

CAMBODIA

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1. Introduction

Socio-Economic conditions

Political stability and economic growth in Cambodia was achieved after the national election in 1993. The average annual growth rate of gross domestic product (GDP) between 2001 and 2007 was 9.7 percent. In 2005, the country recorded the highest growth rate of 13.3 percent. In contrast with other countries around the world, Cambodia's economy continued to perform well during and after the global economic downturn in 2008, with a 6.7 percent increase in GDP in 2008 (NIS, 2008). Based on data from the National Institute of Statistics, Cambodia's GDP per capita was US\$830 in 2010, a substantial rise over the US\$739 in 2008 (NIS, 2011).

Labour Scene

The Cambodian labour force in general is characterized by low levels of education and skills. Of the total labour force in Cambodia, only 23 percent have any schooling above primary school, and around 29 percent have no schooling at all (Noun & Serrano, 2010). As a result, much of the labour force is low paid, labours in poor working conditions, including environments with many occupational safety and health (OSH) challenges, and faces job insecurities.

Those of working-age, between the ages of 15 and above, number around 7.8 million in a total population of 13 million Cambodians. Of that workforce, 35.6 percent are employed in the manufacturing and services sectors. Garment making, tourism, construction and agriculture have been the drivers of the Cambodian economy. The garments, textiles and footwear industries accounted for 89 percent of the growth in manufacturing between 2001 and 2006. These

industries account for 76 percent of all Cambodian manufacturing. (During the same period, tourism grew at annual rate of between 10 percent and 20 percent.) (Noun & Serrano, 2010). In 2010, Cambodia's garment exports totalled US\$2.99 billion, a 26 percent increase on the US\$2.38 billion achieved in 2009, according to figures from the Garment Manufacturers Association of Cambodia. In May 2011, the total value of all exports amounted to US\$352.23 million, an increase of 26.42 percent over the US\$278.61 million achieved in the previous year. Of that total, exports of clothing climbed by 15.92 percent - from US\$234.03 million to US\$271.28 million, while exports of shoes rose by 53.50 percent from US\$12.27 million to US\$18.84 million. Export of other textile products jumped by 50.78 percent from US\$2.65 million to US\$4.00 million. (MoEF, 2011).

Occupational Safety and Health (OSH)

The Ministry of Labour and Vocational Training (MoLVT) of the Cambodian Royal Government is concerned about improving safety and health of employees to prevent occupational accidents and provide safe and healthy working environments. In 2009, the MoLVT, launched its first OSH master plan, which identified six priority areas for action:

- i) Strengthening the national OSH systems;
- ii) Improving inspection and compliance;
- iii) Promoting OSH activities by employers' and workers' organizations;
- iv) Implementing special programmes for hazardous occupations;
- v) Extending OSH protection to small enterprises and rural informal economy workplaces; and
- vi) Promoting collaborative actions regarding hazardous child labour

In addition to this master plan, the Cambodian Royal Government has many other laws and regulations regarding the protection of workers as regards healthy and safety at work. However, the implementation of these laws and regulations is still limited, and workers face many problems related to OSH.

2. Context

The United Nations Universal Declaration of Human Rights, issued in 1948, stipulates "everyone, as a member of society, has the rights to social security." International Labour Organization (ILO) documents details those rights, stating that in seeking to ensure economic security and social

welfare for their citizens, states have developed social security systems to help those experiencing the financial consequences of contingencies such as ill health, loss of income, work injury, old age, death of the breadwinner, etc (ILO, 2010). To apply these declarations, the Cambodian Royal Government has created a good labour law, and regulations and policies to ensure clean and safe workplaces.

However, the government enforces existing standards inconsistently, because it lacks staff, equipment and training. For example, the number of labour inspectors is limited, and there is a lack of equipment needed for diagnosis. Occupational injuries and health problems are very common in bad working environments in Cambodia. In a survey carried out by the Building and Woodworkers International (BWI) in 2008 of the construction sector in Cambodia, the majority of workers (72.3 percent) stated that their workplace did not have any kind of safety committee. This appears to show that employers are not concerned with workers' health and safety, an attitude which can lead to increases in many occupational risks and disease. In the Cambodian garment sector, the working environments are not good, since most factories are not clean and are not well constructed. What is more, many workers have expressed concern about the safety of chemicals and electrical equipment (Noun & Serrano, 2010) that they must handle.

- In contrast, when occupational accidents occur or when workers develop occupational diseases, the company management usually puts the blame on the workers for these accidents that occur on the job-site and which they attribute to a lack of discipline or something else. OSH issues, including occupational disease are truly happening in Cambodia and they are the important issues to solve. However, the number of reported cases is low and gives an incomplete picture of the OSH situation.

3. Objectives of the report

The objectives of this report are to:

- Find any data on occupational accidents.
- Study the causes of the low number of reported cases and incomplete picture of OSH statistics.
- Understand the political aspects regarding the absence of proper diagnosis, loopholes in the system, procedures to seek compensation, and ineffective laws.

- Study the relationship between OSH and environmental issues (thereby making a stronger case that the authorities cannot ignore).

With the goal of challenging official data on OSH statistics, this report seeks to show the actual picture on the ground by studying both qualitative and quantitative data. The quantitative data are derived from officially published statistics, which are the important secondary sources and other statistical surveys from related labour movement organizations. The qualitative data have been collected through an in-depth interview with one worker who fainted in a garment factory in Cambodia.

4. Research Findings

Data on Occupational Accidents

In Cambodia, occupational accidents and deaths are reported to a limited extent, in that the official statistics in the country only reflect those enterprises or companies, which are registered with the National Social Security Fund (NSSF)¹. As such, these figures do not accurately reflect the real situation on the ground, since many other enterprises or companies have not registered with the NSSF. Others data are found at the Ministry of Labour and Vocational Training (MoLVT), and in other research reports.

In its first step in implementing the Employment Injury Insurance Scheme, the NSSF, beginning in late 2008 through 2010, registered 1,910 institutions and enterprises (1,810 are in operation now) and their more than 590,000 employees; employees in the garments and shoes sectors together accounted for more than 400,000 of those registered. (NSSF, 2011). For those employees, occupational risks and incidents are reported to the NSSF. For all other workplaces, the data on OSH is unknown.

a. Occupational Accidents 2001 - 2005

From 2001 to 2005, data collected by the Department of Social Security of the Ministry of Labour and Vocational Training showed the number of occupational injuries was high for women workers in the garment industry. The most frequent problems and the causes of injuries were fainting cases due to hot and dusty environments or overtime work. The top cause of fatalities reported is traffic accidents (See Table 1). However, this information is incomplete, since it is based on daily observations recorded by the department from various news media reports

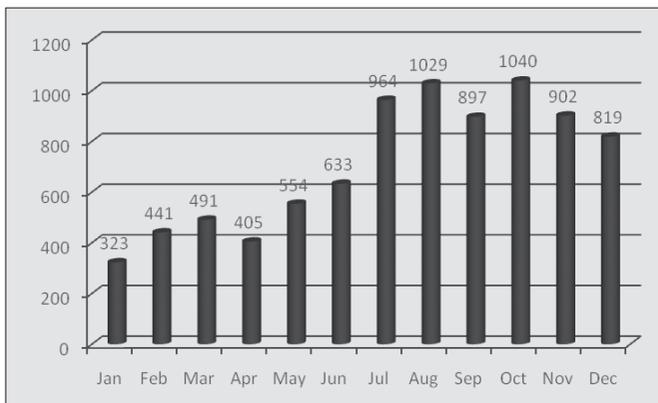
Table 1 : Reported Occupational Injuries

Sectors	2001		2002		2003		2004		2005	
	Male	Female								
Garments	2	242	29	211	14	373	2	269	1	208
Brick	0	0	0	0	0	0	1	0	2	0
Other										
manufacturing	1	6	1	0	0	0	2	130	0	0
Construction	0	0	1	0	0	0	0	0	0	0
Total	3	248	31	211	14	373	5	399	3	208

Source : Department of Social Security, MoLVT

b. Occupational Accidents 2010-2011

Compared to occupational accidents in the years 2001 to 2005, the number of occupational accidents in 2010 was much higher. Based on the report on occupational risk of the NSSF, the institution obtained 6,792 reports of occupational accidents and based on the results of the observations, 6,068 cases of on-the-job injury were found. Those in which women workers were involved numbered 5,878 cases.. Of the cases, there were 5,676 cases of minor injury, 354 cases of severe injury, four cases of permanent disability injury, 34 cases of fatality and 454 cases which were not work-related accidents (See Annex 1).

Figure 1: Monthly Occupational Risk Report, 2010

Source: *The Annual Achievement of 2010 and the Action plan for 2011, NSSF 2011*

In the first six months of 2011, in garment sectors, there were repeated incidences of workers fainting which more than a thousand workers collapsing during work hours almost every month (See Table 2).

Better Factories Cambodia (BFC) is a unique programme of the International Labour Organization. It benefits workers, employers and their organizations. It benefits consumers in western countries and helps reduce poverty in one of the poorest nations of the world.

BFC does this by assessing and reporting on working conditions in Cambodian garment factories according to national and international labour standards, by helping factories to improve working conditions and productivity, and by working with the Royal Government of Cambodia and international buyers to ensure a rigorous and transparent cycle of improvement. The ILO Better Factory Cambodia and ministries dealing with labour issues continuously monitor and investigate garment factories in Cambodia, but it seems to be ineffective as regards occupational safety and health. Those monitoring and carrying out the investigations are only good at observing the situation, but not at putting into practice and taking effective action, since it appears that thousands of workers continue to faint or collapsing on the job.

Workers' health also deteriorates and they get weaker, since they are working in unclean environments with plenty of chemical agents, which are not carefully checked and stored. What is more, workers are getting low wages which are insufficient to feed themselves, forcing them to work long overtime periods. These incidents will increase if the government does not consider the level of wages and take effective action on safety and health protection for workers (Coalition of Cambodian Apparel Workers Democratic Union (C.CAWDU) Press Release, 2011).

Table 2 : Workers Fainting in Garment Sectors

N	Name of Factory	Number of persons
1	M & V International Manufacturing Ltd.	163
2	Huey Chuen (Cambodia) Corp., Ltd.	236
3	King Hah Garment	286
4	Eda Enterprise Co., Ltd.	36
5	Zhen Thai Garment (Cambodia) Co., Ltd.	309
6	Ghim li (Cambodia) Pte, Ltd.	139
7	Hard Enterprise (Cambodia) Co., Ltd.	64
8	King Fashion Garment Co., Ltd.	288
	Total	1,521

Source: Ministry of Labour and Vocational Training, June 2011

The data in the table above has been collected and revealed due to pressure from many concerned parties and insistence from workers, unions, and also buyers who are sourcing from Cambodia. Besides these numerous cases of fainting or workers collapsing on the job, it is unclear what other OSH issues these garment workers are facing. For sectors other than the garment sector, the OSH statistics and data on injuries in the workplace are usually not made public.

An incomplete picture of OSH situation

As with other countries in the region, OSH statistics are not clearly shown in the reports of government, ILO or other organizations in the labour movement. As stated above, OSH data is only published by the NSSF, with some minor reports coming from the Ministry of Labour and Vocational Training, and some NGOs. However, these data present just a part of the whole picture.

The accident data supplied by those institutions and groups does not represent the total number of occupational accidents all over the country, because these reports covers only the registered private, formal sector workers in firms mostly located in Phnom Penh and a few neighbouring provinces, such as Kandal and Kampong Speu (NIS, 2010).

As we can see in **Table 1**, the number of reported accidents from the construction sector, and brick industry is still limited in spite of the fact that the construction and brick making industries is are traditionally hazardous and accident prone occupations. Injured workers in those industries usually do not get fair compensation, since they do not understand the labour laws and other regulations. After receiving some compensation, the cases are closed, and there are no further reports or data from such cases.

While unreported cases are one major problem in OSH, another is the limited capacity of the Ministry of Labor and Vocational Training, and other related public institutions, which are in charge of labour matters. A report by Friedrich Ebert Stiftung (2010) stated that the government lacked staff, equipment, and training. For instance, the labour inspectors are only available for assignment in Phnom Penh, but very limited in other provinces. Thus, they cannot even control or check the occupational health and safety issues in the registered firms. From this situation, we can conclude that for those firms which are not registered, the information regarding the occupational safety and health risks is completely unknown and data is almost completely hidden.

Thus, we can see that there is a need to strengthen accident reporting from all sectors, especially those which are as yet unregistered.

Political aspects:

To understand the political aspects of OSH in Cambodia, it is necessary to review the existing systems, the absence of proper diagnosis of illness and injury, the loopholes in the system, the procedure to seek compensation, and the ineffective laws

Under the existing system, the National Social Security Fund for private sector employees, enacted in 2002, provides those who work in private sectors a right to seek social benefits for work-related accidents and disability, old age and retirement. It is designed to be implemented in three stages which are firstly the employment injuries scheme (2007), following by the health scheme and finally, the pension scheme. In terms of the social security scheme, it is available based on the provision of labour law of the Royal Government of Cambodia, under the supervision of the Ministry of Labour and Vocational Training. The pension scheme is available to those who are retired, disabled due to the work-related accident and those who die on the job. As presented in Article 15 of the Labour Law, the occupational risk benefits cover medical care services, a daily allowance, disability allowance, funeral benefits and pension allowance for the designated beneficiary.

In addition, the policy developed by the Ministry of Labor and Vocational Training on 'healthy manpower, healthy labour productivity' is an ideal master plan for the improvement of safety and health of employees in the target period of 2009-2013². This plan aims to prevent occupational accidents and diseases and ensure safe and healthy working environments. This first OSH master plan comprises six priority areas which are strengthening the national OSH system, improving inspection and compliance, promoting OSH activities by employers' and workers' organizations, implementing special programmes for hazardous occupations, extending OSH protection to small enterprises and rural and informal economic workplaces and collaborative action regarding hazardous child labour and the AIDs project.

As stated in the Labor Law, the program and plan mentioned above, the workplace must follow the standards of health and safety so that the well-being of the worker is ensured. In Cambodia, the Royal Government of Cambodia has issued several sets of regulations since 2001, regarding occupational health and

safety. Unfortunately, enforcement of the existing standard is inconsistent due to the lack of staff, equipment and training (Almazan, 2008). The number of labour inspectors is insufficient to investigate the workplace of those registered companies, and the inspections made do not reach a proper standard as yet. The number of inspectors working outside of Phnom Penh is very limited, with no more than four inspectors per province. Therefore, increasing the number of inspectors must be one of the first measures taken to reduce accidents in the workplace.

The procedure for compensation is stated clearly by the National Social Security Fund. However, only those whose company or enterprise has registered and paid the contribution to the National Social Security Fund will receive compensation. Compensation is paid according to the actual situation of the employee's accident.

Procedure for Compensation

Any employee has right to get compensation if his or her firm has registered with the National Social Security Fund and it is proven that the injury or illness is clearly the result of an occupational incident. This compensation is the burden of the NSSF through the contracted partnerships with hospitals and polyclinics.

The confirmation of occupational injury or accident (risks) is the responsibility of both the employees and employers. The employees have to inform the employers or the firm's representative about the accident that they have suffered. If it is a serious case or one resulting in death, the beneficiary of the victim will be responsible for informing the parties about the accident. The duty of the employers is to inform the National Social Security Fund (NSSF) within 48 hours of the incident and the procedure to inform the fund of the accident must follow the *Prakas* (Promulgation) 110 of the Ministry of Labour and Vocational Training.

According to the National Social Security Fund, whenever there is an occupational accident involving an employee or employees, they must be sent to the hospitals or clinics which are the contracted partners of the NSSF. In the case of an emergency or urgent rescue, they are allowed to bring the employee to a nearby hospital and later to send him or her back to the contracted hospitals or policy clinics of NSSF. Later, the NSSF will pay the fee to the non-partner hospital based on an assessment of the situation. However, if the injured worker

is treated in the contracted hospitals or clinics of NSSF, the NSSF will pay the fees based on what the NSSF has contracted with those hospitals or clinics.

For compensation for medical treatment made at a hospital or clinic which is not part of the NSSF group, the NSSF will pay compensation if the following documents are supplied:

- Details of the diagnosis ;
- Results of medical tests such as blood tests, scans, etc;
- Treatment taken;
- Doctor's prescription including document specifying the patient's name, sex, age, diagnosis, name of the drug used, doctor's name and signature, and date of the prescription;
- The invoice of payment for drugs; and
- Separate invoices for medical diagnosis and treatment. are separated

OSH and Environmental Issues

The environmental issues are often closely related to OSH. By establishing this relationship, the recommendations made by the ILO-Better Factories Cambodia (ILO-BFC) provide a clear scheme for the reduction of occupational risks.³ For example, it states that the employers must provide adjustable chairs with backrests for workers who work sitting down. In addition, management must ensure that overtime is exceptional and done in well lit surroundings and should not exceed two hours per day. What is more, the company needs to increase the staffing in the infirmary by ensuring that the medical staff are on duty during the required number of hours including overtime. Furthermore, employers must provide workers who work standing up with chairs near the workstation for them to rest on and provide cups or other sanitary means for drinking water. It is also suggested that employers take steps to reduce the heat in the workplace and pay workers within 48 hours after they stop working for the factory.

However, according to BWI as cited in Noun and Serrano (2010), the firms do not have any established safety committee in their workplace to reduce health and occupational risks and accidents. Hence, accidents still frequently occur. The employers blame the workers for the accidents that happen, saying that the workers lack discipline. However, thorough observations by the trade unions found that serious cases of occupational accidents occur in the workplace due to the lack of implementation of the laws and the taking for granted of

the employers that nothing serious will occur. The cases that have often been presented involve forcing workers to work long overtime hours and fainting or collapsing on the job, respectively. The accident cases such as those described below are commonly found in the garment sector.

Case I: Fainting at Sangwoo (Cambodia) Co., Ltd

On October 20, 2011, 33 workers fainted while they were working in a building with one thousand other workers. In the first incident, four(4) workers fainted, one of whom was 25-year-old Chan Tongheng. When she arrived at the workplace, she noticed the smell from the fabric in combination with the smell from the toilet, and the hot, stuffy environment. Then she went to seek leave from the company to rest. While she was walking back, she fainted. After that, she was brought to the hospital and other workers started fainting until the company announced a one-day rest break from work.. In the factory, there were not enough fans and the building was hot and full of bad smells from the toilet, and the toxic fumes from the fabric. The health condition of the women is often poor, as they can't afford to eat well. In the end, all the people who fainted were sent to be treated at the provincial hospita.

Source: C.CAWDU's Report, 2011

Case II: Fainting at M&V International Manufacturing Ltd.

More than 100 garment workers fainted in the plant in the morning while making knitwear for the global brand H&M. The factory boss forced the workers to work an extra four to six hours a day during the past two months. Fainting is commonplace at the factory especially in areas adjacent to the laundry room, which emits fumes that make the workers dizzy. An executive with M&V International Manufacturing Ltd, however, denied allegations of forced overtime and a toxic working environment and said the incidents were due to their poor health.. They don't have breakfast and come to work very tired. The US\$61 a month basic salary is insufficient so employees have to work overtime. They don't get enough sleep and enough to eat so they are susceptible to fainting and the heat and toxic fumes in the factory exacerbate the situation.

Source: Article by Tep Nimol, *The Phnom Penh Post*; August 25, 2011.

The two cases above illustrate that the working environment in many garment factories in Cambodia is not of an acceptable standard yet. The number of young women and others collapsing during working hours clearly shows the risks in the workplace. This implementation of the laws set by the relevant government entities is still limited and some employers seem somehow ignorant of their responsibilities to implement them.. Garment and textiles factories clearly must be re –checked to assure that there are enough fans capable of removing toxic fumes from the workplace. If even these basic measures cannot be fulfilled, it seems as though the law as it stands now is ineffective and measures proposed by the Better Factory Cambodia and other entities have not yet met with success.

5. Conclusion

Cambodia is one of the least developed countries in Southeast Asia but with a large workforce employed in a variety of sectors. Those workers usually receive low wages and work in unacceptable conditions. While reports of workers collapsing on the job and other occupational accidents are common and can include fatalities, only a small percentage of these occupational accidents and deaths are reported and the official statistics only reflect the situation in a small area of the country. The two important sources are the data from the NSSF and a few other reports from the Ministry of Labour and Vocational Training. However, this data only represents the firms which are legally registered. In addition,, many other firms in Cambodia, such as subcontractors, do not report to the ministries. That is a reason that many accidents and deaths are not reported. Recently, there have been reports of many workers, especially in the garment sectors, collapsing on the job everyday because of the bad working environments, which have been highlighted by ILO-BFC.

For those workers who work in the registered firms, if they suffer an accident or die, they or their family will receive compensation. Often, the compensation is not really satisfactory to the worker or his or her family, and some times the process to obtain it is complicated, even though Cambodia has many existing laws relating to compensation. Another limitation of the system is the lack of compensation for occupational diseases, because Cambodia does not have the proper tools or standards for diagnosing these.

6. References

- National Social Security Fund (2010). *The annual achievement of 2010 and the action plan for 2011*. 16-18.
- National Social Security Fund, *The compilations on the implementation of Occupational Risks*. (National Social Security Fund 2009), 23-23, 52.
- Noun, V. and Serrano, M,. *Building Unions in Cambodia: History, Challenges, Strategies*. (Friedrich Ebert Stiftung , Sunway Publishing, 2010), 38-41.
- *National Institute of Statistics (2011). Ministry of Planning*.
- Cambodian Labour Confederation (CLC)

Endnotes

1. NSSF is the public administrative institution, which has the mission of providing public services, and is technically under the Ministry of Labour and Vocational Training and financially under the Ministry of Economic and Finance. The Governing Body of NSSF draws its members from three groups, from government representatives, Employers Association Representatives and Employees Association Representatives (NSSF, 2011).
2. MOLVT: The first Occupational Safety and Health Master Plan 2009- 2013
3. Twenty Sixth Synthesis Report on Working Conditions in Cambodia's Garment Sector and Statement of the Project Advisory Committee, 17 August, 2011

Appendix I

Occupational Accidents / Risks



Car Accident – Yung Wah Industrial, 2011



Car Accident – Yung Wah Industrial, 2011



Car Accident – Yung Wah Industrial, 2011



Car Accident – Yung Wah Industrial, 2011



Fainted in Factory, 2011



Fainted in Factory, 2011