



## **FOR IMMEDIATE RELEASE FEBRUARY 23RD, 2015**

### **MGMA statement about unlawful demonstrations:**

- (1) Garment factories – members of Myanmar Garment Manufacturers Association – are commercial-oriented businesses, working in a good spirited manner for the interest of the country, as well as their own business interests.
- (2) The recent demands for salary and wage increases by workers in early 2015 have damaged the businesses that prefer to engage in peaceful business operations, and have been found to be strike activities far beyond the legal framework and procedures. These activities...
  - Have endangered the income of those workers who want to work peacefully, but who have not been allowed to do so by demonstrators.
  - Have a negative impact on the interests of the businesspersons presently manufacturing.
  - Have discouraged new FDI, thereby decreasing future job opportunities in the sector.
  - Have contributed to a bad image of Myanmar in the international community.
- (3) According to the Settlement of Labour Disputes Law (2012), factories should not be closed without any negotiation between the employer and employees. No protest and demonstration is allowed unless full dispute settlement procedures have first been attempted. The law mentions that only when the decisions made by State/Region Tribunal Council are unacceptable, permission should be taken legally to close the factory and to conduct a protest. During the demonstration and protest, the rights of ordinary persons and the rights of workers and employers who prefer to work peacefully should not be damaged.
- (4) Local and foreign employers investing in the labour-intensive garment industry in the Republic of the Union of Myanmar cannot completely accept these unlawful demonstrations, which have blockaded local and foreign managers inside and outside of factories, have prevented representatives of buyers to enter the factories, have blocked the entry and departure of container vehicles, etc. These activities are against both international practices and existing laws. As such, rule of law should be respected and enforced.
- (5) If the employers cannot meet the salary and wage demands, which means there is an imbalance of business income and salary expenditure, and if salary demands are too quickly increasing, workers have the right & freedom to move to another employer. The employers should take responsibility within the legal framework and should not have any responsibility to offer compensation to the labourers for these long demonstrations and illegal shut-downs of their factories, due to non-negotiable salary demands.
- (6) For the formation of beneficial and successful businesses, the Myanmar Garment Manufacturers Association will continue to work together with workers and labour unions for the sake of production improvements, stronger market access and amicable industrial relations.

Collective statement of **The Myanmar Garment Manufacturers Association**

### **For more information:**

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