



JOBS IN SEZs: Migrant garment factory workers in the Mekong Region

Special economic zone (SEZ) development in the Greater Mekong Sub-region (GMS) has been expanding in recent years. Designed to capture foreign investment and accelerate regional economic integration, three SEZs are being established in Myanmar, along with roughly 30 in Cambodia, 10 in Thailand, and over 30 in other GMS countries. The garment industry, a prominent labour-intensive industry within the sub-region, is operating in these spaces. SEZs, offering investment privileges, quality infrastructure, and weakened labour protections, are attractive locations for garment manufacturers seeking low production and labour costs. Although women represent the majority of the sector's workforce, they are often concentrated in the lowest-paying positions with the least recognised skills. The challenges that women workers face are compounded when they are also migrants, as migrant workers experience unique vulnerabilities. Within the GMS, manufacturing production in SEZs increasingly hinges on both internal and

cross-border migrant labour.

The Mekong Migration Network (MMN) and Asian Institute of Technology (AIT), supported by Canada's International Development Research Centre (IDRC), jointly implemented a research and advocacy project from 2016 to 2019, investigating labour and migration issues in Mekong SEZs through a gendered lens. Guided by the question of whether the jobs being created within these zones are promoting decent work for women migrant workers, this study developed four case studies of SEZs: Thilawa SEZ (Yangon Region, Myanmar), Phnom Penh SEZ (Phnom Penh, Cambodia), Manhattan SEZ (Svay Rieng Province, Cambodia), and Tak SEZ (Tak Province, Thailand), with a particular focus on the garment industry.

From May 2017 to July 2018, MMN project partners surveyed garment factory workers across the four study areas. 700 respondents completed a questionnaire – 200 each in Yangon, Tak, and Phnom Penh, respectively, and an additional 100 respondents in Svay Rieng. In Yangon and Phnom Penh, where

garment factories are clustered in peri-urban industrial areas outside of SEZs, the questionnaire was carried out with workers employed both inside and outside of the SEZs in order to compare workers' experiences.

Between July 2018 and February 2019, in-depth interviews with select women garment factory workers, along with key informant interviews with representatives of SEZ management committees, employer associations, factory owners, trade unions, and civil society organisations, were conducted in each location.

Based on the results of an analysis of the study's primary data as well as a thorough literature review, four key themes emerged as requiring special attention in order to realise decent work for women migrant garment factory workers in Mekong SEZs. These areas were: working conditions, labour organising, skills development and recognition, and care work. The impact of SEZ development on workers' mobility was also highlighted in an analysis of these themes.

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SEZs and Workers' Mobility



The relocation of capital to SEZs is producing changing forms of labour migration. Phnom Penh SEZ, located in close proximity to a major urban centre, is creating new rural-urban population movements within Cambodia. It is anticipated that Thilawa SEZ's dependence on internal migrant labour from Myanmar's rural areas will similarly increase in the near future as labour markets in neighbouring townships have been increasingly depleted. The Myanmar Government has also pronounced that jobs in SEZs will incentivise the return of cross-border migrant workers; an aspiration that has yet to be realised. Situated on the Cambodia-Vietnam border, Manhattan SEZ has created employment opportunities for local inhabitants in an attempt to reduce out-migration, while producing new internal rural-rural movements. Thailand's Tak SEZ, adjacent to the Myanmar border town of Myawaddy, is being developed, in part, to capitalise off of existing "cheap" migrant labour and limited mobility of migrants. This has been done by means of policies sanctioning the employment of temporary migrant workers and limiting their movements to select SEZ provinces.

Working Conditions in SEZs



The study found substantial differences in the working conditions across the four SEZs. In Phnom Penh and Manhattan SEZs, wages and other entitlements were largely provided in accordance with the law, while in Thilawa SEZ some respondents reported labour rights issues, such as not being provided with a copy of their contract and not receiving access to paid leave. In Tak SEZ – where precarious labour arrangements and rights infringements were the norm prior to the area's designation as an SEZ – the majority of respondents reported wages and working conditions in violation of the labour law. This study posits that differences in working conditions relative to national standards are determined, in part, by how governments and SEZ management value and market their workforce – whether as a showpiece for foreign buyers seeking to comply with labour standards, in the case of Cambodia, or as "disposable" workers satisfying firms' desires for the lowest labour costs, in the case of Thailand.



Labour Organising in SEZs

Across all of the SEZs, there were severe restrictions on workers' access to the right to freedom of association and the operations of trade unions. Respondents across all locations reported cases of collective industrial actions being suppressed and trade unions struggling to be established. Trade union alliances and labour rights organisations outside of the SEZs also expressed difficulties in accessing workers inside the zones to learn about their working conditions, share information on labour rights, and support potential cases of rights violations.

Skills Development and Recognition in SEZs

While skills training programmes for garment factory workers have been introduced in all of the studied countries, most of the trainings respondents had received, irrespective of location, were on-the-job and centred around how to sew a specific garment. There was little evidence of skills standards being implemented in SEZ factories. Respondents noted that their skills were not recognised, nor did they lead to position upgrades or wage increases. Across the four study areas, there was no relationship between the number of years worked in the garment industry and being promoted within a job. The study found that some of the only ways in which workers could increase their employment earnings was through working greater overtime hours or changing jobs. Although many respondents chose to work in the garment industry because of their interest or prior experience in sewing, and accumulated skills on the job, channels for adequate skills recognition and career development were severely lacking.



Care Work Supports in SEZs

Despite the fact that the majority of women garment factory workers are of reproductive age, the study found that childcare supports were largely absent in SEZs and the role of mother that many workers perform is generally disregarded. Even though Myanmar and Cambodia's national laws require the establishment of factory-level day cares, these facilities either did not exist or were defective, and childcare responsibilities still fell predominantly on women workers. In roughly half of all studied cases, women workers cared for their children by themselves and, in the other half, the role of primary caretaker was assumed by the respondent's mother. It was found that childcare responsibilities were greater for migrant women relative to those from the local area, who had more options.



Photo credit: IDRC/Panos



Recommendations

Although Mekong SEZs may have the potential to support opportunities for decent work, the project's findings suggest that this potential has yet to be realised. In support of creating jobs that promote decent work and prioritise the rights and well-being of all workers, this section outlines priority recommendations that emerged from the study, addressed to national governments of Mekong countries in general, as well as regional bodies, and employers' associations. Country-specific recommendations can be found in the country chapters of the report.

TO NATIONAL GOVERNMENTS OF MEKONG COUNTRIES:

1. Monitor and enforce payment of national minimum wages to all workers.
2. Monitor and enforce employers' compliance with labour laws in SEZs.
3. Develop a regional living wage rate and implement this rate as the national minimum wage in Mekong countries.
4. Promote and regulate social dialogue platforms for employers, employees, buyers, and SEZ management to ensure regularly safe and secure working environments.
5. Work closely with employers' associations and trade unions to promote the use of sewing skills recognition standards regionally using the ASEAN Common Competency Programme and Regional Model Competency Standards. Promote the practice of increasing wages commensurate with workers' competencies and experience.
6. Develop and promote skills training for garment factory workers, targeting women and migrant workers. Training should be on core competencies, including, but not limited to, workplace communication, team work, career professionalism, negotiation, problem solving, managing workloads, handling harassment, occupational health and safety practices, labour and human rights, gender equality, and building self-confidence.
7. Identify the reskilling needs of workers and introduce capacity development programmes to meet these needs in order to increase workers' employability, particularly in light of future technological advances that will impact the garment industry.
8. Promote and assist with establishment of day care facilities in workplaces and workers' communities. Raise awareness of the importance of childcare support for women to be able to manage their roles and responsibilities effectively.

TO REGIONAL ORGANISATIONS:

1. Monitor the labour rights performance of employers in SEZs and exert pressure on employers to comply with national and international labour standards.
2. Work closely with national governments to promote the use of sewing skills recognition standards regionally using the ASEAN Common Competency Programme and Regional Model Competency Standards. Promote the practice of increasing wages commensurate with workers' competencies and experience.
3. Work closely with national governments to identify the reskilling needs of workers and develop capacity development programmes to meet these needs, specifically targeting women migrant workers.

TO EMPLOYERS' ASSOCIATIONS:

1. Establish a mechanism for industry self-regulation to monitor employers' adherence to legal standards. There is a need for employers to organise and hold each other accountable for compliance with laws.
2. Work closely with national governments to develop skills standards for garment factory workers and pathways for professional advancement that formally recognise workers' abilities and pay them accordingly.
3. Work closely with national governments to implement core competency skills training, as well as provide reskilling opportunities for workers during working hours.
4. Establish and maintain functioning day care centres in workplaces.