

## **EXPERT OPINION**

**Zehra Khan**

I am Zehra Khan, General Secretary of the Homebased Women Workers Federation. I completed a masters in Women's Studies in 2001 at Karachi University. I also worked as the Education and Research Secretary of the National Trade Union Federation.

My work includes writing papers and articles for different newspapers and magazines on workers' rights, in particular on women's rights. I have also conducted numerous research projects including research on working conditions in the football industry in Sialkot for the International Labour Right Front (ILRF) and international Textile Garment Leather Workers' Federation (ITGLWF). I also did research on the working conditions in cotton fields, garment and textile industries in Karachi and Faisalabad, informal workers, in particular home based workers in the glass bangle industry, and also on Ali Enterprises. I was involved in forming the first ever union and federation of home based workers in Pakistan that supports the cause of women workers. In addition I organise and conduct training for the workers.

### My Work with the National Trade Union Federation on the Ali Enterprises Factory Fire:

After what was the largest industrial fire in Pakistan's history in September 2012, the National Trade Union Federation (NTUF) decided in October 2012 to conduct research on the working conditions and the reasons why this tragic fire occurred. It also started a campaign for occupational health and safety in the work place for the workers.

The NTUF was the first trade union body in Pakistan that showed serious concern for this trend. This was expressed by its involvement in protests and rallies in Pakistan shortly after the fire had occurred; the NTUF activists were on a road to demand justice for the workers. The NTUF also mobilized many trade unions to take a stand in order to protect their rights within the workplace and improve working conditions. In addition they formed a committee named Workers Right Movement (WRM) on 23<sup>rd</sup> September 2012. This consists of trade unions, federations, human rights organizations and other representatives of society. The NTUF also organised the

families of deceased workers and supported them to form their own organisation named Ali Enterprise Factory Fire Affectees Association.

The main objective of the research conducted by the NTUF in October and November 2012 was to highlight the working conditions particularly regarding health and safety, the number of permanent employees, union existence and their registration with SESSI (Sindh Employees' Social Security Institution) and EOBI (Employees' Old-Age Benefits Institution).

For this survey NTUF developed questionnaires for interviews with workers and the family members of deceased workers. In this survey the team from NTUF conducted interviews with 101 survivors and families of deceased workers in two areas of Karachi Balida and Orangi as many workers employed at Ali Enterprise were residents of these slum areas. The majority of the workers interviewed for the NTUF survey were young people aged between 14 and 30 years old who were working at Ali Enterprises and hired by contractors. Again, in October 2015, I conducted seven in-depth interviews with former workers of Ali Enterprises.

Another relevant point was highlighted after the fire and revealed through newspapers and also from TV in 2012 by Mr. Amir Nawab, the Former Labour Minister. In 2003, the Punjab government banned labour inspections, a practice which was followed by the Chief Minister of Sindh. Thus, a labour inspection ban in Sindh was introduced solely due to a verbal order given by Sindh's Chief Minister soon after the official ban on inspections in Punjab. This verbal order was not resisted by the labour department or by Ex-Labour Minister Mr. Amir Nawab, despite the fact that he pointed out that Sindh's Chief Minister did not have the right to stop labour inspections as this goes against labour laws.

## **ANALYSIS OF THE STR-AUDIT REPORT DATED DECEMBER 30<sup>TH</sup> 2011**

On the basis of the survey and in-depth interviews with workers, I was asked to provide my analysis of the STR-Audit Report dated 30<sup>th</sup> December 2011 of the working conditions at Ali Enterprises. In what follows, the entries in the audit report are compared to the answers given by the former workers of Ali Enterprises.

### **a. Risk Areas:**

The main risk which was highlighted by workers and families of deceased workers was that the factory did not have any strategy to cope with large-scale incidents. In the survey workers indicated that two fires had occurred prior to 9/11 due to electrical short-circuits however no significant or fixed steps were taken by the management of the site in response. The second main risk for workers was that there were no other exit points and that many of the doors were locked. It was strange that the audit report failed to mention both of these risks and also, for example, that there was no first aid box.

A further important risk was that there was material placed all around the entrance of the factory which the workers would have to pass through in order to reach the workplace.

According to the Joint Investigation Team's (JIT) report there was a threat to the employer. However if this was the case it raises the question of why the factory management then decided to reduce the number of security guards from 7 to 5 (as is mentioned in Audit report). In the event of a serious threat the factory management should have instead hired more security guards to ensure their safety and that of the workers and also informed the security officials.

### **i. Child Labour:**

During the survey many workers responded that there were children working in the factory and that whenever a person came to conduct an audit they were hidden by the management in toilets or given time off. These children were mostly hired by contractors. The use of child labour at Ali Enterprise was not included in the report and the report stated that Ali Enterprise's management were against the use of child labour and that children below the age of 18 were not allowed to work on a

permanent or temporary basis. However, children were hired by contractors without any verification and children were also hired as helpers.

ii. Working Hours:

The working hours in the factory were fixed for all workers. Workers were informed during the hiring process that the number of working hours per day would be between 11 and 13 and that they would not be paid for extra hours worked as the majority of the workers in the factory worked under the contract system and were paid according to the piece rate and thus paid on the basis of how much they produced. This was the normal routine for the workers.

Many workers, during survey and after the survey, informed us that they do work on Sundays and late at night as well. There is a law regarding overtime which states that wages should be double for overtime however the majority of the workers responded that they are paid at the same rate for their overtime. It is evident that overtime was mandatory and that the worker did not have a choice at the time of hiring. They were all informed of the working hours including overtime when they were hired therefore it was not on a voluntary basis as the audit report claims.

iii. Forced Labour:

As mentioned above, the working hours were fixed at the time of hiring so it can therefore be considered to be forced labour as workers did not have a choice as to whether or not they agree to work. The statement in the audit report that workers are free to leave the premises at the end of the work shift is therefore incorrect. Workers reported that they are required to complete their order on time and that this means working overtime which extends from 3 to 4 hours and sometimes to nights and working Sundays.

The audit report also states that all workers have signed a labour contract which was both current and valid. However there was no such informed agreement made by all workers who have been interviewed and they hadn't any copies of contracts as was mentioned in the audit report. A signed contract that the factory had copies of but not the workers would provide evidence of a relationship between the workers and the factory but would mean that the workers had no evidence to use in order to gain benefits from the factory as provided for by law.

#### iv. Wages and Benefits:

Many workers who were hired on a contractual basis reported that they get their wages every 15 days and most workers used to get their wages on time. The minimum wage for unskilled workers was 8000rs per month in 2012. However, workers responded that they received 5000rs wage and 1000rs as an attendance allowance but most of the workers did not receive 1000rs allowance. In any case this was less than the Government's announced minimum wage for unskilled workers.

The majority of the workers are paid wages on a piece rate as the majority of them are contractual workers who had no identification or document to prove their relationship with the factory. None of the workers were registered with social security or pension schemes and they did not have the corresponding cards. We have also witnessed EOBI (Employees' Old-Age Benefits Institution) officials outside the factory collecting data from the families of deceased workers and survivors after the fire.

The corruption within the department and negligence of both the owners of the factory and auditors is evident.

#### v. Health and Safety:

The main reason for the high death toll was that the workplace was unprotected and workers were unable to escape from this area. The majority of the workers died due to suffocation or becoming unconscious. Further, there was no alarm to alert the workers of a fire so that they could escape in the event of an emergency. However, despite the fact that a similar incident had previously occurred in the factory it did not lead to the management adopting adequate measures to be able to cope with such a situation and they ignored the consequences.

The audit report mentioned that there was a first aid box and that management provided training to the workers on the use of fire fighting equipment, provided evacuation drills, first aid and emergency response system training. However in reality these measures were not put into practice at the factory. Further, although there were fire extinguishing cylinders in the factory, according to survivors these were useless as they did not contain any gas or chemical. In addition to these cylinders being empty workers reported that they had not received any training on

how to use them. The majority of workers interviewed responded that they did not get any training on how to protect themselves in the event of a fire. Yellow emergency lines were also mentioned in the audit report but according to the workers there were no such lines or in any case they had not seen them.

The audit report also stated that there was a second exit however it did not mention that some doors were locked and that there were no other exit points from which the workers could escape in the event of a fire. This means that either the auditor did not inspect the whole factory during the visit or that they relied on information from the management only to complete the papers. The majority of the workers reported that the local or international visitor did not meet them or ask them anything regarding working conditions or about the factory in general. The interviewed workers also reported that such visits were pre-announced and that during the visits the employer or contractor would provide them with facemasks and metal gloves which were later removed or collected once the visit had finished.

The audit report also claimed that the production floors were equipped with first aid kits for emergency treatment of workers, which was also incorrect. This also indicates that they did not meet the workers or ask to interview them as the majority of the workers, as mentioned above, denied the existence of a first aid box or kit in the factory.

#### vi. Discrimination and Abuse:

Workers reported that they had witnessed cases in the factory where the owner of the factory had beaten workers and also verbally abused them. The company had a code of conduct but the majority of the workers responded that they had not seen such written material in the factory.

#### vii. Freedom of Association:

In the factory there was no union and workers were not free to form their own organisation. In the survey the NTUF confirmed that there was no group or association that would serve as a means for workers to assert their rights. According to Pakistan's constitution freedom of association is a guaranteed right of citizens. Ali Enterprises however deprived workers of this right to protect themselves from unfair labour conditions. A union did not exist despite the code of conduct mentioning that

it should support such action. The code also provided for a workers council which also did not exist.

That a union and workers council were provided for in the code but did not exist shows that these rules set by themselves were not abided by. This point was missed by the auditors and their statement claiming that they saw a collective bargaining agreement is incorrect. It also shows the extent to which the owner, buyers and auditors intended to fulfil their responsibilities.

Secondly, the Karachi Chamber of Commerce has no involvement in collective bargaining agreements. Collective bargaining agreements are agreements between employers and employees only however in the audit report there was confusion between unions and associations. Workers form unions while employers form associations. Moreover, in the collective bargaining section the auditor should discuss the existence of unions of workers rather than that of an association of employers.

**b. Factory Profile:**

i. Production for KiK:

In this factory 75% of material was produced for KiK according to the audit reports. I have taken pictures of jeans with labels of the brand OKAY outside the factory after it had burnt during our first big rally for the issue of health and safety and working conditions of workers at Ali Enterprise.

In the survey in 2012, many workers who were interviewed reported that they were exclusively producing for the brand OKAY. I have also taken a picture of the products from outside the factory. All the jeans there had OKAY labels.

ii. Facility Workforce:

It was strange that nobody found out how many workers were working at Ali Enterprise. According to the survey conducted in 2012 many workers responded that there were more than 2000 workers employed at the factory and in the part that was burnt there were more than 300 people working on each floor. This contradicts the audit report that stated that there were only 300 to 400 affected workers.