

Study Findings on Labour Rights and Working Conditions in Mekong SEZs

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Findings: Wages

	Thilawa SEZ (n=40)	Phnom Penh SEZ (n=99)	Manhattan SEZ (n=100)	Tak SEZ (n=200)
Statutory minimum wage (at the time of the study)	MMK 3,600/day (USD 2.62/day)	USD 153/month ² (USD 5.10/day)	USD 170/month ³ (USD 5.67/day)	THB 305/day (USD 9.54/day)
Average base wage based on findings (excluding overtime pay, allowances and bonuses)	MMK 5,543/day¹ (USD 4.03/day)	USD 153/month (USD 5.10/day)	USD 170/month (USD 5.67/day)	THB 174/day (USD 5.44/day) ≅ 57% of minimum wage

¹ This study was unable to provide evidence to determine the base wages of Thilawa SEZ garment factory workers. This figure includes overtime payment, as well as monthly allowances and bonuses. Workers worked approximately 11 hours of overtime per week, on average, during the busy season and 2 hours during the low season. 92% of respondents received a monthly attendance incentive of MMK 13,500 (USD 10) on average.

² In Phnom Penh SEZ, data was collected in 2017 when the minimum wage was set at USD 153 per month.

³ In Manhattan SEZ, data was collected in 2018 when the minimum wage was set at USD 170 per month.

Findings: Provision of benefits

	Thilawa SEZ (n=40)	Phnom Penh SEZ (n=99)	Manhattan SEZ (n=100)	Tak SEZ (n=200)
Transportation or transportation allowance	> 90% ¹ (transportation)	≅ 100% (allowance)	100% for local workers (allowance)	5% (transportation)
Food or food allowance	50% (food)	> 50% (allowance)	> 80% (allowance)	> 50% (food)
Housing or housing allowance	> 20% (housing)	> 50% (allowance)	> 80% for internal migrant workers (housing)	> 50% (housing)
Monthly bonus	> 90% (attendance and/or productivity incentive)	> 90%	> 90%	> 30% (financial incentive)

¹ Percentage of respondents who received the above types of benefits.

Findings: Entitlement to paid leave

	Thilawa SEZ (n=40)	Phnom Penh SEZ (n=99)	Manhattan SEZ (n=100)	Tak SEZ (n=200)
Sick leave	60% ¹	> 90%	100%	9%
Annual leave	> 50%	100%	100%	2%
Maternity leave	> 80%	100%	100%	6%
Paternity leave	> 50% ²	≅ 100%	≅ 100%	5%

¹ Percentage of respondents who stated that their employer, at the time of the study, provided their employees with the above types of paid leave.

² 45% of respondents from Thilawa SEZ did not know whether their employer provides paternity leave, either paid or unpaid.

Findings: Employment contracts

	Thilawa SEZ (n=40)	Phnom Penh SEZ (n=99)	Manhattan SEZ (n=100)	Tak SEZ (n=200)
In possession of a copy of their employment contract	< 30% ¹	80%	≅ 100%	≅ 0%

¹ Percentage of respondents who are in possession of a copy of their employment contract.

Findings: Occupational health and safety

	Thilawa SEZ (n=40)	Phnom Penh SEZ (n=99)	Manhattan SEZ (n=100)	Tak SEZ (n=200)
Experienced or witnessed an accident in the workplace	> 50%	≅ 95%	> 80%	≅ 50%

¹ Percentage of respondents who had experienced or witnessed an accident in their workplace.

Findings: Workplace pressure

“What happened to our lunch break is that before we were given one hour. Right before and after the 4,800 kyat [USD 3.52] wage raise, they gave us 45 minutes. But now they told us in meetings...for our lunch break, just take 15 minutes and work for the rest of the time...We are like prisoners. Our workplace has become like this now. It’s gotten worse since the wage increased to 4,800 kyat. They are watching, walking in circles, and checking all the time whether we are working or not.”

Yu Yu, 27 years old, Thilawa SEZ woman garment factory worker,
July 2018

Findings: Freedom of association

	Thilawa SEZ (n=40)	Phnom Penh SEZ (n=99)	Manhattan SEZ (n=100)	Tak SEZ (n=200)
Existence of trade unions in respondents' garment factories	0% ¹	> 60%	> 75%	3%
Membership in trade unions	0% ²	> 60%	> 75%	0%

¹ Percentage of respondents with trade unions operating in their factory.

² Percentage of respondents who are members of a trade union.

Findings: Labour organizing

“In SEZs, when they want to do a protest, they can’t ask other workers to support them. During a protest, the employers will block the entrance of the zone so that outsiders cannot come in. In short, with SEZs, workers’ conditions are getting worse...In the zones, since the employers are well organized, labour leaders have a hard time looking for a new job once they quit one factory since their name will be blacklisted. Outside the zone is okay, since they will not be known.”

Representative of a workers’ rights organization, Cambodia,
November 2016

Key recommendations

To national governments of Mekong countries:

- ❑ Monitor and enforce employers' compliance with labour laws in SEZs.
- ❑ Monitor and enforce the payment of national minimum wages to all workers.
- ❑ Implement living wage rates as national minimum wages in Mekong countries.
- ❑ Promote and regulate social dialogue platforms for employers, employees, buyers, and SEZ management to ensure decent working environments.

To factory owners:

- ❑ Comply with national labour laws and regulations, including by allowing workers to form, manage, and join trade unions, and by providing workers with copies of their contracts.
- ❑ Pay workers a living wage.

To regional organisations:

- ❑ Monitor the labour rights performance of employers in SEZs and exert pressure on employers to comply with national and international labour standards.
- ❑ Advocate for living wages to be set as minimum wages for Mekong countries.