

Turning The Tide Of RMG Labour Unrest



The standoff between garments employers and workers: The major causes of labour unrest in the RMG sector are: irregularities in payment, low wages, mistreatment of the workers by managers/officers, rumour, absence of trade unionism, conspiracy, non-execution of labour laws, unruly nature of the workers, political intervention and lack of social security for the workers....writes [Arafat Hosen Khan](#)

A labour unrest is a social phenomenon of enormous complexity and it is very difficult to give any complete explanation of this phenomenon. Recently, labour unrest in ready-made garments (RMG) sector of Bangladesh has been a matter of serious distress. The RMG industry of Bangladesh is a flourished sector and the contribution of this sector in national economy is enormous. It is not just the highest foreign exchange-earning sector but also has created an incredible number of employment opportunities especially for those who are in the most vulnerable position in our country – poor women from the rural areas. This certainly has positive impact in the socio-economic condition of our country. But this sector is burdened with a number of problems like labour unrest which is threatening the very existence of the industry.

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Social security is one of the pillars on which the structure of a modern democratic welfare state rests, and it constitutes the hard core of social policy in most countries. It is through social security

measures that the state attempts to maintain every citizen at a certain prescribed level below which no one is allowed to fall.

The Bangladesh Labour Act, 2006 (“The 2006 Act”), passed by the Parliament in September, 2006, replaced a total of 25 earlier legislations, including the Factories Act, 1965 and the Factories Rules, 1979, which had established a framework for safeguarding workers’ rights and decent conditions of work in industrial establishments. This Act has codified the rules of labour law which were dispersed in those 25 legislations, and have reaffirmed the rights of workers to:

- * Proper wages and benefits that ensure an adequate standard of living for workers and their families (section 141, read with sections 139 and 140 of the 2006 Act);
- * Equal pay for equal work without any discrimination between male and female workers (section 345 of the 2006 Act);
- * Regulated time of work and provisions of leave and holidays (chapter 9 of the 2006 Act);
- * Safe, secure and healthy working environment (chapters 6 – 8 of the 2006 Act);
- * Fair compensation in cases of work-related death or injury (chapter 12 of the 2006 Act);
- * Right to organise trade unions for collective bargaining (chapter 13 of the 2006 Act);
- * Protection of children from exploitation (chapter 3 of the 2006 Act);
- * Maternity leave and proper sanitation, dining and child-care facilities (chapters 4 and 5 of the 2006 Act).

Whilst there are some positive changes in the Act, much of the provisions in this legislation are almost identical to those in the previous laws. For example, the Act does not impose new legal obligations upon employers and others in relation to health, safety and welfare. However, the obligations will, under the new law, apply to a wider range of premises and establishments.

The present Labour Act, 2006 in Bangladesh features the following key provisions to ensure worker’s or labour’s welfare and social security:

Workers’ welfare arrangements: The Act provides the provisions for the maintenance of first-aid facilities (sec.89), a safety record book (sec.90), washing facilities (sec.91) canteens (sec.92), leisure rooms (sec.93), and childcare facilities (sec.94). It requires employers to offer group insurance policies if employing more than 200 workers (sec. 99) and to establish a provident fund for workers in privately-owned organisations (sec.264) and for tea estate workers (sec. 265).

Fairness in wages: Minimum wages (sec.140) are to be recommended by the Minimum Wage Board (sec.138), subject to review every five years (sec. 139(6)). In making recommendations, the Wage Board must take into consideration the daily expenses and living standard of the workers; production cost, productivity and price of products; inflation; nature and quality of work; risks

involved as well as the socio-economic conditions and other relevant conditions in the concerned area (sec.141).

Compensation: The amount payable by employers in case of compensation for workplace deaths and injuries has been increased to Taka 100,000.00 for deceased workers and Taka 125,000.00 for disabled workers (sec.151).

Trade unions: The Act provides for formation of trade unions by employers as well as workers (chapter 13). Under sec. 179(2) a trade union cannot be registered unless at least 30 per cent of the workers of the concerned institution become its members. This Act further specifies that if an employer owns more than one undertaking with a common industrial objective, they shall be considered as one institution, irrespective of their locations. Before passing of the Act, 30 per cent membership of the workers of a single institution was required to form a trade union.

Constitution of a National Industrial, Health and Security Council: The Act provides for the constitution of a National Industrial, Health and Security Council headed by the Ministry of Labour and Employment (sec.323). Among others, the Council will be constituted by seven representatives each from the employers' association and workers' associations. The Council is authorised to formulate national rules for ensuring a safe, secure, healthy and clean industrial environment, as well as guidelines to implement the national rules.

Equal pay for equal work: The Act provides that there shall be no discrimination in fixing the minimum wage for work of equal nature or value for both male and female workers and no discrimination shall be made in payment on the basis of their gender (sec.245).

Information about the Act: Government officials, employers and trade unions are required to take steps to conduct training courses on the provisions of the Act, with the cost to be shared by the Government and employers (sec.348).

However, are these provisions good enough to get rid of RMG labour unrest in Bangladesh or do we need a more labour welfare-based policy?

If we take the recent incident of RMG labour unrest in Savar-Ashulia – which is definitely not an isolated incident – the main reasons behind the unrest are wage issues, misbehaviour, mismanagement and over-exploitation of workers. Evidently the concept of labour welfare is blatantly disregarded by the factory owners, as well as from the government's end. No effective policy has been taken by the government to ensure labour welfare although the RMG export earnings are very significant and continue to increase.

The concept of labour welfare is flexible and elastic and differs widely with time, region, industry, social values and customs, degree of industrialisation, the general socio-economic development of the people and the political ideologies prevailing at a particular time. It is also moulded according to the age-groups, socio-cultural background, marital and economic status and educational level of the workers in various industries

In its broad connotation, the term 'welfare' refers to a state of living of an individual or group in a desirable relationship with total environment – ecological, economic, and social. Conceptually as well as operationally, labour welfare is a part of social welfare which, in turn, is closely linked to the concept and the role of the State. The concept of social welfare, in its narrow contours, has been equated with economic welfare. As these goals cannot always be realised by individuals through their efforts alone, the government came into the picture and gradually began to take over the responsibility for the free and full development of human personality of its population.

Labour welfare is an extension of the term 'welfare' and its application to labour. During the industrialisation process in Bangladesh, the stress on labour productivity increased which brought about changes in the thinking on labour welfare.

The notion of labour welfare has received inspiration from the concepts of democracy and welfare state. Democracy does not simply denote a form of government; it is rather a way of life based on certain values such as equal rights and privileges for all. The operation of welfare services, in actual practice, brings to bear on it different reflections representing the broad cultural and social conditions. In short, labour welfare is the voluntary efforts of the employers to establish, within the existing industrial system, working and sometimes living and cultural conditions of the employees beyond what is required by law, the custom of the industry and the conditions of the market (A. J. Todd, 1933).

The constituents of labour welfare include working hours, working conditions, safety, industrial health insurance, workmen's compensation, provident funds, gratuity, pensions, protection against indebtedness, industrial housing, rest rooms, canteens, crèches, wash places, toilet facilities, lunches, cinemas, theatres, music, reading rooms, holiday rooms, workers' education, co-operative stores, excursions, playgrounds, and scholarships and other help for education of employees' children. These cannot be achieved without the help of the government. This is high time the government took measures to adopt labour welfare policies for the RMG workers to protect their interest. This is high time the government pressed on with the tasks of promoting employment, maintaining harmonious labour relations, safeguarding labour rights and enhancing safety and health at work. The improvement of labour welfare and increasing productivity with reasonable level of social security should be one of the prime objectives concerning social and economic policy of the government.

In this scenario, the government should recognise strongly the need to increase the welfare measures in RMG labour sector by institutionalisation of social security. Besides the government, it is the responsibility of the employers to develop some well-specified procedures that would deter creation of unwarranted unrest among workers. Although the RMG sector of Bangladesh has emerged entirely through private entrepreneurship, solving labour unrest in this sector requires a collective effort.

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