



# BANGLADESH

country study 2018



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# INTRODUCTION

Bangladesh has experienced rapid growth and development in the past decade, with an average growth in Gross Domestic Product (GDP) of 6.4 per cent since 2010. The World Bank has classified Bangladesh as a lower middle-income country since 2014. The garment sector of Bangladesh – the biggest contributor to the country's export earnings – is now the second largest exporter of ready-made garments (RMG) after China<sup>1</sup>. The garment industry is also making strides in becoming a more sustainable market for investment and sourcing through an improved policy framework, better working conditions, adoption of energy efficient production processes, and building backward linkages<sup>2</sup>.

The sector, however, has also experienced significant setbacks in recent years. The devastating incidents of the Tazreen Group factory fire in 2012 and the Rana Plaza building collapse in 2013 raised widespread international attention to the working conditions in the RMG sector, and the role of international buyers in protecting workers at supplier factories. Subsequently, there have been numerous multi-stakeholder efforts to improve the safety conditions in workplaces inside the RMG industry from employers' organisations, the government, unions, civil society organisations, international organisations, as well as global brands.

Some positive trends in improving worker welfare and workplace safety worth noting include the 2013 amendment of the Labour Act 2006, which brought about changes including the adoption of the National Occupational Health and Safety Policy. The amendment of the Labour Act 2006 also made it easier to register trade unions; as a result of which, according to the MOLE<sup>3</sup>, 351 new trade unions were established in the sector. In addition, two groups were formed in 2013 to help improve workplace health and safety conditions in the garment sector. These groups represent the majority of American and European apparel brands and retail companies, the Bangladesh Accord on Fire and Building Safety, and the Alliance for Bangladesh Worker Safety.

Most of the changes and initiatives as well as factory inspections in the field of occupational health and safety (OHS), however, are centred around export-oriented factories. A large volume of RMG production is still done in unregistered, informal, subcontracting factories that are outside the purview of inspections by the government or other agencies. Running on extremely low capital investments, these factories do not provide adequate working conditions or protection for their employees, making workers vulnerable to violations of labour law and safety codes<sup>4</sup>.

Moreover, there is still a long way to go for the global apparel brands to achieve complete transparency and accountability towards the workers and consumers. Globally, employers and buyers are still reluctant to share complete information about their sourcing factories, making it difficult for the government and civil society to hold companies accountable for workplace safety and security. In line with the United Nations Guiding Principles on Business

1 World Bank. 2017. Bangladesh - Country snapshot (English). Washington, D.C.: World Bank Group.  
<http://documents.worldbank.org/curated/en/375181507886096515/Bangladesh-Country-snapshot>

2 [www.bgmea.com.bd](http://www.bgmea.com.bd)

3 Steps Taken by Ministry of Labour & Employment and Other Related Stakeholders after Rana Plaza Collapse at Savar as of 15th April 2013. (2016, April 21). Retrieved February 8, 2018,  
<http://www.mole.gov.bd/site/page/f0297029-e262-4028-bd07-2f51a98f1ad0/Steps-Taken-for-Rana-Plaza>

4 Labowitz, S., & Baumann-Pauly, D. (2015). Beyond the Tip of the Iceberg: Bangladesh's Forgotten Apparel Workers. NYU STERN. Center for Business and Human Rights. Retrieved December 12, 2017.

and Human Rights, a Transparency Pledge was endorsed in 2016 by a nine-member coalition of labour and human rights organisations and global unions to urge large global apparel brands to publish supplier factory information. A total of 72 companies were contacted to sign the pledge, out of which only 17 have endorsed the standard; 18 are 'moving in the right direction'; 7 are 'taking small steps to providing information'; and 25 showed no commitment or no response<sup>5</sup>.

Bangladesh has yet to ratify key international labour conventions including the Minimum Wage Fixing Convention, 1970 (C131), Collective Bargaining Convention, 1981 (C154), and Minimum Age Convention, 1973 (C138)<sup>6</sup>. Although there are no official reports of child labour in the garment industry, it is still common to find children working in the sector, particularly in supply chain factories such as spinning mills<sup>7</sup>. Similarly, there are still reports of harassment of union leaders by factory management, as well as practical barriers to union registration.

## Fair Wear Foundation

Fair Wear Foundation (FWF) has been active in Bangladesh since 2007. In terms of Free-on-Board (FOB) value produced for FWF member companies, Bangladesh ranks second, only after China. Interestingly, the total FOB volume sourced from Bangladesh by FWF members rose to almost EUR 470 million in 2017, representing an increase of almost 70 per cent compared to the previous year. By the end of 2017, 21 FWF members sourced from 231 active factories in Bangladesh.

FWF audits show that (involuntary) excessive overtime remains a common issue in Bangladesh, along with low wages, which continue to be far from a living wage. Lack of healthy worker-management dialogue and restrictions on workers' rights to freedom of association also remain common. FWF will continue to emphasise the importance of a brand's sourcing practices to address these issues. Two high-risk topics FWF is focussing on are the prevention of violence against women and building and fire safety. Since 2014, FWF has been implementing the 'Enhanced Programme for Monitoring and Remediation in Bangladesh'. This remediation programme calls for extra efforts on the following issues requiring immediate attention:

- *Protecting women workers' safety and preventing harassment at work*
- *Ensuring the building and fire safety of factories*

The Enhanced Programme was created to enhance, rather than substitute, existing programmes. It aims to support pre-existing initiatives and efforts, such as the Bangladesh Accord on Fire and Building Safety, while optimising the impact of FWF member companies' monitoring activities. Therefore, FWF requires action from its member companies to complement FWF's own activities in Bangladesh. The programme addresses issues around sourcing practices, and proper monitoring and remediation of issues related to those outlined above.

5 More Brands Should Reveal Where Their Clothes Are Made. (2017, April 20). Human Rights Watch. Retrieved December 12, 2017 <https://www.hrw.org/news/2017/04/20/more-brands-should-reveal-where-their-clothes-are-made>

6 [http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210\\_COUNTRY\\_ID:103500](http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210_COUNTRY_ID:103500)

7 Bangladeshi Child Labourer 'Tortured to Death' at Textile Mill. (2016, July 25). The Guardian. Retrieved February 8, 2018 <https://www.theguardian.com/world/2016/jul/25/bangladeshi-child-labourer-tortured-to-death-at-textile-mill>

In Bangladesh, FWF implements the Workplace Education Program (WEP) and the FWF Helpline: a phone number workers and stakeholders can call with complaints regarding factory compliance with the FWF Code of Labour Practice (FWF CoLP). The basic WEP module focuses on the establishment of anti-harassment committees, and builds awareness and understanding of the FWF complaints hotline and the benefits of setting up functional grievance mechanisms for workers and factory managers. The WEP training serves to raise awareness of labour rights and mechanisms that offer access to remediation. The WEP is carried out in factories that are a part of the FWF members' supply chain. In addition, FWF has been organising trainings on fire and building safety for factory managers and trade unions since 2014.

FWF will continue to provide updated information on Bangladesh at [www.fairwear.org](http://www.fairwear.org) and will update this country study on a periodic basis in the future.

# 1. HOW TO READ THIS COUNTRY STUDY

This country study should provide a clear and concise picture of the industry, labour law, labour conditions and industrial relations within the textile/garment industry. The study is prepared through gathering information about national laws and local stakeholders' view on labour issues in the garment industry in Bangladesh. If you would like to learn more on which stakeholders are interviewed for this study, please click study, click here.

**Chapter 2. *General country information***, describes the economic, social, political, governance, and the general human rights situation of the country, using international indicators to compare the country to other garment producing countries. The section may be useful to get an overview of the business environment in the country and may be of interest to new investors as well as researchers.

**Chapter 3. *Stakeholders***, briefly presents the main stakeholders that are active in the garment/textile industry. The focus is on stakeholders that have actual impact on labour conditions or play an active role in monitoring the situation for workers in the industry. Stakeholders are broadly divided across four groups, namely, government institutions, employers' organisations, trade unions, and labour NGOs active in the garment sector. This chapter serves as a reference point for stakeholders and brands that want to engage with or consult a local stakeholder for further information or help concerning their activities in Bangladesh.

**Chapter 4. *Garment industry***, presents an overview of the situation of the garment industry in Bangladesh, areas of production, major products, total employment, and social composition of the sector.

**Chapter 5. *Industrial relations***, describes the trade union situation in the country, both in general and for the garment industry in particular. This chapter gives important information about industrial disputes settlement procedures, the country's existing social dialogue mechanism, and their practical implementation.

**Chapter 6. *Implementation of the FWF Code of Labour Practices***, assesses the implementation of every standard of the FWF Code of Labour Practices through official statistics on compliance (where available), laws and regulations, as well as the views of different stakeholders regarding their implementation. The main FWF audit findings over the last three years and examples of complaints received by FWF are also presented for each standard. Auditors and brands can use this section as a reference resource for their monitoring activities.

## 2. GENERAL COUNTRY INFORMATION

The People's Republic of Bangladesh is located in South Asia, bordering India and Myanmar. The country became known as East Pakistan after it separated from India in 1947. Following the Bangladesh Liberation War, it separated from West Pakistan<sup>8</sup> in 1971 and became a secular, democratic republic. With an area of 147,570 sq. km and home to almost 163 million inhabitants, Bangladesh is one of the most densely populated countries in the world<sup>9</sup>.

### 2.1. Economic indicators

Bangladesh ranked 139 out of 188 countries on the Human Development Index (HDI) in 2015, while India ranked 131, and Myanmar ranked 145<sup>10</sup>. The Gross Domestic Product (GDP) per capita in the same year for Bangladesh was \$3,137 (2011 PPP\$), compared to Sri Lanka at \$11,048, and India at \$5,730.<sup>11</sup> The total GDP of Bangladesh in 2016 was \$221.4 billion. The GDP of neighbouring Myanmar was \$63.3 billion, and that of India was \$2.2 trillion.<sup>12</sup>

Major export commodities of Bangladesh include garments, agricultural products, frozen food (fish and seafood), jute and jute goods, and leather. Major export partners in 2016 were the US (16.4 per cent share of total exports), Germany (15.3 per cent), UK (10.9 per cent), France (6.1 per cent), and Spain (5 per cent).<sup>13</sup> In 2015-16, exports were driven mainly by woven garments (43.04 per cent) and knitwear (39 per cent).<sup>14</sup>

### 2.2. Social, political & governance indicators

Bangladesh scored 5.43 on the Economist Intelligence Unit's (EIU) Democracy Index in 2017, its lowest score in a decade, ranking 92<sup>nd</sup> among 167 countries. In the same year, India stood at the 42<sup>nd</sup> position.<sup>15</sup> The Democracy Index scores 167 countries on 60 indicators. The scores range from 0 to 10, where 0 represents an authoritarian regime, and 10 represents full democracy. Bangladesh stands in the middle and has been labelled a 'hybrid regime' referring to significant irregularities in elections, weak civil society, and government pressure on opposi-

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8 Human Development Report 2016: Human Development for Everyone (Publication). (2016). Retrieved February 7, 2018, from United Nations Development Programme website:

[http://hdr.undp.org/sites/default/files/2016\\_human\\_development\\_report.pdf](http://hdr.undp.org/sites/default/files/2016_human_development_report.pdf)

9 World Bank Group. Retrieved December 11, 2017

[http://databank.worldbank.org/data/Views/Reports/ReportWidgetCustom.aspx?Report\\_Name=CountryProfile&Id=450fd576tbar=y&dd=y&inf=n&zm=n&country=BGD](http://databank.worldbank.org/data/Views/Reports/ReportWidgetCustom.aspx?Report_Name=CountryProfile&Id=450fd576tbar=y&dd=y&inf=n&zm=n&country=BGD)

10 Human Development Report 2016: Human Development for Everyone (Publication). (2016). Retrieved February 7, 2018, from United Nations Development Programme website:

[http://hdr.undp.org/sites/default/files/2016\\_human\\_development\\_report.pdf](http://hdr.undp.org/sites/default/files/2016_human_development_report.pdf)

11 Ibid

12 World Bank Group. Retrieved December 11, 2017

<https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=BD-MM>

13 The World Factbook. Retrieved February 8, 2018

<https://www.cia.gov/library/publications/the-world-factbook/geos/bg.html>

14 <http://www.epb.gov.bd/>

15 Bangladesh's Score on Democracy Index Lowest in a Decade. (2018, January 31). Bdnews24.com. Retrieved February 12, 2018

<https://bdnews24.com/bangladesh/2018/01/31/bangladeshs-score-on-democracy-index-lowest-in-a-decade>

tion parties. Bangladesh scored 5.73 in 2016, ranking 84th among 167 countries. Neighbouring India scored 7.81 the same year falling under the category of a 'flawed democracy'.<sup>16</sup>

In 2017-2018, the Rule of Law Index of the World Justice Project (WJP) ranked Bangladesh at 102 among 113 countries, with a score of 0.41, representing weak adherence to rule of law. The scores range from 0-1, with scores below 0.40 indicating weaker adherence to rule of law and scores above 0.81 representing strong adherence to rule of law. India ranked 62, while Nepal ranked 58 on the index. The Rule of Law index captures eight factors, namely, constraints on government powers, absence of corruption, open government, fundamental rights, order and security, regulatory enforcement, civil justice, and criminal justice.<sup>17</sup>

In 2016, Bangladesh was ranked 145 out of 176 countries by Transparency International in its Corruption Perceptions Index (CPI), scoring 26 out of 100. The score ranges from 0 to 100, with 0 indicating 'highly corrupt' and 100 indicating 'very clean' based on public perceptions on public sector corruption. Corruption is endemic in the region, with India ranking 79, Pakistan 116, and Nepal 131 on the index.<sup>18</sup>

## 2.3. Income and poverty

Bangladesh has made significant progress in terms of economic growth and poverty reduction, with strong and stable GDP growth averaging 6.4 per cent annually since 2010.<sup>19</sup> The GDP per capita for Bangladesh was \$3,137 (2011 PPP\$) in 2015, compared to Nepal at \$2,313, and India at \$5,730.<sup>20</sup> Around 14 per cent of the population lived on \$1.90 per day in 2016 compared to 44.2 per cent or almost half of the population living below the poverty line in 1991. One in four people, or 24.3 per cent fell under the national poverty line in 2016 compared to 48.9 per cent in 2000.<sup>21</sup>

According to the World Bank's World Development Indicators, the GINI index value for Bangladesh was 32.1 in 2010, compared to 33.4 in 2000. A value of 0 on the index implies perfect equality, while a value of a 100 implies perfect inequality. Bangladeshi society was more equal compared to India, which scored 35.2 on the index in 2011 (data not available for 2010). Latest GINI index data for Bangladesh is not available.<sup>22</sup>

## 2.4. General human rights situation

According to Amnesty International's Country Report 2016-17, there were serious violations of freedom of expression when armed attacks by terrorists targeted foreign nationals, activists, and members of the LGBTI community. The government response was said to be inadequate and in violation of human rights, with enforced disappearances of protesters and arbitrary arrests.<sup>23</sup>

<sup>16</sup> <https://infographics.economist.com/2017/DemocracyIndex/>

<sup>17</sup> [https://worldjusticeproject.org/sites/default/files/documents/WJP\\_ROLI\\_2017-18\\_Online-Edition.pdf](https://worldjusticeproject.org/sites/default/files/documents/WJP_ROLI_2017-18_Online-Edition.pdf)

<sup>18</sup> [https://www.transparency.org/news/feature/corruption\\_perceptions\\_index\\_2016](https://www.transparency.org/news/feature/corruption_perceptions_index_2016)

<sup>19</sup> World Bank. (2017). Bangladesh - Country Snapshot (English). Washington D.C.

<http://documents.worldbank.org/curated/en/375181507886096515/Bangladesh-Country-snapshot>

<sup>20</sup> Ibid

<sup>21</sup> <https://data.worldbank.org/country/bangladesh>

<sup>22</sup> <http://databank.worldbank.org/data/reports.aspx?source=2&series=SI.POV.GINI&country=>

<sup>23</sup> Bangladesh 2017/2018. (2018). Retrieved December 12, 2017

<https://www.amnesty.org/en/countries/asia-and-the-pacific/bangladesh/report-bangladesh/>

Since 2013, there have been reports of at least 30 people killed in terrorist attacks. The attacks were initially targeted towards bloggers, but later expanded to include religious minorities, foreigners, Muslims from other sects, and even Sunnis with moderate religious views.<sup>24</sup>

Women's security continues to be threatened; between 2016 and 2017, 671 rape cases were reported in the media. Ain O Shalish Kendra, a human rights organisation, claims that incidences are actually much higher than these figures published by the media portray, as most cases go underreported.<sup>25</sup>

Garment workers' freedom of expression and association were threatened when, in December 2016, workers took to the streets in Ashulia protesting against low wages and 1500 workers ended up losing their jobs, while 38 union leaders were arrested.<sup>26</sup> A TV journalist was also arrested during the incident for allegedly spreading misleading news.<sup>27</sup>

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24 Harrison, E. G., & Hammadi, S. (2016, June 12). Inside Bangladesh's Killing Fields: Bloggers and Outsiders Targeted by Fanatics. Retrieved April 10, 2018

<https://www.theguardian.com/world/2016/jun/11/bangladesh-murders-bloggers-foreigners-religion>

25 Ibid

26 Ibid

27 Bangladesh Garment Factories Sack Hundreds after Pay Protests. (2016). Retrieved April 15, 2018

<https://www.theguardian.com/world/2016/dec/27/bangladesh-garment-factories-sack-hundreds-after-pay-protests>

# 3. STAKEHOLDERS

*In this section a number of stakeholders active in the garment/textile industry in Bangladesh are briefly presented. The focus is on stakeholders who are actively part of forming the labour conditions or monitoring the situation for workers in the industry.*

*To find out which stakeholders we consulted for this country study, [click here](#).*

## GOVERNMENTAL INSTITUTIONS

### Ministry of Labour and Employment

The Ministry of Labour and Employment aims to reduce poverty by creating employment opportunities, establishing Technical Training Centres (TTCs) to train semi-skilled and skilled workers, enhancing factory productivity by creating a friendly working environment between workers and employers, ensuring the welfare of workers in different industrial areas, implementing labour laws, fixing up minimum wages, and ensuring workplace justice through Labour Courts.<sup>28</sup>

### Ministry of Commerce

The Ministry of Commerce is responsible for policy regulation and implementation around domestic and foreign trade. Its main functions include fixing export targets, and monitoring performance and compliance. The ministry provides policy support towards facilitating and enhancing ready-made garment (RMG) exports, and monitors and evaluates RMG-related export earnings.<sup>29</sup>

### Ministry of Industries

The Ministry of Industries is responsible for developing new policies and strategies for the promotion, expansion, and sustainable development of the industrial sector of the country. There are several governmental initiatives to strengthen the RMG sector: a Social Compliance Forum, a Taskforce on Occupational Safety in RMG, and a Taskforce on Labour Welfare in RMG.<sup>30</sup>

### Department of Labour

This department has been continuously working to facilitate effective labour management relations, collective bargaining and negotiation, and to ensure the prompt and efficient settlement of labour disputes in the country's industrial sectors.<sup>31</sup>

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28 <http://www.mole.gov.bd>

29 <http://www.mincom.gov.bd/about.php>

30 <http://moind.portal.gov.bd>

31 <http://www.dol.gov.bd>

## Department of Inspection of Factories and Establishments (DIFE)

The Department of Inspection for Factories and Establishments (DIFE) works to ensure legal rights, and safe and hygienic workplaces for a large number of workers. After the Rana Plaza and Tazreen incidents, the government of Bangladesh, with technical support from the International Labour Organization (ILO) and other development partners, reformed the DIFE with additional staff, an organisational budget, and capacity. The department now has 575 inspectors, and more are being recruited. Over 1500 factories have since been assessed for occupational health and safety (OHS) standards and factories are mandated to carry out remediation based on support. The Remediation Coordination Cell (RCC) oversees remediation, with technical assistance from the ILO. Safety Committees have also been established in over 200 factories.<sup>32</sup>

## Labour Appellate Tribunal

The Labour Appellate Tribunal and labour courts deal with labour-related cases in accordance with the Bangladesh Labour Act 2006.

## Minimum Wages Board

Bangladesh does not have a minimum wage act, but a Minimum Wage Board was established in 1959 under the Ministry of Labour and Employment (MOLE) to govern and fix minimum wages.<sup>33</sup> In 2013, the Bangladesh Labour Amendment Act succeeded the Labour Act. The Minimum Wage Board determines the minimum wage. Minimum wages must be increased at least every five years. The Minimum Wage Board may also decide to raise the minimum wages on an ad hoc basis. Since it was founded, the Board has increased the minimum wage for the garment sector three times: in 2010, 2013, and 2018.

## Export Promotion Bureau (EPB)

Under the Ministry of Commerce, the EPB is the government agency entrusted with export promotion. The Textile Division is its most important section, as it works to promote RMG exports. It also issues certificates for the Generalised System of Preferences (GSP), Certificate of Origin and SAARC Preferential Trading Arrangement (SAPTA), as well as Annex-III certificates for the export of RMG products. The export-oriented garment factories have to be enrolled with the Textile Division of EPB to receive advice and support.<sup>34</sup>

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32 Steps Taken by Ministry of Labour & Employment and Other Related Stakeholders after Rana Plaza Collapse at Savar as of 15th April 2013. (2016, April 21). Retrieved February 8, 2018

<http://www.mole.gov.bd/site/page/f0297029-e262-4028-bd07-2f51a98f1ad0/Steps-Taken-for-Rana-Plaza>

33 <https://wageindicator.org/main/salary/minimum-wage/bangladesh/bangladesh-minimum-wage-faqs>

34 <http://www.epb.gov.bd/index.php/home/aboutepb/12>

## EMPLOYERS ORGANISATIONS

### The Bangladesh Garment Manufacturers and Exporters Association (BGMEA)

BGMEA, one of the largest trade associations, was established in 1983 to promote the apparel industry by working in the area of policy advocacy, member services, social compliance, and workers' rights. BGMEA works to protect the interests of the industry and ensure sustained growth in foreign exchange earnings. BGMEA has around 4,300-member factories, representing around 40 per cent of knitwear and sweater manufacturers, 60 per cent of which are woven garment manufactures.<sup>35</sup>

### Bangladesh Knitwear Manufacturers & Exporters Association (BKMEA)

BKMEA is the apex trade body representing the knitwear sector of Bangladesh. It was established in 1996 as a trade association to facilitate and promote knitwear business. At present, it has around 2,000 knitwear manufacturers and exporters as its members.<sup>36</sup>

### The Federation of Bangladesh Chamber of Commerce & Industry (FBCCI)

The FBCCI is the apex trade organisation which has existed since 1973 to safeguard the interests of the private sector and promote the growth of trade and industry through information management and sharing, promotion of Foreign Direct Investment (FDI), and coordination with government and non-government stakeholders.<sup>37</sup>

### Bangladesh Employers' Federation (BEF)

The BEF is a national organisation of employers established in 1998 to represent employers from all sectors. Its objectives are to protect and promote the legitimate rights of employers, represent their views on employment and related socio-economic policy issues at national and international level, as well as facilitate labour market efficiency and skills development for enterprise sustainability and national economic growth.<sup>38</sup>

## TRADE UNIONS

### IndustriALL Bangladesh Council (IBC)

The IBC is part of the IndustriALL Global Union (IGU) which represents 50 million workers in 140 countries in the mining, energy, and manufacturing sectors in their fight towards better working conditions and trade union rights. It holds global multinational corporations accountable towards the workers. IGU has been actively involved in registering new trade unions and developing their skills, in collaboration with the ILO.<sup>39</sup> The IndustriALL Bangladesh Council (IBC) works closely with other affiliate trade union federations within Bangladesh to improve the conditions of workers and trade unions in the Bangladeshi garment industry.

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35 <http://www.bgmea.com.bd>

36 <http://www.bkmea.com>

37 <http://www.fbcci-bd.org>

38 <http://www.bef.org.bd>

39 <http://apirnet.ilo.org/news/ilo-joins-hands-with-bangladesh-industriall-council>

## The National Garment Workers Federation (NGWF)

The National Garment Workers Federation (NGWF) is the largest trade union federation in the garment industry. It has been operating since 1984, with a total membership of 78,000 workers in 12 garments industrial zones, including 61 registered factory unions and 1,255 factory committees. NGWF is affiliated with IndustriALL and Accord on Fire and Building Safety, as well as a member organisation of the Conciliation-cum-Arbitration Committee (joint body of eight garment workers federations and the BGMEA).<sup>40</sup>

## Other Trade Unions

Other IGU-affiliated trade unions active in the RMG sector include Sommito Garments Sramik Federation (SGSF), Bangladesh Apparels Workers Federation (BAWF), Akota Garments Workers Federation (AGWF), United Federation of Garment Workers (UFGW), Federation of Garments Workers (FGW), Bangladesh Textile and Garments Workers League (BTGWL), Bangladesh Revolutionary Garment Workers Federation (BRGWF), Bangladesh Independent Garment Workers Union Federation (BIGUF), Bangladesh Garments, Textile & Leather Workers' Federation (BGTLWF), Garments Tailors Workers League (GTWL), Shadhin Bangla Garments Sramik Karmachari Federation (SBGSKF), and Bangladesh Garment and Industrial Workers Federation (BGIWF).<sup>41</sup>

## NATIONAL LABOUR NGOS

### Karmojibi Nari (KN)

Karmojibi Nari works with women and women workers to help them realise their human rights, dignity, and labour rights. KN has been working with garment workers since 1996, organising and empowering them to improve their working conditions. The objectives taken directly from their website include promoting women workers' organisation, developing leadership skills of women workers, strengthening women's participation in trade unions, supporting implementation of national and international labour laws, and developing skills of working women.<sup>42</sup>

### Awaj Foundation

Awaj Foundation is a non-governmental organisation working in Bangladesh since 2003. Awaj Foundation works closely with factory workers, factory owners, employers' organisations, and buyers to improve the welfare of workers in the garment industry. It has a vast reach in the sector, with a network of around 255,719 workers. Awaj works in the areas of legal empowerment of workers, workplace safety, women's empowerment, women's rights and awareness, and health rights of women.

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<sup>40</sup> <http://ngwfbd.com>

<sup>41</sup> <http://www.industrial-union.org/affiliates/bangladesh>

<sup>42</sup> <http://www.karmojibinari.org>

## Phulki

Phulki works to protect the human rights of women and children. Phulki has been active in Bangladesh since 1991 in childcare and Early Childhood Development (ECD). In partnership with Alliance for Bangladesh Workers Safety, Phulki has been operating the Amader Kotha (Alliance Worker Helpline) for RMG workers in the Bangladesh ready-made garments sector under the Clear Voice Helpline project. The project working areas include Dhaka, Gazipur, Savar, Narayanganj, and Chittagong. The helpline allows workers to report factory safety issues. The helpline workers share the issues with factory management and, if necessary, to Alliance and related brands, thus ensuring accountability and action on the part of factory management.<sup>43</sup>

## Bangladesh Labour Welfare Foundation (BLF)

BLF was established as an NGO in 2001, and works to promote human and labour rights in Bangladesh, while prioritising the growth of trade unions for the welfare of working men, women, and their families.<sup>44</sup>

## INTERNATIONAL ORGANISATIONS/INITIATIVES FOCUSED ON LABOUR CONDITIONS

### International Labour Organization (ILO)

ILO has been active in Bangladesh since 1973, working with the government, workers, and employers' organisations to promote decent and productive employment opportunities for women and men in Bangladesh. ILO works closely with the Government of Bangladesh, Bangladesh Employers' Federation (BEF), the National Coordination Committee for Workers' Education (NCCWE), and the IndustriALL Bangladesh Council (IBC) to improve the working conditions in the garment industry.<sup>45</sup>

### Better Work Bangladesh

Better Work Bangladesh is part of an ILO initiative - 'Improving Working Conditions in the Ready-Made Garment Sector' -, which supports the National Tripartite Plan of Action on Fire Safety and Structural Integrity. It supported the government in aligning the Bangladesh Labour Code with international standards, creating the Labour Act Amendment in 2013, and improving trade union registration criteria. Since 2015, the programme has been providing advisory, assessment, and training services in over 100 factories in the Greater Dhaka region, which is now being expanded to cover other geographical areas. At present, the Better Work programme works with 19 global brands and retailers, 141 factories, and 301,528 workers.<sup>46</sup>

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43 <http://phulkibd.org>

44 <http://www.blf-bd.org>

45 <http://www.ilo.org/dhaka/Aboutus/>

46 <https://betterwork.org/where-we-work/bangladesh/>

## The Accord on Fire and Building Safety in Bangladesh

The Accord is an independent, legally binding agreement between brands and trade unions designed to work towards a safe and healthy Bangladeshi ready-made garment industry. The Accord has been signed by over 190 apparel companies from over 20 countries in Europe, North America, Asia, and Australia; two global trade unions, IndustriALL and UNI Global; and eight Bangladeshi trade unions. Clean Clothes Campaign, Worker Rights Consortium, International Labour Rights Forum, and Maquila Solidarity Network are NGO witnesses to the agreement. Its purpose is to enable a working environment in which no worker needs to fear fires, building collapses, or other accidents that could be prevented with reasonable health and safety measures.<sup>47</sup> More than 1,800 factories supplying to over 200 companies have been inspected since the establishment of the Accord in 2013. A total of 118,500 fire, electrical, and structural hazards were identified during the initial inspections, and 84 per cent of these have been remediated as of April 2018.<sup>48</sup> A total of 142 factories have completed initial remediation, and 767 Accord factories have completed more than 90 per cent of remediation. Safety committee trainings have been completed in 219 factories.<sup>49</sup>

The five-year agreement, which was due to expire in May 2018, has been extended until May 2021. The 2018 Transition Accord was signed in June 2017, and has so far been endorsed by over 190 companies.<sup>50</sup> However, before the Transition Accord was due to start in June 2018, the Bangladesh High Court put a restraining order on the Accord's inspection programme. This meant that the Accord would have to leave the country after 30 May 2018. At the request of the Bangladesh government, the High Court postponed the date to 30 November and declared that the domestic inspection agency - the Remediation and Coordination Cell - would need to be ready to take over by that date. The Accord office has filed an appeal to lift the restraining order. The Supreme Court decision on this appeal has been postponed six times since 30 November and is now due on 18 February 2019.<sup>51</sup>

## The Alliance for Bangladesh Worker Safety

The Alliance for Bangladesh Worker Safety (Alliance) is a legally binding, five-year commitment to improve safety in Bangladeshi ready-made garment (RMG) factories.

The Alliance was founded by a group of 29 North American apparel companies, retailers, and brands that joined together to develop and launch the Bangladesh Worker Safety Initiative. The Alliance members source from more than 580 factories in Bangladesh.<sup>52</sup>

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47 <http://bangladeshaccord.org>

48 More than 100 brands sign 2018 Transition Accord in Bangladesh. (2018, February 14). Retrieved April 10, 2018  
<http://www.industriall-union.org/more-than-100-brands-sign-2018-transition-accord-in-bangladesh>

49 <http://bangladeshaccord.org/milestones/>

50 More than 100 Brands Sign 2018 Transition Accord in Bangladesh. (2018, February 14). Retrieved April 10, 2018  
<http://www.industriall-union.org/more-than-100-brands-sign-2018-transition-accord-in-bangladesh>

51 <https://cleanclothes.org/safety/protect-progress>

52 <http://www.bangladeshworkersafety.org/>

## SNV

SNV's 'Working with Women' project has been operational since 2014 to ensure garment workers' access to quality and sustainable health services and products, particularly related to Sexual and Reproductive Health and Rights (SRHR). The pilot phase from 2014-2017 reached more than 30,000 workers with accessible health services, with 15,000 workers now having access to health insurance plans.<sup>53</sup>

## 3F

3F works to improve the working and living conditions of workers in the garment and textile industry. In Bangladesh, 3F works to raise awareness on labour rights through trainings and campaigns, and also supports the registration of new trade unions. 3F works directly with brands such as H&M to ensure decent working conditions in factories.<sup>54</sup>

## The Solidarity Center

The Solidarity Center works to ensure that workers around the world have access to safe and dignified livelihoods, access to fundamental labour rights, and a platform to voice their opinions on policies that affect them. The Solidarity Center helps workers achieve this through unionisation. In Bangladesh, the Solidarity Center works in the garment and the seafood processing sectors.<sup>55</sup>

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53 <http://www.snv.org/country/bangladesh>

54 <https://tema.3f.dk/en/international/om-os/her-arbejder-vi/asien>

55 <https://www.solidaritycenter.org/>

# 4. THE GARMENT INDUSTRY

## ORGANISATION OF THE GARMENT INDUSTRY

The garment industry of Bangladesh started in the late 1970s, and since then, has been a major contributor towards poverty reduction and economic growth by employing workers from the rural population. Bangladesh has become the second largest exporter of garments after China. Knitwear and woven garments together made up 82 per cent of total exports from Bangladesh in 2015-16 according to statistics produced by the Export Promotion Bureau, with woven garments making up a slightly larger share of 43 per cent compared to knitwear, which made up 39 per cent.<sup>56</sup>

According to the BGMEA, the major RMG exports of Bangladesh are trousers and t-shirts, followed by jackets, sweaters, and shirts. In 2016/17, Bangladesh exports in trousers earned USD 6.03 billion, followed by USD 5.86 billion in t-shirts, USD 3.55 billion in jackets, USD 3.36 billion in sweaters, and USD 2.11 billion in shirts.<sup>57</sup>

Bangladesh is also the largest importer of cotton in the world, sourcing mainly from the US, India, Pakistan, Australia, and Uzbekistan.<sup>58</sup>

Major industrial zones in Bangladesh include areas around Dhaka, Chittagong, Saver, Ashulia, Mirpur, Gazipur, Konabari, Kashimpur, Narayangonj, Mirzapur, Tangail, and Valuka.

## SOCIAL COMPOSITION OF THE GARMENT WORKFORCE

According to the International Labour Organization (ILO), the RMG sector has over 3,500 exporting factories employing around 4.2 million workers; although, some sources cite at least 7,000 factories including indirect exporting factories, and over 5 million workers.<sup>59</sup> There seems to have been a decline in the proportion of women represented in the sector. What has come to be a conventional belief of the industry being run by a workforce comprising of over 80 per cent women is now being challenged by statistics that show a declining share of women who now represent about 55-60 per cent of the workforce, according to the ILO. Unions represent less than 5 per cent of all factories.<sup>60</sup>

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56 <http://epb.portal.gov.bd>

57 <http://www.bgmea.com.bd>

58 Cotton Demand to Remain Stable. (2014, July 3). Retrieved February 15, 2018  
<http://www.thedailystar.net/cotton-demand-to-remain-stable-31497>

59 Labowitz, S., & Baumann-Pauly, D. (2015). Beyond the Tip of the Iceberg: Bangladesh's Forgotten Apparel Workers. NYU STERN. Center for Business and Human Rights. Retrieved December 12, 2017.  
ITC ILO Bangladesh:

60 Promoting Safe and Healthy Workplaces in the Ready Made Garment Sector

## 5. INDUSTRIAL RELATIONS

Trade unionism in Bangladesh is not a new phenomenon. The Constitution of Bangladesh states: 'Every citizen shall have the right to form associations or unions, subject to any reasonable restrictions imposed by law in the interests of morality or public order.'<sup>61</sup> With a growing manufacturing sector, and increasing industrialisation of the economy, Bangladesh has seen its fair share of national and international coverage on unionism. The post-Rana Plaza era saw a mushrooming of trade unions in the garment sector as the government simplified its policy on union registration. The amendment of Labour Act 2006 in 2013 made it somewhat easier for unions to get registered.

The number of trade unions in the garment sector climbed up dramatically after the law amendment. At the end of 2012, there were 132 trade unions in the RMG sector.<sup>62</sup> According to the MOLE, since the amendment of the Labour Act in 2013, and the simplification of trade union registration procedures, an additional 351 trade unions have registered in the sector.<sup>63</sup> Yet, a number of practical as well as political and legal challenges stop workers from exercising their full freedom of association. There are also reports of deliberate repression and meddling by the state and employers with potential new union formation. In December 2016, after workers took to the streets to protest the inadequate minimum wage in Ashulia, a manufacturing hub in Dhaka, 1,500 factory workers lost their jobs, while many union leaders had to go into hiding following police arrests.<sup>64</sup>

Unions are still required to submit a list with all union founder names to their employer who can terminate employment contracts with impunity. Furthermore, workers from export processing zones are unable to exercise their right to form a union.<sup>65</sup>

### ROLE OF EMPLOYERS' ASSOCIATIONS

The BEF is a national organisation of employers established in 1998 to represent employers from all sectors. Its objectives are to protect and promote the legitimate rights, and represent the views of employers on employment and related socio-economic policy issues at national and international level; and, to facilitate labour market efficiency and skills development for enterprise sustainability and national economic growth.<sup>66</sup> BEF members include the BGMEA, the BKMEA, and the Bangladesh Textile Mills Association (BTMA). One of BEF's functions is also to establish good relationships between workers and their employers through strong industrial relations.

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61 Article 38. Constitution of the People's Republic of Bangladesh

62 International Labour Organization. (2015). Rana Plaza Two Years On: Progress Made & Challenges Ahead for the Bangladesh RMG Sector.

63 Steps Taken by Ministry of Labour & Employment and Other Related Stakeholders after Rana Plaza Collapse at Savar as of 15th April 2013. (2016, April 21). Retrieved February 8, 2018

<http://www.mole.gov.bd/site/page/f0297029-e262-4028-bd07-2f51a98f1ad0/Steps-Taken-for-Rana-Plaza>

64 Bangladesh Garment Factories Sack Hundreds after Pay Protests. (2016). Retrieved April 15, 2018

<https://www.theguardian.com/world/2016/dec/27/bangladesh-garment-factories-sack-hundreds-after-pay-protests>

65 <https://www.ituc-csi.org/bangladesh-and-the-labour-law?lang=en>

66 <http://www.bef.org.bd>

## STATE ROLE IN INDUSTRIAL RELATIONS

The state is actively involved in industrial relations in the garment industry, in providing a legal framework for actors involved in the sector, ensuring adequate mechanisms for dispute settlement, inspection and monitoring of the sector, and hosting and coordination of tripartite agreements.

The Government of Bangladesh adopted the National Tripartite Plan of Action (NTPA) on Fire Safety and Structural Integrity in 2013 with support from the ILO. The NTPA brought together workers, employers, and the government to work under a single framework to improve the working conditions in the garment industry. Some of the measures taken on the basis of the NTPA include improvement of OHS conditions, factory inspections, union registration law reformation, adoption of a National Occupational Health and Safety Policy in October 2013, and rehabilitation and compensation of Rana Plaza survivors.<sup>67</sup>

## PARTICIPATION COMMITTEES

The labour law mandates that any establishment with more than 50 workers should have a participation committee with equal representation from employers as well as the workers.<sup>68</sup> The participation committees act as a platform to raise workers' issues and needs to factory management to ensure a decent working environment and implementation of labour law. The committees are also designed to develop trust and understanding between the workers and the management, and minimise industrial disputes.<sup>69</sup>

## ANTI-HARASSMENT COMMITTEES

In May 2009, the High Court Division of the Supreme Court of Bangladesh set out guidelines against sexual harassment of women and girl children in workplaces and education institutions. In the absence of an adequate law against sexual abuse of women and children, the High Court ruled that the guideline be treated as law until such a law comes into place. The guideline goes on to define all the possible scenarios that can be considered as sexually abusive to women and girl children. The High Court also directed concerned authorities to form a five-member anti-harassment committee headed by a woman in all workplaces and academic institutions to investigate complaints of harassment of women.<sup>70</sup>

## COLLECTIVE BARGAINING AGENT (CBA)

The Labour Act 2006 provides for a Collective Bargaining Agent (CBA) to represent workers in any disputes within a given establishment. An establishment can have only one CBA, which is essentially a trade union elected to be the CBA for that establishment. The tenure for each CBA is two years. The main functions of the CBA are to represent workers on all matters of employment and working conditions and on all proceedings, conduct investigations on behalf of workers when needed, and give notice of, and declare strikes.<sup>71</sup>

67 <http://accountabilityhub.org/provision/national-tripartite-plan-of-action/>

68 Section 205, Bangladesh Labour Act, 2006

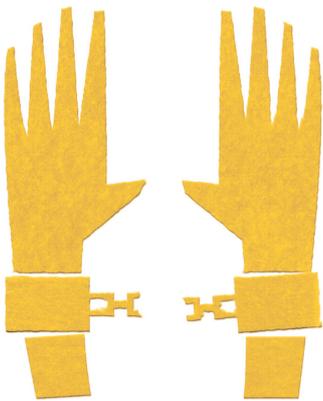
69 Section 205, 206, Bangladesh Labour Act, 2006

70 Chowdhury, N. N. (2017, December 28). Revisiting the Laws Curbing Sexual Harassment in Bangladesh. Retrieved April 10, 2018, <http://www.observerbd.com/details.php?id=113522>

# 6. IMPLEMENTATION OF THE FWF CODE OF LABOUR PRACTICES

*In this chapter the implementation of every part of the FWF Code of Labour Practices is examined by looking at official statistics on compliance (where available), laws and regulations, as well as different stakeholders' opinion and analysis on implementation. Each section starts with quoting the FWF Code of Labour Practices. Relevant laws are quoted in italics.*

## 6.1. Employment is freely chosen



*"There shall be no use of forced, including bonded or prison, labour".*  
(ILO Conventions 29 and 105)

### OFFICIAL STATISTICS ON COMPLIANCE

Although Bangladesh ratified the ILO Convention on Forced Labour (C029) and Abolition of Forced Labour Convention (C105) in 1972, and has well formed national policies preventing forced labour,<sup>72</sup> Bangladesh ranked 10<sup>th</sup> on the 2016 Global Slavery Index which ranks 167 countries based on a survey done by Walk Free Foundation. According to the survey done in 2015, there are 1.53 mil-

lion people living as modern day slaves in Bangladesh. The survey goes on to show that 58 per cent of the modern day slaves are living in just five countries: India, China, Pakistan, Bangladesh, and Uzbekistan. In Bangladesh, forced labour was found to be most common in manual labour (24 per cent), construction (22 per cent), drug production (13 per cent), and farming (11 per cent). Forced prostitution affected a total of 390,000 people.<sup>73</sup> There have also been reports of forced labour found in dry fish farming and production, textile industry, agriculture, and domestic work.<sup>74</sup>

### LAWS AND REGULATIONS

The constitution of Bangladesh states that 'all forms of forced labour are prohibited and any contravention of this provision shall be an offence punishable in accordance with law.'<sup>75</sup> Similarly, Labour Act 2006, which classifies labour into seven categories – apprentice, replacement, casual, temporary, probationer, permanent, and seasonal –states that any worker with a permanent contract can resign from his or her employment with a 60-day written notice. For other categories, the notice period ranges from 14-30 days.<sup>76</sup>

72 International Labour Organization.

[http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210\\_COUNTRY\\_ID:103500](http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210_COUNTRY_ID:103500)

73 <https://www.globalsslaveryindex.org/country/bangladesh/>

74 Findings on the Worst Forms of Child Labor, 2014, US Department of Labor.

75 Article 34.1. Constitution of the People's Republic of Bangladesh.

76 Section 4.1, 27.1, 27.2, Bangladesh Labour (Amendment) Act, 2013.

## STAKEHOLDERS' OPINION AND ANALYSIS ON IMPLEMENTATION

Although all stakeholders believed that there was no direct forced labour in the industry, overtime work with a fear of termination upon refusal by workers was labelled an indirect form of forced labour. Daily production targets are most commonly set by line-supervisors in a unilateral manner, and workers are forced to stay at work until the targets are met. Stakeholders confirmed that, in most cases, workers were paid in a timely manner according to the labour law. Delayed pay was not commonly used as a way to force workers to continue working in the factories. Workers also have a right to resign, but workers normally do not want to leave because they have no other source of income to meet their basic needs. Stakeholders mentioned that workers mostly give informal notice before leaving, but employers give no such notice before firing workers. In most cases, workers do not receive termination benefits and sometimes factories make it look like workers do not deserve to get termination benefits due to supposed wrongdoing.

## FWF MAIN AUDIT FINDINGS

FWF audits found few violations regarding the 'employment is freely chosen' standard, unless involuntary overtime is counted in that category. According to audit results, overtime work is often not voluntary and is not announced in advance. In recent years, FWF audits did not reveal original identity papers being retained in the workers' files, nor did it show loans being given to workers or fees having to be paid by workers in order to gain employment.

## WORKER COMPLAINTS, RELATED TO 'EMPLOYMENT IS FREELY CHOSEN'

FWF's complaints procedure serves as a safety net. When a complaint is filed, FWF informs the affiliate(s) sourcing from the factory in question and investigates the complaint. All the complaints are published on the FWF website.

There have been no worker complaints related to 'employment is freely chosen'.

## 6.2. There is no discrimination in employment



*"In recruitment, wage policy, admittance to training programs, employee promotion policy, policies of employment termination, retirement, and any other aspect of the employment relationship shall be based on the principle of equal opportunities, regardless of race, colour, sex, religion, political affiliation, union membership, nationality, social origin, deficiencies, or handicaps".*  
(ILO Conventions 100 and 111)

### OFFICIAL STATISTICS ON COMPLIANCE

TBangladesh has come a long way in closing the gender gap from being ranked 91<sup>st</sup> out of 144 countries on the Global Gender Gap Index<sup>77</sup> in 2006, to climbing up to 72<sup>nd</sup> position in 2016. Bangladesh is also the top performer in South Asia, with the gender gap closing mainly on the 'political empowerment' component in which Bangladesh ranked number 7. However, the gender gap on 'economic participation and opportunity' has been widening, as there is a significant gender gap in terms of women's labour force participation and earned income.<sup>78</sup> Although the garment sector has brought unprecedented opportunities for women, especially for those from rural areas, women still face discrimination, harassment and discrimination in the workplace.

Bangladesh ratified the ILO Convention on Equal Remuneration (C100) in 1998, and the Discrimination (Employment and Occupation) Convention (C111) in 1972.<sup>79</sup> However, women are still underrepresented in leadership positions across all sectors. Bangladesh scored 0.520 on the Gender Inequality Index for 2015, ranking 119 out of 188 countries.<sup>80</sup> Another setback for women's development was the passing of legislation in 2017 that allows girls under 18 years to be married under special circumstances.<sup>81</sup>

### LAWS AND REGULATIONS

The Constitution of the People's Republic of Bangladesh protects all citizens and guarantees equal treatment before the law, stating that 'all citizens are equal before law and are entitled to equal protection of law.' It also goes further to state that 'women shall have equal rights with men in all spheres of the State and of public life.'<sup>82</sup>

The Labour Act 2006 guarantees all working women a four-month paid maternity leave, eight weeks preceding the delivery date and eight weeks following, granted that the worker has been employed in the establishment for at least six months preceding the delivery date, and the woman has fewer than two surviving children (unpaid leave is allowed in case of more than two children).<sup>83</sup>

77 The Global Gender Gap Index incorporates four sub-indices: economic participation and opportunity, educational attainment, health and survival, and political empowerment.

78 World Economic Forum Report: The Global Gender Gap Report. 2016.

79 International Labour Organization.

[http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210\\_COUNTRY\\_ID:103500](http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210_COUNTRY_ID:103500)

80 UNDP; Human Development Report 2016

81 Human Rights Watch. World Report 2018

82 Article 28.2. The Constitution of the People's Republic of Bangladesh.

83 Section 46.1, 46.2, Bangladesh Labour Act, 2006

Similarly, the Labour Act 2006 also guarantees that all establishments with forty or more workers should provide employees with access to child-friendly rooms for their children of age six or below.<sup>84</sup>

Following frequent disturbing reports of sexual harassment against women and girl children at educational institutions and workplaces, and the public interest litigation filed by the Bangladesh National Women Lawyers Association (BNWLA),<sup>85</sup> the High Court (HC) Division of the Supreme Court formulated guidelines to prevent sexual harassment and mandated the formation of five-member anti-harassment committees headed by women at all educational institutions and workplaces. The HC mandated that the guidelines drawn up in 2009 be seen as law until a law is made to prevent such harassment.<sup>86</sup>

## STAKEHOLDERS' OPINION AND ANALYSIS ON IMPLEMENTATION

Based on stakeholder reports, it was clear that gender-based violence (GBV) was a relatively common occurrence in the sector. However, the perpetrator as well as the victims often seem unaware of what qualifies as GBV. Verbal and psychological abuse towards women in garment industry workplaces remains common. Mid-level management often lack awareness about GBV, and are incapable of handling such issues. Stakeholders conceded that despite efforts from national and international organisations, there are too many factories, and not all have been covered by awareness efforts.

Women also face other challenges such as lack of access to reproductive health rights, inadequate nutrition, lack of day care and breastfeeding facilities, and safety issues related to their workplace commute. Most women work between the ages of 18-35, after which the years of intensive physical labour take a toll on their bodies. They are unable to perform well and easily worn out by work pressure. Stakeholders believed that more investment needs to be made for workers' overall holistic wellbeing, and not just on visible safety issues in the factories.

Stakeholders shared that discrimination in pay is less common these days, but there is still widespread discrimination against women in terms of upward mobility. According to the stakeholders, 95 per cent of the management positions, including line supervisor, are usually given to men, while 95 per cent of the lower positions (operators/helpers) are given to women. According to a DIFE official, there is equal pay for men and women in 100 per cent of the factories, yet very few women are in management positions. There are, however, certain A category factories that are taking conscious steps towards erasing this gap. Some factories have now been known to hire only female line supervisors.

Although the state allows workers in the private sector to get up to four months of paid leave (compared to six months in the public sector), the stakeholders indicate that very few factories actually offer full maternity benefits. Some provide half the benefits of around two months' paid leave, while others refrain from giving anything. In some cases, women still lose their jobs for being pregnant.

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84 Section 941, 94.2, 94.3, 94.4, 94.5, 94.6, 94.7, Bangladesh Labour Act, 2006

85 Ali, S. (2014, March 11). Protecting Women from Sexual Harassment. Retrieved April 9, 2018,

<https://www.thedailystar.net/protecting-women-from-sexual-harassment-14957>

86 <http://www.clcbd.org/content/36.html>

According to stakeholders, there is no visible discrimination towards minority groups; they face the same challenges as other workers. For the disabled, there are very few opportunities in the industry as the work is mostly labour-intensive. Certain factories have recruited some of the Rana Plaza fire victims, but that is only a small percentage.

## FWF MAIN AUDIT FINDINGS

- *Most factories have a policy against discrimination and sexual harassment.*
- *The number of women in supervisory roles and other high-paid positions is low. In about half of the factories there were no women supervisors.*
- *There is no effective performance assessment system as a basis for determining eligibility for promotion or wage increases. The informal nature of performance assessment makes it prone to favouritism and discrimination.*
- *Dyeing, washing, and knitting/weaving operators are male-dominated jobs and tend to be better paid, while the majority of helpers and sewing operators are women. Other than that, the audits do not show big differences between salaries of male and female workers.*
- *An anti-harassment committee is in place in more than half of the audited factories. However, very few workers are aware of its existence and activities, or even know the committee members. In some cases, even the committee members are unaware of the activities of the committee.*

## WORKER COMPLAINTS, RELATED TO 'NO DISCRIMINATION IN EMPLOYMENT'

FWF's complaints procedure serves as a safety net. When a complaint is filed, FWF informs the affiliate(s) sourcing from the factory in question and investigates the complaint. All the complaints are published on the FWF website.

Worker complaints received by FWF in Bangladesh regarding discrimination, including from members of the anti-harassment committee, can be accessed here and [here](#).

## 6.3. No exploitation of child labour



*“There shall be no use of child labour. The age for admission to employment shall not be less than the age of completion of compulsory schooling and, in any case, not less than 15 years.” (ILO Convention 138) “There shall be no forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour. [...] Children [under the age of 18] shall not perform work which, by its nature or the circumstances in which it is carried out, is likely to harm their health, safety or morals”. (ILO Convention 182)*

### OFFICIAL STATISTICS ON COMPLIANCE

According to the 2014 report on worst forms of child labour by the US Department of Labor (DoL), around 10.1 per cent of children between 5-14 years of age are working full-time in Bangladesh, while around 6.8 per cent are combining work and school. Among the working children between 5-14 years of age, 45.5 per cent are found to be working in agriculture, 36 per cent in services, and 18.5 per cent in industry. Child labour is reportedly more common in rural areas than in urban areas.<sup>87</sup>

Bangladesh ratified the ILO Convention no. 182 on Worst Forms of Child Labour 1999 in 2001.<sup>88</sup> However, children were found to be working in forced labour conditions to pay off family debts, particularly in the dried fish-farming sector, according to the US DoL report. Other forms of forced labour included forced begging, trafficking of children for commercial sexual exploitation, and drug smuggling.<sup>89</sup>

### LAWS AND REGULATIONS

Although the labour law of Bangladesh refrains children from working in any occupation or establishment,<sup>90</sup> Bangladesh has not yet ratified the Minimum Age Convention (No. 138)<sup>91</sup> of the ILO, which specifies the minimum age of employment as 14 years for developing countries.<sup>92</sup> The Bangladesh labour law allows children above 12 years of age to be engaged in ‘light work’, which does not pose a danger to their health and development, and does not interrupt their education and school attendance.<sup>93</sup>

Adolescents from 14-18 years of age are allowed to work if they are able to produce a certificate of fitness from a medical practitioner.<sup>94</sup> However, according to law adolescents are only allowed to work up to five hours per day or 30 hours per week.<sup>95</sup>

87 Findings on the Worst Forms of Child Labor, 2014, US Department of Labor.

88 UNICEF. [https://www.unicef.org/bangladesh/Child\\_Rights\\_Convention.pdf](https://www.unicef.org/bangladesh/Child_Rights_Convention.pdf)

89 Findings on the Worst Forms of Child Labor, 2014, US Department of Labor.

90 Section 34.1, 34.2, Bangladesh Labour Act, 2006

91 International Labour Organization.

[http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0:NO:11210:P11210\\_COUNTRY\\_ID:103500](http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0:NO:11210:P11210_COUNTRY_ID:103500)

92 C138, Minimum Wage Convention, 1973 (No. 138)

93 Section 44.1, Bangladesh Labour Act, 2006

94 Section 34.1, 34.2, Bangladesh Labour Act, 2006

95 Section 41.1, Bangladesh Labour Act, 2006

The law requires a birth registration certificate, school certificate, or certification of age by a medical practitioner as proof of age.<sup>96</sup>

## STAKEHOLDERS' OPINION AND ANALYSIS OF IMPLEMENTATION

There was consensus among stakeholders that there is no child labour in the export-oriented factories of the garment industry. According to a representative from the BGMEA, one of the largest employers' organisations, child labour was eliminated in the garment industry in 1993 with collaboration from ILO, BRAC, UNICEF, and the US Government. All child labourers were rehabilitated through a programme called Earn and Learn.

Stakeholders did share that the situation may be different in small-scale and subcontracting factories, as well as supply chain linkages. There have been frequent reports in the media about child labour being used in the supply chain linkages. Some stakeholders shared that children are involved in home-based work such as bejewelling garments with stones.

Stakeholders also said that it is relatively easy to make fake certificates and lie about one's age. There are young workers (14-18 years) working in the factories, as they are allowed to work for up to five hours a day by law. However, some stakeholders believed that they usually work more than that by lying about their age.

## FWF MAIN AUDIT FINDINGS

Some factories audited by FWF did not have a proper age verification system in place. It should be noted that a frequent audit finding is that brands are not informed when subcontractors are being used. The risk of finding child labour is obviously much higher with unauthorised subcontractors, which are not audited by international brands.

## WORKER COMPLAINTS, RELATED TO 'NO EXPLOITATION OF CHILD LABOUR'

FWF's complaints procedure serves as a safety net. When a complaint is filed, FWF informs the affiliate(s) sourcing from the factory in question and investigates the complaint. All the complaints are published on the FWF website.

Worker complaints received by FWF in Bangladesh regarding 'no exploitation of child labour' can be accessed [here](#).

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96 Section 36.1, Bangladesh Labour (Amendment) Act, 2013



## 6.4. Freedom of association and the right to collective bargaining

*“The right of all workers to form and join trade unions and bargain collectively shall be recognised.” (ILO Conventions 87 and 98) “Workers’ representatives shall not be the subject of discrimination and shall have access to all workplaces necessary to carry out their representation functions”.* (ILO Convention 135 and Recommendation 143)

### OFFICIAL STATISTICS ON COMPLIANCE

The RMG sector has seen some improvement in terms of freedom of association in recent years. According to the MOLE, since the amendment of the Labour Act in 2013 and the simplification of trade union registration procedures, an additional 351 trade unions have registered in the sector.<sup>97</sup> This is a dramatic increase in the number of trade unions from a total of just 132 trade unions in the RMG sector at the end of 2012.<sup>98</sup> Given the large number of factories and workers, however, unions still only represent less than 5 per cent of all RMG factory workers.<sup>99</sup>

Despite the improvements, there is still a long way to go for the industry in terms of providing workers with complete freedom of voice and representation. According to a report by the ITUC, the Registrar of Trade Unions has systematically refused legitimate union registration applications in the garment industry. According to the report, the government rejected almost 75 per cent of union applications in 2015.<sup>100</sup>

### LAWS AND REGULATIONS

The Constitution of Bangladesh states that ‘every citizen shall have the right to form associations or unions, subject to any reasonable restrictions imposed by law in the interests of morality or public order.’<sup>101</sup> The labour law amendment of 2013 has made it easier for trade unions to register, which allows unions to be formed without permission of factory owners.<sup>102</sup> However, a major hurdle is that the law still mandates that for any union to register, 30 per cent of the factory workforce needs to be represented,<sup>103</sup> which is difficult in large factories with thousands of workers.

In March 2018, the Minister of Labour indicated that it will propose two slabs of worker representation. For up to 5,000 workers in an establishment, the membership requirement thresh-

97 Ministry of Labour and Employment. Steps taken by Ministry of Labour & Employment and Other Related Stakeholders after Rana Plaza Collapse at Savar as of 15th April 2013:

98 ILO, Rana Plaza Two Years On: Progress Made & Challenges Ahead for the Bangladesh RMG Sector, 2015

99 ITC ILO Bangladesh:

Promoting Safe and Healthy Workplaces in the Ready Made Garment (RMG) Sector

100 International Trade Union Confederation. 2016. Bangladesh: Government’s Anti-Union Actions Prompt Complaint to ILO

101 Article 38. Constitution of the People’s Republic of Bangladesh

102 Burke, J. (2013, May 13). Bangladesh Eases Trade Union Laws after Factory Building Collapse. Retrieved February 8, 2018 <https://www.theguardian.com/world/2013/may/13/bangladesh-trade-union-laws>

103 Section 183.6, Bangladesh Labour Act, 2006

old for trade union registration would be 25 per cent and for 5001 workers or more it would be 20 per cent. In a recent report, the ILO expressed its dissatisfaction over the draft amendments saying that the proposed amendments did not respond to longstanding concerns of the ILO and the minor reduction in the minimum membership requirement proposed by the government was unlikely to have an impact on a large number of enterprises and thus would not, in any meaningful manner, contribute to the free establishment of workers' organisations.

The labour law protects trade union members from any discrimination by employers in recruitment, retention, promotion, and working conditions based on the trade union affiliation of the employee.<sup>104</sup> In terms of women's representation and leadership, the labour law requires that in factories where more than 20 per cent of the workforce is female, 10 per cent of the executive committee of the union be represented by women.<sup>105</sup>

The labour law also mandates that any establishment with more than 50 workers should have a Participation Committee (PC) with equal representation from employers and workers.<sup>106</sup> Bangladesh is yet to ratify the ILO Collective Bargaining Convention, 1981 (C154).<sup>107</sup>

## STAKEHOLDERS' OPINION AND ANALYSIS ON IMPLEMENTATION

Stakeholders expressed that there have been some improvements in terms of freedom of association in the Bangladesh RMG industry in the post-Rana Plaza era. As reported by one of the stakeholders, before the Rana Plaza incident, there were very few active trade unions in the garment industry; now, there are more than 500 unions. However, this number is still very low in terms of the size of the industry, the number of factories, and the number of workers that need representation. The average number of members in any union, even in large factories, is only around 500.

Lack of education and awareness of rights and benefits on the part of workers has been a major obstacle in increasing worker membership. According to representatives of different trade unions, only about 30-50 per cent of workers are aware of trade unions and worker rights. There are awareness programmes held by IndustriALL, NGOs, and ILO, but coverage of such programmes is still very low given the considerable size of the industry.

There was also concern from trade unions regarding the involvement of different types of actors representing workers' rights in the industry, which may be undermining the role of the trade unions, and taking scarce resources away from them. According to one of the trade union representatives consulted, 'There are too many stakeholders in the industry and there is a lack of common platform. Everybody is focused on their own agenda. Such uncoordinated efforts are hurting the relationship between employers and trade unions.'

Trade union representatives confirmed some of the media reports about the lack of job security of trade union members. There are still, reportedly, cases of false charges (such as vandalism and fights with management) and forceful termination of trade union members, as seen in the Ashulia case of 2016, when 1,500 workers and union leaders lost their jobs and

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104 Section 195, Bangladesh Labour Act, 2006

105 Section 177, Bangladesh Labour (Amendment) Act, 2013.

106 Section 205, Bangladesh Labour Act, 2006

107 [http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210\\_COUNTRY\\_ID:103500](http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210_COUNTRY_ID:103500)

many were arrested for protesting low wages.<sup>108</sup> When this country study report was being finalized, similar reports have appeared in the media following the January 2019 protest.<sup>109</sup>

Despite such challenges, setting a positive trend, Donglian Fashion Sommito Sramik Union was able to sign a collective bargaining agreement (CBA) following Donglian Fashion Company in January 2017. This landmark CBA included provisions on wage increases, paid leave, union activities, protection against arbitrary salary cuts, and other benefits.<sup>110</sup> Similar CBAs were also signed with Natural Denim Ltd.<sup>111</sup>

Stakeholders expressed practical challenges of organising workers, as workers lack the time and capacity to be actively and constructively involved. It is also difficult to gather the mandated one-third participation within an establishment, and it requires significant financial resources.

In terms of women's participation, more women are participating in trade unions in the post-Rana Plaza context, but participation is still low, especially in leadership positions. Some stakeholders believed that the mandate of 10 per cent female representation in union executive committees is a very low figure. It should be at least 50 per cent, as most workers in the industry are women.

In case of disputes, according to stakeholders, labour disputes are settled through labour courts, BGMEA's Conciliation-cum-Arbitration Committee, or through bilateral discussions by trade unions.

## FWF MAIN AUDIT FINDINGS

- *Almost all of the audited factories had a written policy on freedom of association and the right to collective bargaining.*
- *At the factories audited, there is no independent union or workers committee run by workers without management involvement.*
- *Not surprisingly, no Collective Bargaining Agreements (CBA) were observed during audits.*
- *Also, workers are not aware of their rights in terms of freedom of association.*

## WORKER COMPLAINTS, RELATED TO 'FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING'

FWF's complaints procedure serves as a safety net. When a complaint is filed, FWF informs the affiliate(s) sourcing from the factory in question and investigates the complaint. All the complaints are published on the FWF website.

Worker complaints received by FWF in Bangladesh regarding 'freedom of association' can be accessed [here](#) and [here](#).

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108 Bangladesh Garment Factories Sack Hundreds after Pay Protests. (2016). Retrieved April 15, 2018

<https://www.theguardian.com/world/2016/dec/27/bangladesh-garment-factories-sack-hundreds-after-pay-protests>

109 Thousands Fired After Garment Industry Protest in Bangladesh (2019):

<https://www.voanews.com/a/thousands-fired-after-garment-industry-protest-in-bangladesh/4766891.html>

110 Bangladesh: Union Signs Collective Agreement with Donglian Fashion in major turnaround. (2017, January 23). Retrieved April 15, 2018, from

<http://www.industrial-union.org/bangladesh-strife-ends-as-donglian-fashion-signs-collective-agreement-with-union>

111 Bangladeshi Union Signs Collective Agreement with Natural Denims Ltd. (2017, February 15). Retrieved April 15, 2018 <http://www.industrial-union.org/bangladeshi-union-signs-collective-agreement-with-natural-denims-ltd>

## 6.5. Payment of a living wage



*“Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income” (ILO Conventions 26 and 131, the Universal Declaration of Human Rights, art 23(3) and art 25(1)). “Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted. Deductions shall never constitute an amount that will lead the employee to receive less than the minimum wage. Employees shall be adequately and clearly informed about the specifications of their wages including wage rates and pay period”.*

### OFFICIAL STATISTICS ON COMPLIANCE

According to research done by the ILO of garment manufacturing countries, China had the highest minimum wage in 2015, while Sri Lanka (USD 66) and Bangladesh (USD 68) had the lowest minimum wage. Adjusting for purchasing power parity, the Bangladeshi minimum wage amounts to USD 184, while the Chinese minimum wage amounts to USD 482, which is 2.6 times higher than the minimum wage of Bangladesh.<sup>112</sup>

The last Wage Board was formed in 2018, which revised the minimum wage from BDT 5,300 to BDT 8,000, a 51 per cent increase. Yet, estimates from different sources of what a living wage in Bangladesh should be in all cases far exceed the current minimum wage. The Wage Indicator Forum (WIF) estimated that a living wage for an average sized family of a Bangladeshi garment worker should be between BDT 12,000 and BDT 18,000. The Asia Floor Wage Alliance, on the other hand, calculates the living wage for Bangladesh at BDT 37,661 per month, about five times higher than the 2018 minimum wage.<sup>113</sup> Lack of access to a living wage has been a cause for frequent worker protests in Bangladesh.

### LAWS AND REGULATIONS

Bangladesh is yet to ratify the ILO Minimum Wage Fixing Convention, 1970 (C131).<sup>114</sup> Wages are fixed by the Minimum Wages Board, as mandated by law. The Wage Board consists of a chairman who represents the government, independent members, representatives of the employers, and representatives of the workers.<sup>115</sup> Minimum wages must be increased at least every five years. The Wage Board may also decide to raise the minimum wages on an ad hoc basis. Since its founding, the Wage Board has only increased the minimum wage for the garment sector twice: in 2010, 2013, and 2018.

<sup>112</sup> International Labour Organization, Labour Standards in Global Supply Chains. A Programme of Action for Asia and the Garment Sector. December 2015

<sup>113</sup> Asia Floor Wage

<https://asia.floorwage.org>

<sup>114</sup> [http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210\\_COUNTRY\\_ID:103500](http://www.ilo.org/dyn/normlex/en/f?p=1000:11210:0::NO:11210:P11210_COUNTRY_ID:103500)

<sup>115</sup> Section 138, Bangladesh Labour Act, 2006

In September 2018 the Bangladesh Government announced a 51 per cent increase (for grade 7) in the statutory minimum wage. The new minimum wage for grade 7 (the lowest grade level) has been set at BDT 8,000 (EUR 82) a month, up from BDT 5,300 (EUR 54). The new minimum wage took effect in December 2018.

The new minimum wage is much lower than what garment workers in Bangladesh demanded. Thousands of garment workers took to the streets and violently clashed with police over low wages in January 2019. The protests focused on the new minimum wage level, but also on what many consider to be discriminatory elements of the new wage law. The basic wages for the higher pay grades did not increase proportionally to those of the lowest grade (grade 7). In addition, stakeholders pointed out that with the the new (2018) minimum wage declaration, the percentage of the basic wage, which is the basis for the remuneration of overtime hours, of the total wage, has decreased in comparison to the previous (2013) minimum wage levels.

In response to this, and after eight days of labour unrest, the government announced a revised pay structure for the garment sector on 13 January 2019, with a slight increase in both basic and gross wages in six of the seven grades. This outcome is a result of negotiations in a tripartite committee, which included representation of workers, owners, and government. Union representatives indicated that they welcome the revision and urged workers to return to work, amid fears of arrest and termination of jobs.

The minimum wage set by the Wage Board is binding for all employers. The national labour law states that any employer who fails to pay the state minimum wage will be punished through imprisonment for up to one year, or charged with a fine of up to BDT 5,000.<sup>116</sup>

## STAKEHOLDERS' OPINION AND ANALYSIS ON IMPLEMENTATION

Stakeholders stated that all registered factories in the garment industry pay the minimum wage. This was confirmed by the representative of the Department of Inspection of Factories and Establishments (DIFE). However, this may not be the case for subcontracting factories, as they are often beyond the purview of government inspections.

Stakeholders estimated the average salary to be between BDT 8,000 to BDT 12,000 per month in the garment sector, and additional payment for overtime work. As for a living wage, there was consensus that the current wage is not a living wage. An average of BDT 16,000 was mentioned by some of the stakeholders to be a reasonable wage based on current price levels.

One of the stakeholders brought up the issue of lack of clarity on the definition of a living wage. It was also mentioned that there were efforts from the employers' organisations to ensure that the workers get the minimum calories required.

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<sup>116</sup> Section 289, Bangladesh Labour Act, 2006

Minimum wage	BDT 5,300 (Bangladesh Taka) per month  BDT 8,000 (Bangladesh Taka) per month as of December 2018.	Bangladesh Labour and Employment Ministry	As per the Gazette on Minimum Wage 2013 by the Bangladesh Government for the garment industry there are 1-7 grades of workers. The wage level for the lowest grade is BDT 5,300 per month with annual increments of at least 5% on basic wage levels.  In December 2018, the minimum wage levels were revised and grade 7 was set at BDT 8,000 with annual increments of at least 5% on basic wage levels.
Living wage estimate	16,460 BDT for Dhaka and 13,630 BDT for satellite cities are areas surrounding Dhaka	Global Living Wage Coalition (2016)	Description, please check: <a href="https://www.globallivingwage.org/wp-content/uploads/2018/05/Dhaka_Living_Wage_Benchmark_Infographic.pdf">https://www.globallivingwage.org/wp-content/uploads/2018/05/Dhaka_Living_Wage_Benchmark_Infographic.pdf</a>
	BDT 37,661 per month	Asia Floor Wage (2017)	Description: please check <a href="http://www.asiafloorwage.org">www.asiafloorwage.org</a>
Cost of living estimates	16,000 BDT per month	Local stakeholders	Description: union demand during 2018 minimum wage negotiations.

## FWF MAIN AUDIT FINDINGS

- Audits found that in most cases the factories pay a legal minimum wage to workers, but the wage level is below estimates of the living wage by local stakeholders.
- Nonetheless, minimum wage violations do occur. Audits found that workers were paid at a lower grade level than they should have been entitled to based on their actual work duties.
- Payslips are not given to workers at time of payment in some factories. In other factories, where payslips were provided, it only mentioned the calculation of legal working hours, but did not include excessive overtime hours worked. As a result, workers do not understand how wages are calculated.
- In some cases the factories were not transparent regarding wage records. The payment sheet provided by the management did not match the workers' statement regarding overtime hours, work on weekly days off, or amount received.
- Some factories delay paying workers' wages, especially overtime is often paid late.
- Some factories do not pay earn leave, maternity leave, or benefits to workers according to legal requirements.
- Audits also revealed that some factories do not pay an overtime premium to workers according to legal requirements.

## WORKER COMPLAINTS, RELATED TO 'PAYMENT OF A LIVING WAGE'

FWF's complaints procedure serves as a safety net. When a complaint is filed, FWF informs the affiliate(s) sourcing from the factory in question and investigates the complaint. All the complaints are published on the FWF website.

Worker complaints received by FWF in Bangladesh regarding 'payment of a living wage' can be accessed [here](#).

### 6.6. No excessive working hours



*"Hours of work shall comply with applicable laws and industry standards. In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every seven-day period. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate". (ILO Convention 1)*

## LAWS AND REGULATIONS

According to the Labour Act 2006, workers in any establishment are allowed to work for eight hours a day, six days a week, with two hours allowed for overtime work for which workers must receive twice the hourly remuneration of regular work. Therefore, on any given week, regular working hours can be up to 48 hours per week; with overtime, working hours should be 60 hours per week at most. All factory workers are entitled to one day off per week.<sup>120</sup> The labour law also states that women will not be required to work between the hours of 10pm to 6am without their consent.

## STAKEHOLDERS' OPINION AND ANALYSIS ON IMPLEMENTATION

Stakeholders have painted a bleak picture of the industry in terms of overtime work. According to stakeholders, ten hours work per day is the norm in garment factories. In addition, at least two hours of overtime may be demanded from workers based on production targets. Depending on targets, sometimes employees are forced to work 14 hours a day. It is common for regular working hours to go from 8am to 10pm with one or two breaks in between. Workers still tend to work 60 hours or more for up to seven days a week. Targets are often fixed by line supervisors on a random basis, and are not based on workers' willingness or ability. Some stakeholders feared that the long hours and the physical strain of the work could have a negative long-term impact on a worker's health. It was said that workers in the industry are usually only active from the ages of 18-30 years, or a maximum of up to 35 years of age.

<sup>117</sup> Section 100, 102, 108, 109, Bangladesh Labour Act, 2006

After that, they cannot meet the targets as they become physically weak from working under extreme pressure for so long. There are, however, some compliant factories where overtime work is fixed to a certain number of hours a day, beyond which a worker cannot be asked to work by management.

Most factories now have an automated system for clocking in and out of work. Workers are aware that if they work two hours or more of overtime, they get double pay. Some stakeholders shared that night shifts are very common, and they are mainly demanded of women workers as they are easy to manage, do not protest, and most of the work is related to sewing. Although the law says that women cannot be asked to work overtime after 10pm without their consent, stakeholders stated that overtime work is predominantly set in a non-participatory manner by factory management, and women do end up working late into the night to meet targets. There are generally no transportation facilities for workers, which makes returning from night shifts particularly unsafe for women.

## FWF MAIN AUDIT FINDINGS

- *Overtime is not voluntary and not announced in advance. Management does not consult with workers (plan) before announcing overtime. Workers are unaware that overtime work should be voluntary.*
- *Some factories are not transparent regarding overtime records, e.g. some factories do not share the record of actual hours worked, which are maintained separately, with the auditor.*
- *Excessive overtime is a common finding, sometimes up to midnight. Also, workers perform duties during their weekly days off, depriving them from enjoying one day off out of every seven days. Provision of alternative days off rarely occurs.*
- *Legal consent is not sought from female workers for doing overtime. Female workers work in factories after 10pm without their written consent taken by the management.*

## WORKER COMPLAINTS, RELATED TO 'REASONABLE HOUR OF WORK'

FWF's complaints procedure serves as a safety net. When a complaint is filed, FWF informs the affiliate(s) sourcing from the factory in question and investigates the complaint. All the complaints are published on the FWF website.

No complaints regarding 'reasonable hours of work' were made in recent years.

## 6.7. Safe and healthy working conditions



*“A safe and hygienic working environment shall be provided, and best occupational health and safety practice shall be promoted, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Appropriate attention shall be paid to occupational hazards specific to this branch of the industry and assure that a safe and hygienic work environment is provided for. Effective regulations shall be implemented to prevent accidents and minimize health risks as much as possible (following ILO Convention 155...) Physical abuse, threats of physical abuse, unusual punishments or discipline, sexual and other harassment, and intimidation by the employer are strictly prohibited”.*

### OFFICIAL STATISTICS ON COMPLIANCE

After the Rana Plaza incident and the global attention that it brought to workplace safety in Bangladesh, major apparel brands and retailers formed two groups to ensure compliance: the Bangladesh Accord on Fire and Building Safety and the Alliance for Bangladesh Worker Safety. The Accord was formed by mostly European brands representing about 190 members, while 29 North American companies formed the Alliance. Both groups were formed in 2013, and were set to phase out in five years time. However, the Accord has now been extended until May 2021 following the 2018 Transition Accord, which was signed in June 2017, and has so far been endorsed by over 100 companies covering more than 1,200 factories.<sup>121</sup>

More than 1,800 factories supplying to over 200 companies have been inspected since the establishment of the Accord in 2013. A total of 118,500 fire, electrical, and structural hazards have been identified during the initial inspections, and 84 per cent of these had been remediated as of April 2018.<sup>122</sup> A total of 142 factories have completed initial remediation, while 767 Accord factories have completed more than 90 per cent of remediation. Safety committee trainings have been completed in 219 factories.<sup>123</sup>

The five-year agreement, which was due to expire in May 2018, has been extended until May 2021. The 2018 Transition Accord was signed in June 2017, and has so far been endorsed by over 190 companies.<sup>124</sup> However, before the Transition Accord was due to start in June 2018, the Bangladesh High Court put a restraining order on the Accord’s inspection programme. This meant that the Accord would have to leave the country after 30 May 2018. At the request of the Bangladesh government, the High Court postponed the date to 30 November and declared that the domestic inspection agency - the Remediation and Coordination Cell - would need to be ready at that same time to take over. The Accord office has filed an appeal to lift the

118 More than 100 Brands Sign 2018 Transition Accord in Bangladesh. (2018, February 14). Retrieved April 10, 2018 <http://www.industriall-union.org/more-than-100-brands-sign-2018-transition-accord-in-bangladesh>

119 More than 100 Brands Sign 2018 Transition Accord in Bangladesh. (2018, February 14). Retrieved April 10, 2018 <http://www.industriall-union.org/more-than-100-brands-sign-2018-transition-accord-in-bangladesh>

120 <http://bangladeshaccord.org/milestones/>

121 More than 100 Brands Sign 2018 Transition Accord in Bangladesh. (2018, February 14). Retrieved April 10, 2018 <http://www.industriall-union.org/more-than-100-brands-sign-2018-transition-accord-in-bangladesh>

restraining order. The Supreme Court decision on this appeal was postponed six times since 30 November and is now due on 18 February 2019.<sup>125</sup>

As of November 2017, the Alliance included a total of 785 factories, covering a total of more than 1.3 million workers. About 85 per cent of all remediation items had been completed, and 162 factories had been suspended. More than 1.4 million workers were provided with initial basic fire safety training, while 171 factories now have safety committees.<sup>126</sup>

## LAWS AND REGULATIONS

Bangladesh is moving in a positive direction in terms of occupational health and safety in the garment industry. The Labour (Amendment) Act 2013 has introduced specific provisions on workplace safety including the mandate to create safety committees in factories and establishments with 50 or more workers, the establishment of workplace health centres in workplaces with over 5,000 employees, safety welfare officers in workplaces with more than 500 workers, compensation for occupational diseases in workplaces with over 500 employees, and revision of death compensation to be provided after two years of work instead of three years specified in the Labour Act 2006. Amendments have also been made regarding dangerous work for children, emergency exits, access to gangways and stairs for workers, mandatory use of personal safety equipment, notification of competent authority in case of incident, and provisions on social dialogue, trade unions, and dispute resolution.<sup>127</sup>

On the other hand, Bangladesh is yet to ratify the ILO Convention 155 on Occupations Health and Safety, 1981, and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187). The Government of Bangladesh has expressed interest in conducting factory inspections on its own after the phase out of Accord and Alliance, and it has been working with the ILO and other development partners in developing internal capacity to carry out the tasks. Although it is moving in the right direction, a lot of work still remains for Bangladesh, and it is yet to be seen whether the efforts under Accord and Alliance will sustain upon their phase out.

## STAKEHOLDERS' OPINION AND ANALYSIS ON IMPLEMENTATION

All stakeholders were in agreement about the remarkable achievements made in the field of occupational health and safety (OHS) compared to the pre-Rana Plaza era, especially in the areas of building, electrical, and structural safety. Alliance and Accord initiatives contributed to knowledge development and visible structural development, and helped the mid-and-top level management become more aware of the need for OHS. Moreover, there is immense improvement in worker knowledge and awareness about OHS, and in particular, about fire safety. According to estimates by some stakeholders based on their experience and observation, more than 60 per cent of workers in the industry now know what to do in case of fire. Workers also have access to local helplines through the government, employers' organisa-

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122 <https://cleanclothes.org/safety/protect-progress>

123 Dawn of a New Era in Safety: Accelerating Progress in the Alliance's Final Year. (2017, November). Alliance for Bangladesh Worker Safety.

124 ILO. Occupational safety and health country profile: Bangladesh. Retrieved from <http://www.ilo.org/safework/countries/asia/bangladesh/lang--en/index.htm>

tions, Accord, Alliance, as well as some company-specific helplines where they can report any OHS-related issues and have them addressed by the factory management.

However, only visible factors and issues covered in the media are receiving attention, while more subtle issues such as a workers' access to adequate nutrition, basic health rights, and healthy working environment are not being prioritised. As one stakeholder put it, 'the efforts are reactive, rather than being proactive.' Furthermore, there is lack of awareness on the part of workers themselves as they neglect to wear the safety gear provided to them, even when dealing with harmful substances.

Another area of improvement is related to access to insurance. Although group insurance provision is now a prerequisite for membership in BGMEA and BKMEA for export-oriented factories, workers are most vulnerable in the factories that are part of the backward linkages.

BGMEA has also taken several positive initiatives with regard to protecting the health of garment workers by providing access to free medical services and medicines. BGMEA has set up 12 health centres for garment workers and their families, runs health awareness programmes, and has built a hospital in Chittagong while another one is under construction in Mirpur.

## FWF MAIN AUDIT FINDINGS

- *Fire Safety: Fire separation by installing fire doors, fire hydrants, and fire detection systems are not complete. Fire fighting equipment is inadequate or not installed properly, while fire-fighting equipment and work stations are blocked (not openly accessible).*
- *Building Safety: Remediation suggestion from Accord/Alliance has not been completed.*
- *Chemical Safety: Unsafe storing, handling, and poor maintenance detected.*
- *Machine Safety: Safety guards are not available or broken and workers are not using personal protective equipment. The boiler operator's license is not available or updated.*
- *Electrical Safety: The auditors found improper electrical installation and joint connection on a single circuit. Single line diagrams are not available and loose disorganised electrical connections were detected. A certified electrician was not available on site.*
- *Material Safety: Auditors observed disorganised fabric and accessories storage and poor housekeeping.*
- *Ergonomics: Back rest chairs are not available for workers who sit on a stool to work. Ergonomic mats are not provided to workers who work in a standing position.*
- *Harassment: Verbal abuse was found, mid-level management shout and use abusive words with workers.*
- *Facilities: Childcare facilities are not available or not functional. Pure drinking water facilities are not available or inadequate. The in-house medical facility is insufficient. The auditors also found inadequate sitting capacity in dining rooms and lacking or inadequate canteen facilities.*

## WORKER COMPLAINTS, RELATED TO 'SAFE AND HEALTHY WORKING CONDITIONS'

FWF's complaints procedure serves as a safety net. When a complaint is filed, FWF informs the affiliate(s) sourcing from the factory in question and investigates the complaint. All the complaints are published on the FWF website.

No complaints were made except for those related to gender-based violence, which are reported under standard 2.

### 6.8. Legally-binding employment relationship



*"Working relationships shall be legally binding, and all obligations to employees under labour or social security laws and regulations shall be respected".*

#### OFFICIAL STATISTICS ON COMPLIANCE

According to the Labour Force Survey of 2015, about 86 per cent of the total population in Bangladesh is employed in the informal sector. About 95 per cent of the female labour force is employed in the informal sector, compared to about 82 per cent of the male labour force. Similarly, about 89 per cent of the rural labour force is employed in the informal sector compared to 78 per cent of the urban labour force. In terms of economic sectors, around 98 per cent of jobs in the agriculture sector are informal, compared to around 90 per cent of jobs in the industries.<sup>128</sup>

#### LAWS AND REGULATIONS

According to the labour law, all employers are required to give letters of appointment and an identity card with photograph to their employees. All employers should maintain a service book with details of identification of all workers employed in the establishment, including: name, address, name of parents, name of spouse, date of birth, employment history, period of employment, designation, wages, leave record, and conduct of worker. Upon termination of contract, the employers should provide the workers with this service book.<sup>129</sup> Employers are required by law to give a written notice of 120 days to permanent workers before termination of employment, and 60 days for other workers. Similarly, workers are required by law to give 60 days' written notice to employers before resignation in case of permanent staff and 14-30 days' notice in case of other workers. Moreover, all workers are entitled to receive certification of service before termination of contract.<sup>130</sup>

<sup>125</sup> Quarterly Labour Force Survey, Bangladesh, 2015-16. Bangladesh Bureau of Statistics

<sup>126</sup> Section 5, 6, 7. Bangladesh Labour Act, 2006.

<sup>127</sup> Section 26, 27, 31. Bangladesh Labour Act, 2006.

The labour law has provisions for laid-off workers, other than casual workers, who have been employed for at least a year, to receive a compensation of half of the total regular salary including basic salary, dearness allowance, ad hoc or interim pay, and full housing allowance (if any) for up to 45 working days. If the lay off is for more than 45 days and for periods of 15 days,<sup>131</sup> the worker is entitled to receive one-fourth of the regular payment and full housing allowance (if any) stated above for the remaining periods of 15 days. In case of retrenchment of workers who have been in service for at least one year, the employers should provide one month's written notice to workers, the Chief Inspector, as well as the Collective Bargaining Agent (if present). In such cases, workers are entitled to 30 days' payment or gratuity for every year in service, whichever amount is higher.<sup>132</sup> Section 29 of the Labour Act 2006 says in case of retrenchment, dismissal, removal, discharge, or termination of service, a worker who is a member of any provident fund is entitled to receive the benefit including employer's contribution. Similarly, under Section 31 of the labour law, all workers, except casual workers, are entitled to receive Certification of Service upon retrenchment, dismissal, retirement, or termination of service.

Workers are entitled to some form of compensation in case of injury at work, as defined by the labour law.<sup>133</sup> In case of death at work, the workers who were in service for at least three years are entitled to death benefits, whereby, nominees or dependents receive compensation based on years of service and benefit entitlements if the workers are a part of compulsory insurance scheme or the cause of death meet certain conditions specified in the law.<sup>134</sup>

## STAKEHOLDERS' OPINION AND ANALYSIS ON IMPLEMENTATION

Stakeholders confirmed that most employers now provide appointment letters and maintain attendance books. Trade unions advise members to collect ID cards upon employment so that they are entitled to the benefits. They also advise them to know which brands they are working for.

Some subcontracting factories may be refraining from providing appointment letters to avoid paying employee benefits. It is also difficult to raise complaints in the labour courts without appointment letters.

## FWF MAIN AUDIT FINDINGS

- *The factory does not provide contracts or appointment letters to (all) workers: workers sign an appointment letter but do not receive a copy.*
- *Group insurance is not maintained for all workers or not updated regularly.*
- *The use of apprenticeship does not comply with legal requirements.*
- *Individual personnel files are incomplete with updated service record, e.g. service books are not maintained.*

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128 Section 16.2, 16.2, Bangladesh Labour Act, 2006.

129 Section 20.2, Bangladesh Labour Act, 2006.

130 Section 150, Bangladesh Labour Act, 2006.

131 Section 19, Bangladesh Labour (Amendment) Act, 2013.

## WORKER COMPLAINTS, RELATED TO 'LEGALLY BINDING EMPLOYMENT RELATIONSHIP'

FWF's complaints procedure serves as a safety net. When a complaint is filed, FWF informs the affiliate(s) sourcing from the factory in question and investigates the complaint. All the complaints are published on the FWF website.

Worker complaints received by FWF in Bangladesh regarding 'legally-binding employment relationship' can be accessed [here](#), [here](#), [here](#) and [here](#).

# SOURCES USED IN THIS COUNTRY STUDY

*The following stakeholders representing public authorities, employers, trade unions and NGOs were consulted in writing this country study:*

## I. GOVERNMENT/PUBLIC AUTHORITIES

Department of Inspection of Factories and Establishments (DIFE).

## II. EMPLOYERS

Association of Indonesian Employers (APINDO)

Bangladesh Garment Manufacturers and Exporters Association

Bangladesh Knitwear Manufacturers and Exporters Association

Federation of Bangladesh Chamber of Commerce & Industry

ALDI

## I. TRADE UNIONS

National Garment Workers Federation (NGWF)

IndustriALL Bangladesh Council

## II. LABOUR-RELATED NGOS

Ain O Salish Kendra

Awaj Foundation

Karmojibi Nari

## V. INTERNATIONAL STAKEHOLDERS

Bangladesh Accord on Fire and Building Safety

Alliance for Bangladesh Worker Safety

# LIST OF ABBREVIATIONS

BEF	Bangladesh Employers' Federation
BGMEA	Bangladesh Garment Manufacturers and Exporters Association
BKMEA	Bangladesh Knitwear Manufacturers and Exporters Association
BLF	Bangladesh Labour Welfare Foundation
BRAC	Bangladesh Rural Advancement Committee
CBA	Collective Bargaining Agent
CPI	Corruption Perceptions Index
DIFE	Department of Inspection of Factories and Establishments
EIU	Economic Intelligence Unit
EPB	Export Promotion Bureau
FBCCI	Federation of Bangladesh Chamber of Commerce & Industry
FWF	Fair Wear Foundation
FOB	Free on Board
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GNI	Gross National Income
HDI	Human Development Index
IBC	IndustriALL Bangladesh Council
IGU	IndustriALL Global Union
ILO	International Labour Organization
ITUC	International Trade Union Confederation
MOLE	Ministry of Labour and Employment
NGWF	National Garment Workers' Federation
NTPA	National Tripartite Plan of Action
OHS	Occupational Health and Safety
RCC	Remediation Coordination Cell
RMG	Ready-Made Garment
UN	United Nations
UNICEF	United Nations Children's Education Fund
WJP	World Justice Project
WIF	Wage Indicator Foundation

## ANNEX 1. MINIMUM WAGES BY GRADE (FOLLOWING JANUARY 2019 REVISION)

Position of post of the labourers & class	Basic Wage (BDT)	Annual increment (% of basic)	House Rent Allowance (BDT) (50% of basic wage)	Medical Allowance (BDT)	Conveyance Allowance (BDT)	Food Allowance (BDT)	Total Wage (BDT)
Grade-1:	10,938-	5%	5,469	600-	350	900	18,257
Grade-2:	9,044	5%	4,522	600	350	900	15,416
Grade-3:	5,330	5%	2,665	600	350	900	9,845
Grade-4:	4,998	5%	2,499	600	350	900	9,347
Grade-5:	4,683	5%	2,342	600	350	900	8,875
Grade-6:	4,380	5%	2,190	600	350	900	8,420
Grade-7:	4,100	5%	2,050	600	350	900	8,000

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