

**INTERNATIONAL LABOUR ORGANIZATION  
BETTER FACTORIES CAMBODIA  
KINGDOM OF CAMBODIA**

**TENTH SYNTHESIS REPORT ON THE  
WORKING CONDITIONS SITUATION  
IN CAMBODIA'S GARMENT SECTOR**

MARCH 2005

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## **INTRODUCTION**

### **1.1 Project background**

On 20 January 1999, the governments of the Kingdom of Cambodia and the United States of America entered into a three-year Trade Agreement on Textile and Apparel. The agreement was amended and extended for another three-year period on 31 December 2001. The Agreement sets an export quota for garments from Cambodia to the United States, while seeking to improve working conditions and basic workers' rights in Cambodia's garment sector by promoting compliance with - and effective enforcement of - Cambodia's Labour Code, as well as internationally recognised core labour standards. The amended agreement offers a possible 18% annual increase in Cambodia's export entitlements to the United States, provided the Government of Cambodia supports:

"The implementation of a programme to improve working conditions in the textile and apparel sector, including internationally recognised core labour standards, through the application of Cambodian labour law." (Article 10B, US-Cambodia Textile Agreement).

Under the Agreement, "The Government of the United States will make a determination by December 1 of each Agreement period, beginning on December 1, 1999, whether working conditions in the Cambodian textile and apparel sector substantially comply with such labour law and standards."

Following the signing of the Agreement, the Governments of Cambodia and the United States requested ILO technical assistance to prepare a project proposal and be the executing agency to support the implementation of the Trade Agreement by improving working conditions. The ILO consulted extensively with the Ministry of Social Affairs, Labour, Vocational Training and Youth Rehabilitation (MOSALVY) (currently known as the Ministry of Labour and Vocational Training (MOLVT)), the Garment Manufacturers Association in Cambodia (GMAC), the Cambodian trade union movement and the United States Government. A technical cooperation project with a budget of US \$1.4 million (US \$1 million, GMAC and MOLVT \$200,000 each) over a period of three years was agreed upon in May 2000. The project commenced in January 2001. In November 2002, an additional US \$675,000 was received from the US to strengthen and intensify project activities. In November 2003, the project was formally extended for 2 years with a budget of US \$1.5 million (US Government providing \$1 million, MOLVT \$400,000 and GMAC \$100,000). In February 2005, the ILO re-launched the project into the name of Better Factories Cambodia reflecting an increased focus on remediation services to complement industry activities.

### **1.2 Project objectives**

The basic objective of the project is to improve working conditions in Cambodia's textile and apparel sector through:

- Establishing an independent system to monitor working conditions in garment factories;
- Providing assistance in drafting new laws and regulations to improve working conditions;
- Increasing the awareness of employers and workers of core international labour standards and workers' and employers' rights under Cambodian labour law;
- Increasing the capacity of employers and workers and their organizations to improve working conditions in the garment sector through their own efforts;

- Building the capacity of government officials to ensure greater compliance with core labour standards and Cambodian labour laws.

The project is guided by a Project Advisory Committee (PAC), which comprises three representatives each from the Government of Cambodia, the GMAC and the Cambodian trade union movement. The PAC meets at least quarterly. It provides guidance on such matters as work plans, implementation of activities, communication with the parties involved, and coordination of project activities with relevant work undertaken by other entities. It also advises on the operation and evaluation of the monitoring and reporting system.

### **1.3 The monitoring system**

The monitoring system consists of the following three main components:

- Registration of participating factories
- Monitoring visits and reporting on these visits
- Reporting on the overall findings of the monitoring

#### **Registration of participating factories**

Enterprises in the textile and apparel sector have registered with the project. This registration is voluntary but has been encouraged by a Prakas issued by the Ministry of Commerce, which provides that only registered factories are eligible to use or buy quotas for the export of textiles to the USA. As of 31 December 2004, 278 enterprises have registered with the Project. Registration consists of the signing of a Memorandum of Understanding (MOU) between the ILO and the participating factory. The MOU outlines the duties and responsibilities of both parties. Under the MOU, the factory agrees to provide full access to ILO monitors when they visit factory premises, whether announced or unannounced. The factory also agrees to allow ILO monitors to interact freely with shop stewards, union representatives and factory workers, both inside and outside the factory premises. The ILO agrees that monitoring visits are undertaken in a fair and objective manner, that monitoring visits will be undertaken in such a manner as to minimize any disruption to factory operations, that basic information is kept confidential, and that any allegation of misconduct by ILO monitors in the execution of their duties will be considered in good faith.

#### **Monitoring procedures**

The Project has recruited 11 monitors to undertake factory visits. They have been provided with intensive training, covering subjects such as Cambodian labour law and international labour standards, interviewing techniques, and report writing. In undertaking factory visits, monitors are guided by an extensive checklist. This checklist consists of 156 questions (excluding sub-questions) most of which relate to articles in the labour code or provisions in the relevant ILO Conventions.

Monitors normally undertake enterprise visits in pairs. Each visit follows a similar procedure, which includes an initial meeting with management, a tour of the enterprise, observation of the workplace, interviews with workers and their representatives both inside and outside the factory, collection of relevant documents (payroll, sample contracts, leave records, etc.) and an exit interview with management. After each monitoring visit, monitors prepare a report containing their findings and suggestions for areas of improvement. The CTA checks the report to see that it has been completed in accordance with project procedures. Once the report is approved by the CTA and provided to the factory, the factory is given two weeks to request a meeting with the CTA or Programme Assistant to discuss the draft report. If the factory does not opt to discuss the draft report, the report is finalised at this stage. Otherwise, management meets with the CTA or Programme Assistant to discuss the

draft report. The monitors also may revisit the factory to verify any additional information received during this meeting. The report prepared after this meeting is sent to management with a request to sign and return it. At this point, management can indicate points with which they do not agree. Upon request from management, the project may provide assistance to factories in implementing the suggestions identified in the report.

Follow-up visits are also undertaken in pairs in which at least one of the monitors was part of the team that undertook the previous visit. Follow-up visits focus on progress made in the implementation of the suggestions. In addition, monitors re-examine fundamental issues such as freedom of association and child labour as well as major changes on issues for which factories were found to be in compliance after the previous monitoring visit. Reports on follow-up visits are sent to management with a request to sign and return them. At this point, management can indicate with which points they do not agree, if any. They are also informed that they can contact the Project at all times to discuss the report or provide additional information if they wish.

### **Reporting procedures**

Based on the reports prepared by the monitoring teams, the CTA prepares a synthesis report that provides an overview of working conditions for a group of factories (factories are grouped together into cohorts as they register with the project). The synthesis report is presented to the Project Advisory Committee. The Project Advisory Committee discusses each synthesis report and its comments are recorded and attached to the ILO report. The ILO report and the comments of the Project Advisory Committee are made available in both English and Khmer and distributed to implementing and cooperating agencies under the project, and to the parties to the US-Cambodia Textile and Trade Agreement. The report is also posted on the ILO website. The first report was published in November 2001, the second in April 2002, the third in June 2002, the fourth in September 2002, the fifth and sixth in June 2003, the seventh in October 2003, the eighth in February 2004, and the ninth in January 2005.

#### **1.4 This synthesis report**

This tenth synthesis report is the first of its kind to assess the progress made by factories in improving working conditions, determined during a second follow-up visit by monitors to the factories. Thus, this synthesis report examines the progress made by 26 factories between their first and second follow-up visits in implementing suggestions made by the project for improving working conditions. This tenth synthesis report covers the same factories included in both the second synthesis report (initial monitoring visits) of April 2002 and the fifth synthesis report of June 2003 (first follow-up visits). Four of the 30 factories covered by the fifth report had closed down or suspended operations, so it was not possible to undertake a second follow-up visit and include information on these factories in this report.

<b>Findings in the Tenth Synthesis Report</b>
<ul style="list-style-type: none"> <li>❖ <b>There is no evidence of forced labour;</b></li> <li>❖ <b>There were no incidents of discrimination reported in any of the factories.</b></li> <li>❖ <b>There were minor incidents of sexual harassment reported in one factory;</b></li> <li>❖ <b>There were no confirmed cases of child labour;</b></li> <li>❖ <b>There has been further improvement in the correct payment of wages, though this remains a problem in a number of factories;</b></li> <li>❖ <b>Most factories that had problems ensuring that overtime work is undertaken voluntarily made improvements in this regard.</b></li> <li>❖ <b>There has been further improvement in ensuring that overtime is exceptional, voluntary and that overtime hours are within legal limits, but these issues remain a problem in a number of factories;</b></li> <li>❖ <b>Every factory that had problems ensuring freedom of association, including protection against anti-union discrimination, made some progress in addressing these issues;</b></li> <li>❖ <b>Workers in one factory made progress in organizing a strike in conformity with the legally required procedures;</b></li> <li>❖ <b>There are continuing problems associated with safety and health at work, including the provision and use of protective equipment, the installation of safety guards on machines, proper safety training, as well as issues such as inadequate ventilation and cleanliness in some workplaces.</b></li> </ul>

It is important to underline that the monitoring of factories is not an objective in itself, but part of a process aimed at improving working conditions in Cambodia's garment sector as a whole. Thus, factories are not named the first time information on them is included in a report, but they are named in the following reports. It is believed that giving factories a grace period before they are named is the best way to realise the objective of the project, i.e., improving working conditions.

## **2 PROGRESS MADE IN IMPLEMENTING PROJECT SUGGESTIONS**

The following provides an overview of progress made by factories in implementing the suggestions made by the project. The names of the factories are listed below. The information is provided in two ways: by subject and by factory. Thus, sub-chapter 2.1 contains information on the implementation status of suggestions by subject, while sub-chapter 2.2 contains summary

information on the implementation status by factory. **It is important to note that the information provided reflects changes in working conditions that took place between the first and second follow-up visits.** Also, where factories are listed by name, this is done in alphabetical order.

#### Factories covered by this report

1. Archid Garment Factory Co., Ltd., Meanchey, Phnom Penh
2. Broadland Cambodia Garment, 1st Branch, Meanchey, Phnom Penh
3. Broadland Cambodia Garment, 2nd Branch (permanently closed) , Russey Keo, Phnom Penh
4. Cambodia HK Ltd., 1st Branch (permanently closed), Meanchey, Phnom Penh
5. Cambodia HK Ltd., 2nd Branch (permanently closed), Meanchey, Phnom Penh
6. Cambodia Sportwear Mfg., Ltd., Meanchey, Phnom Penh
7. Cambodian Hoi Fu Garments and Knitting Factory Co., Ltd., Dangkor, Phnom Penh
8. Cambotex (permanently closed), Russey Keo, Phnom Penh
9. Chung Fai Knitwear and Dyeing Factory, Ltd., Meanchey, Phnom Penh
10. Duson Cambodia Co., Ltd. (permanently closed; changed to ASD (Cambodia) Co., Ltd.), Angsnuol, Kandal
11. Ecent Cambodia Knitting Co., Ltd., Angsnuol, Kandal
12. Evergreen Garment Co., Ltd., Russey Keo, Phnom Penh
13. Franco Knitting Garment Factory Ltd., Angsnuol, Kandal
14. Grandtex International Co., Ltd., Meanchey, Phnom Penh
15. Ho Hing Garment Co., Ltd\*<sup>1</sup>, Russey Keo, Phnom Penh
16. Honey Wear Garment Co., Ltd., Angsnuol, Kandal
17. Khmer International Garment Ltd. (permanently closed), Mittapheap, Sihanouk Ville
18. Kin Tai Garment Co., Ltd., Meanchey, Phnom Penh
19. Khun Mao Hsing, Ltd., Angsnuol, Kandal
20. Mighti Spectra Knitting Factory Co., Ltd., Russey Keo, Phnom Penh
21. Ocean Garment Co., Ltd., Chamcamon, Phnom Penh
22. Olympic Garment (permanently closed), Russey Keo, Phnom Penh
23. Ospinter Garment Mfg. (Cambodia) Ltd., Meanchey, Phnom Penh
24. Pak Shun Knitting Factory Ltd., Meanchey, Phnom Penh
25. Rao Yuan Garments Corp., Mittapheap, Phnom Penh
26. San San Garment (Cambodia) Co., Ltd., Meanchey, Phnom Penh
27. Sportex Industry Co., Ltd., Russey Keo, Phnom Penh
28. Suntex Pte. Ltd., Dangkor, Phnom Penh
29. Tai Yang Enterprise Co., Ltd., Angnuol, Kandal
30. Tommy Textiles Manufacturing Co., Ltd. (temporarily closed), Dangkor, Phnom Penh
31. Trico (Cambodia) Textile Co., Ltd., Mittapheap, Sihanouk Ville
32. United Knitting Mfg. (Cambodia) Co., Ltd., Mittapheap, Sihanouk Ville
33. Vivatino Design (Cambodia) Pte., Ltd., Russey Keo, Phnom Penh
34. Yung Wah Industrial (Cambodia) Co., Ltd., Takhmao, Phnom Penh

The sections below show the progress in implementing suggestions made to the factories by the project. Each subject heading contains a table listing the suggestions made to factories and indicating the implementation status (implemented, partly implemented, not implemented, or new) for the relevant factories. Thus, the combined number of factory names listed for each suggestion reflects the total number of factories for which a particular suggestion was made. While the project

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<sup>1</sup> Factory was temporarily closed and/or permanently closed after the monitoring report included in the 10<sup>th</sup> Synthesis Report.

undertakes to ensure that suggestions are standardised, this is not always possible since situations in factories differ. The overview given therefore contains some suggestions that overlap.

### **Key**

The following symbols have been used in Section 2.1 of the report to identify factories at which a particular suggestion applies to specific types of workers, and factories for which the suggestion initially included more than one component:

- \* Indicates factories at which the suggestion originally made to the factory included more than one component. In this report, the suggestion has been broken up into its component parts.
- (A) Indicates factories at which the suggestion applies only to apprentices.
- (C) Indicates factories at which the suggestion applies only to casual workers.
- (P) Indicates factories at which the suggestion applies only to piece-rate workers.
- (PW) Indicates factories at which the suggestion applies only to probationary workers.

## 2.1 Working conditions

### 2.1.1 Internal regulations

Management should	Implemented	Partly Implemented	Not implemented	New
establish the internal regulations on training of apprentices			Cambodia Sportwear, Rao Yuan	Ecent
ensure that the internal regulations comply fully with the law	Honey Wear, Rao Yuan, Suntex	Yung Wah Industrial	Ecent, Chung Fai, Khun Mao Hsing	Rao Yuan (amended regulations)
post the internal regulations in the workplace and at the hiring office	Broadland, Chung Fai, Ho Hing, Rao Yuan		Pak Shun	
ensure that the internal regulations are legible and easily accessible	Cambodian Hoi Fu, Ecent, Khun Mao Hsing			

### 2.1.2 Employment contract

Management should	Implemented	Partly Implemented	Not implemented	New
make sure that workers are not required to pay anyone to get a job	Evergreen, Franco		Cambodian Hoi Fu, Chung Fai, Pak Shun	Honey Wear, Vivatino, Yung Wah Industrial
not require workers to post a bond or a cash guarantee in order to sign or maintain an employment contract	Franco	Grantex		
make sure that the employment contract specifies the terms and conditions of employment			Cambodian Hoi Fu	

<b>Management should</b>	<b>Implemented</b>	<b>Partly Implemented</b>	<b>Not implemented</b>	<b>New</b>
amend clauses in the employment contracts that do not comply with the law	Ho Hing, Grantex	Cambodian Hoi Fu	Kin Tai, Ospinter, Yung Wah Industrial	Cambodian Hoi Fu (amended contracts) Franco, Grantex, Honey Wear, Suntex, United Knitting
amend clauses in the employment contracts that do not comply with the internal regulations			Kin Tai	
ensure that workers understand the terms and conditions of their employment contracts	Ecent, Evergreen, Honey Wear, Rao Yuan, San San, Sportex		Pak Shun, Ocean, Ospinter	Franco
not place workers on probation for more than 3 months	Honey Wear, Khun Mao Hsing	Grantex	United Knitting, Vivatino	
ensure that apprenticeship contracts comply with the law	Chung Fai, Rao Yuan		Ecent, United Knitting	Franco
ensure that apprenticeship contracts do not exceed 2 months	Ecent		Rao Yuan	
give casual workers the same rights as regular workers	Chung Fai, Evergreen, Ho Hing, Suntex		Trico	Rao Yuan
only employ casual workers for specific work for a short period of time	Chung Fai, Ho Hing, San San, Suntex, Tai Yang		Evergreen, Khun Mao Hsing, Kin Tai, Ospinter, Vivatino	
only terminate workers for valid reasons			Pak Shun, Rao Yuan	
pay workers they dismiss the correct indemnity for dismissal	Evergreen, Rao Yuan, Sportex, Suntex		Trico	

Management should	Implemented	Partly Implemented	Not implemented	New
pay workers damages when there is no valid reason for termination by the employer				Tai Yang
pay workers they terminate damages equal to the wages that would have been paid through the end of the contract when the employee has not committed a serious offence			Broadland*	
pay workers for their accrued annual leave when they resign or are terminated		San San	Broadland*, Pak Shun (PW)	Vivatino
continue to provide workers accommodation while work is suspended				Rao Yuan

### 2.1.3 Collective agreement

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that the collective agreement complies with the law		Evergreen	Franco	
post the collective agreement in the workplace	Evergreen			

### 2.1.4 Wages

Management should	Implemented	Partly Implemented	Not implemented	New
post minimum wage information in the workplace	Chung Fai, Ecent, Ho Hing, Honey Wear, Khun Mao Hsing, Rao Yuan		Cambodian Hoi Fu, Pak Shun, Suntex	
explain to workers the items that make up their wages and the terms of payment before the workers start work, and each time the terms, items, or style changes	Cambodia Sportwear (P), Chung Fai (P)		Evergreen	Chung Fai, Pak Shun

Management should	Implemented	Partly Implemented	Not implemented	New
explain to workers the rate of normal overtime, night time work, and work on Sundays and public holidays			Evergreen, Pak Shun	Ocean(C)
ensure that workers understand the calculation of wages	Cambodian Hoi Fu, Ecent, Suntex	Evergreen, Grantex, Ho Hing (P), Rao Yuan, Vivatino	Chung Fai, Honey Wear	Franco, Mighti
provide clearly written payslips to workers	Chung Fai, Franco, Honey Wear		Cambodia Sportswear, Ho Hing ( P)	
set the production target at a level that permits a worker of average ability working normal hours to earn the minimum wage			Evergreen	Ocean
set the piece rate at a level that permits a worker of average ability working normal hours to earn minimum wage	Chung Fai, Mighti, Suntex	Trico	Broadland, Cambodian Hoi Fu, CambodiaSportswear Rao Yuan, United Knitting	
pay piece-rate workers minimum wage when their piece rate pay, excluding overtime, falls below minimum wage			Grantex, Pak Shun, United Knitting	Rao Yuan
pay piece-rate workers overtime based on their piece rate earned when this is more than minimum wage			Evergreen	
pay piece-rate workers double the piece rate they earn when this is more than minimum wage for work on Sundays			Cambodian Hoi Fu	

Management should	Implemented	Partly Implemented	Not implemented	New
pay workers from the date they start work, including during the pre-trial period	San San		Khun Mao Hsing	Rao Yuan, United Knitting
pay workers on probation at least \$40 per month for ordinary hours of work (8 hours for 26 days per month, not including any overtime, work on Sundays, public holidays or at night)	Grantex		Cambodian Hoi Fu	
pay workers at least \$45 per month for ordinary hours of work (8 hours for 26 days per month, not including any overtime, work on Sundays, public holidays or at night)	Grantex (C), Rao Yuan		Broadland (C)*, Kin Tai (C), Ocean (C)	Cambodian Hoi Fu, Vivatino (C)
pay workers minimum wage during months with less than 26 working days	Mighti			
pay workers double their normal pay for work at night (between 22:00 and 05:00)	Archid, Cambodian Hoi Fu, Pak Shun, Suntext, Vivatino	Ecent	Chung Fai, Ho Hing, Khun Mao Hsing, Ocean, Rao Yuan, United Knitting (P)*	
pay all workers double their normal pay for work during weekly time off (Sunday)			United Knitting (P)*	
pay workers who work on public holidays their wage for one day (in addition to their normal daily wage)		Cambodian Hoi Fu	United Knitting (P)*	
pay workers their daily wage on public holidays	Rao Yuan (P)		Honey Wear* (C)	
pay workers 150% their normal pay for overtime work performed on a normal workday before 22:00	Cambodian Hoi Fu, Khun Mao Hsing (P), Mighti, Pak Shun (P)		Grantex (P)	

Management should	Implemented	Partly Implemented	Not implemented	New
give all workers 1,000 Riels for a meal or a reasonable free meal if they work overtime	Evergreen, Rao Yuan		United Knitting	Ocean (C)
pay all workers who work regularly the attendance bonus of \$5 per month	Cambodian Hoi Fu, Grantex (C, PW)	Broadland (C)*, Honey Wear*, Khun Mao Hsing	Ocean*, Khun Mao Hsing (C)	Vivatino (C)
pay the \$5 attendance bonus, even if a worker does not work overtime, Sundays or public holidays			Rao Yuan, United Knitting	
pay a seniority bonus to all workers: -\$2 per month for working more than 1 year -\$3 per month for working more than 2 years -\$4 per month working more than 3 years -\$5 per month for working more than 4 years	Cambodian Hoi Fu, Ospinter, Rao Yuan		Evergreen*	
not deduct more than the basic daily wage for an unauthorised absence	Cambodian Hoi Fu, Khun Mao Hsing		Ecent, Ocean	
not punish workers by imposing fines or deducting wages	Cambodian Hoi Fu, Ho Hing	Rao Yuan		Mighti
not impose fines or deduct wages from workers who do not work overtime, Sundays or Public Holidays	Franco		Rao Yuan	
not charge workers more than the cost of the ID card when replacing a worker's lost ID card		San San	Vivatino	Franco, Ocean, Yung Wah Industrial
not require workers to provide a guarantee or post a bond in order to be provided with work equipment		Rao Yuan		Vivatino

Management should	Implemented	Partly Implemented	Not implemented	New
pay workers during normal working hours		Ocean	Vivatino	Rao Yuan, Tai Yang
use the correct exchange rate when converting workers' wages from dollars to Riels		Archid	Rao Yuan	
keep a detailed payroll ledger in Khmer that is easy to understand	Cambodia Sportwear, Ecent, Trico*, Yung Wah Industrial, Mighti	Ho Hing, Ocean	Suntex	Grantex, United Knitting
include the starting dates for workers in the payroll ledger	Trico*	Evergreen	Suntex*	Grantex
ensure that the payroll ledger accurately reflects the wages actually paid to workers			Ho Hing	Yung Wah Industrial

### 2.1.5 Hours of work

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that normal working hours do not exceed 8 hours per day, 6 days a week	Chung Fai, Khun Mao Hsing, Rao Yuan			
ensure that apprentices work only 6 hours per day, 5 days per week				Honey Wear
give workers weekly time off (at least 24 consecutive hours off per week)	Cambodian Hoi Fu, Honey Wear			
ensure that work on Sundays is voluntary	Cambodian Hoi Fu*, Trico*		Rao Yuan, United Knitting*	
ensure that work on Sundays is exceptional	Archid, Trico*		United Knitting*	

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that work on Public Holidays is voluntary	Cambodian Hoi Fu*, Sportex*, Trico, Yung Wah Industrial		Ecent, Rao Yuan, United Knitting*	
ensure that work on Public Holidays is exceptional			United Knitting*	
ensure that overtime work is voluntary	Chung Fai*, Ecent*, Evergreen*, Ho Hing*, Kin Tai*, Khun Mao Hsing*, Sportex*, Tai Yang*, Yung Wah Industrial*	Broadland, Cambodian Hoi Fu*, Trico*	Archid*, Grantex*, Honey Wear*, Ocean* (C), Rao Yuan, United Knitting*	San San
ensure that overtime work is exceptional	Archid*, Mighti*, Trico*		Broadland, Chung Fai*, Cambodian Hoi Fu*, Cambodia Sportwear, Ecent*, Evergreen*, Grantex*, Ho Hing*, Honey Wear*, Kin Tai*, Khun Mao Hsing*, Ocean*, Ospinter*, Rao Yuan, Sportex, Tai Yang*, United Knitting*, Yung Wah Industrial*	San San
ensure that overtime work does not exceed 2 hours per day	Archid*, Grantex*, Honey Wear*, Mighti*, Yung Wah Industrial*	Broadland, Tai Yang*, Trico*	Chung Fai*, Ecent*, Evergreen*, Franco, Ho Hing*, Kin Tai*, Khun Mao Hsing*, Ocean*, Ospinter*, Pak Shun, Rao Yuan, San San, Suntex, United Knitting*, Vivatino	Cambodia Sportwear
not punish workers who do not work overtime, Sundays or Public Holidays	Cambodian Hoi Fu, Evergreen		United Knitting	Archid, Rao Yuan

Management should	Implemented	Partly Implemented	Not implemented	New
provide transportation for workers who finish work between 22:00 and 05:00 if management has not provided a place for night workers to sleep			Broadland, Cambodia Sportwear, Evergreen, Ho Hing, United Knitting, Vivatino	
get permission from the Labour Inspector before suspending the weekly break	Cambodian Hoi Fu		Chung Fai, Ecent, Ho Hing, Rao Yuan, Sportex	Pak Shun, San San
get permission from the Labour Inspector before workers work overtime			Chung Fai, Honey Wear, Ocean, Ospinter, United Knitting	Ecent, Pak Shun

### 2.1.6 Leave

Management should	Implemented	Partly Implemented	Not implemented	New
post the list of national public holidays in the factory			Pak Shun	
give workers 18 days of paid annual leave each year	Chung Fai, Trico	Broadland, Ocean, Rao Yuan	Pak Shun, United Knitting	
ensure that annual leave is provided without wage deductions	Cambodian Hoi Fu, Grantex, Ho Hing, Khun Mao Hsing			
allow workers to take their annual leave without imposing unreasonable restrictions	Archid, Tai Yang		Khun Mao Hsing, Vivatino, Yung Wah Industrial	Honey Wear,
get workers' consent to convert annual leave to cash compensation	Ecent, Khun Mao Hsing			

<b>Management should</b>	<b>Implemented</b>	<b>Partly Implemented</b>	<b>Not implemented</b>	<b>New</b>
give workers an extra day of annual leave for every three years of service	Cambodian Hoi Fu, Grantex, Khun Mao Hsing, Ospinter, San San		Chung Fai, Ocean*, Rao Yuan, Trico	Evergreen, Pak Shun, San San
consider adopting or amending the Internal Regulations to provide paid sick leave to workers for illnesses certified by a qualified doctor as follows: <ul style="list-style-type: none"> <li>◆ 100% wage for the first month</li> <li>◆ 60% wage for the second month</li> <li>◆ 40% wage for the third month</li> <li>◆ no wage payment for months 4-6</li> </ul>		Evergreen	Archid, Cambodian Hoi Fu, Chung Fai, Ecent, Ho Hing, Honey Wear, Khun Mao Hsing, Pak Shun, Rao Yuan, United Knitting	
not fire workers if they take more than 3 days sick leave		Pak Shun	Grantex	
provide paid sick leave as required by the factory's internal regulations	San San, Tai Yang	Broadland	Ocean*, Ospinter, Vivatino*	
not unreasonably restrict workers from taking sick leave	Cambodia Sportwear, Franco, Sportex	Grantex, Pak Shun	Trico, United Knitting	Broadland, Ocean
consider giving workers up to 7 days per year of paid special leave for events affecting the worker or the worker's immediate family	Ho Hing, Ospinter,	Broadland, Cambodian Hoi Fu, Ecent	Chung Fai, Evergreen, Khun Mao Hsing, Ocean, Pak Shun, Rao Yuan, Vivatino	Yung Wah Industrial
allow workers to take special leave for events affecting the worker or the worker's family, including the employee's wedding, the employee's spouse giving birth, illness or death in the employee's family, and marriage of the employee's child			Suntex	Ospinter

Management should	Implemented	Partly Implemented	Not implemented	New
not deduct the \$5 attendance bonus when workers take special leave			Evergreen*	Franco, Ocean, Vivatino
not unreasonably restrict workers from taking special leave		Grantex		
ensure that workers can take special leave without any undue restrictions, including wage deductions	Archid, Honey Wear, Sportex, Tai Yang*		Trico, United Knitting	Ho Hing

### 2.1.7 Maternity leave

Management should	Implemented	Partly Implemented	Not implemented	New
give workers 90 days of maternity leave	Evergreen, Honey Wear, Sportex			
pay workers on maternity leave who have worked for one year half-pay, including other benefits	Archid, Broadland, Evergreen*, Ospinter*, Tai Yang, Vivatino	Cambodian Hoi Fu, Chung Fai, Ecent, Khun Mao Hsing, Pak Shun, Rao Yuan	Ho Hing, United Knitting	Ocean, Yung Wah Industrial
pay workers on maternity leave their maternity benefits before or during leave	Ospinter*		Chung Fai, Evergreen, Ho Hing*	Archid, Broadland, Ecent, Khun Mao Hsing, Pak Shun, Rao Yuan
allow workers to do light work during the first two months after their maternity leave			Sportex	

### 2.1.8 Breast-feeding

Management should	Implemented	Partly Implemented	Not implemented	New
provide workers one hour of time-off per day with pay for breast-feeding during the first year after the baby is born	Broadland*, Evergreen*, Mighti, Tai Yang	Honey Wear, Vivatino(P)	Franco, Grantex*, Ocean*, Sportex	
make sure that workers are aware of their right to one hour of time-off per day for breast-feeding during the first year after the baby is born	Broadland*, Evergreen, Suntex, Trico	Ecent	Archid, Cambodian Hoi Fu, Chung Fai, Grantex*, Ho Hing, Khun Mao Hsing, Ocean, Pak Shun, Rao Yuan, Yung Wah Industrial, United Knitting	

### 2.1.9 Nursing room/day care centre

Management should	Implemented	Partly Implemented	Not implemented	New
set up a functioning and accessible nursing room	Franco, Tai Yang		Archid, Broadland, Cambodian Hoi Fu, Chung Fai, Evergreen, Ecent, Franco, Grantex*, Ho Hing, Honey Wear*, Khun Mao Hsing*, Kin Tai, Ocean, Pak Shun, Rao Yuan*, San San, Sportex*, Suntex, Trico*, Vivatino*, Yung Wah Industrial	Ospinter
set up a day care centre at or near the workplace, or pay the childcare costs of women employees	Franco, Ho Hing, Mighti, San San, Sportex*	Mighti	Archid, Broadland, Cambodian Hoi Fu, Cambodia Sportwear, Chung Fai, Ecent, Evergreen*, Grantex*, Honey Wear*, Khun Mao Hsing*, Kin Tai, Ocean, Ospinter, Pak Shun, Rao Yuan*, Trico*, Yung Wah Industrial, Tai Yang, United Knitting, Vivatino*	

### 2.1.10 Sexual harassment

One factory had continuing problems with a line supervisor touching women workers on the shoulder or cheek to discipline them or make

them work faster.

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that there is no sexual harassment in the factory			Ocean	

### 2.1.11 Indecent behaviour

Management should	Implemented	Partly Implemented	Not implemented	New
Management, including line supervisors, should treat workers with respect	Broadland, Cambodian Hoi Fu, Khun Mao Hsing, Pak Shun, Sportex, Trico, Yung Wah Industrial	Rao Yuan	Ocean, Suntex, United Knitting, Vivatino	Cambodia Sportwear, Chung Fai, Ecent, Honey Wear, San San, Tai Yang

### 2.1.12 Discrimination

There were no incidents of discrimination reported in any of the factories.

### 2.1.13 Forced Labour

There were no indications that forced labour was practiced in any of the factories.

### 2.1.14 Child labour

In one factory (Cambodian Hoi Fu), monitors observed some workers who appeared to be under age. The birth dates for these workers were altered in pen in the documents attached to their employment contracts. Further investigation confirmed that none of these workers was under age at the time of the monitoring visit.

Management should	Implemented	Partly Implemented	Not implemented	New
use reliable documents to verify the age of workers prior to hiring	Rao Yuan		Cambodian Hoi Fu	

## 2.2 Safety and health

### 2.2.1 Safety and health policy

Management should	Implemented	Partly Implemented	Not implemented	New
develop a health and safety policy	Cambodia Sportwear, Evergreen, Grantex, Mighti, Tai Yang	Franco, Rao Yuan	Archid, Broadland, Cambodian Hoi Fu, Chung Fai, Ecent, Ho Hing, Honey Wear, Khun Mao Hsing, Kin Tai, Ocean, Ospinter, Pak Shun, San San, Trico, United Knitting*, Vivatino	
post the health and safety policy in the workplace and explain it to the workers			The United Knitting*	Evergreen, Mighti
post safety and health information (e.g., posters and signs) in the workplace			Broadland, Trico	

### 2.2.2 Work-related accidents/illnesses

Management should	Implemented	Partly Implemented	Not implemented	New
keep a record of work-related accidents/illnesses	Rao Yuan*		Trico*, United Knitting*	
notify the Social Security Department of work-related accidents or illnesses within 48 hours of their occurrence	Tai Yang		Ecent, Khun Mao Hsing, Rao Yuan*, Trico*, United Knitting*	
provide a summary report of work-related accidents/illnesses to the Social Security Department every six months	Broadland		Honey Wear, United Knitting	Pak Shun

### 2.2.3 Compensation for accidents/illnesses

Management should	Implemented	Partly Implemented	Not implemented	New
compensate workers for work-related accidents/illnesses, including accidents that happen on the way to and from work	Cambodia Sportwear, Mighti, the United Knitting, Tai Yang		Ecent, Evergreen, Ho Hing, Khun Mao Hsing, Rao Yuan	
pay workers their wages when work-related accidents or illnesses cause them to miss work		Cambodian Hoi Fu, Honey Wear		Archid, Sportex

### 2.2.4 Emergency arrangements

Management should	Implemented	Partly Implemented	Not implemented	New
clearly mark all emergency exit doors	Cambodian Hoi Fu, Rao Yuan			
consider widening the existing exit doors	Ocean			
ensure that all exit doors are open/unlocked during working hours, including overtime			Ecent*, Pak Shun	
ensure that all exit doors are accessible	Sportex, Yung Wah Industrial			
hold regular emergency drills	Honey Wear, Ospinter, Rao Yuan, United Knitting	Pak Shun	Cambodian Hoi Fu, Chung Fai, Ecent*, Ho Hing, Trico, Vivatino	Kin Tai, Ocean, San San
ensure that fire extinguishers are regularly serviced	Ecent, Honey Wear, United Knitting			Ho Hing

Management should	Implemented	Partly Implemented	Not implemented	New
train an appropriate number of workers to use the fire extinguishers, including both men and women workers				Kin Tai
post safety signs/notices in the workplace	Honey Wear		Cambodian Hoi Fu	Cambodia Sportswear, Ho Hing

### 2.2.5 First Aid

Management should	Implemented	Partly Implemented	Not implemented	New
provide a sufficient number of first aid boxes in the workplace	Archid, Cambodian Hoi Fu, Honey Wear, Grantex*, Rao Yuan	Trico	Chung Fai, Ecent, Ho Hing, Ospinter*, Pak Shun, United Knitting, Yung Wah Industrial	
properly stock the first aid boxes	Franco, Khun Mao Hsing, Mighti, Vivatino		Evergreen, Ho Hing*, Kin Tai, Ospinter*	Broadland, Chung Fai, Honey Wear, Ocean
ensure that the first aid boxes are easily accessible	Grantex*, Rao Yuan		Kin Tai, Pak Shun	
provide first aid training to workers				Kin Tai

### 2.2.6 Infirmary

Management should	Implemented	Partly Implemented	Not implemented	New
set up an infirmary for workers' use	Honey Wear		United Knitting	

<b>Management should</b>	<b>Implemented</b>	<b>Partly Implemented</b>	<b>Not implemented</b>	<b>New</b>
expand the hospitalisation capacity of the infirmary	Franco	Cambodian Hoi Fu, Ho Hing, Tai Yang	Archid, Broadland, Cambodia Sportwear, Chung Fai, Ecent*, Evergreen, Grantex*, Khun Mao Hsing, Kin Tai, Ocean, Ospinter, Pak Shun, Rao Yuan*, San San, Sportex, Trico, Vivatino, Yung Wah Industrial	Honey Wear
recruit a doctor	Grantex*, Tai Yang*		Cambodian Hoi Fu, Ecent*, Trico	Honey Wear, Rao Yuan
recruit one (more) nurse	Grantex*, Kin Tai, Ocean*, Tai Yang		Broadland, Cambodian Hoi Fu, Ecent*, Evergreen*, Sportex, Vivatino	Archid
ensure that the nurse/doctor treats workers with respect	Evergreen		Ho Hing, Yung Wah Industrial	
ensure that a nurse/doctor is on duty during the required number of hours (including overtime)	Franco, Grantex*, Khun Mao Hsing, Mighti, San San	Archid, Rao Yuan, Trico	Broadland, Chung Fai, Ecent*, Evergreen, Ocean, Ospinter, Pak Shun	Kin Tai, Honey Wear, Vivatino
ensure that the infirmary has enough medicine and medical equipment	Franco		Archid, Ecent*, Grantex*, Ho Hing, Khun Mao Hsing, Ocean*, Ospinter, Rao Yuan*, Sportex	Chung Fai, Kin Tai, Honey Wear, Vivatino
provide electrical fans in the infirmary and hang up curtains around the beds				Cambodian Hoi Fu
ensure that the infirmary is clean				Chung Fai
consider installing a toilet near the infirmary				Kin Tai, Mighti

### 2.2.7 Storage/Use of Hazardous Substances

Management should	Implemented	Partly Implemented	Not implemented	New
properly store chemicals in a separate area of the workplace			Kin Tai	Chung Fai, Ocean
properly label chemical containers in Khmer			Cambodian Hoi Fu*, Kin Tai, Ocean, Pak Shun	Chung Fai
post/provide chemical safety data sheets in Khmer		Cambodian Hoi Fu	Archid, Chung Fai	Ocean
keep an inventory of chemicals used at the workplace	Mighti			
install exhaust ventilation in areas of the factory where chemicals are in use				Kin Tai
separate areas of the factory where chemicals are used from other work areas			Pak Shun	
train workers to use chemical substances safely	Cambodian Hoi Fu			
provide proper equipment to workers who work with chemical substances	Mighti			Cambodian Hoi Fu, Chung Fai, Yung Wah Industrial

### 2.2.8 Protective measures

Management should	Implemented	Partly Implemented	Not implemented	New
provide masks and gloves to workers free of charge	Broadland, Honey Wear	Cambodia Sportwear, Kin Tai, Ocean, Rao Yuan, United Knitting*, Vivatino	Cambodian Hoi Fu, Ecent*, Ho Hing, Khun Mao Hsing, Trico, Pak Shun	
train/encourage workers to use protective clothing and equipment	Franco, Trico	Cambodia Sportwear, Chung Fai, Kin Tai, Sportex, Suntex, United Knitting*	Archid, Ecent*, Grantex, Ho Hing, Honey Wear, Pak Shun, Yung Wah Industrial	Broadland, Evergreen, Ocean, Rao Yuan, Vivatino
provide workers suitable footwear free of charge, or allow workers to use their own footwear in the workplace	Suntex	Evergreen	Grantex, Pak Shun	Ocean

### 2.2.9 Lighting

Lighting was not a problem in any of the factories.

### 2.2.10 Noise

Management should	Implemented	Partly Implemented	Not implemented	New
reduce noise levels in the factory, or provide ear protection for workers	Mighti, Suntex		Chung Fai, Evergreen, Ospinter, Pak Shun, Sportex	United Knitting

### 2.2.11 Machine safety

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that the machines are well maintained			Ecent, Kin Tai, Trico	Chung Fai, Ho Hing
ensure that the electrical wiring system is properly maintained	Honey Wear			
equip the machines with safe/needle guards			Broadland, Chung Fai, Ecent, Ho Hing, Mighti, Rao Yuan, San San, Yung Wah Industrial, Vivatino	Cambodia Sportwear, Franco, Evergreen, Khun Mao Hsing, Kin Tai, Honey Wear, Ocean, Sportex, Tai Yang, Trico
ensure that the space between the sewing machines is wide enough for workers to move easily			Franco, San San	
post warning signs/safety notices on the electrical switch boxes			Ecent	Chung Fai

### 2.2.12 Ventilation and heat

Management should	Implemented	Partly Implemented	Not implemented	New
take steps to reduce heat in the workplace	Grantex*	Sportex	Broadland, Cambodian Hoi Fu*, Franco*, Mighti*, Ospinter*, Trico*	The United Knitting, Kin Tai

Management should	Implemented	Partly Implemented	Not implemented	New
improve ventilation and air circulation in the workplace	Ecent, Ho Hing, Khun Mao Hsing	Cambodia Sportwear, Yung Wah Industrial, San San	Cambodian Hoi Fu, Chung Fai, Evergreen, Franco, Grantex*, Honey Wear, Mighti*, Kin Tai, Ocean, Ospinter*, Rao Yuan, Pak Shun, Trico*	
introduce dust reduction measures	Tai Yang		Cambodian Hoi Fu, Chung Fai, Franco, Ho Hing, Mighti*, Rao Yuan, United Knitting	Ocean, Pak Shun
keep fans and other ventilation systems in good repair			Ho Hing	Chung Fai, Honey Wear

### 2.2.13 Housekeeping

Management should	Implemented	Partly Implemented	Not implemented	New
keep the workplace clean	Cambodian Hoi Fu, Ocean		United Knitting	
keep the workplace tidy			Pak Shun	
ensure that the windows, walls, and/or ceilings are clean			Chung Fai, Ecent, Kin Tai, San San, Trico, Vivatino	Ho Hing, Ospinter
ensure that access paths allow for two-way traffic	Sportex, Trico	Cambodia Sportwear	Cambodian Hoi Fu, Pak Shun, Yung Wah Industrial, The United Knitting, San San, Kin Tai, Vivatino	Ocean

Management should	Implemented	Partly Implemented	Not implemented	New
keep all access ways clear and clean		Grantex	Broadland, Evergreen, Khun Mao Hsing, Kin Tai, Ospinter, Pak Shun, Yung Wah Industrial	Honey Wear
ensure that raw materials and finished products are organised neatly	Rao Yuan, Sportex		Ecent, Khun Mao Hsing, Trico, Vivatino, Yung Wah Industrial	Cambodia Sportwear
ensure that tools and safety switches are within easy reach of workers				Chung Fai
ensure that the holes on the floor and the surface of transportation are repaired			United Knitting	
provide (enough) equipment for transporting heavy/bulky materials	Honey Wear, Vivatino			Ho Hing

#### 2.2.14 Drinking water

Management should	Implemented	Partly Implemented	Not implemented	New
provide safe drinking water			San San	Pak Shun
provide enough drinking water				Ocean
provide cups or other sanitary means for drinking water	Evergreen, Suntex	Honey Wear*, Khun Mao Hsing	Archid, Broadland, Cambodian Hoi Fu, Chung Fai, Ecent, Grantex, Ho Hing, Ocean, Ospinter, Pak Shun, Rao Yuan, San San, United Knitting, Yung Wah Industrial	Franco, Trico, Vivatino

Management should	Implemented	Partly Implemented	Not implemented	New
set up an additional drinking water station	Ospinter		Mighti	Vivatino
ensure that the drinking area/water containers are clean/hygienic	Ecent		Honey Wear	Broadland, Chung Fai
place the drinking water in an appropriate location	Grantex, Vivatino			
repair broken drinking water taps				Ocean

### 2.2.15 Sanitation facilities

Management should	Implemented	Partly Implemented	Not implemented	New
provide the number of toilets required by law	Trico		Broadland, Cambodian Hoi Fu, Chung Fai, Ho Hing, Vivatino	
repair broken toilets		Cambodia Sportwear	Cambodian Hoi Fu, Ecent*, Kin Tai, Ospinter, United Knitting*, Yung Wah Industrial	Broadland, Honey Wear, Ho Hing, Ocean
repair broken toilet doors	Sportex		Ecent	Ospinter
increase the height of the toilet walls and doors			Honey Wear, United Knitting*	
provide one raised toilet for every 50 women employees				Franco
clearly mark the toilets for use by female and male workers			Ospinter	
provide a washing facility near the toilets				Ocean

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that all toilets are regularly cleaned	Tai Yang		Cambodian Hoi Fu, Chung Fai, Ecent*, Evergreen*, Honey Wear, Kin Tai, Ospinter*, Rao Yuan*, Trico*, United Knitting, Vivatino	Ocean
ensure that the toilets have sufficient soap and water	Franco, Grantex, Rao Yuan*, Yung Wah Industrial	Khun Mao Hsing	Archid, Broadland, Cambodian Hoi Fu*, Cambodia Sportwear, Chung Fai, Ecent, Evergreen, Ho Hing, Honey Wear*, Kin Tai, Mighti, Ocean, Ospinter*, Pak Shun, San San, Trico*, Vivatino*	
not place undue restrictions on toilet use	Khun Mao Hsing		Broadland, Ocean, United Knitting	
improve the lighting in the toilets			Evergreen	
provide suitable footwear that workers can wear when they use the toilets, or allow workers to wear their own footwear	Cambodian Hoi Fu			Yung Wah Industrial

### 2.2.16 Seating

Management should	Implemented	Partly Implemented	Not implemented	New
provide adjustable chairs with back rests for workers who work sitting down		Sportex, Tai Yang	Archid, Broadland, Cambodian Hoi Fu, Cambodia Sportwear, Chung Fai, Ecent, Evergreen, Franco, Grantex, Ho Hing, Honey Wear, Khun Mao Hsing, Kin Tai, Mighti, Ocean, Ospinter, Pak Shun, Rao Yuan, San San, Suntext, Yung Wah Industrial, United Knitting, Trico, Vivatino	

Management should	Implemented	Partly Implemented	Not implemented	New
provide chairs near the workstation for workers who work in a standing position to rest on	Mighti	Chung Fai, Grantex, Ocean, Tai Yang	Archid, Broadland, Cambodian Hoi Fu, Cambodia Sportwear, Evergreen, Ho Hing, Honey Wear, Khun Mao Hsing, Kin Tai, Ospinter, Pak Shun, Rao Yuan, San San, Sportex, Suntex, Yung Wah Industrial, Trico, Vivatino	
not unduly restrict workers who work in a standing position from resting on chairs		Ecent		Ocean, Ospinter
ensure that workers do not work sitting on the floor				Grantex

### 2.2.17 Eating area

Management should	Implemented	Partly Implemented	Not implemented	New
provide reasonable quality food where it is provided			Evergreen	
get workers' consent before deducting wages for lunch			Evergreen	
not fine workers who do not have lunch at the company canteen	Evergreen			

### 2.2.18 Personal Belongings

Management should	Implemented	Partly Implemented	Not implemented	New
set up a secure place for workers to store their personal belongings				Ecent, Ho Hing, Ocean, San San

## 2.3 Labour Relations

### 2.3.1 Workers' freedom to organise

Management should	Implemented	Partly Implemented	Not implemented	New
not interfere with the right of workers to form and join trade unions	Chung Fai, Evergreen, Khun Mao Hsing			
refrain from taking measures that may be perceived as an attempt to place the union activities under management's control	Cambodian Hoi Fu, Chung Fai, Cambodia Sportwear, Ho Hing		Evergreen	

### 2.3.2. Anti-union discrimination

Management should	Implemented	Partly Implemented	Not implemented	New
not discriminate against workers for joining a union or engaging in union activities	Chung Fai, Ho Hing, Suntex			

### 2.3.3 Shop stewards

Management should	Implemented	Partly Implemented	Not implemented	New
hold new shop steward elections	Khun Mao Hsing, Mighti		Chung Fai, Tai Yang	Ospinter, Yung Wah Industrial
ensure that shop steward elections comply with applicable rules and procedures		Archid, Honey Wear, Ocean, Pak Shun	Broadland, Cambodian Hoi Fu, Cambodia Sportwear, Chung Fai, Ecent, Grantex, Ospinter, Rao Yuan, Suntex, Trico, Vivatino	San San
ensure that the number of shop stewards elected complies with the law		Khun Mao Hsing	Evergreen, Ho Hing	Ocean

Management should	Implemented	Partly Implemented	Not implemented	New
provide shop stewards an office, a meeting room, office material and two hours per week to perform their tasks	Franco, Honey Wear, Mighti, San San	Archid, Suntex	Broadland, Cambodian Hoi Fu, Cambodia Sportwear*, Chung Fai, Evergreen, Ecent, Ho Hing, Ocean, Khun Mao Hsing, Kin Tai, Pak Shun, Rao Yuan, Sportex, Yung Wah Industrial, Tai Yang, United Knitting, Trico	San San
provide the labour law to shop stewards when they ask for it				Ocean, San San
only dismiss shop stewards in accordance with the law			Chung Fai	

#### 2.3.4 Liaison officer

Management should	Implemented	Partly Implemented	Not implemented	New
appoint a liaison officer	Chung Fai, Ho Hing, Tai Yang	Franco	Broadland, Cambodian Hoi Fu, Ecent, Grantex, Honey Wear, Khun Mao Hsing, Ocean, Pak Shun, Rao Yuan, United Knitting	
consult with workers before appointing a liaison officer			Ecent, Evergreen	
inform workers about the appointment of the liaison officer	Trico		Cambodia Sportwear	Kin Tai

### 2.3.5 Collective disputes

Management should	Implemented	Partly Implemented	Not implemented	New
implement conciliation agreements	Cambodian Hoi Fu, Pak Shun	Ocean*, Vivatino		Archid, Ho Hing
post conciliation agreements in the workplace			Ocean*	Ho Hing, Honey Wear

### 2.3.6 Strike/lockout

There were no strikes in sixteen factories.

Seven factories had one strike (Archid, Cambodia Sportwear, Cambodian Hoi Fu, Honey Wear, Kin Tai, Mighti, Vivatino), and one factory had 2 strikes (Ocean). The workers went on strike for the following reasons:

- ◆ late payment of wages (Ocean)
- ◆ incorrect payment of wages (Honey Wear)
- ◆ failure to increase wages (Cambodia Sportwear (P), Cambodian Hoi Fu (P), Kin Tai, Mighti (P), Ocean)
- ◆ failure to pay 50% wages during a suspension of work (Ocean)
- ◆ indecent behaviour by line leaders (Cambodian Hoi Fu, Honey Wear, Ocean)
- ◆ failure to provide special leave (Vivatino)
- ◆ failure to provide paid sick leave (Honey Wear)
- ◆ failure to provide maternity leave (Honey Wear)
- ◆ lack of time off for breastfeeding (Archid)
- ◆ failure to provide payment for annual leave (Cambodian Hoi Fu, Ocean, Vivatino)
- ◆ failure to hold shop steward elections (Ocean)
- ◆ dismissal of union leaders (Archid)
- ◆ failure to pay the attendance bonus (Cambodian Hoi Fu)
- ◆ failure to resolve a conflict between workers and management/line leader (Honey Wear, Ocean)
- ◆ dismissal of shop stewards (Archid)
- ◆ failure to provide shop stewards with a meeting place, 2 hours per week to meet, etc. (Archid)
- ◆ failure to meet with shop stewards and union leaders (Ocean)
- ◆ failure to provide an infirmary (Honey Wear)
- ◆ failure to provide decent toilets(Honey Wear)

- ◆ no day care centre( Archid)

In four instances, an agreement was reached with the assistance of MOLVT (Archid, Cambodian Hoi Fu, Honey Wear, and Mighti), and in two instances without assistance (Cambodia Sportwear, and Kin Tai).

Management partially implemented the agreement in five factories (Archid, Cambodian Hoi Fu, Honey Wear, Ocean, and Vivatino). In two factories the status of implementation was unknown (Cambodia Sportwear and Mighti).

None of the strikes were organised in accordance with all the applicable rules and procedures, but workers in one factory gave 7 days prior notice to management (Cambodian Hoi Fu). All but one of the strikes were peaceful (Mighti).

### **2.3.7 Individual disputes**

There were no suggestions made to management regarding the handling of individual disputes in the factories.

### **3 Summary of implementation status by factory**

This section provides an overview of progress made by each factory in implementing the suggestions. Factories that had closed down or suspended operations prior to the second follow-up visit are not listed here. Indications made with regard to new suggestions reflect changes in situations where previously no suggestion was made, changes to an initial suggestion based on new developments, or a situation where refinements in the interpretation of the checklist warranted offering new suggestions.

Archid Garment Factory Co., Ltd.: Of 24 suggestions made, 7 had been implemented, 6 had been partly implemented, 10 had not been implemented, and 1 had been dropped because it was no longer relevant. Six new suggestions were made.

Broadland Cambodia Garment, 1st Branch: Of 36 suggestions made, 6 had been implemented, 6 had been partly implemented, 23 had not been implemented, and 2 were dropped because they were no longer relevant. Six new suggestions were made.

Cambodia Sportswear Mfg., Ltd.: Of 24 suggestions made, 6 had been implemented, 3 had been partly implemented, 14 had not been implemented, and 1 was dropped because it was no longer relevant. Five new suggestions were made.

Cambodian Hoi Fu Garments and Knitting Factory Co., Ltd.: Of 60 suggestions made, 22 had been implemented, 8 had been partly implemented, 28 had not been implemented, and two were dropped because they were no longer relevant. Five new suggestions were made.

Chung Fai Knitwear and Dyeing Factory Co., Ltd.: Of 53 suggestions made, 14 had been implemented, 2 had been partly implemented, 35 had not been implemented, and 2 were dropped because they were no longer relevant. Thirteen new suggestions were made.

Duson Cambodia Co., Ltd. changed to ASD (Cambodia) Co., Ltd., Due to substantial changes including new registration with the project, this factory will be covered in the later report.

Ecent Cambodia Knitting Co., Ltd.: Of 43 suggestions made, 9 had been implemented, 6 had been partly implemented, and 38 had not been implemented. Four new suggestions were made.

Evergreen Garment Co., Ltd.: Of 47 suggestions made, 14 had been implemented, 7 had been partly implemented, 25 had not been implemented, and one was dropped because it was no longer relevant. Four new suggestions were made.

Franco Knitting Garment Factory Co., Ltd.: Of 23 suggestions made, 14 had been implemented, 2 had been partly implemented, and 7 had not been implemented. Nine new suggestions were made.

Grandtex International Co., Ltd.: Of 36 suggestions made, 9 had been implemented, 9 had been partly implemented, 12 had not been implemented, and 6 were dropped because they overlapped or were no longer relevant. Four new suggestions were made.

Ho Hing Garment Co., Ltd.: Of 41 suggestions made, 12 had been implemented, 4 had been partly implemented, and 25 had not been implemented. Nine new suggestions were made.

Honey Wear Garment Co., Ltd.: Of 37 suggestions made, 17 had been implemented, 6 had been partly implemented, 12 had not been implemented, and 2 were dropped because they were no longer relevant. Seventeen new suggestions were made.

Kin Tai Garment Co., Ltd.: Of 24 suggestions made, 1 had been implemented, 2 had been partly implemented, 20 had not been implemented, and 1 had been dropped because it was no longer relevant. Ten new suggestions were made.

Kun Mao Hsing, Ltd.: Of 52 suggestions made, 16 had been implemented, 6 had been partly implemented, 21 had not been implemented, and 9 had been dropped because they were no longer relevant. Two new suggestions were made.

Mighti-Spectra Knitting Factory Co., Ltd.: Of 24 suggestions made, 17 had been implemented, 1 had been partly implemented, 5 had not been implemented, and 1 was dropped because it was no longer relevant. Four new suggestions were made.

Ocean Garment Co, Ltd.: Of 34 suggestions made, 2 had been implemented, 7 had been partly implemented, 23 had not been implemented, and 2 were dropped because they were no longer relevant. Twenty-four new suggestions were made.

Ospinter Garment Mfg. (Cambodia): Of 28 suggestions made, 6 had been implemented, and 22 had not been implemented. Five new suggestions were made.

Pak Shun Knitting Factory Ltd.: Of 44 suggestions made, 3 had been implemented, 6 had been partly implemented, 33 had not been implemented, and 2 were dropped because they were no longer relevant. Eight new suggestions were made.

Rao Yuan Garment Ltd.: Of 67 suggestions made, 23 had been implemented, 10 had been partly implemented, 25 had not been implemented, and 9 were dropped because they were no longer relevant. Ten new suggestions were made.

San San Garment (Cambodia) Co., Ltd.: Of 23 suggestions made, 8 had been implemented, 2 had been partly implemented, 12 had not been implemented, and 1 was dropped because it was no longer relevant. Ten new suggestions were made.

Sportex Industry Co., Ltd.: Of 28 suggestions made, 11 had been implemented, 4 had been partly implemented, 11 had not been implemented, and 2 were dropped because they were no longer relevant. Two new suggestions were made.

Suntex Pte, Ltd.: Of 27 suggestions made, 14 had been implemented, 3 had been partly implemented, 9 had not been implemented, and one had been dropped because it was no longer relevant.

Tai Yang Enterprise Co., Ltd.: Of 22 suggestions made, 14 had been implemented, 3 had been partly implemented, and 5 had not been implemented. Four new suggestions were made.

Trico (Cambodia) Textile Co., Ltd.: Of 39 suggestions made, 10 had been implemented, 4 had been partly implemented, 23 had not been implemented, 1 was combined, and 1 was dropped because it was no longer relevant. Two new suggestions were made.

United Knitting Mfg. (Cambodia) Co., Ltd.: Of 43 suggestions made, 4 had been implemented, 1 had been partly implemented, and 38 had not been implemented. Six new suggestions were made.

Vivatino Design (Cambodia) PTE., Ltd.: Of 32 suggestions made, 5 had been implemented, 4 had been partly implemented, 23 had not been implemented and one was dropped because it was no longer relevant. Twelve new suggestions were made.

Yung Wah Industrial (Cambodia) Co., Ltd.: Of 23 suggestions made, 5 had been implemented, 2 had been partly implemented, and 16 had not been implemented. Nine new suggestions were made.

## **CONCLUDING REMARKS**

This report is the sixth in a series with factory names. There is no evidence of forced labour in any of the factories monitored under the project. Evidence of discrimination against workers, including pregnant workers, was not found in any of the factories included in this tenth report though sexual harassment was still a problem in one factory. No factories had any confirmed incidences of child labour. While problems still remain, there has been some improvement in the correct payment of wages. Most factories that had problems ensuring that overtime work is undertaken voluntarily have made improvements in this regard, although a number of factories still have problems ensuring that overtime hours are within legal limits. Every factory that had problems ensuring freedom of association has made some progress in addressing these issues though the issue of perceived control of the union by the employer remained a problem in one factory. In most of the factories progress has been made in improving working conditions, but obstacles still persist. In general terms, a significant percentage of the suggestions made by the project for improvement in this group of factories were implemented or partly implemented. A substantial number of factories continue to implement suggestions while a small number of factories made little effort to improve.

Specifically:

- 934 suggestions were made for the group. This represents an average of 36 suggestions per factory.
- 269, or 30% of these suggestions were implemented.
- 114, or 13% had been partly implemented.
- 383, or 43% were either fully or partly implemented.

The ILO will continue working with all parties involved to bring about further improvements. Having been extended for 2 years, the project will shift its focus to making the monitoring system sustainable and establishing mechanisms to systematically address the problems identified. It will extend the remediation programme to more factories in 2004-2005 to assist in improving working conditions and productivity, as well as develop tools that can be used sector-wide to ensure compliance with the law and internationally recognized labour standards.

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**STATEMENT  
OF THE PROJECT ADVISORY COMMITTEE  
ON THE RELEASE OF THE TENTH ILO SYNTHESIS REPORT  
ON THE WORKING CONDITIONS IN CAMBODIA'S TEXTILE AND APPAREL SECTOR**

1. On 28 January 2005, the Project Advisory Committee (PAC) of the ILO *Better Factories Cambodia*<sup>2</sup> project, met in Phnom Penh to review and endorse the tenth ILO Synthesis Report on the working conditions in Cambodia's garment industry. The PAC comprises three representatives each from the Government of Cambodia, the Garment Manufacturers Association in Cambodia and the Cambodian trade union movement.
2. The members of the PAC welcome the release of the report and once again express their appreciation to the ILO project team, which continues to demonstrate a fair and thorough approach in making its assessments.
3. We believe that the decision of the PAC to support the ILO program has brought positive benefits to all of the parties in Cambodia and has led to better working conditions, greater respect for the rights of workers and higher productivity.
4. We note with satisfaction that this report confirms that there is no evidence of forced labour in the factories surveyed.
5. We are also pleased to note that there were no incidents of discrimination reported in any of the factories. However there was minor incidence of sexual harassment reported in one factory.
6. Further, we are pleased that no incidents of child labour were found.
7. In the majority of factories covered by this report there were no violations of basic trade union rights, and in fact, improvement has been observed. However there remains room for improvement in areas of industrial relations where strike action has been evidenced at many factories, and related agreements not fully implemented.
8. We note that there has been further improvement in the correct payment of wages. But we note with regret that this report again indicates that the payment of wages and the nature and frequency of overtime work remain problems in a number of factories in Cambodia. While this has shown improvement, we call upon all identified employers to fulfil their legal obligations in this respect.
9. While most factories covered by this report have made solid progress in improving working conditions, the PAC regrets that a few factories appear to have made limited efforts, especially in areas of safety and health. Due to the accession of Cambodia to the WTO, the abolition of import quotas and the expiry of US-Cambodia Trade Agreement we believe high standards of working conditions and labour relations throughout the sector are now, more than ever, of the utmost importance.
10. The PAC again calls upon buyers to demonstrate their support for the efforts underway in Cambodia by expanding commitments to sourcing from our garment industry, and by further contributing to improved working conditions in Cambodia's garment sector.

Phnom Penh,  
28 January 2005

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<sup>2</sup> Formerly known as the ILO Garment Sector Working Conditions Improvement Project