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**Nominated for the Public Eye Award 2005  
in the category:**

**LABOUR RIGHTS**

**Nomination by: Maru Malarchi Labour Front  
(MLP), India**

## **Stallion Garments**

Headquarters: Tirupur (India)  
Net profit: approximately US\$ 11 million  
Branch of trade: Clothes manufacturer for Wal-Mart, Migros, Decathlon, Bella, Teddy Smith, Woolworth, Fruits of the Loom and other companies  
No. of employees: 1,500 in three factories  
Owned by: Mr. A.M Karthikkeyan and Mr. K.A.S Thierumurthi  
Member to the WEF: NO (in January 2004)

### **Outline**

*Stallion Garments does not pay the arranged minimum wages. After a workers' demonstration, the company dismissed 20 trade unionists. Both trade unions and NGOs demand the re-employment of the workers. In addition, Stallion Garments is urged to follow the law and implement the signed agreements.*

### **General Information on the Case**

In 2003, the Tirupur Exporters Association (TEA) and six trade unions signed an agreement on minimum wages, the so-called "Tirupur Accord 2003". Stallion Garments, a leading member of the TEA, also signed the agreement. However, the company does not pay the agreed minimum wages. In May 2004, 600 workers demonstrated in favour of a coming into force of the "Tirupur Accord". On 1 July 2004, Stallion Garments dismissed 20 trade unionists without previous notice. The six local trade unions reacted with a demonstration in front of the Stallion headquarters' in Tirupur. The Department of Labour invited the dismissed workers and the company to negotiations. Every time The dismissed workers had to travel to Erode, which is 65 kilometres away. Eleven times, the Stallion management did not turn up to the meetings. It denies entering into negotiations and tries to intimidate the trade unions with lawsuits (filed against six trade unions).

### **Characteristics of irresponsible corporate behaviour**

- dismissal of trade unionists
- obstruction of trade union activities
- disregard of the "Tirupur Accord 2003" on the minimum wages

- insufficient infrastructure in the factories (no crèches, no bathrooms, no canteen, no drinking water)
- no working time regulations, no announcements of planned working time
- intimidation of workers associated with trade unions
- missing willingness to enter into negotiations

On the occasion of a check done on 27 July 2004, the factory inspector confirmed the breach of regulations.

### **Consequences**

The 20 dismissed Stallion workers unsuccessfully applied for a job in 10 to 15 factories. It is supposed that they were denigrated. Stallion refuses to pay them the due salaries for June as well as the compulsory compensation (of at least one month's salary).

### **Current status and demands**

- re-employment of the 20 dismissed trade unionists
- payment of the due wages
- withdraw the cases filed against the six trade unions at the Civil Court
- respect and implement the law and the TEA-agreement
- recognise the rights of the trade unions and immediate beginning of collective negotiations
- introduction of contracts of employment, salary slips and timekeeping
- payment of holiday deductions and statutory social benefits
- granting of Sunday holiday
- regular announcements of work schedules

***Link to the details of the nomination: [www.evb.ch/nominations.htm](http://www.evb.ch/nominations.htm)***

Further information:

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