

Baldia Factory Fire Incident

4 years of successful campaign for justice

December, 2016

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Pakistan experienced the worst and largest industrial accidents in the history of textile industry on the evening of 11th September 2012, when the fire broke out in a garment factory “Ali Enterprise” located in SITE Industrial Area of Karachi, Sindh. The incident claimed 256 lives of skilled and unskilled worker and around 55 workers were injured among over 600 workers who were in the factory at the time of accident. The total number of the employees of Ali Enterprise was 1500-2000 but the factory has no official data about the total number of employees as mostly workers were employed through contractor.

PILER response to the Fire incident:

Being a workers’ rights organization PILER started working on the ground since the day of the accident. This includes monitoring the state’s response to the incident, solidarity meeting with victims’ families and injured workers, fact finding about the causes of incident etc. During this process PILER came to know about the working conditions of the factory, exploitation and vulnerable socio-economic situation of the workers at Ali Enterprise. Hence PILER decided to conduct a survey about the working conditions and workplace safety provisions at Ali Enterprise.

- *Pilot Survey conducted by PILER*

In September 2012, PILER initiated a pilot survey to identify the prevailing occupational health and safety conditions in at Ali Enterprises and shared initial findings of the survey in October 2012.

Survey finding stated that out of 2,000 contractual piece rate employees, only 250 were registered with EOBI and 268 were registered with SESSI. The General Manager was responsible to run the factory and neither of the single employee (respondent) working in Ali enterprises has appointment letter. Majority of the workforce in this factory working on contractual basis and none of them have medical and group insurance facilities. Average working hours were between 11 to 14 hours a day and employees working in poor occupational health and safety condition. Survey results also showed that unionization was banned in the factory and the contract based employees were not entitled to the weekly holiday.

Legal Intervention by PILER

Considering the overall scenario of labour rights and the back ground issues of the horrible fire accident due to the criminal negligence and non serious attitude of employers towards compliance of labour laws and workplace safety conventions PILER decided to file petitions at Sindh High Court for the inquiry and justice for the workers of Ali Enterprise.

Three following cases were files in different Courts in Karachi;

- i. Petition in Sindh High Court for inquiry of the accident, body identification and justice for the victims and prevention of such accidents
- ii. Petition at Sindh High Court for Compensation for the victims by the relevant government departments
- iii. Criminal case in lower court against the owners of the factory which has now been shifted to the Anti Terrorist Court (ATC)

Sindh High Court (SHC) Commission for Ali Enterprise Fire Case

On 12th September Justice Zahid Qurban Alvi, one person commission was appointed by the Chief Minister of Sindh with the mandate of inquiry of the accident, reason of fire, civil defence system available in the factory and the negligence on the part of factory owners.

As a result of the legal intervention by PILER the factory owners were fined by Sindh High Court to pay the amount Rs. 61.8 million for the immediate relief of the workers. Local philanthropists also contributed Rs. 5.7 million for the same. The total sum of Rs. 165.475 million was submitted to the Sindh High Court Commission for the disbursement of funds among the heirs of deceased workers and to the injured workers.

Legal Agreement between PILER and KIK Textilien

After the incident the international campaigning partners of PILER helped out reaching the German Brand KIK Textilien and after negotiations Pakistan Institute of Labour Education and Research and the KiK Textilien signed an agreement to provide the immediate relief and long term compensation of the victims of the Ali Enterprise fire. KIK contributed USD 1 million (Rs. 97.975 million) for immediate relief for the families of deceased workers and for the injured workers which was submitted to the Compensation Commission established at Sindh High Court on the application of PILER.

Compensation Commission at Sindh High Court

In April 2013, Compensation Commission headed by Justice (R) Rehmat Hussain Jaffery, which was formed by the Sindh High Court on 29th January 2013, formally started the process of distribution of compensation funds. The process of funds distribution was started after finalizing the official list of deceased and injured workers which included 256 verified deceased persons and 55 injured workers. The list of claimants was finalised by submitting the documents of the claimants to the commission according to the categories of deceased, disabled, major injured and minor injured. It took around a year to complete the whole disbursement process of the compensation fund.

Long Term Compensation for the victims

After the immediate relief fund, 1 million USD given by the Brand was disbursed among the victims' families, PILER approached the brand KIK Textilien to start the negotiations in 2014 for the long term compensation for the victims. However the brand was not willing to pay any further compensation and started using delaying tactics to avoid further payments. PILER alongwith the international campaigning partners launched an international campaign for the long term compensation. Several visits to Germany were arranged including visits of victims. A number of meetings was conducted including meetings with the Brand, German Textile Ministry, German Parliament Committees, German Trade Unions, ILO and other relevant authorities. A number of delegations were hosted by PILER in Pakistan including European Union delegation on Human Rights, German Parliament delegation, ILO, and the Brand. Finally with the help of German Ministry The Brand KIK agreed to pay the long term compensation. ILO was requested to calculate the amount of long term compensation. An ILO fact finding mission visited Pakistan a couple of times and then the calculations were done in ILO Geneva. PILER facilitated the whole process and an agreement for the long term compensation was signed on the 4th anniversary of the deadly fire accident. According to the agreement KIK will provide the total long term compensation USD 5.15 million which will be distributed among the victims through a life time pension scheme. The pension system and disbursement process will be monitored by an Oversight Committee headed by ILO Geneva and PILER is also a member of that committee.

Taking the opportunity of this historical fatal incident PILER has set a benchmark for the workers' rights in Pakistan who are engaged in the global supply chain. This process can be used as a reference for the other manufacturing sectors in Pakistan where and when required.