

Better Work Program in RMG Sector

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Since 2007, Better Work (BW) program started operation to improve garment workers' lives by striving to secure safe, clean, equitable working environments. It is done through building strong relations between managers and workers at the workplace who, with the support of BW, take ownership and responsibility for continuously improving working conditions and eventually competitiveness at the factory. More than one million workers are now involved in this program promoting and boosting business benefits. BW work has resulted in clear, sustainable improvements in factory working conditions across the countries and changes in policy that protect workers. This has a multiplier effect of businesses profiting from having stronger industrial relations and communities benefiting when workers are creating livelihoods and can send remittances home.

By 2017, Better Work is expected to have improved the lives of at least three million workers and millions more of their family members. It is planning to achieve this by driving sector-wide, sustainable improvement in adherence to national labour law and core labour standards, and strengthening business competitiveness in major garment producing countries. Major strategy of BW is to provide high-quality services and be the partnership of choice for its constituents, international buyers and institutional partners.

Better Work intends to influence the policies and practices of international buyers, governments and other institutions by sharing the unique knowledge and findings arising from its program. Through its wider alliance, Better Work tries to explore the opportunities to improve industrial relations and labour law governance, as well as create a level playing field for good employment practices.

Types of activities at the worker, factory and government level

- At the worker level, training of workers on building skills for how to deal with management and to raise issues and making sure that they are paid fairly, correctly, and on time.
- At the factory level, assessing compliance to labor laws, educating about core international labor standards, and advising on worker and management dialogue. Workers and management need help setting up committees for communication, as there is a hierarchical cultural structure enforce. Understanding what is needed to achieve and maintain compliance would be the next step and keeping accurate records at the factory is detrimental. As the factory matures in their process, the workers can take a bigger part in the dialogue.
- At the government level, working with worker organizations the ministries of labor and commerce, and providing input on their project advisory committees.

BW program in different countries and their success

Better Work Cambodia program began in 2001, emerging from a trade agreement between the United States and Cambodia, under which the US provided Cambodia better access to its markets in exchange for improved working conditions in the garment sector. Early successes of Better Factories Cambodia later inspired the Better Work program.

Better Factories Cambodia covers all exporting garment factories in the country and some shoe factories, currently in the region of 500 factories encompassing 500,000 workers. The garment and

footwear industries are Cambodia's biggest formal sector employer and make up more than 80% of exports. Better Factories Cambodia's monitoring has contributed to greater scrutiny of the industry and changes such as correct payments of wages, and the emergence of the first generation of Cambodian supervisors. The program has been the architect of many worker empowerment initiatives including a soap opera and a mobile phone education program aimed at two-way communication with workers. In 2013, the program launched an online transparency database detailing the progress of individual factories on key working conditions. The Better Work program in Cambodia was considered successful by many because it corrected many of the wage issues and added maternity leave and annual leave to the employee contract.

Better Work Nicaragua: Better Work Nicaragua was launched in 2011 after the national employers' organization (Nicaraguan Association of Textile Manufacturing) and the government (through the National Free Trade Zone Commission) wanted to capitalize on the growth of the garment sector by marketing enterprises' compliance with labour laws and international labour standards. The apparel industry, worth \$1500 million is one of Nicaragua's most important manufacturing sectors in terms of employment generation and national income. Better Work currently covers 27 factories (51% of factories in the industry) encompassing more than 41,000 workers, of which 60% are women. 90% of participating factories in Nicaragua now have functioning worker management committees assisted by Better Work's advisory services. The program has also contributed to improvements in emergency preparedness. 100% of participating factories now have smoke-detectors and alarm systems and 9 out of 10 now have an appropriate emergency plan.

Better work Vietnam: 58 factories have been assessed by Better Work Vietnam (BWV) for fire safety. It was observed that there were a number of fire safety issues for which non-compliance remains persistently high, particularly over the last two years. 50% of the factories remain non-compliant in terms of the fire exits and they were found to be blocked during working hours, which represents the static progress since the second assessment period and deterioration since first assessment. More than one-third of the factories were found to be lacking clearly marked exits and escape routes; more than 30% did not maintain electrical equipment and lack adequate firefighting equipment. A major improvement is observable in terms of chemical storage: non-compliance rates in this area have fallen by nearly two-thirds since the first assessment period, to 16 percent at the time of the fourth visit. The synthesis report covers fire safety issues in 58 factories that have been assessed by Better Work Vietnam (BWV). Vietnam, Indonesia and Jordan are closer models. Vietnam is most similar as it is a large-scale effort and also has the advisory model and worker management commitment that we plan to implement in Bangladesh. The success factor is an agreed standard for core worker rights, international standards and conventions. Better Work helps all these parties create a closed loop. Wages and workers will be aligned with national labor laws to form one standard.

Better Work Bangladesh: Drawing on the rich experience acquired by Better Work in the garment industry, including in Asia, national and international stakeholders have been exploring the possibility of establishing a Better Work country program in Bangladesh. Given this interest, the ILO and IFC carried out a feasibility study during the first half of 2011 in order to assess whether Better Work can develop a successful project in the Bangladesh ready-made garment industry. The goal of the study was to understand the industry framework within the context of the global garment product trade, to determine if various relevant factors met Better Work country selection criteria, and to gauge if the environment is conducive to the successful implementation of a Better Work program in Bangladesh. Taking into account the results of the study, Better Work's Management Group took a decision cautiously endorsing proceeding to full program design. The ILO and IFC have subsequently initiated a 9-month participatory Design Phase, which started in January 2012. The main objectives of the Design Phase are 1) to ensure that stakeholders fully understand the Better Work program and subsequently endorse its goals and objectives by demonstrating their commitment in concrete ways, 2) to design a

Better Work Bangladesh program that meets specific and measurable objectives to improve compliance with labour standards in the ready-made garment industry, and 3) to prepare the technical ground for program implementation. Based on the outcome of the design phase, the Management Group will assess the opportunity for successful program implementation against identified entry criteria and take a decision on future Better Work activities in Bangladesh.

Top priorities for Better Work Bangladesh

There are some priorities that are obvious of which Fire safety and building safety are at the top of the list. It is needed to help factory owners and managers understand how to make the sector safer for their workers and provide basic training. To help the workers have a voice and be empowered regarding their rights. They need to understand that they have the right to refuse to go into a building that is unsafe. Worker rights awareness is very high on the priority list. A big reason for Better Work to be in Bangladesh is to help change the worker and management culture at factories and understand how to make it safer and compliant. Right now BWB is digging deeper into needs analysis, the fundamental issues, and how the current culture is influenced by the industrial relations in the country. The whole process is very resource intensive.

The partnership between the ILO and the IFC

The partnership between the ILO and the IFC goes back to the joint project for worker rights in Cambodia. Back in 2011, a feasibility study was conducted that consisted of 10 criteria, including economy size, growth rate and industry support as a whole for vulnerable workers. The level of commitment to stakeholders, the types of government involvement, whether or not trade unions existed, employers' fair practices knowledge and other issues of the employees were assessed. The ILO provides an organized voice for business and workers, and has the ability to advise governments on policy and possible approaches to solving some of the major issues. The IFC's area of expertise, on the other hand, lies in private sector development, market based approaches and specifically the running of programs over a period of time in a way that is sustainable, with cost recovery, and using evidence-based approaches.

Each organization has its strengths and works well with one another. The ILO works directly with the ministries of labor in various countries while the IFC works with different trade counterparts in government, as well as in commerce, industry, and trade. Both are needed for working on a viable solution in the garment industry because they can leverage their counterparts to build a more complete solution.

Better Work is a partnership program between the International Labour Organization (ILO) and the International Finance Corporation (IFC) that aims to improve compliance with labour standards and promote competitiveness in global supply chains, in particular in labour intensive industries. It does this by promoting compliance with core international labour standards as expressed in the ILO Declaration on Fundamental Principles and Rights at Work and national labour law, as a basis for building socially responsible export strategies. In Asia, the program operates in the garment sectors of Cambodia (as Better Factories Cambodia), Indonesia and Vietnam, where the industries are seen as pillars for providing employment opportunities and contributing to poverty reduction.