

## MYANMAR GARMENT MANUFACTURERS ASSOCIATION

MGMA NEWSLETTER August 2018

**NEWS** 

### Reduce Imprisonment and Increase Fine in Draft of 2nd Amendment Settlement of Labour Dispute Law

Myanmar Times news journal reported a news that Pyithu Hluttaw Draft Committee secretary U Kyaw Soe Linn said that imprisonment is reduced and fine is increased in the draft of 2nd amendment of Settlement of Labour Dispute Law. The news mentions that "We mainly consider for investment while we review the draft regarding imprisonment. If imprisonment is included, circumstance is that investors will not come. There is no imprisonment also in international practice. In our committee's revision, we reduced imprisonment and increased fine", said U Kyaw Soe Linn.

According to the committee's amendment, fine is starting from 2 millions in Kyats for employer and five hundred thousand in Kyats for employee.

The draft which raised criticism that imprisonment will hinder foreign investment, is complied by Internal and External Labour Affairs Committee, Amyotha Hluttaw. The draft was approved by Amyotha Hluttaw on 2018-06-01, 10th day of 8th regular meeting of 2nd Amyotha Hluttaw. Then the draft was submitted to Pyithu Hluttaw for revision.

**PRIORITY** 

### Strikes Blocking Gates and Section (42) of SLDL

After minimum wage notification in May 2018, labour strikes and disputes are happening continuously. Strikes in August are more violent. Blocking and shouting slogans are alongside situations in which 80% of workers who want to work are deprived their legal right by not more than 20% strike workers. In Dagon Seikkan Township, there was re-strike of workers who want to work to strike workers at a garment factory. Settlement of Labour Dispute Law (2012), Chapter (8), Prohibitions, Section (42) says, "no person shall prohibit the right to work independently of the workers who are not desirous to participate in the strike nor impede the right of a worker to strike".

The original Law's Chapter (9), Penalties, Section (9) defines fine not exceeding thirty thousand kyats as punishment of the prohibition. But first amendment of the law in 2014, the fine not exceeding thirty thousand kyats was replaced with fine not exceeding five hundred thousand kyats.

Moreover according to the Section (10) of first amendment of the law, approval of the arbitration council is required to file case upon violation of prohibitions except Section (42).

Therefore, performing strike blocking the gates of factory so that workers who want to work can not enter their workplace violates Section (42) of the Settlement of Labour Dispute Law. Punishment of the violation is fine, five hundred thousand kyats. To file case for the violation, it does not require approval from the arbitration council.

But there is no provision for how to file case and who can file case, for the violation of Section (42) of the Settlement of Labour Dispute Law. In blocking-strike cases, parties tend to be busy with filing criminal case for blocking and conciliation in township offices. There is no filing case for violation of Section (42) of the Settlement of Labour Dispute Law.

It is as there has been no way to protect workers from being deprived the right to work. No labour activist speak up for the workers who go back home with their heads down, carrying their lunch-boxes back to home. In those situations, MGMA member factories can call Labour Officer (09 257313341) for help.



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Strikes blocking gates

### **ACTIVITY**

### To heir Junior Labour Officer

It has been one and half years Myanmar Garment Manufacturers Association, in cooperating with ILO, ACT/EMP, heired a labour officer to help with member factories' labour affairs. To provide further services to members, Myanmar Garment Manufactures Association is planning to heir Junior Labour Officer. The vacancy announcement has been posted on www.themimu.info. The announcement can be downloaded



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here: http://www.themimu.info/sites/themimu.info/files/jobs/MGMA\_-Jr\_Labour\_Officer-advertisement-030918.pdf. The closing date is 2018-09-17.

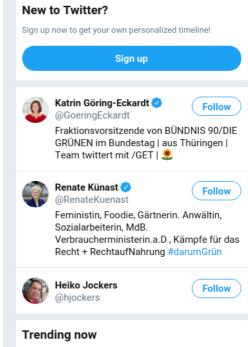
### Meet with 2 Parliamentarians of German Bündnis 90/Green Party

A group of 11 visitors from Germany including 2 parliamentarians of Bündnis 90/Green Party visited Maple Garment factory, MGMA member, on 30th August 2018. The visit was organized by Heinrich Boell Foundation and German Embassy, a Breakfast Talk was also organized on 31st August 2018. During the Breakfast Talk, MGMA General Secretary Daw Khine Khine Nwe met with 2 parliamentarians of Bündnis 90/Green Party and explained about garment industry and how EU's EBA GSP is important for the industry in which over five hundred thousand workers are employed. The conversation during the Breakfast Talk was supportive to the industry amid concerns about international sanctions becasue of latest UN Report released on 27th August 2018.



Sehr beeindruckend. Khine Khine Nwe #Rosaline von der GarmentManufacturesAssociation. Offene Worte über die Situation, Möglichkeiten von Wirtschaft und Politik und die Zukunft der Frauen in Myanmar. Danke für die traditionellen . @RenateKuenast





UPCOMIN					
Description	Date	Place			
1. HR Management Improvement In-Factory Training HR Management Improvement Training for problem solving, with focus on "Reducing Turnover and Absenteeism The course is specially designed to improve social compliance standards, as well as problem solving skills and productivity in your factory. The On-site Factory Training will be individually scheduled between the participants and MCY trainer within a period of 3 weeks after the workshops.	Aug, Oct, Sep, 2018	On-Site			
2. 2nd Myanmar Textile Summit 2018     MGMA and ECV International are organizing in	12-13 Nov 2018	Sedona Hotel			



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collaboration 2nd Myanmar Textile Summit 2018. The summit will focus on the latest government policies and international trading policies on the textile and apparel industries in Myanmar, sourcing practice and trends of international brands, the main challenges for FDI and so on.

#### **NEW MEMBERS IN AUGUST 2018**

Number of New Factories in August 2018		9
Country	No. of Factories	No. of Workers
Myanmar	2	90
Chinese	5	2979
Korea	1	269
JV (China)	1	100
TOTAL	9	3438

### MEMBERSHIP UPDATE AS OF 2018-08-31

MEMBERSHII OF DATE AS OF 2010 00 ST				
Status	Country	No. of Factories	No. of Workers	
Active	Myanmar	109	73341	
	Chinese	199	185673	
	Korea	57	55351	
	Japan	19	54462	
	Others	132	68445	
Inactive	All	72	0	
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