

## PRESS RELEASE

### ETHICAL TRADING INITIATIVE TO LEAD URGENT FACT-FINDING MISSION TO BANGLADESH



The Ethical Trading Initiative (ETI) is to lead an urgent delegation to Bangladesh next week (4-6 June) in an attempt to establish the underlying causes of several days of violent protest by garment workers across the industry at the end of May. The protests, which focused on low wages and long working hours, resulted in the deaths of at least two workers, hundreds of injuries, the torching of over 200 factories and scores of arrests.

Retailer members of ETI, including Asda, Gap Inc., Marks & Spencer, Next, Tesco and Zara owners Inditex account for a significant proportion of Bangladesh's garment exports.

The delegation comprises ETI Chair Alan Roberts, Neil Kearney, General Secretary of the International Textile Garment and Leather Workers' Federation (ITGLWF) and representatives of Gap Inc. and Inditex. The team will meet with manufacturers associations, local unions, NGOs and the Government, and fact-finding visits to some of the affected factories in and around Dhaka.

It appears that one of the catalysing factors for the violence and unrest was the sudden rush of orders into Bangladesh following the rapid reintroduction of safeguard quotas on China by the EU and the USA in May 2005. This has caused tremendous pressure on factories to take on orders beyond their capacities.

On its return to the UK, the team will advise ETI's membership on the underlying factors that contributed to the tragic events of May and look at steps that can be taken by member companies to help promote stability and improve working conditions within the textile and garment industry.

ETI Chair Alan Roberts comments:

"Intense delivery pressures on managers and supervisors have apparently resulted in abusive behaviour towards workers. We have also heard of factories operating until 3am with grossly excessive hours demanded of workers."

Says Roberts:

"The garment industry in Bangladesh provides vital income for up to 20 million poor people. We must make sure these recent events do not undermine the great efforts being made by ETI and others to help stabilise the industry in the face of growing competition from countries like China and India."

It is understood that unrest began in Gazipur, near Dhaka. Further incidents led to violence spreading across the Savar export processing zone on the outskirts of Dhaka, and other adjoining areas.

#### **Further information**

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## Notes to editors

1. The Ethical Trading Initiative (ETI) was established in 1998 to improve the lives of workers and their families in global supply chains. It believes that companies producing, supplying and selling goods for consumer markets should observe national and international labour laws. Its purpose is to identify and promote responsible corporate practice that will help make this a reality.
2. ETI's corporate, trade union and NGO members have been working to improve working conditions and competitiveness in the Bangladesh textile and garment industry for the past year as part of a broader alliance of organisations called the MFA Forum. The MFA Forum seeks to mitigate the impact on workers of the end of the Multifibre Arrangement (see note 3).
3. The Multi-Fibre Arrangement (MFA), also known as the Agreement on Textiles and Clothing (ATC) which governed textiles and apparel imports to the USA and the EU through a system of quotas, came to an end on 1 January 2005. For garment workers in poor countries like Bangladesh, the end of MFA brings fears of large-scale job losses as well as downward pressures on working conditions.
4. Garments represent 68% of all Bangladesh's product exports. Experts predict that in the post MFA period, Bangladesh garment exports will fall by as much as 25%. Up to 20 million people depend on the garment industry, directly or indirectly, for an income. Predictions of the number of jobs that will be lost in Bangladesh in the wake of MFA phase-out range from 100,000 (Oxfam) to 1 million (UNDP) workers.
5. The minimum wage in Bangladesh has not been raised since 1994. It is now equivalent to £7.16 a month – two and half times less its value of £18 in 1994. Corporate members of the MFA forum recently called upon the Bangladesh Government to increase the minimum wage.