

Press Release

For immediate release July 3, 2014

Transparency keeps driving improvements in working conditions

ILO News (Phnom Penh) – The International Labour Organization's Better Factories Cambodia (BFC) programme today releases its 2nd online transparency report showing how individual garment factories measure up on key working conditions.

Three of the twelve factories in the Low Compliance group made 33 verifiable improvements and, as a result, moved off the Low Compliance list. Low Compliance factories are those whose performance falls two standard deviations below the mean for compliance on 52 keys issues among factories with three or more BFC assessments.

One third of the 92 factories included in the 'Critical Issues' list made improvements on 21 basic legal requirements in anticipation of their inclusion in the report. The total number of Critical Issues violations in this group of factories fell from 134 to 87 between April and June 2014—a 35% improvement.

A smaller group of 24 factories in the database (26%) were already in compliance on all 21 of the basic legal requirements included in the Critical Issues category. Another 19 factories made verifiable improvements in order to move into this group, for a total of 43 factories (47%) with no violations of the Critical Issues.

A comparison of the performance of the 93 factories newly added to the Transparency database with the performance of factories included in BFC's 31st Synthesis Report covering May 2013-April 2014 illustrate the impact of transparent reporting:

- Factories conducting emergency evacuation drills rose from 57% to 79%.
- Factories discriminating against workers dropped from 20% to 7%.

BFC's Chief Technical Advisor, Jill Tucker says: "Through transparency we are seeing changes in factories that have resisted change for years. Some of the benefits that are newly being given – such as proper seniority allowances – put money in workers' pockets, and these benefits cannot be taken away once they are provided."

"In addition, we are seeing another encouraging step as officials from the Ministry of Commerce and Ministry of Vocational Labour and Training have jointly visited Low Compliance factories. Enforcement efforts such as these have the potential to make a big difference, especially in the low-performing factories that tarnish the image of the industry at large," she added.

Union compliance with legal requirements for strikes is also disclosed. None of the strikes conducted in the factories included in the June 2014 transparency database met legal requirements.

The details for all factories and unions covered by this initial transparency report are available at <u>www.betterfactories.org/transparency</u>.

Transparency Database Summary Report is attached.

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