

Compliance Assessment Report

Karim Textiles Limited.

18/01/2020

(dd/mm/yyyy)

Assessment date: 18/12/2019 *(dd/mm/yyyy)*

Cycle: 3

Report ID: 37856

Country: Bangladesh

ISIC: C (Manufacturing) - 14 (Manufacture of wearing apparel)

Supplier Name: Karim Textiles Limited.
Supplier Address: Noorbag, Mouchak, Kaliakoir, Gazipur.
Kaliakoir

Previous assessment(s): *(dd/mm/yyyy)*

26/11/2018, 12/09/2017

Total number of assessment reports available (including this one):

3

This compliance report includes information about this factory's compliance performance at the time of the Better Work assessment. The key compliance results are explained in more detail on the following pages.

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Additional Information

The following section presents additional comments provided by the Enterprise Advisor.

Better Work Clusters and Compliance Points

Full list of clusters and compliance points assessed during a Better Work compliance assessment visit.

Factory Visit Information

The following section includes general information on the factory, on its key strengths, and on the assessment process itself.

Key Strengths and Process Integrity

Key strengths: (Ref 1)

-The enterprise is a part of a national initiative named Mothers@Work jointly implemented by Better Work Bangladesh, ILO and UNICEF in collaboration with Ministry of Health and Family Welfare and the Ministry of Labour and Employment in order to support maternity rights of women workers and promote breastfeeding in the industrial sector, especially the ready-made garment sector.

-The enterprise participated in "Gender Equality and Returns-GEAR" an initiative of Better Work Bangladesh, International Labour Organization (ILO) and the International Finance Corporation (IFC). GEAR aims to promote career-progression opportunities for women working in the ready-made garment factories by providing soft skills and technical skills training so they can progress into supervisory roles and contribute to increased line-level productivity. As part of the initiative, a total of 25 female sewing machine operators being trained under the initiative.

Did the employer grant access to the enterprise and provide requested documents in a timely manner? (Ref 2)

Yes

How many person days were spent on the assessment visit? (Ref 3)

4

Provide the titles of the management staff interviewed. (Ref 4)

Senior Manager-Administration, Human Resource and Compliance

Manager-Compliance

Senior Officer-Compliance

Senior Officer-Human Resource

Doctor

Fire and Safety Officer

Welfare Officer

Security In charge.

Briefly describe the interviews with workers, union leaders, and worker representatives. (Ref 5)

Number of workers interviewed: 42 (female: 28, male: 14)

4 group interviews (Participation committee, safety committee, pregnant workers and general workers) 23 workers (female: 15, male: 08)

Individual interviews: 19 workers (female: 13, male: 06)

Sections covered: Cutting, Sewing, Finishing, Maintenance and Security.

Interview locations: Production floors, staircase, dining area, medical room, conference room.

Interview process: Worker interview conducted without presence of management and using open ended question method.

Selection process: Workers were randomly selected from different committee lists, personnel files, payroll, factory tour, covering all the sections.

Describe any significant issues not addressed elsewhere in the report. (Ref 6)

None

Describe any significant concerns about process integrity (Ref 7)

None

Discrimination

Is HIV/AIDS status a factor in hiring, employment, or termination? (Ref 15)

Interviews with management and workers indicated that the employer does not consider HIV/AIDS status as factor in hiring, employment or termination.

Freedom of Association and Collective Bargaining

How many active unions are there in the factory? (Ref 54)

0

What percentage of workers are union members? (Ref 55)

0

For each active registered union, provide

- the name of the union,
- the number of union members,
- the union's affiliation status (affiliated or non-affiliated with a federation or confederation),
- the name of the federation or confederation with which it is affiliated, if applicable. (Ref 56)

N/A

How many collective agreements are in effect in the factory? (Ref 57)

0

For each CBA, indicate:

- the parties
- the % of the workforce covered
- the duration of the agreement
- an overview of the issues covered (Ref 58)

N/A

How many strikes have there been since the last visit? (Ref 59)

0

For each strike, indicate:

- why workers went on strike
- whether the strike complied with legal requirements, and if not, which requirements were not complied with
- whether the strike resulted in violence
- the number of days workers were on strike
- the number of person days workers were on strike
- the outcome of the strike (Ref 60)

N/A

Compensation

At what rate are piece rate workers paid for overtime work? (Ref 85)

Worker and management interviews and documents review indicated that the enterprise did not have piece rate workers.

Contracts and Human Resources

How many total workers are employed by the factory? (Ref 113)

2364

How many of the workers are men? (Ref 114)

904

How many supervisors are employed by the factory? (Ref 115)

41

How many of the supervisors are men? (Ref 116)

37

How many of the supervisors are migrants? (Ref 117)

0

How many of the total workforce are migrant workers? (Ref 118)

0

How many of the migrant workers are men? (Ref 119)

0

Does the factory use subcontractors to complete all or part of the production process? (Ref 120)

No, the factory did not use subcontractors to complete any part of the production process.

How many permanent workers are employed by the factory? (Ref 121)

2040

How many of the permanent workers are men? (Ref 122)

850

How many probationary workers are employed by the factory? (Ref 123)

277

How many of the probationary workers are men? (Ref 124)

54

How many apprentices are employed by the factory? (Ref 125)

0

How many of the apprentices are men? (Ref 126)

0

How many temporary workers are employed by the factory? (Ref 127)

0

How many of the temporary workers are men? (Ref 128)

0

How many casual workers are employed by the factory? (Ref 129)

0

How many of the casual workers are men? (Ref 130)

0

How many substitute/badli workers are employed by the factory? (Ref 131)

0

How many of the substitute/badli workers are men? (Ref 132)

0

How many workers with disabilities are employed by the factory? (Ref 133)

06

How many of the workers with disabilities are men? (Ref 134)

03

Has the factory received any notices of noncompliance from the Inspection Department during last twelve months? (Ref 135)

The management interview indicated that the Inspection Department did not visit the factory in last 12 month and the factory did not receive any notice of noncompliance.

Does the factory use contractors to provide services at the factory that are not part of the production process? (Ref 136)

Yes. The factory used security services from their sister concern factories (Purbani Fabrics Ltd. & Purbani Yarn Dyeing Ltd.).

Does the employer use repeating fixed term contracts in order to avoid providing benefits to workers? (Ref 137)

No. Management and workers interview confirmed that the enterprise uses open-term contract for employing the workers.

How many settlements are in effect in the factory? (Ref 138)

0

For each settlement, indicate:

- the parties
- the % of the workforce covered
- the duration of the agreement
- an overview of the issues covered (Ref 139)

N/A

Is there an adequate HR policy that is signed by top management with a clear commitment to meet all legal requirements? (Ref 140)

Yes.

The factory has written HR policy signed by the Managing Director. The policy includes-

- mandatory minimum age requirements;
- description of appropriate work for young workers;
- equal treatment and non-discrimination;
- preventing sexual harassment;
- working hours and compensation;
- legal requirements in relation to termination;
- grievance policy; and
- freedom of association.

Does the employer have an adequate recruitment procedure? (Ref 141)

Yes.

The enterprise had a recruitment procedure. The recruitment procedure included:

- hiring criteria that are applied equally to all job applicants;
- verifying the age of workers prior to hiring;
- legal requirements for workers under age of 18; and
- description on ensuring that workers retain their ID documents.

Does the employer have adequate disciplinary and termination procedures?

(Ref 142)

Yes.

The enterprise had adequate disciplinary and termination procedures. The procedures included:

- clear specification of unacceptable behaviors or performance;
- a step-by-step warning system;
- the right to defend oneself prior to termination, and to representation during disciplinary processes;
- legal notice periods and termination payments; and
- time frames for warnings and payments.

Does the employer have adequate grievance handling and dispute resolution procedures? *(Ref 143)*

No.

The enterprise did not have any dispute resolution procedure.

However, the factory had a grievance handling procedure which included the following elements:

- clear options for submitting grievances that ensure anonymity and non-retaliation;
- fair review and appeal process; and
- communication of changes made and/or resolution of grievance/dispute as appropriate.

Does the employer adequately assign accountability to management for following factory policies and procedures relating to Human Resource management and performance? *(Ref 144)*

No.

The enterprise did not adequately assign accountability to management for following factory policies and procedures relating to Human Resource management with accountability through evaluation of performance.

However, the employer had assigned a senior compliance officer for following factory policies and procedures relating to Human Resource Management and performance and there was a clearly defined reporting line.

Does the employer adequately communicate and implement HR policies and procedures? *(Ref 145)*

No.

The enterprise had not adequately communicated and implemented HR policies and procedures. The procedure did not include:

- HR policies were not posted in the language easy to understand for the workers;
- staff training on how to carry out policies and procedures.; and
- trained workers effectively;
- policies and procedures were not shared worker representatives and/or worker-management committees;

However, the enterprise had ensured the following:

- induction training for workers and staff;
- posted recruitment postings;
- posted the policies and procedures in the notice board; and
- the appointment letters are signed and preserved.

Does the employer adequately investigate performance under HR policies and procedures to identify weaknesses and make necessary adjustments? (Ref 146)

No.

The employer did not adequately investigate performance under HR policies and procedures to identify weaknesses and make necessary adjustments looking at HR performance indicators (e.g. turnover rate, satisfaction levels, time to fill vacancies, staff training targets, etc.)

Occupational Safety and Health

How many work-related accidents and diseases have there been in the factory in the last 12 months? (Ref 170)

The enterprise recorded approximately 58 injuries in the register in last 12 months. Most of them were cut injury and needle prick.

Is there an adequate OSH Policy that is signed by top management? (Ref 171)

No.

The enterprise had a health and safety policy signed by the Director. However, the policy was not adequate because;

- the policy was not developed in consultation with the workers and their representatives;
- compliance with legal requirements pertaining to OSH; and
- establishing measurable objectives and improvement targets .

However, the policy included;

- a commitment to continued improvement aimed at elimination of work related injuries and illness;

Is there an adequate emergency preparedness procedure? (Ref 172)

No.

The enterprise had an emergency preparedness procedure, however the procedure was not adequate.

The procedure did not include:

- reporting fires and other emergencies; and
- alerting all employees to evacuate.

However, it did not include the following:

- evacuating employees to designated assembly location;
- accounting for all employees after an evacuation.

Is there an adequate hazard/risk management and control procedure? (Ref 173)

No.

The enterprise had a hazard/risk management and control procedure, however the procedure was not adequate.

The procedure did not include:-

- a systematic approach to identifying hazards;
- a structure to prioritize risks based on potential impact and likelihood;
- a hierarchy of controls that is used to select effective controls; and

However, the enterprise conducted a risk assessment for which included

- a risk register that drives the implementation of controls.

Is there an adequate accident investigation procedure? (Ref 174)

No

The enterprise had an accident investigation procedure, however the procedure was not adequate.

The procedure did not include:-

- adequate root cause analysis.
- focus on sustainable solutions and
- lead to change in order to avoid reoccurrence.

Does the employer adequately assign accountability to management for carrying out health and safety responsibilities? (Ref 175)

No.

The employer did not adequately assign accountability to management for carrying out health and safety responsibilities:

- no accountability ensured through evaluation of performance for management;

However, the enterprise assigned Senior Officer (Compliance) for carrying out health and safety responsibilities with written job description and had organizational chart for management staff.

Does the employer adequately communicate and implement OSH policies and procedures? (Ref 176)

No.

The enterprise did not adequately communicate and implement policies and procedures through:

- orientation or training was not provided to introduce OSH policies to the Safety Committee members;

However, the employer ensured the following:

- posted the evacuation plans throughout the production floors;
- posted OSH policies and relevant procedures on the notice board;
- posted names and photos of the members of the Safety Committee.

Does the employer adequately investigate, monitor and measure OSH issues to identify root causes and make necessary adjustments to prevent recurrence?

(Ref 177)

No.

The employer did not adequately investigate, monitor and measure OSH issues to identify root causes and make necessary adjustments to prevent recurrence through:

- OSH investigation and inspection;
- logging and analyzing of violations of procedures;
- regular management review of effectiveness of management system including performance on measurable objectives and targets.
- accident investigation followed by change in procedure/practice where required.

However, the enterprise conducted accident investigation , water and noise level test regularly.

- drinking water test and noise test on a periodic basis.

Overview of Non-Compliance

The following is an overview of the areas of non-compliance found in the factory during the assessment visit. It is based on the compliance assessment tool, which consists of 199 questions.

Working Conditions

Compensation

<i>Minimum Wages/Piece Rate Wages</i>	Payment of minimum wage for permanent workers [subject to public reporting]
<i>Social Security and Other Benefits</i>	Compulsory group insurance for workers
<i>Wage Information, Use and Deduction</i>	Payroll records

Contracts and Human Resources

<i>Contracting Procedures</i>	Non-compliance with legal requirements for compensation, contracts, OSH, and/or working time pertaining to non-production workers and/or sub-contracted workers Service book for workers
<i>Dialogue, Discipline and Disputes</i>	Disciplinary measures. Factory Participation Committee [subject to public reporting] Welfare Officer.
<i>Employment Contracts</i>	Compliance of letters of appointment with labour law, collective agreement and service rules. Workers' understanding of the terms and conditions of employment.
<i>Termination</i>	Notice of termination.

Occupational Safety and Health

<i>Chemicals and Hazardous Substances</i>	Inventory of chemicals and hazardous substances used in the workplace Labeling of chemicals and hazardous substances Storage of chemicals and hazardous substances [subject to public reporting] Assessing, monitoring, preventing and/or limiting workers' exposure to hazardous substances Training workers who work with chemicals and hazardous substances Washing facilities or cleansing materials in the event of chemical exposure
<i>Emergency Preparedness</i>	Adequate window exits Safeguarding possible sources of ignition
<i>Health Services and First Aid</i>	National policy on HIV/AIDS Onsite medical facilities and staff
<i>OSH Management Systems</i>	Assessment of general occupational safety and health issues in the factory Safety Committee Recording and reporting work-related accidents and diseases Legally required construction/ building / safety/ use permits/ fire license [subject to public reporting]

Welfare Facilities

Day care facilities/children's room

Lunch room and/or canteen

Worker Protection

Providing workers with personal protective clothing and equipment

Training and encouragement of workers to use PPE, machines and/or equipment safely

Installing guards on all dangerous machines and equipment

Installing, grounding (for equipment), maintaining and/or certifying electrical wires, cables, switches, plugs and equipment (e.g. transformer, generator, electrical panel, circuit breakers electrical boilers)

Legally required license/ certification for electrical installations and boiler operators

Registration / certification of boilers

Working Time

Overtime

Limits on overtime hours worked

Informing workers about overtime

Time off for compensatory weekly rest days

Detailed Non-Compliance Findings

The following section presents the non-compliance findings recorded by the Enterprise Advisors during the assessment visit.

Working Conditions

Compensation

Minimum Wages/Piece Rate Wages

Issue	Payment of minimum wage for permanent workers [subject to public reporting] [Public Reporting Issue No.19711] Completed
Question	Does the employer pay at least minimum wage for ordinary hours of work to permanent full time workers? (Ref 86)
Finding	Enterprise visit, document review and workers interview indicated that the employer did not ensure minimum wage for at least two workers according to the Minimum Wage Gazette 2018 (revised in January, 2019). The workers were operating fabric relaxing machine in the cutting section since August 2019 who were employed as helper. The above mentioned workers were paid BDT 8,000 (Grade 7) instead of at least BDT 8,420 (Grade 6) according to the Minimum Wage Gazette 2018 (revised in 2019). Document checked: Payroll of the month August, November, 2019.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	Sections 148, 149, BLA; Rule 133(1), BLR; Minimum Wage Gazette, 2013; Textile Wage Circular 2011

Wage Information, Use and Deduction

Issue	Payroll records
Question	Does the employer keep only one accurate payroll record? (Ref 97)
Finding	The enterprise maintained more than one set of payroll. One set of payroll reflected payment for hours of work within the legal limits (regular daily 8 hours + 2 hours overtime) and another set reflected payments of hours beyond legal limit. Interviewed workers confirmed that they usually signed on two set of payroll. However, the payroll reflected payment for hours of work within the legal limits containing the workers IC number; name; basic and total net wages; payments for rent, transportation, medical treatment, food, attendance bonus, overtime; and deductions, signed by workers. Documents checked: Payrolls and time records for December 2018, January and November 2019.
Source Consulted	Documentation, Management, Worker,
Legal Reference	Rule 111(1), Form 38, BLR

Social Security and Other Benefits

Issue	Compulsory group insurance for workers
Question	Does the employer provide compulsory group insurance for workers? (Ref 110) In Progress
Finding	<p>Document review and interview with the management indicated that all workers were not covered by the insurance scheme. In a random check, it was observed that the facility management recruited approximately 90 new workers from December 01, 2019 to December 15, 2019, but the employer did not include these workers profiles into the biometric database till the date of assessment (December 18 & 19 , 2019). This indicated that these newly recruited workers were not covered by the safety net of insurance.</p> <p>Management stated that they usually create new workers profile into the bio-metric system after the 30th day of every month.</p>
Source Consulted	Documentation, Management, Worker,
Legal Reference	Sections 99, BLA; Rule 98, BLR

Contracts and Human Resources

Employment Contracts

Issue	Compliance of letters of appointment with labour law, collective agreement and service rules.
Question	Do the letters of appointment comply with the labour law, collective agreement and service rules? (Ref 148) Completed
Finding	<p>The following condition in the appointment letter was not consistent with the labor law for welfare officer.</p> <ul style="list-style-type: none"> - probationary period was 06 months and employer can extend the probationary period based on the competency; - employer can terminate the job by giving 30 days notice or pay in lieu of such notice instead of 120 days notice or pay in lieu of such notice for termination according with the law; - employer can transfer at any other factory of the same owners.
Source Consulted	Documentation, Management, Worker,
Legal Reference	Section 5, BLA; Rule 19(4)(j), BLR

Issue	Workers' understanding of the terms and conditions of employment.
Question	Do workers understand the terms and conditions of employment? (Ref 149) In Progress
Finding	Worker interviews reflected that approximately 60% of the interviewed workers were not fully aware of the terms and conditions of employment such as wages, disciplinary procedure, reasons of termination, annual leave calculation and separation procedures. However, approved working hour was posted on the notice board.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	Sections 5, 111 BLA; Rule 19, BLR

Contracting Procedures

Issue	Non-compliance with legal requirements for compensation, contracts, OSH, and/or working time pertaining to non-production workers and/or sub-contracted workers
Question	Have you found non-compliance with legal requirements for compensation, contracts, OSH, and/or working time pertaining to non-production workers and/or sub-contracted workers? (Ref 153) Delay
Finding	Document review and interview with the workers and management indicated that the employer did not compensate the workers properly for the work performed on festival leave days. For example, the facility management engaged security guard (who were appointed by their sister concern factory) during festival leave of Eid-ul-Adha (August, 2019) and but did not grant this worker one day substitute leave. However, management provided 02 days compensatory wages to those security guard who worked on festival holiday as per law.
Source Consulted	Documentation, Management, Worker,
Legal Reference	Sections 2(Lxv), 3a, 5, 121, BLA; Rules 7(1), 8, 16, BLR

Issue	Service book for workers
Question	Do all workers (other than apprentices, substitute/badli or casual workers) have a service book? (Ref 154) In Progress
Finding	The employer did not provide service book to the boiler operator and generator operator. In addition, approximately 80% of the sampled service books were not updated with records on annual leave and conduct. Documents checked: personnel files and service books of 17 workers.
Source Consulted	Documentation, Management, Worker,
Legal Reference	Sections 6-8, BLA; Rules 20-22, BLR

Termination

Issue	Notice of termination.
Question	Does the employer provide workers proper notice of termination? (Ref 158) <u>In Progress</u>
Finding	The enterprise did not provide proper notice for workers' job separation in case of unauthorized absence. Reviewed separated workers' register indicated that the enterprise did not provide notices to the permanent workers in case of unauthorized absent for more than 10 days and above such as worker was absent from September 09, 2019 and management issued first letter on September 18, 2019 and second letter on September 25, 2019 which were not in compliance with legal requirements (unauthorized absent for 10 days instead of more than 10 days).
Source Consulted	Documentation, Management, Worker,
Legal Reference	Sections 16(7), 20, 23, 26, BLA

Dialogue, Discipline and Disputes

Issue	Disciplinary measures.
Question	Do the disciplinary measures comply with legal requirements? (Ref 164) <u>Delay</u>
Finding	<p>Documents review and interview with the management indicated that the disciplinary procedure conducted in case of administering punishment to worker were not in compliance with legal requirements. For example: at least 02 employees had been awarded punishment (issued letter of warning) for not following workplace regulations and poor performance (according to show cause notice). But the facility management did not follow the required process mentioned below:</p> <ul style="list-style-type: none"> -no investigation committee was formed to prove the misconduct before awarding punishment; - witnesses statement were not found and were not examined in the entire proceedings of investigation; - no cross examination to conclude the conviction of charge of misconduct. <p>Documents checked: 03 workers personnel files and disciplinary procedure.</p>
Source Consulted	Documentation, Management, Worker,
Legal Reference	Sections 2(9A), 23-25, BLA; Rules 29, 30, BLR

Issue	Factory Participation Committee [subject to public reporting] [Public Reporting Issue No.19714] Delay
Question	Does the factory have a functioning Participation Committee? (Ref 168)
Finding	<p>Document review and worker and management interviews indicated the following regarding formation and functionality of Participation Committee.</p> <p>Nomination process: The candidates for workers' representatives were nominated by the workers. The Election Committee was formed consisting 2 members from management and 03 members from workers.</p> <p>Election process: The election was conducted through secret ballots. The PC election was held on July 16, 2018.</p> <p>Formation: The committee consists of 18 members. Management representatives: 06, Male: 05, workers' representatives: 12, Male: 07.</p> <p>Communication: The worker representatives were known to the workers. Workers' representatives of PC can communicate with the workers the decisions of the meetings.</p> <p>Meeting and minutes: Meeting was held every after two months but the meeting minutes were not posted in the notice board. Interview with the PC workers' representative and document review indicated that the meeting agenda are mostly set by the management. Interview with the workers confirmed that PC meeting decisions were implemented by the management. Last meeting was held on October 14,2019 and the meeting minutes were posted in the notice board.</p> <p>Roles and Responsibilities: Document review indicated that the management was providing general roles and responsibilities training to the PC members. However, interview with the worker representative indicated that approximately 60% of the workers representatives were not aware of their roles and responsibilities such as:</p> <ul style="list-style-type: none"> - to promote mutual trust, understanding and cooperation between the employer and workers; - the benefits of the workers, welfare facilities and grievance resolution; - to encourage workers education; - to improve and maintain safety, occupational health and working condition; - to adopt measures for improvement of welfare service for the workers; - to improve productivity. <p>Training: PC members were not adequately trained to perform their roles regarding grievance submission and resolution, finding and remediating workplace issues.</p>
Source Consulted	Documentation, Management, Worker,
Legal Reference	ILO Convention 135; Sections 205-208, BLA; Rules 183-201, BLR

Issue	Welfare Officer.
Question	Does the factory have a qualified welfare officer/s? (Ref 169) <u>Delay</u>
Finding	<p>The enterprise had 02 welfare officers with required academic qualification. Interview with the welfare officer and document review indicated that the officials had received professional training on industrial relations, grievance mechanism, and labour law. They were provided specific job description. But they were not involved in following tasks-</p> <ul style="list-style-type: none"> - Consult with the employer and workers representatives on wages and service conditions; - Advise the employer regarding training and education for workers; <p>Moreover, the employer did not inform the Inspector General within 15 days of the appointment of any welfare officer.</p>
Source Consulted	Documentation, Management, Worker,
Legal Reference	Section 89(8), BLA; Rules 79, 185 BLR

Occupational Safety and Health

OSH Management Systems

Issue	Assessment of general occupational safety and health issues in the factory
Question	Has the employer performed an assessment of general occupational safety and health issues in the factory? (Ref 178) <u>In Progress</u>
Finding	<p>The enterprise developed a safety checklist and conducted a general OSH assessment, however the assessment was not adequate due to following reasons:</p> <ul style="list-style-type: none"> -the safety committee did not perform the assessment for common utility building such as boiler, generator, pump house and chemical storage area. -the existing checklist was not developed following schedule IV of Bangladesh Labour rules. Such as, transportation of goods and the use of raw materials were not included in the existing checklist.
Source Consulted	Documentation, Management, Worker,
Legal Reference	Recommendation 164; Rules Schedule IV, Sections (1)(b), (4), BLR

Issue	Safety Committee
Question	Does the factory have a functioning Safety Committee? (Ref 180)
Finding	<p>The enterprise had a Safety Committee which was formed on January 30, 2019. The Safety Committee members were nominated by the Participation Committee, however the workers representatives of Safety Committee were not nominated within 30 days of the formation of PC according to law. The Participation Committee was formed on July 16, 2018.</p> <p>Total members: 10, Management: 05 (female-01), Workers: 05 (female-03).</p> <p>Meeting and minutes: Meetings were held in every 3 months. The last meeting was held on November 13, 2019. Meeting minutes were posted in the notice board.</p> <p>Agenda: Meeting agenda were set by both management and workers.</p> <p>Meeting minutes: Meeting notice and minutes were posted on the notice boards.</p> <p>However, the Safety Committee functions did not include the following;</p> <p>Roles and responsibilities: Interview with the Safety Committee members indicated that the workers representative of the Safety Committee were not adequately engaged with the following:</p> <ul style="list-style-type: none"> - were not aware to recommend compensation on workplace injuries; -was not involved in developing health and safety policy; and -involved in developing workers awareness on workplace safety and health.
Source Consulted	Documentation, Management, Worker,
Legal Reference	C155 and R164; Section 90(a), BLA; Rules 81-85, Schedule IV, BLR

Issue	Recording and reporting work-related accidents and diseases
Question	Does the employer record work-related accidents and diseases and inform the governmental authorities as required by law? (Ref 181) <u>Delay</u>
Finding	<p>Document review and interview with the workers indicated that the enterprise did not inform workplace injury case according to law. For example: a needle injury (where a worker has taken leave for 2 days) was recorded in the injury register, but the facility management did not send the information through proper form to the concern government agency (Inspector and the Deputy Commissioner) within 7 days immediately after the incident of injury.</p> <p>However, the injury register was submitted to the Chief Inspector in every 6 months.</p>
Source Consulted	Documentation, Management, Worker,
Legal Reference	P155; Sections 80, 82 BLA; Rules 69-74, BLR

Issue	Legally required construction/ building / safety/ use permits/ fire license [subject to public reporting] [Public Reporting Issue No.19712] Delay
Question	Does the employer have legally required construction permits/ structural safety certificates/ fire license? (Ref 182)
Finding	-The approved layout plan of the enterprise did not include the two kitchens (with burners and gas cylinder) located in the top floor of the 11 storied building and ground floor beside garments building. Moreover, pump house was not included in the approved lay out plan. -The enterprise did not have construction permit for utility building used for boiler and generator. Also to note that the construction permit of the factory building was collected in the name of Purbani Fabrics Ltd which is a sister concern of the assessed factory. The approval for factory layout, fire license and factory license collected were in the name of Karim Textiles Ltd.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	Section 326, BLA; Rules 53, 353, Schedule III, BLR; Forms 32, 76; Fire Prevention and Extinction Act (2003), Sections 4; Guidelines for Assessment of Structural Integrity of Existing RMG Factory Buildings in Bangladesh, Sections 1.4, 7.0, 9.0, 12.0, 14.0, 18.0

Chemicals and Hazardous Substances

Issue	Inventory of chemicals and hazardous substances used in the workplace
Question	Does the employer keep an inventory of chemicals and hazardous substances used in the workplace? (Ref 184) Completed
Finding	The enterprise did not maintain an updated inventory for all the chemicals and hazardous substances used in the workplace with required information. For examples, lubricant oils such as diesel and machine oil were not included in the existing inventory list.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	C170; Section 90 BLA; Rule 80(1)(a), BLR; Rule 32, Acid Rules (2004)

Issue	Labeling of chemicals and hazardous substances
Question	Are chemicals and hazardous substances properly labelled? (Ref 185) Completed
Finding	The enterprise did not provide labeling in local language for all the chemicals and hazardous substances such as dosing chemicals(biogard 20, biogard 21, BWT-1790, koolgard 1115) used for the boiler and generator. The labeling was found not in local language which was not easy for the workers to understand.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	C170; R177; Rule 33, Acid Rules (2004)

Issue	Storage of chemicals and hazardous substances [subject to public reporting] [Public Reporting Issue No.19713] Completed
Question	Are chemicals and hazardous substances properly stored? (Ref 186)
Finding	Chemicals and hazardous substances such as lubricant oils (mobil and diesel) were stored in the open air next to utility building (boiler and generator room).
Source Consulted	Observation,
Legal Reference	Guidelines for Assessment of Fire and Electrical Safety of Existing RMG Factory Buildings in Bangladesh, Section 2.8.1; Rule 21, Acid Rules (2004)

Issue	Assessing, monitoring, preventing and/or limiting workers' exposure to hazardous substances
Question	Has the employer taken action to assess, monitor, prevent and limit workers' exposure to chemicals and hazardous substances? (Ref 188) In Progress
Finding	<p>Management did not conduct adequate action to monitor, prevent and limit workers' exposure to chemicals and hazardous substances. For example:</p> <ul style="list-style-type: none"> -boiler and generator dosing chemicals and hazardous substances for such as biogard 20, biogard 21, BWT-1790 were being used without adequate action to monitor the risk and were found without adequate labeling. -chemicals and hazardous substances such as lubricant oils (mobil and diesel) were stored in the open air next to boiler room. -the employer did not properly isolate the spot removing operation from the production floor. The upper part of the spot removing rooms were not fully confined from production floor.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	C170; R177; R97; Sections 53, 78, BLA; Rules 46, 80(b), BLR

Issue	Training workers who work with chemicals and hazardous substances
Question	Has the employer effectively trained workers who work with chemicals and hazardous substances? (Ref 189) In Progress
Finding	<p>Document review and interview with the workers and management indicated that the employer did not arrange training for the workers handling the dosing chemicals and hazardous substances (such as biogard 20, biogard 21, BWT-1790, diesel etc.) in boiler and generator room on how to handle, use or dispose of hazardous substance and chemicals.</p> <p>However, the employer trained the workers of spot removing rooms effectively on how to handle, use or dispose of hazardous substance and chemicals such as acetone and spot lifter.</p>
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	C170; Section 78A(3), BLA; Rules 67(2), 85, Schedule IV, BLR

Issue	Washing facilities or cleansing materials in the event of chemical exposure
Question	Does the employer provide adequate washing facilities and cleansing materials in the event of exposure to hazardous chemicals? (Ref 190) In Progress
Finding	The enterprise did not provide adequate washing facilities in the event of exposure to hazardous chemicals. Such as, <ul style="list-style-type: none"> -The employer did not ensure overhead shower facility as stated in the MSDS in the chemical storage room where spot removing chemical acetone was stored. -The enterprise did not have eye wash facility in the dosing chemical storage area for the boiler and generator.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	C170; R177; Rule 77(5)(s), BLR; ILO Code of Practice on Safety in the Use of Chemicals

Worker Protection

Issue	Providing workers with personal protective clothing and equipment
Question	Does the employer provide workers with all necessary personal protective clothing and equipment? (Ref 193) Delay
Finding	The enterprise did not provide appropriate personal protective clothing and equipment to workers in different sections. For example: <ul style="list-style-type: none"> -appropriate dust mask was not provided to 30% over lock machine operator in sewing section and cutters in cutting section. -appropriate mask was not provided to boiler and generator operator. -goggles were not provided to the electricians.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	R97; Section 78(a) BLA; Rules 46, 67, BLR

Issue	Training and encouragement of workers to use PPE, machines and/or equipment safely
Question	Are workers effectively trained and encouraged to properly use personal protective equipment, machines and equipment? (Ref 194)
Finding	<p>According to management statement, workers were given orientation and awareness training on using PPE and equipment after recruitment. However, the EAs observed that the training was not effective enough to encourage them use personal protective equipment properly.</p> <p>For example,</p> <ul style="list-style-type: none"> - approximately 30% of over-lock operators in the sewing section and cutters in cutting section were not using provided masks; - approximately 30% of the single needle sewing machine operators in the sewing section were not using provided needle guards at a proper height.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	R97; Section 78A BLA; Rules 57, 67, BLR

Issue	Installing guards on all dangerous machines and equipment
Question	Are proper guards installed and maintained on all dangerous machines and equipment? (Ref 196)
Finding	Needle guards in approximately 20% of the single needle machines were fixed inappropriately which can not protect workers from injury.
Source Consulted	Observation, Management,
Legal Reference	Sections 63, 67, 70(3), BLA; Rules 61, 62 (1-d), 64, BLR

Issue	Installing, grounding (for equipment), maintaining and/or certifying electrical wires, cables, switches, plugs and equipment (e.g. transformer, generator, electrical panel, circuit breakers electrical boilers)
Question	Are electrical wires, cables, switches, plugs and equipment (e.g. transformer, generator, electrical panel, circuit breakers, electrical boilers) properly installed, grounded (for equipment), maintained, and certified? (Ref 197)
Finding	<p>During enterprise visit, it was observed that the enterprise did not maintain electrical wires and cables properly. Such as:</p> <ul style="list-style-type: none"> -The enterprise installed temporary connection from electrical distribution board located in front of the boiler room to work on roof top where generator water cooling tank was located. Electrical circuit box was found open on the roof top. -The enterprise installed temporary connection from the electrical distribution board of the boiler room to operate the grinding machine outside of the boiler room. The electrical wires were laid on the floor which might caused tripping hazards and the wires were not properly insulated. <p>The management stated that the connections were used for some repair work. They removed the electrical connection on the 2nd day of assessment.</p>
Source Consulted	Observation, Management, Worker,
Legal Reference	Rule 58 (1, 3, 7, 8), BLR; Chapters V & VI, Rule 57, Electricity Rules, 1937; Assessment of Fire and Electrical Safety of Existing RMG Factory Buildings in Bangladesh 4.9.1; Ergonomic Checkpoints: Practical and easy-to-implement solutions for improving safety, health and working conditions. 2d ed. ILO 2010, Checkpoint 90

Issue	Legally required license/ certification for electrical installations and boiler operators
Question	Do the technicians for electrical installations and boiler operators have the legally required license/ certification? (Ref 198)
Finding	<p>Document review and interview with the management and workers indicated that the boilers were not operated by the certified boiler operators when in operation.</p> <p>The employer appointed three boiler assistants/helpers to work with the boiler operators (with required certificate) in every shift who did not have required certificate to run the boiler. Interview with the respective workers indicated that the boiler assistant required to operate the boiler as the boilers were located in separate building. Two boilers were located on the ground floor and another two boilers were located on the roof top of the utility building.</p> <p>EAs observed that the stairway for the rooftop (where two boilers were located) was narrow and not safe to use. Workers interview also indicated that they did not feel safe to use the stair.</p>
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	Rules 2, 3, 8, Boiler Attendant Rule,1953; Rule 48(1), Electricity Rules, 1937

Issue	Registration / certification of boilers
Question	Are boilers registered or certified, as legally required? (Ref 199)
Finding	The maker stamp (manufacture name, model, year build, maximum allowed working pressure, minimum valve safety valve capacity) of the two out of four boilers were not clear and visible due to rust.
Source Consulted	Observation, Management, Worker,
Legal Reference	Sections 6-8 Boiler Act, 1923; Sec. 27-29 of Bangladesh Energy Regulatory Commission Act, 2003; Rule 9 of Bangladesh Energy Regulatory Commission License Regulations, 2006; Rule 8 (1,3) of Bangladesh Energy Regulatory Commission License (amendment) Regulations, 2016

Welfare Facilities

Issue	Day care facilities/children's room
Question	Does the workplace have adequate day care facilities? (Ref 211)
Finding	The enterprise had a day care facility for the workers. However, following requirements were missing in the day care facility: - the enterprise did not provide cloths for every child; and - there was no assigned person and emergency evacuation plan to evacuate the children in case of emergency.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	Section 94, BLA; Rules 94, 95, BLR

Issue	Lunch room and/or canteen
Question	Does the workplace have an adequate lunch room, and/or canteen? (Ref 212)
Finding	The enterprise did not ensure lunch room for the workers according to law. There was a combined lunch and canteen facility in the same premises for approximately 3277 workers of the 3 factories on the same premises. The existing lunchroom accommodated 16% (550 workers) workers instead of 30% (983 workers) of the total workers (3277 workers).
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	Sections 92 and 93, BLA; Rules 87-92, BLR

Health Services and First Aid

Issue	National policy on HIV/AIDS
Question	Does the employer comply with national policy on HIV/AIDS? (Ref 215)
Finding	Document review and interview with the management and workers indicated that the enterprise trained approximately 85% workers on HIV/AIDS. Approximately 60% of the interviewed workers were found not aware of the sensitive, accurate and up-to-date information about risks reduction in their personal lives and rejection by co-workers in case of infected persons.
Source Consulted	Documentation, Management, Worker,
Legal Reference	National Policy on HIV/AIDS and STD Related Issues, Section 11

Issue	Onsite medical facilities and staff
Question	Does the employer provide required health facilities and staff? (Ref 216)
Finding	Document review and interview with the management and workers indicated that there were 3 factories in the same premises and the total workforce was approximately 3277. The enterprise did not ensure 2 fulltime doctors at a time on every Monday. Moreover, the existing medical practitioners visited the facility for 9:00 am to 5:00 pm pm instead of all working hours including overtime, for example; when the workers were required to work up to 10:00 pm or more.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	Section 89, BLA; Rules 77, 78, BLR

Emergency Preparedness

Issue	Adequate window exits
Question	Does the workplace have at least one adequate window exit per floor? (Ref 237)
Finding	The enterprise had window exit per floor, however the enterprise did not have rope ladder and safety net arrangements for the use in case of emergency.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	Rule 54(10), BLR

Issue	Safeguarding possible sources of ignition
Question	Are possible sources of ignition appropriately safeguarded? (Ref 242)
Finding	The enterprise had installed 02 out of 04 boilers on the roof top of the utility building which were not properly safeguarded. The boiler room was not separated by fire resistant walls. The surrounding wall of the boiler room was made by tin shed.
Source Consulted	Observation, Management, Worker,
Legal Reference	Section 78, BLA; Rule 66, BLR; Guidelines for Assessment of Fire and Electrical Safety of Existing RMG Factory Buildings in Bangladesh, Sections 2.8.1, 3.7.48, 3.9; ILO, Fire Risk Management (2012)

Working Time

Overtime

Issue	Limits on overtime hours worked
Question	Does the employer comply with limits on overtime hours worked? (Ref 248)
Finding	<p>Document review and worker and management interviews indicated that workers worked excessive OT in the sample reviewed month in January, May and October 2019 in the following sections.</p> <p>The EAs noted the following excessive working hours:</p> <p>In December 2018:</p> <p>cutting section: maximum 5 OT hours (total 13 hours) in a day and 23 OT hours (total 71 hours) in a week.</p> <p>sewing section: maximum 5 OT hours (total 13 hours) in a day and 23 OT hours (total 71 hours) in a week.</p> <p>finishing section: maximum 5 OT hours (total 13 hours) in a day and 28 OT hours (total 76 hours) in a week.</p> <p>In January 2019:</p> <p>cutting section: maximum 7 OT hours (total 15 hours) in a day and 34 OT hours (total 82 hours) in a week.</p> <p>sewing section: maximum 5 OT hours (total 13 hours) in a day and 30 OT hours (total 78 hours) in a week.</p> <p>finishing section: maximum 9 OT hours (total 17 hours) in a day and 42 OT hours (total 90 hours) in a week.</p> <p>In this month workers worked 13 consecutive days (5th to 17th January 2019) in mention different departments without a resting day. Often the overtime hour was up to 9 hours a day resulting working hour to 17 hours, for example, on the dates 5th to 17th. Moreover, in case of finishing section, 02 workers out of sample got only about 06 to 07 hours break over night for each of the working days, for 02 days in a row; where the total working hour for that worker in that week was 84 hours and in January was 387 hours.</p> <p>In November 2019:</p> <p>cutting section: maximum 5 OT hours (total 13 hours) in a day and 26 OT hours (total 74 hours) in a week.</p> <p>sewing section: maximum 7 OT hours (total 15 hours) in a day and 30 OT hours (total 80 hours) in a week.</p> <p>finishing section: maximum 10 OT hours (total 18 hours) in a day and 37 OT hours (total 85 hours) in a week.</p> <p>In this month workers worked 15 consecutive days (16th to 30th November 2019) in mention different departments without a resting day. Often the overtime hour was up to 7 hours a day resulting working hour to 15 hours, for example, on the dates 16th to 30th. Moreover, in case of finishing section, 01 worker out of sample got only about 05 hours break over night where the total working hour for that worker in that week was 85 hours and in November was 324 hours.</p> <p>Documents checked: Payroll and time records of December 2018, January and November 2019.</p>
Source Consulted	Documentation, Management, Worker,
Legal Reference	Sections 100, 102, BLA; Rule 99(1), BLR

Issue	Informing workers about overtime
Question	Does the employer inform workers about overtime at least 2 hours in advance? (Ref 251)
Finding	Approximately 60% of the sampled interviewed workers indicated that the workers had not been informed about overtime work at least two hours before the start of the overtime period. Workers were informed about overtime just before the start of overtime hours.
Source Consulted	Documentation, Management, Worker,
Legal Reference	Rule 99(1), BLR

Issue	Time off for compensatory weekly rest days
Question	Does the employer provide compensatory days off when workers work on weekly rest days? (Ref 252)
Finding	<p>The enterprise did not provide compensatory days off in line with the Bangladesh Labour law when the workers worked on weekly rest day (Friday).</p> <p>For example: Sewing section workers worked weekly rest days during December 14 & 28, 2018, January 11, 2019, November 22 & 29, 2019 without any compensatory day-off.</p> <p>Document checked: Time records of December 2018, January and November 2019.</p>
Source Consulted	Documentation, Management, Worker,
Legal Reference	Sections 103, 104, BLA; Rule 101, BLR

Additional Information

This section of the report contains additional information provided by the Enterprise Advisors on areas NOT found to be in non-compliance, including on certain issues that require findings in all assessments regardless of their compliance status.

Child Labour

Child Labourers

Question	Have you found any workers under the age of 14? (Ref 8)
Finding	Based on our visual observations, interviews with workers, and employment record checks, EAs found no indication that management employed workers under the age of 14. Documents checked: HR records for 20 workers.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	C138; Sections 2(Lxiii), 34(1), BLA

Documentation and Protection of Young Workers

Question	Does the employer have a reliable system in place to verify the age of workers prior to hiring? (Ref 12)
Finding	Management required workers to provide at least one document to verify their ages prior to hiring such as national identification card, birth registration certificate, and school certificate (if any) and a certificate from a registered physician certifying the age of the person concerned. Interviewed worker and management related with the age verification process confirmed the mentioned age verification process is being practiced in this enterprise.
Source Consulted	Documentation, Management, Worker,
Legal Reference	C138, R146;Section 36, BLA; Rule 34 and Form 15, BLR

Freedom of Association and Collective Bargaining

Freedom to Associate

Question	Can workers freely form and join the union of their choice? (Ref 61)
Finding	Management and workers interview indicated that factory did not have any union in the factory. EAs did not find evidence during the assessment to indicate that factory management was opposed to workers exercising their Freedom of Association (FoA) rights. FoA policy was not posted in the notice board.
Source Consulted	Observation, Documentation, Management, Worker,
Legal Reference	C87; Sections 176(a), 179, 183, 190, 193, BLA; Rules 167, 176, and Forms 55(A), 61(A), BLR

Contracts and Human Resources

Employment Contracts

Question **Has the employer provided all workers with a letter of appointment?** (Ref 150)

All workers who work for the factory had a letter of appointment. Regular workers were employed under undetermined duration letter of appointment. All workers' employment contract were in writing. Management provided all workers with a copy (original) of their employment letter of appointment.

Finding Documents checked: HR records of 25 sampled workers and 06 sampled interviewed workers.

Worker and management interview indicated that the enterprise issued the letter of appointment to the workers on the eve of joining of the worker.

Source Consulted Documentation, Management, Worker,

Legal Reference **Section 5, BLA; Rule 19, BLR**

Occupational Safety and Health

Emergency Preparedness

Question **Does the employer conduct periodic emergency drills?** (Ref 239)

Management conducted periodic emergency drills for all workers. The last three emergency drills were held on 15/12/2019, 12/11/2019 and 16/10/2019.

Finding Workers confirmed that they know how to react in case of emergency.

Documents checked: Emergency drill records of 2019

Source Consulted Documentation, Management, Worker,

Legal Reference **Section 62(7, 8), BLA; Rule 55(14), BLR; Guidelines for Assessment of Fire and Electrical Safety of Existing RMG Factory Buildings in Bangladesh, Section 3.8**

Working Time

Regular Hours

Question **Do regular daily or weekly working hours exceed the legal limit (8 hours per day, 48 hours per week)?** (Ref 244)

Normal working hours did not exceed 8 hours per day 8:00 am to 5:00 pm (including one hour lunch break) and 6 days per week (Saturday to Thursday, 48 hours per week).

Finding Documents checked: Internal regulations, working hours posted in the workplace, time records of December 2018, January and November 2019.

Management and worker interviews confirmed this.

Source Consulted Documentation, Management, Worker,

Legal Reference **Sections 100, 102, BLA; Rule 99(1), BLR**

Better Work Clusters and Compliance Points

Better Work carries out factory assessments to monitor compliance with international core labour standards and national labour law, and where national law either fails to address or lacks clarity around a relevant issue regarding conditions at work, according to benchmarks established by Better Work based on international labour standards and good practices. Better Work organizes reporting into eight areas of labour standards, also known as clusters. Four of the clusters are international core labour standards, based on fundamental rights at work and four are based on national labour law relating to working conditions. As such, factory assessments aim to monitor compliance with these areas.

Core labour standards: Adopted in 1998, the ILO Declaration on Fundamental Principles and Rights at Work commits Member States to respect and promote principles and rights in four categories, whether or not they have ratified the relevant Conventions. These categories are: freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced labour, the abolition of child labour, and the elimination of discrimination in respect of employment and occupation. The relevant ILO Conventions from which the 1998 Declaration derives—29, 87, 98, 105, 100, 111, 138, and 182—provide the framework for assessing non-compliance in the core labour standards clusters across all Better Work country programmes.

National labour law: The four other clusters monitor compliance with standards primarily set by national law, so they vary from country to country. This set consists of compensation, contracts and human resources, occupational safety and health, and working time.

Each of the eight clusters is divided into its key components, known as “compliance points”. Each of these compliance points contains specific questions that may vary from country to country. The detailed list of compliance points can be found at the following link:
<http://links.betterwork.org/compliance>