

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

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

June 2003

# **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 Government. 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. In November 2002 an additional US\$ 675,000 was received from the USA to strengthen and intensify Project activities.

## **1.2 Project objectives**

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

- ◆ Establishing 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 10 June 2003, 198 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 enterprises. 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 them. 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 review<sup>1</sup>. The synthesis report is presented to the Project Advisory Committee. The Project Advisory Committee discusses each synthesis report and its comments are recorded and attached to the ILO report. The ILO report and the comments of the Project Advisory Committee are made available in both English and Khmer and distributed to implementing and cooperating agencies under the project, and to the parties to the US-Cambodia Textile and Trade Agreement. The report is also posted on the ILO website. The first report was published in November 2001, the second in April 2002, the third in June 2002 and the fourth in September 2002. The current fifth report is published together with the sixth report for reasons explained in the latter.

## **1.4 This synthesis report**

This fifth synthesis report contains an overview of progress made by 30 of the 34 factories covered by the second 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. Of the 34 factories covered by the second report, 1 had closed down, 1 had merged with another factory covered in this report and 2 had suspended operations. It was therefore impossible to undertake a follow-up visit and include relevant information on progress made by these factories in this report.

The Second Synthesis Report (April 2002) identified the following key findings with regard to the 34 factories covered by the second, and the current fifth report, as follows:

- ◆ There is no evidence of forced labour;
- ◆ There is no evidence of discrimination, although 3 incidents of sexual harassment occurred;
- ◆ There is no evidence of child labour with the exception of one minor incident;
- ◆ Non-correct payment of wages occurs frequently;
- ◆ Over-time work is not, or not always, undertaken voluntarily in a substantial number of factories;

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<sup>1</sup> 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.

- ◆ 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 Fifth 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 forced labour;
- ◆ There is no evidence of discrimination, although 2 new incidents of sexual harassment occurred;
- ◆ There were two minor incidents and one more serious incident of child labour;
- ◆ There has been improvement in the correct payment of wages though this remains a problem in a number of factories;
- ◆ There has been some improvement with regard to ensuring that overtime work is undertaken voluntarily though this remains a problem in a number of factories;
- ◆ There has been some improvement in ensuring that overtime hours are within legal limits though this remains a problem in a number of factories;
- ◆ There has been some improvement in ensuring freedom of association, including protection against anti-union discrimination, though this remains a problem in some factories;
- ◆ There has been some improvement in ensuring that strikes are 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 before they are named is the best way to realise the objective of the project, i.e. improving working conditions.

The second 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. Archid Garment Factory, Ltd.,
2. Broadland Cambodia Garment, 1<sup>st</sup> branch,
3. Broadland Cambodia Garment, 2<sup>nd</sup> branch (NB. Permanently closed)
4. Cambodia HK Ltd., 1<sup>st</sup> branch,
5. Cambodia HK Ltd., 2<sup>nd</sup> branch (NB. Suspended operations),
6. Cambodia Sportswear Mfg., Ltd.,
7. Cambodian Hoi Fu Garments and Knitting Factory Co., Ltd.,
8. Cambotex (NB. Suspended operations)
9. Chung Fai Knitwear and Dyeing,
10. Duson Cambodia Co., Ltd.,
11. Ecent Cambodia Knitting Co., Ltd.,
12. Evergreen Garment Co., Ltd.,
13. Franco Knitting Garment Factory,
14. Grandtex International Co., Ltd.,
15. Ho Hing Garment Co., Ltd.,
16. Honey Wear Garment Co., Ltd.,
17. Khmer International Garment, Ltd.,
18. Kin Tai Garment Co., Ltd.,
19. Kun Mao Hsing., Ltd.,
20. Mighti Spectra Knitting Factory Co., Ltd.,
21. Ocean Garment Co., Ltd.,
22. Olympic Garment (NB. Permanently closed)
23. Ospinter Garment Mfg. (Cambodia),
24. Pak Shun Knitting Factory, Ltd.,
25. Rao Yuan Garment, Ltd.,
26. San San Garment Cambodia Co., Ltd.,

27. Sportex Industry, Ltd.,
28. Suntex Pte., Ltd.,
29. Tai Yang Enterprise co., Ltd.,
30. Tommy Textiles Manufacturing Co., Ltd.,
31. Trico (Cambodia) Textile Co., Ltd.,
32. United Knitting Mfg.,
33. Vivatino Design (Cambodia) PTE., Ltd.,
34. Yung Wah Industrial (Cambodia) 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: Cambodia Sportswear, Grandtex, Ho Hing, Mighti Spectra, Ocean, Ospinter.

Not implemented: Cambodian Hoi Fu, Chung Fai, Duson, Ecent, Khmer, Rao Yuan.

Suggestion:

Management should ensure the internal regulations comply with the law.

Implemented: Suntex, Tai Yang.

Not implemented: Chung Fai, Duson, Ecent, Honey Wear, Kun Mao, Rao Yuan, Trico, United Knitting, Yung Wah.

Suggestion:

Management should develop internal regulations (for apprentices).

Implemented: Cambodia Sportswear, Tai Yang.

Not implemented: Rao Yuan.

### **2.1.1.2 Employment contract**

Suggestion:

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

Implemented: Cambodia Sportswear, Kun Mao, Mighti Spectra, Yung Wah.

Partly implemented: Evergreen, Tommy.

Not implemented: Cambodia HK1, Chung Fai, Duson, Ecent, Grandtex, Honey Wear, Khmer, Kin Tai, Ocean, Ospinter, Pak Shun, Rao Yuan, Sportex, San San.

Suggestion:

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

Implemented: Trico.

Not implemented: Cambodian Hoi Fu, Grandtex, Ho Hing, Rao Yuan, United Knitting, Yung Wah.

Suggestion:

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

Implemented: Khmer, Tommy.

Not implemented: --

Suggestion:

Management should ensure that apprenticeship contracts do not exceed 2 months.

Implemented: Chung Fai.

No more  
apprentices  
recruited: Cambodia Hoi Fu, Cambodia HK1, Duson.

Not implemented: Ecent, Grandtex, Rao Yuan.

Suggestion:

Management should develop specific apprenticeship contracts.

Implemented: Tai Yang.

Not implemented: Chung Fai, Ecent, Grandtex, Rao Yuan.

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: Ospinter, San San, Tai Yang.

Partly implemented: Broadland, Evergreen, Suntex.

Not implemented: Cambodia HK1, Ho Hing, Honey Wear, Kun Mao, Vivatino.

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: Khmer.

Not implemented: Evergreen, Honey Wear, Kun Mao, Suntex, Tai Yang, Vivatino.

Suggestion:

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

Implemented: Mighti Spectra, Rao Yuan.

Partly implemented: Evergreen.

In process: Franco.

Not implemented: Cambodian Hoi Fu, Chung Fai, Pak Shun.

Suggestion:

Management should ensure that the signing or renewal of a contract is not subject to a cash guarantee or bond of any form.

Implemented: Rao Yuan.

Not implemented: Franco.

Suggestion:

Management should ensure that employment contracts specify the duration of employment as well as the terms of employment.

Implemented: Archid.

Not implemented: Cambodian Hoi Fu.

Suggestion:

Management should ensure that workers who are dismissed are paid the correct indemnity.

Implemented: --

No more workers

Dismissed: Evergreen, Pak Shun.

Not implemented: Cambodian Hoi Fu, Rao Yuan, Trico.

Suggestion:

Management should ensure that the termination of labour contracts of unspecified duration is done in writing with prior notice:

Implemented: --

No more workers

Dismissed: Evergreen.

Not implemented: --

### **2.1.1.3 Collective agreement**

Suggestion:

Management should ensure that the collective agreement is posted throughout the factory.

Implemented: --

Partly implemented: Evergreen.

Not implemented: Franco, Tommy.

Suggestion:

Management should ensure that the collective agreement complies with the law.

Implemented: --

In process: Suntex.

Not implemented: Franco, Tommy.

### **2.1.1.4 Wages**

Suggestion:

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

Implemented: Archid, Broadland, Cambodia Sportswear, Evergreen, Franco, Grandtex, Kin Tai, Ocean, Ospinter, San San, Sportex, Tommy, Trico, United Knitting, Vivatino, Yung Wah.

Not implemented: Cambodian Hoi Fu, Cambodia HK1, Chung Fai, Duson, Ecent, Ho Hing, Kun Mao, Pak Shun, Rao Yuan.

Suggestion:

Management should ensure that workers understand their wage calculations.

Implemented: Archid, Broadland, Cambodia Sportswear, Duson, Mighti Spectra, United Knitting.

Partly implemented: Cambodian Hoi Fu, Grandtex, Pak Shun, Suntex, Tommy.

Not implemented: Chung Fai, Ecent, Evergreen, Franco, Ho Hing, Honey Wear, Khmer, Rao Yuan, Vivatino.

Suggestion:

Management should inform workers of the piece rate before work starts.

Implemented: --

Partly implemented: Cambodia Sportswear, Evergreen.

Not implemented: --

Suggestion:

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

Implemented: Khmer (NB. Only for workers on probation), Vivatino (NB. Only part of a suggestion).

Not implemented: Cambodian Hoi Fu, Grandtex (NB. Only for workers on probation), Khmer (NB. Only for piece-rate workers), Rao Yuan, Tommy (NB. Only for workers on probation), United Knitting.

Suggestion:

Management should ensure that workers receive the correct overtime wages.

Implemented: Cambodia Sportswear, Ho Hing, Mighti Spectra, Tai Yang, Vivatino (NB. Only part of a suggestion).

Not implemented: Archid, Cambodian Hoi Fu, United Knitting (NB. Only part of a suggestion).

Suggestion:

Management should ensure workers receive the correct wages for work undertaken during night time/Sunday/public holiday.

Implemented: Evergreen, Rao Yuan.

Not implemented: Khmer, United Knitting (NB. Only part of a suggestion).

Suggestion:

Management should ensure that (piece-rate) workers receive paid public holidays.

Implemented: Cambodia Sportswear.

Not implemented: Cambodian Hoi Fu, Khmer, United Knitting.

Suggestion:

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

Implemented: Ospinter, Tommy.

Not implemented: Cambodia HK1, Chung Fai, Ecent, Ho Hing, Kun Mao, Pak Shun, Rao Yuan, Tai Yang, Vivatino.

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: Cambodian Hoi Fu, Cambodia Sportswear, Chung Fai, Khmer, Rao Yuan, Trico, United Knitting.

Suggestion:

Management should ensure that casual workers are paid the legally guaranteed minimum wage, including overtime payments.

Implemented: Evergreen, Ospinter.

Not implemented: Cambodia HK1.

Suggestion:

Management should ensure that wages are not deducted for periods of machine malfunctioning.

Implemented: Tommy.

Not implemented: --

Suggestion:

Management should ensure that the food allowance or a free meal is provided to workers undertaking overtime.

Implemented: Duson, Ho Hing, Ocean, San San, Tai Yang.

Not implemented: Khmer.

Suggestion:

Management should pay the attendance bonus to workers entitled to it.

Implemented: Broadland, Cambodia Sportswear, Ecent (NB. Only part of a suggestion), Mighti Spectra, Pak Shun, Sportex, Tai Yang.

Not implemented: Cambodian Hoi Fu, Rao Yuan.

Suggestion:

Management should ensure that workers are provided the seniority bonus after 1 year of service.

Implemented: Cambodia Sportswear, Duson, Ecent (NB. Only part of a suggestion), Grandtex, Sportex.

Not implemented: Cambodian Hoi Fu, Khmer, Rao Yuan.

Suggestion:

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

Implemented: Evergreen.

Not implemented: Duson.

Suggestion:

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

Implemented: Duson, Ho Hing, Ocean.

Not implemented: Khmer, United Knitting.

Suggestion:

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

Implemented: Cambodia HK1, Tommy.

Not implemented: Ecent, Kun Mao, Ocean.

Suggestion:

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

Implemented: Cambodia Sportswear, Chung Fai, Ecent, Grandtex, Tommy, Trico.

Not implemented: Khmer, Rao Yuan, United Knitting.

Suggestion:

Management should not impose any fine or wage deduction for workers refusing to work overtime or work on Sunday and public holiday.

Implemented: --

Not implemented: Rao Yuan.

Suggestion:

Management should ensure that the costs for provision of tools and uniforms for workers is not deducted from their wage,

Implemented: --

Partly implemented: Rao Yuan.

Not implemented: --

Suggestion:

Management should obtain the consent of workers for providing lunch in return for 1-hour work. (NB. This refers to a situation where lunch is provided in return for an unpaid 9<sup>th</sup> working hour, not to the meal allowance to be paid for working overtime.)

Implemented: --

Working hours  
reduced to 8 hours: Duson.

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 9<sup>th</sup> working hour, not to the meal allowance to be paid for working overtime.)

Implemented: --

Working hours  
reduced to 8 hours: Duson.

Suggestion:

Management should ensure that overtime pay converted into riel is calculated based on the prevailing exchange rate:

Implemented: Archid.

Not implemented: --

Suggestion:

Management should ensure that wage payments are made on time.

Implemented: Duson.

Not implemented: --

Suggestion:

Management should ensure that wage payments for normal hours and overtime hours worked are combined into one payment.

Implemented: Cambodia Sportswear.

Not implemented: --

Suggestion:

Management should add a Khmer header description into the payroll ledger/revise the payroll to specify different hours of work.

Implemented: --

Partly implemented: Cambodia Sportswear, Yung Wah.

Not implemented: Duson, Evergreen, Ho Hing, Khmer, Ocean, Suntex.

Suggestion:

Management should ensure that pre-apprenticeship workers are paid the correct minimum and overtime wages.

Implemented: --

Not implemented: Khmer, Rao Yuan.

### **2.1.1.5 Hours of work**

Suggestion:

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

Implemented: Duson, Evergreen.

Not Implemented: Rao Yuan.

Suggestion:

Management should ensure that the lunch break is one hour. (NB Suggestion based on factory internal regulations, not on Cambodian law)

Implemented: Duson.

Not implemented: --

Suggestion:

Management should ensure that no worker is being dismissed for being marginally late.

Implemented: Kun Mao.

Not implemented: --

Suggestion:

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

Implemented: --

Partly implemented: Cambodia Sportswear, Duson, Grandtex.

Not implemented: Archid (NB. Originally 2 suggestions), Broadland, Cambodia Hoi Fu, Cambodia HK1, Chung Fai, Ecent, Evergreen, Grandtex, Ho Hing, Khmer, Kun Mao, Rao Yuan, Suntex, Tai Yang, Trico, United Knitting, Yung Wah.

Suggestion:

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

Implemented: --

Partly implemented: Sportex.

Not implemented: Ospinter.

Suggestion:

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

Implemented: --

Not Implemented: Franco, San San, Vivatino.

Suggestion:

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

Implemented: --

Partly implemented: Pak Shun

Not implemented: --

Suggestion:

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

Implemented: Cambodia Sportswear, Broadland, Duson, Pak Shun, Trico.

Not implemented: Evergreen, Rao Yuan.

Suggestion:

Management should obtain permission from MOSALVY to undertake overtime work.

Implemented: Ecent, Tai Yang.

In process: Chung Fai, United Knitting.

Not implemented: Cambodia HK1, Rao Yuan.

Suggestion:

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

Implemented: Chung Fai, Ho Hing, Ocean, Pak Shun.

Not implemented: Cambodian Hoi Fu, Evergreen, Rao Yuan, Trico.

Suggestion:

Management should ensure that work on public holiday is exceptional, voluntary and paid correctly.

Implemented: --

Not implemented: Cambodia HK1.

Suggestion:

Management should ensure that work on public holiday is exceptional and voluntary.

Implemented: --

Not implemented: United Knitting.

Suggestion:

Management should ensure that workers are provided weekly time-off and public holidays.

Implemented: Broadland, Trico.

Not implemented: --

Suggestion:

Management should ensure that weekly time-off is provided.

Implemented: Cambodia Sportswear, Chung Fai, Duson, Pak Shun, Tommy.

Not implemented: Cambodian Hoi Fu, Rao Yuan.

Suggestion:

Management should ensure that work on Sunday is voluntary and exceptional.

Implemented: --

Partly implemented: Trico.

Not implemented: Khmer, United Knitting.

Suggestion:

Management should ensure that prior weekly time-off suspension permission is obtained from MOSALVY.

Implemented: --

No work done: Cambodia Sportswear, Duson, Franco.

Not implemented: Cambodian Hoi Fu, Chung Fai, Ecent, Ho Hing, Khmer, Ocean, Rao Yuan.

Suggestion:

Management should ensure that night workers are provided a place to sleep or are provided transportation.

Implemented: --

No more night  
Shift/overtime: Tommy.

Not implemented: Broadland, Ho Hing, United Knitting, Vivatino.

#### **2.1.1.6 Leave**

Suggestion:

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

Implemented: Broadland, Cambodian Hoi Fu, Duson, Franco, Rao Yuan, San San, Tommy.

Not implemented: Cambodia HK1, Pak Shun.

Suggestion:

Management should ensure that workers receive their annual leave entitlements.

Implemented: Grandtex.

Not implemented: --

Suggestion:

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

Implemented: Cambodia Sportswear, Evergreen.

In process: Broadland.

Not implemented: Cambodian Hoi Fu, Cambodia HK1 (NB. Only part of a suggestion), Duson, Honey Wear (NB. Only part of a suggestion), Khmer (NB. Only part of a suggestion), Kun Mao, Rao Yuan, Ocean (NB. Only part of a suggestion), Pak Shun, Trico, United Knitting (NB Only part of a suggestion), Yung Wah.

Suggestion:

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

Implemented: Chung Fai, Ho Hing, Ocean, Sportex (NB. Only part of a suggestion).

Not implemented: Cambodia HK1 (NB. Only part of a suggestion), Ecent, Kun Mao, Ocean (NB. Only part of a suggestion), Tommy, United Knitting (NB. Only part of a suggestion).

Suggestion:

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

Implemented: Cambodia Sportswear, Evergreen.

Not implemented: Chung Fai, Duson, Grandtex, Rao Yuan, Trico.

Suggestion:

Management should ensure that the correct payment is made for annual leave compensation.

Implemented: Mighti Spectra, Sportex (NB. Only part of a suggestion), Trico.

Not implemented: --

Suggestion:

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

Implemented: Yung Wah.

Partly implemented: Cambodia Sportswear\*.

Not Implemented: Archid\*, Broadland, Cambodia HK1, Cambodian Hoi Fu\*, Chung Fai\*, Duson, Ecent\*, Evergreen, Franco, Grandtex, Ho Hing\*, Honey Wear\*, Khmer\*, Kun Mao, Rao Yuan\*, Ocean\*, Pak Shun, San San, Sportex, Suntex, Tai Yang\*, Tommy, Trico, United Knitting\*, Vivatino\*.

NB\*. For factories with an asterisk this was only part of a suggestion.

Suggestion:

Management should refrain from taking undue measures that alter a worker's contract in a negative manner, including dismissal, following the taking of paid or unpaid sick leave.

Implemented: Cambodia Sportswear, Trico.

Not implemented: Pak Shun.

Suggestion:

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

Implemented: Cambodia Sportswear\*.

Partly implemented: Ho Hing\*.

Not implemented: Archid\*, Broadland, Cambodian Hoi Fu\*, Cambodia HK1, Chung Fai\*, Duson, Ecent\*, Evergreen, Grandtex, Honey Wear\*, Khmer\*, Kun Mao, Ocean\*, Pak Shun, Rao Yuan\*, Sportex, Tai Yang\*, Tommy, Trico, United Knitting\*, Vivatino\*.

NB\*: For factories with an asterisk this was only part of a suggestion.

Suggestion:

Management should consider simplifying procedures for taking leave.

Implemented: --

Not implemented: Cambodia Sportswear.

### **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: Cambodia Sportswear, Grandtex, Mighti Spectra, Ocean, Tai Yang, Trico.

Partly implemented: Archid, Duson, Evergreen, United Knitting.

Not implemented: Broadland, Cambodian Hoi Fu, Honey Wear, Khmer, Rao Yuan, Tommy.

Suggestion:

Management should provide 90 days unpaid maternity leave to workers in service for less than 1 year.

Implemented: Vivatino.

Not implemented: --

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: Ho Hing.

Suggestion:

Management should not dismiss workers for being pregnant/requesting maternity leave.

Implemented: Duson, Trico.

Not implemented: --

Suggestion:

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

Implemented: Duson.

Not implemented: Rao Yuan.

Suggestion:

Management should ensure that the position of new mothers is adapted when requested.

Implemented: Trico.

Not implemented: Sportex.

### **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: Cambodia Sportswear, Kin Tai, San San.

Partly implemented: Mighti Spectra, Tommy.

In process: Ospinter, Suntex.

Not implemented: Archid, Broadland, Cambodia HK1, Cambodian Hoi Fu, Chung Fai, Duson, Ecent, Evergreen, Franco, Grandtex, Ho Hing, Honey Wear, Khmer, Kun Mao, Ocean, Pak Shun, Rao Yuan, Sportex, Trico, United Knitting, Vivatino, Yung Wah.

### **2.1.1.9 Nursing room/day care centre**

Suggestion:

Management should establish a (fully operational) nursing room/day care centre or pay eligible workers for placing their children in private day-care centres.

Implemented: --

Partly implemented: Cambodia Sportswear, Evergreen, Mighti Spectra.

In process: Franco, Ospinter, Suntex.

Not Implemented: Archid, Broadland, Cambodia HK1, Chung Fai, Cambodian Hoi Fu, Duson, Ecent, Grandtex, Ho Hing, Honey Wear, Kin Tai, Khmer, Kun Mao, Ocean, Pak Shun, Rao Yuan, San San, Sportex, Suntex, Tai Yang, Tommy, Trico, United Knitting, Vivatino, Yung Wah.

### **2.1.1.10 Sexual harassment**

No indications were found in 28 factories that sexual harassment occurred, including in the 3 factories where this had been raised under the second report; however 2 new cases were found during the follow up visit in other factories.

Suggestion:

Management should ensure that there is no sexual harassment in the factory.

Implemented: Kun Mao, Sportex, Trico.

Not implemented: --

#### **2.1.1.11 Indecent behaviour**

Suggestion:

Management should treat workers with respect.

Implemented: Cambodia Sportswear, Ho Hing.

Partly implemented: Tommy.

In process: Duson.

Not implemented: Khmer, Kun Mao, Ocean, Pak Shun, Rao Yuan, Sportex, Trico.

#### **2.1.1.12 Discrimination**

No indications were found in any of the 30 factories that discrimination was practiced.

#### **2.1.1.13 Forced Labour**

No indications were found in any of the 30 factories that forced labour was practiced.

#### **2.1.1.14 Child labour**

No indications were found in 27 factories that child labour was practiced.

In 1 factory (Rao Yuan) monitors observed that some workers appeared to be young. They subsequently examined the personnel records of 14 workers and found that, while the documents for all 14 indicated that they were 18 years or older, 6 of them had altered dates of birth. Verification of the documents of these 6 workers against the original records at the relevant commune offices showed that 3 of them were 15 years or older at the time of recruitment but that 2 were recruited 1 and 2 months respectively before they turned 15. At the time of the monitoring visit they were 15 years of age. For 1 worker no original documents were available in the relevant commune office.

In another factory (Cambodian Hoi FU) monitors identified some 15 workers that appeared to be less than 15 years of age. Following a request for the relevant documents, management indicated that they could only provide them for 5 workers and that the documents for the other workers could not be located due to a recent change in administrative staff. Two attempts to interview the workers for which no documents were available were fruitless because operation of several sections of the factory had been suspended and it was therefore impossible to locate the workers. While the documents for all 5 workers indicated they were 18 years or older, 3 of them had altered dates of birth. Verification of the documents of these 3 workers against the original records at the relevant commune offices showed that 1 of them was 19 at the time of recruitment but that 2 were recruited at 11 months and 6 months respectively before they turned 15. At the time of the monitoring visit they were 15 years of age.

In another factory (Khmer) monitors observed that some 10 workers appeared to be less than 15 years of age. During interviews 5 out of the 10 workers confirmed they were less than 15 years of age. An administrative staff member and local residents also confirmed that approximately 5 of these workers were likely to be less than 15 years old. The monitors subsequently obtained the names, permanent place of residence and their parent's names from seven workers as well as a copy of their residence cards. Verification of the data obtained against documents available at relevant commune offices indicated that two workers were 16 and 17 respectively at the time of their recruitment but that one worker was 14 years and 9,5 months at the time of recruitment. She was 15 at the time of the monitoring visit. It was impossible to verify the data for the remaining 4 workers because the information provided by the workers as well as that indicated on the residence cards was not correct. Following an additional visit to the factory to obtain further information concerning these 4 workers, other workers and local residents informed monitors that they had stopped working at the factory. However, a further number of workers appeared to be less than 15 years of age. Again, relevant data for 3 workers was obtained and subsequently verified against documents available at the relevant commune offices. Findings indicated that two workers were 17 and 18 respectively at the time of recruitment but that one worker was 14 years and 4 months old at the time of recruitment in January 2003. Subsequently, a delegation comprised of representatives of the ILO, GMAC and the Labour Inspectorate visited the factory with a view to securing the removal of the under-aged worker. An initial agreement with the factory management was secured by the delegation and further details of the agreement were finalised between factory management and the ILO. Under the agreement the worker, who worked in the finishing section, has ceased working in the factory and has been placed in a sewing training course at the Provincial Training Centre. The factory agreed to pay the 100 US\$ placement fee. Although the

delegation requested the factory to also pay the monthly minimum wage of 45 US\$ to the worker until she turns 15, the factory did not agree arguing that she did not work and could therefore not be given wages. Instead, the factory offered to pay her a monthly food allowance of 15 US\$. GMAC agreed to make up the difference and pay the worker an additional 30 US\$ a month. The factory did agree to re-employ the worker once she has turned 15. The ILO will undertake monthly follow-up visits to ensure that the worker is attending the training course and receives relevant payments.

Suggestion:

Management should verify the age of workers against relevant and reliable documents prior to recruitment.

Implemented: Duson.

Not implemented: Cambodian Hoi Fu, Khmer, Rao Yuan.

## **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: --

In process: San San, Tai Yang.

Not implemented: Archid, Broadland, Cambodian Hoi Fu, Cambodia HK1, Cambodia Sportswear, Chung Fai, Duson, Ecent, Evergreen, Franco, Grandtex, Ho Hing, Honey Wear, Khmer, Kin Tai, Kun Mao, Mighti Spectra, Ocean, Ospinter, Pak Shun, Rao Yuan, Tommy, Trico, United Knitting, Vivatino.

### **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.

Implemented: Archid, Cambodian Hoi Fu, Cambodia Sportswear, Chung Fai, Evergreen, Franco, Grandtex, Ho Hing, Kin Tai, Mighti Spectra, Ospinter, Pak Shun, San San, Suntex, Tommy, Vivatino.

Partly implemented: Tai Yang.

Not implemented: Cambodia HK1, Duson, Honey Wear, Khmer, Ocean, Rao Yuan, United Knitting.

Suggestion:

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

Implemented: Sportex.

Not implemented: Broadland, Ecent, Kun Mao, Trico.

### **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: San San, Suntex, Trico, Yung Wah.

Partly implemented: Cambodia Sportswear.

Not Implemented: Cambodian Hoi Fu, Cambodia HK1, Duson, Evergreen, Grandtex, Honey Wear, Khmer, Kun Mao, Mighti Spectra, Ocean, Pak Shun, Rao Yuan, Tommy, United Knitting.

#### **2.1.2.1.4 Emergency arrangements**

Suggestion:

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

Implemented: Ho Hing (NB. Only part of a suggestion), Honey Wear, Vivatino.

Not implemented: Pak Shun, Sportex.

Suggestion:

Management should ensure that access paths to emergency exit doors/emergency exit doors are easily passable/accessible.

Implemented: Rao Yuan.

Not implemented: Yung Wah.

Suggestion:

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

Implemented: Trico.

Partly implemented: Rao Yuan

Not implemented: --

Suggestion:

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

Implemented: --

Not implemented: Cambodian Hoi Fu, Cambodia HK1.

Suggestion:

Management should consider widening the emergency exit doors.

Implemented: --

Not implemented: Ocean.

Suggestion:

Management should hold regular emergency drills.

Implemented: Archid, San San, Tommy.

Not implemented: Cambodian Hoi Fu, Chung Fai, Ho Hing (NB. Only part of a suggestion), Khmer, Rao Yuan, Trico, United Knitting.

Suggestion:

Management should ensure that all emergency escape routes are well organised.

Implemented: --

Not implemented: Duson, Tommy.

Suggestion:

Management should ensure that a sufficient number of fire extinguishers is available.

Implemented: --

Not implemented: Cambodia HK1.

Suggestion:

Management should ensure that fire extinguishers are within easy reach.

Implemented: --

Not implemented: Yung Wah.

Suggestion:

Management should ensure fire extinguishers are regularly serviced.

Implemented: Duson, Grandtex, Rao Yuan.

Not Implemented: Evergreen, United Knitting.

Suggestion:

Management should post safety signs in appropriate places.

Implemented: Tommy.

Not implemented: Cambodian Hoi Fu, Cambodia HK1, Honey wear, Khmer.

### **2.1.2.1.5 First Aid**

Suggestion:

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

Implemented: Broadland, Franco, Ocean.

Partly implemented: Evergreen, Ho Hing, Rao Yuan.

Not implemented: Archid, Cambodian Hoi Fu, Cambodia HK1, Chung Fai, Duson, Ecent, Honey wear, Khmer, Mighti Spectra, Ospinter, Tommy, Trico, United Knitting, Yung Wah.

Suggestion:

Management should ensure that first aid kits are properly stocked.

Implemented: San San.

Not implemented: Kin Tai.

Suggestion:

Management should ensure that first aid boxes are easily accessible.

Implemented: Cambodia Sportswear.

Partly implemented: Grandtex.

Not implemented: --

### **2.1.2.1.6 Infirmary**

Suggestion:

Management should set up an infirmary:

Implemented: Grandtex.

Partly implemented: --

In process: Duson.

Not implemented: Honey Wear, United Knitting.

Suggestion:

Management should recruit a doctor.

Implemented: Evergreen, Kun Mao.

In process: Ho Hing (NB. Only part of a suggestion).

Not implemented: Cambodian Hoi Fu, Ecent (NB. Only part of a suggestion), Khmer (NB. Only part of a suggestion), Rao Yuan, Tai Yang (NB. Only part of a suggestion), Trico.

Suggestion:

Management should recruit one (more) nurse.

Implemented: Cambodia Sportswear (NB. Only part of a suggestion), Sportex (NB. Only part of a suggestion), Yung Wah (NB. Only part of a suggestion).

In process: Ho Hing (NB. Only part of a suggestion).

Not implemented: Ecent (NB. Only part of a suggestion), Ocean (NB. Only part of a suggestion), Tai Yang (NB. Only part of a suggestion), Vivatino (NB. Only part of a suggestion).

Suggestion:

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

Implemented: Cambodia Sportswear (NB. Only part of a suggestion), Ecent (NB. Only part of a suggestion), Rao Yuan, Tommy, Yung Wah (NB. Only part of a suggestion).

Partly implemented: Broadland, Evergreen.

Not implemented: Archid (NB. Only part of a suggestion made), Chung Fai, Khmer (NB. Only part of a suggestion), Mighti Spectra, Ocean (NB. Only part of a suggestion), Sportex (NB. Only part of a suggestion), Tai Yang (NB. Only part of a suggestion), Trico, Vivatino (NB. Only part of a suggestion).

Suggestion:

Management should expand the hospitalisation capacity of the infirmary.

Implemented: Suntex.

Partly implemented: Archid, Evergreen.

Not Implemented: Broadland, Franco, Khmer, San San, Sportex, Trico.

Suggestion:

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

Implemented: --

Partly implemented: Ospinter, Pak Shun.

Not implemented: --

Suggestion:

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

Implemented: Mighti Spectra.

Partly implemented: Cambodia Sportswear, Tai Yang, Yung Wah.

In process: Ho Hing.

Not implemented: Cambodian Hoi Fu, Cambodia HK1, Chung Fai, Ecent, Kin Tai, Kun Mao, Ocean, Rao Yuan, Tommy.

Suggestion:

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

Implemented: San San.

Not implemented: Archid (NB. Only part of a suggestion made), Khmer, Ospinter.

Suggestion:

Management should ensure the infirmary is clean.

Implemented: Archid.

In process: Ho Hing (NB. Only part of a suggestion).

Not implemented: --

Suggestion:

Management should improve ventilation in the infirmary.

Implemented: Kun Mao, Mighti Spectra.

In process: Ho Hing (NB. Only part of a suggestion).

Not implemented: --

Suggestion:

Management should ensure that access to the infirmary is not subject to any undue restrictions.

Implemented: Cambodian Hoi Fu, Kun Mao, Rao Yuan.

Not implemented: --

Suggestion:

Management should ensure that workers who are seriously ill/pass out receive proper care/are sent to the hospital.

Implemented: Trico.

Not implemented: Duson.

### **2.1.2.2 Hazardous substances**

#### **2.1.2.2.1 Storage:**

Suggestion:

Management should properly store chemical substances and ensure chemicals are properly labelled.

Implemented: Mighti Spectra, Tommy.

Not implemented: Cambodian Hoi Fu, Khmer, Kin Tai.

Suggestion:

Management should ensure that liquid waste is properly drained.

Implemented: --

Partly implemented: Tommy.

Not implemented: --

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: --

Not implemented: Ocean.

Suggestion:

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

Implemented: --

Partly implemented: Mighti Spectra, Tommy.

Not implemented: Cambodian Hoi Fu, Chung Fai.

Suggestion:

Management should provide training/instructions to workers handling chemical substances.

Implemented: Mighti Spectra, Tommy.

Not implemented: Cambodian Hoi Fu, Kin Tai.

#### **2.1.2.2.2. Protective measures**

Suggestion:

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

Implemented: Grandtex, San San, Yung Wah (NB. Originally two suggestions).

Partly implemented: Archid, Chung Fai, Evergreen, Kin Tai, Kun Mao, Mighti Spectra, Sportex, Rao Yuan.

In process: United Knitting.

Not implemented: Broadland, Cambodian Hoi Fu, Cambodia HK1, Cambodia Sportswear, Duson, Ecent, Ho Hing, Honey Wear, Khmer, Ocean, Pak Shun, Trico.

Suggestion:

Management should provide suitable foot wear to workers.

Implemented: Archid\*.

Partly implemented: Chung Fai\*, Kin Tai\*.

Not implemented: Broadland\*, Cambodian Hoi Fu, Cambodia HK1\*, Duson\*, Ecent\*, Evergreen\*, Grandtex, Honey Wear\*, Ocean\*, Rao Yuan\*, United Knitting\*.

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

Implemented: --

Partly implemented: Suntex.

Not implemented: Franco, Tommy.

### **2.1.2.3 Lighting**

Suggestion:

Managements should improve lighting arrangements.

Implemented: Cambodia Sportswear.

Not implemented: --

Suggestion:

Management should ensure local lighting is provided to workers who need it.

Implemented: Rao Yuan.

Not implemented: --

Suggestion:

Management should ensure that broken lights are repaired.

Implemented: Trico.

Not implemented: --

Suggestion:

Management should install additional lights in the packing section.

Implemented: Broadland,

Not Implemented: --

Suggestion:

Management should ensure lights are clean.

Implemented: Rao Yuan.

Not implemented: --

#### **2.1.2.4 Noise**

Suggestion:

Management should ensure that noise levels are reduced or that workers who need it are provided hearing protection equipment.

Implemented: Cambodia Sportswear, Ospinter, Tommy.

Machines no longer  
in operation: Khmer.

Not implemented: Cambodia HK1, Chung Fai, Mighti Spectra.

### **2.1.2.5 Machine safety**

Suggestion:

Management should ensure that machines are properly and regularly maintained.

Implemented: --

In process: Duson (only part of a suggestion).

Not implemented: Khmer, Trico.

Suggestion:

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

Implemented: Broadland, Kun Mao.

In process: Duson (only part of a suggestion).

Not implemented: Honey Wear, Khmer.

Suggestion:

Management should ensure all machines are equipped with a guard/safety switch.

Implemented: --

Not implemented: Broadland, Cambodia HK1, Chung Fai, Ecent, Ho Hing, Khmer, Mighti Spectra, Rao Yuan, San San, Tommy, Vivatino, Yung Wah.

Suggestion:

Management should take appropriate measures to prevent accidents from jumping spools/shuttles from weaving machines.

Implemented: --

Not implemented: Tommy.

Suggestion:

Management should ensure that the space between sewing machines is wide enough.

Implemented: --

Not implemented: Khmer, San San.

Suggestion:

Management should ensure that the connections between steam pipes are properly affixed and insulated.

Implemented: --

Not implemented: Kin Tai.

### **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: Suntex.

Partly implemented: Broadland, Cambodia Sportswear, Kun Mao, San San, Sportex.

In process: Ospinter.

Not implemented: Cambodian Hoi Fu, Cambodia HK1, Chung Fai, Duson, Ecent, Franco, Grandtex, Honey Wear, Khmer, Kin Tai, Mighti Spectra, Ocean, Pak Shun, Rao Yuan, Tai Yang, Tommy, Trico, Yung Wah.

Suggestion:

Management should introduce dust reduction measures.

Implemented: Archid, Rao Yuan, Vivatino.

Not implemented: Cambodian Hoi Fu, Franco, Ho Hing, Tommy, United Knitting.

Suggestion:

Management should improve air-circulation in the warehouse.

Implemented: Yung Wah.

Not implemented: –

Suggestion:

Management should ensure that exhaust fans are repaired and in operation during working hours.

Implemented: –

Not implemented: Khmer.

Suggestion:

Management should provide equipment to workers in the printing section to protect them against the heat generated by the machines.

Implemented: –

Not implemented: Tommy.

#### **2.1.2.7 House keeping**

Suggestion:

Management should ensure that the workplace is properly cleaned.

Implemented: Ho Hing, Honey Wear.

Partly implemented: United Knitting.

Not implemented: Cambodian Hoi Fu, Chung Fai, Ecent, Khmer, Kin Tai, Kun Mao (NB. Only part of a suggestion), San San, Sportex, Tommy, Trico.

Suggestion:

Management should properly clean the washing section.

Implemented: Tommy.

Not implemented: --

Suggestion:

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

Implemented: Chung Fai.

Partly implemented: --

Not implemented: Broadland (NB. Only part of a suggestion), Cambodia Sportswear (NB. Only part of a suggestion), Duson, Kun Mao (NB. Only part of a suggestion), Trico.

Suggestion:

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

Implemented: --

Partly implemented: Rao Yuan.

Not implemented: Broadland (NB. Only part of a suggestion), Cambodia Sportswear (NB. Only part of a suggestion), Franco, Grandtex, Khmer, Kin Tai, Kun Mao, Sportex, Trico, Yung Wah.

Suggestion:

Management should properly arrange the warehouse.

Implemented: --

Not implemented: Khmer.

Suggestion:

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

Implemented: Archid, Duson, Ecent, Kin Tai, San San.

Not implemented: --

Suggestion:

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

Implemented: --

Not implemented: Grandtex, Honey Wear.

Suggestion:

Management should install a handrail at the work areas on the balcony.

Implemented: Chung Fai.

Not implemented: --

Suggestion:

Management should ensure the floor is even and that holes are repaired.

Implemented: --

Not implemented: United Knitting.

### **2.1.2.8 Welfare**

#### **2.1.2.8.1 Drinking water**

Suggestion:

Management should ensure that enough drinking water is available.

Implemented: --

Not implemented: Cambodia HK1.

Suggestion:

Management should ensure that drinking water is provided through suitable and hygienic means.

Implemented: Sportex.

Partly implemented: Tommy.

Not implemented: --

Suggestion:

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

Implemented: Cambodia Sportswear, Vivatino.

Partly implemented: Archid.

Not Implemented: Broadland, Cambodian Hoi Fu, Chung Fai, Ho Hing, Honey Wear, Khmer Kun Mao, Ocean, Pak Shun, Rao Yuan, San San, United Knitting, Yung Wah.

Suggestion:

Management should set up an additional drinking station.

Implemented: --

Not implemented: Mighti Spectra.

Suggestion:

Management should ensure that the drinking area/water containers are clean, and that sufficient glasses are available.

Implemented: --

Not implemented: Khmer.

Suggestion:

Management should ensure that drinking water is not subject to any undue restriction.

Implemented: --

Not implemented: Duson.

#### **2.1.2.8.2 Sanitation facilities**

Suggestion:

Management should build additional toilets.

Implemented: --

Partly implemented: Chung Fai.

Not implemented: Broadland, Rao Yuan, Vivatino.

Suggestion:

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

Implemented: --

Partly implemented: Ho Hing.

Not implemented: Trico.

Suggestion:

Management should ensure that locked toilets are opened to ensure a sufficient number of toilets is available for use by females.

Implemented: Archid.

Not implemented: --

Suggestion:

Management should ensure that the distribution of the number of toilets is in line with the number of female and male workers.

Implemented: Kun Mao.

Not implemented: --

Suggestion:

Management should ensure toilets available are appropriate for use by females.

Implemented: --

Not implemented: Honey Wear.

Suggestion:

Management should ensure that broken toilets are repaired.

Implemented: Ospinter (NB. Only part of a suggestion).

Partly implemented: Ecent.

Not implemented: Cambodian Hoi Fu, Cambodia Sportswear (NB. Only part of a suggestion), Yung Wah.

Suggestion:

Management should ensure that all toilets are functioning properly.

Implemented: Tommy.

Not implemented: Cambodia HK1 (NB. Only part of a suggestion).

Suggestion:

Management should improve lighting in the toilets.

Implemented: Ecent.

Not implemented: --

Suggestion:

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

Implemented: --

Partly implemented: Archid, Chung Fai, Duson, Ho Hing, San San.

Not implemented: Cambodian Hoi Fu, Cambodia HK1 (NB Only part of a suggestion), Ecent, Honey Wear, Khmer, Kin Tai, Ospinter, (NB. Only part of a suggestion), Rao Yuan, Trico, United Knitting, Vivatino.

Suggestion:

Management should ensure that toilets are clean.

Implemented: Broadland.

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

Suggestion:

Management should ensure that soap/towels are available.

Implemented: --

Partly implemented: Broadland, Cambodia Sportswear, Evergreen, Franco.

Not implemented: Grandtex, Kun Mao, Mighti Spectra, Pak Shun.

Suggestion:

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

Implemented: Pak Shun, Rao Yuan.

Not implemented: Cambodia HK1, Duson, Kun Mao.

Suggestion:

Management should widen the access paths to the toilets.

Implemented: Chung Fai.

Not implemented: --

Suggestion:

Management should ensure that the toilets have doors and the walls are high enough.

Implemented:

Not implemented: Khmer (NB. Only for the walls), United Knitting.

Suggestion:

Management should set up a hand washing facility.

Implemented: San San.

Not implemented: Khmer.

### **2.1.2.9 Eating area**

Suggestion:

Management should ensure the eating area is suitable to workers needs.

Implemented: --

Not implemented: Pak Shun.

NB. For Cambodia Sportswear, 6 suggestions were dropped and for Duson 1 suggestion was dropped because the eating area was no longer operational.

### **2.1.2.10 Seating**

Suggestion:

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

Implemented: --

Not implemented: Broadland, Cambodian Hoi Fu (NB. Only part of a suggestion), Cambodia Sportswear, Chung Fai, Duson, Ecent, Evergreen, Franco, Grandtex, Ho Hing, Honey Wear, Khmer, Mighti Spectra, Ocean, Ospinter, Pak Shun, Rao Yuan, Sportex, Suntex, Tai Yang, Tommy, Trico, United Knitting, Vivatino, Yung Wah.

Suggestion:

Management should ensure that workers do not work sitting on the floor.

Implemented: Cambodian Hoi FU (NB. Only part of a suggestion)

Not implemented: --

Suggestion:

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

Implemented: United Knitting.

Partly implemented: Evergreen, Tai Yang.

Not implemented: Archid, Broadland, Cambodian Hoi Fu, Cambodia HK1, Cambodia Sportswear, Chung Fai, Duson, Ecent, Franco, Grandtex, Ho Hing, Honey Wear, Khmer, Kin Tai, Kun Mao, Ocean, Pak Shun, Rao Yuan, Sportex, Suntex, Tommy, Trico, Vivatino, Yung Wah.

## **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: Cambodian Hoi Fu, Ecent, Tai Yang.

Not implemented: Chung Fai, Evergreen.

Suggestion:

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

Implemented: Chung Fai.

Not implemented: --

Suggestion:

Management should refrain from taking measures that may be perceived as being aimed at placing the union under its control.

Implemented: Sportex.

Not implemented: Cambodia Sportswear, Evergreen.

### **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: Cambodian Hoi Fu.

Not implemented: --

Suggestion:

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

Implemented: --

Not implemented: Cambodian Hoi Fu, Kun Mao.

### **2.1.3.3 Shop stewards**

Suggestion:

Management should hold new shop steward elections.

Implemented: Grandtex, Ospinter.

In process: Duson.

Not implemented: Ho Hing, Khmer.

Suggestion:

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

Implemented: Mighti Spectra.

Not implemented: Rao Yuan.

Suggestion:

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

Implemented: Cambodian Hoi Fu, Sportex, United Knitting.

Partly implemented: Cambodia Sportswear, Tommy, Vivatino.

New elections

not due yet: Archid, Honey Wear, Kun Mao, Mighti Spectra, Ocean, Pak Shun, Rao Yuan, Tai Yang, Trico.

New elections

not held yet: Broadland, Chung Fai, Ocean.

Not implemented: Ecent, Evergreen, Suntex.

Suggestion:

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

Implemented: Cambodia Sportswear.

Not implemented: --

Suggestion:

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

Implemented: –

No shop steward active: Chung Fai.

Suggestion:

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

Implemented: Grandtex, Vivatino.

Partly implemented: San San, Sportex.

Not implemented: Archid, Broadland, Cambodian Hoi Fu, Cambodia HK1, Chung Fai, Duson, Ecent, Evergreen, Franco, Ho Hing, Honey Wear, Kin Tai, Kun Mao, Mighti Spectra, Ocean, Ospinter, Pak Shun, Rao Yuan, Tai Yang, Tommy, Trico, Yung Wah.

#### **2.1.3.4 Liaison officer**

Suggestion:

Management should recruit a liaison officer.

Implemented: Archid, Cambodia Sportswear, Kin Tai, Mighti Spectra, Ospinter, Sportex, Tommy, Vivatino.

In process: Chung Fai, Ecent, Evergreen, Franco, Grandtex, Tai Yang, Trico.

Not implemented: Cambodian Hoi Fu, Cambodia HK1, Duson, Ho Hing, Honey Wear, Khmer, Kun Mao, Ocean, Pak Shun, Rao Yuan, United Knitting.

Suggestion:

Management should inform workers concerning the appointment of the liaison officer.

Implemented: --

Not implemented: Broadland.

### **2.1.3.5 Collective disputes**

Suggestion:

Management should fully implement conciliation agreements.

Implemented: --

Partly implemented: Duson, Sportex.

Not implemented: Tommy (NB. Only part of a suggestion), Pak Shun.

Suggestion:

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

Implemented: Mighti Spectra.

Not implemented: Ocean, Tommy (NB. Only part of a suggestion).

### **2.1.3.6 Strike/lock out**

There were no strikes in 18 factories (Archid, Broadland, Cambodia HK1, Cambodia Sportswear, Chung Fai, Ecent, Evergreen, Franco, Honey Wear, Khmer, Kin Tai, Ospinter, Sportex, Suntex, Tai Yang, Trico, United Knitting, Yung Wah).

There was 1 strike in 8 factories (Cambodian Hoi Fu, Duson, Grandtex, Ho Hing, Mighti Spectra, Ocean, San San, Vivatino), and 2 strikes in 3 factories (Kun

Mao, Pak Shun, Tommy). There was 1 walk out (Rao Yuan), hereafter considered as a strike. The reason for strikes held, were the non-compliance with several provisions of the law (Cambodian Hoi Fu, Duson, Grandtex, Pak Shun, Tommy, Vivatino), the level of the piece rate (Mighti Spectra, Pak ShunX1, Rao Yuan), the one-time late payment of wages (Ocean, Tommy), the terms of new contracts offered following the relocation of a factory (Kun Mao twice), matters related to a change in ownership (San San) and the delay in certain payments from a previous factory owner (Ho Hing).

In 9 instances, an agreement was reached/solution found with the assistance of MOSALVY (Cambodian Hoi Fu, Duson, Grandtex, Ho Hing, Mighti Spectra, Pak Shun twice, San San, Vivatino), and in 5 instances without MOSALVY assistance (Ocean, Tommy twice). In 1 instance no negotiations took place (Rao Yuan).

In 6 instances agreements reached were implemented (Ho Hing, Mighti Spectra, Ocean, Pak Shun, San San, Tommy). In 7 instances agreements reached had been partly implemented (Cambodian Hoi Fu, Duson, Grandtex, Kun Mao, Pak Shun, Tommy, Vivatino). In 2 instances no agreement was reached (Rao Yuan, Kun Mao).

None of the strikes were organised in accordance with the applicable rules and procedures, although in 2 instances workers claimed to have given prior notice but no documents were available to verify this claim (Kun Mao, Mighti Spectra). All strikes were peaceful, except for 1 (Ho Hing). In 1 instance, allegedly 85 union leaders/shop stewards/union members were fired for organising strikes (Kun Mao). In one factory (Tommy), workers claimed that a number of them had been forced to thumbprint on a warning sheet following their participation in a strike. In one factory (Pak Shun), the factory filed a request with MOSALVY for the dismissal of 5 workers for organising an illegal strike. No opinion has been issued yet by MOSALVY.

In connection with a strike held in 2001, one factory (Tommy) filed a complaint in July 2002 against 4 union leaders for alleged robbery and property destruction. Two of the union leaders were subsequently arrested and incarcerated following an order by the relevant Municipal Court. They were released in November 2002 without being charged.

There were no lockouts.

Suggestion:

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

Implemented: Duson.

No strike held: Evergreen.

### **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: Pak Shun.

Not implemented: Kun Mao.

## **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.

Archid: Of the 28 suggestions made, 10 had been implemented, 5 had been partly implemented and 13 had not been implemented. Five new suggestions were made.

Broadland: Of the 37 suggestions made, 10 had been implemented, 4 had been partly implemented, 1 was in the process of being implemented, 1 was dropped due to duplication and 21 had not been implemented. Eight new suggestions were made.

Cambodian Hoi Fu: Of the 56 suggestions made, 4 had been implemented, 2 had been partly implemented, 3 had been dropped due to overlap, 1 had been dropped because it was no longer relevant and 46 had not been implemented. Ten new suggestions were made.

Cambodia HK1: Of the 34 suggestions made, 1 had been implemented and 33 had not been implemented. Sixteen new suggestions were made.

Cambodia Sportswear: Of the 56 suggestions made, 27 had been implemented, 10 had been partly implemented, 2 suggestions were combined with another because of overlap, 7 were dropped because they were no longer applicable and 10 had not been implemented. Five new suggestions were made.

Chung Fai: Of the 50 suggestions made, 11 had been implemented, 3 had been partly implemented, 2 were in the process of being implemented, 2 were dropped because of overlap, 1 was dropped because it was addressed to unions, and 31 had not been implemented. Eight new suggestions were made.

Duson: Of the 58 suggestions made, 20 had been implemented, 8 had been partly implemented, 6 were in the process of being implemented (whereby one had been combined with another due to overlap), 1 had been dropped due to duplication and 23 had not been implemented. Two new suggestions were made.

Ecent: Of the 39 suggestions made, 7 had been implemented, 1 was in the process of being implemented, 1 had been dropped due to duplication, 1 had been dropped because it was addressed to unions and 29 had not been implemented. Twelve new suggestions were made.

Evergreen: Of the 44 suggestions made, 12 had been implemented, 11 had been partly implemented, 1 was in the process of being implemented, 1 had been dropped due to duplication and 19 had not been implemented. Sixteen new suggestions were made.

Franco: Of the 25 suggestions made, 6 had been implemented, 3 were in the process of being implemented, 1 had been partly implemented and 15 had not been implemented. Four new suggestions were made.

Grandtex: Of the 37 suggestions made, 12 had been implemented, 3 had been partly implemented, 1 was in the process of being implemented, 2 were dropped due to overlap and 19 had not been implemented. Thirteen new suggestions were made.

Ho Hing: Of the 41 suggestions made, 8 had been implemented, 5 had been partly implemented, 3 were in the process of being implemented, 2 had been dropped due to duplication and 23 suggestions had not been implemented. Seven new suggestions were made.

Honey Wear: Of the 30 suggestions made, 2 had been implemented and 28 had not been implemented. Nine new suggestions were made.

Khmer: Of the 59 suggestions made, 4 had been implemented, 2 were dropped due to overlap, 1 was dropped because it was no longer relevant and 52 suggestions had not been implemented. Seven new suggestions were made.

Kin Tai: Of the 20 suggestions made, 6 had been implemented, 1 had been partly implemented and 13 had not been implemented. Nine new suggestions were made.

Kun Mao: Of the 40 suggestions made, 8 had been implemented, 2 had been partly implemented, 1 had been dropped due to duplication and 29 had not been implemented. Twenty new suggestions were made.

Mighti Spectra: Of the 33 suggestions made, 16 had been implemented, 4 had been partly implemented, 1 was dropped because it was addressed to union leaders and 12 had not been implemented. Eight new suggestions were made.

Ocean: Of the 35 suggestions made, 8 had been implemented, 1 had been dropped due to duplication, 1 had been dropped because it was addressed to unions and 25 had not been implemented. Eight new suggestions were made.

Ospinter: Of the 21 suggestions made, 9 had been implemented, 1 had been partly implemented, 3 were in the process of being implemented and 8 had not been implemented. Thirteen new suggestions were made.

Pak Shun: Of the 40 suggestions made, 10 had been implemented, 11 had been partly implemented, 1 was combined with another, 1 was dropped due to overlap and 17 had not been implemented. Fourteen new suggestions were made.

Rao Yuan: Of the 73 suggestions made, 12 had been implemented, 5 had been partly implemented, 3 had been dropped due to duplication and 53 had not been implemented. Six new suggestions were made.

San San: Of the 27 suggestions made, 14 had been implemented, 3 had been partly implemented, 1 was in the process of being implemented and 9 had not been implemented. Nine new suggestions were made.

Sportex: Of the 30 suggestions made, 9 had been implemented, 5 had been partly implemented and 16 had not been implemented. Eight new suggestions were made.

Suntex: Of the 19 suggestions made, 5 had been implemented, 3 had been partly implemented, 3 were in the process of being implemented, 1 was dropped because of overlap and 7 suggestions had not been implemented. Fourteen new suggestions were made.

Tai Yang: Of the 27 suggestions made, 11 had been implemented, 3 had been partly implemented, 2 were in the process of being implemented, 1 had been dropped due to duplication and 10 had not been implemented. Three new suggestions were made.

Tommy: Of the 55 suggestions made, 19 had been implemented, 8 had been partly implemented, 1 was dropped because it was addressed to unions, 2 were dropped due to overlap, 2 were dropped because they were no longer relevant and 23 had not been implemented. Eight new suggestions were made.

Trico: Of the 48 suggestions made, 15 had been implemented, 1 had been partly implemented, 1 was in the process of being implemented and 31 had not been implemented. Five new suggestions were made.

United Knitting: Of the 40 suggestions made, 5 had been implemented, 2 had been partly implemented, 2 were in the process of being implemented, 1 had been dropped due to duplication and 30 suggestions had not been implemented. Seven new suggestions were made.

Vivatino: Of the 30 suggestions made, 9 had been implemented, 2 had been partly implemented and 19 had not been implemented. Eleven new suggestions were made.

Yung Wah: Out of the 27 suggestions made, 8 had been implemented, 2 had been partly implemented and 17 had not been implemented. Five 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**

No information received.

#### **3.3 Individual factories**

Since July 1998, Care International has been implementing its Sewing a Healthy Future 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.<sup>2</sup> Currently, 15 factories participate in the programme. Of the 30 factories covered by this report, Pak Shun, Sportex and Suntex participate in this programme.

#### **3.4 Trade unions**

The Free Trade Union of Workers of the Kingdom of Cambodia indicated that it had changed its strategy from relying on strikes to defend the rights and interests of its members to focusing on negotiation and bargaining. They noted however, that prevailing labour relations in Cambodia, including inter-union rivalry, made it difficult to implement this strategy.

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<sup>2</sup> For more information on the Care Factory Program, you can send an e-mail to [YRHCARE@bigpond.com.kh](mailto:YRHCARE@bigpond.com.kh)

#### **4. AGREEMENT OF FACTORIES WITH FINDINGS**

Of the 30 factories to which a final follow-up report was sent, 5 factories had returned the report as of 10 June 2003. Of these, 3 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**

This report, the second in the series of follow-up reports, indicates that at least some progress has been made in improving working conditions in all the factories. Consistent with the Second Synthesis Report, no evidence of forced labour or discrimination was found. In addition, there have been improvements in the payment of wages and overtime practices. However, the pace of progress generally among this group of factories, with the exception of a few, has been relatively slow. It is hoped that the factories concerned will make more concerted efforts to implement the suggestions of the project. The ILO project is, of course, at the disposal of the participating factories to assist them in their endeavours to move forward in improving working conditions. There are a few factories among this group that have clearly used the suggestions of the project to improve working conditions, and their progress has been encouraging. With respect to a number of the other factories, the absence of progress can to some extent be attributed 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 again illustrates that it is feasible to make improvements, but most of all, that the process needs to be an on-going one.

For its part, the ILO will continue working with all parties involved to bring about this change. Having received additional funding it has established a sub-programme that aims to provide direct assistance to 8 factories in improving working conditions and productivity, as well as develop tools that can be used sector-wide to ensure compliance with the law. The project has trained labour inspectors and the provision of training to union educators on occupational safety and health is ongoing.

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## **STATEMENT OF THE PROJECT ADVISORY COMMITTEE ON THE RELEASE OF THE FIFTH AND SIXTH ILO SYNTHESIS REPORTS ON THE WORKING CONDITIONS SITUATION IN CAMBODIA'S TEXTILE AND APPAREL SECTOR**

On 19 June 2003, 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 Fifth and Sixth ILO Synthesis Reports on the working conditions situation in Cambodia's textile and apparel sector as follows:

The members of the PAC welcome the release of the Fifth and Sixth Reports on the ILO labour conditions monitoring programme and once again wish to express its appreciation to the ILO project team, which continues to demonstrate a fair and balanced approach in making its assessments, for its continued efforts.

We believe 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 also believe that, with the possible accession of Cambodia to the WTO in 2003, the expiry of the US-Cambodia Trade Agreement in 2004, and the abolition of trade quotas under WTO regimes in 2005, all parties involved have to intensify their efforts towards ensuring that working conditions and labour relations throughout the sector are generally acceptable.

We note with satisfaction that the Fifth and Sixth Reports confirm that forced labour is not a matter of concern in the factories surveyed. We are also pleased to note that, with the exception of a limited number of sexual harassment, discrimination was not found to be a matter of major concern.

We also note that in a majority of factories covered by the Fifth and Sixth Reports no violations of trade union rights were indicated but that in a limited number of factories such violations did occur. The PAC is fully aware that more work remains to be done to ensure that worker's rights to organise are fully enforced in the garment sector. In this respect, the deadly violence that occurred on Friday 13 June as a result of a labour dispute underlines the vital need for mutual respect, dialogue and cooperation between workers and employers so that mature and professional relationships can be built for the benefit of workers and employers alike. In this respect, we are pleased to note that collective bargaining has started in

a number of factories and we call upon all parties involved to enter into such efforts in good faith so as to ensure a fair and timely conclusion of efforts undertaken.

The members of the PAC note with concern the incidents of child labour and consider this to be a critical matter. It appreciates the efforts of all involved in solving the one case of active child labour identified. The PAC calls upon all parties involved to establish a permanent and institutionalised mechanism for the removal of children identified and their placement in appropriate educational facilities combined with the provision of an alternative source of income.

We note with regret that the Fifth and Sixth Reports again indicate that the payment of wages and the nature and frequency of overtime work are the most widespread problems in the garment sector in Cambodia. We call upon all identified employers to fulfil their legal obligations in this respect.

While a number of factories covered by the Fifth and Sixth Reports have made progress in improving working conditions, the PAC also notes with regret that a number of factories appear to have made limited efforts. The PAC realizes that, as tripartite representatives, each party carries a direct responsibility in this regard and together we pledge to strengthen our individual efforts to improve working conditions as well as to undertake efforts to improve communication and trust between the parties we represent. In this regard the PAC notes with interest the recent establishment of the Arbitration Council and expresses the hope that it will contribute to the further development of a sound labour relations system in Cambodia.

The PAC, while noting that there is an increased interest from buyers to source from Cambodia, again calls upon buyers to continue 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.

All members of the PAC express their full appreciation for the assistance provided by the ILO in ensuring that the parties involved are in a better position to undertake their duties and responsibilities. In this regard it notes with interest the establishment of the remediation programme that aims to provide direct assistance to 8 factories in improving working conditions, as well as the training provided to union educators on occupational safety and health and the training provided to labour inspectors.

Finally, in light of the benefits brought about by the ILO Garment Sector Project and the efforts of all involved, all members of the PAC strongly support continuation of the Project beyond its current term, which expires at the end of 2003, and pledge their full cooperation to the ILO in this regard.

Phnom Penh, 19 June 2003