



Better Work

Rationale

The global garment industry is a significant driver of economic growth and represents the most viable opportunity for formal employment in many developing countries. Garment production is labour intensive and centred in least developed countries where generating quality jobs is central to fighting poverty. The global garment industry offers formal employment to over 60 million workers. In Indonesia alone, garment industry employment reaches up to 2 million workers, of which about 800,000 work at large and medium-size companies. About 80% of garment workers are female, typically between the ages of 18-35, and majority only having completed secondary school.

Amidst their importance to the economy, working conditions and respect for workers' rights are often becoming issues in garment industry that already has a well-documented reputation for its poor health and safety standards, discrimination and harassment, excessive working hours, low pay and weak respect for fundamental rights of workers. With the shift of garment production from more industrialised to developing and middle-income countries, lack of capacity to adopt and enforce legislation are more common to find.

Objectives

The main goal of Better Work is to help exporting garment factories in emerging and developing countries to provide decent work, empower women, drive business competitiveness and promote inclusive economic growth. These are done by promoting compliance with international labour standards and national law in global supply chains and influencing business strategies and strengthening the enabling environment for decent work.

Better Work operation is funded by donor contributions and private sector fees. Starting 2017, the execution of Better Work activities at factory level, in Indonesia has transitioned from the ILO to a national foundation, *Yayasan Kemitraan Kerja* (Partnership at Work Foundation), with small part of the team continues the work with the ILO to assure consistency, alignment, and quality of factory services.



A production line at a Better Work factory in Indonesia (© ILO)

Country/region

Global (Vietnam, Indonesia, Bangladesh)

Executing agency

International Labour Organisation (ILO), International Finance Corporation (IFC)

Project duration

Phase IV: 2019-2022 (Phase III of SECO contribution)

Total budget

CHF 74'900'000

SECO contribution

CHF 12'000'000

Governance Structure

An Advisory Committee (AC) provides advices on strategic directions, including new partnerships and key developments in the area of global supply chains and labour standards. There are representatives nominated by the International Organization of Employers (IOE), the International Trade Union Confederation (ITUC), donors and international buyers. The committee is the critical forum for engagement between the stakeholders, donors and Better Work as the implementing body.

In each country that Better Work operates in, there is a National Advisory Committee which plays the same role as AC, but at national level.

Results to Date

Better Work is currently in its fourth phase. In the first and second phases, methodologies for assessing and improving workplace labour practice were fine tuned. Better Work also demonstrated improvements in job quality that has impacted 280,000 workers in 140 factories. In Phase III, efforts were directed towards scaling up of outreach to factories, improving quality and effectiveness of intervention, intensifying works with the various stakeholders and setting up the Better Work Foundation.

At present, Better Work Indonesia has reached out to 213 factories with close to 400,000 workers, 81% of which are female. The 213 factories constitute 62% of export-oriented large garment factories and the close to 400,000 workers constitute around 72% of all garment export-oriented workers. Significant progress has been made in Better Work factories in Indonesia with around a third factory has achieved high performing factory status in Indonesia. Amongst others, workers reported greater job stability, an increase in pay and increased willingness to take serious concerns to trade unions.

In the current phase, Better Work aims to increase national ownership of the programme and achieve 100% financial sustainability by 2022. The strategy aims at going deeper in promoting ownership and internalization of social dialogue and management systems, at the factory level. The institutionalization of tripartite (labour union, employer and government) social dialogue will continue to be a key strategy of the programme for better labour policy, laws and labour market governance in Indonesia. Better Work also has been working together with other UN agencies to promote the implementation of SDGs, in specific: the goals concerning Decent Work & Responsible Consumption.