

President's Advisory Committee on Labor Standards and Human Rights

MINUTES

February 7, 2014, 11:30-1:00pm

Ross School of Business, R4020

Attendees: *Kristen Ablauf, Ravi Anupindi (chair), Kelsea Ballantyne, Arjun Bhalla, Khaled Eid, Jim Gannon, Allen Hicken, Maya Menlo (by phone), Nicholas Rine, Susan Waltz*

Guests by conference phone:

Elizabeth Kennedy, Vice President for Corporate Responsibility (11:50-12:10pm)

Claudia Coenjaerts, FLA President/CEO (12:10-12:50pm)

Heeral Coleman, FLA, Director of Communications & Outreach

Committee Business

Committee approved the January minutes. 2014 meetings are 11:30-1:00pm:

February 21, R5020 Ross School

March 21, Room 1070 South Hall Law School

April 11, 2609 School of Social Work

MMenlo invited members to a worker speak out event hosted by USAS February 19 at 7:30 PM in East Quad, Room 1405. The event will feature Bangladesh workers on tour in the US leading the movement for safer workplace conditions in their country. Kalpona Akter is the front woman for the Bangladesh Center for Worker Solidarity, a leading labor rights organization in that country, and Reba Sikder is a survivor of the April 2013 Rana Plaza factory collapse.

MMenlo invited the committee to organize a daytime meeting with the workers from 12:30-1:30 on the 19th. The location for this meeting is Ross School R5020.

Operational Leadership

The committee commented on revisions to draft versions of the preamble and remediation sections of the Code of Conduct. A revised version will be circulated by email soliciting committee comments. A final version will be forwarded to the president's office for further review.

Research and Educational Leadership

The committee continued discussion of organizing a Fall 2014 symposium celebrating the committee's 15 year anniversary. This would be a two-day event beginning Thursday evening and continuing into Friday afternoon. Dates will be based on the football schedule:

9/13 Miami (Ohio) – Not a likely date

9/20 Utah – Not a likely date

9/27 Minnesota- Yes, possible dates could be 9/25-26

10/11 Penn State – yes, possible dates could be 10/9-10

11/1 Indiana – No because this is homecoming weekend and lodging would be difficult

11/22 Maryland – Not a likely date

Ross Business School cannot confirm space requests until later in the year. Committee indicated a preference for a central campus school to attract participants and classes. Finding available visitor lodging is a foreseeable challenge on football weekends. Decision to be made before the academic year ends in the spring.

Cambodia internships: Of the applications received by the deadline of January 22, two students were awarded and notified on Jan 28. Awardees hail from the School of Public Health and the School of Social Work. NRine will meet with one of them today to discuss placement possibilities.

Monitoring and Compliance: Fire and Building Safety Issues.

Today's meeting agenda included two conference calls with representatives of the Collegiate Licensing Company and the Fair Labor Association. Both parties were asked to provide perspectives on the fire and building safety issues in Bangladesh. LKennedy outlined the need for universities to establish clarity with their institutional goals, to analyze the situation well and to consider next steps. She added that while the initiatives set up in the last six months do not have results yet, many licensees have already left Bangladesh. The committee may want to read recent article in the Guardian on Bangladesh garment factories.

<http://www.theguardian.com/world/2014/feb/06/bangladesh-garment-factories-child-labour-uk>

LKennedy mentioned incentives as approach alternative to adding another mandate to their agreements with licensees. Licensees that have chosen to be transparent by remaining in Bangladesh and signing up with the Accord, the Alliance or both would likely respond well to positive visibility of their product or brand name, anything to help them get competitive. She indicated that U-M's March renewal is approaching. The responses to the annual corporate responsibility surveys are widely varied. Some brands such as Russell have shown huge shifts in how they address CR matters. Their factory listing is publicly available on their web site. Other licensees demonstrate little awareness of CR issues. The committee asked questions about licensee incentives: premium treatment in contracts, fast tracking, exclusive contracts, or other incentives such as thanking licenses with a point of purchase sign in stores, web announcements, and articles in university communications. The university has wide latitude on what it can ask its licensees to comply with and when (e.g., update as and when more information becomes available).

After the CLC call, the committee held its first meeting by phone with FLA's new CEO, Claudia Coenjaerts. She commented on her 22 year background with the International Labour Organization. Claudia spoke generally about the current situation in Bangladesh. Factory issues stem from the garment industry having grown too fast in Bangladesh. Local legislation needs to be in place with more stringent labor inspectors. What is needed is a strong labor inspectorate in Bangladesh. With the recent shift and worldwide response to improve conditions, programs and sustainable solutions are developing quickly. The Accord and the Alliance are not the only initiatives. The ILO has established a program to address systemic issues. To avoid duplication of efforts, the FLA will develop a fire safety initiative to train trainers on fire and health safety issues through a National Institute for Occupational Safety and Health (NIOSH) certified program. They will implement the program with the Alliance and the Accord to make it efficient and cost effective. FLA believes that the issue is not specific to Bangladesh only but building and fire safety is part of a broader safety issue. It has developed a new methodology to assess compliance, enhanced it to include fire safety and is taking a longer-term approach. FLA believes that there needs to be more collaboration between the Accord and the Alliance. ILO will try to promote such collaboration between the two and other initiatives with the ultimate goal to develop a national program.

KAblauf provided an update on the licensees regarding the building and safety issues. Some licensees are saying that they are sourcing from Bangladesh. Outdoor Cap, a supplier to Meijer and not involved in either the Accord or the Alliance, say that it would rather have its money go directly to their factories. Amongst the large licensees, VF Corp is a member of the Alliance.

Other business matters will be addressed at the next meeting. Meeting was adjourned at 1:00pm.