



March 6, 2018

Daw Aung San Suu Kyi  
State Counselor  
Office of the President  
Nay Pyi Taw  
Republic of the Union of Myanmar

Dear State Counselor:

As organizations representing international brands sourcing apparel and footwear in Myanmar, we write to express strong support for the labor law reform process now underway. It is imperative that this process results in laws and regulations that are consistent with the fundamental conventions of the International Labor Organization, and thus creates a strong foundation for mature industrial relations in Myanmar. The potential to initiate, maintain, and expand business relationships in Myanmar is greatly enhanced by the ability to engage with workers that have freedom of association and collective bargaining, and to be able to address any grievances through predictable, transparent channels, enforced by the government, that have the confidence of all stakeholders.

We believe that the Labor Organizations Law (2011) and the Settlement of Labor Disputes Law (2012), as currently written, do not comply with international norms and best practices, and thus have not led to the development of sound industrial relations. Further, we believe the government has not effectively implemented or enforced those labor laws. For example, we understand that trade unions have struggled to obtain registration, that workers face retaliation for legitimate union activity, and that the existing dispute resolution procedures have not proved effective to remedy violations of the labor laws.

The Fair Labor Association's (FLA) own factory assessments in Myanmar have corroborated these shortcomings. A 2016 assessment at an apparel factory in Yangon found that two workers who had tried to organize a union were summarily dismissed and the factory management regularly impressed upon the workers during weekly meetings that the union was detrimental to their wellbeing. In addition, when the workers resorted to work-stoppage to protest additional tasks that they were assigned, factory management called the police to the premises as an intimidation tactic. In another Yangon factory assessed by FLA in 2017, assessors reported that all worker representatives were directly appointed by factory management and not democratically elected by their peers.

It is essential that any new laws create an enabling environment for workers and employers to associate freely and to bargain. We agree with the Decision of the ILO Governing Body in November 2017 that “urges the Government to engage in the process of labour law reform to promote freedom of association through genuine and effective tripartite dialogue and in line with international labour standards.”

Reports from social partners in Myanmar indicate that recent drafts prepared by the Ministry of Labor, Immigration and Population, and by the Assembly of the Union, remain far from compliant with the minimum standards of the ILO fundamental conventions.

We urge your government to work with the social partners and the ILO to ensure that any final laws comport with international norms and best practices. And we urge the government to establish the appropriate capacity to enforce those laws. With the right laws and procedures in place, and effective implementation, Myanmar can distinguish itself and attract responsible businesses who can create long-term relationships in Myanmar. This will not only benefit global brands, but also local employers, workers, and the country.

Sincerely,



Sharon Waxman  
President and CEO  
Fair Labor Association



Rick Helfenbein  
President and CEO  
American Apparel & Footwear Association