



OCCUPATIONAL SAFETY AND HEALTH IN THE SUPPLY CHAIN

How does a company ensure that workers within its supply chain enjoy adequate safety protection in the workplace, especially when it sources from supplier companies in areas with little or no safety protection, either because the law is inadequate or not enforced?

WHY PROMOTE BETTER OCCUPATIONAL SAFETY AND HEALTH (OSH) PRACTICES AND SYSTEMS?

What's the danger?

In Indonesia, several factories assessed by Better Work stored chemicals in food containers. One factory reported a worker who thought a container had drinking water in it when it actually contained a hazardous substance and subsequently drank the liquid.

According to the International Labour Organization (ILO), every year approximately 337 million people are victims of work accidents, and more than 2.3 million people die from occupational injuries or work-related diseases. One ILO programme, Better Work (a joint initiative of the ILO and the International Finance Corporation that works in the garment sector), has found high levels of violations with OSH regulations: in baseline assessments of factories, the programme reports non-compliance rates of over 75% in 5 of 8 OSH areas assessed. Safety and health risks in this sector alone include:

- Toxic cleaning solvents
- Lack of personal protective equipment (PPE), or weak training in its use
- Blocked or locked factory exits
- Inadequate toilets and washing facilities

In addition to the devastating effects that workplace illness and injury can have on workers, OSH violations can mean increased risk for both manufacturers and for buyers.

HOW CAN BUSINESSES IMPROVE SAFETY AND HEALTH AT WORK?

For many suppliers, weak understanding of regulations, paired with insufficient enforcement by authorities, exacerbates risk in the workplace. *Improving education and awareness* is one key element to better performance.

Beyond awareness and training, many companies must *invest in good OSH practices*. While such investments may result in an increased cost of production for goods, making these suppliers less competitive, health and safety lapses can result in business discontinuity and costlier production; so savings in the short term often lead to higher costs longer term.



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Evidence from Better Work supports the claim that improving performance at the factory level—*through increased capacity and effective systems for managing health and safety*—can help reduce costs, absenteeism, accidents and worker turnover, and increase productivity through reductions in worker dissatisfaction and fatigue.

Buyer support, not only for clear, credible information on supplier performance, but also for *tailored guidance and training*, as well as *strong workplace cooperation*, is needed to ensure that improvements in OSH are sustainable and good for business.

EXAMPLES

At **T&T**—a washing and dyeing company that uses strong chemicals and large drying machines—**Better Work Vietnam** followed a comprehensive assessment of the factory with advisory services, including technical advice and guidance for a worker-management committee overseeing remediation. Improved ventilation and more efficient use of drying machines have led to reductions in chemical fumes, temperatures and noise levels. The changes have increased productivity and worker loyalty to the factory. Supervisors also noted that reductions in temperature made workers more apt to use PPE when handling chemicals. A new chemical management system to improve storage of chemicals not only helps safeguard worker health, it also reduces waste from premature chemical depletion.

Better Work aims to build strong and effective engagement from all actors in the supply chain to meet compliance challenges. For example, to respond to fire risk, they target:

- *employers and managers*: with factory-specific training and shared learning seminars; good practice sheets; a fire safety checklist; and ILO guidance;
- *workers*: with classroom-based training and animated videos (for low literacy learners), events, and awareness-raising materials such as calendars, posters and SMS messages,
- *governments*: to build the capacity of labour ministries to enforce regulation, and
- *buyers*: by securing support for events and helping to coordinate country-level initiatives so efforts are effectively channeled for the highest impact.

The Ethical Trading Initiative (ETI) and the National Homemaker Group implemented a programme in 2009 that provided health and safety training to homeworkers. All-in-all, 4,300 homeworkers were trained on health and safety, as well as issues to do with quality. This partnership also addresses all other labour rights issues, such as a right to a living wage, written contract, etc. Training included basic tools to ensure that health is improved, such as bringing a worker's ceiling light closer to where they are working. It also provides advice on how to improve quality, to reduce product rejection rates, such as keeping sewing looms inside, so that the fabric does not fade.

In collaboration with the ILO, **Volkswagen AG** embarked on a multi-stakeholder project to develop an OSH action programme, both to inform national policy as well as to engender the internalization of national policies at the workplace for their suppliers in Mexico, Brazil and South Africa.

Source: http://human-rights.unglobalcompact.org/case_studies/health-and-safety/health_and_safety/ensuring_adequate_workplace_accident_prevention.html

HERproject uses a model that relies on peers to educate fellow female factory workers on basic health issues and runs for 12–18 months in each factory. The programme also ensures that factory nurses are well trained in female health issues that are most relevant and links factories and workers to women's health services. The programme is also designed to empower women to make decisions for their work and family. To date, the project has been implemented in over 80 factories and has reached around 100,000 women.

REFERENCES AND RESOURCES

UN Global Compact Human Rights and Business Dilemmas Forum – Health and Safety

<http://human-rights.unglobalcompact.org/dilemmas/health-and-safety/>

ILO Programme on Safety and Health at Work and the Environment (SafeWork)

<http://www.ilo.org/safework/lang-en/index.htm>

Better Work Guidance Sheet on OSH and 10 Steps for a Safer and Healthier Workplace

<http://betterwork.org/global/?cat=10>

Better Work Good Practice Sheets (including OSH)

<http://betterwork.org/vietnam/?p=555>

ETI and National Homemaker Group: Improving standards for homeworkers (India)

<http://www.ethicaltrade.org/in-action/programmes/the-indian-national-homeworker-group>

HERproject

<http://herproject.org/work/curriculum>

Better Work

<http://betterwork.org/global>

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