International Labour Standards and Employee Voice: A case study of female garment factory workers in a Sri Lankan Export Processing Zone

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Introduction

• Examining voice mechanisms in a Sri Lankan Export Processing Zone
• Population 20 million, land area 62,700 square kilometres
• Rapidly growing economy; importance of garment industry to the economy

Research Question:
• Do international labour standards governing Sri Lankan garment factories facilitate employee voice?

Literature
• Voice literature mainly Western in origin. Formal and informal voice mechanisms.
• Non-union employee voice: need to consider ‘managerial strategies, worker responses and external forces’ (Dobbins and Dundon, 2014).
• Research examining Sri Lankan garment factory workers – mainly anthropological and sociological.
Employee Voice in Sri Lanka’s EPZs

- Literature on Sri Lanka suggests workers are demanding voice and examples include refusing to lie to external auditors regarding factory conditions (Gunawardana 2014).
- However, Ruwanpura (2015) found international labour standards ‘flouted’ and Employee Councils provided limited voice.
- Ruwanpura found that women in garment factories did not have many opportunities to voice concerns over factory conditions either collectively or individually.
- Workers did not join unions for fear of losing their jobs.
Methodology

- 8 focus groups with 63 garment factory employees
  - Conducted at boarding houses; Women’s Centre
  - Translated by University of Colombo researchers
- 13 interviews conducted with HR managers, ILO and Trade Union representatives
- Coded in Nvivo
- Document analysis
Labour Laws

• Sri Lanka has ratified ILO conventions 87 and 98 regarding Freedom of Association and the right to collective bargaining.
• Freedom of association guaranteed by the Sri Lankan Constitution.
• Industrial Disputes Act 1999 provides protection to trade unions.
• Under this Act an employer has to bargain with a trade union that has 40% membership of employees.
• Board of Investment (BOI) – regulates EPZs and factories in EPZs are required to establish Employee Councils to provide opportunities for employee consultation.
Findings

• Voice mechanisms – largely informal – talking to colleagues
• Women ‘scolded’ – if they fail to meet production targets.
• Workers reluctant to complain to managers- fear for their jobs, their grievances go unresolved, especially in relation to demands for pay increase
• Workers reluctant to raise grievances with HR. Could get moved to another production line. Therefore: ‘most times we don’t discuss our problems with anyone. We just keep quiet and carry on with our work’.

• Employee Councils viewed as management dominated: ’We cannot make any suggestions through our representatives because most of the time they do not get to talk but rather have to listen to what management have to say’.
Findings: Low Wages and Monitoring of Sick Leave

• Wages low – just above minimum. Between 11,000-15,000 rupees per month.
• Long hours – can work up to 60 hours overtime a month to earn a living wage.

• Attendance bonus – team and individual (no more than two days per month).
• Leave -14 days annual paid leave
• Leave requests - need to give substantial notice to HR and supervisor
• If request leave at short notice – at the discretion of management
• HR will visit sick workers in their hostels
Findings

• Constant work pressure because of targets
• Inhalation of dust – poor quality masks
• Air conditioning often not turned on – except when auditors visit
• Inadequate breaks, such as toilet breaks, water breaks – have to achieve targets
• Back pain and soreness from standing and repetitive strain injuries.

• Audits largely ineffective.
• Auditors talk to hand picked employees; employees provide with a script; factory tidied up; air conditioning turned on; young workers under 18 stay home.
• Many auditors are former HR managers
Discussion and Conclusions

• International labour standards did not facilitate voice – Employee Councils were a ‘hollow shell’ and only dealt with minor issues such as food and uniforms.

• Marchington (2007) framework – A range of factors impeding worker voice.

• Highly competitive global product markers; labour intensive production systems; workers semi skilled and easy to replace; non-union workplaces; Little interest by employers in high-commitment HRM (low wages, minimal employee voice); managerial prerogatives dominant (HR policing leave and attendance and supervisors focused on production targets).

• Workers were not powerless, however
  • Main form of voice was exit strategy. High labour turnover across the EPZ