

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

**SIXTH 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. 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 them. 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

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.

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 report in April 2002, the third in June 2002, the fourth in September 2002 and the fifth, for reasons explained below, together with the current report.

1.4 This synthesis report

This sixth synthesis report contains an overview of progress made by the 30 factories covered by the first and third 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 second follow-up visit undertaken by the monitors. One of the 30 factories covered by the first synthesis report has permanently ceased operating and another factory has 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.

It was originally not intended that a second follow-up visit would be undertaken for these factories at this time. However, being the first group of factories to be reported on by name, they requested that a second follow-up visit be undertaken and that an additional report be drafted on the findings of these visits. They specifically requested that the publication of the report on the findings of these second follow-up visits coincide with the publication of the report in which the second group of factories are named so as to provide readers of the reports a wider field of comparison amongst factories named. It is for this reason that the publication of the fifth and sixth synthesis reports coincide.

The Third Synthesis Report (June 2002) identified the following key findings with regard to the 30 factories covered by the first, third and the current sixth report:

- ◆ 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.

While the current Sixth 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 discrimination, although 1 incident of sexual harassment occurred;
- ◆ There has been further improvement in the correct payment of wages though this remains a problem in a number of factories;
- ◆ There has been some further 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 further 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;
- ◆ 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 or reports. It is believed that giving factories a grace period before they are named is the best way to realise the objective of the project, i.e. improving working conditions.

2. PROGRESS MADE IN IMPLEMENTING PROJECT SUGGESTIONS.

The following provides an overview of progress made by factories in implementing the suggestions made by the Project. The names of the factories are listed below. The information is provided in two ways, 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 follow-up visit and the second 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. (NB. Permanently closed)
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. Temporarily suspended)
- 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 follow-up 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: Bumin.

Not implemented: San Lei Fung.

Suggestion:

Management should ensure the internal regulations comply with the law.

Implemented: F.Y. Cambodia (NB. Originally two suggestions), Gladpeer, S.H. International.

In process: Lucky Zone.

Not implemented: --

Suggestion:

Management should develop internal regulations.

Implemented: --

In process: Cung Sing, Top Clothes.

Not implemented: --

2.1.1.2 Employment contract

Suggestion:

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

Implemented: F.Y. Cambodia, United Faith.

Not implemented: Bumin, C-one, Cung Sing, Dajoo, Phnom Penh Garment, Phong Wan, San Lei Fung, Top Clothes.

Suggestion:

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

Implemented: Eternal Way, F.Y. Cambodia (NB. Originally two suggestions), Top Clothes.

Not implemented: Bumin, City New, Goldtex, PYL.

Suggestion:

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

Implemented: Oceanic.

In process: C-one.

Not implemented: --

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: Eternal Way, Trinunggal.

Not implemented: Bumin, Cung Sing, Grace Sun, Oceanic, Phnom Penh Garment, PYL, S.H. International.

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: --

Partly Implemented: Goldtex.

Not implemented: Oceanic, S.H. International.

Suggestion:

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

Implemented: Cung Sing, F.Y. Cambodia, Lucky Zone, Luen Thai, Oceanic.

Not implemented: Eternal Way.

Suggestion:

Management should refrain from taking measures that alter a worker's contract status in a negative manner when work undertaken does not reach production targets set.

Implemented: --

Not implemented: Phong Wan.

Suggestion:

Management should ensure the proper payment of compensation/indemnity on case of dismissal.

Implemented: --

Not implemented: Oceanic.

Suggestion:

In case of redundancy management should follow the procedures laid down in the law, especially with regard to informing worker representatives and labour inspectors.

Implemented: --

Not implemented: Thai Pore.

2.1.1.3 Collective agreement

Suggestion:

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

Implemented: --

Not implemented: Lucky Zone.

2.1.1.4 Wages

Suggestion:

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

Implemented: Hang Fung, Lucky Zone, Oceanic, Phong Wan, USA Fully Field.

Not implemented: Belgian, Cung Sing, Dajoo, San Lei Fung, Top Clothes, Yubin.

Suggestion:

Management should ensure that workers understand their wage calculations.

Implemented: S.H. International, USA Fully Field.

Not implemented: Bumin, Dajoo, Lucky Zone, Quality, San Lei Fung.

Suggestion:

Management should ensure that wage calculations are correct.

Implemented: Cung Sing.

Not implemented: --

Suggestion:

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

Implemented: C-one.

Not implemented: USA Fully Field.

Suggestion:

Management should ensure that workers receive the correct overtime wages.

Implemented: --

Partly implemented: San Lei Fung.

Not implemented: Phong Wan.

Suggestion:

Management should ensure workers receive the correct night time wages.

Implemented: --

Not implemented: Bumin, City New, Dajoo, Lucky Zone, Yubin.

Suggestion:

Management should ensure piece rate workers receive correct payment for work on a public holiday.

Implemented: Lucky Zone.

Not implemented: --

Suggestion:

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

Implemented: F.Y. Cambodia.

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

Suggestion:

Management should ensure that piece rate workers receive the minimum wage when their achieved piece rate wage falls below the minimum wage.

Implemented: Phong Wan.

Not implemented: City New, San Lei Fung.

Suggestion:

Management should set production targets at such a level that they can be met by an average worker during normal hours.

Implemented: Cung Sing.

Not implemented: --

Suggestion:

Management should ensure that probationary workers receive the correct minimum wage.

Implemented: --

Not implemented: Phong Wan.

Suggestion:

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

Implemented: --

Not implemented: Goldtex.

Suggestion:

Management should ensure that workers who do not get recruited following the 2/3-day pre-recruitment testing period receive wages for days worked.

Implemented: --

Not implemented: Phong Wan.

Suggestion:

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

Implemented: Bumin, Hang Fung, Oceanic, Phong Wan, Top Clothes.

Not implemented: C-one.

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

Implemented: --

Not implemented: Bumin, City New, Oceanic.

Suggestion:

Management should ensure that probationary workers are provided the attendance bonus.

Implemented: --

No more
probationary
workers recruited: Quality

Not Implemented: --

Suggestion:

Management should ensure payment of the meal allowance for overtime work undertaken.

Implemented: Bumin, Dajoo.

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: --

Factory stopped
providing lunch: S.H. International.

Not implemented: --

Suggestion:

Management should ensure that the payroll ledger and pay slips correctly/clearly reflect the wage paid to workers.

Implemented: San Lei Fung.

Not implemented: Dajoo.

Suggestion:

Management should revise the payroll ledger/pay slip so as to insert (more) detailed header descriptions in Khmer.

Implemented: Bumin.

In process: S.H. International.

Not implemented: --

Suggestion:

Management should ensure that wages are paid during normal working hours.

Implemented: --

Not implemented: Lucky Zone.

Suggestion:

In case of redundancy management should provide the correct compensation/indemnity to workers.

Implemented: --

Not implemented: Thai Pore.

2.1.1.5 Hours of work

Suggestion:

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

Implemented: --

Not Implemented: C-one.

Suggestion:

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

Implemented: --

Partly implemented: Goldtex.

Not implemented: Bumin, City New, C-one, Luen Thai, Oceanic, Phong Wan, Phnom Penh Garment, PYL, San Lei Fung, Top Clothes, USA Fully Field, Yubin.

Suggestion:

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

Implemented: Winner.

Not implemented: Lucky Zone.

Suggestion:

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

Implemented: S.H. International.

Not Implemented: --

Suggestion:

Management should ensure that overtime work is voluntary and exceptional.

Implemented: F.Y. Cambodia.

Not implemented: --

Suggestion:

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

Implemented: Thai Pore.

Not implemented: Dajoo.

Suggestion:

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

Implemented: --

Not implemented: Dajoo.

Suggestion:

Management should obtain permission from MOSALVY to undertake overtime work.

Implemented: --

Not implemented: Dajoo, Top Clothes.

Suggestion:

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

Implemented: --

Not implemented: San Lei Fung.

Suggestion:

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

Implemented: Thai Pore.

Not implemented: --

Suggestion:

Management should ensure that work on a public holiday is voluntary.

Implemented: --

Not implemented: Dajoo.

Suggestion:

Management should provide night time workers with a place to sleep or transportation home after work.

Implemented: –

Not implemented: City New.

2.1.1.6 Leave

Suggestion:

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

Implemented: F.Y. Cambodia (NB. Only part of a suggestion), Grace Sun, S.H. International.

Not implemented: Bumin, USA Fully Field.

Suggestion:

Management should ensure that correct compensation is paid for unused annual leave.

Implemented: Cung Sing.

Not implemented: –

Suggestion:

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

Implemented: F.Y Cambodia (NB. Only part of a suggestion).

Not implemented: C-one, Cung Sing, Phnom Penh Garment.

Suggestion:

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

Implemented: Belgian, Lucky Zone, Winner (NB. Only part of a suggestion), Trinunggal.

Partly implemented: F.Y. Cambodia, Goldtex.

Not Implemented: Bumin, C-one, City New, Cung Sing (NB. Only part of a suggestion), Dajoo, Gladpeer, Grace Sun, Hang Fung, Phong Wan, PYL, Quality, San Lei Fung, S.H. International, Top Clothes, Yubin.

Suggestion:

Management should ensure that sick leave is not deducted from annual leave.

Implemented: F.Y. Cambodia.

Not implemented: --

Suggestion:

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

Implemented: Belgian, Eternal Way, Lucky Zone, Trinunggal, United Faith, Winner (NB. Only part of a suggestion).

Partly implemented: Cung Sing (NB. Only part of a suggestion) Yubin.

Not implemented: Bumin, Dajoo, Gladpeer, Goldtex, Oceanic, Phong Wan, San Lei Fung, Top Clothes.

Suggestion:

Management should refrain from taking measures that alter a worker's contract status in a negative manner following the taking of paid or unpaid special leave.

Implemented: –

Not implemented: Phong Wan.

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: Belgian, Dajoo, Eternal Way, F.Y. Cambodia, Gladpeer, S.H. International.

Partly implemented: City New, Quality.

Not implemented: Bumin, Cung Sing, Goldtex*, Grace Sun*, Phnom Penh Garment*, Phong Wan, Top Clothes, United Faith.

NB*. Factories with an asterisk provide maternity leave in accordance with the law except that they do not pay half the seniority bonus.

Suggestion:

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

Implemented: Winner.

Not implemented: Bumin, Cung Sing.

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: Belgian, Eternal Way, F.Y. Cambodia, Gladpeer, Goldtex, Phnom Penh Garment, Winner, Yubin.

Not implemented: Bumin, City New, C-one, Cung Sing, Dajoo, Hang Fung, Lucky Zone, Oceanic, Phong Wan, PYL, Quality, San Lei Fung, S.H. International, Thai Pore, Top Clothes, USA Fully Field.

2.1.1.9 Nursing room/day care centre

Suggestion:

Management should establish a nursing room/day care centre.

Implemented: --

Partly implemented: Gladpeer, Lucky Zone.

Not Implemented: Belgian, Bumin, C-one, Cung Sing, Dajoo, F.Y. Cambodia, Goldtex, Grace Sun, Hang Fung, Oceanic, Phnom Penh Garment, PYL, Quality, San Lei Fung, S.H. International, Thai Pore, Top Clothes, United Faith, USA Fully Field, Winner, Yubin.

Suggestion:

Management should ensure that the nursing room/day care centre is fully operational.

Implemented: --

Not implemented: Trinunggal, City New.

2.1.1.10 Sexual harassment

No indications were found in 27 factories that sexual harassment occurred, while indications in 1 factory were that it had occurred.

2.1.1.11 Indecent behaviour

Suggestion:

Management should treat workers with respect.

Implemented: --

Not implemented: Bumin, City New, Cung Sing, Dajoo, Eternal Way, F.Y. Cambodia, Grace Sun, Lucky Zone, Luen Thai, Oceanic, Phong Wan, PYL.

2.1.1.12 Discrimination

No indications were found in any of the 28 factories that discrimination was practiced.

2.1.1.13 Forced Labour

No indications were found in any of the 28 factories that forced labour was practiced.

2.1.1.14 Child labour

No indications were found in any of the 28 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: Eternal Way, Goldtex, Winner.

Partly implemented: F.Y. Cambodia, Gladpeer.

In process: Belgian, Lucky Zone, United Faith.

Not implemented: Bumin, C-one, Cung Sing, Dajoo, Grace Sun, Hang Fung, Phnom Penh Garment, Oceanic, Phong Wan, PYL, Quality, San Lei Fung, S.H. International, Thai Pore, Top Clothes, USA Fully Field, 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.

Implemented: Belgian, Bumin, Eternal Way, F.Y. Cambodia, Goldtex, Lucky Zone, Phnom Penh Garment, Phong Wan, PYL, Quality, S.H. International, Top Clothes, United Faith, Winner.

Partly implemented: C-one, Grace Sun.

Not implemented: Cung Sing, Dajoo.

Suggestion:

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

Implemented: USA Fully Field.

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: Belgian, Gladpeer, Goldtex, Winner.

Partly implemented: Yubin.

Not Implemented: Bumin, C-one, Cung Sing, Dajoo, Hang Fung, San Lei Fung.

2.1.2.1.4 Emergency arrangements

Suggestion:

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

Implemented: Belgian, S.H. International.

Partly implemented: Oceanic, Phong Wan.

Not implemented: Cung Sing, Grace Sun, Lucky Zone.

Suggestion:

Management should add emergency exit doors on the first floor.

Implemented: --

Not implemented: San Lei Fung.

Suggestion:

Management should hold regular emergency drills.

Implemented: C-one.

Not implemented: Bumin, Cung Sing, Dajoo, Oceanic, Top Clothes.

Suggestion:

Management should ensure that fire extinguishers are within easy reach.

Implemented: Bumin.

Not implemented: --

Suggestion:

Management should ensure fire extinguishers are regularly serviced.

Implemented: Bumin, Oceanic, San Lei Fung, Winner.

Not Implemented: --

Suggestion:

Management should post safety signs in appropriate places.

Implemented: Bumin, C-one, Dajoo.

Not implemented: --

2.1.2.1.5 First Aid

Suggestion:

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

Implemented: Grace Sun, S.H. International.

Not implemented: Belgian, Bumin, C-one, Cung Sing, Dajoo, Goldtex, Gladpeer, Phong Wan, San Lei Fung, Top Clothes.

Suggestion:

Management should ensure that first aid kits are properly stocked.

Implemented: --

Not implemented: Hang Fung, Thai Pore, Yubin.

Suggestion:

Management should ensure that first aid boxes are easily accessible.

Implemented: --

Not implemented: PYL.

2.1.2.1.6 Infirmary

Suggestion:

Management should set up an infirmary:

Implemented: Cung Sing, Top Clothes.

Not implemented: --

Suggestion:

Management should recruit a doctor for the required number of hours.

Implemented: Winner.

Partly implemented: Goldtex.

Not implemented: Bumin (NB. Only part of a suggestion), Dajoo (NB. Only part of a suggestion), San Lei Fung, USA Fully Field.

Suggestion:

Management should recruit one (more) nurse(s).

Implemented: Phong Wan, Trinunggal.

Partly implemented: Eternal Way.

Not implemented: Bumin (NB. Only part of a suggestion), Dajoo (NB. Only part of a suggestion), Gladpeer, Phnom Penh Garment, Quality, S.H. International (NB. Only part of a suggestion), Thai Pore, Yubin.

Suggestion:

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

Implemented: --

Not implemented: Bumin (NB. Only part of a suggestion), C-one, Dajoo (NB. Only part of a suggestion) Gladpeer, Lucky Zone, Oceanic, Phnom Penh Garment (NB. Only part of a suggestion), S.H. International (NB. Only part of a suggestion), Thai Pore, Trinunggal (NB. Only part of a suggestion), United Faith (NB. Only part of a suggestion), Yubin (NB. Only part of a suggestion).

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: --

In process: F.Y. Cambodia, Hang Fung.

Not Implemented: --

Suggestion:

Management should expand the hospitalisation capacity of the infirmary.

Implemented: Eternal Way.

Partly implemented: Lucky Zone, PYL, Trinunggal, USA Fully Field.

Not Implemented: Bumin, City New, Gladpeer, Luen Thai, Phnom Penh Garment, Phong Wan, Quality, Thai Pore, United Faith (NB. Only part of a suggestion), San Lei Fung, Yubin (NB. Only part of a suggestion).

Suggestion:

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

Implemented: --

Partly implemented: Belgian, Hang Fung.

Not implemented: C-one, Grace Sun, Oceanic.

Suggestion:

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

Implemented: --

Partly implemented: Goldtex, Winner.

Not implemented: Dajoo, S.H. International.

Suggestion:

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

Implemented: Trinunggal.

Not implemented: Bumin, Phong Wan, PYL, Yubin.

Suggestion:

Management should improve ventilation in the infirmary.

Implemented: USA Fully Field.

Partly implemented: Oceanic.

Not implemented: --

2.1.2.2 Hazardous substances

2.1.2.2.1 Storage:

Suggestion:

Management should ensure that chemical substances are properly stored.

Implemented: San Lei Fung.

Not implemented: --

Suggestion:

Management should ensure that chemical containers are labelled in Khmer.

Implemented: Luen Thai, San Lei Fung.

Not implemented: Thai Pore.

Suggestion:

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

Implemented: --

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: --

Not implemented: Top Clothes.

Suggestion:

Management should install exhaust ventilation in areas where chemical substances are used.

Implemented: Luen Thai.

Not implemented: --

2.1.2.2.2. Protective measures

Suggestion:

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

Implemented: Eternal Way, Grace Sun, S.H. International, Thai Pore, Winner.

Partly implemented: Hang Fung (NB. Only part of a suggestion), Phong Wan, Yubin.

Not implemented: Bumin, City New, C-one, Cung Sing, Luen Thai, Oceanic, San Lei Fung, Top Clothes.

Suggestion:

Management should provide masks to workers who need them.

Implemented: USA Fully Field.

Not implemented: --

Suggestion:

Management should provide metal gloves to workers who need them.

Implemented: --

Partly implemented: USA Fully Field.

Not implemented: --

Suggestion:

Management should provide suitable footwear to workers.

Implemented: Hang Fung*.

Not implemented: Belgian, Bumin, City New*, C-one, Cung Sing, Dajoo, Grace Sun, Phong Wan*, Quality, 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 take measures to encourage workers to wear the protective equipment provided to them.

Implemented: --

Partly implemented: F.Y. Cambodia, Hang Fung (NB. Only part of a suggestion).

Not implemented: Bumin, Dajoo, Gladpeer, Oceanic, PYL, Quality, United Faith.

2.1.2.3 Lighting

Suggestion:

Management should take measures to eliminate glare from lighting in the trimming section.

Implemented: --

Not implemented: Phong Wan.

Suggestion:

Management should consider adjusting the height of the lighting network.

Implemented: C-one.

Not implemented: --

2.1.2.4 Noise

Suggestion:

Management should ensure that noise levels are reduced.

Implemented: Bumin, PYL, United Faith.

In process: Phnom Penh Garment.

Not implemented: Luen Thai.

2.1.2.5 Machine safety

Suggestion:

Management should ensure that machines are properly and regularly maintained.

Implemented: C-one, Cung Sing, Phong Wan, S.H. International.

Not implemented: Bumin, Oceanic.

Suggestion:

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

Implemented: C-one, Cung Sing, Phnom Penh Garment.

Partly implemented: Bumin.

In process: Phong Wan.

Not implemented: --

Suggestion:

Management should ensure all machines are equipped with a guard.

Implemented: --

Not implemented: Eternal Way, Gladpeer.

Suggestion:

Management should post safety signs/notices at appropriate places.

Implemented: S.H. International.

Partly implemented: Bumin.

Not implemented: --

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: Lucky Zone, Luen Thai, USA Fully Field.

Partly implemented: Eternal Way, Grace Sun, San Lei Fung.

Not implemented: Belgian, Bumin, C-one, Dajoo, Hang Fung, Phong Wan, United Faith, Yubin.

Suggestion:

Management should introduce dust reduction measures.

Implemented: Winner.

Not implemented: Top Clothes.

2.1.2.7 House keeping

Suggestion:

Management should ensure that the workplace is properly cleaned.

Implemented: Hang Fung, Winner (NB. Only part of a suggestion).

Partly implemented: Cung Sing, S.H. International.

Not implemented: Belgian, Bumin, C-one, Phong Wan, Top Clothes.

Suggestion:

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

Implemented: Luen Thai, Quality.

Partly implemented: Oceanic.

Not implemented: Phong Wan, San Lei Fung, Winner (NB. Only part of a suggestion)

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: Cung Sing, Goldtex, Luen Thai.

Partly implemented: Oceanic.

Not implemented: San Lei Fung.

Suggestion:

Management should ensure the floor of the workplace is even.

Implemented: --

Not implemented: Belgian.

Suggestion:

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

Implemented: --

Not implemented: Phong Wan.

Suggestion:

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

Implemented: --

Not implemented: Belgian, Lucky Zone.

Suggestion:

Management should replace the box sheets currently used as a ceiling.

Implemented: --

Not implemented: Phong Wan.

2.1.2.8 Welfare

2.1.2.8.1 Drinking water

Suggestion:

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

Implemented: C-one, Grace Sun, Phong Wan.

Partly implemented: Yubin.

Not Implemented: Belgian, Bumin, Cung Sing, Dajoo, San Lei Fung, Top Clothes.

Suggestion:

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

Implemented: --

Not implemented: PYL.

2.1.2.8.2 Sanitation facilities

Suggestion:

Management should build additional toilets.

Implemented: Yubin.

Not implemented: Belgian, Cung Sing, Dajoo, San Lei Fung (NB. Only part of a suggestion), Top Clothes (NB. Only part of a suggestion).

Suggestion:

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

Implemented: --

Partly implemented: C-one.

Not implemented: --

Suggestion:

Management should ensure that a sufficient number of toilets is designated for use by male/female workers.

Implemented: --

Not implemented: Goldtex, Top Clothes (NB. Only part of a suggestion).

Suggestion:

Management should consider setting up toilets on the first floor.

Implemented: --

Not implemented: Lucky Zone.

Suggestion:

Management should ensure that broken toilets are repaired.

Implemented: City New (NB. Only part of a suggestion), Grace Sun, Phnom Penh Garment, S.H. International.

Not implemented: Bumin, Dajoo.

Suggestion:

Management should improve lighting in the toilets.

Implemented: Belgian.

Not implemented: --

Suggestion:

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

Implemented: Lucky Zone, S.H. International.

Partly implemented: City New (NB. Only part of a suggestion), Grace Sun, Phnom Penh Garment, Trinunggal.

Not implemented: Belgian, Bumin, C-one, Cung Sing, Dajoo, Oceanic, USA Fully Field.

Suggestion:

Management should ensure that soap/towels are available.

Implemented: --

Not implemented: Hang Fung, Phong Wan, San Lei Fung (NB. Only part of a suggestion), Thai Pore, Yubin.

Suggestion:

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

Implemented: USA Fully Field.

Not implemented: Oceanic.

Suggestion:

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

Implemented: Yubin.

Not implemented: --

Suggestion:

Management should repair the drainage pipe located nearby Building F.

Implemented: Eternal Way.

Not implemented: --

2.1.2.9 Seating

Suggestion:

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

Implemented: --

Not implemented: Belgian, Bumin, City New, C-one, Cung Sing, Dajoo, Eternal Way, F.Y. Cambodia, Gladpeer, Goldtex, Grace Sun, Hang Fung, Lucky Zone, Oceanic, Phnom Penh Garment, Phong Wan, PYL, Quality, San Lei Fung, S.H. International, Thai Pore, Top Clothes, Trinunggal, USA Fully Field, Yubin, Winner.

Suggestion:

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

Implemented: F.Y. Cambodia, Goldtex, Phnom Penh Garment, Winner.

Partly implemented: C-one, Gladpeer.

Not implemented: Belgian, Bumin, City New, Grace Sun, Lucky Zone, Luen Thai, Phong Wan, PYL, Quality, San Lei Fung, S.H. International, Thai Pore, Top Clothes, Trinunggal, USA Fully Field, Yubin.

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.

Implemented: Cung Sing, Dajoo, Lucky Zone, PYL.

Not implemented: Bumin.

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: Lucky Zone, PYL.

Not implemented: --

2.1.3.3 Shop stewards

Suggestion:

Management should hold new shop steward elections;

Implemented: Yubin.

Not implemented: --

Suggestion:

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

Implemented: Dajoo.

Not implemented: --

Suggestion:

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

Implemented: S.H. International.

Partly implemented: Belgian, City New, Cung Sing, Gladpeer, Phong Wan, United Faith.

New election due but not held yet: Top Clothes.

New elections not due yet: Bumin, F.Y. Cambodia, Lucky Zone, Luen Thai, Phnom Penh Garment, PYL, Quality (NB. In report to factory there are three separate suggestions), Thai Pore.

Not 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: Grace Sun.

Partly implemented: Gladpeer, Goldtex, Luen Thai.

In process: C-one.

Not implemented: Bumin, City New, Cung Sing, Dajoo, Oceanic, Phnom Penh Garment, PYL, Quality, San Lei Fung, Thai Pore, Top Clothes, USA Fully Field, Winner.

2.1.3.4 Liaison officer

Suggestion:

Management should appoint an independent liaison officer.

Implemented: Belgian, City New, C-one, F.Y. Cambodia, Gladpeer, Goldtex, Oceanic, Phnom Penh Garment, PYL, S.H. International, Trinunggal, United Faith, USA Fully Field, Yubin.

Not implemented: Bumin, Cung Sing, Dajoo, Hang Fung, Phong Wan, San Lei Fung, Thai Pore, Top Clothes.

Suggestion:

Management should consult shop stewards before appointing an independent liaison officer.

Implemented: --

Not implemented: Quality.

2.1.3.5 Collective disputes

Suggestion:

Management should fully implement conciliation agreements.

Implemented: --

Not implemented: Lucky Zone.

Suggestion:

Management should ensure that conciliation agreements are in line with the law.

Implemented: --

Not implemented: San Lei Fung.

2.1.3.6 Strike/lock out

There were no strikes in 21 factories (Belgian, City New, C-one, Dajoo, Eternal Way, F.Y Cambodia, Goldtex, Grace Sun, Lucky Zone, Oceanic, Phnom Penh Garment, Phong Wan, P.Y.L, Quality, San Lei Fung, S.H. International, Thai Pore, Trinunggal, United Faith, Yubin, Winner).

There was 1 strike in 4 factories (Cung Sing, Hang Fung, Top Clothes, USA Fully Field). There were 2 strikes in 3 factories (Bumin, Gladpeer, Luen Thai). The reason for strikes held, were the non-compliance with several provisions of the law (Bumin twice, Cung Sing, Gladpeer, Hang Fung, Luen Thai, Top Clothes, USA Fully Field), the suggested one-time late payment of wages (Luen Thai) and a demand from workers to advance payment of wages prior to commune elections (Gladpeer).

In 8 instances an agreement was reached/solution found with the assistance of MOSALVY (Bumin twice, Cung Sing, Gladpeer, Hang Fung, Luen Thai, Top Clothes, USA Fully Field) and in 2 instances without MOSALVY assistance (Gladpeer, Luen Thai).

In 2 instances agreements reached were implemented (Gladpeer, Luen Thai) and in 8 instances they had been partly implemented (Bumin twice, Cung Sing, Gladpeer, Hang Fung, Luen Thai, Top Clothes, USA Fully Field).

None of the strikes were organised in accordance with the applicable rules and procedures, although in 1 instance the union claimed written notice of 15 days was given and in another instance that a notice of 7 days was given but no documents were available to verify these claims. All strikes, except 1, 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.

2.2. 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 26 suggestions made, 10 had been implemented, 2 had been partly implemented, 1 was in the process of being implemented and 13 had not been implemented. Six new suggestions were made.

Bumin: Of the 49 suggestions made, 10 had been implemented, 2 had been partly implemented and 37 had not been implemented. Eight new suggestions were made.

City New: Of the 22 suggestions made, 1 suggestion had been implemented, 3 had been partly implemented, 1 was dropped because it was no longer relevant and 17 suggestions had not been implemented. Twenty-two new suggestions were made.

C-one: Of the 31 suggestions made, 8 had been implemented, 3 had been partly implemented, 2 were in the process of being implemented and 18 had not been implemented. Five new suggestions were made.

Cung Sing: Of the 38 suggestions made, 9 had been implemented, 4 had been partly implemented, 1 was in the process of being implemented, 2 were dropped because of overlap and 22 had not been implemented. Fourteen new suggestions were made.

Dajoo: Of the 37 suggestions made, 6 had been implemented, 1 was dropped due to overlap and 30 had not been implemented. Eleven new suggestions were made.

Eternal Way: Of the 17 suggestions made, 10 had been implemented, 2 had been partly implemented and 5 had not been implemented. Three new suggestions were made.

F.Y. Cambodia: of the 24 suggestions made, 15 had been implemented, 3 had been partly implemented, 1 was in the process of being implemented, 1 had been dropped due to overlap and 4 had not been implemented. Eight new suggestions were made.

Gladpeer: Of the 21 suggestions made, 6 had been implemented, 5 had been partly implemented and 10 had not been implemented. Six new suggestions were made.

Goldtex: Of the 22 suggestions made, 7 had been implemented, 5 had been partly implemented and 10 had not been implemented. Five new suggestions were made.

Grace Sun: Of the 22 suggestions made, 7 had been implemented, 3 had been partly implemented, 1 was in the process of being implemented and 11 had not been implemented. Two new suggestions were made.

Hang Fung: Of the 17 suggestions made, 3 had been implemented, 3 had been partly implemented, 1 had been dropped and 10 had not been implemented. Five new suggestions were made.

Lucky Zone: Of the 31 suggestions made, 11 had been implemented, 2 had been partly implemented, 2 were in the process of being implemented, one was dropped because it was no longer relevant and 15 had not been implemented. Two new suggestions were made.

Luen Thai: Of the 14 suggestions made, 6 had been implemented, 3 had been partly implemented and 5 had not been implemented. Sixteen new suggestions were made.

Oceanic: Of the 33 suggestions made, 8 had been implemented, 4 had been partly implemented, 1 was dropped due to overlap and 20 had not been implemented. Seven new suggestions were made.

Phnom Penh Garment: Of the 20 suggestions made, 6 had been implemented, 1 had been partly implemented, 1 was in the process of being implemented and 12 had not been implemented. Ten new suggestions were made.

Phong Wan: Of the 39 suggestions made, 7 had been implemented, 3 had been partly implemented, 1 was in the process of being implemented, 1 was dropped due to overlap and 27 had not been implemented. Six new suggestions were made.

P.Y.L.: Of the 23 suggestions made, 5 had been implemented, 1 had been partly implemented, 1 was dropped due to overlap and 16 had not been implemented. Twelve new suggestions were made.

Quality: Of the 20 suggestions made, 3 had been implemented, 1 had been partly implemented, 2 were combined with one other due to overlap and 14 had not been implemented. Six new suggestions were made.

San Lei Fung: Of the 34 suggestions made, 4 had been implemented, 2 had been partly implemented, 1 was dropped because of overlap and 27 had not been implemented. Thirteen new suggestions were made.

S.H. International: Of the 29 suggestions made, 15 had been implemented, 1 had been partly implemented, 1 was in the process of being implemented, 1 was dropped because it was no longer relevant and 11 had not been implemented. Six new suggestions were made.

Thai Pore: Of the 21 suggestions made, 4 had been implemented and 17 had not been implemented. Two new suggestions were made.

Top Clothes: Of the 30 suggestions made, 5 had been implemented, 1 was in the process of being implemented, 2 had been dropped because of duplication and 22 had not been implemented. Eleven new suggestions were made.

Trinunggal: Of the 12 suggestions made, 7 had been implemented, 2 had been partly implemented and 3 had not been implemented. Five new suggestions were made.

United Faith: Of the 12 suggestions made, 5 had been implemented, 1 had been partly implemented, 1 was in the process of being implemented and 5 had not been implemented. Twenty-six new suggestions were made.

USA Fully Field: Of the 21 suggestions made, 8 had been implemented, 2 had been partly implemented and 11 had not been implemented. Nine new suggestions were made.

Yubin: Of the 25 suggestions made, 6 had been implemented, 4 had been partly implemented and 15 had not been implemented. Thirteen new suggestions were made.

Winner: Of the 17 suggestions made, 11 had been implemented, 3 had been partly implemented and 3 had not been implemented. Four 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.² Currently, 15 factories participate in the programme. Of the 30 factories covered by this report, Luen Thai and Thai Pore 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.

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, 3 factories had returned the report as of 10 June 2003. All three factories agreed with all the suggestions for improvement 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 further progress in improving working conditions has been recorded. Consistent with the first and third report, no evidence of child labour and forced labour was found. While problems still remain, there has been improvement in ensuring freedom of association, and to a lesser degree, the correct payment of wages, and ensuring overtime is voluntary and within legal limits. It is evident that a substantial number of factories continue to make efforts to implement suggestions made by the Project and, when compared to the situation found during the first visit undertaken, progress made by these factories ranges from the encouraging to the impressive. However, there remain a number of factories where little effort is 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 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