



Better Work – Phase IV

Better Work promotes decent work throughout the global garment and footwear industry. It works to lift millions of people out of poverty by improving labour conditions, empowering women, driving business competitiveness and encouraging inclusive growth.

Since 2009, SECO has supported more and better jobs and skills development in the garment industry through the Better Work programme. This joint ILO-IFC flagship programme unites diverse groups – governments, factory owners, unions, workers and global brands – to create positive action that improves working conditions while stimulating both productivity and profitability in the garment supply chain.

Rationale

The garment industry creates an opportunity to fight poverty by providing decent jobs. The industry provides formal employment to over 60 million workers, predominantly young women and migrants. In some countries, garment production represents 70% or more of total exports. However, many factories fail to comply with national and international labour standards. In addition, garment producing countries may lack adequate policy or the capacity to effectively enforce legislation. International buyers have looked to address poor compliance to labour law by auditing their suppliers – with limited impact. Better Work addresses these challenges at the factory, industry and global level in a holistic way, by working together with governments, social partners and global buyers to find collaborative solutions.

The Better Work Approach

Better Work is a comprehensive intervention with activities at factory, sectoral, national and global level.

- At the factory level, the programme provides high quality assessment, advisory and training services with a targeted focus on the underlying causes of persistent and structural compliance failings. Better Work places emphasis on those priority areas demonstrated to be vectors of change, such as robust social dialogue, gender equality, non-discrimination in employment, and sound management systems (including occupational safety and health).
- At the sectoral level, Better Work builds on work undertaken to date to ensure the long-term sustainability of its impact by supporting the ILO's efforts to strengthen national capacities to sustain improvements in compliance. This involves strengthening public institutions, sharing data and best practices with labour inspectorates, and influencing policies that create an enabling environment for decent work and improved business competitiveness.

SECO country/region

Global, Vietnam, Indonesia (other countries: Cambodia, Bangladesh, Ethiopia, Egypt, Jordan, Pakistan)

Executing agency

International Labour Organization (ILO) & International Finance Corporation (IFC)

Duration

2021-2024

Total budget

USD 130,000,000

SECO contribution

CHF 12,000,000



- The programme influences brands' approach of adhering to social and environmental compliance by promoting national labour laws and the principles of international labour standards as the basis for supply chain monitoring. It also focuses on building trusted relationships both between enterprises and between the public and private sectors to help strengthen reliance on national institutions in order to ensure effective labour market regulation.

Better Work operates in Indonesia, Vietnam, Bangladesh, Egypt, Ethiopia, Cambodia, Haiti, Jordan, Nicaragua, Pakistan and Uzbekistan, with thematic interventions in Madagascar and Sri Lanka.

In each country as well as at the global level, tripartite advisory committees are established to guide programme direction and to support ongoing operations and sustainability.

Objectives and Activities of Stage IV

Better Work's next strategic phase (2022-2027) will continue to focus on the foundation of establishing decent work, strong labour standards, improved business competitiveness, and a more responsible global garment industry. In parallel, Better Work is playing a key role in aiding countries, enterprises and workers in their recovery from the COVID-19 pandemic and is implementing best practices to establish better supply chain resilience in the face of global crisis.

Results so far

Better Work continues to invest in independent research to track trends and identify causal impact of its interventions:

- Research conducted in the pre-COVID-19 period shows that workers in factories participating in Better Work saw their take-home pay increase alongside a decrease in working hours, due to better compliance with minimum wage and overtime wage payments. While a pay gap in hourly wages existed for some male and female workers in Vietnam, 85 per cent of the gap has been closed by firms that have participated in Better Work for at least four years.
- Factories in the Better Work programme experience increases in average revenue, which leads to higher profits. In research conducted in Vietnam, Indonesia and Jordan, increased revenue more than offset increased higher costs resulting from compliance with wages and working hours regulations. Higher revenues are primarily the result of improved supply chain position – including access to buyers, price offered for product, and order size.
- Research comparing workers in Better Work versus non-Better Work factories in Indonesia and Vietnam reveals that those in Better Work factories are less likely to experience negative occupational safety and health conditions, and report less fatigue at work.
- Workers in Better Work factories in Indonesia and Vietnam report that they experience better communication, stronger confidence and increased empowerment, and are more likely than peers in non-Better Work garment factories to feel comfortable seeking help from trade unions, supervisors, or human resources staff.
- Research in this phase shows that some of Better Work's techniques and approaches can be applied by other organizations to achieve similar results in other supply chains and sectors, in particular in sub-tiers of apparel production or other light manufacturing. Better Work has provided technical assistance to global manufacturers and brand partners to apply the programme's tools in factories based in non-Better Work countries. Independent research confirms that these enterprises have improved worker-manager communication, as well as cooperative work relationships.

How to get involved

Better Work's business, government and social partners play a key role in the movement to reimagine the global supply chain, where workers' rights are realized and businesses gain a competitive advantage to grow. Better Work engages with brands, retailers and manufacturers through two channels for involvement: partnership and participation. Partnerships provide more strategic benefits and visibility. Partners are involved with the programme and take part in its governance. They sign a public-private partnership agreement with the ILO and IFC. Brands and retailers, who are not Better Work partner, may purchase reports for factories registered in Better Work programmes. Such companies will need to register as a participant in order to access reports from our online portal. For more information, please contact: buyers@betterwork.org.

Further information and contact details

- For more information, you can visit our website: <http://www.ilo.org/empent/Projects/score>
- You can also write to us on: scoreglobal@ilo.org or SCORE at SECO on: info.wehu.cooperation@seco.admin.ch



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Market-oriented skills



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