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Prospects for Democratic Reconciliation and Improving Workers' Rights in Bangladesh February 11, 2014

Chairman Menendez, Ranking Member Corker, and Members of the Committee: thank you for the opportunity to testify on the struggle of garment workers to achieve improved working conditions and respect for their labor rights in my home country of Bangladesh.

I am a former child garment worker. My activism in the garment industry is very personal. When I was 12 my father became disabled and could no longer work. My mother had to stay home to take care of my baby sister, so my ten-year old brother and I went to work. I sewed clothing for multinational corporations and made less than ten dollars a month for 450 hours of work. We were cheated on our overtime wage: it was wage theft. We went on strike and we won. But then some strike organizers were fired. I learned that there are laws that are supposed to protect us and I started organizing my coworkers. Management harassed me all the time, and then fired me. I was only 16. I went to work for a union and then I co-founded the Bangladesh Center for Worker Solidarity, a worker center that educates workers about their rights and conducts research. I became an organizer and never stopped. Not when workers were beaten and tear-gassed for demanding higher wages. Not when the government made it illegal for our organization to operate. Not even when factory owners brought falsified charges against me and put me in jail. Not even when my friend and union organizer Aminul Islam was disappeared, tortured, and murdered with all evidence pointing to the government's security forces. It is these experiences, and the ongoing horrific fires and building collapses, which motivate me to seek improvements in the lives of the four million garment workers in my country – even as I, and at least 15 other labor leaders, continue to face government surveillance.¹

Much has happened since I submitted written testimony to this committee on June 6, 2013. Soon thereafter, the U.S. suspended Bangladesh's Generalized System of Preferences (GSP) trade benefits. While our garment industry had not benefited from GSP, the industry had long been seeking GSP benefits. The suspension of GSP for other sectors sent a clear signal to the garment industry that compliance with human rights, labor rights, and workplace safety must be significantly improved if the industry is to ever receive such benefits in the future. Now that the U.S. is scheduled to review the suspension of GSP in May, I would like to highlight some of the advances in recent months, as well as the ongoing challenges.

The advances include:

• Most of the unsubstantiated criminal charges brought against union leaders and labor rights advocates in the summer of 2010 have been dismissed by the courts. As of January 2014, I am no longer facing any of these charges. But our work is not done in this area until the remainder are dismissed.

¹ Islam, Rabiul and Mohammed Jamil Khan. "Lawmen identify 'instigators'." *Dhaka Tribune*. November 20, 2013. <u>http://www.dhakatribune.com/labour/2013/nov/20/lawmen-identify-%E2%80%98instigators%E2%80%99</u>

- As of August 2013 after three years of government crackdown against us the Bangladesh Center for Worker Solidarity has successfully had our official registration status reinstated.
- The Government of Bangladesh has begun to process trade union registrations again, with nearly 100 new garment factory unions registered in the past year.

The ongoing challenges include:

- Some union leaders from Bangladesh Garments and Industrial Workers Federation (BGIWF) and Bangladesh Independent Garment Workers Union Federation (BIGUF) continue to face unsubstantiated criminal charges. Recently a BIGUF organizer was detained under unsubstantiated charges.
- Workers continue to be fired and beaten in an industry attempt to repress their efforts to organize to secure respect for their labor rights. Although new unions have been registered recently; it remains to be seen whether factory management will respect union rights in collective bargaining negotiations.
- The garment sector minimum wage increase to 5300 taka (approximately US\$68) per month, at the end of 2013, falls far short of a living wage and of workers' demands for 8000 taka (US\$103).
- There has yet to be a transparent investigation into the April 2012 brutal murder of union organizer Aminul Islam. While plenty of evidence points to a member of Bangladesh's security forces as a culpable party, as of yet no one has been brought to justice for this crime.
- The Government of Bangladesh does not yet have a visible initiative to ensure workplace safety. The Government announced a National Tripartite Plan of Action on Fire Safety but garment workers report that they have not seen any visible results in terms of inspections or real improvements in factories.

Before reinstating GSP, the U.S. should require and ensure that:

- The remaining unsubstantiated charges against labor leaders are dismissed;
- Workers are free to exercise their collective bargaining rights;
- Bangladesh is upholding its role in workplace safety;
- There is a transparent investigation into the Aminul Islam murder case and that the perpetrators of the crime are brought to justice;
- Bangladesh reform its labor laws so that they meet the International Labour Organization (ILO) standards; and
- Workers in export-processing zones are afforded full rights to form unions and bargain.

The U.S. Government also has an essential role in communicating with American brands and retailers, to urge them to pay full and fair compensation to the victims of disasters in their supply chains:

• Tazreen Fashions, the garment factory where at least 112 workers were killed in a fire on November 24, 2012, made clothing destined for Walmart, Sears, Delta Apparel, Dickies, and Sean John Apparel. The factory made Marines-logo clothing for Delta Apparel and its largest customer was Walmart. But even more than a year later, none of the American

companies whose clothing was made at Tazreen have yet to offer any compensation to the injured workers and families who lost loved ones. In fact, Walmart and Sears have refused to pay compensation on the basis that production was "unauthorized." Whether the production was authorized or unauthorized should not matter: companies must be accountable for safety in their supply chains. These callous companies are failing accept their responsibility to pay compensation, even while many of the survivors are unable to work and are unable to afford the medical treatment they need for the burn injuries and bone fractures that they sustained as a result of these companies' negligence to remediate safety hazards even after their audits found major safety violations in the months prior to the fire.

• The April 24, 2013 collapse of Rana Plaza, which housed five garment factories, killed at least 1,135 workers and injured an estimated 2,500. Similarly to Tazreen, families who lost loved ones are facing immense financial hardship and the survivors are struggling with psychological trauma and physical pain. Many of the survivors are unable to return to work and cannot provide for themselves or their families. Some have had to pull their children out of school and send them to work in an attempt to not starve. The American companies that did business with factories at Rana Plaza included Children's Place, Cato Fashions, JCPenney, and Walmart. All of these companies owe compensation to the victims, but none of them has yet to pay any compensation yet. The testimony of Reba Sikder, who is here with me today, is but one story of thousands of people who were affected by the building collapse and who are owed compensation. I have traveled all the way from Bangladesh to be here today to ask members of the U.S. Government to do what you can to call on these American brands and retailers to immediately join the Rana Plaza Arrangement on Compensation, which is facilitated by the ILO.²

In addition to ensuring compensation for victims, the U.S. Government must have an important role in saving the lives of workers in my country in the supply chains of U.S. companies and of the U.S. Government itself. 151 companies from 20 countries, including ten U.S. companies,³ have now joined the Accord on Fire and Building Safety in Bangladesh. The Accord is a program of independent safety inspections with public reports; mandatory repairs and renovations to address all identified hazards; and a central role for workers and unions, including worker-led safety committees, in all factories and access to factories for unions to educate workers on how they can protect their rights and their safety, including their right to refuse dangerous work. The companies in the Accord commit to work with their suppliers to secure financing, maintain orders, and ensure renovations are completed to make factory buildings in Bangladesh safe.

The immediate causes of the incidents in Bangladesh are flammable materials piled in hallways or in illegal bottom floor storage rooms, overloaded electrical systems, or poorly constructed buildings. What has resulted in a high number of injured and dead workers in case after case has been the absent or completely inadequate fire suppression equipment, locked doors and barred windows, and overall poor emergency training and planning. But the problem isn't just with the poorly constructed buildings with weak foundations or the additional stories added illegally after

² For information on the "Understanding for a Practical Arrangement on Payments to the Victims of the Rana Plaza Accident and their Families," please visit http://www.ranaplaza-arrangement.org

³ See the full list of Accord signatories at http://www.bangladeshaccord.org/signatories/

original construction. It's not just with open stairwells which act as chimneys rather than as escape routes, or the missing fire extinguishers or the lack of emergency lighting. All of those structural issues are of course critical and must be urgently addressed in hundreds if not in over a thousand factories in Bangladesh.

There's another core part of the problem that must be solved. It's this: time and again when workers speak up with concern about safety risks, they aren't listened to. And in the moment of crisis, when the fire alarm goes off or a building starts to crack, workers' voices not only fall on deaf ears, but they are actively disregarded. Their right to refuse dangerous work is denied. When I say this, I'm thinking of the workers at Tazreen who were ordered to go back to their sewing machines when the fire alarm went off and then when it became really clear that it was a real fire, the exit doors were locked and the floor managers with the keys were nowhere to be found. When I talk about the right to refuse dangerous work, I'm thinking about how the Rana Plaza workers' rights were denied when they said they didn't want to go to work in a building with cracks in the walls but they were told that they must or they would lose their precious pay, and then they were even lied to and told the building had been repaired. This is why I fear that until the largest U.S. companies the buy from Bangladesh – companies such as Walmart, Gap and VF Corporation – join the Accord, garment workers will continue to die on the job in my country.

From media reports I am aware of the Alliance for Bangladesh Worker Safety, founded by a group of North American companies. However, my awareness on-the-ground in Bangladesh of this initiative is minimal. The Alliance has never invited the Bangladesh Center for Worker Solidarity to meet with them. It has no involvement from or representation of unions or other meaningful worker-representative bodies in its governance or implementation. The Bangladesh Garments and Industrial Workers Federation (BGIWF) did attend one meeting with the Alliance convened by the Solidarity Center. In that meeting, the Alliance said that it had met with a workers' participatory committee during a factory inspection. But later, when BGIWF spoke with the committee, the committee said no one from the Alliance had met with them. In another instance, the Alliance said they had interviewed factory workers, but workers from the factory reported that management had selected the workers for the interviews. These examples indicate that at least as of yet there is no meaningful difference between the Alliance and the corporate-controlled "corporate social responsibility" programs that have failed Bangladeshi garment workers in the past, and have left behind thousands of dead and injured workers.

In contrast, the Accord is cosigned with ten unions and four non-governmental organizations as witness signatories. The Accord involves workers and their unions in inspections, in trainings, and unions receive copies of inspection results from the Accord. As one example, in the inspection of Fashion Island Ltd, the Accord involved leaders from the factory-level union, which is affiliated with BGIWF. Following the completion of the inspection, the Accord staff held a meeting with leaders of factory union to present the findings from the investigation.

Apart from the sheer difference in the scale and reach of the two programs (the Accord has more than five times more members than the Alliance does), and the fact that the Alliance is accountable to no one other than the companies themselves, there are other significant differences. The Alliance has been highlighting its financing in media interviews, but that's a program of loans rather than direct financing of factory repairs. Factory managers themselves don't even know how to access this funding. Even after my country has experienced the deadliest

garment industry disaster the world has ever seen, the Alliance companies have shown no indication that they will increase the prices they pay to factories to include the cost of safety or that they will guarantee that factories have the funds necessary for repairs after hazards are uncovered. There is no contractual commitment to worker safety under the Alliance. The only tool workers have access to is a hotline, and it is unclear what is done with the information that is submitted.

Thank you again for the opportunity to testify in this hearing. I appreciate your concern for the welfare and human rights of garment workers in my country.

Summary of recommendations to the U.S. Government

With this testimony I urge the U.S. government to:

- 1) Urge all U.S. brands and retailers whose clothing was made at Tazreen and Rana Plaza to pay the full and fair compensation they owe to the survivors and to the families of the workers who were killed.
- 2) Call on all U.S. brands and retailers that source clothing from Bangladesh to sign onto the Accord on Fire and Building Safety in Bangladesh, and require all apparel companies that do business with the U.S. government and source from Bangladesh to join the Accord.
- 3) Before reinstating GSP, the U.S. should require and ensure that the remaining unsubstantiated charges against labor leaders are dismissed; that workers are free to exercise their collective bargaining rights; that Bangladesh is upholding its role in workplace safety; that there is a transparent investigation into the Aminul Islam murder case and that the perpetrators of the crime are brought to justice; that Bangladesh reform its labor laws so that they meet the International Labour Organization (ILO) standards; and that workers in export-processing zones are afforded full rights to form unions and bargain.
- 4) Help provide support for mental health services for garment workers dealing with longterm trauma as a result of factory fires and building collapses.