

INTERNATIONAL LABOUR ORGANIZATION
BETTER FACTORIES CAMBODIA
KINGDOM OF CAMBODIA

**FIFTEENTH SYNTHESIS REPORT ON
WORKING CONDITIONS
IN CAMBODIA'S GARMENT SECTOR**

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1 INTRODUCTION

1.1 Project background

Cambodia's garment industry has expanded rapidly since the late 1990s, largely due to favourable trade conditions created by the Multi-Fibre Agreement (MFA). Signed in 1995 under the General Agreement on Tariffs and Trade (GATT), the MFA enabled high-cost garment-producing countries such as the United States and the European Union countries to impose limits on imports from key low-cost manufacturing countries such as China and India.

Cambodia benefited incidentally. Due to the limits on imports, rich-country buyers began to purchase garments from countries not subject to the quota rules. Cambodia was one of these. The garment trade in Cambodia took off so quickly that by 1998, the US government began negotiations to bring Cambodia under the quota system. Through an agreement linking labour conditions to trade privileges, the US allocated bonus export entitlements to Cambodia, as long as the country made gains in improving working conditions.

Better Factories Cambodia (formerly known as the ILO Garment Sector Project), was established in 2001 to help Cambodia's garment sector achieve and maintain improvements in working conditions. The project monitors and reports on working conditions in Cambodian garment factories according to national and international standards, helps factories to improve their productivity, and works with the Government and international buyers to ensure a rigorous and transparent cycle of improvement.

The MFA expired on 31 December 2004, opening all countries to global competition. The Cambodian-US trade agreement also expired at the end of 2004. Smaller producers like Cambodia now must somehow distinguish themselves in the market if they hope to remain competitive. Cambodia has set itself apart to some extent by continuously improving working conditions, and by facilitating access to reliable information regarding factory compliance with international and national labour standards. Better Factories Cambodia will seek to build upon the progress that already has been made in both of these areas.

Better Factories Cambodia is guided by a Project Advisory Committee (PAC), which consists of 3 representatives each from the Government of Cambodia, the Garment Manufacturers Association of Cambodia (GMAC) and the Cambodian trade union movement. The PAC advises the project on all its activities including monitoring, remediation and sustainability.

1.2 The monitoring system

The monitoring system consists of 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

One reason for the project's success to date is that all exporting garment factories in the country have registered with the project. Although registration with the project is voluntary, the Cambodian Ministry of Commerce has required factories to register with the project in order to be granted an export license.

When companies register with the project, they agree to provide full access to the factory premises when ILO monitors visit, and to allow ILO monitors to interact freely with shop stewards, union representatives and factory workers, both inside and outside the factory.

Monitoring procedures

Better Factories Cambodia has a team of 12 monitors, who visit factories in pairs and arrive unannounced. The monitors' checklist, based on Cambodian labour law and core ILO standards, covers more than 500 items. To ensure accuracy, monitors interview workers and management separately and confidentially. Interviews with workers usually take place away from the factory. Monitors also talk with factory shop stewards and union leaders. Management is requested to provide relevant documents (payroll, sample contracts, leave records, etc.) as evidence of working conditions and terms of employment.

Factory managers get written reports of the findings, which include suggestions for improvement. Factories have an opportunity to file written objections concerning suggestions with which they disagree. Upon request from management, the project may provide assistance to factories in implementing the suggestions identified in the report.

Monitors also conduct follow-up visits in pairs, which usually include at least one of the monitors who previously visited the factory. During follow-up visits, monitors focus on the factory's progress in implementing the suggestions made during the preceding visit. In addition, monitors re-examine core labour standards, such as freedom of association and child labour, and look for any major changes in factory conditions.

Reporting procedures

In addition to providing individual reports to factories, the project also prepares synthesis reports, which provide an overview of working conditions across a group of factories (factories are grouped together into cohorts as they register with the project). Synthesis reports containing findings made during initial monitoring visits to factories do not identify the factories by name, in order to provide a grace period during which the factories can improve working conditions. However, synthesis reports covering follow-up visits to factories do identify the factories included in the report by name. The PAC discusses each synthesis report, and its comments are recorded. Synthesis reports are available in both English and Khmer, and are posted on the ILO website.

1.3 This synthesis report

This fifteenth synthesis report assesses the progress made by factories in improving working conditions determined during a third follow-up visit. Thus, this synthesis report examines

the progress made by 24 factories between their second and third follow-up visits in implementing suggestions made by the project. There were originally 34 factories in this group, however, ten have closed.¹ This Fifteenth synthesis report covers the same factories included in the second synthesis report of April 2002 (initial monitoring visits), the fifth synthesis report of June 2003 (first follow-up visits), and the tenth synthesis report of March 2005 (second follow-up visits). At the time of the third follow-up visits, these factories employed 32,950 workers, of whom 29,106 were women and 3844 were men. While the report indicates the levels of compliance across a wide range of issues, the key findings for the 24 factories covered by this report are listed below.

Key Findings in the Fifteenth Synthesis Report
<ul style="list-style-type: none">❖ There is no evidence of forced labour.❖ There is no evidence of discrimination, aside from anti-union discrimination (see below).❖ There was no indication of child labour in any of the factories.❖ Four factories failed to ensure workers' freedom to organise and/or freedom from anti-union discrimination.❖ Workers in two factories partially complied with some legal requirements prior to going on strike. All of the strikes covered by this report were peaceful.❖ All of the factories monitored pay regular workers the minimum wage for ordinary hours of work and correct wages for normal overtime work. For casual workers, about eighty-three percent of the factories comply with minimum wage requirements, and ninety-six percent are paying the correct rate for normal overtime work.❖ All of the factories monitored provide 18 days of paid annual leave. Sixty-three percent pay the correct entitlement during maternity leave (non-compliant factories typically pay workers half their wages, but do not pay half of their other benefits). Only half of the factories monitored pay sick leave in accordance with MOLVT policy.❖ Seventy-one percent of the factories monitored ensure that overtime work is voluntary. However, overtime work is not exceptional in three quarters of the factories monitored, and two thirds of the factories do not limit overtime to two hours per day.

¹ One of these factories recently re-registered with the project, it was covered in another report.

❖ **Progress in meeting health and safety standards was mixed. Most of the factories provided some personal protective equipment to workers. However, about sixty-two percent of the factories failed to install safety guards on machines.**

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. 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, Russey Keo, Phnom Penh (Closed)
4. Cambodia HK Ltd., 1st Branch, Meanchey, Phnom Penh (Closed)
5. Cambodia HK Ltd., 2nd Branch, Meanchey, Phnom Penh (Closed)
6. Cambodia Sportwear Mfg., Ltd., Meanchey, Phnom Penh
7. Cambodian Hoi Fu Garments and Knitting Factory Co., Ltd., Dangkor, Phnom Penh
8. Cambotex, Russey Keo, Phnom Penh (Closed)
9. Chung Fai Knitwear and Dyeing Factory, Ltd., Meanchey, Phnom Penh
10. Duson Cambodia Co., Ltd. (Closed)² (now ASD (Cambodia) Co., Ltd.)
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., Russey Keo, Phnom Penh (Closed)
16. Honey Wear Garment Co., Ltd., now Tactician International Co., Ltd., Angsnuol, Kandal
17. Khmer International Garment Ltd., Mittapheap, Sihanouk Ville (Closed)
18. Kin Tai Garment Co., Ltd., Meanchey, Phnom Penh
19. Khun Mao Hsing, Ltd., now Zhong Yov Co., Ltd., Angsnuol, Kandal
20. Mighti Spectra Knitting Factory Co., Ltd., Russey Keo, Phnom Penh (Closed)
21. Ocean Garment Co., Ltd., Chamcamon, Phnom Penh
22. Olympic Garment, Russey Keo, Phnom Penh (Closed)
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

² This factory was closed, but recently re-registered with the project under the name ASD (Cambodia) Co., Ltd., which has been moved to another cohort.

28. Suntex Pte. Ltd., Dangkor, Phnom Penh
29. Tai Yang Enterprise Co., Ltd., Angsnuol, Kandal
30. Tommy Textiles Manufacturing Co., Ltd., Dangkor, Phnom Penh (Closed)
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. (Branch 1), 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. 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 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
get the internal regulations approved by the labour inspector				United Knitting
establish the internal regulations on training of apprentices			Cambodia Sportwear, Ecent	
consult with shop stewards before establishing internal regulations				Ospinter, United Knitting
ensure that the internal regulations comply fully with the law	Tactician		Chung Fai, Ecent, Rao Yuan, United Knitting, Yung Wah-1	Zhong Yov
post the internal regulations in the workplace and at the hiring office	Pak Shun			Ecent, Tactician, United Knitting

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		Pak Shun	Cambodian Hoi Fu, Chung Fai, Tactician, Vivatino, Yung Wah-1	

Management should	Implemented	Partly Implemented	Not implemented	New
pay workers damages when there is no valid reason for termination by the employer			Tai Yang	
not require workers to post a bond or a cash guarantee in order to sign or maintain an employment contract	Rao Yuan		Vivatino	
make sure that the employment contract specifies the terms and conditions of employment			Cambodian Hoi Fu, Grandtex	
pay terminated workers their wages for days already worked				Archid
amend clauses in the employment contracts that do not comply with the Internal Regulations			Cambodian Hoi Fu	
amend clauses in the employment contracts that do not comply with the law	Kin Tai, Suntex, Yung Wah-1		Cambodian Hoi Fu, Franco, Grandtex, Ospinter, Tactician, United Knitting	Trico, Yung Wah-1
ensure that workers understand the terms and conditions of their employment contracts	Franco, Ocean	Ospinter, Pak Shun	Kin Tai	Ecent, Evergreen, United Knitting
not place workers on probation for more than 3 months	Grandtex, United Knitting, Vivatino			

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that apprenticeship contracts comply with the law	Franco		Ecent	
only employ casual workers for specific work for a short period of time	Evergreen, Kin Tai, Ospinter		Vivatino, Zhong Yov	Archid, Franco
only terminate workers for valid reasons	Pak Shun, Rao Yuan			
pay workers they dismiss the correct indemnity for dismissal	Trico			
pay workers they terminate damages				Ospinter
pay workers for their accrued annual leave when they resign or are terminated	San San		Broadland-1, Pak Shun, Vivatino	Archid
notify MOLVT before suspending workers' employment contracts due to economic problems				Ospinter, San San

2.1.3 Collective agreement

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

2.1.4 Wages

Management should	Implemented	Partly Implemented	Not implemented	New
post minimum wage information in the workplace	Cambodian Hoi Fu, Pak Shun			Chung Fai, Ecent, Tactician
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			Chung Fai (P), Pak Shun (P)	Cambodia Sportwear, Franco (P)
ensure that workers understand the calculation of wages	Evergreen, Tactician, Vivatino	Franco, Rao Yuan	Chung Fai, Grandtex	Cambodia Sportwear, Ecent, United Knitting
provide clearly written payslips to workers	Cambodia Sportwear			Ecent
set the production target at a level that permits a worker of average ability working normal hours to earn the minimum wage	Ocean			
set the piece rate at a level that permits a worker of average ability working normal hours to earn minimum wage			Broadland-1, Cambodia Sportwear, Cambodian Hoi Fu, Rao Yuan, United Knitting	
pay terminated workers their wages and indemnities within 48 hours after they terminate work				Broadland-1, Cambodia Sportwear, San San

Management should	Implemented	Partly Implemented	Not implemented	New
pay casual workers' the attendance bonus in proportion to the number of days they work during the month			Tactician	
pay piece-rate workers minimum wage when their piece rate pay, excluding overtime, falls below minimum wage	Grandtex, Pak Shun		Rao Yuan, United Knitting	Cambodian Hoi Fu
pay piece-rate workers double the piece rate they earn when this is more than minimum wage for work on Sundays			Cambodian Hoi Fu, United Knitting	
explain to workers the rate of normal overtime, night work, and work on Sundays and public holidays	Evergreen, Pak Shun		Ocean (C)	Kin Tai, Ospinter
pay workers from the date they start work, including during the pre-trial period	Rao Yuan		United Knitting, Zhong Yov	Broadland-1
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)			United Knitting	Ecent
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)	Cambodian Hoi Fu, Vivatino (C)		Broadland-1 (C), Ocean (C)	Archid (C), Rao Yuan (C)

Management should	Implemented	Partly Implemented	Not implemented	New
pay workers double their normal pay for work at night (between 22:00 and 05:00)	Ocean, Pak Shun, United Knitting		Chung Fai	
pay all workers double their normal pay for work during weekly time off (Sunday)				Franco (C), Ocean (C)
pay workers who work on public holidays their wage for one day (in addition to their normal daily wage)				Franco (C), Ocean (C)
pay workers their daily wage on public holidays when they do not work			Tactician	Broadland-1, Franco (C)
pay workers 150% of their normal pay for overtime work performed on a normal workday before 22:00	Grandtex (P)			Franco (C)
give all workers 1,000 Riels for a meal or a reasonable free meal if they work overtime	United Knitting		Ocean (C)	Evergreen, Franco (C)
pay all workers who work regularly the attendance bonus of \$5 per month	Broadland-1, Vivatino (C), Zhong Yov (A), (PW)		Ocean (C), Zhong Yov (C)	Chung Fai (C), Ecent, Franco (C)
pay a seniority bonus to all workers	Evergreen			
not deduct more than the basic daily wage for an unauthorised absence	Ocean		Ecent	
not punish workers by imposing fines or deducting wages	Rao Yuan		United Knitting	Cambodian Hoi Fu

Management should	Implemented	Partly Implemented	Not implemented	New
not charge workers more than the cost of the ID card when replacing a worker's lost ID card	Yung Wah-1	Ocean	Franco, San San, Vivatino	
pay workers during normal working hours	Tai Yang, Vivatino	Ocean	Rao Yuan	Cambodia Sportwear
pay workers on time				United Knitting
use the correct exchange rate when converting workers' wages from Riels to dollars	Archid			
keep a detailed payroll ledger in Khmer that is easy to understand	Grandtex, Suntex		Ocean, United Knitting, Yung Wah-1	
include the starting dates for workers in the payroll ledger	Grandtex, Suntex		Evergreen	
ensure that the payroll ledger accurately reflects the wages actually paid to workers			United Knitting	

2.1.5 Hours of work

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that work on Sundays is voluntary	Rao Yuan		United Knitting	Broadland-1
ensure that work on Sundays is exceptional	United Knitting			

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that work on Public Holidays is voluntary	Rao Yuan	Ecent	United Knitting	
ensure that work on Public Holidays is exceptional	United Knitting			
ensure that overtime work is voluntary	Archid, Grandtex, Rao Yuan, United Knitting*	Tactician, Trico*	Broadland-1, Ocean (C), San San	Chung Fai, Yung Wah-1
ensure that overtime work is exceptional	Ocean, Tai Yang	Kin Tai, Ospinter, Rao Yuan	Broadland-1, Cambodia Sportwear, Chung Fai, Ecent, Evergreen, Grandtex, San San, Sportex, Tactician, Trico*, United Knitting*, Yung Wah-1, Zhong Yov	Suntex, Vivatino
ensure that overtime work does not exceed 2 hours per day	Cambodia Sportwear, Rao Yuan, Trico*	Ecent, Kin Tai, Ospinter	Broadland-1, Chung Fai, Evergreen, Franco, Ocean, Pak Shun, San San, Tai Yang, United Knitting*, Vivatino, Zhong Yov	Sportex, Tactician
not punish workers who do not work overtime, Sundays or Public Holidays	Archid, United Knitting			
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	Cambodia Sportwear		Broadland-1, Evergreen, Vivatino	

Management should	Implemented	Partly Implemented	Not implemented	New
get permission from the labour inspector before suspending the weekly break	San San		Chung Fai, Ecent, Sportex	Evergreen, Suntex, United Knitting, Zhong Yov
get permission from the labour inspector before workers work overtime	Ocean, Tactician, United Knitting		Chung Fai, Ecent, Ospinter	Kin Tai, Trico, Zhong Yov

2.1.6 Leave

Management should	Implemented	Partly Implemented	Not implemented	New
post the list of national public holidays in the factory	Pak Shun			Ecent, Tactician, United Knitting
give workers 18 days of paid annual leave each year	Broadland-1, Ocean, Rao Yuan, United Knitting			
allow workers to take their annual leave without imposing unreasonable restrictions	Tactician, Vivatino		Grandtex, Yung Wah-1	Broadland-1, Cambodian Hoi Fu
get workers' consent to convert annual leave to cash compensation			Pak Shun	
give workers an extra day of annual leave for every three years of service	Pak Shun, San San		Chung Fai, Evergreen, Ocean, Rao Yuan, Trico	Cambodian Hoi Fu, Ecent, United Knitting, Vivatino

Management should	Implemented	Partly Implemented	Not implemented	New
pay workers at least their average daily wage, including bonuses, for each day of annual leave before workers go on leave			Zhong Yov	
consider adopting or amending the internal regulations to provide paid sick leave to workers for illnesses certified by a qualified doctor as follows: 100% wage for the first month 60% wage for the second month 40% wage for the third month no wage payment for months 4-6	Pak Shun, Tactician		Archid, Chung Fai, Ecent, Rao Yuan, Trico*, United Knitting	
provide paid sick leave as required by the factory's internal regulations	Evergreen, Vivatino	Broadland-1	Cambodian Hoi Fu, Ocean, Ospinter, Zhong Yov	Kin Tai
not unreasonably restrict workers from taking sick leave	Ocean, Pak Shun		Broadland-1, Grandtex, Trico*	Ecent, United Knitting
consider giving workers up to 7 days per year of paid special leave for events affecting the worker or the worker's immediate family	Evergreen	Broadland-1, Ospinter	Cambodian Hoi Fu, Chung Fai*, Ecent, Pak Shun, Rao Yuan, Trico*, United Knitting, Vivatino, Yung Wah-1, Zhong Yov	Archid

Management should	Implemented	Partly Implemented	Not implemented	New
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	Ocean	Grandtex, Trico*	Kin Tai
not deduct the \$5 attendance bonus when workers take annual leave				Franco, Vivatino, Yung Wah-1
not deduct the \$5 attendance bonus when workers take special leave	Evergreen, Vivatino		Franco, Ocean	Archid
not unreasonably restrict workers from taking special leave			Chung Fai*	Broadland-1

2.1.7 Maternity leave

Management should	Implemented	Partly Implemented	Not implemented	New
pay workers on maternity leave who have worked for one year half-pay, including other benefits	Archid, Ocean, Yung Wah-1		Cambodian Hoi Fu, Chung Fai, Ecent, Pak Shun, Rao Yuan, United Knitting, Zhong Yov	Kin Tai, Ospinter
pay workers on maternity leave their maternity benefits before or during leave			Broadland-1, Chung Fai, Ecent, Evergreen,	Suntex, United Knitting, Vivatino

Management should	Implemented	Partly Implemented	Not implemented	New
			Pak Shun, Rao Yuan, Zhong Yov	
allow new mothers 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	Tactician, Vivatino (P)		Grandtex, Ocean, Sportex, Zhong Yov	Cambodian Hoi Fu, Ecent, Yung Wah-1
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	Ecent, Pak Shun		Archid, Cambodian Hoi Fu, Chung Fai, Franco, Grandtex, Ocean, Rao Yuan, United Knitting, Yung Wah-1	

2.1.9 Nursing room/day care centre

Management should	Implemented	Partly Implemented	Not implemented	New
set up a functioning and accessible nursing room			Archid, Broadland-1, Cambodian Hoi Fu, Chung Fai, Ecent, Evergreen, Franco, Grandtex, Kin Tai, Ocean, Ospinter, Pak Shun, Rao Yuan, San San, Sportex, Tactician, Trico, United Knitting, Vivatino, Yung Wah-1, Zhong Yov	Cambodia Sportwear, Suntex, Tai Yang

Management should	Implemented	Partly Implemented	Not implemented	New
inform workers that they can use the day care centre				Evergreen, Franco
set up a day care centre at or near the workplace, or pay the childcare costs of women employees	Evergreen, Vivatino		Archid, Broadland-1, Cambodia Sportwear, Cambodian Hoi Fu, Chung Fai, Ecent, Grandtex, Kin Tai, Ocean, Ospinter, Pak Shun, Rao Yuan, Tai Yang, Tactician, Trico, United Knitting, Yung Wah-1, Zhong Yov	

2.1.10 Sexual harassment

One factory that previously had problems with a line supervisor touching women workers on the shoulder or cheek to discipline them or make them work faster has addressed this problem (Ocean).

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that there is no sexual harassment at 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	Ocean, Tai Yang	Rao Yuan, Suntex, Vivatino	Cambodia Sportwear, Chung Fai, Ecent, San San, Tactician, United Knitting	Grandtex, Ospinter, Yung Wah-1

2.1.12 Discrimination

There were no indications of discrimination, aside from anti-union discrimination (see Section 2.3.2 below).

2.1.13 Forced Labour

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

2.1.14 Child labour

One factory that previously did not require workers to provide reliable age-verifying documents prior to hiring had not hired any workers since the previous factory visit, so the suggestion to use reliable documents was considered not implemented.

Management should	Implemented	Partly Implemented	Not implemented	New
use reliable documents to verify the age of workers prior to hiring			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	Rao Yuan, San San		Archid, Broadland-1, Cambodia Sportwear, Cambodian Hoi Fu, Chung Fai, Ecent, Franco, Kin Tai, Ocean, Ospinter, Pak Shun, Tactician, Trico, United Knitting, Vivatino, Zhong Yov	Evergreen
consult with workers when developing a health and safety policy				Grandtex, Rao Yuan
post safety and health information (e.g., posters and signs) in the workplace			Broadland-1, Trico	

2.2.2 Work-related accidents/illnesses

Management should	Implemented	Partly Implemented	Not implemented	New
keep a record of work-related accidents/illnesses			Ecent, Trico, United Knitting	Ospinter, Tactician
notify the Social Security Department of work-related accidents or illnesses within 48 hours of their occurrence			Ecent	Kin Tai
provide a summary report of work-related accidents/illnesses to the Social Security Department every six months	Pak Shun		Rao Yuan, Tactician, Zhong Yov	Cambodian Hoi Fu

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	Evergreen			
pay correct compensation for work-related accidents or illnesses	Rao Yuan			
pay workers their wages when work-related accidents or illnesses cause them to miss work	Sportex	Ecent, Tactician	Archid, Cambodian Hoi Fu, Zhong Yov	Grandtex, United Knitting

2.2.4 Emergency arrangements

Management should	Implemented	Partly Implemented	Not implemented	New
clearly mark all emergency exit doors				Ospinter
ensure that all exit doors are open/unlocked during working hours, including overtime	Ecent, Pak Shun			Cambodia Sportwear
hold regular emergency drills	Kin Tai, Ocean, Pak Shun, Trico, Vivatino		Cambodian Hoi Fu, Chung Fai, Ecent, San San	Tactician, United Knitting, Zhong Yov
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	Cambodia Sportwear		Cambodian Hoi Fu	Ospinter

2.2.5 First Aid

Management should	Implemented	Partly Implemented	Not implemented	New
provide a sufficient number of first aid boxes in the workplace	Pak Shun, Yung Wah-1		Chung Fai, Ecent, Ospinter, United Knitting	Tactician
properly stock the first aid boxes	Broadland-1, Kin Tai	Cambodian Hoi Fu	Chung Fai, Evergreen, Ocean, Ospinter, Trico	Cambodia Sportwear, Ecent, Grandtex, Sportex, Vivatino

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that the first aid boxes are easily accessible			Kin Tai, Pak Shun	Cambodia Sportwear, Evergreen
provide first aid training to workers	Kin Tai			

2.2.6 Infirmary

Management should	Implemented	Partly Implemented	Not implemented	New
expand the hospitalisation capacity of the infirmary	Cambodia Sportwear, Tai Yang	Archid	Broadland-1, Cambodian Hoi Fu, Chung Fai, Ecent, Evergreen, Grandtex, Kin Tai, Ocean, Ospinter, Pak Shun, Rao Yuan, San San, Sportex, Tactician, Trico, Vivatino, Yung Wah-1, Zhong Yov	Suntex, United Knitting
install a toilet near the infirmary			Kin Tai	
ensure that the infirmary is operational				Cambodian Hoi Fu
not unduly restrict workers' access to the infirmary				Ospinter
recruit a doctor			Cambodian Hoi Fu, Ecent, Rao Yuan, Tactician, Trico	Zhong Yov
recruit one (more) nurse	Evergreen, Vivatino		Archid, Broadland-1, Cambodian Hoi Fu, Ecent, Ocean, Sportex	Cambodia Sportwear, Zhong Yov

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that a nurse and/or doctor is on duty during the required number of hours (including overtime)		Ospinter, Vivatino	Archid, Broadland-1, Chung Fai, Ecent, Evergreen, Kin Tai, Ocean, Pak Shun, Rao Yuan, Tactician, Trico	Cambodia Sportwear, Franco, United Knitting
ensure that the infirmary has enough medicine and medical equipment	Ocean, Rao Yuan, Vivatino	Archid, Zhong Yov	Chung Fai, Ecent, Grandtex, Kin Tai, Ospinter, Sportex, Tactician, United Knitting	San San, Trico
ensure that the infirmary is clean			Chung Fai	
ensure that the medical staff in the infirmary treats workers with respect			Yung Wah-1	Franco

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	Ocean		Cambodian Hoi Fu, Chung Fai, Kin Tai	Ecent
properly label chemical containers in Khmer	Chung Fai		Cambodian Hoi Fu, Kin Tai, Ocean, Pak Shun	Ecent, Suntex
post/provide chemical safety data sheets in Khmer	Archid, Chung Fai		Cambodian Hoi Fu, Ocean	
install/repair exhaust ventilation in areas of the factory where chemicals are in use			Kin Tai	Evergreen, San San

Management should	Implemented	Partly Implemented	Not implemented	New
separate areas of the factory where chemicals are used from other work areas			Pak Shun	
train workers to use chemical substances safely			Yung Wah-1*	
provide proper equipment to workers who work with chemical substances			Cambodia Sportwear, Cambodian Hoi Fu, Chung Fai, Ocean, Yung Wah-1*	Ecent, Evergreen, San San

2.2.8 Protective measures

Management should	Implemented	Partly Implemented	Not implemented	New
provide masks and gloves to workers free of charge	Pak Shun, Rao Yuan	Kin Tai, Trico, Zhong Yov	Cambodian Hoi Fu, Ecent, United Knitting*, Vivatino	Broadland-1, Cambodia Sportwear, Ospinter, Tactician, Yung Wah-1
train/encourage workers to use protective clothing and equipment	Rao Yuan, Suntex	Cambodia Sportwear, Kin Tai, Yung Wah-1	Archid, Broadland-1, Chung Fai, Ecent, Evergreen, Grandtex, Ocean, Pak Shun, Sportex, Tactician, United Knitting*, Vivatino	Franco, San San, Trico

Management should	Implemented	Partly Implemented	Not implemented	New
provide workers suitable footwear free of charge, or allow workers to use their own footwear in the workplace			Evergreen, Grandtex, Ocean, Pak Shun	Broadland-1

2.2.9 Lighting

None of the factories received suggestions relating to inadequate lighting.

2.2.10 Noise

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

2.2.11 Machine safety

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that the machines are well maintained		Kin Tai	Chung Fai, Ecent, Trico	Ospinter, United Knitting
equip the machines with safe/needle guards	Evergreen, Rao Yuan, Sportex, Tai Yang	Kin Tai, Zhong Yov	Broadland-1, Cambodia Sportwear, Chung Fai, Ecent, Franco, Ocean, San San, Tactician, Trico, Vivatino, Yung Wah-1	Ospinter, Suntex

Management should	Implemented	Partly Implemented	Not implemented	New
post warning signs/safety notices on the electrical switch boxes			Ecent	Ospinter

2.2.12 Ventilation and heat

Management should	Implemented	Partly Implemented	Not implemented	New
take steps to reduce heat in the workplace		Franco	Broadland-1, Cambodian Hoi Fu, Kin Tai, Ospinter, Sportex	Archid, San San, Tactician
improve ventilation and air circulation in the workplace	Franco, Tactician	Cambodia Sportwear, Pak Shun, Rao Yuan	Cambodian Hoi Fu, Chung Fai, Ecent, Evergreen, Grandtex, Kin Tai, Ocean, Ospinter, San San, Trico, United Knitting, Yung Wah-1	Tai Yang, Vivatino
introduce dust reduction measures	Ocean		Cambodian Hoi Fu, Chung Fai, Franco, Pak Shun, Rao Yuan, United Knitting	
keep fans and other ventilation systems in good repair	Tactician		Chung Fai	

2.2.13 Housekeeping

Management should	Implemented	Partly Implemented	Not implemented	New
keep the workplace clean			United Knitting	
keep the workplace tidy	Pak Shun			

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that the roof, windows, walls and/or ceilings are clean	San San		Chung Fai, Ecent, Kin Tai, Trico, Vivatino	Ospinter
ensure that access paths allow for two-way traffic	Franco, Kin Tai, Ocean		Cambodia Sportwear, Cambodian Hoi Fu, Pak Shun, San San, United Knitting, Vivatino, Yung Wah-1	Tactician, Trico
keep all access ways free of obstruction	Evergreen, Kin Tai, Pak Shun, Tactician, United Knitting, Yung Wah-1, Zhong Yov		Broadland-1, Ospinter	
ensure that raw materials and finished products are organised neatly	Ecent, Grandtex		Cambodia Sportwear, Trico, Vivatino, Yung Wah-1, Zhong Yov	
ensure that tools and safety switches are within easy reach of workers			Chung Fai	

2.2.14 Drinking water

Management should	Implemented	Partly Implemented	Not implemented	New
provide safe drinking water	Pak Shun, San San			
provide enough drinking water			Ocean	

Management should	Implemented	Partly Implemented	Not implemented	New
provide cups or other sanitary means for drinking water	Franco, Pak Shun, Rao Yuan	Archid, Grandtex, Zhong Yov	Broadland-1, Cambodian Hoi Fu, Chung Fai, Ecent, Ocean, Ospinter, San San, Tactician, Trico, United Knitting, Vivatino, Yung Wah-1	Cambodia Sportwear, Evergreen, Kin Tai
set up an additional drinking water station			Vivatino	
ensure that the drinking area/water containers are clean/hygienic	Broadland-1, Tactician		Chung Fai	
not place undue restrictions on drinking water				Broadland-1
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	Cambodian Hoi Fu		Broadland-1, Chung Fai, Franco, Vivatino	
repair broken toilets	Broadland-1, Kin Tai, Tactician, Yung Wah-1		Ecent	Cambodian Hoi Fu
repair broken toilet doors	Cambodia Sportwear, Cambodian Hoi Fu		Ecent, Ocean, Vivatino, Yung Wah-1	Grandtex, Tactician

Management should	Implemented	Partly Implemented	Not implemented	New
increase the height of the toilet walls and doors	Tactician		United Knitting	
clearly mark the toilets for use by female and male workers			Ospinter	Cambodian Hoi Fu
provide a washing facility near the toilets			Ocean	
ensure that toilets are regularly cleaned	Evergreen, Kin Tai, Rao Yuan, Tactician		Cambodian Hoi Fu, Chung Fai, Ecent, Ocean, Ospinter, United Knitting*, Vivatino	
ensure that the toilets have sufficient soap and water	Archid, Broadland-1, Cambodia Sportwear, Evergreen	Tactician, Zhong Yov	Cambodian Hoi Fu, Chung Fai, Ecent, Kin Tai, Ocean, Ospinter, Pak Shun, San San, Trico, United Knitting*, Vivatino	
not place undue restrictions on toilet use	Ocean, United Knitting		Broadland-1	
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	Yung Wah-1			Broadland-1

2.2.16 Seating

Management should	Implemented	Partly Implemented	Not implemented	New
provide adjustable chairs with back rests for workers who work sitting down			Archid, Broadland-1, Cambodia Sportwear, Cambodian Hoi Fu, Chung Fai, Ecent, Evergreen, Grandtex, Ocean, Ospinter, Pak Shun, Rao Yuan, San San, Sportex, Suntex, Tai Yang, Tactician, Trico, United Knitting, Vivatino, Yung Wah-1, Zhong Yov	Franco
provide chairs near the workstation for workers who work in a standing position to rest on	Cambodian Hoi Fu, Grandtex	Cambodia Sportwear, Rao Yuan, Suntex, Tai Yang	Archid, Broadland-1, Chung Fai, Evergreen, Franco, Kin Tai, Ocean, Ospinter, Pak Shun, San San, Sportex, Tactician, Trico, Vivatino, Yung Wah-1, Zhong Yov	Ecent
not unduly restrict workers who work in a standing position from resting on chairs			Ecent, Ocean, Ospinter	Cambodia Sportwear, Grandtex, Rao Yuan, Tai Yang
ensure that workers do not work sitting on the floor			Grandtex	

2.2.17 Eating area

Management should	Implemented	Partly Implemented	Not implemented	New
get worker's consent before deducting wages for lunch	Evergreen			
provide reasonable quality food where it is provided	Evergreen			

2.2.18 Personal Belongings

Management should	Implemented	Partly Implemented	Not implemented	New
consider setting up a secure place for workers to store their personal belongings			Ocean, San San	Ecent, United Knitting

2.3 Labour Relations

2.3.1 Workers' freedom to organise

In one factory (Ecent), workers said that they were paid \$3 to join the union. After they joined the union, union dues were deducted from their wages, even if they later withdrew from the union. Some workers said that it would not be possible to form another union.

In one factory (Evergreen), workers said that management favoured one union over the other. A union leader said that her union was not able to propose any candidates to be shop stewards, but the other union was. Management told her that only the most representative union could propose candidates. Workers said that the factory administrator was formerly a trainer for that union's federation.

In one factory, workers were afraid to participate in union activities after a union leader was dismissed (Tactician). (See additional information under Anti-Union Discrimination and Strikes/Lockouts sections below.)

Management should	Implemented	Partly Implemented	Not implemented	New
ensure that workers are free not to join trade unions				Ecent
not deduct union dues from a worker's wages if the worker has withdrawn from the union and /or revoked permission to deduct union dues from wages				Ecent

Management should	Implemented	Partly Implemented	Not implemented	New
not interfere with the right of workers to form and join trade unions				Ecent, Tactician
refrain from taking measures that may be perceived as an attempt to place the union activities under management's control			Evergreen	

2.3.2 Anti-union discrimination

In one factory (Tactician), management asked the provincial labour inspector for permission to terminate a union leader within two weeks after she complained to management about working conditions. Management said that the union leader committed a serious offence. Workers said that management created false evidence to support the termination. The labour inspector granted the factory permission to dismiss the union leader, but the Arbitration Council found that the factory should reinstate her (Award 91/04). The factory did not accept the Award, but management did not pursue the matter in court. Instead, management asked for and received permission from MOLVT to approve the termination. (See Collective Disputes section below for relevant suggestion.)

In one factory, workers said that some applicants were not hired even though they passed the recruitment test, because management found out that they had joined a union at their previous jobs (Yung Wah-1).

Management should	Implemented	Partly Implemented	Not implemented	New
not discriminate against workers for joining a union or engaging in union activities				Tactician, Yung Wah-1

2.3.3 Shop stewards

Management should	Implemented	Partly Implemented	Not implemented	New
only dismiss shop stewards in accordance with the law			Chung Fai	

Management should	Implemented	Partly Implemented	Not implemented	New
provide the labour law to shop stewards when they ask for it			Ocean, San San	
hold new shop steward elections	Ospinter, Yung Wah-1		Chung Fai, Tai Yang, Trico	Cambodian Hoi Fu, San San, United Knitting
allow representative trade unions or workers to nominate candidates for shop steward elections				Evergreen
ensure that shop steward elections comply with applicable rules and procedures		Archid, Cambodia Sportwear, Grandtex, Zhong Yov	Broadland-1, Cambodian Hoi Fu, Chung Fai, Ecent, Evergreen, Ocean, Ospinter, Pak Shun, Rao Yuan, San San, Tactician, Vivatino	Suntex, Yung Wah-1
ensure that the number of shop stewards elected complies with the law			Ocean	
provide shop stewards an office, a meeting room, office material and two hours per week to perform their tasks	Archid, Evergreen, San San, Sportex	Cambodia Sportwear, Yung Wah-1	Broadland-1, Cambodian Hoi Fu, Chung Fai, Ecent, Kin Tai, Ocean, Pak Shun, Rao Yuan, Trico, United Knitting, Zhong Yov	
post the results from the shop steward election in the workplace				Ospinter

2.3.4 Liaison officer

Management should	Implemented	Partly Implemented	Not implemented	New
appoint a liaison officer	Broadland-1, Franco, Ocean, Tactician	Cambodian Hoi Fu	Ecent, Grandtex, Pak Shun, Rao Yuan, United Knitting, Zhong Yov	Kin Tai
consult with workers before appointing a liaison officer			Evergreen	Tactician
inform workers about the appointment of the liaison officer			Cambodia Sportwear	Tactician

2.3.5 Collective disputes

One factory had a collective dispute that was resolved with assistance from the provincial labour inspector (United Knitting). The factory and workers reached a conciliation agreement that required the factory to: 1) employ a nurse and doctor; 2) employ cleaning staff; 3) pay piece rate workers at least minimum wage; 4) pay the meal allowance twice monthly; 5) compensate annual leave in cash; and 6) pay wages on time. Workers said that management had partially implemented the agreement. Collective disputes that resulted in strikes are discussed below under Strikes/Lockouts.

Management should	Implemented	Partly Implemented	Not implemented	New
implement Arbitration Council awards				Tactician
implement conciliation agreements	Vivatino	Ocean		
post conciliation agreements/Arbitration Council awards in the workplace			Ocean	Rao Yuan

2.3.6 Strikes/lockouts

There were no strikes in 19 factories.

Five factories had one strike (Kin Tai, Ocean, Rao Yuan, Sportex, Tactician). Workers made the following demands:

- ◆ implement an agreement between management and workers (Sportex)
- ◆ appoint an administration manager, and inform workers about the appointment (Tactician)
- ◆ allow cleaners to become regular workers after 3 months (Tactician)
- ◆ pay the attendance bonus (Tactician)
- ◆ pay the overtime bonus agreed to by management and workers (Sportex)
- ◆ pay the incentive bonus for exceeding the production target agreed to by management and workers (Sportex)
- ◆ do not deduct the attendance bonus if workers arrive late, but have valid reasons (Rao Yuan, Tactician)
- ◆ terminate workers, and make payments upon termination beyond those required by law (Kin Tai)
- ◆ pay workers earlier in the month (Rao Yuan)
- ◆ inform workers of the piece rate pay when they start a new style (Rao Yuan)
- ◆ change the working hours (Rao Yuan)
- ◆ provide paid sick leave (Tactician)
- ◆ limit overtime on Saturdays to 4 hours (Sportex)
- ◆ allow workers to take time off for annual leave (Rao Yuan)
- ◆ reinstate dismissed/suspended union leaders (Tactician)
- ◆ reinstate dismissed workers (Rao Yuan)
- ◆ provide/enlarge the parking area (Tactician)
- ◆ keep the toilets clean (Tactician)
- ◆ do not require women workers to lift clothes (Tactician)
- ◆ do not punish striking workers (Tactician)
- ◆ pay workers the attendance bonus during the strike (Tactician)
- ◆ pay workers wages during the strike (Rao Yuan)
- ◆ pay workers wages for work missed during a power failure (Ocean)

In one instance, management and workers reached a partial agreement with assistance from MOLVT (Rao Yuan), and in one instance they reached agreement with no assistance (Ocean). In one instance, MOLVT and local authorities conciliated the dispute, but it was unclear whether management and workers reached agreement (Tactician). In two instances, the entire dispute was referred to the Arbitration Council (Kin Tai, Sportex), and in one instance, only part of a dispute was referred (Tactician).

In one instance, the Arbitration Council denied one of workers' claims, and called upon workers and management to try to resolve the other (Kin Tai). Workers did not accept this Arbitration Council award, and planned to file a complaint in court. In one instance (Tactician), the Arbitration Council found that the factory should reinstate a union leader who had been terminated (Award 91/04). The factory did not accept the Award, but management did not pursue the matter in court. Instead, management asked and received permission from MOLVT to approve the termination. (See the Collective Disputes section for relevant suggestion.) In one instance, management implemented the Arbitration Council Award (Sportex).

Management fully implemented conciliation agreements in two instances (Ocean, Rao Yuan).

Workers in one factory gave 4 working days prior notice to the factory before going on strike (Tactician), and workers in one factory (Sportex) gave 4 days prior notice to the factory and to labour inspectors. Workers in one factory attempted to resolve the dispute prior to going on strike (Tactician). Workers in three factories did not comply with applicable rules and procedures prior to going on strike (Kin Tai, Ocean, Rao Yuan). All of the strikes were peaceful.

2.3.7 Individual disputes

Individual disputes that resulted in strikes are addressed in Section 2.3.6 (Strikes/Lockouts) above.

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 23 suggestions made, 7 had been implemented, 4 had been partly implemented, 11 had not been implemented, and 1 had been dropped because it was no longer relevant. Eight new suggestions were made.

Broadland Cambodia Garment, 1st Branch: Of 37 suggestions made, 7 had been implemented, 2 had been partly implemented, 27 had not been implemented, and 1 was dropped because it was no longer relevant. Ten new suggestions were made.

Cambodia Sportwear Mfg., Ltd.: Of 24 suggestions made, 7 had been implemented, 5 had been partly implemented, and 12 had not been implemented. Fourteen new suggestions were made.

Cambodian Hoi Fu Garments and Knitting Factory Co., Ltd.: Of 48 suggestions made, 5 had been implemented, 3 had been partly implemented, 35 had not been implemented, and 5 were dropped because they were no longer relevant. Ten new suggestions were made.

Chung Fai Knitwear and Dyeing Factory Co., Ltd.: Of 52 suggestions made, 2 had been implemented and 50 had not been implemented. No new suggestions were made.

Ecent Cambodia Knitting Co., Ltd.: Of 49 suggestions made, 3 had been implemented, 3 had been partly implemented, 42 had not been implemented, and 1 was dropped because it was no longer relevant. Nineteen new suggestions were made.

Evergreen Garment Co., Ltd.: Of 42 suggestions made, 19 had been implemented, 19 had not been implemented, and 4 were dropped because they were no longer relevant. Ten new suggestions were made.

Franco Knitting Garment Factory Co., Ltd.: Of 20 suggestions made, 8 had been implemented, 2 had been partly implemented, and 10 had not been implemented. Fourteen new suggestions were made.

Grandtex International Co., Ltd.: Of 30 suggestions made, 8 had been implemented, 2 had been partly implemented, and 20 had not been implemented. Six new suggestions were made.

Kin Tai Garment Co., Ltd.: Of 36 suggestions made, 10 had been implemented, 6 had been partly implemented, 19 had not been implemented, and 1 had been dropped because it was no longer relevant. Eight new suggestions were made.

Ocean Garment Co, Ltd.: Of 63 suggestions made, 19 had been implemented, 4 had been partly implemented, and 41 had not been implemented. Two new suggestions were made.

Ospinter Garment Mfg. (Cambodia): Of 29 suggestions made, 3 had been implemented, 5 had been partly implemented, and 21 had not been implemented. Fifteen new suggestions were made.

Pak Shun Knitting Factory Ltd.: Of 50 suggestions made, 19 had been implemented, 3 had been partly implemented, and 28 had not been implemented.

Rao Yuan Garment Ltd.: Of 52 suggestions made, 17 had been implemented, 6 had been partly implemented, 21 had not been implemented, and 8 were dropped because they were no longer relevant. Three new suggestions were made.

San San Garment (Cambodia) Co., Ltd.: Of 26 suggestions made, 7 had been implemented, 0 had been partly implemented and 19 had not been implemented. Eight new suggestions were made.

Sportex Industry Co., Ltd.: Of 17 suggestions made, 5 had been implemented and 12 had not been implemented. Two new suggestions were made.

Suntex Pte., Ltd.: Of 8 suggestions made, 5 had been implemented, 2 had been partly implemented, and 1 had not been implemented.

Tactician International Co., Ltd. (former Honey Wear Garment Co., Ltd.): Of 40 suggestions made, 14 had been implemented, 3 had been partly implemented, 20 had not been implemented, and 3 were dropped because they were no longer relevant. Sixteen new suggestions were made.

Tai Yang Enterprise Co., Ltd.: Of 11 suggestions made, 5 had been implemented, 1 had been partly implemented, and 5 had not been implemented. Three new suggestions were made.

Trico (Cambodia) Textile Co., Ltd.: Of 22 suggestions made, 3 had been implemented, 2 had been partly implemented, 22 had not been implemented, and 1 was dropped because it was no longer relevant. Five new suggestions were made.

United Knitting Mfg. (Cambodia) Co., Ltd.: Of 45 suggestions made, 9 had been implemented, 0 had been partly implemented, 35 had not been implemented and two were dropped because they were no longer relevant. Eighteen new suggestions were made.

Vivatino Design (Cambodia) PTE., Ltd.: Of 42 suggestions made, 14 had been implemented, 2 had been partly implemented, and 26 had not been implemented. Six new suggestions were made.

Yung Wah Industrial (Cambodia) Co., Ltd (Branch 1): Of 30 suggestions made, 7 had been implemented, 2 had been partly implemented, and 21 had not been implemented. Eight new suggestions were made.

Zhong Yov Co., Ltd. (former Khun Mao Hsing, Ltd.): Of 32 suggestions made, 2 had been implemented, 6 had been partly implemented, 22 had not been implemented, and 2 had been dropped because they were no longer relevant. Six new suggestions were made.

CONCLUDING REMARKS

This report is the tenth in a series with factory names. There is no evidence of forced labour or discrimination, aside from anti-union discrimination, in any of the factories covered in this report.

There was no indication of child labour in any of the factories.

Four factories failed to ensure workers' rights to organise and/or freedom from anti-union discrimination.

There is good compliance with the labour law in many key areas:

- All factories pay regular workers the minimum wage for normal working hours and the correct rate for normal overtime work.
- Eighty-three percent of factories pay casual workers the minimum wage for normal working hours, and ninety-six percent pay casuals the correct rate for normal overtime work.
- All of the factories monitored provide 18 days of paid annual leave. Sixty-three percent pay the correct entitlement during maternity leave (non-compliant factories typically pay workers half their wages, but do not pay half of their other benefits). However, only half of the factories monitored pay sick leave in accordance with MOLVT policy.
- Seventy-one percent of the factories ensure that overtime work is undertaken voluntarily. However, two thirds of the factories monitored still exceed legal limits on overtime hours, and in three quarters of the factories, overtime is not exceptional.

In most of the factories, significant progress has been made in improving working conditions, but obstacles still persist. A substantial number of factories continue to implement suggestions, while a small number of factories made little effort to improve.

The ILO will continue working with all parties involved to bring about further improvements. The project is shifting its focus to making the monitoring system sustainable and establishing mechanisms to address systematically the problems identified. It will extend the remediation training services to more factories in 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 FIFTEENTH ILO SYNTHESIS REPORT
ON WORKING CONDITIONS IN CAMBODIA'S GARMENT SECTOR**

1. On 28 September 2005, the Project Advisory Committee (PAC) of the ILO *Better Factories Cambodia*³ project, met in Phnom Penh to review and endorse the Fifteenth ILO Synthesis Report on 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 project has brought positive benefits to the project, and has led to better working conditions, and a greater respect for the rights of workers. We hope that it will also lead to higher productivity in the future.
4. We note with satisfaction that this report confirms that there is no evidence of forced labour or discrimination, aside from some cases of anti-union discrimination, in the factories surveyed.
5. We are also pleased to note that there was no indication of child labour in any of the factories.
6. We note with regret that four factories failed to ensure workers' right to organise and/or freedom from anti-union discrimination.
7. We are pleased to note that all factories monitored pay regular workers the minimum wage for normal working hours and the correct rate for normal overtime work. Eighty-three percent of factories pay casual workers the minimum wage for normal working hours, and ninety-six percent pay casuals the correct rate for normal overtime work.
8. We are pleased to note that all of the factories monitored provide 18 days of paid annual leave. Sixty-three percent pay the correct entitlement during maternity leave (non-compliant factories typically pay workers half their wages, but do not pay half of their other benefits). However, we note with regret that only half of the factories monitored pay sick leave in accordance with MOLVT policy.
9. We also note that seventy-one percent of the factories monitored ensure that overtime is voluntary. However, we note with regret that the frequency and duration of overtime remain an issue in most factories. We call upon all identified employers to fulfil their legal obligations in these respects.

³ Formerly known as the ILO Garment Sector Working Conditions Improvement Project

10. 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 the 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.
11. The PAC again calls upon stakeholders, especially buyers, to demonstrate their support for the efforts underway in Cambodia by expanding commitments to sourcing from and contributions to our garment industry, thereby further contributing to improved working conditions in Cambodia's garment sector.

Phnom Penh, 28 September 2005