

Report urges for national injury insurance in garment-producing countries

March 14, 2018, London - Although it's been five years since the Rana Plaza garment factory collapse, in many countries survivors' right to compensation for death and injury remains reliant on voluntary donations fuelled by media pressure.

Today a new report from the University of Sussex, titled *Workers' Right to Compensation after Garment Factory Disasters: Making Rights a Reality* is being launched at the [Sedex conference](#), calling for the changes that are needed to secure compensation of workers as a right, rather than as a form of charity.

The report compares and draws lessons from schemes to pay compensation to injured workers and dependents of those killed in the recent Ali Enterprises, Tazreen and Rana Plaza garment factory disasters, and calls for the introduction and strengthening of national employment injury insurance schemes that are lacking in many garment-producing countries.

Commissioned by C&A Foundation and written by worker health and safety expert Dr Rebecca Prentice, the report also develops practical recommendations to ensure workers' right to compensation is met in a fair, timely and consistent way across the global garment industry.

Dr Rebecca Prentice describes the report: "*Compensation for occupational injury or death is an important labour right, but it is too often denied to the survivors of garment factory disasters. This report calls for national employment injury insurance in garment-producing countries, giving practical recommendations for industry, government, and labour rights advocates. When these efforts fail, workers suffer. Therefore, global apparel companies must work now with industry stakeholders to develop and fund fair and systematic compensation schemes for workers and their dependents.*"

Report highlights include:

- Injured workers and the families of those killed at work are entitled to compensation as a right, not as a form of charity.
- ILO's Convention No. 121 provides an internationally recognised standard for delivering compensation to workers and families harmed by factory disasters, which ideally should be provided by a national employment injury insurance system.
- In the absence of such a system, the Rana Plaza Arrangement, Tazreen Claims Administration Trust and Ali Enterprises Compensation Arrangement demonstrate that it is possible to implement a voluntary, rights-based, multi-stakeholder compensation scheme after a garment factory disaster.
- However, at the heart of these *post facto* schemes lies a contradiction: while benefits are calculated based on workers' internationally recognised rights to compensation, the funding to uphold those rights comes from voluntary donations.
- Governments of garment-producing countries, global apparel companies, labour rights groups and employers' associations should make use of the experiences of recent compensation schemes to develop sustainable, comprehensive and rights-based national employment injury insurance systems which meet ILO standards.
- In the absence of national employment injury insurance, suppliers can purchase private injury insurance.
- In the regrettable circumstance that a garment factory disaster occurs where there is no employment injury insurance, *post facto* compensation schemes should follow a set of guiding principles: a single approach, rights-based benefits, respecting national sovereignty, multi-stakeholder cooperation, voluntary donations, engaging with the survivors, and transparency.

Dr Mojtaba Kazazi, the Executive Commissioner for Rana Plaza and Tazreen compensation schemes said: "*This report distils the material issues from three vast and complex compensation programmes, providing a template for possible future use in similar situations. I commend the report's positive tone and approach and agree with its conclusions.*"

Likewise, Ben Vanpeperstraete, Lobby and Advocacy Coordinator of the Clean Clothes Campaign commented: *"This report clearly shows how a new model to ensure the right to payment for loss of income to workers after supply chain incidents is emerging. It highlights the need to gather all stakeholders to define proper remedy solutions, and specifically the role of brands to ensure financing. At the same time, it shows how individual schemes can, and should, lead to more structural national employment injury insurance in garment producing countries, which would also cover less widely reported cases. In the last five years many Bangladeshi workers have fallen through the cracks of the system - a bridging solution is needed to fill the gap between these individual cases and the start of a national scheme."*

The full report can be read [here](#).

NOTES TO EDITORS

About Rebecca Prentice

Dr Prentice is an expert on health and safety in the global garment industry and Principal Investigator of a three-year study entitled, 'Compensating Workers after the Rana Plaza Collapse: A Qualitative Study of Activism and Corporate Social Responsibility' (2015-2018).

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C&A Foundation supported the funding and implementation of the Tazreen Claims Administration Trust.