

A date to remember Rana Plaza must never be repeated

APRIL 24 is a date that should not be and cannot be ever obliterated from our memory. We hope that there will not be a repetition of what was the most tragic industrial accident in the country. While we take comfort in the fact that much has been done to obviate the possibility of recurrence of such a catastrophe, we are constrained to ask why it had to take a tragedy like the Rana Plaza to apply the corrective measures. Why is it that our actions have to always be disaster driven? Why could we not have been proactive, which might have saved so many lives in this and other accidents preceding it?

We are happy to see the RMG sector effect many positive changes, becoming more compliant with regard to workers' safety in particular. And this has also been acknowledged by the international community, the buyers in particular. But we feel that there is still more that needs to be done. For example, compliance of subcontracting factories must be ensured. Forty-two percent of the survivors of the Rana Plaza disaster are still jobless who should be provided for. And although much has been done to help the survivors monetarily, physically and psychologically, the authorities should address the issue of compensation as directed by the High Court.

Rana Plaza has become a synonym for everything shoddy and wrong in an industrial unit. Not only the RMG sector but other sectors also involved in production and employing human labour must learn from the tragic event of April 24, 2013. It is our hope too that those responsible for killing nearly 1,200 innocent people will be meted out the punishment they deserve.

Busting of extremists' dens

Stop militants from procuring explosive materials

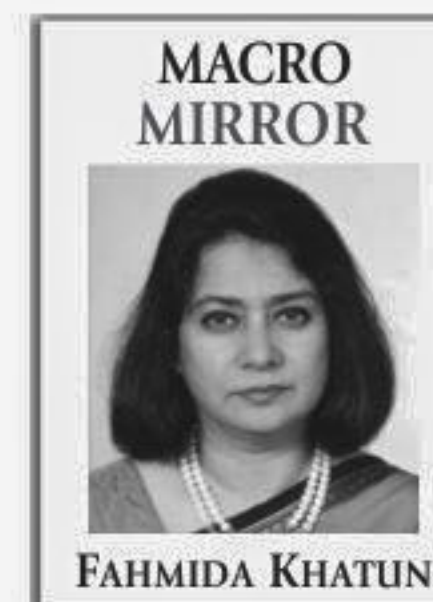
QUITE A few extremist dens have been discovered by law enforcing and counterterrorism agencies across the country in recent times. We congratulate our law enforcers and counterterrorism experts for their most recent success in identifying and busting one such den in Jhenaidah, which was apparently being used as a bomb-making factory from where explosives were supplied to other militant dens. Consequently, the amount of bomb-making material that was discovered there is, indeed, concerning.

Besides a large number of handmade detonators, a pressure cooker bomb and a 7.65mm pistol, police also recovered 20 containers from the den, all filled with nearly 30 litres of hydrogen peroxide. According to bomb disposal experts, the material recovered could have been used to manufacture about 500 to 1,000 bombs the size of a grenade. Furthermore, they said that the chemical is locally available at a low price and is mainly used in laboratories at colleges or universities and big industries.

What is important for the authorities to find out now is how and from where the militants managed to procure such massive quantities of bomb-making material. Surely they must have obtained them in a planned way. Whereas small arms in the wrong hands are of course dangerous, what is perhaps even more dangerous because of their potential damage capacities are such small bombs and improvised explosive devices.

The authorities should thus make the procurement of such materials more difficult. Oversight in sales, purchases and uses of these items should be made a priority.

Moving forward from the Rana Plaza tragedy



FAHMIDA KHATUN

THE readymade garments (RMG) sector of Bangladesh has undertaken significant compliance measures to ensure safety of factories and workers since the Rana Plaza tragedy on April 24, 2013, when an eight-storied commercial building collapsed killing more than 1,100 workers died, and injuring more than 2,500 people. The National Tripartite Plan of Action on Fire Safety and Structural Integrity along with two global buyers' groups, namely - Alliance of North American buyers, and Accord of the European buyers - inspected several factories and even closed some of the risky ones. The labour law of the country has been amended and the right to form trade unions in factories, including in special economic zones, has been approved. The minimum wage of RMG workers was raised to USD 69 in November 2013 to ensure that it was comparable to other competing countries. At that point in time, the new wage was close to that of India where the minimum wage of RMG workers was USD 71.

Nevertheless, a lot remains to be done for a sector which contributes about 80 percent of total exports and more than 10 percent of the GDP of the country. However, full implementation of the safety initiatives and remediation requires large sums of money. The Bangladesh Garments Manufacturers and Exporters Association estimated that USD 3 billion would be required to ensure workplace safety and environment related compliance. Many factories, especially the small ones, will find it difficult to manage finance for undertaking remediation activities. This is an area for the development partners to support. The government can also arrange for special loan schemes, especially for the long-term, for these entrepreneurs, similar to the Export Development Fund from the central bank.

The compensation fund of the Rana Plaza victims that would cover the loss of income and medical expenses has been short of the required amount of USD 30 million estimated by the International Labor Organization. Sadly, most buyers have shown apathy towards the tragedy. Not all buyers who sourced their clothes from the Rana Plaza factories contributed towards compensation of the victims.

Another fallout of the safety measures is the challenge to fully compensate, rehabilitate and reemploy thousands of workers who have lost their jobs due to closure of unsafe factories. Small entrepreneurs who had to close their risky factories also need support to commence new initiatives. A recent report by ActionAid reveals that 42 percent of these workers are still jobless.

Sustainability of the post-Rana Plaza initiatives is an issue that needs to be followed up by the government of Bangladesh, BGMEA and development partners. When Alliance and Accord complete their programmes in June

2018, monitoring the safety issues in factories will have to be continued with similar rigour and resource.

The Rana Plaza tragedy has taught the industry that preparedness for damage control has to be strengthened. Accidents are random and not uncommon even in developed countries. But preparedness to deal with accidents can reduce damages. Insurance schemes can help the workers injured in factory accidents. The government, along with relevant stakeholders, should design a national injury insurance scheme for all RMG workers in order to establish a permanent compensation programme.

Though expensive, initiatives to improve workplace safety have helped to bring more credibility of the Bangladeshi apparel sector. It was expected to improve apparel exports from Bangladesh, as can be witnessed from the upward trend in apparel exports since April

production capacity to make up for additional expenditures on compliance requirements. In order to achieve industry leaders' targeted goal of apparel exports worth USD 50 billion by 2021, the production capacity must increase at a faster rate. The road ahead is replete with challenges to achieve export targets. The increased cost of production has to be met through higher productivity and shifting to high value products and high end markets. The operational efficiency of factories will have to be improved as well. Technological upgradation is essential for higher productivity while skill is essential for more efficiency. All of these require large investments.

Many have pointed fingers at the buyers for not offering higher prices for apparels made in Bangladesh. But in a fiercely competitive market, brands and retailers would always look for the lowest prices. Buyers source



In front of the Rana Plaza site, Abdur Rahman holds a photo of his wife, Cahyna Akhter, who was killed in the industrial disaster.

PHOTO: REUTERS/ANDREW BIRAZ

2013, which reached USD 28 billion in FY2016 with periods of fluctuations. Higher exports to the EU have mainly contributed to this growth. But the growth is not necessarily due to the price effect. Higher apparel exports from Bangladesh both to the US and the EU are mostly due to an increase in volume. Exporters say that almost all brands have reduced prices post-Rana Plaza, leaving a very narrow space for the producers to divert funds for remediation and productivity improvement. Recent months have been quite disappointing in terms of exports. The sector has been facing competition due to favourable exchange rates enjoyed by other competing countries.

Now with higher compliance related expenditures, the cost of doing business for the RMG entrepreneurs has risen substantially. Some had to reduce their

from Bangladesh simply to maximise their profits through cheap clothes. Ironically, ethical buying and fair price are not under the purview of these profit-making brands. Therefore, productivity improvement and workplace safety are key to enter a higher price bracket for Bangladeshi apparels and to remain competitive. The government can contribute through better infrastructural facilities and energy, competitive interest rate, better exchange rate, and security. Further commitment from buyers' consortium, development partners and buying country regulators will make this journey much more effective. As we commemorate the fourth anniversary of the Rana Plaza tragedy, these are the issues that require to be highlighted to take the sector forward.

The writer is the Executive Director of Centre for Policy Dialogue.

Workers' rights issues remain a challenge

After the Rana Plaza tragedy, in July 2013, the government signed a plan of action on fire safety and structural integrity in the garment sector with the employers' and workers' organisations. The National Tripartite Plan of Action, as it was called, was to be implemented with the assistance of the International Labor Organization (ILO). On the fourth anniversary of this tragedy, The Daily Star talks to Srinivas Reddy, Country Director, ILO, Bangladesh.

In these four years how would you evaluate the progress Bangladesh has made in terms of implementation of the National Tripartite Plan of Action?

In the four years since the Rana Plaza tragedy, considerable progress has been made towards improving workplace safety in Bangladesh's garment sector. However, there is still much to be done.

The revision of the Bangladesh Labour Act in 2013 and the issue of its implementation rules in 2015 have both contributed to a better safety environment by introducing the need for factories to establish safety committees.

The inspection of virtually all export-oriented RMG factories for structural, fire and electrical safety is a major achievement. Those posing an immediate danger were closed while all others are undergoing remediation. The remediation process needs to be completed, and the formation of a Remediation Coordination Cell (RCC) to oversee remediation in factories under the national initiative will be an important step.

The Department of Inspections for Factories and Establishments has been transformed. It has greater budget, staffing, resources and capacity, and is now better able to carry out its regulatory mandate in a far more effective, accountable and credible manner.

Good progress has been made to build a culture of occupational safety and health at both the institutional and enterprise level. Awareness of issues such as fire safety is far better than it was four years ago. Proper certified fire doors are now commonplace in the industry while previously they were rare. Millions of workers, supervisors, managers and security guards have also been trained on basic safety, such as what to do if a fire breaks out.

The ILO/IFC Better Work Programme has also been launched in Bangladesh and is currently partnering with over 120 RMG factories, employing some 250,000 workers. By working closely with factories, Better Work is not only making a valuable contribution to factory compliance but also helping to boost productivity and competitiveness.

I should also mention the efforts underway to establish a national Employment Injury Insurance scheme, which would provide workers with compensation in event of any workplace accident or illness. This initiative grew out of the efforts to compensate Rana Plaza survivors and once operational will benefit workers and employers alike.

While much has been done, it is vital that efforts to build a safe RMG sector do not lose momentum so that changes which have taken place in the RMG sector also begin to be replicated in other industries for the benefit of all workers.

What are the biggest challenges relating to labour rights issues?

While there has been good progress made on workplace safety, workers' rights issues remain a challenge.

There remains a widespread distrust in Bangladesh between employers and trade unions. Such negative attitudes pose barriers to the formation of new unions and for existing labour unions to operate effectively.

The amendment of the Bangladesh Labour Act in 2013 did make it slightly easier to form unions. This led to good growth in RMG trade unions during 2013 and 2014; however, new registrations have since slowed considerably and it is important that issues relating to the trade union registration process are addressed.

In June 2016, the ILO Committee on the Application of Standards concluded a special paragraph calling for further amendments to the Bangladesh Labour Act relating to freedom of association and collective bargaining to bring it in compliance with international labour standards, including revisiting the minimum 30 percent requirement of membership for union registration.

Trade unions need to be allowed to operate without harassment or obstacle. Genuine efforts are needed to



Srinivas Reddy

combat anti-union discrimination and unfair labour practices. At the same time, the trade union registration process needs to become a smooth and expeditious formality in accordance with objective and transparent criteria.

In addition, changes need to be made to the legal framework applicable in the Export Processing Zones to ensure that the rights of workers are commensurate with those provided in the national Labour Law and international labour standards.

These conclusions of the Committee on the Application of Standards are important and need to be acted upon. The progress of the government in addressing these issues will be considered during ILO's International Labour Conference in June 2017.

How equipped is Bangladesh to deal with compliance issues after the pressure, in the forms of Accord and Alliance, ceases to exist?

Over the past four years ILO with the support of Canada, the Netherlands and the United Kingdom has

provided considerable support to the Government of Bangladesh to strengthen its regulatory mechanisms and capacity in preparation for the day as and when support from the Accord, Alliance and development partners ends. Considerable progress has been made in this regard. There are now more harmonised standards, protocols and processes in place relating to building safety. Regulators are working together and their staff are better trained.

The establishment of the Remediation Coordination Cell (RCC) to oversee remediation of the 1,500 factories under the national initiative is another key step. This is a concrete manifestation of efforts to institutionalise safety reforms which will ultimately benefit all sectors. It will further contribute to the national capacity of regulators as well as collaboration between them. In addition, the RCC will help further facilitate knowledge transfer from the Accord and Alliance, both of which have provided excellent support to the national initiative over the past four years.

In terms of policy and law, what should Bangladesh focus on in the medium- and long-term?

As already mentioned, there needs to be further amendments to the Bangladesh Labour Act as well as the draft EPZ law to bring them into compliance with international labour standards. Other areas include the development of a credible industrial safety agency, preferably a one stop shop, for granting building plan approvals and all other licenses and monitoring compliance in respect to structural integrity and fire safety of all industrial buildings. ILO is supporting the government to develop such a single window mechanism. This will help ensure factory safety and give confidence to buyers and brands to continue to invest in Bangladesh, as continued industrial growth and creation of new jobs is critical for poverty alleviation and growth. For these reasons, ILO strongly encourages the government, employers and worker organisations to work towards making the industries safe and providing conditions for the realisation of labour rights, which is necessary for inclusive growth and development.

One of the major complaints from the workers has been in terms of the low minimum wage. What are your thoughts on that? How does it compare to the ILO's standards for minimum wage structure?

In a country where collective bargaining is still quite weak and industrial relations are not very developed, the minimum wage is very important. The minimum wage has increased since the Rana Plaza collapse, but clearly there is room for ongoing discussion about whether it is sufficient. The right way to do this is for the government to consult with workers and employers to fix what they consider to be the right wage.

LETTERS TO THE EDITOR

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Immediate action needed to save public health

It is common for Bangladeshi farmers of haor regions to confront flash floods every year. But this year, the early flash floods did not just destroy crops but also caused the death of several fish, frogs and livestock such as ducks. Possible exposure from open uranium pits across the border in India can also prove to be extremely hazardous to the people living in and around the haor areas. The thoughtless actions of human beings have already affected our natural environment. We have polluted the earth, its water and air far beyond its capacity to cleanse itself. Urgent measures are needed to check further degradation of the environment or a day will come when the environment around us will collapse to make survival a near impossibility. Nature has already started warning us in the form of unexpected disasters, deaths and diseases. It will take a foolish person to ignore these warnings

Zubair Khaled Huq, By e-mail

Justice delayed, justice denied

The collapse of Rana Plaza is the deadliest industrial disaster of the world. The main culprit, Sohel Rana, owner of the said plaza, has been successful in evading justice till date. The fact that no lawyer agreed to fight his case proved the public's commitment to ensure justice for the thousands of workers who lost their lives in the collapse. However, it is a matter of great sorrow that even after four years, the country is awaiting for apt justice to be delivered to Rana. This man needs to be punished if we don't want the cries of thousands of workers to go unheard.

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