

Summary Report – Visit to London by the Free Trade Union of Workers of Cambodia

From the 15-19th October 2007, a delegation from the Free Trade Union of Workers of Cambodia (FTU) visited London to receive One World Action's Sternberg Award for their outstanding contribution to human rights. Mr Chea Mony (President) was accompanied by one officer and translator.



During the week they met with Christine Johnson (Foreign and Commonwealth Office), Malcolm Bruce MP (Chair of International Development Select Committee), Annie Watson (Ethical Trading Initiative), Nick Sigler (UNISON), Sam Gurney (TUC) and Brittis Edman (Amnesty International). A discussion and screening of *Plastic Killers*, a film about the assassination of Chea Vichea was held with the South East Asia Department at SOAS and a roundtable held at One World Action attended by Labour Behind the Label, People and Planet and other interested individuals. The delegation also participated in a meeting at DFID on poverty reduction budget support in Cambodia where they met briefly with Claire Moran (Head DFID Cambodia) and Adrian Davis (Head DFID North and East Asia).

Ten UK clothing companies were approached for meetings to discuss the problems facing garment workers in Cambodia and how the FTU have worked constructively with companies to improve working conditions. Companies included Asda, Next, H&M, Tesco and GAP. Disappointingly for various reasons all the companies declined to meet with the delegation although H&M did offer to meet them in Cambodia.

The following is a summary of the key issues raised during their discussions:

1. Background

Cambodia is one of the poorest countries in Asia. Life expectancy is 56 and 80% of the population live on under \$2 a day. The garment industry has developed rapidly over the last ten years and now accounts for around 90% of Cambodia's exports. The sector employs around 350,000 people, mainly young women from poor rural families. Many more are employed indirectly by the industry. It is estimated that workers send on average 50% of their earnings back to support families in the countryside and that around 1.5 million people are dependent on these remittances.

Cambodia's population is very young and 50% of the population are under 18 years old. With huge numbers of young people entering the workforce the garment sector will become even more critical in creating the employment opportunities needed to alleviate poverty and to meet the Millennium Development Goals in Cambodia.

'Made in Cambodia' can now be found on the labels of many high street clothes and the US and Europe are the two main export markets with just over 71% to the US and 22% to Europe.

The FTU was established in 1996 and it is the largest independent union of garment workers in Cambodia. It has a membership of 74,500 - mainly young women. It works in 230 garment factories and has 127 union affiliations.

2. Current Challenges

Violence and Assassination of Union Leaders - Cambodia is a very dangerous place in which to be a trade unionist and the garment sector is governed by powerful groups within the military and government. Even though the constitution guarantees citizens the right to establish and belong to trade unions, legitimate labour unions are facing severe pressure and intimidation. The FTU are at the front line of these tensions. Three prominent FTU leaders have been assassinated in the last few years. Chea Vichea, President, in January 2004, Ros Sovannareth, the Union's President at Trinuggal Kormara factory in May 2004 and Hy Vuthy, the Union's President at the Suntex factory in February 2007. During the meetings

President Chea Mony, the brother of Chea Vichea, expressed fears for his own safety and that of other union leaders.

Violation of Core Labour Standards - Despite Cambodia's formal commitment to progressive national and international legislation in this area, including the International Labour Organisation Conventions covering core labour standards, they are not being met. The right to association and the right of unions like the FTU to even exist are constantly under attack. The FTU faces pressure from the government, factory owners and employers, and other trade unions supported by the government and employers. The FTU is also facing increasing pressure from the Chinese embassy who are protecting the interests of Chinese companies.

Cambodia has ratified ILO Conventions 87 and 98 on Freedom of Association and the Right to Collective Bargaining however these are not fully implemented. There are 419 garment factories in Cambodia and around 1,000 trade unions. A union can be formed with eight people or more so many are set up and supported by employers.

Thousands of FTU members have been sacked because of their union activity - often without the pay they are owed. Those that manage to keep their jobs face daily harassment, intimidation and violence.

According to Transparency International, Cambodia is one of the top ten most corrupt countries in the world. Corruption is widespread and the FTU tackles corruption at many different levels. The relationship between the state and factory owners is particularly close. For example factory owners recently persuaded the government to reform the labour laws. As a result contracts have become shorter – six months or less and the monthly salary for night work reduced from \$90 to \$60. Night shifts for women workers are particularly dangerous and many women are raped and assaulted when walking back from the factories to their rented accommodation. The government, desperate for investment is willing to do what the companies ask for.

Workers are uneducated, hungry and frightened. It is very difficult to have time to worry about joining a union when you have an empty stomach. However given the risks of joining a union and Cambodia's recent history of the Khmer Rouge it is incredible that we have so many thousands of members who are brave enough to join a trade union.

Low wages and poor working conditions - Garment workers work long hours for very low pay. The FTU initiated a recent campaign to increase the minimum wage from \$45 to \$80 per month, holding a public demonstration on 1st May 2006. There was no response from the government and so on the 3rd July 2006 the FTU declared that all workers would strike if the government continued to ignore their demands. Following this the Garment Manufacturing Association of Cambodia contacted the FTU and working with the Ministry of Labour raised the minimum wage to \$50 per month. However this wage is still too low to lift workers and their families out of poverty - an adequate living wage would be around \$80.

Workers are treated like animals – they work very hard for very low pay. It is repetitive exhausting work. Workers don't have access to health care, holidays, pensions, insurance or time off if they are sick. They are laid off and taken on as orders fluctuate and rarely have formal contracts.

Some factories supplying international companies have improved (e.g. GAP factories). However companies also outsource clothes at different stages of the supply chain to other factories where conditions are much worse.

Casualisation of work and factories - The ending of the Multi-Fibre Agreement in December 2004 (an import/export quota agreement with the EU and US) and Cambodia's recent entry into the World Trade Organisation both increased the direct competition Cambodia is facing from other countries, particularly China and Vietnam where labour costs are cheaper.

We have seen a race to the bottom with factory owners under constant pressure to cut their prices, lead times and increase their flexibility to meet demands at short notice. These all put immense pressure on workers. Contracts are becoming shorter and workers have no job security.

90% of the industry is owned by foreign investors mainly from China, Hong Kong, Singapore, South Korea and Taiwan. Most managers or supervisors are Chinese which leads to communication problems between them and the workers.

Garment factories constantly change their management, supplier and legal identity. Factories open and close with very little notice and sometimes leave the country without warning, leaving workers unpaid.

Women workers who have migrated from rural poor families to seek work in the city are often compared to prostitutes - they force themselves to leave their families and leave young children to struggle for a better living and decent lives. They are discriminated against, violated and exploited by the management.

Lack of information and access - Complaints to international companies about specific violations need to be founded on solid research and evidence. However it is often incredibly difficult to track which clothes are being made at which factory and which companies they are supplying. For example if workers are found taking a label from the clothes they are making then they can lose their job. It is also very difficult for FTU staff to get access to factories, for example Chea Mony is only allowed into a factory for negotiation meetings which take place in a separate room.

Monitoring visits by foreign companies, ILO staff and unions are supposed to be unannounced but factory managers are often given warning. Workers are asked questions in the presence of management so obviously they are not going to risk their jobs by complaining.

The FTU are linked to the ILO Better Factories Program that is expected to change from an ILO funded and managed project into a locally financed Cambodian entity by 1st January 2009.

No access to justice or recourse - The government and courts ignore have ignored many of the formal and informal complaints and submissions made by the FTU. This combined with the risks to job security and harassment has meant that some union members have lost confidence and left the union.

It is very difficult to get recognition from the Ministry and applications are delayed by months or simply ignored. If you file a complaint nothing happens and often the courts do nothing because the owners pay the courts to ignore the complaint or in some cases the employers pay money to the police to flee the country.

3. About the FTU

The FTU has a small office in Phnom Penh and around 21 full time staff.

Despite the difficult challenges the FTU continues to support garment workers in their right for decent work and to organise collectively for better working conditions. We negotiate with factory owners on behalf of our members, we monitor and challenge rights abuses and raise awareness amongst employers about core labour standards and codes of conduct. However the lack of access to workers and factories and the climate of fear and impunity in which we work makes things extremely difficult.

Garment workers come to know about FTU through word of mouth, through our leaders in each factory where we work and through meetings which are held at their rented accommodation.

It is very difficult to gain legal protection from a country that is corrupt, looks slowly or doesn't look at all. There is no recourse through the political or legal system and a repression of labour rights – where then is the space and strategies for campaigners and who are the targets?

4. Recommendations and Suggestions

- The **UK government must continue to put pressure on the Cambodian government** to address these issues and prevent any further violence against trade unionists, particularly given the political situation is likely to be very tense ahead of the elections in July 2008. They must also take every opportunity to raise these issues sensitively and constructively with **UK and other international garment companies**. The **US and UK embassy** are in regular contact with the FTU which is encouraging.
- The need to **monitor and gather evidence about violations of international, regional and national legislation**, particularly involving UK companies who are members of the Ethical Trading Initiative.
- The need to establish an **independent labour court** in Cambodia.
- For the FTU to continue to **engage and campaign with existing international organisations and trade unions** such as Labour Behind the Label and Amnesty International.
- For the FTU to explore **potential opportunities to increase their capacity and resources**. They are currently only receiving financial contributions from about 10% of members and only receive external support from One World Action although they have received grants in the past from UNISON and Friedrich-Ebert-Stiftung.

The garment workers in Cambodia are the most organised sector of society – only here do people come together and this provides a window of opportunity for wider political change and freedom. People are like chop sticks – you can break one, but if you have more than one together then they can't break.

5. Further Information and Resources

Free Trade Union of Workers of the Kingdom of Cambodia

www.ftuwkc.org

Clean Clothes Campaign

www.cleanclothes.org

Labour Behind the Label

www.labourbehindthelabel.org

Better Factories Cambodia, International Labour Organisation

www.betterfactories.org/ilo

Plastic Killers

<http://plastic-killers.blip.tv/>

Plastic Killers is a documentary which investigates the 2004 assassination of Cambodian union leader Chea Vichea (the brother of Chea Mony) and the framing of two innocent men, Born Samnang and Sok Sam Oeun, for the crime by police. The two remain in prison serving 20 year sentences for a crime they did not commit.

Amnesty International

www.amnesty.org

Cambodia site of the 2006/7 annual report:

<http://thereport.amnesty.org/eng/Regions/Asia-Pacific/Cambodia>

Statement following the killing of Hy Vuthy:

<http://web.amnesty.org/library/Index/ENGASA230022007?open&of=ENG-KHM>

Update of the Chea Vichea case from 1 August 2006:

<http://web.amnesty.org/library/Index/ENGASA230022007?open&of=ENG-KHM>

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