

**INTERNATIONAL LABOUR ORGANISATION
GARMENT SECTOR WORKING CONDITIONS IMPROVEMENT PROJECT
KINGDOM OF CAMBODIA**

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

June 2002

1 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 respect for 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 to support the implementation of the article of the Trade Agreement concerned with the improvement of working conditions. Following this request, the ILO consulted extensively with the Ministry of Social Affairs, Labour, Vocational Training and Youth Rehabilitation (MOSALVY), The Garment Manufacturers Association in Cambodia (GMAC), the Cambodian trade union movement and the United States. As a result, a technical cooperation project with a budget of US\$ 1.4 million (USA 1 million, GMAC and MOSALVY 200,000 each) over a period of three years was agreed upon in May 2000. The project commenced in January 2001 under the direction of a Chief Technical Advisor (CTA) appointed by the ILO to manage the project in accordance with the agreed project document.

1.2 Project objectives

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

- ◆ Establishing and operating an independent system to monitor working conditions in garment factories;
- ◆ Providing assistance in drafting new laws and regulations where necessary as a basis for improving working conditions and giving effect to the labour law;
- ◆ 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 respective 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 execution and implementation of 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 quarterly, or as otherwise necessary, to discuss progress in project implementation and advise on envisaged activities. The PAC has no direct responsibility for project execution or day-to-day implementation of the project, but is expected to provide guidance and advise 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 is also expected to advise on the operation of the monitoring and reporting system and contribute to the periodic evaluation of that system.

1.3 The monitoring system

The monitoring system consists of the following three main components:

- ◆ Registration of participating factories
- ◆ Procedures for undertaking monitoring visits and reporting on these visits
- ◆ Procedures for reporting on the overall findings of the monitoring

1.3.1 Registration of participating factories

To be able to set up the monitoring system, 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 indicates that only registered factories would be eligible to use allocated export quotas and/or buy export quotas through official bidding for the export of textiles to the USA. As of 8 May 2002, 195 enterprises have registered with the Project. Information provided by the Ministry of Commerce concerning enterprises that have permanently ceased operating indicated that 7 enterprises that had registered with the Project ceased operating and have consequently been deleted from the list of registered factories. 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 undertakes, inter alia, to provide full access to ILO monitors to factory premises, allow ILO monitors to interact freely with shop stewards, union representatives and factory workers, both inside and outside factory premises, and provide such access in case of both announced and unannounced monitoring visits. On its part, the ILO undertakes to ensure, inter alia, that monitoring visits are undertaken in a fair and objective manner, that monitoring visits will be undertaken in such a manner as to cause least disruption to factory operations, that basic information is kept confidential and that any allegation of misconduct by any ILO monitor in the execution of his/her duties will be considered in good faith.

1.3.2 Monitoring procedures

The Project, with the advice of the Project Advisory Committee, has recruited 8 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, report writing, and also including a number of training visits by monitors to different types of enterprise. In undertaking factory visits, monitors are guided by an extensive checklist prepared by the CTA and approved by the Project Advisory Committee. This checklist consists of 156 questions (excluding sub-questions) most of which relate to articles in the labour code and its implementing regulations and/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 working place, 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 for the CTA 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 approved by the CTA, the CTA and/or the Programme Assistant discusses the draft report with management in order to secure the agreement of management with the findings and suggestions in the report and gather additional information if necessary. This stage also includes a short visit of the factory to verify further information received. The final report prepared after this meeting is sent to management with a request to sign and return it. At this point, management can indicate with which points they do not agree. Upon request from management, the project may offer assistance to factories in implementing the suggestions identified in the report.

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

1.3.3 Reporting procedures

Based on the reports prepared by the monitoring teams, the CTA prepares a synthesis report every four months that provides an overview of the operation of the monitoring system for the period under review¹. 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 and the second report was published in April 2002.

¹ Initially the period for the publication of reports was every three months. Since it was found that this was logistically difficult this period was changed to every four months.

1.4 This synthesis report

This third synthesis report contains an overview of progress made by 29 of the 30 factories covered by the first synthesis report in implementing the suggestions made by the Project for improving working conditions in each individual factory. The assessment of progress made is based on a follow-up visit undertaken by the monitors. One of the 30 factories covered by the first synthesis report has suspended operations. It was therefore impossible to undertake a follow-up visit and include relevant information on progress made by this factory in this report.

The First Synthesis Report (November 2001) identified the following key findings with regard to the 30 factories covered by the first, and the current third report, as follows:

- ◆ There is no evidence of child labour;
- ◆ There is no evidence of forced labour;
- ◆ There is no evidence of sexual harassment;
- ◆ Non-correct payment of wages occurs with some frequency;
- ◆ Over-time work is not undertaken voluntarily, or not always undertaken voluntarily, in a substantial number of factories;
- ◆ Over-time hours extend, either occasionally or frequently, beyond the legal limits in a substantial number of factories;
- ◆ Freedom of association, including anti-union discrimination, is a problem in some factories;
- ◆ Strikes are not organised in conformity with the legally required procedures.

While the current Third Report contains the details of the monitoring, the key findings following the undertaking of follow-up visits are the following:

- ◆ There is no evidence of child labour;
- ◆ There is no evidence of forced labour;
- ◆ There is no evidence of sexual harassment;
- ◆ There has been improvement in the correct payment of wages though this remains a problem in a number of factories;
- ◆ There has been improvement with regard to ensuring that overtime work is undertaken voluntarily though this remains a problem in a number of factories;
- ◆ There has been improvement in ensuring that overtime hours are within legal limits though this remains a problem in a number of factories;

- ◆ There has been improvement in ensuring freedom of association, including protection against anti-union discrimination, though this remains a problem in a small number of factories;
- ◆ Strikes are not organised in conformity with the legally required procedures.

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 report. It is believed that giving factories a grace period of three months before they are named is the best way to realise the objective of the project, i.e. improving working conditions.

The first report indicated that there was 1 factory, which did not cooperate with the Project. Following a change in management and assistance from GMAC, this factory now fully cooperates with the Project and information on this factory is included, in full, in this report.

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, i.e. 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 situations that took place in the period between the first factory visit and the follow-up visit. Also, where factories are listed by name this is done in alphabetical order.**

Factories covered by this report

1. Belgian Industries Cambodia Co., Ltd.
2. Bumin Cambodia Garment Co., Ltd.
3. City New Factory (Cambodia) Co., Ltd.
4. C-One Cambodia Garment Co., Ltd.
5. Cung Sing Garment FTY., Ltd.
6. Dajoo Cambodia Ltd.
7. Eternal Way (Cambodia) Ltd.

8. F.Y. Cambodia Fashions Ltd.
9. Gladpeer Garment Factory (Cambodia)
10. Goldtex (Cambodia) Manufacturing Co., Ltd.
11. Grace Sun Cambodia Garment Co., Ltd.
12. Hang Fung Shing Cambodia
13. Lucky Zone Apparel Co., Ltd.
14. Luen Thai Garment (Cambodia) Co., Ltd.
15. Oceanic (Cambodia) Garment Co., Ltd.
16. Phnom Penh Garment City Co., Ltd.
17. Phong Wan Enterprise Co., Ltd.
18. P.Y.L. Cambodia Co., Ltd.
19. Quality textile Co., Ltd.
20. S.H International Co., Ltd.
21. San Lei Fung Garment Fty., Ltd.
22. Shelby Cambodia Co., Ltd.
23. Thai Pore Garment Manufacturing Co., Ltd.
24. Top Clothes Co., Ltd.
25. Trinunggal Komara Garment
26. United Faith Garment Factory Co., Ltd.
27. USA Fully Field Garments Co., Ltd.
28. Willing Garments Knitting FTY Co., Ltd (NB. suspended operations)
29. Winner Garments Manufacturing Co., Ltd.
30. Yubin Service Co., Ltd.

2.1 Overview of implementation status by subject.

In the sections below information is provided with regard to progress recorded in implementing suggestions made by the Project to improve working conditions. Under each subject heading, suggestions are listed followed by an indication of their implementation status (implemented, in process, partly implemented, not implemented) per factory. Thus, the combined number of factory names listed under each of these categories is 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 suggestions that overlap. There are also a number of subject headings (for instance, child labour, forced labour and sexual harassment) where no suggestions were made for any of the factories following the first visit since they were found to be in compliance with the law. Under these subject headings, information is provided indicating whether or not there have been changes in factory situations.

2.1.1 Working conditions

2.1.1.1 Internal regulations

Suggestion:

Management should ensure the internal regulations are posted at an appropriate place in the workplace.

Implemented: Dajoo, Phnom Penh Garment, Phong Wan, United Faith, Yubin.

Not implemented: San Lei Fung.

Suggestion:

Management should ensure the internal regulations comply with the law.

Implemented: --

Not implemented: Lucky Zone.

Suggestion:

Management should develop internal regulations.

Implemented: --

Not implemented: Cung Sing.

2.1.1.2 Employment contract

Suggestion:

Management should ensure that workers understand the terms of their employment contract.

Implemented: Belgian, City New, Eternal, Gladpeer, Goldtex, Grace Sun, Hang Fung, S.H. International, Trinunggal, Oceanic, P.Y.L. Cambodia, USA Fully Field, Yubin.

Not implemented: C-One, Cung Sing, Dajoo, F.Y. Cambodia, Phnom Penh Garment, San Lei Fung, Shelby, United Faith.

Suggestion:

Management should ensure the amendment of clauses in the employment contract that do not comply with the law.

Implemented: Winner.

Partly implemented: Top Clothes (NB. In the report provided to the factory there were 3 separate suggestions).

Not implemented: City New, F.Y. Cambodia (NB. In the report provided to the factory there were 2 separate suggestions in this respect).

Suggestion:

Management should ensure that probation contracts do not exceed 3 months.

Implemented: Phong Wan.

Not implemented: Oceanic.

Suggestion:

Management should ensure that casual workers have the same obligations and enjoy the same rights as regular workers, especially with regard to wage payments.

Implemented: --

No more casual
workers recruited: Belgian, Lucky Zone, Winner.

Not implemented: Oceanic, P.Y.L. Cambodia.

Suggestion:

Management should ensure that casual workers are only recruited to a) perform a specific work that shall normally be completed within a short period of time and b) perform work temporarily, intermittently and seasonally.

Implemented: --

No more casual
workers recruited: Belgian, Lucky Zone, Winner.

Not implemented: Oceanic.

Suggestion:

Management should ensure no worker has to pay anyone a fee in order to get a job.

Implemented:

In process: Cung Sing, Lucky Zone.

No workers new
Workers recruited: Shelby.

Not implemented: Eternal, Oceanic.

2.1.1.3 Collective agreement/Dispute settlement agreement

Suggestion:

Management should ensure that dispute settlement agreements comply with the law.

Implemented: --

Not implemented: San Lei Fung.

2.1.1.4 Wages

Suggestion:

Management should ensure that the minimum wage notice is posted in the workplace.

Implemented: City New, Eternal Way, F.Y. Cambodia, Gladpeer, Luen Thai, P.Y.L. Cambodia, Quality Textile, Shelby, Tringgal, United Faith, Winner.

Not implemented: Dajoo, Hang Fung, Oceanic, Phong Wan, San Lei Fung, Top Clothes, USA Fully Field, Yubin.

Suggestion:

Management should ensure that workers understand their wage calculations.

Implemented: Eternal Way, Cung Sing, F.Y. Cambodia, P.Y.L. Cambodia, USA Fully Field, United Faith, Yubin, Winner.

In process: Grace Sun.

Not implemented: Quality Textile, San Lei Fung, Shelby, S.H. International.

Suggestion:

Management should ensure that wage calculations are correct and workers understand these calculations.

Implemented: Phnom Penh Garment.

Partly implemented: Bumin.

Not implemented: --

Suggestion:

Management should ensure that (casual) workers get the correct minimum wages, including bonuses.

Implemented: Yubin.

No more casual
workers recruited: Winner.

Not implemented: C-One, Cung Sing.

Suggestion:

Management should ensure that workers receive the correct overtime wages.

Implemented: Dajoo.

Not implemented: San Lei Fung.

Suggestion:

Management should ensure workers receive the correct nighttime wages.

Implemented: --

Not implemented: Lucky Zone.

Suggestion:

Management should ensure that casual and nighttime workers receive the correct wages.

Implemented: --

Partly implemented: Trinunggal.

Not implemented: --

Suggestion:

Management should ensure that workers receive the correct overtime and night time wages.

Implemented: --

Not implemented: Yubin.

Suggestion:

Management should ensure that the piece rate is set at such a level that permits a worker of average ability working normal hours to earn the minimum wage.

Implemented: --

Not implemented: City New, Eternal Way, Gladpeer, Phong Wan, San Lei Fung.

Suggestion:

Management should ensure that casual workers are paid the legally guaranteed minimum wage.

Implemented:

No more casual workers hired: Belgian, Lucky Zone.

Not implemented: Oceanic, P.Y.L. Cambodia.

Suggestion:

Management should ensure that all casual workers entitled to it are provided the attendance bonus, overtime payments and other benefits.

Implemented: USA Fully Field.

Not implemented: –

Suggestion:

Management should ensure that all workers entitled to it are provided the attendance bonus.

Implemented: Eternal Way, Trinunggal.

Not implemented: City New, Oceanic.

Suggestion:

Management should ensure that probationary workers are provided the attendance bonus. (NB. A request has been made to MOSALVY to clarify whether probationary workers are entitled to receive the attendance bonus.)

Implemented: --

Not Implemented: Quality Textile,

Suggestion:

Management should ensure that workers entitled to it are provided the attendance bonus, even when they refuse to work on a public holiday.

Implemented: Belgian.

Not implemented: --

Suggestion:

Management should ensure that wage deductions for unauthorised absence do not exceed basic daily wages.

Implemented: Oceanic, Trinunggal.

Not implemented: --

Suggestion:

Management should not impose fines/wage deductions to ensure labour discipline.

Implemented: Lucky Zone, Yubin.

Not implemented: --

Suggestion:

Management should not impose any fine or wage deduction for workers refusing to work overtime.

Implemented: City New.

Not implemented: --

Suggestion:

Management should ensure that workers understand their wage calculations and that overtime pay is in accordance with the law.

Implemented: Oceanic.

Not implemented: --

Suggestion:

Management should ensure that the value of the lunch provided corresponds to one hour of overtime wage. (NB. This refers to a situation where lunch is provided in return for an unpaid 9th working hour, not to the meal allowance to be paid for working overtime.)

Implemented: --

Not implemented: S.H. International.

2.1.1.5 Hours of work

Suggestion:

Management should ensure that normal working hours do not exceed 8 hours per day.

Implemented: F.Y. Cambodia, USA Fully Field.

Not Implemented: --

Suggestion:

Management should ensure that overtime is voluntary, exceptional and does not exceed 2 hours per day.

Implemented: Cung Sing.

Partly implemented: USA Fully Field, Yubin, Winner.

Not implemented: Bumin, C-One, Goldtex, Phong Wan, San Lei Fung (NB. Originally 2 separate suggestions), Top Clothes.

Suggestion:

Management should ensure that overtime work is exceptional and does not exceed 2 hours per day.

Implemented: --

No work: Hang Fung,

Not implemented: Lucky Zone, Luen Thai, S.H. International.

Suggestion:

Management should ensure that overtime work does not exceed 2 hours per day.

Implemented: Belgian, City New, F.Y. Cambodia, P.Y.L. Cambodia.

Not Implemented: Oceanic.

Suggestion:

Management should ensure that overtime work is voluntary and exceptional.

Implemented: --

Not implemented: City New, F.Y. Cambodia, Oceanic.

Suggestion:

Management should ensure that overtime work is voluntary and does not exceed 2 hours per day.

Implemented: Thai Pore.

Not implemented: --

Suggestion:

Management should ensure that overtime work is voluntary.

Implemented: --

Not implemented: Dajoo.

Suggestion:

Management should not subject workers to sanctions for refusing to work overtime.

Implemented: Winner.

Not implemented: --

Suggestion:

Management should obtain permission from MOSALVY to undertake overtime work.

Implemented: F.Y. Cambodia.

No work: Hang Fung.

Not implemented: Dajoo, Top Clothes.

Suggestion:

Management should ensure that working on weekly time-off and public holidays is voluntary and exceptional.

Implemented: --

No such work
undertaken: F.Y. Cambodia.

Not implemented: --

2.1.1.6 Leave

Suggestion:

Management should ensure that the list of national public holidays is posted in the factory.

Implemented: City New.

Not implemented: --

Suggestion:

Management should ensure that workers can avail themselves of their (annual) leave entitlements.

Implemented: City New, Dajoo, Grace Sun, Winner (NB. Only part of a suggestion made).

Not implemented: C-One.

Suggestion:

Management should secure the agreement of workers to convert annual leave into cash compensation.

Implemented: City New, Grace Sun, Lucky Zone, Phnom Penh Garment, Trinunggal, Winner (NB. Only part of a suggestion made).

Not implemented: --

Suggestion:

Management should ensure that workers can avail of their annual leave and that workers in service for 3 years receive one extra day of annual leave.

Implemented: --

Not implemented: F.Y. Cambodia.

Suggestion:

Management should ensure that sick leave is provided without any undue restrictions, including wage deductions.

Implemented: Phnom Penh Garment, United Faith, USA Fully Field, Winner (NB. Only part of a suggestion made).

Not Implemented: Belgian, City New, Dajoo, F.Y. Cambodia, Gladpeer, Hang Fung, P.Y.L. Cambodia, Quality Textile, San Lei Fung, S.H. International, Trinunggal, Yubin.

Suggestion:

Management should ensure that special leave is provided without any undue restrictions, including wage deductions.

Implemented:

Not implemented: Gladpeer, Phong Wan, San Lei Fung, Yubin.

Suggestion:

Management should ensure that workers can take special leave for all the reasons specified in the law.

Implemented: Goldtex.

Not implemented: --

Suggestion:

Management should ensure that special leave and sick leave is provided without any undue restrictions, including wage deductions.

Implemented: Oceanic.

Not Implemented: Cung Sing, Lucky Zone, Top Clothes, Winner (NB. Only part of a suggestion made).

Suggestion:

Management should ensure that casual workers are entitled to weekly time-off and public holidays.

Implemented: USA Fully Field.

Not implemented: San Lei Fung.

2.1.1.7 Maternity leave

Suggestion:

Management should ensure that 90 days maternity leave is provided, with half pay for workers who have worked one year.

Implemented: Shelby.

Partly implemented: Top Clothes.

Not implemented: Bumin, Dajoo, Cung Sing.

Suggestion:

Management should ensure that workers on maternity leave receive half their wages and that payments are made before or during the leave.

Implemented: --

Not implemented: City New.

Suggestion:

Management should ensure that workers are not subject to negative changes in their contract status when returning from maternity leave.

Implemented: --

Not implemented: Winner.

2.1.1.8 Breast-feeding

Suggestion:

Management should ensure that time-off for breast-feeding is provided/ workers are aware they have this right.

Implemented: Grace Sun, Trinunggal, United Faith, Winner.

In process: Eternal Way, Goldtex.

Not implemented: Belgian, Bumin, City New, C-One, Cung Sing, Dajoo, F.Y. Cambodia, Gladpeer, Hang Fung, Lucky Zone, Oceanic, Phnom Penh Garment, Phong Wan, P.Y.L. Cambodia, Quality textile, San Lei Fung, Shelby, S.H. International, Thai Pore, Top Clothes, USA Fully Field, Yubin.

2.1.1.9 Nursing room/day care centre

Suggestion:

Management should establish a nursing/room day care centre.

Implemented: Eternal Way, Trinunggal.

In process: City New, Luen Thai.

Not Implemented: Belgian, Bumin, C-One, Cung Sing, Dajoo, F.Y. Cambodia, Gladpeer, Goldtex, Grace Sun, Hang Fung, Lucky Zone, Oceanic, Phnom Penh Garment, Phong Wan, P.Y.L. Cambodia, Quality Textile, San Lei Fung, Shelby, S.H. International, Thai Pore, Top Clothes, United Faith, USA Fully Field, Yubin, Winner.

2.1.1.10 Sexual harassment

No indications were found in any of the 29 factories that sexual harassment occurred.

2.1.1.11 Indecent behaviour

Suggestion:

Management should treat workers with respect.

Implemented: Top Clothes, Yubin.

In process: Lucky Zone, Luen Thai.

Not implemented: Oceanic, Phong Wan.

2.1.1.12 Discrimination

No indications were found in any of the 29 factories that discrimination was practiced.

2.1.1.13 Forced Labour

No indications were found in any of the 29 factories that forced labour was practiced.

2.1.1.14 Child labour

No indications were found in any of the 29 factories that child labour was practiced.

2.1.2 Safety and health

2.1.2.1 General

2.1.2.1.1 Safety and health policy

Suggestion:

Management should develop an occupational safety and health policy.

Implemented: Trinunggal,

Not implemented: Belgian, City New, C-One, Cung Sing, Dajoo, Eternal Way, F.Y. Cambodia, Gladpeer, Goldtex, Grace Sun, Hang Fung, Lucky Zone, Phnom Penh Garment, Phong Wan, P.Y.L. Cambodia, Quality Textile, San Lei Fung, Shelby, S.H. International, Thai Pore, Top Clothes, United Faith, Yubin.

2.1.2.1.2 Work-related accidents

Suggestion:

Management should develop a system for recording work-related accidents/illnesses and notify the relevant authority of such accidents/illnesses.

Note: MOSALVY has clarified that a record must be kept but that it only needs to be notified regarding serious accidents.

Implemented: Oceanic.

Partly implemented: Dajoo, Goldtex, Phnom Penh Garment, P.Y.L. Cambodia, S.H. International.

Not implemented: Belgian, Cung Sing, Eternal Way, F.Y. Cambodia, Gladpeer, Grace Sun, Lucky Zone, Phong Wan, Shelby, Thai Pore, United Faith, Winner.

Suggestion:

Management should ensure that the relevant authorities are notified of work-related accidents/illnesses.

Note: MOSALVY has clarified that it only needs to be notified regarding serious accidents.

Implemented: Luen Thai, Trinunggal.

No serious accident occurred: City New, C-One, Hang Fung, Quality Textile, San Lei Fung, Top Clothes, USA Fully Field, Yubin.

Not implemented: --

2.1.2.1.3 Compensation for accidents/illnesses

Suggestion:

Management should ensure the provision to workers of compensation for any work-related accidents/illnesses.

Implemented: F.Y. Cambodia, Grace Sun, S.H. International, Top Clothes, Trinunggal, USA Fully Field.

Not Implemented: Belgian, C-One, Cung Sing, Gladpeer, Goldtex, San Lei Fung, Yubin, Winner.

2.1.2.1.4 Emergency arrangements

Suggestion:

Management should ensure that all emergency exit doors are open/unlocked during working hours.

Implemented: P.Y.L. Cambodia.

Not implemented: Belgian, Cung Sing, Oceanic, S.H. International.

Suggestion:

Management should add emergency exit doors on the first floor.

Implemented: --

Not implemented: San Lei Fung.

Suggestion:

Management should ensure that emergency exit doors are unlocked and properly marked.

Implemented: --

Not implemented: Phong Wan.

Suggestion:

Management should ensure that all emergency exit doors are properly marked.

Implemented: Lucky Zone, Trinunggal.

Not implemented: Dajoo (NB. Only part of a suggestion)

Suggestion:

Management should hold regular emergency drills.

Implemented: Belgian, F.Y. Cambodia, Grace Sun, Hang Fung, Winner.

Not implemented: C-One, Cung Sing, Dajoo (NB. Only part of a suggestion)
Oceanic, Top Clothes.

Suggestion:

Management should ensure that fire extinguishers are within easy reach.

Implemented: --

Not implemented: Shelby.

Suggestion:

Management should ensure fire extinguishers are regularly serviced.

Implemented: --

Not Implemented: Oceanic.

Management should hold regular emergency drills and ensure fire extinguishers are within easy reach.

Implemented: Phnom Penh Garment.

Not implemented: --

Management should hold regular emergency drills and ensure emergency exit doors are clearly marked.

Implemented: --

Not implemented: Shelby.

Suggestion:

Management should post safety signs in appropriate places.

Implemented: Trinunggal.

Not implemented: C-One.

2.1.2.1.5 First Aid

Suggestion:

Management should ensure that a sufficient number of properly stocked first aid boxes are available.

Implemented: Eternal Way, F.Y. Cambodia, Lucky Zone, Oceanic, Phnom Penh Garment, P.Y.L. Cambodia, Trinunggal, Winner.

Partly implemented: S.H International.

Not implemented: Bumin, C-One, Cung Sing, Dajoo, Goldtex, Grace Sun, Phong Wan, San Lei Fung, Top Clothes.

Suggestion:

Management should ensure that first aid kits are properly stocked.

Implemented: USA Fully Field.

Not implemented: Thai Pore, Yubin.

Suggestion:

Management should ensure that first aid boxes are easily accessible.

Implemented: Trinunggal.

Not implemented: --

2.1.2.1.6 Infirmary

Suggestion:

Management should set up an infirmary:

Implemented: S.H. International.

Partly implemented: C-One, Top Clothes.

Not implemented: Bumin, Cung Sing.

Suggestion:

Management should recruit a doctor.

Implemented: --

Not implemented: Goldtex, San Lei Fung, USA Fully Field, Winner.

Suggestion:

Management should recruit one (more) nurse.

Implemented: --

Not implemented: Phong Wan, Quality Textile, Yubin.

Suggestion:

Management should ensure that a nurse/doctor is on duty during the required hours, including overtime.

Implemented: --

Not implemented: Dajoo (NB. Only part of a suggestion), Oceanic, Shelby, Yubin.

Suggestion:

Management should ensure that a nurse/doctor is on duty during overtime.

Implemented: --

Not implemented: Thai Pore.

Suggestion:

Management should ensure that a nurse is on duty during working hours, including overtime, and that the infirmary is properly stocked with medical supplies.

Implemented: --

Partly implemented: F.Y. Cambodia.

Not Implemented: --

Suggestion:

Management should expand the hospitalisation capacity of the infirmary.

Implemented: --

Partly implemented: Eternal Way, Trinunggal.

In process: Luen Thai, P.Y.L. Cambodia.

Not Implemented: City New, Dajoo (NB. Only part of a suggestion), Gladpeer, Goldtex, Lucky Zone, Phong Wan, Quality Textile, San Lei Fung, Thai Pore, United Faith, USA Fully Field, Yubin, Winner.

Suggestion:

Management should expand the hospitalisation capacity of the infirmary and recruit a doctor and/or nurse.

Implemented: --

Partly implemented: Belgian, Oceanic.

Not implemented: Grace Sun, Hang Fung.

Suggestion:

Management should expand the hospitalisation capacity of the infirmary and ensure an appropriate supply of medical equipment is available.

Implemented: --

Partly implemented: Phnom Penh Garment

Not implemented: --

Suggestion:

Management should ensure that an adequate supply of medication and medical equipment is available.

Implemented: Oceanic.

Not implemented: Phong Wan, P.Y.L. Cambodia, Trinunggal, Yubin.

2.1.2.2 Hazardous substances

2.1.2.2.1 Storage:

Suggestion:

Management should set up a separate storage room for chemical substances.

Implemented: Eternal Way.

Not implemented: San Lei Fung.

Suggestion:

Management should ensure that chemical containers are labelled in Khmer and that workers are aware of the possible health effects of these chemicals.

Implemented: Eternal Way, United Faith.

Not implemented: San Lei Fung, Thai Pore.

Suggestion:

Management should provide gloves to workers who work with chemical substances.

Implemented: --

Not implemented: United Faith.

Suggestion:

Management should take measures to encourage workers to use/wear protective equipment when working with chemical substances.

Implemented: Eternal Way (NB. Only part of a suggestion).

Not implemented: Thai Pore.

Suggestion:

Management should ensure that safety data sheets/labels for hazardous substances are written in Khmer and communicated to workers.

Implemented: Eternal Way (NB. Only part of a suggestion).

Not implemented: Top Clothes.

Suggestion:

Management should provide training to workers handling chemical substances.

Implemented: --

Not implemented: Eternal Way.

2.1.2.2.2. Protective measures

Suggestion:

Management should provide protective equipment, such as masks and gloves, to workers who need it.

Implemented: Belgian, City New, Dajoo, F.Y. Cambodia, Lucky Zone, Goldtex, P.Y.L. Cambodia, Trinunggal, Winner.

Partly implemented: Cung Sing, Grace Sun, Phnom Penh Garment.

Not implemented: Bumin, C-One, Hang Fung, San Lei Fung, S.H. International, Top Clothes.

Suggestion:

Management should provide masks to workers who need them.

Implemented: Luen Thai, Oceanic, Shelby.

Not implemented: USA Fully Field.

Suggestion:

Management should provide metal gloves to workers who need them.

Implemented: --

Not implemented: Oceanic.

Suggestion:

Management should provide suitable foot wear to workers.

Implemented: Lucky Zone*, Trinunggal*.

Not implemented: Belgian*, City New*, C-One, Cung Sing, Dajoo, Grace Sun, Hang Fung*, Quality Textile, S.H. International, Winner*.

NB. For factories with an asterisk, the suggestion made was part of a more comprehensive suggestion on the provision of protective equipment while for those without an asterisk it was a stand-alone suggestion.

Suggestion:

Management should provide earplugs to workers who need them.

Implemented: Luen Thai.

Not implemented: --

Suggestion:

Management should take measures to encourage workers to wear the protective equipment provided to them.

Implemented: --

Not implemented: Gladpeer, Yubin.

2.1.2.3 Lighting

Suggestion:

Management should ensure windows are clean.

Implemented: Luen Thai, USA Fully Field.

Not implemented: --

Suggestion:

Management should consider adjusting the height of the lighting network.

Implemented: United Faith.

Not implemented: C-One.

2.1.2.4 Noise

Suggestion:

Management should ensure that noise levels are reduced.

Implemented: Eternal Way.

In process: Phnom Penh Garment, United Faith.

Not implemented: Bumin, Luen Thai, P.Y.L. Cambodia.

2.1.2.5 Machine safety

Suggestion:

Management should ensure that machines are properly and regularly maintained.

Implemented: Phnom Penh Garment, Top Clothes.

Partly implemented: C-One.

Not implemented: Cung Sing, Oceanic, Phong Wan, S.H. International.

Suggestion:

Management should ensure that the electrical wiring system is properly maintained.

Implemented: Shelby.

Not implemented: Bumin, C-One, Cung Sing, Phong Wan.

Suggestion:

Management should ensure all machines are equipped with a guard.

Implemented: --

Not implemented: Gladpeer.

2.1.2.6 Ventilation and heat

Suggestion:

Management should ensure that air circulation and ventilation is improved and the temperature level is reduced.

Implemented: Oceanic, Shelby, Trinunggal, Winner.

Partly implemented: Belgian, Eternal Way, Luen Thai, USA Fully Field.

In process: United Faith.

Not implemented: C-One, Dajoo, Grace Sun, Lucky Zone, Phong Wan, Yubin.

Suggestion:

Management should introduce dust reduction measures.

Implemented: F.Y. Cambodia.

Not implemented: Hang Fung, Top Clothes, Winner.

2.1.2.7 House keeping

Suggestion:

Management should ensure that the workplace is properly cleaned.

Implemented: Lucky Zone, Phnom Penh Garment, P.Y.L. Cambodia.

Partly implemented: Phong Wan, Trinunggal.

Not implemented: Belgian, Bumin, C-One, Cung Sing, Hang Fung, Shelby, S.H. International.

Suggestion:

Management should ensure that access paths allow for two-way traffic.

Implemented: F.Y. Cambodia, Phnom Penh Garment, Yubin.

Partly implemented: Luen Thai.

Not implemented: Oceanic, Phong Wan, Quality Textile, San Lei Fung, Winner.

Suggestion:

Management should ensure that raw materials/unfinished products are organised in such a manner so as not to obstruct the free flow of people and materials.

Implemented: Belgian, F.Y. Cambodia, Gladpeer, Goldtex, USA Fully Field, Yubin, Winner.

Not implemented: Cung Sing, Luen Thai, Oceanic, Phong Wan, San Lei Fung.

Suggestion:

Management should ensure that the workplace is clean and that access paths are free of obstruction and allow for two-way traffic.

Implemented: City New, Eternal Way.

Partly implemented: Top Clothes.

Not implemented: --

Suggestion:

Management should set up a separate storage area for raw materials/finished products away from the workplace.

Implemented: --

Not implemented: Goldtex.

Suggestion:

Managements should ensure that equipment for the transportation of heavy/bulky materials is available:

Implemented: Lucky Zone, Yubin, Winner.

Not implemented: --

Suggestion:

Management should ensure that equipment for the transportation of heavy/bulky materials between floors is available.

Implemented: --

Not implemented: Lucky Zone.

2.1.2.8 Welfare

2.1.2.8.1 Drinking water

Suggestion:

Management should ensure that enough drinking water is available.

Implemented: Yubin.

Not implemented: --

Suggestion:

Management should ensure that a sufficient number of glasses or other sanitary means for drinking water are available.

Implemented: Oceanic, Trinunggal.

Not Implemented: Phong Wan, San Lei Fung.

Suggestion:

Management should ensure that drinking glasses are clean.

Implemented: USA Fully Field.

Not Implemented: --

Suggestion:

Management should provide a sufficient amount of drinking water as well as drinking glasses or other means.

Implemented: Lucky Zone, Phnom Penh Garment.

Partly implemented: Top Clothes.

In process: Grace Sun.

Not implemented: Cung Sing, P.Y.L. Cambodia.

Suggestion:

Management should ensure that the drinking station is moved away from the toilet area and that sufficient cups are available.

Implemented: --

Partly implemented: C-One.

Not implemented: --

Suggestion:

Management should ensure that the drinking area is clean, and that enough water and glasses are available.

Implemented: Winner.

Not implemented: --

2.1.2.8.2 Sanitation facilities

Suggestion:

Management should build additional toilets.

Implemented: Oceanic, Phnom Penh Garment.

Not implemented: Belgian, Cung Sing, Dajoo, Lucky Zone, Yubin.

Suggestion:

Management should build additional toilets and repair those that are broken.

Implemented: --

Not implemented: C-One, San Lei Fung.

Suggestion:

Management should ensure that the number of toilets is sufficient in proportion to the number of female and male workers.

Implemented: --

Not implemented: Top Clothes.

Suggestion:

Management should consider setting up toilet facilities separately from the adjacent factory.

Implemented: --

Not implemented: Lucky Zone.

Suggestion:

Management should ensure that broken toilets are repaired.

Implemented: Luen Thai.

Not implemented: --

Suggestion:

Management should ensure that all toilets are functioning properly and are regularly cleaned.

Implemented: United Faith

Not implemented: Belgian

Suggestion:

Management should improve lighting in the toilets.

Implemented: --

Not implemented: Belgian.

Suggestion:

Management should ensure that toilets are clean and soap and tissues is available.

Implemented: Luen Thai, Phnom Penh Garment, P.Y.L. Cambodia, Quality Textile.

Partly implemented: Hang Fung, Trinunggal.

Not implemented: Bumin, City New, C-One, Cung Sing, Grace Sun, Lucky Zone, Oceanic, S.H. International, Top Clothes, USA Fully Field.

Suggestion:

Management should ensure that soap/towels are available.

Implemented: F.Y. Cambodia, Goldtex.

Not implemented: Phong Wan, Yubin.

Suggestion:

Management should ensure there are no undue restrictions on toilet use.

Implemented: --

Not implemented: Oceanic, USA Fully Field.

Suggestion:

Management should clearly mark which toilet facilities are for use by men and which for use by women.

Implemented: –

Not implemented: Yubin.

2.1.2.9 Seating

Suggestion:

Management should improve seating arrangements for workers who work sitting down.

Implemented: Quality Textile.

In process: Luen Thai.

Not implemented: Belgian, Dajoo, Eternal Way, Gladpeer, Grace Sun, Oceanic, Phong Wan, P.Y.L. Cambodia, San Lei Fung, Thai Pore, Trinunggal, USA Fully Field, Yubin.

Suggestion:

Management should ensure that workers who do their work standing are provided with chairs so as to be able to sit occasionally.

Implemented: Hang Fung, Oceanic.

Partly implemented: Yubin.

Not implemented: Belgian, Bumin, City New, C-One, F.Y. Cambodia, Gladpeer, Grace Sun, Lucky Zone, Luen Thai, Phnom Penh Garment, Phong Wan, P.Y.L. Cambodia, Quality Textile, San Lei Fung, S.H. International, Top Clothes, Trinunggal, USA Fully Field, Winner.

2.1.3 Labour relations

2.1.3.1 Workers' freedom to organise

Suggestion:

Management should ensure that workers have the right to freely form and join trade unions and freely participate in union activities.

Implemented: Phnom Penh Garment, Top Clothes, Winner.

Not implemented: --

Suggestion:

Management should refrain from taking measures that may prevent workers from freely forming or joining unions and engaging in union activities.

Implemented: C-One.

Not implemented: Bumin, Cung Sing, P.Y.L. Cambodia.

2.1.3.2 Anti-union discrimination

Suggestion:

Management should ensure that union leaders are dismissed only in accordance with the requirements of the law.

Implemented: --

No union leader
fired: Lucky Zone.

Not implemented: --

Suggestion:

Management should ensure that no worker suffers disadvantages because of union membership or participation in union activities.

Implemented: --

Not implemented: Phnom Penh Garment, P.Y.L. Cambodia.

2.1.3.3 Shop stewards

Suggestion:

Management should hold new shop steward elections;

Implemented: Bumin, Cung Sing, Lucky Zone, P.Y.L. Cambodia, Yubin.

Not implemented: Phong Wan, Top Clothes.

Suggestion:

Management should ensure that a copy of the result of shop steward elections is posted in the workplace.

Implemented: Dajoo, Luen Thai, Quality Textile.

Not implemented: --

Suggestion:

Management should ensure that the next shop steward elections are held in accordance with the relevant rules and procedures.

Implemented: Oceanic, Trinunggal, Winner.

Partly implemented: F.Y. Cambodia.

New elections
not due yet: Belgian, Phnom Penh Garment.

Suggestion:

Management should ensure that two electoral bodies are provided for when next elections are held.

Implemented: --

New elections
not due yet: Quality Textile.

Suggestion:

Management should ensure that at the next shop steward elections workers have a two-hour break before voting.

Implemented: --

New elections
not due yet: Quality Textile

Suggestion:

Management should ensure that workers/unions could freely nominate themselves/candidates for shop steward elections when next elections are held.

Implemented: --

New elections not due yet: Gladpeer, Quality Textile, Thai Pore, United Faith.

New elections not held yet: City New.

Suggestion:

Management should ensure that the correct number of shop stewards is elected when next elections are held.

Implemented: F.Y. Cambodia.

Not implemented: --

Suggestion:

Management should ensure that the number of shop stewards meets the legal requirements.

Implemented: Hang Fung.

No implemented: --

Suggestion:

Management should ensure that shop stewards are dismissed only in accordance with the applicable rules and procedures.

Implemented: –

No shop steward dismissed: Oceanic.

Suggestion:

Management should ensure that shop stewards are provided 2 hours per week, an office and working materials to undertake their duties.

Implemented: Eternal Way, Trinunggal.

Partly implemented: Lucky Zone.

In process: Grace Sun.

Not implemented: Belgian, C-One, Dajoo, F.Y. Cambodia, Gladpeer, Goldtex, Hang Fung, Luen Thai, Oceanic, Phnom Penh Garment, Phong Wan, P.Y.L. Cambodia, Quality textile, San Lei Fung, Shelby, S.H. International, Thai Pore, Top Clothes, USA Fully Field.

2.1.3.4 Liaison officer

Suggestion:

Management should recruit an independent liaison officer.

Implemented: Eternal Way, Lucky Zone, Quality Textile, Winner.

In process: City New, Grace Sun, P.Y.L. Cambodia, United Faith.

Not implemented: Belgian, C-One, Cung Sing, Dajoo, F.Y. Cambodia, Gladpeer, Goldtex, Hang Fung, Oceanic, Phnom Penh Garment, Phong Wan, San Lei Fung, Shelby, S.H. International, Thai Pore, Top Clothes, Trinunggal, USA Fully Field, Yubin.

2.1.3.5 Collective disputes

Suggestion:

Management should fully implement conciliation agreements.

Implemented: --

Partly implemented: Lucky Zone.

Not implemented: City New.

Suggestion:

Management should ensure that conciliation agreements are posted in the workplace.

Implemented: Gladpeer.

Not implemented: --

2.1.3.6 Strike/lock out

There were no strikes in 25 factories (Belgian, City New, C-One, Cung Sing, Dajoo, Eternal Way, F.Y., Gladpeer, Goldtex, Lucky Zone, Luen Thai, Oceanic, Phnom Penh Garment, Phong Wan, PYL, Quality, San Lei Fung, S.H. International, Shelby, Thai Pore, Trinunggal, United Faith, USA Fully Field, Winner, Yubin)

There was 1 strike in 4 factories (Bumin, Grace Sun, Hang Fung, Top Clothes). The reason for strikes held, were the non-compliance with several provisions of the law (Bumin, Grace Sun), the one-time late payment of wages (Hang Fung), and redundancy (Top Clothes).

In 3 factories, an agreement was reached/solution found with the assistance of MOSALVY (Bumin, Grace Sun, Top Clothes), and in 1 factory without MOSALVY assistance (Hang Fung).

In 2 instances agreements reached were implemented (Grace Sun, Hang Fung). In 1 instance agreements reached had been partly implemented and it was agreed upon that remaining issues would be implemented as of June (Bumin). In 1 instance it was not possible to ascertain whether an agreement was implemented since no documents were available (Top Clothes).

None of the strikes were organised in accordance with the applicable rules and procedures. All strikes were peaceful.

There were no lockouts.

Suggestion:

Management should refrain from imposing sanctions on workers for having participated in a strike.

Implemented: --

No strike held: Oceanic.

2.1.3.7 Individual disputes

Suggestion:

Management should ensure workers are only dismissed for reasons allowed under law and in accordance with the relevant rules and procedures.

Implemented: P.Y.L. Cambodia.

Not implemented: Lucky Zone.

2.2. Summary of implementation status by factory.

This section provides an overview of progress made by each factory in implementing the suggestions. Indications made with regard to new suggestions either reflect changes in situations where previously no suggestions for improvement were made or a situation where refinements in the interpretation of the checklist used warranted new suggestions being made.

Belgian: Of the 31 suggestions made, 8 had been implemented, 1 has been dropped because of duplication, 1 has been dropped since it was addressed to shop stewards, and 21 suggestions had not been implemented. Five new suggestions were made.

Bumin: Of the 15 suggestions made, 1 had been partly implemented and 14 suggestions had not been implemented. Thirty-three new suggestions were made. (NB. A full first visit could not be taken undertaken due to lack of cooperation from the factory preventing monitors from gathering all information required. Following a change in management, full access was granted and a full follow-up visit was undertaken. Hence, the number of new suggestions made.)

City New: Of the 30 suggestions made, 12 had been implemented, 2 were in the process of being implemented, 3 were dropped because they were addressed to shop stewards or no longer relevant, and 13 had not been implemented. Six new suggestions were made.

C-One: Of the 28 suggestions made, 4 had been implemented, 1 was in the process of being implemented, 1 had been dropped because of duplication, and 22 had not been implemented. Nine new suggestions were made.

Cung Sing: Of the 29 suggestions made, 3 had been implemented, 1 had been partly implemented, 1 was in the process of being implemented, and 24 had not been implemented. Twelve new suggestions were made.

Dajoo: Of the 26 suggestions made, 7 had been implemented, 1 had been partly implemented, 1 was dropped since it was no longer relevant, and 17 had not been implemented. Eighteen new suggestions were made.

Eternal Way: Of the 23 suggestions made, 15 had been implemented, 2 suggestions had been partly implemented, 1 suggestion was in the process of being implemented, 1 suggestion was dropped following the provision of additional information, and 4 suggestions had not been implemented. Nine new suggestions were made.

F.Y Cambodia: Of the 31 suggestions made, 15 had been implemented while 16 had not been implemented. Eight new suggestions were made.

Gladpeer: Of the 21 suggestions made, 4 had been implemented, 1 was dropped since it was addressed to shop stewards and unions and 16 suggestions had not been implemented. Five new suggestions were made.

Goldtex: Of the 19 suggestions made, 5 had been implemented, 1 had been partly implemented, 1 was in the process of being implemented, 2 were dropped since they were addressed to shop stewards and 10 had not been implemented. Nine new suggestions were made.

Grace Sun: Of the 22 suggestions made, 3 had been implemented, 1 had been partly implemented, 4 were in the process of being implemented and 14 had not been implemented. Seven new suggestions were made.

Hang Fung: Of the 22 suggestions made, 9 had been implemented, 1 had been partly implemented, 1 was dropped since it was addressed to shop stewards and 11 had not been implemented. Five new suggestions were made.

Lucky Zone: Of the 35 suggestions made, 14 had been implemented, 1 had been partly implemented, 2 were in the process of being implemented, 1 was dropped because of duplication and 17 had not been implemented. Twelve new suggestions were made.

Luen Thai: Of the 19 suggestions made, 8 had been implemented, 3 were in the process of being implemented and 8 had not been implemented. Six new suggestions were made.

Oceanic: Of the 42 suggestions made, 14 had been implemented, 3 were in the process of being implemented and 25 had not been implemented. Six new suggestions were made.

Phnom Penh Garment: Of the 27 suggestions made, 14 had been implemented, 2 had been partly implemented, 1 was in the process of being implemented, 1 was dropped because it was no longer relevant, and 9 suggestions had not been implemented. Nine new suggestions were made.

Phong Wan: Of the 34 suggestions made, 2 had been implemented, 3 were dropped because they were addressed to shop stewards or no longer relevant, and 29 suggestions had not been implemented. Twelve new suggestions were made.

P.Y.L. Cambodia: Of the 29 suggestions made, 12 had been implemented, 1 had been partly implemented, 2 were in the process of being implemented and 14 had not been implemented. Six new suggestions were made.

Quality Textile: Of the 21 suggestions made, 5 had been implemented and 16 had not been implemented. Three new suggestions were made.

San Lei Fung: Of the 35 suggestions made, 3 had been implemented, 1 was dropped because of duplication, and 31, of which 2 have been merged into 1, had not been implemented. Two new suggestions were made.

Shelby: Of the 19 suggestions made, 7 had been implemented and 12 had not been implemented. Seven new suggestions were made.

S.H. International: Of the 23 suggestions made, 6 had been implemented, 2 were in the process of being implemented, and 15 had not been implemented. Eleven new suggestions were made.

Thai Pore: Of the 20 suggestions made, 1 had been implemented, 4 had been dropped since 3 of these were addressed to shop stewards and 1 of these duplicated another suggestion made, and 15 suggestions had not been implemented. Six new suggestions were made.

Top Clothes: Of the 32 suggestions made, 6 had been implemented, 1 was in the process of being implemented, and 25 had not been implemented. Four new suggestions were made.

Trinunggal: Of the 29 suggestions made, 18 had been implemented, 4 had been partly implemented, 1 was dropped because of duplication and 6 had not been implemented. Two new suggestions were made.

United Faith: Of the 18 suggestions made, 9 had been implemented, 8 were in the process of being implemented and 1 had not been implemented. Three new suggestions were made.

USA Fully Field: Of the 27 suggestion made, 10 had been implemented and 17 had not been implemented. Four new suggestions were made.

Yubin: Of the 35 suggestions made, 12 had been implemented, 2 had been partly implemented and 21 had not been implemented. Two new suggestions were made.

Willing: Factory has suspended operations. No opportunity to verify in how far suggestions made had been implemented.

Winner: Of the 33 suggestions made, 18 suggestions had been implemented, 1 was dropped because of duplication, 2 had been partly implemented, and 12 had not been implemented. Three new suggestions were made.

3. STEPS UNDERTAKEN BY THE TRIPARTITE PARTNERS

In the following section, information is provided on efforts undertaken by the Government, GMAC and the trade union movement in improving working conditions in the garment sector. The information is provided directly by the different parties and not verified by the Project for accuracy.

3.1 Government

No information received.

3.2 GMAC

GMAC developed an information notice concerning the basic rights and obligations of workers and distributed this to all its members with the advice to

place it on the notice board. It also provided all its members with a copy of a publication entitled “Consulting on Labour Law” containing all the basic labour laws and regulations that factories have to comply with. It dispatches, on an on-going basis, new labour regulations to its members with an explanation to facilitate their implementation. Also on an on-going basis, it assists its members in the resolution of strikes. It has provided 2 additional staff with Chinese language training so as to be better able to assist members that only speak Chinese.

GMAC conducts regular seminars on labour laws and regulations. The first two one-day seminars were held on 14-15 July 2001 with the assistance of the ILO Bangkok Office. Other such seminars were conducted on 27 April and 18 May 2002. It intends to conduct such seminars every two months. It also conducted a half-day seminar on 17 May 2002 where it had invited the CTA of the Project to explain to its members how the Project functions and operates.

3.3 Individual factories

Since 1998, Care International has been implementing its Factory Programme. The Programme seeks to promote reproductive health and HIV/AIDS awareness and improved access to clinical services in 3 factory zones in Phnom Penh.² Currently, 15 factories participate in the programme. Of the 30 factories covered by this report, Luen Thai Garment and Thai Pore Garment Manufacturing participate in this programme.

3.4 Trade unions

The Free Trade Union of Workers of the Kingdom of Cambodia indicated that it was working towards ensuring that strikes were undertaken within the framework of the law. They said, however, that prevailing labour relations in Cambodia left it with little choice but to engage in strikes that were not organised in conformity with the relevant rules and procedures since they constitute the only possibility to defend and further the interests of workers. No information was received from other unions.

² For more information on the Care Factory Program, you can send an e-mail to YRHCARE@bigpond.com.kh

4. AGREEMENT OF FACTORIES WITH FINDINGS

Of the 29 factories to which a final follow-up report was sent, 6 factories had returned the report as of 20 June 2002. Of these, 4 factories agreed with all the suggestions for improvement in the report while 2 factories indicated they did not accept some of the suggestions in the report. Additional information provided by factories will be discussed during the next follow-up visit to the relevant factory.

CONCLUDING REMARKS

It is encouraging to note that in all the factories, at least some progress in improving working conditions has been recorded in a relatively short time. Consistent with the first report, no evidence of child labour, forced labour or sexual harassment was found. While problems still remain, there has been improvement in ensuring freedom of association, the correct payment of wages, and ensuring overtime is voluntary and within legal limits. It is evident that a substantial number of factories have made serious efforts to implement suggestions made by the Project; should these efforts continue, there is room for optimism that the working conditions in those factories will further improve. However, though the will to improve working conditions and the implementation of some important improvements was evident in the majority of factories, there remain a number of factories where little effort was made. It seems that the absence of progress in implementing the suggestions can to some extent be contributed to a lack of knowledge or tools; however, the critical factor where substantial changes were undertaken, was an evident will and commitment on the part of management of the factory to improve working conditions. This report, while drawing attention to the shortcomings in the application of the law, also illustrates that it is feasible to make improvements, and that the process needs to be an on-going one. As a result, it is hoped that all parties that have a role to play will be encouraged to make positive changes and to intensify their efforts.

For its part, the ILO will continue working with all parties involved to bring about this change by assisting factories which make specific requests for improving working conditions, by training Government officials, employers and trade unions on the content of the law and on the role they can play in implementing it, and by developing tools that factories can use to make changes. For example, the Project will shortly publish a basic safety and health policy in English, Khmer and Chinese, which will be distributed to all registered factories.

* *

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

On 24 June 2002, the Project Advisory Committee (PAC) of the ILO Garment Sector Working Conditions Improvement Project, which comprises three representatives each from the Government of Cambodia, the Garment Manufacturers Association in Cambodia and the Cambodian trade union movement, met in Phnom Penh to review and endorse the Third ILO Synthesis Report on the working conditions situation in Cambodia's textile and apparel sector as follows:

The members of the PAC welcome the release of the Third Report on the ILO labour conditions monitoring programme and wish to express its appreciation to the ILO project team, which has proven to be balanced in making its assessments, for its continued efforts.

We believe that the Third Report shows that the joint decision of the PAC to support the ILO programme has brought positive benefits to all of the parties in Cambodia and has led to improved working conditions and greater respect for the rights of workers.

We are pleased that with regard to the fundamental labour standards of the ILO, the third Report confirms that there is no evidence of child labour, forced labour and discrimination, including sexual harassment, in the 30 factories covered by the report. We note that some progress has been made in guaranteeing worker's freedom to organise and express the hope that the efforts undertaken by the parties involved will be a sustained one. The PAC considers the full guarantee of the right to organise, as well as the responsible exercise of this right, to be the cornerstone for improving labour relations in Cambodia. As representatives of the Government, employers and workers, all PAC Members realise they have a particular responsibility in this respect.

We are also pleased to note that the Third Report shows that improvements have been made with regard to the payment of wages but note that problems continue to exist in a number of factories. We also note with satisfaction that some progress has been made to ensure that overtime work is undertaken voluntarily and does not exceed legal time limits, while recognising that problems continue to exist in a number of factories. While fully realising that the nature of the garment sector is such that production varies according to seasonal demands, the PAC underlines that it believes measures can be taken to minimise the effects of these seasonal demands on the frequency and voluntary nature of overtime work.

All members of the PAC restate their full commitment to the continuation of the ILO monitoring project, and again pledge their full cooperation to the ILO in this regard. While realising that it remains to be demonstrated that progress made so far will be sustained and is sector-wide, we express the hope that the unprecedented effort towards improving working conditions undertaken in Cambodia will receive the level of support from the U.S. Government, we believe, it deserves. The PAC also calls upon buyers to demonstrate their support for the efforts underway in Cambodia through expanded and long-term commitments to sourcing from our Garment industry, and by considering how they can further contribute to improved Working conditions in Cambodia's garment sector.

Phnom Penh, 24 June 2002