

‘The government didn’t care’: Katunayake Free Trade Zone Workers in the Pandemic in Sri Lanka

During the first coronavirus pandemic lockdown in Sri Lanka for over two months, beginning 20th March 2020, workers in the export processing zones faced immense hardship as they were confined to their boarding houses without pay, or lost their jobs, and were unable to return to their villages. Many had no money to survive, and went into debt. In this interview, **Ashila Dandeniya**, founder-director of the Standup Movement Lanka and formerly a garment worker, speaks to **Tehani Ariyaratne** about the situation faced by the workers during the lockdown; the situation after the curfew was lifted and work resumed in the Zone; and the response of the state and the factory owners. The Standup Movement Lanka is a non-governmental organisation based in Seeduwa, promoting the rights of women industrial workers and commercial sex workers. The interview was conducted in Sinhala on 29th September 2020, translated into English by Tehani Ariyaratne, and edited by Polity for clarity.

TA: To begin with, can you talk about workers in the Zone? Who is the average worker, what was their situation in terms of labour rights, wages, and working conditions before the COVID19 crisis?

AD: The workers of the Free Trade Zone (FTZ) belong to a special category of workers, different from other workers. The large majority of them are unmarried women. They are young, between 17-25 years, and they have migrated from far-away places to work in garment factories. Men also work in the factories, but they are a minority.

When the Sri Lankan economy opened up [to foreign direct investment and export-oriented manufacturing] in the late 1970s, and FTZs started, a number of

organisations and individuals began to support workers on rights issues. One group of NGOs represented workers’ cultural rights. Another group including trade unions raised awareness about class politics. However, even to this day, FTZ workers are known to be a group without representation. That is because most of them have not joined a union and are not engaged in a struggle for their rights. If we take just the Katunayake Zone, there are 84 factories. But there are trade unions in only five factories. In general, it is a very small number who are organised.

Factories in the Zone operate on Codes of Conduct imposed by buyers such as GAP, Wap, Patagonia, Victoria’s Secret, Tommy Hilfiger, Adidas, etc. We call them “labels”. The facilities available for workers are based on these Codes of Conduct. For instance, there are provisions relating to the amount of space between machines, access to drinking water, the number of toilets, and so on. However, there is no mention of the wages that should be paid, or workers’ trade union rights. When we look at all this, overall, the general conclusion is that there is no recognition given to workers’ rights, and they remain unrepresented as workers.

TA: So there are no standard practices within the Zone?

AD: It changes from buyer to buyer. Some factories, which may have orders from different labels, have to deal with a varying set of standards. So if an auditor from a particular buyer is visiting the factory on a particular day, the management will re-structure the factory according to the standards of that buyer, they will move things around. Next week, if an auditor is coming from a different buyer, they will again change

the structure according to the standards of that buyer. It is also an issue for the factories; since there isn't a uniform standard they can follow, they are also faced with this inconvenience.

TA: *What happened once the lockdown began?*

AD: When the pandemic broke out, several issues came up, and there was no one entity responsible to ensure the welfare of workers. The workers were locked down in boarding houses and the factories refused to take any responsibility for them. At a minimum, managers could have checked to see how they were doing, and who could go back home, and who couldn't. But they didn't look into anything. It's not that they couldn't do it. They had telephone numbers of the workers. They had systems to send messages. So why couldn't they do it?

Moreover, from the side of the government, not a single thing was done for this group of people. At a minimum, the *Grama Sevaka* (GS) didn't even know how many of these workers were in the area. The GS who should be the first point of contact between the worker [as citizen] and the state, didn't have any information [on internal migrant workers]. They knew who owned the boarding houses, but didn't have information about the people living in them. The police had a security system where they would register people, but apart from collecting a set of forms from different places from time to time, they hadn't put it into a database. Organisations like us also didn't have a database to know the exact number of workers from the Zone, when the pandemic hit.

We think there are close to 52,000 workers living in the area around the Zone. This number comes from a census done by the security forces after the war. That's the data we still use. We can't get a figure from anywhere else. So when something like this happens, under these conditions, we were also unsure about what to do. When the lockdown happened, around 18th or 20th March [2020], and the factories didn't do anything to help workers, those who knew us started calling, saying they didn't have anything to eat or drink. Then we contacted the relevant GS but he said that there was nothing he could do either, unless he was ordered from above. And at the beginning, the GS's received no instructions on what to do about the workers.

From the side of the government, there was an allowance of 5000 Rupees given to people in the villages. Most [low income] families got this allowance in March and April, yet the workers didn't get this. However, after we started raising this issue and pushing for it, the GS's in the area began to document the number of workers

living in the Zone. They would go about five times to one boarding house and fill about five forms, but still no help was given.

After this, during the [police] curfew, we organised a picket on this issue on 10th May. At that time, the armed forces and police came and surrounded us [for defying the curfew restriction on public movement]. Our protest was covered in the media: Sirasa TV had a two-and-a-half minute news segment on it. After two more days, more people were sent to their home districts in buses. This is what the government did. It was really inhumane.

TA: *Were the people sent home after the GS did the assessment for the 5000 Rupees?*

AD: Yes, the GS came to the boarding houses once, didn't give the money; then he came again and still didn't give the money; then a third visit to accept appeals [from workers], and still didn't give the money. According to him, they don't know exactly how many workers are living here and what work they were doing, and therefore they were unable to 'categorise' them properly. We think it's because there are too many people in need here. There were about 10,000 to 15,000 people, at that point. That's probably the reason why they didn't give the money. After that, we picketed. Thereafter buses arrived to send the workers back.

TA: *Can you say more about how people in the Zone were sent home? Was everyone evacuated during the curfew period?*

AD: The government arranged to send people home in buses for the first time on March 27th [2020]. There were 50 buses that day. In 50 buses, you can squeeze in about 50 per bus. But about 10-15,000 came to the Katunayake Zone Main Gate [and assembly point] that day. Everything was a mess. No one knew what was happening. We don't know how many buses went to each district, there was no order. The buses didn't take the people to the doorsteps of their homes either. They were dropped off in the main towns, and told to find their way home. Workers come from rural places and from the main town you have to travel interior for a number of kilometres. Remember that this was during curfew. You couldn't even get a three-wheeler. Some people took two days to get home.

The second time, it was after the picket that they sent buses. In the first instance, we think about 5000 went home. In the second instance also, about 3000 to 4000

people went home, I think. But [the second time], the buses were not just for the people in the Katunayake Zone. People who were registered in different police jurisdictions around the area, who had come to the area for different reasons and got stuck, were also brought to Katunayake. Buses were arranged in the FTZ Sports Ground. It was a little more systematic than the first time. There were about two buses for every district. People were health-checked before boarding. There was some order. However, the issue was that even after this operation, there was still a large number of workers remaining in boarding houses. These were those who were either unable to go, or didn't want to go back to their homes.¹

TA: Did full time workers get their salaries for March and April?

AD: By the end of April, workers had been retrenched from many of the factories, and they hadn't received their March salary. Those who didn't leave had been locked down in their rooms for over a month. Some factories gave half the salary for April, but some not even that. In April, workers normally get their annual bonus, but not a single factory gave the bonus. The bonus is something workers get based on completing a full year of work. The lockdown was imposed only at the end of March, so most workers had completed a full year except the last week of March, and were entitled to the bonus. Yet, they were not given the April 2020 bonus. How unjust is that? They didn't even give them what they worked for.

Some of the workers had not eaten two to three meals a day at that time. But it was the season for jackfruit, and they would pluck it [from the tree/s in the boarding house] and eat the fruit, including the seeds. That is how they fed themselves. On the Standup Movement Lanka page on Facebook we have shared about 15 video clips. There were some families with small children who were crying from hunger. When the children were crying because they didn't have milk powder, they were given wheat flour mixed with sugar. The children got sick. There was nothing the mothers could do.

TA: Was there a difference in how manpower and full-time workers were treated and how they felt the impacts of the lockdown?

AD: Generally, full time workers get about 1000 Rupees a day. According to their service, after overtime, attendance bonus and all of that is calculated, they get between 25,000 to 30,000 Rupees a month. For

manpower workers, it depends on the factories and the work they get. At this time there are very few manpower jobs, not even 10% [of pre-COVID19 labour demand]. There are one or two agencies active. The rest are there but not functioning because there are no factories asking for workers.

Before the coronavirus became a health issue, it had already significantly affected the Zone. All the materials are imported from China, and were not coming in from around January or February [2020]. So manpower work was reduced and overtime was cancelled. A lot of workers were feeling the impacts of the pandemic from January. Manpower workers who get daily salaries were badly affected.

Out of those working full time, as I mentioned before, some got half the salary. Some workers also had some savings. For a lot of them, the money goes into their bank account, so they had a small amount of savings to manage for a few days. The ones who didn't have anything at all took loans from neighbourhood shops. They were able to do this until mid-April. After that, as the lockdown continued, shops stopped giving goods on credit. When the shops stopped supplying, these workers had nothing to live on.

TA: How much does it cost to live here? What were the living conditions like during this time?

AD: At minimum a worker pays 3500 Rupees for a room. The electricity bill is separate. In one room there are one or two people. They pay upwards of 4000/5000/8000 Rupees, with different amenities. As the lockdown continued, workers also faced a lot of pressure and threats to pay back the loans they had taken from the shops as well as the boarding owners, because they hadn't paid the boarding fees either. Then they started getting electricity bills for amounts they couldn't pay, because of higher usage from being in the boarding house all day. So they couldn't pay the boarding rent, and on top of that they also had a big electricity bill. In the end, these boarding house owners came and took the electrical equipment owned by the women workers, and even the gold earrings off their ears. The workers would come crying to us, and we would try to support in some small way, but we couldn't help all of them. It was a really difficult situation, there was a lot of pressure on us.

On top of all this, men in the shops and the boarding houses were sexually harassing the women. They would say: "Can I come to your room...?" Or when women went to the shops, the men would make various

suggestions; or take women by the hand and pull them in. We were not able to take forward any of these cases as a legal matter because of the pandemic situation. We tried but we could not. While this was happening, some boarding house owners asked the workers to leave. They couldn't possibly find a new boarding house during this time. Some were staying in our office for many days, with nowhere to go. We spoke to some boarding house owners we knew and got a few rooms for these women. So these are the issues, this is how people were living.

In the midst of issues of debt and sexual harassment, there were also drug raids by the police. One woman worker told us that she was in the middle of changing her clothes when the police knocked on her door. She had said that she is changing her clothes, and that she will open the door once she is done. But two male policemen broke the door down and walked in, while she was in her underwear. They had pulled everything in the room. We advised her to make a police complaint and assured her that we could take the case forward. But when she went to the police, the OIC had called the two police officers, scolded them in front of her, and persuaded her not to file a complaint. In the end she didn't file the entry, because the police officers were reprimanded. Thus, there were these big labour rights issues facing the workers, even while harassment became a permanent part of their lives during the pandemic.

TA: *How did factories and employers respond during this time?*

AD: In the middle of all these issues, when workers didn't even have anything to eat, the factories sent letters and text messages to the workers saying their jobs had been stopped. Some factories sent a general text to employees telling them to come to work. At this time there was no public transport, so these workers hired private vans and suffered a lot to get to the Zone. Once they got there, they were told they were out of a job. We know of quite a few who got letters like this; and upon arrival were told they didn't have jobs. They were given letters of termination.

Some other factories who told workers to come on a given day during the curfew, terminated those who didn't turn up. Factories like Crystal Martin did that. They terminated women who had been working there for seven to eight years; workers who had more experience and were earning a higher salary. Then these factories hired manpower workers or very young people for a lower salary. It was more than the minimum wage [Rs13,500], but less than what had been paid to the sacked workers.

A lot of factories also ended the employment of workers who had been working for them for less than six months, without any warning. Usually you have to complete six months to become a permanent employee. Chiefway, Crystal Martin, Next – there are a number of factories which terminated workers who had worked for less than six months.

Many workers whom management couldn't get rid of before the pandemic—people who were part of unions or people who spoke up, those who are a headache for them—were terminated during the pandemic. These factories include ATG Klaus, Smartshirt, Chiefway Lanka, and Hirdaramani (which subsequently closed down this plant). This group of workers is still without jobs. It's basically union busting, they got rid of the people they wanted to get rid of.

TA: *What happened after the curfew?*

AD: After public transport resumed, workers started coming back [from their villages] little by little, around June [2020]. Before that, about three factories sent buses to a few districts and brought back selected workers, with state permission. For example, those who live around Kurunegala city were told to come to the town area and they were brought from there. Towards the end of the lockdown there were a few factories which did this. The workers came back depending on how and when the factories called them back. These were permanent workers. Manpower workers also returned. They would call the agency and ask for jobs.

A lot of factories restarted by producing uniforms, gloves and masks needed for COVID19 prevention. Permanent workers were brought back in groups, but to this day they are not able to get the same wage as before and they don't get paid for doing overtime. And then there is the workload. Previously the work that was done by 1000 workers is now done by 500-600 workers.

For example, the production of garments happens on the line. These garments then have to be taken for ironing, and what is ironed has to be taken to the packing area. This kind of work was done by 'helpers'. Now factories don't have helpers, because they get that work done by the production line workers. The factories claim there was an excess of workers in their workforce. In this way, they only retained the minimum necessary number of workers, and have used the situation to re-structure themselves to gain the maximum profit. The workers don't even have time to turn around in their work-station, the factories are getting so much work out of them. If they complain even a little bit, they are

told “if you can’t work then you can go, the door is open”. “Oh now there’s so much cheap labour”, that’s the premise upon which the factories are operating. Owners and managers are really taking advantage of this situation to make profits in a really exploitative way.

The workers are being treated really badly. A lot of the small perks they used to get have also been cut. For example, in the tea break if they got a bun and something else, now they only get a bun. The number of curries they get for lunch has also been reduced. Before the pandemic, they got transport to and from the factories. They used to drop them in the inner lanes, now they drop them off at the main road. Usually after the Sinhala/Tamil New Year in April, they get new uniforms, but not this time. In this way there are lots of cutbacks that they can feel. All this started happening after the curfew was lifted. They used to scrape together a liveable wage by doing overtime, getting production incentives, and things like that. But now that doesn’t happen.

Then, some factories were completely shut. Smartshirt had nine factories in Sri Lanka. Five of these are in the Gampaha district and three were in the Katunayake Zone. Two of these have completely closed. There were close to 3000 workers there. In the others, the wage is now 400 Rupees per day. They are giving half the salary for a full day of work. Not just a full day – they are given targets to cover. If they don’t meet the target they have to stay overtime and work, but they are not paid for the overtime.

The factories that closed—they gave compensation, but not according to the compensation formula. Full-time workers were terminated, but the compensation they received was much less than the formula. Brandix was an exception: it closed one factory called Leisureline but gave a good compensation package.

People in management posts who were earning 700,000-800,000 Rupees monthly were offered voluntary redundancy packages. That happened a lot in Brandix, in its Horana factory. We don’t have an issue with this. Our issue was that some of the older production line workers were terminated. Women like that can’t find a new job. At such a terrible time, the workers were treated so badly by the factories. The state also didn’t do a single thing to support these workers.

TA: What was the government response towards the workers?

AD: During lockdown, there was no way for us to connect with the government. The only method was

through the Task-Force [Labour Ministry Tripartite COVID19 Task Force] formed by Dinesh Gunawardena, the Minister of Labour, with representation of the Department of Labour, some trade unions, and the Employers’ Federation of Ceylon and the Joint Apparel Association Forum. This was the group that discussed issues related to the Free Trade Zone workforce. We were not invited to be part of this Task Force, but made representations through Free Trade Zone and General Services Employees Union (FTZGSEU) Joint-Secretary Anton Marcus, Ceylon Mercantile Industrial and General Workers Union (CMU) General Secretary Sylvester Jayakody, and National Union of Seafarers Sri Lanka President Palitha Athukorala.

At this time Parliament had been dissolved [to prepare for the August General Election], so not a single thing happened with regard to workers’ rights and welfare. Dinesh Gunawardena went around in circles, listening to what different people were saying, and didn’t take a single decision. He basically pleaded with the factory owners saying not to throw out the workers, presumably until the election was over.

We formed a network at that time to provide information to the Task Force. I have all the letters that we sent. We didn’t get a single fair response. In the end they told us to contact the district zonal labour office. In the Negombo Deputy Commissioner of Labour Zonal area, where we are located, those officials don’t do a thing. They don’t even answer the telephone. After the lockdown, they didn’t want to meet us or accept our letters. Nothing. So when we complained about this to the Task Force, it appointed someone from the Labour Department’s Head Office in Colombo to deal with these issues.

TA: At this time what were your demands?

AD: At the minimum we were trying to get workers’ wages. Our thinking was that if they had money they can at least get by. For the workers who got a half salary we were trying to get a full salary, and for the ones who didn’t get one at all, we were trying to get something. Then for the people who were working through manpower agencies who had no relief at all, we tried to get them some relief, even to repay later according to some plan or scheme. But the Task Force didn’t address any of these issues.

We also demanded that factories stop this practice of sending termination letters. Then at least the worker still has some hope. We could not get that done. The factory owners operated as they wanted, and there was

no opposition to that from the government. That's our biggest issue. The government didn't care about workers. At the least, if they couldn't give any relief, they could have asked the factory owners to halt the terminations, but they didn't do anything.² Because it's the factory owners who give politicians money [for their election campaigns].

TA: How are people who are unemployed at this time [September 2020] getting by?

AD: The ones who didn't go home at all are still living in boarding houses. They do small daily wage jobs. The ones who do manpower work will have work for one or two days a week. They will depend on that income for the rest of that week. That's the situation. The good thing is we [Standup Movement Lanka] were able to assist somewhat. With the help of the Ceylon Mercantile Industrial and General Workers Union (CMU), we were able to distribute vouchers of about 2000 Rupees. That was useful to them.

There were a group of Tamil workers in one boarding house. This is a good story actually. All of them were working at Hirdaramani. They can't really speak any Sinhala. That whole group was terminated. There were families, including couples and children, who were all in one boarding house. They were from Nuwara Eliya and the Up-Country. They were in a really difficult position. We tried to find jobs for them. The men did some daily wage work like construction. Some worked in shops. One woman would look after everyone's children. Later,

these Tamil women pawned their gold jewellery for money and rented a shop in front of the Seeduwa police station to sell cooked food. To this day, it's been about one and a half months now, they are running that shop successfully. Two women from that group found jobs in the Next factory. The others work in the shop. When the two garment workers get off work, they also work in the shop at night. It's going well. They don't make big profits but earn enough to live on. This the only instance I know of, where something positive happened to those who lost their jobs.

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Notes

1 In some instances entire families had moved to Colombo – they didn't have a house to go back to. In other instances, women did not want to return because they had left on bad terms with their families, or they were engaged in sex work, and so on.

2 Ashila further clarified that while certain measures proposed by the Tripartite Task Force were put in place – such as COVID19 safety guidelines regarding masks and other precautionary measures, and the management-worker health and safety committees – these measures were not followed in a systematic way. Sanitation facilities and mask wearing was often lax within factories, and the bipartite committees were not effective or accountable to the workers. Often the workers were not even aware of the purpose or work of the committees. Proposals made by Standup Movement and other groups to increase the accountability of the committees by linking them to the PHI were not taken up. With regard to the directive of the Task Force for employers to pay 50% of the salary or Rs14500 (whichever was higher), the employers often paid the lower amount to furloughed employees.