

2 May 2013

Dear Ms Julie Coates, Managing Director, Big W Mr Nigel Austin, Chief Executive Officer, Cotton On Mr Guy Russo, Managing Director, K-Mart Australia Mr John Pollaers, Chief Executive Officer, Pacific Brands Mr Stuart Machin, Managing Director, Target Australia and Mr Mark McInnes, Chief Executive Officer, Just Group

# Re: An open letter urging Australian garment companies to ensure safety in Bangladeshi suppliers

I write to express Oxfam Australia's serious concern for the safety of women and men making your products in Bangladeshi suppliers and to ask your company to take immediate action.

In recent years many Australian garment companies have increased their orders from factories in Bangladesh, where AUD \$37 a month wages are amongst the lowest in the region. Unfortunately, poor working conditions and hazardous factory environments are commonplace in the Bangladeshi garment sector. The Rana Plaza factory collapse in which more than 400 workers have lost their lives is only the most recent example of a series of similar tragedies throughout the past decade. In November 2012 more than 100 people lost their lives in a factory fire at Tazreen Fashion Ltd. where US retailers Wal-Mart and Target sourced their garments via Li & Fung. There are dozens more examples that involve a growing list of international brands.

To ensure Australian companies do not in any way contribute to such tragic yet preventable deaths, Oxfam Australia urges you to take the following steps:

## 1. Immediately release the details of your suppliers in Bangladesh

Since the Rana Plaza tragedy, some garment companies have sought to assure the Australian public that the workers in their Bangladeshi supplier factories are safe. However without the details of your company's supplier factories there is no way to independently verify such claims or to ensure that your suppliers do not engage in unsafe practices. Therefore we ask that you immediately release the names and addresses of your suppliers in Bangladesh. This would bring your company into step with many of the world's leading garment brands, including Nike, Adidas, Timberland, Levi Strauss and Puma, who have published their global supplier lists on an annual basis for several years.

## 2. Immediately adopt the Building and Fire Safety Agreement

Considering the widely documented risks associated with garment production in Bangladesh there is no excuse for companies who fail to take adequate preventative action. Fortunately there is now an established means for your company to address the safety risks faced by workers in your supply chain. In early 2012 Bangladeshi unions, together with local and international labour rights organizations created a Memorandum of Understanding on Fire and Building Safety (Fire Safety Agreement). This agreement provides for:

### HEAD OFFICE

132 Leicester Street, Carlton Victoria 3053, Australia

Tel +61 3 9289 9444 Fax +61 3 9347 1983

#### www.oxfam.org.au

Oxfam Australia is working for a future free from poverty. Oxfam Australia is a Public Benevolent Institution. ABN 18 055 208 636. Donation Hotline 1800 088 110.

- independent and publicly disclosed building inspections directed by an impartial and non-aligned chief inspector,
- mandatory and time-bound factory renovations and reparations to eliminate building and fire hazards and incentives to factories for compliance in the form of orders and fair product prices,
- mechanisms for workers to report health and safety hazards confidentially and a safety training program with trade union involvement.

The agreement has been widely applauded as a ground-breaking program and a vital step forward for the sector. As such, I urge your company to immediately adopt this potentially life-saving agreement. I have attached a full copy of the agreement to this letter for your reference. To register your interest in signing, please contact Clean Clothes Campaign International Coordinator, Ms Ineke Zeldenrust (<u>ineke@cleanclothes.org</u>), who is coordinating the adoption process for international companies.

# 3. Uphold your responsibilities under the UN Framework for Business and Human Rights

I ask your company to take steps to ensure it complies with the United Nations Framework for Business and Human Rights. This requires that businesses ensure respect for the human rights of workers throughout their supply chains, including the right to form unions and engage in collective bargaining, the right to safe and decent working conditions and the right to a decent wage. Resources to assist your company in improving its supply chain policies and practices can be found on Oxfam's website: www.oxfam.org.au/corporateaccountability.

By taking the steps outlined above your company can avoid playing any role in tragedies such as the Rana Plaza collapse. I urge you to play a positive role in the lives of the women and men who make your products.

I look forward to receiving your response.

Yours sincerely,

Aug

Helen Szoke Chief Executive