



Better Work – Phase IV

Better Work promotes decent work throughout the global garment and footwear industry. It supports a sector that lifts 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 employment to around 94 million workers globally, predominantly young women and migrants. In some countries, Bangladesh being an example, garment production represents 80% or more of total exports. However, many factories fail to comply with national and international labour standards. Garment producing countries may lack adequate policies or the capacity to effectively enforce legislation. International buyers have worked to address poor compliance with national labour laws and international labour standards by auditing their suppliers. However, their impact has been limited by a confusing proliferation of different codes of conduct and a lack of understanding of the drivers of non-compliance. 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 practical and workable 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, business performance/productivity and occupational safety and health.
- At the **sectoral level**, the programme collaborates with global brands, retailers, and manufacturers to improve business and purchasing practices that enable better working conditions across supply chains. Better Work also uses its experience in promoting effective social dialogue at the factory level to catalyse sound and

Country/region

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

Executing agency

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

Duration

2021-2027

Total forecast budget

USD 67,740,000

SECO contribution

CHF 15,000,000



productive labour relations at the sectoral level by working with employers' and workers' organisations to strengthen their capacity on compliance and social dialogue.

- At the **national level**, Better Work supports public institutions by sharing best practices with labour inspectorates and influencing policymaking to create an enabling environment for decent work and improved business competitiveness.
- At the **global level**, Better Work aims to influence the global policy dialogue on decent work, by providing credible data and evidence to influencers and policymakers concerned with decent work in global supply chains.

Better Work operates in Indonesia, Vietnam, Bangladesh, Egypt, Ethiopia, Cambodia, 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.

Results so far

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


- Research 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.



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Market-oriented skills



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Further information

Better Work at SECO:
[info.wehu.cooperation@seco.
admin.ch](mailto:info.wehu.cooperation@seco.admin.ch)

Better Work Website:
www.betterwork.org
business@betterwork.org