

Improving Labour Relations for Decent Work and Sustainable Development in the Myanmar Garment Industry (ILO - GIP)



Introduction

May 2018



The Myanmar garment industry is the country's top manufactured goods employment creating industry. Its export value reached US\$912 million in 2012 (up from US\$349 million in 2010), and is now said to have reached US\$1.5 billion in 2016. The Myanmar Garment Manufacturers Association (MGMA) claims that the industry could achieve exports of \$8-10 billion by 2020 if all the relevant stakeholders, including employers, workers and their respective organizations, and various ministries, work together to develop the industry in a responsible and ethical manner. The garment manufacturing industry is estimated to employ around 400,000 workers active

in about 450 factories, 90 per cent of them being young women. Manufacturing, and the garment industry, is the third most important sector for women's employment after agriculture and retailing.

The growing presence of Chinese and Hong Kong factories in Myanmar is an important element explaining the growth of the industry. The significance of the garment sector for Myanmar's balance of trade is high and increasing. Investment in the sector since 2012 has allowed the industry to diversify away from the Asian market to regain some ground, particularly in Europe. Nevertheless, Japan remains the single most important export market. The combination of Japan, Korea, China, Singapore and Hong Kong accounts for almost 60 per cent of exports. Among EU countries, Germany is the most important destination for Myanmar-made garments, accounting for one third of the total exports to the EU. Spain is in second place with 12 per cent.

The ILO Garment Industry Project (ILO-GIP)

The ILO-GIP aims to reduce the incidence of poverty in Myanmar and empower women garment workers through the improvement of labour relations and social dialogue in the garment sector.

The project delivers its activities at the factory, as well as at the sectoral levels.

More concretely, the project:

1. Assists employers and workers representatives in selected factories to build sound labour relations practices, through training on (but not exclusively) workplace cooperation, including collective bargaining; productivity; occupational health and safety; sexual harassment; and sexual and reproductive health with a particular focus on identifying and overcoming barriers to women's participation in social dialogue.
2. Supports the capacity building of employers' and workers' organizations at sectoral level to deliver services to their members and contribute to the improvement of sound labour relations and social dialogue.
3. Develops and delivers a sectoral level training programme on sound industrial relations and social dialogue for garment related social partners.
4. Develops and delivers training to garment workers on labour law and rights and responsibilities at work.



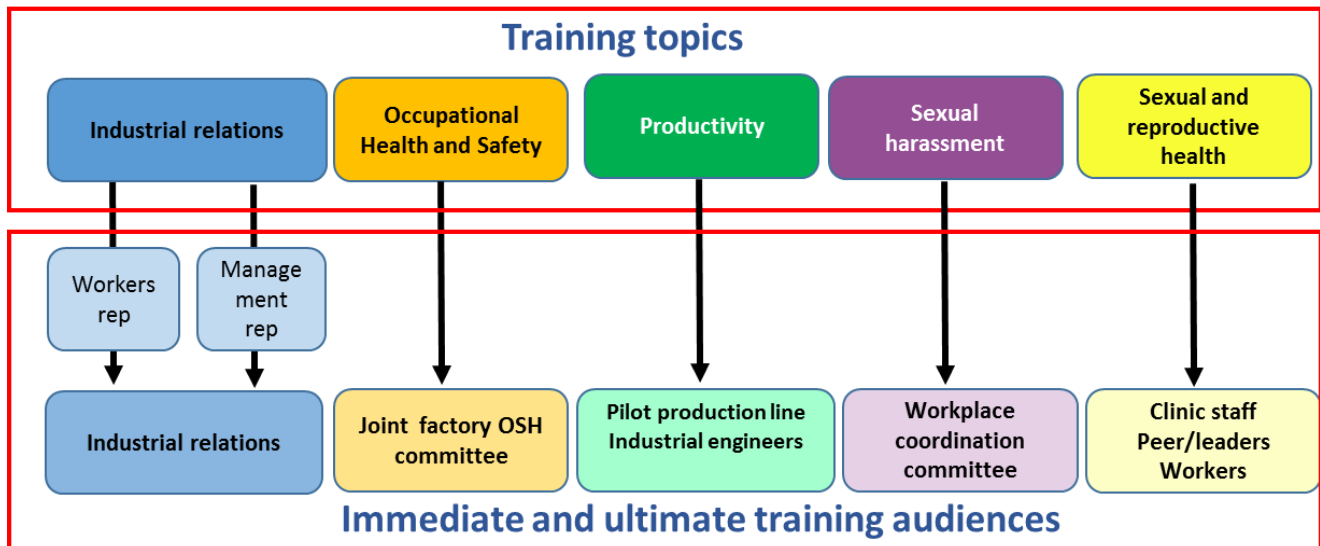
Engagement of garment sector social partners

In January 2018, the ILO received support from the National Tripartite Dialogue Forum with the view to develop factory-level and sectoral level training content on sound labour relations and social dialogue. In the months to come, the ILO-GIP will engage with government, workers and employer representatives and seek their valuable inputs.

Focus on enterprise level activities

The project training program entails **five different training topics**: industrial relations, including mutually beneficial collective bargaining, occupational health and safety at work, productivity, sexual harassment and sexual and reproductive health.

The training program targets, as relevant, **different training audiences**. As a matter of priority however, the ILO-GIP will focus its efforts on strengthening mechanism for bi-partite workplace cooperation, and workplace coordinating committee in particular.



Selected achievements to date

- ◆ The ILO-GIP has completed a factory baseline assessment of 79 factories, representing one of the most important to date in terms of number of factories, informants interviewed and scope of the assessment. It is also valuable for having employer-employee matched data. A report will be produced shortly.
- ◆ The ILO-GIP has also completed a gender equality assessment in 16 garment factories. The results have been introduced to the industry social partners and wider stakeholders. A report will be produced shortly.
- ◆ In partnership with Pyoe Pin and Business Kind Myanmar, the ILO-GIP has developed the equivalent of 45 hours of training on labour law, rights and responsibilities at work intended for garment workers. This training

CONTACT AND FOR ADDITIONAL INFORMATION

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Components

Donor: Swedish International Development Agency; H&M

Acronym: ILO-GIP

Start Date: 16 June 2016

End Date: 30 March 2020

Budget: US\$ 2.468 million

Partners: Ministry of Labour, Immigration and Population; Other relevant ministries; IWFM/CTUM, MICS; relevant garment private sector stakeholders

Project Site: Yangon, Myanmar