

## **Beyond Means to an End (?): An Appraisal of Kentex Manufacturing Corporation's Occupational Health and Safety Standards**

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### **ABSTRACT**

Kentex Manufacturing Corporation (KMC) is a small business enterprise manufacturing flip-flops and other rubber footwear. It is located in Valenzuela City, Philippines. The population inside the factory reaches two hundred (200) so the management operates on a shifting schedule. On May 13, 2015, a fire broke out in the KMC, which primarily killed seventy-two (72) workers. This study investigated the importance of occupational health, safety standards, protection and human resource development of the employees. The researchers used the following steps in gathering data: (1) interviewing, (2) conducting a profundity research, (3) and citing articles. Based on the gathered data, Personal Ethics—I-thou Relationship is used for the ethical analysis in this case. The management of KMC re-opened the factory last October 2015. Unfortunately, the case against the company was not yet resolved. If the management really wanted to open the business again, they have to undergo legal process. Of course, they need to reassure the workers that, this time, the management follows the regulations mandated by law.

Keywords: Occupational health, Safety standards, Personal Ethics

### **I. INTRODUCTION**

Footwear producers are usually scattered all over the Philippines. In Valenzuela City, big and small factories are gratified by the local government because they provide employment to the necessitous people living nearby. However, behind these seemingly thriving industries, catastrophes are waiting to happen. This is what happened to Kentex Manufacturing Corporation (KMC), a small business enterprise manufacturing flip-flops gutted by fire that lasted for about 7 hours, and killed 72 workers on May 13, 2015. The fire was considered the third worst fire incident in the Philippines.

Kentex Manufacturing Corporation is owned by Terrence King Ong and Beato Ang in 1987 together with their children as co-owners. According to Mrs. Lita Mangay, a resident who has a canteen near the factory, KMC has been operating for almost three decades. Their market was in the various parts of the Philippines and their products were acquired by bulk. Finished products are delivered to retailers or are stocked in the factory. During “pakyawan” or peak seasons, more workers earn a living at Kentex. The population inside the factory usually reaches two hundred (200). The employees do not sign an employment contract with the management of KMC, most of employees signed a contract at CGC Man Power Services. Only a few were taken as regular employees

and the rest of them were considered project-based employees. As per Lea Bersabal, a former worker of KMC, the employees work eight (8) hours a day and receive a salary of ₱ 202.00 (\$4.00/day). This amount is below the mandated minimum wage (₱ 481.00/day) in the National Capital Region (NCR). If the employees worked overtime, they will receive additional ₱ 29.00 (\$ 0.63) per extra hour of work. They have daily quotas to meet. The CGC Manpower Services deducts ₱100.00 (\$2.12) cash bond from their weekly wage. The workers only receive the total amount of their salaries after five (5) months. This is equivalent to ₱ 2000.00 (\$42.45). The management of KMC do not submit the monthly deductions proposed for the social security benefits through government agencies such as the Social Security System (SSS), Philhealth (health care) and PAGIBIG (housing).

According to Rodel Hilardes, a reliable witness and a former employee of the factory, the production process was located on the ground floor of the building while the checking and packaging of products was located on second floor. The chemicals and machineries are found on the ground floor with the unlabeled flammable chemicals placed beside the wall without proper storage and ventilation. There is no fire exit in second floor. Additionally, there were no fire alarms in the building, and drills were not conducted. The thick steel mesh that enclosed the factory's windows caused the virtual captivity of workers.

On May 13, 2015, just a typical day for everyone working in KMC, at around 11:30 a.m., the owner, Mr. Terence King Ong, asked his son, Tristan King Ong, to join him for lunch. Tristan turn down his father's offer and chose to stay in the factory. Based on what Mr. Hilardes said, the welder was repairing the factory's roll-up metal gate which was near the highly consumable chemicals are located. The chemicals were delivered two days before the incident, but they failed to store it in a proper place. The secretary of Mr. Terence, named Josie Ty, assured the welder that it would be safe to do welding repairs in that areas since the chemicals were already covered with canvas. Unfortunately, the first spark immediately ignited the chemicals causing a small fire. The other workers who saw the incident panicked. Hoping to stop the fire, other workers directly went off to get buckets of water while others took fire extinguishers, which made the fire explode more. The fire was getting big and the workers on the first floor started to run outside.

After Mr. Tristan noticed the fire, he instantly climbed up to second floor to alert the workers about the blaze, but the first floor was already devoured by fire. Mr. Tristan and all the employees in the second floor were trapped.

Risk management was less likely done. Contingency plans were apparently not perceived. Employees never underwent in fire drills, earthquake drills and other drills that may help them survive. They were also not informed where the fire exits are. Employees were not given proper attires that may protect them against harmful chemicals. There were fire exits, but the only passage is the gate on the first level. Windows were wired up and were enclosed by metal bars. Some exits were blocked by vast metal containers. The building did not have fire sprinklers and fire extinguishers.

The workers' safety and health should not be left to the clemency of companies' voluntary agreement or self-regulation. The strict implementation of occupational health

and safety standards should be more of the responsibility of the local government than the company itself. Consecutive occupational accidents leading to deaths of workers only show that current policies and rules on occupational health and safety standards continue to fail in protecting workers and avoiding heart-rending accidents. With respect to occupational health and safety standards, the government apparently falls short in guaranteeing that factories and workplaces comply with occupational health and safety standards (OHS).

After the incident, some of the workers' families signed settlements with the owner of the factory. The government ordered assistance to these families while they also endorse criminal charges against the owners. According to Mr. Dionisio Candido, the father of one of the victims who died in the incident, Ms. Barbara Ang, the daughter of the owner of the KMC made him the representative for the families who wanted to settle for money. Sixty eight families already settled in the agreement of receiving a ₱ 151,000.00 (\$3205.64) and additional ₱ 30,000.00 (\$636.88). The remaining four families were assisted by Kilusang Mayo Uno (KMU). The workers who managed to survive received ₱ 25,000.00 (\$530.74), and they were assured that they will be hired in any manufacturing company where they will apply. Although some of the survivors did not want to go back to the same type of job because of the trauma, most of them used the assistance they received to open small businesses.

Nowadays, people need a job to support their basic needs and to improve their welfare. In recent years, good jobs are mostly available to holders of bachelor's degree and post baccalaureate degrees. Today, however, even those who graduated college find it difficult to get a job in their supposed field.

Based on the past report of Philippine Statistics Authority (PSA), in year 2014, the average rate of the unemployed is 6.8 percent which is roughly equivalent to 2.7 million jobless Filipinos. In the present year, the unemployment rate increases to 7.5 percent which is equivalent to 2.96 million. This shows that the increasing unemployment rate can be one of the main reasons why Filipinos settle for any kind of job that would suffice their needs as an individual.

## **II. HEALTH AND SAFETY AS PRIORITY IN THE BUSINESS**

In business ethics, health and safety working condition is a must. Occupational Safety and Health Act (OSHA) says that "To ensure so far as possible every working man and woman in the nation safe and healthful working conditions, and it places a duty on employers to provide a workplace free from recognized hazards that are causing or likely to cause death or serious injury" (Shaw W. H., 1999). Furthermore, the Department of Labor and Employment (DOLE) also states that "Safety and Health standards- by appropriate orders, set and enforced mandatory occupational safety and health standards to eliminate or reduce occupational safety and health hazards in all workplaces and institute new, and update existing, programs to ensure safe and healthful working conditions in all places of employment", thus, the businesses should follow with the standard set by DOLE. It is the responsibility of every employer to provide a

safe workplace for their employees by giving the latter proper knowledge about hazardous materials and proper attires and clothing for their type of work.

Based on Warehouse, Industrial and Manufacturing Dress Code, one of their general rules is to ensure that the workers wear clothes that are appropriate to their job. Also clothes that have a precautious signs are required for the knowledge of every worker.

Some businesses require uniformity in employee attires, but the attires are in line with dress function and comfortability. Therefore, as our provisions prevail, rules and regulations are should be followed to ensure health and safety.

### **III. IMPORTANT ASPECTS IN THE WORKPLACE**

According to the National Building Code of the Philippines, Section 1.01.02: “It is hereby declared to be the policy of the state to Safeguard life, health, property and public welfare... the purpose of this code is to provide all buildings and structure, a framework of minimum standards and requirements by guiding, regulating and controlling their location, sitting, design, quality of materials, construction, use, occupancy, and maintenance, including their environment, utilities, fixtures, equipment, and mechanical electrical and other systems and installations.”

Fire prevention plans, exit routes, ventilation, and safety management of highly hazardous chemicals should be of utmost importance and requirement for the safety of the employees.

According to the National Building Code of the Philippines, compliance with the set standards is highly required because it can save many lives in times of danger. The contravention of the KMC that caused the death of the seventy-two (72) workers are:

- Compliance with alternate exit routes codes: Employer must in compliance with the exit-route provisions.
  - The windows were covered with steel mesh which could not be easily destroyed even when emergencies occur. There’s one fire exit but, when the authorities checked it, somehow it was locked and won’t open.
- Fire Prevention Plans: Employer must have a fire prevention plan that follows the standard of BFP and OSH
  - Survivors also noted that even when the ground floor was already filled with smoke, workers in the assembly line and the office staff at the second floor still continued working. They said the fire spread so quickly that they were trapped inside and there was no other way for them to go out except through the main door. Workers who had been working for years in Kentex have not experienced any fire and safety drill conducted by the management. The workers who were interviewed did not know if there was one, Safety Officer.

- Fire Extinguishers: Employer must identify what kind of fire extinguishers should be used and should be based on the type of chemicals the business is using. Place it in the more accessible part of the building.
  - The workers even recounted that they heard no fire alarm. They do not have any knowledge about what type of fire extinguisher they should use in case of fire. That is why when the fire started, workers do not have any idea what to do. They even made the fire exploded when they use water & foam fire extinguisher.
- Ventilation & Hazardous Chemicals: Air exhaust and air ways should be properly placed for the betterment of temperature inside the building. Chemicals that are easily burned should be placed away from heat factors, and precautions are necessary for the knowledge of the workers.
  - Stock container chemicals that they were using in manufacturing those flip-flops were not in the proper place. The chemicals were not properly arranged based on their characteristics. They did not label all chemicals and place an appropriate fire extinguisher for it.
- Population: The number of employees should be appropriate and the maximum number should be recognized by the capacity of the building.
  - The establishment was reaching almost 200+ employees having shifting to operate daily. The capacity of the building is 60+ employees, but they reach almost 100 workers daily.

#### IV. PERSONAL ETHICS

There are three (3) basic relationship in ethics: the Individual aspects “I-Self”, the Personal Aspect “I-Thou” and the Environmental Aspect “I-We-It.” The personal ethics is about, the relation of its “I” to its “Thou”. According to Kant’s Categorical Imperative “Act so that you use humanity, as much in your own person as in the person of every other, always at the same time as end and never merely as means”

The case of KMC is related in Personal Ethics because; “Act so that you use humanity” means humanity should be the grounds in every act. And “as much in your own person as in the person of every other” You should put yourself in the position of others; treat others the way you wanted to be treated. “Always at the same time as end and never merely as means” The “end” means what should be done correctly, and the “means” mean the other way around. Example, the employer-employee relationship between KMC management and their workers, the management should give salary to the workers for them to grow and develop. That is the “end”. The “means” here is when the

management use the workers for them to gain profit without taking care of the workers' health, safety and protection.

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