

# WORKER RIGHTS CON

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To: Primary Contacts, WRC Affiliate Colleges and Universities

- From: Scott Nova
- Date: April 2, 2010

Re: Recent Tragedies and Fire Safety in Bangladesh

Bangladesh has by far the worst record of major apparel producing countries with respect to fatal accidents involving workers. In the last six weeks, fatal fires at two export apparel factories in Dhaka have focused renewed attention to the need for industry-wide solutions in the critical area of workplace safety.

This memorandum (i) provides a review of the recent history of factory fires in Bangladesh involving worker fatalities and the shortcomings of existing inspection processes, and (ii) offers recommendations – developed in consultation with a range of stakeholders – for addressing the problem in an effective and systematic manner. While, to our knowledge, none of the factories involved in these incidents produced collegiate licensed apparel, the issue of fire and structural safety is a systemic one with relevance to the supply chains of university licensees and other major brands and retailers with operations in Bangladesh.

In the interest of promoting an industry-wide approach to protecting the country's garment workers from future tragedies of this kind, the WRC has circulated the information presented here to university licensees and other apparel buyers operating in Bangladesh.

#### Tragic Fire at Garib & Garib Factory

A horrific tragedy occurred on February 25 at the Garib & Garib sweater factory in the Gazipur district of Dhaka. Twenty-one workers, fifteen of them women, suffocated to death and dozens were seriously injured when a fire erupted at the facility, whose current buyers – as listed on the company's website – include H&M, Otto, 3 Suisses International, and Men's Work Wearhouse. According to media reports and the WRC's own inspection of the factory – which our Dhakabased representative conducted the morning after the fire occurred – the fatalities were the result of a series of egregious safety failures.

The fire broke out around 9:00 pm on the first floor of Garib and Garib's sevenstory factory building, apparently due to an electrical short circuit. At the time, most of the factory's workers fortunately had left for the day, but several dozen workers were still sewing garments on its fifth and sixth floors. With the factory's electrical system disabled, the facility – which lacked emergency lighting, a basic safety provision in such circumstances – was rendered completely dark. Due to poor ventilation as a result of the factory's windows being sealed with heavy metal shutters, smoke and fumes rapidly filled the building.

As workers sought to flee the building and find fresh air to breath, they were blocked at all turns. After the fire started, the factory's security personnel – apparently to prevent theft of garments by workers leaving the facility – locked two of the factory's main gates with deadbolts, which required keys to unlock, leaving only one gate open. Boxes obstructed the factory's stairwells, and access to its roof was blocked by unauthorized sheet metal structures used to store materials. Fire fighters had to cut through the metal window grills to reach the workers, succeeding in saving several lives. All of the victims were found on the top floors of the building with no burn marks on their bodies, apparently having succumbed to smoke inhalation while unsuccessfully attempting to reach the roof.

The Dhaka Fire Service and Civil Defense reported after the incident that the factory's fire fighting equipment was "virtually useless." None of the security guards on duty knew how to operate fire extinguishers and hydrants that were installed at the factory. Precautions ordered by authorities after a previous fire just six months before, in August 2008, had not been implemented.

#### Fire Alarm Causes Fatal Stampede at Matrix Sweater Limited

Two weeks ago, on the morning of March 20, another worker was killed and thirty others injured in a stampede triggered by a fire alarm at the Matrix Sweater Limited factory, which is located in the same district of Dhaka as Garib & Garib. The factory is a supplier for Gap, Zara (Inditex Group), and Hudson's Bay. According to press reports, the explosion of a light set off the fire alarm, leading many of the factory's 3000 panicked workers to rush for the exit of the seven-story building, causing the injuries and fatality described above. Local police reported that the building lacked a fire exit and the stairwell was obstructed with boxes.

#### A Systematic Failure to Enforce Safety Standards

Unfortunately, the recent tragedies at Garib & Garib and Matrix Sweaters are not isolated incidents. Indeed, these are only the latest in a series of horrific incidents in Bangladesh's apparel sector in which the lack of basic safety precautions has played a role in the deaths of hundreds of workers. Among other recent cases:

In April 2005, sixty-four workers at the Spectrum factory in Savar, northwest of Dhaka, lost their lives when their factory collapsed, burying them alive. Seventy-four workers were injured, with many being permanently disabled as a result. The Spectrum factory was built on a former swamp prone to flooding. When workers, prior to the collapse, expressed concerns regarding structural problems with the building, including cracked walls, they reportedly were told to keep quiet. The facility produced garments for Zara (Inditex Group), Carrefour, Cotton Group, Steilmann, Neckermann, and Scapino, among other brands.

In February 2006, a fire caused by an electrical short circuit claimed the lives of sixty-one workers – including several teenage girls – at the KTS factory in Chittagong, Bangladesh's second-largest garment manufacturing center. More than 1000 workers were injured. As with Garib & Garib, prior incidents at the facility – including the death of two workers by electrocution – had not led to effective safety reforms. According to worker reports, the factory had failed to conduct fire drills, lacked a fire alarm system and health and safety equipment, and, at the time of the fire, the exits were locked shut, trapping workers inside. The factory reportedly produced for Uni Hosiery, Mermaid International, ATT Enterprise, and VIDA Enterprise Corp.

Just days later, a fire at the five-story Pheonix building, which housed Phoenix Garments among other tenants, collapsed following unauthorized renovations to convert part of the building into a hospital, killing twenty-two construction workers and injuring fifty others. On the very same day, fifty-seven workers were injured when an electrical explosion at the Imam Group building, housing five garment factories, led to a stampede of workers seeking to flee the factory through narrow exits.

• Two weeks later, in March 2006, three workers were killed and approximately fifty were injured when an electrical fire at a building housing Saiem Fashions and several other factories triggered another stampede of workers who found the exit route blocked by boxes.

Following the tragedies of 2005 and 2006, labor rights organizations called upon U.S. and European apparel buyers, the government of Bangladesh, and the Bangladesh Garment Manufactures and Exporters Association (BGMEA) to develop a comprehensive program to ensure worker safety in the country's garment sector.

While reports have been issued and pilot programs initiated, no comprehensive reforms have been implemented. As a result, safety conditions in the industry are not noticeably better than they were before the tragic collapse of the Spectrum factory and the fire at KTS. Indeed, there is broad recognition that noncompliance with basic safety standards remains pervasive throughout Bangladesh's apparel sector. Most multistory factory buildings in Dhaka and Chittagong are simply not safe for workers. The Bangladesh Occupational Safety, Health and Environment Foundation (OSHE) recently reported that – during just the first six months of 2009 – 829 workers were killed and 1,041 were critically injured in work-related accidents across Bangladesh, with the largest number of victims (522) in the apparel sector.

The Bangladesh Ministry of Labor is woefully under-resourced. According to an OSHE analysis published in 2008, there were only eighty personnel involved in inspection activities for the entire country – divided among four major cities – with jurisdiction over 24,299 registered factories, roughly three million shops and establishments, and two major ports. Of these personnel, only twenty were solely responsible for occupational health and safety issues. The Dhaka and Chittagong

offices each had only one car respectively; as a result, inspectors were required to walk or take public transit to perform their work. Division offices had few computers and lacked necessary portable inspection equipment. The inspection methodology was also severely wanting: per the inspectorate's protocols, inspectors were to provide advance notice to factories to conduct inspections and provide employers substantial periods in which to correct hazards (for example, three to six months for changes to ventilation and lighting systems and more than six months for changes requiring construction).

As the clients of Bangladesh's dominant industry, U.S. and European apparel buyers have a responsibility and the ability to help address the safety problems. In some cases, auditors for foreign buyers have simply missed key hazards – for example, at least one major buyer reportedly found that the Garib & Garib factory was compliant with fire safety standards just months before the fire. The factory was also promoted to buyers as certified by WRAP ("Worldwide Responsible Accredited Production"), a factory monitoring program sponsored by the American Apparel and Footwear Association.

In other cases, buyers have identified hazardous conditions but failed to ensure corrective actions were taken. In several of the worst tragedies outlined above – including Garib & Garib – buyers have stated that they ceased to produce garments at the factory prior to the fires because of concerns regarding safety issues. Especially in cases where a buyer identifies a serious safety and health risk for workers at a supplier factory, best practice requires that the buyer, if at all feasible, maintain the business relationship, preserving its influence with the manufacturer, until the hazard is corrected. Moreover, to our knowledge, in none of these instances, is there any indication that the buyer shared the information it had about the risk to the Bangladeshi government, the BGMEA, worker representatives, or other buyers.

#### Recommendations

March 25 of this year marked the ninety-ninth anniversary of the fire at the Triangle Shirtwaist factory in New York, which claimed the lives of 146 immigrant workers and galvanized the movement to eliminate sweatshops in the U.S. The tragedy at Garib & Garib should serve as a wake-up call to apparel industry stakeholders globally to renew efforts to address the conditions giving rise to that tragedy's modern day equivalents in Bangladesh and other developing countries.

With this in mind, the WRC has offered the following recommendations to buyers of apparel from Bangladesh. The recommendations were jointly developed with the Clean Clothes Campaign, Maquila Solidarity Network, and International Labor Rights Forum, incorporating proposals from the International Textile, Garment, and Leather Workers Federation, the Solidarity Center, and a number of local labor rights organizations in Bangladesh. We recognize that further dialogue among a wider group of stakeholders will be crucial to their further development and implementation.

#### 1) Apparel buyers should press the government of Bangladesh and the

### BGMEA to:

a) Undertake an urgent review of all multistory buildings currently housing garment production facilities to ensure they may be safely used for this purpose. This review should be conducted by a committee consisting of representatives from all government departments directly involved in the observance of the relevant laws and regulations, labor groups, and international buyers.

b) Ensure that the factory inspectorate is equipped with the necessary resources to conduct regular inspections for adherence to workplace safety and labor legislation, including Bangladesh's National Building Code and Factory Act.

c) Such inspections must ensure that each factory:

i) Has a sufficient number of emergency exits and keeps such exits unlocked and unobstructed during working hours, so that workers can swiftly and safely evacuate in case of emergency and rescue and firefighting teams and equipment can quickly enter.

ii) Meets regulations for gas lines and electrical wiring, fire retardant materials in walls and roofs, the safe use in multistory buildings of the machinery being operated, and maintenance of working public address systems, emergency lighting, and other warning and response mechanisms.

iii) Has a professionally-developed fire emergency policy, which is tested through regular, monthly fire drills with all workers.

iv) Has a designated manager responsible for structural and fire safety, and an adequate number of employees who are trained to respond appropriately to fires and other emergency situations.

v) Has well-maintained fire prevention materials and fire fighting equipment on the premises.

vi) Has a factory health and safety committee comprised of representatives of management and workers, which meets regularly to review and address health and safety issues, including fire safety.

vii) In the case of factories operating in buildings housing more than one enterprise, in addition to the measures outlined above, has a coordinated fire emergency policy and procedures, accessible fire fighting equipment, designated and trained personnel, and a program of regular fire drills for the entire building.

d) Issue – on a quarterly basis – a public list of all factories that do not meet the standards outlined above and revoke the export license and BGMEA membership of each factory on this list until compliance is demonstrated.

e) Set up a high-level investigative committee to conduct inquiries into accidents at factories involving worker fatalities or multiple serious injuries. Such

a committee should conduct a thorough investigation into the causes of each such incident and issue a public report of its investigation. The government should pursue all applicable criminal charges against the employer in the case of negligence.

f) Provide emergency short-term compensation and adequate disability or survivors' benefits to the families of workers who are killed or permanently disabled because of workplace accidents. Provide free medical treatment to workers injured in such incidents. The amount of compensation should be determined through negotiations with worker rights organizations, including the unions representing the workers.

g) In the case that factories are closed due to accidents or a failure to meet safety standards, ensure workers are provided income support, equivalent to their former average earnings, for the duration of the closure or, in cases where factories are closed permanently or for a extended time, a reasonable period in which to secure alternative employment.

h) Ensure respect for workers' internationally recognized rights of freedom of association and collective bargaining. Trade unions can and should play a central role in promoting workplace health and safety by ensuring workers a voice in identifying and addressing hazards, and providing collective representation to workers who are injured in workplace accidents. Government (in particular the Joint Director of Labor) and factory management should ensure the removal of all unlawful or unreasonable obstacles to the registration of factory-level unions.

## 2) Buyers should do the following with respect to each of their own supplier factories:

a) Conduct regular audits of factories to ensure the facilities are compliant with applicable structural and fire safety standards, including in each area discussed in item 1.C above.

b) Develop a system that includes meaningful engagement with labor groups at each stage of the audit process, including pre-audit planning, arrangements for labor groups to accompany brand representatives to observe inspections at certain facilities, and review of audit findings.

c) Notify the Bangladesh government and BGMEA when factory audits identify health and safety hazards, and publicly disclose the results of such audits.

d) Ensure that workers have information about and access to credible grievance mechanisms in order to report information about health and safety hazards.

e) Ensure respect for workers' internationally recognized rights of freedom of association and collective bargaining. As discussed above, trade unions can and should play a central role in promoting workplace health and safety.