trade unions, including the Free Trade Zone and General Workers Union, and the Inter Company Employees Union, which is controlled by Janatha Vimukthi Peramuna, participated in a May 11, National Labour Advisory Council (NLAC) meeting with the labour minister and employers. The unions offered their advice on how to "reopen the economy" and prevent the eruption of strikes and working-class struggles against government and company demands.

Following the NLAC meeting, the unions declared that all workers called back to work would be paid 14,500 rupees per month or the half their wage, whichever was higher. They absurdly claimed this pittance was a victory.

Worker Struggles Centre, which is controlled by the pseudo-left Frontline Socialist Party, held a separate discussion with the minister. It falsely declared that the minister had agreed to "solve" workers' problems.

All these unions function as political tools of the government and the employers assisting them to implement the demands of the capitalist class against the working class.