



Press Statement
“Solution for THAILAND: GSP Suspension Caused by Labour Rights
Violations in Thailand”
At Foreign Correspondent Club of Thailand (FCCT),
January 8, 2020

Thailand has long-accumulated labor problems, having not been seriously resolved by Thai government. These result from employments that have still not met the international standards. Worker right is limited because of Labour Relations Act (LRA) and State Enterprise Labour Relations Act (SELRA), especially on freedom of association and the right to collective bargaining. The rights to strike as a tool for workers to bargain collectively is also limited. For instances, seven leaders from State Railway Workers’ Union of Thailand (SRUT) are being deducted of their salaries to pay 24 million Baht fine to the company and thirteen leaders are being prosecuted at Criminal Court on Corruption and Misconduct as the result of labour initiative of demanding for safety standard in rail service since 2009, four leaders of Thai Airways International Union were found guilty at Supreme Labour Court and ordered to pay 3,479,793 THB regarding the assembly at Thai Airways International Public Company Limited in 2013, the union at Mitsubishi Electric Consumers have been either completely destroyed or near non-existence after the workers succumbed to severe anti-union strategies (including forced participation of military-styled trainings and having the workers sign each individual agreement to no longer engage with the union) which many companies are now using these as the blueprints to bust unions, and the defamation lawsuits filed by Thammakaset against the activists, workers, reporters, and former national human rights commissioner have not been resolved and got worsened.

Not only has the situation been improved, more violations of workers’ right and anti-union discriminations are happening every day. For instances, in December 2019, over 30 union members from Mizuno Plastic in Ayutthaya Province were laid off one day after holding their first union congress, and 700 union members (among the rest of 1000 total workforce) at company named “Pongpara Codan” in Samut-Sakhon lost their jobs after the company shut down its operation only to re-open under new name at the same location and with the same ownership while asking the selected group of laid off workers to re-apply for jobs with wages and benefits reset.

The lack of workers’ rights protection has led to the filing of 9 complaints to the ILO Committee on Freedom of Association (ILO CFA), which commented in its 389th report (June 22, 2019) that the amendment of LRA and SELRA, and the ratification of ILO Convention 87 and 98 have been long delayed despite ILO CFA’s first examination and recommendation of this issue since 1991. The latest draft of the LRA, which passed the cabinet in February 2019, is also not in compliance with the ILO standards on freedom of association, right to organize and collective bargaining, and right to strike. In the draft SELRA, despite the claims made by the Thai government to the ILO CFA (ILO CFA Report No 389th, 2019) that state-owned enterprise (SOE) employees are entitled to strike, the draft still imposes severe conditions on the ability of workers and their unions and leaders to organize or participate in strikes. Under the draft SELRA, the government retains broad powers to end a strike in the interest of the “economy” or “public order.”

Failure to resolve labor rights in Thailand to meet international standards resulted that on October 26, 2019, the U.S. government announced the suspension of 1.3 billion USD, or 39.3 billion THB in trade preferences for Thailand under the Generalized System of Preferences (GSP) with 573 Thai products temporarily. It will be effective on April 25, 2020, which will damage the export of Thai products to the United States. According to data from Thai exports to the U.S. market in 2018, found that the United States imported products from Thailand with total suspension of 1,919 million

USD, and this amount was imported under GSP privileges valued at 1,300. Million USD or about 39,000 million THB.

In solving labor problems as mentioned in order to develop the employment in Thailand to meet international standards, and also to return the GSP benefits on 573 Thai products, ITUC (International Trade Union Confederation) together with 3 other global unions, namely European Trade Union Confederation (ETUC), the IndustriALL Global Union, and the International Transport Workers' Federation (ITF) signed joint-letter on November 27, 2019 to the Thai government. The complaint letter demanded the Thai government to improve the labor rights situation in Thailand to further release from GSP suspension.

The State Enterprise Workers' Relations Confederation (SERC.), along with the support of the international labor movement, consisting of ITUC, ETUC, IndustriALL Global Union, and ITF, urges the Thai government to expedite the mentioned labor problem by aligning with the international labor standards and principles that will be beneficial to both Thai and migrant workers in Thailand in promoting the decent work which will result in having the U.S. Government to review the GSP suspension, so as to release the GSP suspension for Thailand. SERC would like to recommend the Thai government to intensively work with legitimate Thai trade unions to promote the decent work as a guideline to solve the labour problems sustainably. SERC always has a strong commitment to fully cooperate with Thai government in resolving the labour issues.

In solidarity

The State Enterprise Workers' Relations Confederation (SERC)

January 8, 2020