



Labour Standards in Global Supply Chains: A Programme of Action for Asia and the Garment Sector – Phase III (LSGSC)

Project Brief

Improving the lives of workers and increase decent work opportunities in the global garment sector supply chain, starting with beneficiary countries.

OBJECTIVE



- ♦ Phase 1: April 2015-March 2016
- ♦ Phase 2: April 2016-June 2017
- ♦ Phase 3: July 2017-December 2018

DURATION



German Ministry for Economic Cooperation and Development

DONOR



- ♦ Phase 1: USD 269,000
- ♦ Phase 2: USD 174,812
- ♦ Phase 3: USD 176,500

BUDGET



KEY PARTNERS



- ♦ Ministry of Manpower
- ♦ Indonesia Employers' Association (Apindo)
- ♦ Trade Union Confederations
- ♦ Bureau of Statistic (BPS)
- ♦ Pilot enterprises

GEOGRAPHICAL COVERAGE



Cambodia, Pakistan, and Indonesia
Indonesia: National, West Java Province and Central Java Province

IMPLEMENTATION AGENCY



Regional: ILO Regional Office – Bangkok
Indonesia: ILO Country Office – Jakarta

CONTACT



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Background

Across Asia, the garment sector has provided employment opportunities for tens of millions of workers, including a large number of young women. In Cambodia, the garment, textiles and footwear industries represents 77 percent of private wage and salaried employment; the figure is 28.7 percent for Indonesia, and 46.7 percent for Pakistan. The revenue from garment exports also represents a significant proportion of export earnings in many countries in the region.

However, there are a range of labour market challenges within the global garment sector supply chains. These challenges relate to minimum wage adjustment mechanisms; systems of industrial relations; collective bargaining; labour inspection regimes; compliance with national and international labour standards; precarious employment and long working hours; dispute resolution and other issues.

Workers in the target countries experience challenges common to their counterparts elsewhere in the global garment sector supply chain, though the challenges take different forms in each country. Country-level activities are necessary, but insufficient, to address these labour market challenges.

Project Strategy

The project strategy is to support the enhancement of social dialogue among national and sub-national tripartite constituents on priority issues including wages policy and collective bargaining, and promote development and implementation of effective collective bargaining agreement at enterprise and multi-enterprise levels.

To realize its development objectives, the project aims to achieve the following immediate objectives:

1. Mechanisms for participatory and evidence-based minimum wage-fixing, wage policies, and collective bargaining will have been strengthened in the target countries.
2. Systems for assuring labour standards compliance at the factory level will have improved in the target countries.

3. The institutional capacity of tripartite partners to respond to labour standards challenges in the global garment sector supply chain will have improved.

More specifically, in Indonesia, the project strive to produce the following outputs:

1. Strengthened capacity of relevant tripartite institutions to develop and implement policies on wages through social dialogue.
2. Strengthened capacity of constituents to develop and implement collective bargaining agreements.

Main Activities

Main activities of the project in Indonesia include:

- ♦ Researches on collective bargaining, productivity, and dispute settlement.
- ♦ Development of project database on wages, productivity, and employment.
- ♦ High level tripartite dialogues on SDG Agenda and on employment, industrial relations, and social protection.
- ♦ Workshops on collective bargaining, wage policies, and dispute settlement.
- ♦ Training of trainers on collective bargaining and negotiation.
- ♦ Promotion of effective collective bargaining in pilot enterprises.
- ♦ Development of wage policies monitoring system.
- ♦ Development of national wage system.



Achievements to Date

To date, the following major achievements have been made:

- ♦ Finalization of study reports on collective bargaining, productivity and dispute settlement.
- ♦ Publication of the first issue of "Indonesia Garment and Footwear Sector Bulletin".
- ♦ Recommendations of the tripartite High Level Dialogue, which identifies priority actions to be implemented by the constituents in the areas of skills development, social security, and wages and collective bargaining.

- ♦ A pool of 12 trainers on collective bargaining from the tripartite constituents.
- ♦ Capacity enhancement for 28 trade unionists and 22 employers' representatives from pilot enterprises in negotiating and formulating collective bargaining agreement.
- ♦ Renegotiated collective bargaining agreements in pilot enterprises, which are expected to benefit around 17,000 workers.



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