

IMPACT BRIEF:

Better Work Haiti

Programme at a Glance¹ (June 2013)



2009
established



24
factories



28,591
workers
(17,887 female)



13,487
training participants
(including annual OSH Fair)



183
assessments



339
advisory visits



20
buyers

Improvements in Compliance (2009-2013)²

FIGURE 1: Improvement of Compliance in Core Labour Standards

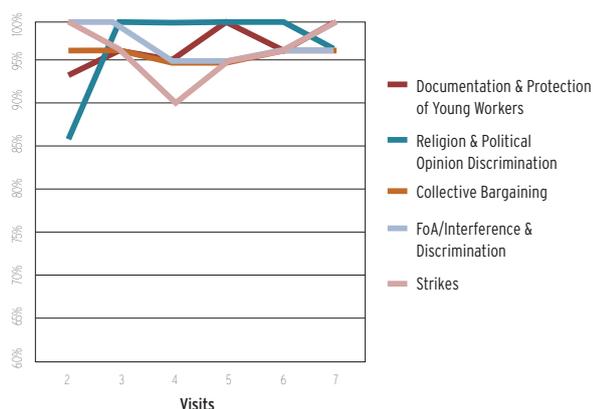
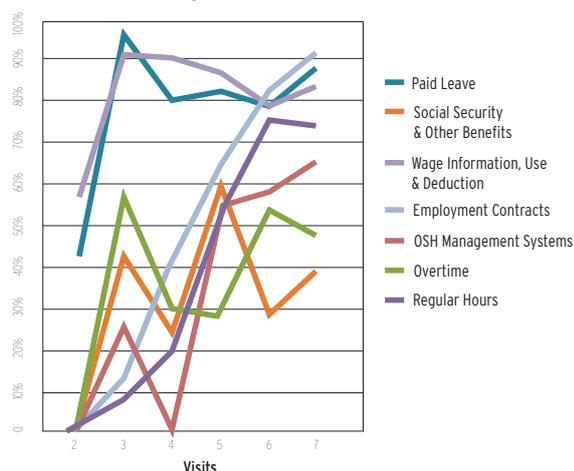


FIGURE 2: Improvement of Compliance in Working Conditions



Better Work Haiti Impact

Better Work strives to make a significant impact on the rights and in the lives of workers, the business of firms, and the social, human and economic development of countries. Together with Tufts University, we are implementing a rigorous impact assessment methodology to measure the long-term impact of our programme. We have been measuring our impact in participating factories in Haiti since 2011, and results so far demonstrate the positive impact of the programme on workers' rights, wellbeing and livelihoods, as well as on businesses. A summary of the results up to September 2013 is presented below.³

¹ Figures are total since programme launch in 2009.

² Figures do not include the first round of assessments which were carried out by external consultants.

³ Following baseline survey collection and consultation with stakeholders in the country, slight revisions to the Creole translations of some survey questions were made for future data collection. The results presented here reflect follow-up surveys in seven factories.



BETTER WORK

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What does this mean for workers' rights, wellbeing and livelihoods?

- Increased **safety** in factories: between baseline and follow-up, workers are 19 percent less likely to be concerned with accidents or injuries in the factory.
- There is a 13 percent decline in workers' concern with late payment of **wages**. Additionally, there is indication of increased worker **voice**, since workers are 50 percent more likely to take their concern with late payment of wages to their supervisor. Concern with low wages is down 17 percent, and concern with incorrect pay calculations is also lessened by 18 percent.
- There is an increase in **freedom of association**: union membership increased by 3 percent. Also, the proportion of workers who thought they would lose their job if they joined a union declined from 22 percent at baseline to 15 percent.
- The proportion of workers feeling comfortable or very comfortable in approaching their trade union representative with a problem at their factory also increased to 43 percent, up from 39 percent at baseline.
- Workers are actively engaged in **savings and borrowing** within their communities: more than 75 percent of workers report being a member of at least one loan circle.
- Enhanced **education** opportunities for children: workers report that the cost barrier to enrolling their children in school is lessening over time - in the follow-up survey, 21 percent of workers say their sons are not in school for financial reasons (down from 28 percent), and 14 percent of workers say their daughters are not in school for financial reasons (down from 19 percent).

What does this mean for businesses?

- Since the inception of Better Work Haiti, **total apparel exports** from Haiti to its main trading partner, the United States, have increased substantially. In 2009, Haiti exported US \$514 million worth of apparel to the United States. By 2012, this value had increased to US \$731 million, representing an increase of over 40% in the value of apparel exports. Through September 2013, apparel exports from Haiti to the United States were over 10% higher for the year than recorded during the same time period in 2012.
- Relationship with **global buyers**: approximately one quarter of the study factories enrolled in Better Work Haiti are preferred suppliers in global supply chains.
- Almost two thirds of managers report that their factory sells its products or services **directly to customers**.
- Most managers - 69% of those surveyed - say they are **paid by their customers** either in advance or within 30 days of the delivery of an order.
- Approximately one third of managers have either completed or finished planning for the development of new **training programs among workers**. This may be a productive step in addressing worker efficiency issues, which half of managers identify as a serious challenge to their business success.
- **Production capacity utilization** varies dramatically across apparel factories in Haiti. Many factories are at or approaching full capacity. Full capacity is usually defined as actual production relative to capacity at or above 85%. Some factories even report actual production that exceeds 100 percent capacity. However, the 2008-2009 financial crisis had a disproportionately negative effect on international trade. As a consequence, over the past two years some Haitian factories have operated at 50-65 percent of capacity and a small number of factories are struggling with capacity utilization rates well below 50%. Several factory managers reported that they did not know their capacity utilization rate.
- After a period of economic downturn due to economic crisis, case studies in 4 factories in Haiti show a clear increase in business activity, including expansion to new buildings and renovation of existing spaces to increase capacity. These new investment were made with **OSH innovation** in mind, including energy efficiency lighting, insulated roofing, and compliance with the required number and access of exit doors.

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