

# Better Factories concerned about labour contracts



Better Factories troubled by increasing use of fixed duration employment contracts.

Better Factories Cambodia is concerned by a rise in the use of Fixed Duration Contracts (FDCs) for long term employment. 'An increasing number of garment factories have started to use Fixed Duration Contracts for all workers, which is troubling because it may indicate that they misunderstand the appropriate use of the different types of contracts, or that they are using FDCs to undermine workers' employment security', said Ms Anne Ziebarth, legal advisor, Better Factories Cambodia.

Under Cambodian Labour Law there are two main categories of employment contract. Workers may be employed on Undetermined Duration Contracts (UDCs) or Fixed Duration Contracts. As their names suggest, a UDC is valid for an unlimited time, while a FDC is valid for a specific period of time (e.g. 3 months or 6 months). UDCs are generally favoured for long-term employment, because they offer enhanced

employment security, while FDCs are designed for short-term periods of employment (e.g. for casual workers).

'The ILO recommends that fixed duration contracts should not be used for long term employment, and suggests that permanent employees should be put on UDCs,' Ms Ziebarth said.

The Garment Manufacturers Association in Cambodia (GMAC) does not give official advice to garment factories about which type of contract to use. 'The decision to use either a FDC or a UDC lies with the individual factories according to their needs, but obviously temporary or seasonal workers must

be issued with Fixed Duration Contracts', said Dr Ken Loo, Secretary General of GMAC.

According to Dr Loo, the main reason factories are choosing to use FDCs instead of UDCs is because they like the certainty associated with Fixed Duration Contracts. 'For companies, the real advantage of FDCs is that they know exactly how much compensation to pay in the event of termination, while for UDCs, it is very subjective and difficult to forecast'.

When deciding which type of contract to use, employers should consider all the associated administrative, business and financial costs, Ms Ziebarth said. 'An important consideration in a tight labour market needs to be worker satisfaction and low worker turnover because that leads to improved productivity. We are seeing more disputes arising over the type of contract used to employ permanent workers, with

workers in some factories complaining that they lack security of employment because they are working under repeating short-term FDCs,' she added.

Better Factories Cambodia understands that there may be sound operational reasons for using FDCs. However, in some cases it appears that employers prefer FDCs to UDCs because they believe that it is easier to terminate workers. Employers are expected to have a valid reason relating to business needs or the worker's aptitude before deciding to terminate a worker on an Undetermined Duration Contract. Without a valid reason an employer is liable to pay damages in addition to lay-off compensation. Although employers do not have an obligation to renew an FDC when it expires, they still are prohibited from terminating workers on FDCs for illegitimate reasons. 'It would be a violation of the Labour Law to terminate a worker based on anti-union discrimination, no matter what type of contract they are working under,' said Ms Ziebarth.

Experts say that the costs involved with FDCs are often higher than for UDCs. 'If you compare how much it costs to validly lay-off a worker on a UDC compared with an FDC you will find that quite often the FDC is more costly', said Ms Ann Vireak a labour law specialist with the Community Legal Education Center. 'FDCs also place an additional administrative burden on companies, because they must individually track each contract and then make a choice to either terminate or renew a worker's contract when it expires. Factories that forget to do this may find that the FDC has automatically converted to a UDC as specified in the Labour Law', she said.

'Even putting the costs aside, Better Factories Cambodia would like to see factories using the appropriate contract and treating workers and union activists fairly', Ms Ziebarth said.

Better Factories Cambodia understands that choosing to use either a Fixed Duration Contract or Undetermined Duration Contract can be difficult. Some of the training programs offered by Better Factories Cambodia include information on contracts and other human resource issues.

## How much does it cost?

FDCs are typically more costly than UDCs because employers must pay a 5% severance payment when an FDC contract expires or is terminated. The cost is even greater if an employer needs to terminate a worker early as the law states that the employer must pay out the full labour contract.

The table below gives an example of the severance costs of terminating a worker on (repeating) 3-month FDCs compared with the costs of terminating a worker on a UDC.

FDC (Repeating 3 month fixed duration contract) Wages & Benefits - \$70 per month / \$2.69 per day					UDC Wages & Benefits - \$70 per month / \$2.69 per day			
Terminated after:	Notice period	Contract payout*	5% Severance	TOTAL	Laid-off after:	Notice period	Indemnity for dismissal**	TOTAL
2 months	N/A	\$70.00	\$10.50	<b>\$80.50</b>	2 months	7 days	\$0.00	<b>\$0.00</b>
4 months	N/A	\$140.00	\$21.00	<b>\$161.00</b>	4 months	7 days	\$0.00	<b>\$0.00</b>
6 months	N/A	\$0.00	\$21.00	<b>\$21.00</b>	6 months	15 days	\$18.83	<b>\$18.83</b>
9 months	N/A	\$0.00	\$31.50	<b>\$31.50</b>	9 months	15 days	\$18.83	<b>\$18.83</b>
12 months	N/A	\$0.00	\$42.00	<b>\$42.00</b>	12 months	15 days	\$18.83	<b>\$18.83</b>
2 years	N/A	\$0.00	\$84.00	<b>\$84.00</b>	2 years	15 days	\$80.70	<b>\$80.70</b>

\* **Contract payout** – The amount remaining to be paid (or worked) under the terms of the FDC contract. The employer must pay this if terminating a FDC Contract before the time it was supposed to end. In the table above it is a 3 month (repeating) FDC, so at the end of 2 months the employer has an obligation to pay an additional 1 month of wages (\$70) to terminate an employee. At 4 months the contract payout becomes \$140 (2 months wages - 6 months minus 4 months). At 3 months, 6 months, 9 months and 12 months no contract payout is required if the employer properly terminates the worker, at the end of the contract term.

\*\* **Indemnity for dismissal** – Must be paid when a labour contract is terminated by the employer (except if the worker was dismissed for serious misconduct). A workers who has been continuously employed for 6 – 12 months is entitled to an indemnity payment equivalent to 7 days wages and fringe benefits. After 12 months continuous employment the indemnity for dismissal increases to 15 days wages and fringe benefits. Each additional year it increases by 15 days up to a maximum of 6 months.

## Improvements to synthesis reports

Better Factories has changed the way it prepares and distributes Synthesis Reports. From November Synthesis Reports will only be available on-line, and their format has been redesigned to draw upon new reporting information collected by Better Factories Cambodia's innovative Information Management System (IMS).

A major improvement to Synthesis Reports is greater emphasis on presenting data in a graphical format. This will make Synthesis Reports much more user friendly and gives a valuable overview of the garment industry's compliance performance.

Another important change to Synthesis Reports is that data is summarized to make it easier for companies and other stakeholders to assess their performance against industry averages and labour standards.

On-line delivery of Synthesis Reports is expected to lead to faster and more efficient reporting. Only authorized users will be able to access confidential company reports, however the public will be able to view summary information about the garment industry.

At a later stage individual factory summary progress reports will be made publicly available in order to show improvements made over time.

# News and events

## Many positive findings from gender survey

CARE International recently completed a major research study, 'Women and Work in the Garment Sector' for *Better Factories Cambodia*. Almost one thousand workers and eighty senior managers were interviewed on issues affecting women such as healthcare, nutrition, working conditions, safety and workplace relations.

'The research presents workers' and managers' perceptions of working conditions and compliments the information gathered by *Better Factories'* compliance monitoring as well as government and industry statistics', said Ms Jen Makin who was in charge of the research.

'This research information is of great interest to a wide range of stakeholders, and can be used to make concrete improvements to the lives of women workers in Cambodia's garment industry', said Ms Makin.

There were many positive results from the research, such as evidence that the incidence of child labour in Cambodian garment factories is very low, and confirmation that *Better Factories Cambodia* compliance monitoring has led to workplace improvements throughout the garment sector.

The research also highlighted areas which can be improved, such as improving workplace safety and taking steps to improve the health, and therefore productivity of workers.

One of the most striking findings was that factories which have their own canteens have lower incidence of sick leave. Ms Makin said, 'This suggests that improving nutrition has a positive benefit for factories and may point to *Better Factories Cambodia* developing win-win strategies which help the health of workers and lift productivity'.

Although many workers expressed fears regarding workplace safety, the research indicated that the greatest health risk to workers is actually travelling to and from work. Over 50% of workers had been in a traffic accident themselves or had a close personal friend who had been in an accident in the previous year. The cost of such accidents is high, and managers reported that traffic accidents were the single most common cause of insurance claims.

Despite the fact that employers have an obligation to compensate workers for work-related accidents and illnesses, more than 25% of factories said they did not insure all workers.

Harassment was shown to be a serious issue, with non-sexual verbal harassment the most commonly reported form of harassment.

Sexual harassment was experienced by around 1 in 4 workers in the past year, although Ms Makin suggests that the problem is societal. 'Many workers and managers acknowledge that sexual harassment occurs, but the problem appears to be societal because women workers report similar or even higher levels of harassment from men along the road to and from the factory'.

Different sized factories reported different types of problems, and a disturbing result was that 15% of women working in factories employing 3,000 – 4,999 workers said that they never had enough to eat. When it came to resolving disputes there was also significant industry variation depending on factory size. Ms Makin said, 'This may point to a need for *Better Factories Cambodia* to use different strategies to improve factory performance for different sized businesses'.

Mr Tuomo Poutiainen, head of *Better Factories Cambodia* expressed qualified satisfaction with the survey results. 'Overall, the research showed that garment factories have made good progress over the past five years. Yes, it is true that there are areas of concern, but it also proves that the joint effort by *Better Factories'* partners has paid dividends'.

'It is crucial that issues affecting women are properly understood and taken into account by the Government, Employers' and Workers' organizations when addressing the needs of garment workers and when developing training and skills development programs at the factory level', Mr Poutiainen said.

*Better Factories Cambodia* intends to increase its efforts to address issues concerning women at work, and to intensify its collaboration with institutions such as UNIFEM, the World Bank and CARE that assisted in developing this survey, added Mr Poutiainen.

## Better Factories signs agreement with MPDF

The ILO and the International Finance Corporation's Mekong Private Sector Development Facility (IFC-MPDF) recently signed a collaboration agreement on provision of technical assistance to help *Better Factories Cambodia* make the transition from an ILO-managed project to a self-funded Cambodian organization by 2009.

Mr Tuomo Poutiainen, Chief Technical Advisor of *Better Factories Cambodia* praised the future role of IFC-MPDF. 'We are delighted that IFC-MPDF has agreed to assist *Better Factories* become self-funded and locally managed by 2009', he said.

The *Better Factories Cambodia* project which was established in 2001 is a unique example of a UN organization acting as an industry monitor. The ILO has consistently stated that it planned to end its direct management role once the *Better Factories* program was fully established and self sustaining.

In May this year, *Better Factories'* tripartite stakeholders, government, unions and garment factories agreed to provide funding for the project through to 2009.

Ms Karla Quizon, Garment Program Manager for IFC-MPDF, is very optimistic about *Better Factories'* chances as an independent enterprise. '*Better Factories Cambodia* offers a unique and useful product and is highly regarded by all the players in the industry – buyers, manufacturers, unions and government – for helping to ensure the survival of the industry after garment quotas ended on 31 December 2004. Buyers have said again and again that they continue to source garments from Cambodia because of the country's comparatively good labour record, and they credit *Better Factories Cambodia* for this. The garment industry continues to grow, however, it faces fiercer competition and needs more than ever to maintain good labour standards. Thus it is critical that the industry unites to make *Better Factories'* transition to a sustainable organization happen'.

IFC-MPDF, which has years of experience helping improve the management and operations of small and medium enterprises in Cambodia, Lao PDR and Vietnam, will help develop an appropriate institutional structure, a business plan and train staff to run an independent enterprise – all necessary to ensure *Better Factories Cambodia's* longer-term existence. IFC-MPDF and ILO are also partnering with stakeholders and donors in setting up an international buyers' forum and in preparing an industry-wide training strategy for the sector.

## Oxfam Hong Kong Youth Exposure Trip

Hong Kong is one of the biggest investors in the Cambodian garment sector. Recently a group of Hong Kong students came to Cambodia to learn about how the garment industry works and to learn about the *Better Factories Cambodia* program.



Students from Hong Kong visit a garment factory.

The visit which was organised by Oxfam Hong Kong gave these students an opportunity to see working conditions in Cambodian garment factories and to learn how to promote good working conditions and labour rights in the garment supply chain.

'We came to Cambodia because garment manufacture constitutes the biggest industry and Cambodia promotes itself as an ethical producer. We think that it presents good learning opportunities to explore supply chain issues, the situation of workers and the role of international agencies and the views of Western brands and retailers', said Ms Kalina Tsang, Policy Officer, Oxfam Hong Kong.

The students were impressed by the working conditions in the factory they visited in Cambodia. 'The working conditions were actually better than I expected', said Ms Cecilia Au Yeung. Mr Lowell Chow, a student of the University of Hong Kong was also pleasantly surprised by the working conditions. 'We only visited one garment factory in Cambodia, but it had

sufficient lighting, and good air ventilation. Conditions in this Cambodian factory were better than we expected, though there is still space for us to explore other factories', he said.

The students also praised the work of *Better Factories Cambodia*. Mr Chow said, 'I believe that the ILO *Better Factories Cambodia* program has played an important part in raising the overall standards of Cambodian garment factories, and I

was quite impressed that the ILO tries to monitor all registered factories and by the different ways that it publicizes labour rights in Cambodia'.

Since returning to Hong Kong the students have used their experiences to promote ethical consumption, corporate social responsibility and labour rights in the garment industry. 'The students have done media interviews with Hong Kong newspapers and radio stations and drawn up plans to implement consumer awareness raising programs since their return to Hong Kong', Ms Tsang said.

'Overall we believe that the *Better Factories Cambodia* program has been effective in raising the awareness of brands, manufacturers and workers about labour standards. We urge more companies around the world to engage with civil society and the ILO to adopt the ethical trading model by linking their purchasing and sourcing to good labour standards', said Ms Tsang.

## New appointments

MS THEA SOPHY joined *Better Factories Cambodia* as a Monitor on 18 September 2006. Sophy recently returned from Japan where she completed a Master's in International Development, and she has extensive academic and business experience in trade, manufacturing, economics, and labour issues. Sophy previously worked at Maersk, an international freight company.

MREANG SOVANNARA also joined *Better Factories Cambodia* as a Monitor on 18 September 2006. Sovannara has a strong background in compliance monitoring and has had extensive experience working with garment factories in Cambodia. Sovannara also has a strong background in training and human resources management, having worked at World Vision as a Capacity Building Co-ordinator.

MS LEANG CHANTHY joined *Better Factories* as a Remediation/Training Assistant. Chanthly speaks fluent English and Chinese. Prior to joining *Better Factories* Chanthly worked for Resource Development International as an Office Assistant.

# Information resources

## New Good Practice Guides

Good Practice Guides provide factories with clear, concise advice on important issues such as improving productivity, working conditions, health and safety, and overtime.

Better Factories Cambodia has inserted two Good Practice Guides inside this newsletter to showcase these information tools.

28 Good Practice Guides are currently available, and the following 13 new Good Practice Guides will soon be added to the *Better Factories Cambodia* website:

- Emergency tools
- Toilets
- Canteen
- Hazardous chemical control
- Induction training program
- Lighting
- Maternity leave and breast-feeding
- Provision of pure drinking water
- Overtime
- Arrangement of first aid kit/stocks
- Age verification and prevention of child labour
- Short-term contracting
- Sick leave

Better Factories Cambodia's training team is happy to provide further information and assistance on each of the topics covered by the Good Practice Guides.

Good Practice Guides are available in Khmer, English and Chinese and can be downloaded as A4 size handouts from [www.betterfactories.org/resources.aspx](http://www.betterfactories.org/resources.aspx)



## Want to participate in the 2007 Modular Training Program?

Better Factories Cambodia is calling for expressions of interest from factories that wish to participate in the Modular Training Program starting late January 2007.

The Modular Training Program helps enterprises to make practical improvements at the factory level. It consists of seven 2-month training modules and includes expert training, factory visits, and factory improvement plans. The modules cover quality and productivity improvements, Cambodia in the global context, workplace cooperation, OSH, Human Resources management and working conditions, and Continuous Improvement.

Please contact Ms. Leang Chanthy at [chanthy@ilo.org](mailto:chanthy@ilo.org) or phone (855-92) 978 577 for more information. An information seminar for interested factories will be held on 27 October 2006.

For full details of the *Better Factories* 2006 training programs visit [www.betterfactories.org/training.aspx](http://www.betterfactories.org/training.aspx)

## National Industrial Relations Conference

The Arbitration Council Foundation, in collaboration with the ILO Labour Dispute Resolution Project and the Ministry of Labour and Vocational Training is organising Cambodia's second National Industrial Relations Conference on Tuesday 14 November.

Agenda items are tentatively scheduled to include:

- Overview of industrial relations and labour disputes in Cambodia in 2006
- Key legal and jurisprudential issues related to the Arbitration Council
- Panel discussion on the process of negotiating a Collective Bargaining Agreement
- Presentation and panel discussion of findings from ILO/World Bank research into labour dispute resolution and prevention issues

For further information, please contact the Arbitration Council Foundation's Communications Officer, Mr Prum Sok on (855-23) 223 506 ext 115 or email [sprum@arbitrationcouncil.org](mailto:sprum@arbitrationcouncil.org)

## Radio FM102 interview

Better Factories recently conducted an in-depth question and answer program on Radio FM102, on women's issues in the garment industry, as part of its work reaching out to the Cambodian community. 'We try to explain what we do and why', said Mr Tuomo Poutiainen, head of *Better Factories Cambodia*, 'because educating the community helps to improve working conditions, particularly for women as they make up over 90% of the garment sector workforce'.



Ms Yim Pichmalika takes listeners' questions during Radio FM102 talkback show.

Appearing on FM102 was Ms Yim Pichmalika, one of *Better Factories*' monitors who took calls from the general public and explained how *Better Factories Cambodia* works. Callers to the program touched on many of the issues which recent *Better Factories* gender research suggested were concerns for women. Excerpts from the radio interview are reproduced below.

**Caller (Kimsan):** How many days maternity leave are women entitled to? And what wage they should get?  
**A:** I will answer this question based on my observations since I work mainly in the garment industry.

According to the labour law, workers are entitled to 3 months maternity leave and 50% of their wage and other benefits. By the way, at the ILO, we receive 4-months maternity leave and 100% of our wage.

**Caller (Vantha):** When a woman has an accident during travel between home and work, does she get compensation from the factory?  
**A:** According to the law, if there is an accident during their travel between home and work, they should get compensation from the factory for treatment and be paid wages while they can not work.

**Caller (Kunthea):** I am a factory casual worker, and get paid \$30 a month. Last month I worked overtime until 8pm three nights per week but I only received \$39.  
**A:** The law says casual workers have the same rights as regular workers. They should get the same \$45 minimum wage and other benefits. You have right to claim for your correct minimum wage and you should have to work overtime only on a voluntary basis.

**Caller (Chivorn):** I'm working at a private factory. From my observation, working conditions in garment factories are getting better, but not all of them. I would like to suggest to women workers need to make sure they have enough to eat, so that they don't get weak or faint. Also, I would like to ask the guest speaker if women in garment factories and other organizations get the same rights at work as men?  
**A:** I think organizations often try to promote women's rights. For example, the management in my project tries hard to promote women in realizing their rights. At the same time, I notice that some women in garment factories don't speak when we ask them. By the way, there are many women who are very brave and speak up, and who have an understanding of the labour law. They can come up and negotiate with management for their rights and they get more success than men. From my observations, women are free to join associations and to receive the same wage for the same job as men. Although many factories promote and respect women's rights, some are still lacking.

## Minimum wage set

Minimum wage talks between 17 garment sector trade unions and GMAC were cut short after the government stepped in to set the new basic minimum wage rate at US \$50 per month. Four sessions of bipartite talks had narrowed the gap between the two parties, but had not yet resulted in any agreement. A fifth session was scheduled for Friday 20 October. The Minister of Labour and Vocational Training (MoLVT) called a last-minute meeting of the Labour Advisory Committee (LAC) for 19 October. The LAC is a tripartite body composed of 14 government representatives from different Ministries, 7 employer and 7 union representatives, chaired by the Minister and co-chaired by union and employer representatives. During the meeting, the Minister declared that the new minimum wage would be \$50 and asked for a vote; 17 LAC members, including 3 trade unions, voted in favour and 3 unions voted against (one union member was absent).

Discussions between the unions and GMAC began in June when unions threatened an industry-wide strike unless the \$45 monthly minimum wage was raised to \$82. Cambodia's \$45 minimum wage was set in August 2000, and unions claim that cost of living increases justify a rise. Responding to union claims, GMAC acknowledged 'That the minimum wage has not been set for five years and now is the time sit and carefully examine the issue'.

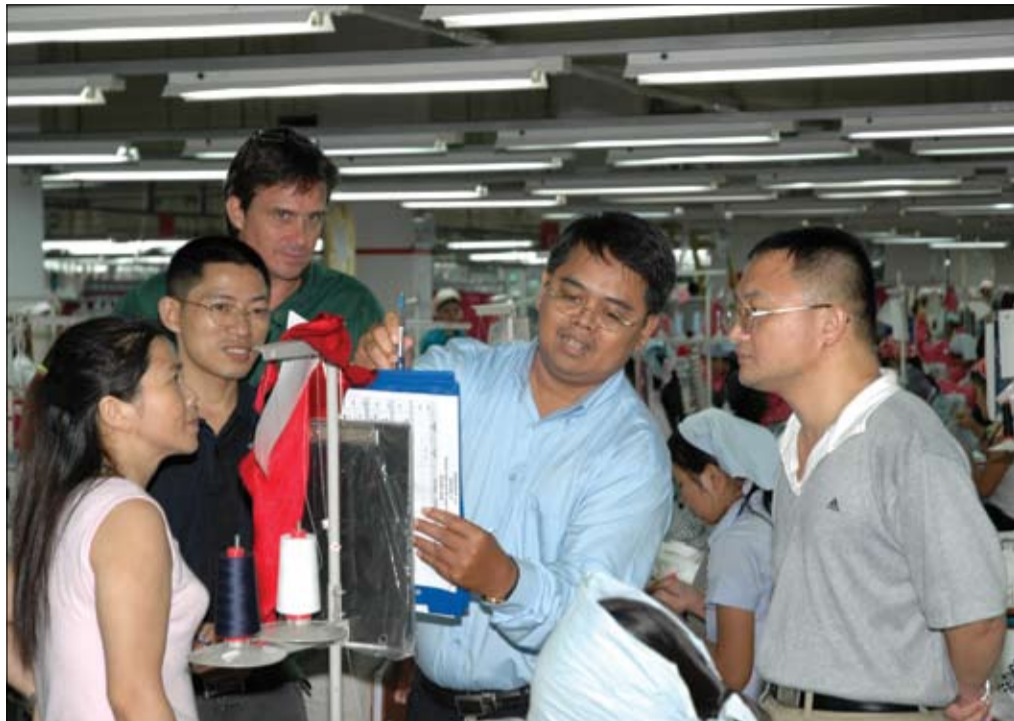
GMAC and the seventeen unions represented in the negotiations conducted two full days of talks in September. The talks were observed by Mr John Ritchotte, Chief Technical Advisor, ILO Labour Dispute Resolution Project, who said, 'The negotiation is progressing well. Both parties have presented their positions well, and have made concessions to try to reach agreement'.

Prior to the 30 September talks, the unions lowered their claim to \$63 per month. Mr Som Aun, spokesperson for the unions and president of the Cambodian Labour Union Federation, said that GMAC had counter-offered a \$2.50 increase to 47.50 per month. Following the recent talks GMAC increased their counter-offer to \$3 per month in the first year of the agreement, and \$2 per month each year for the next two years.

Both the unions and GMAC are understood to be willing to discuss other matters, including bonuses, illegal strikes, and binding arbitration. 'It is good that the parties are discussing a package of issues. My only concern is that it is taking longer to reach agreement than the parties would like, and that may lead to increased tensions', Mr Ritchotte said.

It is estimated that 40% – 50% of the 325,000 garment sector workforce belongs to a union. The seventeen unions participating in the negotiations represent the majority of the unionised workforce, and this is the first time that a major grouping of unions has united to negotiate from a common bargaining position.

# Better Factories training – Helping factories help themselves



Mr Nov Dara, Remediation/Training Officer and Mr Conor Boyle discuss suggestions for workplace improvements during a factory training follow-up visit.

When *Better Factories Cambodia* began in 2001, the focus of its work was compliance monitoring, but in future training will become increasingly important according to Mr Tuomo Poutiainen, the new head of *Better Factories Cambodia*. ‘Our emphasis on compliance monitoring will remain, but for the Cambodian garment industry to keep growing it must be able to respond to global competitive pressures. In the medium to long term we need to invest in creating an able and skilled workforce and highly skilled and productive managers’, he said.

on lifting factory performance. ‘Training has always been part of *Better Factories*’ work, but our emphasis has tended to be on compliance monitoring, and fixing problems. But to protect the long-term future of the industry we need to boost performance and productivity, and that’s why training is vital’, Mr Boyle said.

*Better Factories* says that it aims to facilitate factory level improvement, rather than be responsible for doing it. ‘We’re trying to build a continuous cycle of improvement within factories’, Mr Boyle said. ‘When our compliance monitoring identifies

Mr Poutiainen sees training as crucial to protecting Cambodia’s current levels of success. ‘Cambodia has built a successful industry that has performed very well but more work needs to be done, particularly as Vietnam will join the WTO at the end of this year, and China will soon have unrestricted access to the US and European markets’, he said.

Mr Conor Boyle, who is *Better Factories Cambodia*’s Assistant Program Manager and in charge of its training program, says industry-wide improvement means that *Better Factories* is now able to focus more

problems, we work with our stakeholders to identify the best solutions, and then our training program is designed to give factories the skills they need to improve their own performance’, Mr Boyle said.

Future *Better Factories Cambodia* training programs will build on locally developed training materials created in response to the unique needs of the Cambodian garment industry. Mr Boyle said, ‘This approach is most effective because the best solutions tend to be locally developed’. Mr Boyle points to some of *Better Factories*’ innovative training programs like its six-part soap opera series and induction training comic books as examples of this approach.

One of the problems that *Better Factories Cambodia* faces when designing training programs is that each of its stakeholder groups has quite different needs. ‘We’ve developed multi-faceted training programs which communicate in different ways with each of our stakeholder groups,’ said Mr Boyle. ‘That was our thinking when we developed our induction training comics and the soap opera series. They are very effective for training workers because they communicate in language that is easy to understand and meaningful. But they also help factories by giving them a proven system and a way to check whether or not they are meeting labour standards’, Mr Boyle said.

From early 2007, one of the big changes that *Better Factories Cambodia* will make to its training program is that it will start services tailored to individual factories. ‘In the past’, said Mr Boyle, ‘we’ve tried to lift the overall standard of the industry, but in future we will focus more on understanding the needs of individual businesses and developing solutions for them’.

*Better Factories* plans to use its IMS information management system to refine the way training is targeted. The IMS will help factories identify their own needs, and will also give real-time information about where problems and issues are occurring so that *Better Factories* can tailor programs to meet either industry or factory-specific needs.

By linking training to the IMS data collection system, *Better Factories* will also be able to better identify what training programs are working best. This should lead to clear benefits for workers and management, and help to improve the quality of training programs. Leading up to 2009 when *Better Factories* becomes a locally-managed organization it will also be a way to assess *Better Factories* own performance.

Along with better information from the IMS system, *Better Factories* is planning to introduce a ‘training clearinghouse’ which will map training opportunities for factories, and which will allow external trainers to enter data into the IMS on training programs and participants. This should help to reduce duplication of training programs, and most importantly start to develop a training market for the garment industry, said Mr Boyle. ‘Our objective is to provide information and systems so that factories can help themselves’, he explained.

‘Overall, our training strategy, fits in with *Better Factories* transition strategy’, said Mr Poutiainen. ‘By 2009 when *Better Factories* becomes a locally managed organization we aim to have a suite of resources to lift overall industry performance and to give individual factories the skills to identify and develop their own solutions. Our aim is to establish a cycle of positive improvement that comes from within’.

## Single Issue Seminars

*Better Factories Cambodia* offers training seminars on important issues for garment factories. The seminar topics are chosen on issues which are likely to benefit both factories and workers. Seminars are highly participatory and usually run from one to three days, depending on the topic.

### First Aid Training – 2 Day Training Course (in Khmer)

About the Course	Practical First Aid skills through demonstrations, hands-on practice and simulation exercises. Expert trainers from the Cambodian Red Cross teach the course. Successful participants receive a First Aid certificate endorsed by the Cambodian Red Cross. Topics covered have been chosen for their relevance to garment factories and include: Controlling bleeding; wounds; poisoning; unconsciousness; broken bones; body hygiene.
Target Participants	Cambodian workers/supervisors and union representatives who are working on the production floor with first aid responsibilities. Course available to all interested factories.
Dates	2 Groups: 20-21 November OR 23-24 November
Venue	VBK Training Centre #28, Street 80, Phnom Penh

## In the news

“Yours” – Talk show discussion on working conditions for women – Radio FM 102. Radio FM102 interviews *Better Factories Cambodia* monitor, Ms. Yim Pichmalika who discusses the role of women, working conditions, and the work of *Better Factories Cambodia* monitoring.  
URL: <http://www.betterfactories.org/newsdet.aspx?z=4&IdNews=71&c=1>

“*Better Factories* loosens ties with ILO” - Phnom Penh Post, Cambodia – August 11 – 24, 2006. Phnom Penh Post reports that *Better Factories Cambodia* is to become locally managed with government funding from 2009. Outlines the role that the Mekong Private Sector Development Facility (MPDF) will take in assisting *Better Factories Cambodia* make the transition from being an ILO funded organization to an independent local organization. Discusses why stakeholders support the role of *Better Factories Cambodia* and the ‘sweatshop-free’ niche that protects the garment industry in Cambodia.  
URL: [http://www.phnompenhpost.com/\(available to subscribers only\)](http://www.phnompenhpost.com/(available to subscribers only)).

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