

Improving working conditions in the global garment industry



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(more on the Spectrum sweater factory disaster)

Spectrum Update: New info & demands

24-04-2005

Dear Friends,

Please find below additional information on conditions at Spectrum Sweater, the Bangladesh garment factory producing for major European brands including Zara, Carrefour and Karstadt Quelle, that collapsed April 11th, leading to the death and injury of hundreds of men and women. Also included below is news on the reaction of companies that were sourcing at the factory, as well as information on additional demands to be followed up on in relation to this terrible tragedy. It's clear that CCC efforts to push companies to



take responsibility in this very serious case has had some effect but ongoing pressure will be needed to see that the demands voiced by workers and their organizations in Bangladesh will be met.

Since the collapse of the factory on April 11th there have been several large-scale protests in Bangladesh to express outrage at the factory collapse in Savar and to draw attention to the need to follow-up on the numerous issues that require attention. More actions are planned for this week and in conjunction with May Day. The CCC calls on labour rights activist all over the world to highlight this gross violation of workers rights in any May Day activities they have planned.

CONDITIONS PRIOR TO COLLAPSE

In addition to the overtime violations reported on at the time of the collapse, the CCC has now received reports from various sources that Spectrum Sweater was in violation of many labor laws and code of conduct provisions prior to the collapse. These include numerous safety issues. The CCC again stresses that if safety issues at this facility had been addressed in a thorough and timely fashion it



might have been possible that the factory collapse could have been prevented and many lives not needlessly lost.

Violations reported at Spectrum Sweater include:

- death of a worker three days before the collapse due to burns sustained from hot water from a boiler in the factory
- worker seriously injured three months prior to the collapse, when her clothing became tangled in wires and she was electrocuted. She remains hospitalized.
- violation of the minimum wage (obviously this means wages far below living wage standards). Wages at Spectrum Sweater were reportedly only 700 taka (about 10 Euro) per month. The minimum wage is 930 taka, an amount that has not been raised since 1995 and which is far below what is needed to live off of.

 violation of legal right to one day off in seven. Workers at Spectrum Sweater reportedly worked seven days per week. In Bangladesh workers have the right to one day off per week (Friday, which is the Islamic day of rest) increasingly factories observe this, but at Spectrum Sweater this law was structurally violated.



The CCC notes that not only did local public authorities fail to properly monitor safety at Spectrum Sweater, but the companies sourcing at this factory – including Zara, Karstadt Quelle, Carrefour and Cotton Group, all of whom claim to have policies and procedures in place to monitor labor practices at their supply facilities – failed to detect and remediate serious problems at Spectrum.

ADDITIONAL DEMANDS

The three main demands cited by the CCC on April 15th still stand. These demands relate to support for rescue, relief and compensation, thorough, independent and transparent investigation into cause of the collapse with relevant follow-up, long-term solutions to prevent reoccurrance of similar tragedy (including through facilities inspection programme and establishing international oversight committee to develop and implement relevant recommendations). Based on new information received from partners in Bangladesh the following additional demands should be taken up:

- · Payment of outstanding wages for March and April
- Payment of overtime wages owed for February, March and April
- Job security with wages and compensation for the surviving workers
- Dialogue with local stakeholders (BIGUF, NGWF, BTGWL and Karmojibi Nari) regarding all demands including the level of compensation, some organisations call for higher compensation then originally put forward on april 15 (up to one million taka to families of workers killed)
- The CCC and partners remain concerned that other facilities in the
 vicinity of Spectrum Sweater, which is an area historically prone to
 flooding, run the risk of collapse due to similar faulty design and
 construction. Buyers sourcing in this area and in other recently developed
 areas prone to flooding are called upon to immediately make contact with
 their suppliers to determine if their facilities were properly built, with legal
 authorization, and if workers are at risk in their workplaces.

RESPONSE FROM BUYERS

When CCC representatives made contact with **Carrefour** the company at first refused to take any action, refusing event to support relief work. After continued pressure the company finally agreed to contact two organisations known to them in Bangladesh, one of which is a woman's rights organisation (Karmojibi Nari) which also cooperates closely with CCC. On Saturday April 23 though KN reports still have had no contact with Carrefour. Carrefour claims to have regularly audited this factory, and found everything to be in good order. Again, the CCC notes that the credibility of these audits is immediately called into question, not only in relation to the conditions that lead to the collapse, but also in relation to the serious rights violations reported at the factory as noted above.

When contacted by the CCC, the Spanish-based **Zara** immediately pledged support via the Red Crescent, and has engaged in an ongoing dialogue to other CCC action proposals, though no concrete commitments have been made for follow-up.

Further investigation by the CCC into sourcing at Spectrum Sweater revealed that some of the brands (German-based **Neckermann** and Dutch-based **Scapino**) placed orders at this factory via the well-known German retailer **Karstadt Quelle**. These brands, as well as Zara, the Belgium **Cotton Group**, and **Steillmann**, belong to the recently formed Business Social Compliance

Initiative (BSCI). The BSCI is an industry-controlled code monitoring initiative that aims to harmonize auditing practices by working exclusively with SA 8000 accredited auditors, and sharing audit reports among its corporate members. Though on its website the BSCI claims to offer 'better code implementation then any other initiative' so far none of the member brands contacted by the CCC seem to have any information available on conditions at Spectrum Sweater.

The BSCI brands organized a collective emergency meeting on April 21 in Brussels during which the Spectrum collapse was discussed. A CCC representative was present for part of the meeting to clarify the CCC action proposals in relation to this case.

Following the meeting BSCI released a statement pledging that they would send representatives to Dhaka in the first week of May to get more clarity on the situation. In the statement BSCI committed to working with local stakeholders to clarify the situation and decide on what further measures they should take to prevent a repeat of this tragedy in the future. The CCC is encouraged that the BSCI organizes this mission and will gather more information on the Spectrum collapse, but recognizes that an independent investigation and follow-up program is still very necessary. The CCC calls upon the BSCI and its member brands to follow-up on the demands already communicated by the CCC and its partners in Bangladesh and to work in cooperation with other brands and initiatives that are seeking to address these urgent issues in a meaningful way. The CCC fails to understand why the BSCI brands can not immediately pledge a more concrete commitment to the three demands relating to relief and compensation, independent and transparent investigation and long term follow-



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