

FACTSHEET: THE CASE OF JABA GARMINDO AND UNIQLO

WHAT HAPPENED?

In 2012, Uniqlo became a major buyer at Jaba Garmino, resulting in higher targets and increased pressure on workers.

By 2014, Uniqlo was a substantial buyer, and the factory had let go of several other long-term European buyers to keep up with Uniqlo's demands. In November 2014, Uniqlo withdrew comprehensively from the factory, citing 'quality issues.' Their withdrawal triggered the descent into bankruptcy and in April 2015, Jaba Garmino shut down, giving workers no warning that their jobs were at risk.

Many had worked for the company for decades but, due to poverty wages, had little or no savings to fall back on. Indonesia doesn't offer workers state-paid unemployment benefits, therefore severance pay, a legal requirement, should have been their safety net. However, the factory couldn't pay due to bankruptcy and both **Uniqlo and s.Oliver refused, denying any responsibility towards the workers.**

In 2016, the brand Jack Wolfskin, who had 2% of production in the factory, paid less than a 2% share of the money owed. This equated to less than US \$20 per worker.



IN 2015, THE YEAR JABA GARMINDO WENT BANKRUPT,

UNIQLO

MADE RECORD PROFITS



Jaba Garmino	
Number of factories in Indonesia	
Workforce of 4000 people, majority women	
Supplied global brands including:	

Uniqlo	
Brand worth	\$9.2 billion (May 2021).
Brand aim	To become the largest retailer in the world.
Parent company	Fast Retailing
CEO of Fast Retailing	Tadashi Yanai

In 2015, the year Jaba Garmino went bankrupt, Uniqlo International made record profits, with revenue up by over 45% and operating profit up by over 31%.

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Many are desperate, surviving on borrowed money for rent and food, and have had to pull their children from school, unable to afford the fees (fees are mandatory for children aged 12 and above).

Women have struggled to find new work due to **age discrimination** and others have been blacklisted from nearby factories, seen as **troublemakers for campaigning for the money they are owed**. For many, informal work has been the only option, earning a couple of dollars a day cleaning clams for fishermen, selling street food, sorting through trash for recyclable items, or offering childcare or laundry services.

As a brand, Uniqlo is keen to be seen to do good, rather than actually doing good. In 2019, Fast Retailing signed a global partnership with UN Women, the first formal alliance between a clothing company based in Asia and UN Women.

The partnership cost Fast Retailing US \$1.6 million, and aimed to “create an enabling environment for all women in our business,” yet has done nothing to enable the women of Jaba Garmino.

The former Jaba Garmino workers have won court orders in Indonesia that support their claim to the money, however the courts have no power to make international clothing brands like Uniqlo pay up. **The workers have exhausted every avenue available to them for justice, yet they are still owed \$5.5 million, a life-changing amount.**

There are currently **no binding systems by which to hold brands to account in cases of severance theft**. Until there’s enough pressure for change, brands such as Uniqlo and s.Oliver will continue to walk away from rights violations in their supply chains, and workers will continue to pay the ultimate price.



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WORKERS CONTINUE TO FIGHT FOR THE US \$5.5 MILLION THAT IS LEGALLY THEIRS