

## **Bangladesh building collapse – Rana Plaza**

**1 October 2013**

Over 1,100 people, mainly female garment workers, were killed and thousands more were injured when the Rana Plaza building collapsed in Savar on the outskirts of Dhaka, Bangladesh on 24 April 2013. The building housed three garment factories; New Wave Bottoms, Phantom and Ether Tex.

The building was constructed illegally, being built up to four storey's higher than it had planning permission for. Bangladeshi media reported that inspectors had discovered cracks in the building the day before the collapse and had requested the evacuation and closure of the building.

The shops and the bank on the lower floors immediately closed, but garment workers were told to return to work the following day. Managers at Ether Tex reportedly threatened to withhold a month's pay from workers who refused to come to work. Two of the factories in the building had previously been audited by the Business Social Compliance Initiative (BSCI), a business led audit organisation used by over 1,000 retailers and brands. Despite these audits the risks had not been identified and nothing was done to prevent it.

### **Brands & retailers**

UK high street brands Benetton, Bon Marche, Mango, Matalan and Primark as well as Cato Fashions, The Children's Place, El Corte Ingles, Loblaws, Kik, and Texman have all acknowledged recent production or orders with factories in the Rana Plaza. Some of these companies have denied that the factories were 'suppliers' despite acknowledging recent production in the factories, while others struggled to confirm the nature of their relationships to the factories.

Trade unions and labour rights campaigners around the world have been united in two main demands to clothing brands and retailers:

- Brands and retailers sourcing from factories in the Rana Plaza must provide full compensation to the victims of the disaster
- All brands and retailers must sign the Bangladesh Safety Accord

### **Compensation**

The families of those who died have now lost their primary wage earner and the thousands of workers injured may never be able to work again. These people now face a stark future of severe poverty and urgently need compensation for a lifetime of lost of earnings as a result of the disaster.

In line with previous major factory fires in Bangladesh, labour rights groups and trade unions are demanding compensation from the brands and retailers that sourced from the factories.

Some companies have offered humanitarian or some form of financial assistance to the victims short of compensation. This is welcome, but short-term humanitarian aid falls far short of the full compensation for lost earnings needed to address the situation the victims and their families face.

Offered compensation:

- Primark, El Corte Ingles, Texman & Loblaws

Offered financial assistance short of compensation:

- Benetton, Bonmarche, Matalan & Premier Clothing UK

Offered no financial assistance:

- Cato Fashions, The Children's Place, Kik & Mango

## Bangladesh Safety Accord

The Bangladesh Safety Accord is a landmark agreement to bring together brands, retailers, trade unions and supplier factories in a comprehensive multi-year program to address building and fire safety in garment factories in Bangladesh.

Key components of the Accord include:

- Independent safety inspections with public reports on individual factories
- Mandatory repairs and renovations, with brands and retailers underwriting costs
- An extensive fire and building safety training program conducted by trade unions
- A worker complaint process and mechanism
- A central role for trade unions in all aspects of the agreement, including guaranteed access to supplier factories, and equal representation on the Accord's governing body
- Enforceable and binding dispute resolution mechanism

Over 80 major brands and retailers have now signed the Bangladesh Safety Accord. UK high street brands and retailers that have signed include:

- Abercrombie & Fitch
- Aldi
- Arcadia group (owner of Dorothy Perkins, Topshop and more)
- Benetton
- Bonmarché
- C&A
- Debenhams
- Esprit
- Fat Face
- G-star
- H&M
- Helly Hansen
- Inditex (owner of Zara, Pull & Bear and more)
- John Lewis
- Lidl
- Mango
- Marks and Spencer
- Mothercare
- N Brown (owner of Fig Leaves, High & Mighty and more)
- New Look
- Next
- Primark
- Puma
- PVH (owner of Calvin Klein and Tommy Hilfiger)
- River Island
- Sainsbury's
- Sean John Apparel
- Tchibo
- Tesco

A full list of brands and retailers that have signed the Accord is available from IndustriALL, the global union federation: <http://www.industrialunion.org/bangladesh-signatory-list>

### Key companies missing:

- **Gap & Walmart (owner of Asda)** – Walmart is the single largest buyer from Bangladesh and together with Gap have refused to join the Accord and announced their own rival safety plan. Their plan is dominated by the brands it is supposed to regulate, contains no binding commitments and does not involve trade unions. It is just more of the same voluntary, corporate led initiatives that failed to prevent the Rana Plaza disaster.

## Conclusions

- The current model of corporate-led non-transparent factory auditing has clearly been shown to have failed to address the issues of factory safety, as well as wider workers' rights issues.
- The right to organise trade unions is essential to ensuring workers' involvement in achieving safe workplaces, ensuring workers receive a living wage and ensuring positive industrial relations – yet it is widely disregarded in the supplier factories of major brands around the world.
- Building safety issues are not unique to Bangladesh. As the fire at Ali Enterprises in Pakistan last year which killed nearly 300 people and a recent smaller factory collapse in Cambodia have shown, building safety is a problem across all countries that produce clothes for western brands and is the result of the failures of the entire fashion industry rather than any individual country.