

# Supply Chain Safety

## Emerging Initiatives in the Aftermath of Rana Plaza in Bangladesh

By Bethany Harvey

A year after the April 24, 2013, collapse of Rana Plaza in Savar, near Dhaka, Bangladesh, the effects of the tragedy are still affecting brands and retailers around the world. Many injured workers from Rana Plaza's five garment factories are still awaiting compensation, as are the families of the at least 1,138 individuals who died in the collapse. Workers throughout the Bangladesh garment industry continue to face the threat of another disaster.

While several initiatives to improve workplace safety in Bangladesh have emerged during the past year, hazards persist throughout the country's garment industry, and workers have few, if any, opportunities to voice concerns when a hazard is discovered. Much like the U.S. garment industry prior to the Triangle Shirtwaist factory fire in 1911, the Bangladesh garment industry is in need of a workplace safety revolution, which is why safety professionals, consumers and retailers must take steps to advocate the changes needed.

### Hazards

In Bangladesh, more than 4 million garment workers are employed by an estimated 5,000 factories, most of which are not up to fire and building safety codes, says Liana Foxvog, director of organizing and communications for International Labor Rights Forum.

Although some hazards are present in garment factories worldwide, the lack of sufficient inspection and reporting practices in Bangladesh allows many risks to persist unabated. "It's safe to say that most of the common factory-related hazards found in workplaces have not been addressed in most Bangladesh garment factories," says Tom Cecich, chair of the Center for Safety and Health Sustainability and president of TFC & Associates.

### Poorly Constructed Buildings

New buildings in Bangladesh are often constructed on unstable land. Rana Plaza, for example, was built on swampland. Its construction was performed with only a permit from the mayor of the Savar municipality,

and builders did not obtain mandatory permits from a national building safety agency. The local permit was issued for a five-story building, yet three floors were added without any additional review. Furthermore, according to Foxvog, a ninth floor was in the process of being built at the time of the collapse.

## While several initiatives to improve workplace safety in Bangladesh have emerged, hazards persist throughout the country's garment industry.

Cecich suspects that while Bangladeshi lawmakers may have adopted protective building codes, proper steps are not always taken to ensure that construction and inspections have been performed according to those codes. "Generally in developing nations, governments will copy standards from Western countries, but enforcement will be weak or nonexistent," Cecich notes.

Bangladeshi garment manufacturers also tend to cut costs whenever possible, which likely results in poor building practices because construction is often rushed and money has not been invested in the best ways.

### Fire

"One of the most problematic hazards is that the simple concept of employees being able to get out of a building in the event of a fire has not been properly addressed," says Cecich.

Staircases are often open and are not fireproof. Instead of constructing a wall between the staircase and the floor, factory stairwells generally have a collapsible gate that allows fire to enter the stairway and spread to higher floors of the building. "Instead of acting as a safe passage during a fire, the staircase actually becomes a conduit for the fire," Foxvog explains about such conditions.

External fire escapes are also commonly absent, and windows are often barred without any way to remove the bars for escape.

### Electrical Systems

Electrical systems in Bangladesh gar-

ment factories often are not up to code because many factories are located in multistory buildings that were originally constructed for residential use. "This is a poor, developing country where people aren't using a lot of technology or different electrical devices in their homes," says Foxvog, pointing out that electrical systems intended for residential use are being utilized to power hundreds or even thousands of sewing machines and other equipment. As a result, electrical sparks and overheating are common in the factories and sometimes result in fires.

### Worker Rights

Bangladeshi garment factory workers have had to rely on low wages to support themselves and their families. On Dec. 1, 2013, the minimum wage for Bangladeshi garment workers was raised to 68 USD per month, but at the time of the Rana Plaza collapse, the monthly minimum wage was only 38 USD. Foxvog notes that the new minimum is still a poverty wage and falls far short of a living wage.

"The people who work in the garment factories need to have jobs; they're not very good jobs, but having a job is the difference between starving and not starving," says Cecich.

Employees in the industry also generally work long hours, partly because of the extremely short turnaround times and high quotas demanded by global brands and retailers. At some factories, reports have shown that employees are expected to work for as many as 19 hours at a stretch to meet rush order deadlines, while at other factories, workers are often eager to work overtime for additional wages. "If working a lot of overtime is the only way to put enough food on the table for your family, then you'll do it, even if it means that you hardly ever get to see your kids," Foxvog says.

The low wages and long hours are also connected to the lack of respect and their right to refuse dangerous work. Rana Plaza employees who noticed cracks in the building's walls a day before the collapse were told that if they did not return to work the next day, they would lose a month's wages. "If those workers received fair wages and their rights to organize and

collectively raise their voices about concerns were respected, I think it would have played out differently," Foxvog says. "But when the minimum wage is extremely low, and when multinational corporations force short order deadlines on factories where managers know they could lose the brand's business at any time, every day and every hour counts in the workplace."

Bangladeshi whistleblowers have little or no protection from retaliation by factory owners. Cecich says many accounts of workplace conditions in Bangladesh reveal that when employees report injuries or hazardous work conditions, they are fired.

Factory owners also commonly fail to provide employees with accurate information regarding workplace conditions. Workers in the Tazreen Fashions factory in Dhaka who heard a fire alarm on Nov. 24, 2012, tried to exit the building but were told to go back to their workstations and that it was a fire drill. Managers had locked the metal gates to the stairs once the fire became more evident, and workers were left without an escape route, resulting in at least 112 deaths. Likewise, on the morning of the collapse of Rana Plaza, a loudspeaker announcement told workers that repairs had been made since the previous day when several employees had reported cracks in walls.

### Workplace Safety

Cecich believes that the lack of basic safety management programs in Bangladesh contributes significantly to the instances of fatal incidents because most factories lack a systematic method for addressing, identifying and correcting hazards. Among the worst garment factory incidents recorded are the Rana Plaza collapse, the Tazreen fire and New York's Triangle Shirtwaist factory fire, which stimulated the U.S. safety movement and led to ASSE's formation. "The lessons learned 100 years ago in the U.S. are just now being learned in Bangladesh," says Cecich.

### Inspections

According to Foxvog, before the Tazreen fire, the Bangladesh government had only 20 fire and safety inspectors for nearly 5,000 garment factories, as well as another estimated 15,000 facto-

## Safety Incidents Cited in This Article

**March 25, 1911:** Triangle Shirtwaist Factory fire in New York, NY, killed 146 garment workers.

**Dec. 14, 2010:** Fire at the That's It Sportswear factory in Dhaka, Bangladesh. A reported 29 worker fatalities.

**Nov. 24, 2012:** Tazreen Fashions factory fire in Dhaka, Bangladesh. At least 112 people died.

**April 24, 2013:** Collapse of Rana Plaza in Savar, Bangladesh, killed at least 1,138 people.

ries. Few factories were inspected regularly, if ever, by trained electrical and building engineers. Even when audits were performed, factory owners often did not mitigate found hazards. The Tazreen Fashions factory, for example, was audited multiple times by outside groups, including Business Social Compliance Initiative and Walmart during the months before the deadly fire.

Since the Tazreen fire, the Bangladesh government has hired additional inspectors, and global brands are increasingly monitoring factories using safety engineers. Brands and retailers had previously conducted monitoring in Bangladesh factories, but those audits were not conducted by qualified safety professionals. Old methods of monitoring were also ineffective because auditors typically asked workers about conditions in the presence of factory managers. Workers rarely voiced their concerns for fear of retaliation.

### Regulation

In July 2013, amendments made to the Bangladesh Labor Act required safety committees in workplaces with 50 or more employees; safety welfare officers in workplaces with more than 500 employees; and health centers in workplaces employing more than 5,000 individuals. However, the amendments have not addressed many issues regarding freedom of association and collective bargaining rights. "What made

the Rana Plaza situation result in such a huge death toll was that workers' rights to refuse dangerous work were denied, which is key to understand, because the fix that is needed in Bangladesh is not just a technical fix but also an industrial relations issue," says Foxvog.

### Safety as a Business Asset

While factory managers in developed countries generally recognize that worker injuries and fatalities are detrimental to business in the form of regulatory violations, increased workers' compensation costs, potential lawsuits and loss of skilled workers, these outcomes may be less clear to managers in Bangladesh. Regulations in developing countries are not as strongly enforced, poor workers are unlikely to file lawsuits, and little time is lost by replacing workers. "There are many more people in Bangladesh who are willing to work under those conditions," Cecich says. "If somebody gets hurt and can't work, there's somebody else waiting outside in a line."

### Safety Improvement Initiatives in the Garment Industry Accord on Fire & Building Safety in Bangladesh

On Dec. 14, 2010, a fire at the That's It Sportswear factory in Dhaka, Bangladesh, killed 29 workers. The incident sparked efforts by International Labor Rights Forum, Maquila Solidarity Network, Clean Clothes Campaign and Worker Rights Consortium, as well as Bangladeshi and global unions, to develop an effective factory safety program in Bangladesh. A series of negotiations between those groups and global brands and retailers began in April 2011, and by the time of the Tazreen fire in November 2012, PVH (owner of Calvin Klein and Tommy Hilfiger, among other brands) and German retailer Tchibo had already signed a factory safety agreement.

In the wake of the Rana Plaza collapse in April 2013, that agreement was expanded to a 5-year, legally binding agreement now known as the Accord on Fire and Building Safety in Bangladesh. By February 2014, more than 150 global brands and retailers had signed the accord.

Signatories of the accord are legally required to work with the international trade unions IndustriALL and UNI Global, as well as Bangladesh trade unions, to ensure factory inspections and establish safety committees in factories. The accord requires brands to pay factories amounts that can sufficiently ensure safety. In addition to paying administrative fees, brands must pay for safety repairs immediately after an inspection reveals hazardous conditions. Under the accord, factory operations must be suspended during repairs and workers will continue to receive salary payments during renovations. International Labor Rights Forum, Maquila Solidarity Network, Clean Clothes Campaign and Worker Rights Consortium act as witnesses to the agreement, and the International Labor Organization (ILO) is the independent chair of the accord.

### **Alliance for Bangladesh Worker Safety**

Various North American retailers, including Gap Inc. and Walmart, have not yet signed the accord, and instead formed a separate program to improve worker safety. The Alliance for Bangladesh Worker Safety is dedicated to inspecting factories, setting up elected workers' committees, providing loans to factories in need of repairs and ceasing business with factory owners that refuse to make needed repairs. However, the alliance has been criticized because it is not a legally binding agreement, it lacks union participation and companies that joined the alliance are not required to provide direct funding for safety renovations to factories.

### **How We Can Help Safety Professionals**

Foxvog urges safety professionals in the U.S. and around the world to raise awareness about safety issues in the Bangladesh garment industry. She suggests speaking directly with global brands and retailers to inform them about the differences between the Accord on Fire and Building Safety in Bangladesh and the Alliance for Bangladesh Worker Safety.

"U.S. safety professionals can help corporations understand that workers themselves can be the best representatives for safety on the factory floor

## **Safety professionals who work for brands and retailers must advocate worker safety across their entire corporation, not just among workers in the U.S. and other developed countries.**

because they notice when something is not safe," says Foxvog. "They need to have their voices heard rather than being locked inside during a fire or being told to return the next day after a huge crack appears in the wall. It's also important to ensure that companies uphold obligations to pay compensation to victims following disasters like Rana Plaza and Tazreen."

Safety professionals who work for brands and retailers must advocate worker safety across their entire corporation, not just among workers in the U.S. and other developed countries. Cecich stresses that these professionals should help supply chain managers understand that safety is important not only for altruistic reasons but also because it promotes good business. "Obviously the brands that have been linked to the Rana Plaza collapse and factory fires would have preferred they had not occurred," Cecich says. "These incidents have been a black eye for retailers such as Walmart, which now need to raise the bar for worker safety because of consumer expectations."

Transfer of knowledge has long been a common goal within the safety profession. Foxvog and Cecich are hopeful that safety professionals from developed countries will soon have greater opportunities to influence practices in Bangladesh and to support the training of safety professionals there. If given the chance to participate in safety inspection and training efforts in Bangladesh, safety professionals must share their expertise regarding building codes and emergency management strategies, but they also need to ensure that workers can discuss concerns with inspectors confidentially.

**Bethany Harvey** is a communications and design assistant for ASSE and part of the editorial staff for *Professional Safety*. She holds a B.A. in Interdisciplinary Communications Mass Media from Elmhurst College.

### **Consumers**

"As Westerners, it's a little difficult to put ourselves in their position," says Cecich about creating a solution to the unsafe factory conditions in Bangladesh. Retailers in developed countries often address the problem by ceasing business with Bangladesh factories, and some consumers have stopped purchasing clothing from retailers that have not yet signed the accord. However, because the garment industry makes up a large percentage of Bangladesh's economy, closing factories would likely only cause more problems. "If you pull out all the work you're giving [a poor country's] people, you're making it even poorer," says Cecich.

A year after the collapse, the victims of the Rana Plaza incident have not yet received full compensation and many are struggling with life-altering injuries. Established by ILO, the Rana Plaza Donors Trust Fund covers compensation for Rana Plaza victims and their families. Donations are accepted from private donors as well as brands, retailers and other companies.

Other ways consumers can make a difference for Bangladeshi workers include raising awareness about global safety issues and making contributions to organizations that are committed to making factories safer, such as Center for Safety and Health Sustainability, International Labor Rights Forum, Clean Clothes Campaign and the Maquila Solidarity Network. Additionally, online petitions by many of these organizations simplify the process of sending letters urging brands to compensate victims and provide fair wages to workers.

"We're looking at an industry that has been premised on low wages, long hours and exploitive working conditions," says Foxvog, noting that many brands have recently sent strong public messages regarding worker safety. "But to really change that industry, factories not only need to hear from the brands that safety is important, but they also need to be paid enough to cover wages, operating costs and safe building practices."