IndustriALL leading the struggle for Bangladeshi garment workers

The Accord on Fire and Building Safety in Bangladesh is an historic breakthrough covering more than 2 million garment workers. Breaking from failed corporate-led social auditing of the past, under the Accord trade unions and multinational companies are working together to improve the precarious situation of garment workers in Bangladesh.
Over 100 brands and retailers, covering over 2 million workers in 1,600 factories, are now working together with IndustriALL Global Union and UNI Global Union. This broad coalition constitutes a critical mass of the garment sector. Together they have worked hard to set up the foundations to the Accord for the work on the ground in Bangladesh to be up and running by December 2013.

A number of key factors make this broad coalition new - its size; the seriousness of the legally binding commitments; and the central role of national and international trade unions. Trade unions as partners are the only actors able to ensure accountability and reliable monitoring of conditions and the inspection process. For too long the industry publicly relied on one-off safety audits in its factories, conducted by auditing companies that are created and funded by the brands themselves. Strong industrial relations in the industry can replace this model and conduct constant safety inspections in a context where workers are empowered to refuse dangerous work.

The work leading up to the Accord was made possible by the horrendous industrial disaster at Rana Plaza. On 24 April 2013 an eight-storey commercial building collapsed in Savar, a sub-district in the Greater Dhaka Area, the capital of Bangladesh. As the death toll mounted each day to a final 1,129 the world’s workers, consumers and media demanded change. The scale of Rana Plaza commanded systemic change, further than the usual call for local justice and strict sentencing of the local factory owner.

The industrial tragedy occurred at 9am, 24 April. The collapsed building, illegally constructed, contained five garment factories employing 5,000 workers. The five factories were Ether Tex, New Wave Bottoms, New Wave Style, Phantom Apparels and Phantom-TAC, producing for several well-known western brands.

On 23 April, the day before the collapse, large structural cracks appeared in the supporting pillars of Rana Plaza. But the building owner Sohel Rana and the garment factory owners ignored local authorities when they instructed a full evacuation. Workers were instead ordered to be at work early the following day in order to be at their workstations before the authorities arrived. A Rana Plaza garment worker had to work three days unpaid for every one workday missed, making workers reluctant to stay safe at home on 24 April. Managers at the Ether Tex factory threatened to withhold a month's wages of any worker who stayed away on 24 April.

On the day of the factory collapse, IndustriALL General Secretary Jyrki Raina said:

“This terrible tragedy highlights the urgency of putting a stop to the race to the bottom in supplying cheap means of production to international brands, a race in which hundreds of workers have lost their lives. Global clothing brands and retailers have a responsibility for their full production chains. Now it is time for them, suppliers and the Bangladeshi government to sit down with IndustriALL and its affiliates to agree on a safety program that will ensure this will never happen again.”

Major brands joined, more are following

In a rapid response to the Rana Plaza disaster, IndustriALL worked in a supply chain alliance with UNI Global Union that represents the unionised retail and commerce workers at the brands and retailers in the global north, to build the Accord for Fire and Building Safety in Bangladesh. NGOs such as Clean Clothes Campaign, Workers’ Rights Consortium, Maquila Solidarity Network, and the International Labour Rights Forum, have also played an important role.

Two of the world’s largest clothing companies, H&M and Inditex, were the first brands to sign the Accord on 14 May. New company signatories are joining every week.

“The Accord is a source of pride for IndustriALL Global Union that will always be remembered as the achievement from IndustriALL’s first year that announced to the world the power and ambition of this new trade union force”, says IndustriALL General Secretary Jyrki Raina. “Together we will make the Bangladeshi garment industry safe and sustainable.”

Preliminary discussions have taken place regarding the future possibility of expanding the Accord to other countries and even to other industrial sectors. Bangladesh is unfortunately not the only country in the world where garment workers work in dangerous conditions for poverty wages.
The Bangladesh Accord offers brands and retailers the opportunity to clean up their supply chain and avoid further reputational damage through other worker deaths. Successful coordination will lay the way to similar work elsewhere.

A dangerous factory was identified in the supply chain of Accord signatory Tesco in June. The Liberty Fashions case was not handled through the Accord as it came before the Accord mechanisms were established. Tesco, one of the largest brands to have signed the Accord on Fire and Building Safety in Bangladesh, deserves much credit for its leading role in identifying the risk and cooperating with unions to ensure that workers were removed from harm’s way.

When Tesco’s inspection team discovered in June that factory 2 at Liberty Fashions was in an imminent danger of collapse, a process started to see whether the factory could be repaired and workers’ jobs saved. A number of brands and retailers worked together and secured the factory could be repaired and workers’ jobs saved. A number of brands and retailers worked together and secured the payment of the salaries and Eid bonuses of workers. Unfortunately, after discussions in London, factory owner Mr Huq failed to come up with a credible plan. Liberty has accumulated 18 million dollars of debt and is in serious danger of closure. Sean Ansett, the Accord interim director, conducted talks with the BGMEA and also met with trade union leaders Roy Ramesh and Amirul Amin. Liberty Fashions workers are at the time of writing demonstrating for their owed salaries from the factory owner and a solution is yet to be found.

The Liberty case was successful in terms of getting workers safely out of a dangerous factory where a disaster could have occurred at any time. Although the Liberty case was not conducted under the auspices of the Accord, the new level of coordination and cooperation created through the Accord had a positive influence on the process.

IndustriALL Global Union’s commitment to Bangladesh

In parallel to the work around implementing the Accord, IndustriALL action in Bangladesh is focussed around four other points, as committed to by the Executive Committee:

- Labour law reform to secure freedom of association
- Raising the minimum wage from US$38 a month to reach living wage by 2015
- Launching a massive organizing project to ensure union presence in 4,500 garment factories
- Establishing a compensation model for victims of Rana Plaza and Tazreen

Workers in the sector have directed their mobilizations’ anger in the industrial areas of Gazipur, Savar, Tejgaon, Ashulia, Mirpur, Uttara, Badda, Dhaka at the influential BGMEA and BKMEA employers associations in the sector of 3,600 BDT per month, a raise of less than 20 per cent.

IBC general secretary Roy Ramesh stated:

“The IBC has proposed to fix the minimum wages based on the Millennium Development Goals and the cost of living which is equal to around US$120 per month.”

IndustriALL Bangladesh Council (IBC) groups affiliated unions into unified action under its elected general secretary Roy Ramesh. There is an enormous potential for organizing and growth for the garment worker unions. IndustriALL will now facilitate this in a major organizing project funded partly by the Netherlands Trade Union Confederation, FNV.

IndustriALL has long supported the calls of its Bangladeshi affiliates for a rise in the minimum wage for the sector in line with a living wage. The IndustriALL Bangladesh Council (IBC) is united in its demand for an urgent increase in the minimum wage to well over US$100 per month from the current US$38. On 21 September 200,000 Bangladeshi garment workers mobilized for three days in Dhaka and elsewhere in the country, calling for a living wage and strongly rejecting a derisory employers’ wage offer in negotiations.

Recent attention has focused on discussions inside the wage board created by the government to recommend an increased sector-wide minimum wage. IndustriALL has criticized the absence of a trade union representative on the wage board. One spark that ignited the mass worker demonstrations in September was the inadequate proposal submitted to this wage board from the BGMEA and BKMEA employers associations in the sector of 3,600 BDT per month, a raise of less than 20 per cent.

Progress of the minimum wage board has been very slow, and the BGMEA still seems to wait until November-December before agreeing on a deal. They apparently want first to travel with the ministry of labour to Thailand, Cambodia and Vietnam to study the question of a living wage, and they would like to be sure of the willingness of brands and retailers to pay fair prices. In IndustriALL’s recent talks with major brands such as Inditex, H&M and Primark, the brands have reiterated their clear commitment to higher minimum wages. Like many other brands they are willing to pay more, but so far there is no commitment from Walmart and its allies. Slow progress risks further unrest.

The campaign for labour law reform to make the Bangladeshi legislation ILO compliant is a vital priority. Anti-worker labour law has been a major barrier to organizing and collective bargaining. The reform process is strongly lobbied
by national employers and international buyers, with constant pressure on the government of Prime Minister Sheikh Hasina to keep workers’ rights at a minimum.

The International Labour Organization (ILO) is leading the process to pressure the Bangladeshi government to enact proper labour law reforms. A high-level tripartite delegation of the ILO conducted an important mission in Dhaka on 1-4 May in the immediate aftermath of Rana Plaza. That mission set out an important ILO action plan including the following points:

- Submission to Parliament during its next session, which is expected to be called in June 2013, of a labour law reform package. This should consider inputs of the tripartite partners and it should improve protection, in law and practice, for the fundamental rights to freedom of association and the right to collective bargaining, as well as occupational safety and health.
- Implement, in full, the National Tripartite Plan of Action on Fire Safety in the RMG Industry in Bangladesh. Extend its scope to include structural integrity of buildings to improve health, occupational and structural safety and other vulnerable sectors, to be identified in consultation with the relevant stakeholders.
- Recruit, within six months, 200 additional inspectors by the Government and ensure that the Department of the Chief Inspector of Factories and Establishments will have been upgraded to a Directorate. It should have an annual regular budget allocation adequate to enable i) the recruitment of a minimum of 500 inspectors and ii) the development of the infrastructure required for their proper functioning.

Compensations – setting a standard for the future

Compensation is a difficult but important area of work that involves numerous actors. IndustriALL is taking the lead and was able to secure the ILO as neutral chair of the compensation process following the Rana Plaza and Tazreen tragedies. Although compensating the victims’ families and the injured workers of these industrial disasters is important in and of itself, the significance of this process is heightened by the possibility of setting a precedent for future deadly accidents.

IndustriALL has been pushing for a proposed compensation model in the negotiations with brands and retailers sourcing from Rana Plaza. There are variants of the model and a certain degree of flexibility. The priority is that a decent level of compensation be paid out as a matter of urgency, and that a mechanism and precedent can be established to avoid long delays in the future. International experts have presented the negotiations with best practices for the establishment of a compensation fund, overseen by a multi-stakeholder committee, which could be created through an agreement by all the parties involved. A durable solution will need to be found in partnership with brands, ILO, the Bangladesh government, BGMEA, Bangladesh unions and the NGOs. The sincere hope is for a solution to have been found by the time this publication goes to print.

A number of brands, such as Walmart and Gap, refused to come to the negotiating table, while others needed a push. So far British brand Primark has taken the lead in the response by ensuring that 3,630 families and injured will have received full six-month salaries until the end of October. Primark also made available their local banking infrastructure in Bangladesh to deliver any funds that are made available on an emergency basis.

Denouncing the absentees at the 11-12 September compensation talks in Geneva, IndustriALL Assistant General Secretary Monika Kemperle stated:

“The disregard of the absent brands for the plight of workers in Bangladesh whose lives have been destroyed by the avoidable accidents at Tazreen and Rana Plaza is shocking in the extreme. Empty promises and direct untruths since the Tazreen fire and the Rana Plaza collapse all so that these Western multinationals can avoid making payments that amount to a minute percentage of turnover.”

The bottom line in Bangladesh is that the multinationals can afford the small price of transforming the conditions in their supply chain. Without systemic change in each of these action areas workers will continue to toil in slave labour conditions, earning poverty wages, without the right to join a union. IndustriALL will continue to lead the fight to bring the changes that Bangladeshi workers need and deserve, and to make the industry safe and sustainable.

LIVING WAGE

A living wage is the minimum income necessary for a worker to be able to meet basic needs, such as housing, clothes and food. Poverty wages have a devastating impact on workers. From Africa to Asia and Latin America the Living Wage is a global issue and central to the Decent Work Agenda. IndustriALL is campaigning on this issue with its affiliates.

Read more on www.industriall-union.org