

IndustriALL and global brands sign legally-binding agreements supporting collective bargaining and improvements in wages

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23 May, 2024 In a breakthrough for the textile and garment industry in Cambodia, IndustriALL Global Union is signing legally binding agreements with global brands, for the first time achieving brand-supported collective bargaining agreements in the sector.

The individual, legally-binding, agreements that IndustriALL has been finalizing with global brands ensure brand support for collective bargaining agreements at their suppliers. In a global sector often marred by low wages and precarious working conditions, the agreements mark the first supply chain industrial relations approach – brands, employers and unions working together to address wages and collective bargaining. The CBA process, between the unions and the employers, is ongoing in parallel, and the commitment by brands will come into force as soon as a CBA is achieved.

Says IndustriALL general secretary Atle Høie:

“These individual agreements that we now have with brands to support collective bargaining in Cambodia’s textile sector are innovative and groundbreaking. Brands have legally committed to uphold their production volume in Cambodia no matter the outcome of the new collective agreement, and have committed to ringfencing labour costs.

“This means that the brands will bear the costs of the collective agreement, and that there is no risk for our affiliates or the production sites in signing the agreement. We have worked on this for many years, and we finally see the result. This shows that when you take time to build trust and understanding you can achieve great things.”

These legally-binding agreements are the result of a collaborative process with brands, employers and unions in Cambodia. Setting a new standard in supply chain industrial relations, these agreements foster sustainable structural transformation and support for sound industrial relations. It is an approach which combines investor and human rights due diligence expectations on in-country outcomes and addresses brand obligations on meaningful stakeholder engagement.

Cambodian union leaders welcome the agreements and the brands commitments.

Says Athit Kong, president of CCAWDU:

“This is a significant breakthrough supported by the Cambodian unions that will bring sustainable development to everyone in the industry. The agreement will hold everyone responsible and promotes social dialogue, which will mean increased competitiveness, better wages and better working conditions.”

Says Sokny Say, FTUWKC vice president:

“ACT is a good initiative but more importantly these support agreements are enforceable. We welcome the brand support. Cambodian workers suffer from hunger and debts; these agreements give priority to support improvements in workers’ well-being and to protect their rights.”

Says Pav Sina, CUMW president:

"The support from brands is crucial for workers and employers in Cambodia. The agreements can also benefit employers by retention of orders placed. This shows that all relevant stakeholder have a mutual interest in building industrial relations by implementing social dialogue."

IndustriALL is calling on all global brands and retailers sourcing from Cambodia to sign these individual agreements to support collective bargaining and improvements in wages and working conditions in Cambodia.

Contact IndustriALL textile and garment director [Christina Hajagos-Clausen](#) for more information.

