

# **PRESS RELEASE**

## ***“Working Harder For Less”***

### **Impact of the MFA Phase-out on Garment Workers in Cambodia**

On International Labour Day, May 1<sup>st</sup> 2006, Cambodian garment workers unite to highlight the impact of the Multi-Fibre Agreement (MFA) phase-out on the lives of garment workers in Cambodia. While the most visible impact of the MFA phase-out, besides job losses, has been changes in working conditions and a significant decline in worker's incomes, the social implications have also been wide-spread manifesting in physical and psychological health problems.

According to recent reports, despite a 6.5 percent increase in productivity in the garment industry in 2005 uneven distribution of income and falling garment export prices meant that garment worker's income fell by about 5 percent in 2005. Although garment exports and the number of garment workers increased in 2005, there was a 6 percent downturn in export prices. In the post-MFA phase-out environment there is greater pressure on factories to increase productivity and drive down production costs. The implications for the workers are that they work longer and harder for less which means they are getting poorer but working harder.

Ongoing case studies and data collected by six Phnom Penh based drop-in centres operated by garment workers in collaboration with Womyn's Agenda for Change indicate that in context of these worsening working conditions, many factories are employing new management tactics whereby workers are subject to increased threats of dismissal, increased competition between individual workers, and, a decline in worker's rights because union activity is being stifled.

***“Before the MFA phase-out I had to finish 300 pieces per 8 hours and worked only on one machine. But now I am assigned 550-600 pieces to finish in 8 hours work and operate two machines. They said I have to accept this”. A worker from a Phnom Penh factory producing for Old Navy brand (W.A.C. workers case study, 2005)***

Despite the garment industry remaining a prime export earner and an important contributor to Cambodia's strong 2005 GDP growth rate estimated at 9.8 percent, garment workers in Cambodia have not benefited accordingly. To ensure the longevity of the garment industry as an important lifeline for the Cambodian economy, industry, government and non-governmental bodies must address the negative impact of the MFA phase-out on the lives of garment workers in Cambodia so that their working conditions, wages and rights are improved.

**Members of the media are invited to send photographers, camera people and reporters to attend the press conference at: Womyn's Agenda for Change No. 1 Sisowath Quay Sangkat Sras Chok, Khan Daun Penh. (Former Kong Kea restaurant boat) 3:00pm Monday May 1<sup>st</sup> 2006.  
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