

NAGKAKAISANG MANGGAGAWA SA CHONG WON (NMCW-Independent.)

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26 March 2007

MR. RAJAN KAMALANATHAN

Vice President, Ethical Standards

Wal-Mart Stores, Inc.

508 SW 8th Street

Bentonville, AR 72716

Dear Mr. Kamalanathan:

Greetings!

We have decided that it would be better to send you this letter to personally convey our thoughts and opinions to Walmart in what we foresee as a continuous dilly-dallying of Walmart in resolving the labor dispute between the union and management of Chong Won Fashion, Inc. (CWFI).

Firstly, we wanted to stress in this letter that Walmart's lack of honesty to enforce its own Standards for Suppliers was the main reason why a strike has continue to occur at CWFI and why there is a continued violation of the labor laws of the Philippines by the Korean supplier Mr. Yong Ryul Kim, owner/capitalist of CWFI.

Secondly, Wal-mart and CWFI were both obliged and responsible to face the union for a *Collective Bargaining Agreement (CBA)*. These obligation and responsibilities were both being provided by the labor code of the Philippines and the *Wal-Mart Standards for Suppliers..*

Thirdly, the continuous placing of orders at CWFI during the period of the strike and Wal-mart's acceding that these be sub-contracted/farmed out by CWFI to other factories clearly shows discrimination against us, Walmart workers on strike. In our view, Wal-mart and CWFI were conniving to starve us, the strikers, in the prolonged strike until we

give up our rights and legitimate demands. On the other hand, Wal-mart, CWFI, One Step Up, and ONA continue to amass profits even though those doing the orders of Walmart were no longer the legitimate workers of CWFI.

Mr. Kamalanathan, our union has gone through a very long period of sacrifice and tolerance to the flagrant transgressions and violations of our rights committed by CWFI. And these flagrant transgressions and violations occurred and continue to occur in our strike because in truth Walmart is in connivance with CWFI while it pretended to pose as neutral in the labor dispute against the union and CWFI.

Our union was extremely worried and concerned in Wal-mart's indecision and half-hearted way of resolving the strike while its orders at CWFI continue to end according to their contract. In the end, it would be easy for Wal-mart to leave both the CWFI and the workers on strike without job by simply saying that CWFI had failed to follow and to comply to its *Standards for Suppliers*. And if this happens, we would lose our jobs but CWFI may still continue operating acting as a supplier to Wal-mart through One-Step Up and ONA.

Our union firmly believed that the labor dispute between the union and CWFI will end if it will be decisively resolved by Wal-mart. It is not the slow-paced justice system in the Philippines, the corrupt and pro-capitalists officers of DOLE and PEZA, and not even CWFI can provide the immediate end and resolution to the cause of the strike.

Wal-mart must stop its posturings as neutral because their profit here in the Philippines came from the sweat of workers and the rampant abuse of CWFI, as its supplier.

If Wal-mart could not exert pressure for CWFI to follow the labor laws in the Philippines Wal-mart should at least follow its own social responsibility in conducting business. It must stand up firmly to the provisions of the Joint Statement it signed last November 7, 2006 sent to President Arroyo.

Our union firmly believed that Wal-mart must continue to do the following without any conditions prescribed by CWFI:

1. Compel the CWFI to make a response or respond to the *Collective Bargaining Proposal* of the union;

2. Call for an initial negotiation/talks of the union and CWFI for CBA *negotiation*;
3. Recall the *notice of termination* of 117 striking workers and 13 declared absent without official leave (AWOL);
4. Reinstate the two illegally-dismissed officers of the union, Sellwyn Simpan and Monina Eugenio without loss of their seniority status and *backwages* from the period they were dismissed to the time they will be reinstated;
5. Ask the CWFI to stop and recall all the cases and appeals they have filed at the DOLE and Court of Appeals including the cases filed by the formed “caretaker committee” of the CWFI against the union;
6. Ask the CWFI to break up or dismantle its illegally-formed “*caretaker committee*;”
7. While the strike is still on, to continue putting up enough orders to CWFI to ensure continued work but in accordance with the following conditions:

Only the legitimate regular workers of CWFI will perform production work and no contractual worker will be hired;

Any striker who wanted to perform production work will be allowed to work while still part of the strike;

No retaliatory action from CWFI to the strikers who wanted to go to work;

For the CWFI to respect the picket line and the strike structure erected outside of the company;

No subcontracting of work to other companies;

And, the order to be placed will be covered by a Memorandum of Agreement (MOA) signed by the union, CWFI, and Wal-mart, and containing the provisions discussed on top of this;

Mr. Kamalanathan, more than anyone else, our union have the interest and desire to end the strike because it is us, the workers and our families sacrificing in hunger.

What we are fighting for in the strike is the very same rights and guarantee under the labor laws of the Philippines and the same provisions stated in your own policies or laws of Wal-mart which is provided in its *Standards for Suppliers*, no more and no less.

We are hoping you will give due attention and consideration to this letter in the soonest possible time.

For the union and the workers,

RESURRECCION S. RAVELO

President of the Union

cc:

1. Ms. Edwina Reunilla
Wal-Mart, Philippines
Makati City
2. Harry Adjmi
President and CEO
One Step Up
New York, USA
3. International Labor Rights Fund
4. Maquila Solidarity Network
5. Clean Clothes Campaign
6. Asian Transnational Monitoring Network
7. Workers Rights Consortium Workers Assistance Center, Inc.
- 8.
9. United Student Against Sweatshops (USAS)
10. Reseau Solidarite