

November 23, 2016

To the Management of Hansoll
Through the Business and Human Rights Resource Centre

On behalf of the officers and members of the Faremo International Inc. Workers Association (hereinafter, union), I take this opportunity to reply to Hansoll's letter addressed to the Business and Human Rights Resource Centre (BHRRC).

We appreciate Hansoll management taking time to respond to queries regarding the ongoing labor dispute at Faremo. However we would like to notify Hansoll management that it is grossly unaware of the actual events at the Faremo factory as we can glean from the patent inaccuracies in its reply to the BHRRC.

First of all, Faremo filed a notice of closure with the Labor Department of the Philippines citing lack of orders as the reason. Lack of orders was also the reason mentioned by Faremo management in the meetings with the union.

Gap however has already admitted that it has not cancelled orders and in fact has increased its purchases from Hansoll for this year. This fact exposes the glaring contradictions in the alleged reasons for the closure of Faremo.

The statement of Gap bolsters the complaints for illegal closure, union busting and illegal dismissal filed by an initial batch of sixteen Faremo workers at the labor court in the Philippines. Scores of other workers are in the process of filing new cases and are presently consulting with lawyers in the light of the information we have gathered.

All of these workers have not accepted and will not take the separation pay offered by Faremo management. They are moreover committed to maintain the picketline outside the premises of the Faremo factory.

Aside from the lack of basis for shutting down, Faremo management has transgressed the due process for closure. Indeed it filed a notice of closure on October 21 but immediately laid off and locked out by the afternoon of October 26 the vast majority of rank-and-file workers, including all union officers and members. Only a select group of workers, among them line leaders and quality control employees, continue to enter and leave the factory for mysterious reasons. Faremo management thus did not follow the required 30-days notice.

Faremo management has not paid the workers it has laid off for the days from October 27 to November 21 according to the mandatory 30-days notice. It has also adamantly refused to grant the benefits due to workers as per the collective bargaining agreement. These despite repeated demands by the union for the payment of wages and benefits as mandated by law.

The union is also not aware of any program for re-employment of the dismissed workers of Faremo nor has Faremo management sought our cooperation in such a matter. On the other hand, we have knowledge of the blacklisting of unionists as the list of Faremo union officers and members were provided to at least two other garments factories in the Cavite ecozone.

The union is also conscious of the repeated transfers of truckloads machines out of the Faremo factory which started even before the notice of closure was filed.

Finally we would like to inform Hansoll management that the labor dispute at Faremo has been the subject of news coverage by the leading broadsheet in the Philippines and the also the two biggest television networks. Moreover there is a solidarity campaign being waged by labor groups and advocates in the Philippines and abroad.

All the information we have mentioned here is backed up by documentation, including in the minutes of mediation meetings facilitated by the Labor Department.

We have narrated the facts as they truly are in the hope that a resolution to the labor dispute can still be reached in the interest of all parties concerned—the workers, the management of Faremo and Hansoll and the brands.

Thank you.

Jessel Autida
Union President

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