

Programme Update

July/August/September 2011

Welcome to this edition of Better Work's Programme Update, designed to keep you up-to-date with Better Work activities across the globe. If you would like more in-depth information on any of the topics below, contact Chandra Garber at garber@ilo.org.

Global Activities

Better Work Will Host an Impact Conference in Washington DC on 26–28 October 2011

The last decades have witnessed a growing concern over labour rights and working conditions in developing countries supplying for the global market. The Better Work conference ***Workers, Businesses and Government: Understanding Labour Compliance in Global Supply Chains*** will bring together some of the brightest policy and research minds to analyze the impact of labour standards compliance in global supply chains on businesses and workers, looking at the “business case” as well as at the “development case” for compliance. The conference seeks to draw on analysis and experience from around the world, including lessons learned through the first years of operations of the Better Factories Cambodia and Better Work programmes, as well as explore the impact of improving labour standards compliance on supplier competitiveness, worker wellbeing and broader development goals.

The Better Work conference is open to the public, but registration is required. Please [click here](#) to learn more about the event and to register.

Better Work Launches Innovative New Worker Induction Training Tool Kit

Better Work, with support from the Levi Strauss Foundation, has developed a series of Training of Trainers (ToT) seminars to assist relevant factory management staff (HR Managers and Training Officers responsible for induction) to orient new employees about their rights and responsibilities in the workplace. Among the tools that are available as part of the kit are an animated video and comic books used in conjunction with the enterprise's own internal policies and procedures. [Click here](#) to watch the trailer on YouTube!



Country Activities

Cambodia

In response to a number of group fainting incidents that took place at garment factories in Cambodia earlier this year, Better Factories Cambodia convened a special meeting during the September Buyers' Forum in Phnom Penh to address the issue with buyers. In addition to providing technical and operational support to investigations being headed by H&M at two factories where fainting incidents occurred, Better Factories Cambodia is working with the Cambodian Government and many other participating buyers to identify and address possible workplace and other issues that may be underlying the events. While valid health and social

problems may exist, the incidents also give stakeholders an opportunity to take a holistic look at the industry and highlight the need for broader improvements, such as greater social protection.



Supervisors participate in the Better Factories Cambodia training on the Cambodian Labour Law.

Better Factories Cambodia is currently offering a training on the Cambodian Labour Law to nearly 500 supervisors from 25 factories. Over a series of five Sundays, participants are gathering at the National Technical Training Institute to gain a better understanding of labour contracts, working conditions, occupational safety and health, dispute resolution, and roles and responsibilities. Participants can help share the knowledge they acquire with their colleagues and workers, and subsequently contribute to the robust growth of the garment industry. The initiative is supported by the Garment Manufacturers Association of Cambodia, and international brands, including adidas, Abercrombie & Fitch, American Eagle Outfitters, Gap Inc., PVH, New Balance, H&M and the Walt Disney Company.

On 5 September, Better Factories Cambodia organized its first footwear industry seminar, which involved over 100 constituents from the Ministries of Commerce, Labour and Vocational Training, and Environment; trade unions; UN agencies; international brands; and manufacturers. The seminar provided an overview of the footwear industry in Cambodia and invited discussions about opportunities, challenges and recommendations in the sector. Among the topics covered were occupational safety and health, labour compliance, representation of the industry and environmental issues. The seminar also provided insight on the commercial dimension associated with the growth of the Cambodian footwear industry, giving a better understanding of trade opportunities, trade updates and perspectives from importing nations. According to government data, there are currently 37 shoe factories employing 35,227 workers in Cambodia.

For more information on Better Factories Cambodia, please visit their web site at www.betterfactories.org.

Haiti

On 16 October, Better Work Haiti will release the 3rd Biannual Report under the HOPE II Legislation, which provides aggregate information on industry-wide compliance performance. This report will cover the reporting period of April to October 2011, and will be available at the following web page: [Better Work Publications: Compliance Synthesis Reports](#).

The Better Work Haiti team has also grown, with the addition of three new Enterprise Advisors. The new staff members, together with their already established colleagues, support the team's large scope of expertise, which includes management and quality control, accounting, HR management, law and production engineering. In addition, Better Work Haiti has moved to a new office, which brings together all ILO projects in Port-au-Prince in the same location. For current Better Work Haiti contact details, [click here](#).

Indonesia

Better Work Indonesia began providing assessment services in July and advisory services in September in the greater Jakarta area. At least 16 factories will be involved in assessment and advisory services by the end of 2011. More information on factory registration and participation in the programme is available by contacting Better Work Indonesia at bwi@ilo.org.

In July, Better Work Indonesia invited registered factories to participate in an AusAID-funded ILO workshop on people with disabilities. The workshop focused on addressing the needs of people with disabilities, who frequently have limited access to employment and justice. In developing countries, approximately 80% of

people with disabilities live below the poverty line. In recent assessments conducted by Better Work Indonesia, all factories were found to have difficulty complying with the national requirement stipulating that at least 1% of their workforce comprise people with disabilities. The workshop provided employers with information and guidance on employing people with disabilities.

In August, Better Work Indonesia, in collaboration with the Indonesian Employer Association (APINDO) and the Ministry of Trade, visited APINDO members in Java and North Sumatra to discuss the benefits of participating in social responsibility programmes, such as Better Work.

Jordan

On 10 July, the Jordanian Ministry of Labour published a legal instruction making participation in Better Work Jordan mandatory for 54 garment factories in Jordan, marking the beginning of the implementation as a mandatory industry-wide programme. Better Work Jordan has been working with employers and the Jordanian government to ensure that all listed factories register with the programme, and as of September, 40 garment factories are currently signed up.

This August, Better Work Jordan hosted the global Better Work Training Managers Summit. This eight-day summit brought together training managers from Better Work country programmes to share their experiences and lessons learned running their respective training programmes. The meeting also included observation of the pilot Better Work Jordan Supervisory Skills Training course.

On 28 September, Better Work Jordan held the third in a series of quarterly collaboration meetings with the Ministry of Labour's Inspection Directorate. The meeting covered the issue of sexual harassment in Jordanian garment factories.

As part of its expanded effort to address this issue, in October, Better Work Jordan will also be hosting a team of experts from Sri Lanka on workplace sexual harassment. The team will be working with Better Work Jordan to expand the programme's knowledge base of the nature and scope of sexual harassment in Jordanian garment factories and refine its capacity to identify sexual harassment.



Dara Nov, Senior Training Officer for Better Factories Cambodia, leads a session at the Training Managers Summit.

For more information on Better Work Jordan, please visit their web site at: www.betterwork.org/jordan.

Lesotho

In July, Better Work Lesotho launched advisory services in four factories. While the formation of PICCs in these factories is still ongoing, Enterprise Advisers are assisting factory management in implementing selected improvement measures that require preliminary management decisions and engagement. Once the PICCs have been established, compliance issues will be addressed by both management and worker representatives. Supervisory Skills Training, one of Better Work's most popular and effective training courses, will be launched by Better Work Lesotho in the last quarter of this year.

In late July, annual minimum wage talks came to a standstill caused by disagreement of minimum wage board members over the garment sector unions' demand to raise the minimum wage to a living wage level of Maloti 2020. In early September, employers and unions resumed wage talks and finally agreed on an increase of 7%. The new minimum wage will be gazetted in October 2011. During the period of wage discussions, the programme encouraged stakeholders to remain open for social dialogue to overcome the impasse in proposing to the government a new minimum wage.

In August, a coalition of interest groups, including garment sector unions, taxi operators and youth organizations, called for a 3-day stay-away to highlight unmet demands addressed to the Prime Minister in an earlier petition. In the petition, these groups expressed their dissatisfaction with the delivery of government services and an increase of power tariffs and taxi fares, among other issues. The stay-away, in which most garment workers participated, also raised attention to the low wages paid in the sector. In the Maseru industrial area, the stay-away and a protest march caused garment factories to close for four days.

Better Work Lesotho updated participating buyers on the progress of minimum wage talks, the stay-away and related developments on a regular basis.

In mid September, at the fourth Better Work Lesotho Project Advisory Committee meeting, discussions included the upcoming restructuring of wages in the garment sector. The Government officially requested technical expertise from the ILO to assist constituents in the wage restructuring process. Better Work Lesotho will observe the process and assist in the facilitation of workshops, if requested.

Nicaragua

In mid July, Better Work Nicaragua organized a trade union workshop in Managua that was attended by representatives of numerous national trade union organizations, as well as the regional office of the International Trade Union Confederation, a regional representative of the ILO Bureau for Workers' Activities, Better Work Nicaragua Program Manager Elena Arengo and representatives from the Instituto Sindical para America Central y el Caribe (ISACC). The objective of the meeting was to further strengthen collaboration between the trade unions in the garment sector, and to discuss their role in the implementation of Better Work Nicaragua.



The Better Work Nicaragua team in their new office.

In late July in Managua, Better Work Nicaragua hosted a Buyers' Forum, which brought together 16 representatives from JC Penney Corp., Wal-Mart, Target, Gildan Activewear, Gap Inc., Levi Strauss & Co. and VF Corp. to discuss programme rollout and buyer expectations and concerns. In a multi-stakeholder meeting with buyers and representatives from the government and the business sector, the objectives of the Better Work programme were presented and the challenges for the buyers and suppliers were discussed. The opening ceremony was attended by the Minister of Labour and other social partners, as well as officials from the US Embassy and US Department of Labor, which funds the Better Work Nicaragua programme.

In August, Enterprise Advisors participated in a UN inter-agency meeting aimed at establishing mechanisms within the UN system for better knowledge sharing between agencies present in the country. Also in August, EAs received internal training on the free-trade zone regime in Nicaragua, and the results of a CSR study that was conducted by the National Free-Trade Zone Commission in 2008.

Vietnam

On 16 September, the Better Work Vietnam Project Advisory Board (PAC) met in Ho Chi Minh City and approved the 3rd Compliance Synthesis Report, which includes all factories assessed by the programme between July 2010 and July 2011, a total of 78 factories (12 of which have been assessed twice by Better Work Vietnam). The most common areas of non-compliance with national law continue to be in occupational safety and health, overtime hours, paid leave and failure to hire adequate numbers of people with disabilities. Non-compliance findings around core labour standards relate primarily to differences

between Vietnam National Law and international conventions in the area of freedom of association and collective bargaining. For factories that have undergone two assessments, all were found to be actively participating in advisory services and had set up management/union committees to improve workplace cooperation and address issues of non-compliance. All have shown significant improvements in core labour standards, as well as health and safety, while issues related to compensation and overtime remained largely constant, indicating a need for ongoing effort in these areas.

Prior to the meeting, the PAC had conducted an independent review of the programme in the 12 factories which had been assessed twice by the programme. The results of the review were consistent with Better Work's findings and the review team particularly noted the improvement in workplace cooperation in the factories that had been advised by the programme. Better Work Vietnam has carried out a total of 145 assessments and the number of factories participating in advisory work is now 70.

For more information on Better Work Vietnam, please visit their web site at: www.betterwork.org/vietnam.

National and Regional Buyers' Forums in Asia

More than 24 international garment buyers and brands convened at the Buyers' Forum in Phnom Penh on 5–8 September to discuss Better Factories Cambodia, Better Work Vietnam, Better Work Indonesia and regional Better Work topics. The Forum allowed buyers not only to hear updates of services delivered by the programmes, but also to address concerns over industrial relations in the programme countries. Better Work and buyer representatives also discussed progress on a new relationship model that better reflects the commitment of buyers who actively engage in shaping the programmes.

This year's Forum provided an opportunity for buyers to lead discussions on regional thematic topics, including sub-contracting production and the quality of assessment reports. Furthermore, buyers also discussed potentially joining efforts in their individual initiatives to improve the health and well-being of garment workers.

Jobs

Better Work is continually looking for qualified professionals to work with the global and country programmes. All available posts are listed on our web site. [See vacancies and tenders >>](#)

About Better Work

Better Work is a unique partnership between the International Labour Organization (ILO) and the International Finance Corporation (IFC). It unites the expertise of the ILO in labour standards with that of the IFC in private-sector development. Better Work brings together local enterprises, international buyers, governments, and workers' and employers' organizations to improve labour standards and promote competitiveness in global supply chains. [See our brochure >>](#)

The Better Work global programme is supported by the following (in alphabetical order):

- Australian Government
- Federal Ministry for Economic Cooperation and Development, Germany (BMZ)
- International Finance Corporation (funds provided by IrishAid and The Walt Disney Company)
- Netherlands Ministry of Foreign Affairs
- State Secretariat for Economic Affairs, Switzerland (SECO)
- United States Council Foundation, Inc. (funds provided by select USCIB member companies)

For more information on country programme support, please visit the [Better Work Donors](#) web page.

