# **BANANAS AND BULLETS**

# A Special Report on the Struggle of Banana Workers in Sumifru (Compostela)

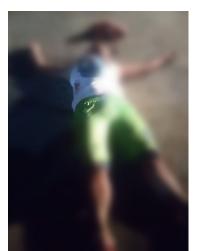
For almost two months now, banana workers of Compostela Valley (Mindanao) went on strike against years of contractual jobs that paid them so low sending them deeper into poverty and hunger and exposed them to toxic chemicals.

As Sumifru Philippines Corporation, continues to expand and increase its wealth, the poorer the workers become.

The workers are convinced that the company enjoys the protection not just of the law but even of authorities on the ground as Martial Law in Mindanao gives them all the needed justification to exploit their labor and trample on their rights. The workers appeal to everyone for their support, especially the consumers, in calling out this abusive company for its various violations of trade union and human rights.

The Center for Trade Union and Human Rights (CTUHR) compiled its documentation of the workers harrowing experiences through this report "Bananas and Bullets" to contribute in their continuing quest for justice.

## **Murders and Slay Attempts**



On October 31, **Danny Boy Bautista**, 31, was gunned down by two unidentified assailants around 6:00 pm in Compostela public market in Barangay Poblacion, Compostela Valley. His body sustained four shots which instantly killed him. His assassination came almost a month after the **Nagkahiusang Mamumuo sa Suyafa Farms (NAMASUFA)** workers' strike in Sumifru. Bautista was the 2<sup>nd</sup> union member of NAMASUFA who was killed, though slay attempts against several union officers had been documented since 2006.

Just few weeks after Bautista's death, another member of the workers' union, identified as **Jerry Alicante**, 45 years old, was shot two times by unidentified hitman last November 11

around 8:20 pm at Barangay Osmeña, Compostela, Compostela Valley. Alicante survived the slay attempt but he sustained a gunshot wound in his right hand.

The union, their supporters and advocates condemned the attack and noted the killing of Bautista intended to sow fear within their ranks and communities. They held the company and government responsible as they have vehemently opposed the strike and in fact violently dispersed them. The union has enough reason to believe that Sumifru Philippines is aware of what is happening. The company has proven in the past that it would do anything to continue its operations unhampered and earn profits from the workers' sweat and blood.

The workers of Sumifru - a Japanese-owned company, have been on strike since October 1 over the company's refusal to negotiate for a Collective Bargaining Agreement (CBA) with the DOLE –recognized legitimate union amidst the calls to increase wages and a halt to Sumifru's other unfair labor practices.

#### Growth of a Giant player



In Compostela Valley alone, Sumifru occupies 2,200 hectares of land with nine (9) packing plants. It employs more than 1,600 workers. Its average production is 19,000 boxes per day totalling to 7 million boxes per year or 22% of the company's total production. Its gross daily income is P19 million per day in Compostela operations alone. According to

the Department of Labor and Employment (DOLE), Sumifru's gross revenue of P14,366,928,166 or \$285.17M in 2017 up from P11,204,840,280 or \$227.14M in 2016.

It is apparent that Sumifru benefited from favors from the Arroyo regime. As early as 2006, Sumifru has developed 4,000 hectares of land in T'boli, Calinan, Toril and North Cotabato for its banana plantation project, a known areas of indigenous peoples. The company's Philippine President Paul Cuyegkeng described his company's dealings with the Arroyo administration as "easy," thus enabling them to accomplish more in a shorter period of time.

It is important to note, that under Arroyo administration, SUMIFRU's workers and plantation communities witnessed heavy militarization and harassments of union members primarily NAMASUFA. In fact, in 2006 NAMASUFA's union president, Vicente Barrios, was ambushed but narrowly survived following more than six months of medication. His union board member, however, did not survive the attack.

Apart from its direct plantations, smaller farms supply bananas to Sumifru in growership types, which mean small landowners with 1.5 hectares to 16 hectares of land enter into a contract with Sumifru to supply certain volume of bananas for long period of time (i.e 20 years).

As of 2011, Sumifru's total employees in Mindanao island stand at around 18,100 with increasing partnership with 2,110 growers and 4,400 land owners. Around 40% of its workers are composed of women.

Sumifru Philippines Corporation is the fruit business unit of Japanese-owned multi-national company Sumitomo Group of Companies based in Mindanao. It is a giant player in the fruit industry worldwide producing and supplying papaya, pineapple and Cavendish bananas. According to its website (<a href="www.sumifru.com.ph">www.sumifru.com.ph</a>), it operates in more than 14,000 hectares of land in 3 different regions in Mindanao. It produces an average of 17M tons of bananas per year and exports in China, Japan, Singapore, Korea, Middle East, New Zealand and Russia. In Japan, Sumifru controls 30% of the supply of highly



in-demand bananas. It produces famous branded bananas such as Gracio and Banage.

#### Violations of Labor and Human Rights, central to SUMIFRU's growth

Sumifru is (Social Accountability) SA 8000 certified since 2001. SA 8000 standards reflect labor provisions contained within the Universal Declaration of Human Rights and International Labour Organization (ILO) conventions which include1) no child labour, 2) prohibition of forced or compulsory labour; 3) health and safety, 4) freedom of association and collective bargaining; 5) non-discrimination, 6) working hours; 7) remuneration.

For 18 years, these standards have yet to see its way in SUMIFRU's policies and practices, often the company in cahoots with state forces, goons violate most of the provisions.

Sumifru's growth seems anchored on its notoriety for labor and human rights violations as well as non-compliance of environmental laws.

Sumifru workers work from 12 to 18 hours per day and only earn an average of P365/day (\$6.8). Sumifru's contracted growers earn much lower as Sumifru buys the bananas they produce for P212.50/box (US\$ 4.06), or an average of P2, 000 for 15 days.

Aside from the dismal wage, Sumifru cut workers' payment for overtime work while forcing them to work overtime and on holidays. It continuously violates legally mandated benefits such as service incentive leave and non-remittance of deducted contributions for government agencies Social Security System, Philhealth, and Pag-ibig. This is a criminal offense both punishable by fines and imprisonment, but SUMIFRU is able to get away. The company also doesn't provide retirement compensation and benefits.

For many years, Sumifru has never failed to come up with ways to further squeeze the workers, increase its profits and expand its operations. In 2015, Sumifru attempted to implement a piece-rate wage payment scheme. This scheme if implemented will cut that the workers wages' to nearly half of ' previous pay under the daily rate payment system and will force the workers to intensify their labour and competition to increase their income. The workers held series of protests, prompting the management to abandon the planned piece-wage scheme. The piece-wage scheme or most commonly known as 'pakyawan' is one of the most exploitative wage mechanisms, which is usually implemented for contractual workers.

Sumifru again attempted to implement this wage system in 2017 and the union launched a strike to stop the plan. Thirteen (13) hours of workers' strike, and the company agreed to stop the implementation of this exploitative scheme in all of its packing plants in Compostela Valley, However, Sumifru still employs this scheme and able to evade all legal accountability.

Moreover, Sumifru placed 12<sup>th</sup> in the list of top 20 companies practicing the prohibited employment scheme released by the Department of Labor and Employment (DOLE). It has long been engaged in the illegal practice of labor-only contracting (i.e using manpower cooperatives to employ workers and pit them against union members). The workers long demanded regularization but all cases and decisions filed by the workers against SUMIFRU were appealed by the company. In Bukidnon, for example the Department of Labor and Employment (DOLE Region 12) ordered to regularize more than 1,600 workers, again the company refused to abide by the order and simply appealed to the higher court.

#### Workers are exposed to chemicals and other health hazards

Sumifru is first certified Global G.A.P or Global Good Agricultural Practices (GAP) -- a standard that assures consumers about how food is produced on the farm by minimizing detrimental environmental impacts of farming operations, reducing the use of chemical inputs and ensuring a responsible approach to worker health and safety as well as animal welfare.

Yet, Sumifru's plantations and packing plants smell of chemicals. Since it started operations, workers have been complaining about being exposed to hazardous chemicals like the post-harvest pesticide Omega. In packing plants, workers do not wear gloves in cleaning bananas before they are placed in boxes. Workers reported suffering from loss of sight, respiratory illnesses, skin diseases and infertility.

Despite the toxicity, workers are not provided adequate Personal Protective Equipment (PPE), except if they shell out their personal money to buy their own protective equipment like aprons, gloves and boots. The company only provides protective gear once a year.

## Blood in Bananas: Workers struggle to organize union

Sumifru workers in Compostela Valley organized their first local unions from their packing plant units in the mid-2000s, to assert their right for better wages and working conditions. This August 2018, 8 local unions (Nagkahiusang Mamumuo sa Osmena – San Miguel, Nagkahiusang Mamumuo sa San Jose, Nagkahiusang Mamumuo sa Suyapa Farm, Packing Plant 92 Workers Union, Packing Plant 340 Workers Union, San Miguel Workers Union, Maparat-Montevista Workers Union, Nagkahiusang Mamumuo sa Pilar – Mangayon) of Sumifru workers consolidated into one union under NAMASUFA.

Nagkahiusang Mamumuo sa Suyapa Farms (NAMASUFA-NAFLU-KMU) is the 900-member consolidated union of rank and file workers in 8 packing plants which affirmed by law as Sumifru workers. It traces back its origin to 2005, when attempts to organize began. In 2006, Jerson Lastimoso, union board members was killed on his way to work. In 2009, Vicente Barrios was assassinated and narrowly survived. The union then has only 140 members in Packing Plant (PP) 90.

Since then, attacks on NAMASUFA and other packing plant local unions leaders and organizers never stopped. Sumifru vehemently refused to recognize the union simultaneous to denying that they are their workers. It claims that the workers are employed by A2Y Contracting Services-- the manpower agency – Sumifru contracted to hire workers. Despite several court and DOLE decisions in favor of the union Sumifru snubbed the order and filed an appeal the Supreme Court.

While legal battle for recognition is not yet settled, the workers organized themselves together with the contract growers (small landowners into the Banana Industry Growers and Workers Alliance against Sumifru (BIGWAS), making this network as united voice to push their demands and grievances, including increase in banana prices and land rent for growers.

On June 2017, the Supreme Court (SC) finally dismissed Sumifru's appeal against union recognition and declared the workers as direct employees of Sumifru. The SC affirmed the DOLE's order in July 2008, granting the petition for certification of NAMASUFA. The SC noted that Sumifru gave the instructions to the workers, required monitoring sheets, and provided the materials used in the packing plants, making the company, as the principal employer.

Again, the company defied the Supreme Court order and refused to recognize the union as the Sole and Exclusive Bargaining Agent (SEBA). Sumifru also asserts that the consolidation of the local unions was illegal even the Supreme Court says otherwise.

Over that decade, while the workers struggle to raise their wages, but denied by company, SUMIFRU's expansion rages in Mindanao, and actually one the most, if not the most aggressive players amongst competitors Dole, Del Monte and Unifrutti.

#### Strike in defense against hunger and oppression

With 749 union members voting 'Yes' to a strike, the union launched plantation and packing plants strike on October 1, 2018 over the management's refusal to negotiate for a CBA, regularize its long-standing contractual workers, and provide benefits and significant wage hike.

The strike paralyzed operations in the 8 packing plants (PP220, 230, 340, 115, 370, 250, 260). Sumifru then cries that it incurs Php38 million losses daily when prior to the



strike it was deaf and tight-lip about increasing the pay and banana prices. In fact, Kilusang Mayo Uno – Southern Mindanao, for which the union is affiliated, has been reporting several incidents of harassment and attempts to break the strike.

In one incident, 15 unidentified men barged into the house of union member Mildred Maglahus, looking for NAMASUFA Vice President Elizar Diayon. When they failed to locate the union leader, they bolted out of the house and stole food supplies in one of the protest camps. The union stood their ground.

In desperation to halt the strike, the company resorted to different measures in connivance with police and military to harass and disperse the strikers. Agency workers who were not part of the union were urged to oppose and even fight with the strikers. Agency-organized and management compliant workers' union of the so-called service providers, essentially labour only contractors namely NAMAMOCO, NSWU, BAPAPWOCO which the court ordered illegal were pit against union members.

Sumifru petitioned DOLE for issuance Assumption of Jurisdiction (AJ) and Temporary Restraining Order (TRO) at the Regional Trial Court (RTC) Branch 56 of Compostela Valley. On October 6, five days after the strike was launched, DOLE issued the AJ order SUMIFRU allegations of million losses, thus Sumifru is indispensable to the national interest. It also ordered the workers to halt the strike within 24 hours but it was silent about the union recognition, regularization, benefits and pay increase.

The union, supported by other labor groups and workers' rights organizations slammed DOLE and defied the Assumption of (AJ). AJ order has always been used to quell workers'

strikes and had resulted to numerous violent strike dispersals including the 2004 Hacienda Luisita massacre, involving police and military.

Soon as the AJ was served, three truckloads of military personnel were deployed in the strike areas. On October 7, seven (7) members of NAMASUFA were flagged down by unidentified men (believed to be goons of Sumifru), along the road and four (4) of them, were beaten individually.

The next day, service providers engaged by SUMIFRU visited their area cover, did a house-to-house visit and asked the workers to sign a document saying that SUMIFRU complies to the labor standards even it is not.

In a separate incident, hired goons accompanied by the Armed Forces of the Philippines (AFP) and Philippine National Police (PNP) dispersed the strikers in PP 115.

Moreover, there have been several incidents when the union leaders are being visited by unknown men and tagged them as members of the New People's Army.

The union defied the AJ and went on with the strike.

## Violent Break-up of Workers' Picketlines

On October 11, 2018, 11<sup>th</sup> day of the strike, combined elements of 66<sup>th</sup> IB of the AFP, PNP and private goons, violently dispersed the strike, at 5 out of 7 strike camps at different Packing Plants (PPs)..

According to John Paul Dizon, NAMASUFA President, masked goons, accompanied by AFP and PNP, attacked their camp at PP220 at around 9:00 in the morning, they destroyed the camp, mauled unionists and went after them, as they sought refuge in his house 50 meters away. They fired shots and pointed gun on some of the workers, threatening to shoot them.



4-mont pregnant worker hurt during Sumifru dispersal (Kath M. Cortez/davaotoday.com)

The dispersal team then proceeded to the other packing plants and smashed the makeshift picketlines. They arrested workers Jimboy Cagas, Ramil Monte, Elizar Diayon (NAMASUFA Vice President) and Errol Tan (union Board member) but eventually released them after beating them.

Robilina Limo, four-month pregnant worker and union member was kicked in upper abdomen during the dispersal in Packing Plant 115. She suffered abdominal pain and dizziness few days after the dispersal. Limo is working in the processing department in PP 115 for 8 years.

Wilfredo Silotan, who has worked as an Unloader for Sumifru for 10 years in PP 115 suffered several bruises and a broken rib.

Packing Plant 250 Union President, Wilson Baticula suffered body ache and vomited blood after being hit and punched several times during the dispersal. He sustained stiches in his upper lips and bruises all over his body. He suffered difficulty in walking and speaking.

Other workers sustained injuries in different parts of the bodies and others went into hiding due to threats and harassment.

The dispersal came several hours after the Regional Trial Court Branch 56 dismiss the petition for TRO injunction and dismissed the case filed by Sumifru management due to the non-exhaustion of administrative remedies.



Packing plant 250 union president suffering with body ache and now vomits blood after he was hit and punched several times by different men during disperal.(Kath M. Cortez/davaotoday.com)

"The dispersal was illegal, according to Dizon,. The Court just dismissed Sumifru's appeal for TRO and

DOLE did not deputize the PNP nor AFP. SUMIFRU is in collusion with the PNP, AFP and goons. It clearly wants to sow fear on the unionists and break the strike. Sumifru is already desperate to continue operations, it alleges that it loses millions while it incorrigibly refuse to heed our demands. They have destroyed our strike camps but they can never destroy our unity. This is for our children, we will fight until the end."

It must be noted that months before the strike, NAMASUFA leaders were hounded by the military and forced them to surrender as communist rebels. This move had been condemned by trade unions and labour rights organization as plain harassments aimed at suppressing the workers right to organize unions to improve their situation. Workers' rights and human rights group added that a combination of Martial Law in Mindanao and government counter-insurgency program, Oplan Kapayapaan, are being used not against terrorists but suppress critics and people struggling for decent life. (*See CTUHR related story*)

Following the dispersal, the workers took refuge in a Catholic church in Compostela and carried on with the strike.

## Continuing harassment, red-tagging and repression

As the unionists of NAMASUFA remain resolute in achieving victory for their rights, Sumifru and the Duterte government also seem to be intent in suppressing them.

Following the violent dispersal on October 11, the AFP announced that it will send more troops in the Sumifru plantation in Compostela to "support DOLE and PNP to prevent chaos."

On October 22, 2018, 400 striking workers of Sumifru travelled toward Davao City, to attend a compulsory conference at DOLE. They stopped at eleven (11) Task Force Davao checkpoints from Nabunturan to Lasang, Davao City . They were blatantly barred from entering the city, and were told that they did not have clearance from the city Mayor.

The workers had travelled for 11 hours and braved heavy rains, underwent meticulous inspection for nothing. In a spontaneous act of frustration and protest, the workers barricaded the road and stopping the traffic flow in the Lasang section Panabo City highway, Davao.

Davao City Mayor Sara Duterte, speaking more like her President father and along his line, justifiying her contempt for the Kilusang Mayo Union trade union center and the workers called on the public not to support these groups and partylists under the Makabayan bloc.

"They terrorize, engender lawlessness, create confusion, disrespect fellow human beings, put lives in danger, and disregard any authority altogether", she said in a statement. We all know now that these militant groups, who masquerade themselves as pro-people, only want to sow hostility and chaos, especially to those who reject them and the terrorist groups they support – the New People's Army (NPA), the National Democratic Front of the Philippines (NDFP), and the Communist Party of the Philippines (CPP)".

NAMASUFA decries the use of power and might by Mayor Sara Duterte to incite public hatred against KMU unions and other progressive organizations. Years before his father became President, she poised as pro-poor and even boxed a member of demolition team against urban poor. A tradition politician she is, she not only completely turned her back against the people, she wages war against them, under the pretext of anti-communism.

## **Call for Action and Support**

Sumifru workers vow to continue with their fight despite all the attempts to break their resolve and their unity and killing of their members.

CTUHR calls for the immediate and impartial investigation of the Commission of Human Rights (CHR) on the recent incidents of extra-judicial killings of NAMASUFA members,

several slay attempts and hold the perpetrators to justice; hold the state security forces and SUMIFRU and other respective agencies working for SUMIFRU to stop the attacks on trade unionists and hold them accountable to the continuing harassments and threats against NAMASUFA members, workers and their families.

CTUHR also calls on the international community and consumers in the client countries of Sumifru to support the workers' struggle, to use their leverage and power to pressure SUMIFRU to stop the attacks and comply with the international human and labour rights standards. The banans syou are eating are tainted with workers blood. ###

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