

Causes and Impact of Labor Unrest in RMG Sector; An Analysis on the Ready Made Garments Industries of Bangladesh

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Abstract: *The Readymade garment (RMG) industry of Bangladesh has become the backbone of the national economy. It is the highest foreign exchange earner, it employs largest number of people and it also generates vibration for other sectors. The RMG sector of Bangladesh has emerged entirely through private entrepreneurship. But it is not beyond government or public concern. In all respect, it is a huge industry. Solving labor unrest in the RMG sector is not an easy task. It requires a collective effort. As the sector involves stakeholders from both public and private sector, cooperation between these two sectors can be a better option to solve the problem.*

Keywords: *RMG, Labor Unrest, Cause and Impact, Bangladesh, Minimum Wages.*

1 Statement of the Problem:

The ready-made garment (RMG) sector is the lifeline for the Bangladeshi economy. Having maintained higher export growth every year, now the sector is the largest contributor not only to overseas trade but also to the national economy. The sector alone directly employs 3.5 million skilled, semi-skilled and unskilled workers. Indirectly, the garment sector, which started its journey in Bangladesh since the early 1980s, employs now about 15 million people in this country.

Records show that almost all incidents of massive labor unrest, which have direct link with wage hike demand, took place in 2006 and 2010. Those incidents were resolved through “negotiations”. In 2006, garment workers demonstrated for a minimum wage hike and it was fixed at Tk1662.50. In July 2009, due to massive labor unrest, Hameem Group, a leading garment manufacturing factory incurred a loss of around TK. 100 crore and two workers died with resultant loss of 2000 jobs. In 2010 the workers agitated again for revising the minimum wage structure. After a prolonged negotiation, the government appointed committee fixed the minimum wage for the garment workers at Tk. 3000 per month which came into effect since November 2010.

In spite of all the success stories, the garment sector is jolted with volatility. It faced severe labor unrest for wage hike since 2006. From then on labor unrest took place in the sector almost every year. Many experts and industry insiders describe it as a “conspiracy” by certain national or international vested quarters, although it requires adequate evidence to prove the involvement of such conspirators. Since the labor unrest at Ashulia in May and June of 2011, the concerned people, experts, researchers, government officials and lawmakers have been trying to substantiate the Real Causes behind the unrest.

On November 25, 2012 a deadly fire swept through Tazreen Fashions in the Ashulia industrial area killing at least 110 people. The fire at the nine-storey factory started on the ground floor at late night and spread quickly. Firefighters took nearly five hours to extinguish the flames. Many of the employees fled the flames on the first floor and went to the top of the building, and became trapped. Most of the victims died because they jumped from the building to escape the flames. Some observe that since 2006, more than 600 people have died in Bangladesh because of fires and lack of safety standards in crowded factories. Then the accident of Rana Palza was memorable where many workers were died.

1.1 Objectives of the Study:

The broad objective of the study is to find out the major causes an impact of the Unrest in Garment Sector. The specific objectives are as follow:

1. To find out the impact unrest in Garment Industries located in Bangladesh.
2. To measure the gravity of Compliance Factors that relates unrest.
3. To measure the gravity of Other Related Factors [ORF] for unrest. And
4. To locate the Best Alternative Solutions [BAS] for the Unrest Problem in garment sector.

1.2 Significance of the Study:

Bangladesh is well known across the globe for its stunning success in the arena of readymade garment industry. It constitutes about 80% of total export of Bangladesh. It has been able to create employment opportunity for millions, alleviate poverty, accelerate industrialization, attract foreign direct investment, mobilize business and create a positive image of Bangladesh abroad. But these achievements are going to be shattered due to labor unrest in this sector. If labor unrest is not addressed, Bangladesh will have to count a heavy loss. The affected garment factories will be declared closed. Production will be hampered. The foreign investors will close their business here. The foreign buyers will cancel their order and divert to other countries. Government will lose huge revenue. Thousands of garment workers will lose their job. After all, it will create an adverse impact on the socio-economic condition of the country.

The present study aims to find out the causes of labor unrest in the RMG sector of Bangladesh and possible solution of the problem through public-private cooperation perspectives. Before venturing to solve any problem, it is wise to explore the root causes of the problem and diagnose them. Accordingly, the causes of labor unrest have been explored and areas where public and private sector can work to address the problem are identified. The

RMG industry involves various stakeholders covering from public, private and international organizations. Ministry of Labor and Employment and its sub-ordinate offices, Ministry of Home Affairs and various law enforcing agencies, political leaders of central and local government, local administration comprise the public

side whereas factory owners, managers, officers, garment workers, BGMEA, workers' association, member of civil society organizations, NGO activists fall in private sector. Public-Private Cooperation is an agreement between government and private for bringing together social priorities with the managerial skill of private sector, relieving government of the burden of large capital expenditure, and transferring the cost overruns to the private sector. The success rate of public-private cooperation is high in western world. It is relatively new in Bangladesh and other South Asian countries.

A good number of researches have been done on various issues ranging from gender discrimination to impact of globalization in garment industry of Bangladesh. But no research is conducted on public-private cooperation approach to solve labor unrest. In this respect, this study is new one. It attempts to address a burning problem of vital sector of economy from an innovative perspective.

1.3 Limitations of the study:

The following limitations were found.

- Shortage of time.
- Owing to time and distance constraint, factories of Chittagong and other distant places could not be covered.
- Another problem is their low level of education and knowledge. Many of them know nothing conspiracy, industrial police, concern authority and many other important matters.
- Factory owners, managers and officers are reluctant to give detail information.

2 Literature Review:

Siddiqi (2004) in his book 'The Readymade Garment Industry of Bangladesh' discusses the importance of RMG industry in the national economy and notes, the RMG industry has become so important that the future of the economy of Bangladesh is greatly dependent on this single sector. Any slowdown in this sector will slow down the economic progress of Bangladesh.

Jakir, (2010) observes long-standing deprivation of basic human needs often force the garment workers to follow the path of violence. He states, the living condition of RMG workers is worse than that of prisoners in Bangladesh. According to The Jail Code of 1920, livelihood requirements are decided for the prisoners confined in different jails of Bangladesh. According to the current TCB price index for Dhaka city, the minimum cost of food items prescribed for a prisoner is Tk. 52.39 per day.

Sultan (2010) says, from the total net profit, only 30 per cent is being spent on the workers whereas around 50 per cent is spent on workers' wages in other countries. He further notes, 'in our country, people do not pay heed to any movement unless you come out to the roads.

Fahmida and Moazzem (2007) suggest a number of factors need to be considered while fixing the minimum wage of industrial workers. These are : i) workers' minimum requirement for decent living; ii) enterprise's capacity to adjust with the additional cost originating from the rise in wage; iii) consideration of the wage structure of similar types of industrial sectors; and iv) adjustment of the wage with country's economic development.

Shahiduzzaman (2010), notes in absence of an appropriate formal channel to air grievances and seek redress, the only avenues open to the RMG workers are street protest, picketing, or gherao³ of a manager's office or a factory. So far, the government has largely left the RMG sector to such devices. Most garment factories do

not follow the labor law and ILO conventions. The Labor Act, 2006 clearly stipulates that the wages of a worker must be paid within seven working days of the completion of the stipulated wage period.

Ali, (2010) observes the adverse impact of labor unrest in national economy of Bangladesh. He states, during last one year, ownership of about 40 large scale garment factories has been handed over to the foreigners and ownership of about 100 factories is under process of handing over. This is happening under intensive supervision of high officials of factories who are responsible for widening the gap between the owners and workers.

Umar, (2010) notes that low wage and sub-standard living condition are major causes of labor unrest in the readymade garment industry of Bangladesh. He states, those who can take proper food and live in better environment can contribute more to the production than those are deprived of these. In respect of wage and living standard, the garment workers of Bangladesh lag far behind of those of China, Sri Lanka and Vietnam. Yet production is high in Bangladesh. The owners of garment factories should take it into consideration.

3 Methodology of the Study

3.1 *Source of data:*

Mainly secondary sources of data have been used for this study. Secondary data have been collected from different relevant publications, dissertations, books, journals, newspapers articles and reports, government publications, rules, acts, websites etc. Some Primary data have been collected through interview and focused group discussion method.

3.2 *Area of the study:*

Most of the garment factories of Bangladesh are located in Dhaka and adjacent towns of Dhaka like Savar, Ashulia, Tongi, Gazipur and Narayangang. Some are located in Chittagong as well. As regard labor unrest or owners-workers relations, all garment factories share some common problems. For the convenience of primary data collection, factories of Dhaka, Savar and Gazipur have been visited. Garment workers, factory owners, managers and officers are covered from different factories of these areas.

3.3 *Data Analysis plan:*

Data has been analyzed by reviewing available literatures and presented by using computer Microsoft office.

4 Results and Discussion

4.1 *Concept of Labor unrest:*

Labor unrest is a term used by employers or those generally in the business community to describe organizing and strike actions undertaken by labor unions, especially where labor disputes become violent or where industrial actions in which members of a workforce obstruct the normal process of business. Labor-

force is an important element in economic activities. Labor unrest occurs when the labor-force is aggrieved with some decisions of the authority or their demands are not fulfilled, they organize themselves, come out to the street to protest the decision of the authority or pressurize the authority to fulfill their demand.

Sometimes, they engage themselves in violence and vandalism.

Labor unrest action is result of labor disputes, retrenchments and the planned amendments to labor law in the public and private sectors could lead to increased protests.

Labour unrest is the common phenomenon in Bangladeshi RMG industry as most of them are uneducated and unskilled; they get very poor salary in contrast to ever-increasing expense of livelihood. Very often, they do not get their salary, bonus and overtime bills in time. In many factories they are forced to work long hours in unhygienic condition.

4.2 History of labor unrest:

History of labor unrest is as old as history of industrialization. Industrialization process requires two classes of people - owners or elite class and working class. History of the Industrial Revolution in England in late 18th century records the plight and struggle of working class people. Workers were to work for a long hours in an unhygienic environment for a low wage. They lived in shabby slums of Lancashire and London and were deprived of nutritious food, medicine and health care, education for their children. There were no day care centre and women with children had to work in the factory keeping their children asleep with sleeping syrup. Frederick Engels comments, "in truth, they were not human beings; they were merely toiling machines in the service of the few aristocrats who had guided history down to that time." He further says, intellectually, they were dead; lived only for their petty, private interest, for their looms and gardens, and knew nothing of the mighty movement which, beyond their horizon, was sweeping through mankind". Garments workers in Chicago fought against working 12 hours a day and seven days a week in 1886, some 125 years ago. Every year on 1st May, International Labor Day is observed in commemorating the sacrifice of garment workers in Chicago while the phenomenon still remains same in Bangladesh.

The conflict of interests between buyer and seller of labor power has become conspicuous and this has led to the rise of trade union movement throughout the world. The tradition of the parallel development of the nationalist and the trade union movement, which has originated in British India continued through the Pakistan period down to the birth of Bangladesh. Bombay Mill Hands Association, first of its type in India, formed in 1890 gave impetus to the trade union movement in British India. The establishment of ILO in 1919 provided a source of inspiration for the workers to organize themselves and shape their destiny.

Berch Berberoglu, in his book 'Class, State and Development in India in Historical Perspective' observes, with the growth of industrial working class in India, conflict between labor and capital intensified. The capitalist assault on workers' wage and democratic rights met with stiff resistance from organized labor and trade union movement and led to the radicalization of large segments of working class, whose demands became increasingly political. Threatened with these developments and fearful of a general social explosion based on a revolutionary alliance between workers and peasants, the bourgeois state became more repressive. It also opened its door to transnational monopolies, thus seeking refuge in imperialism."

History is the evident that the outburst of workforce deriving from their struggle for a humble living can never be subdued. Coercive measures to disperse the agitation only infuriate the workforce which can take the shape of a revolution. Taking necessary steps to solve labor unrest in RMG industry is a demand of time.

4.3 Labor Unrest in RMG sector of Bangladesh:

Labor unrest has been a common phenomenon in the RMG industry of Bangladesh. Workers are being embroiled in clashes frequently; they call strikes often to make their demand home.

It causes enormous loss to the owners, cripples the economy and tarnishes the image of the country abroad. It also makes foreign buyers reluctant to render future orders. In addition the industry is losing competitive edge for this. In July 2009, due to massive labor unrest, Hameem Group, a leading garment manufacturing factory incurred a loss of around 100 crore taka and two workers died with resultant loss of 2000 jobs.

The detailed 4th wage structure for the garment workers is shown in the following table-

Grade with posts	Basic	House rent	Medical Allowance (40%of Basic)	Net Salary
Grade 1: Pattern Master, Chief Quality Controller etc.	Tk.6500	TK.2600	Tk.200	Tk. 9300
Grade 2: Mechanic, Electrician, Cutting Master etc.	Tk.5000	TK.2000	Tk.200	Tk. 7200
Grade 3: Sample Machinist, Senior Machine Operator etc.	Tk.2870	TK.1148	Tk.200	Tk. 4218
Grade 4: Sewing Machine Operator, Quality Inspector, Cutter, Packer, Line Leader etc.	Tk.2615	TK.1046	Tk.200	Tk.3861
Grade 5: Junior Machine Operator, Junior Cutter, Junior Marker etc.	Tk. 2395	TK.958	Tk.200	Tk. 3553
Grade 6: Operator of				

General Sewing/
Button Machine etc.

Tk.2230 TK.892 Tk.200 Tk. 3322

Grade 7: Assistant
Sewing Machine
Operator, Assistant
Dry washing man,
Line Iron man etc.

Tk.2000 TK.800 Tk.200 Tk. 3000

Source: Minimum Wage Board, 2014

Causes of labor unrest are many. First and foremost is the long-standing grievance of the workers. The growth of RMG industry of Bangladesh much depends on hard work of the labor force. But unfortunately they are deprived of minimum facilities. They are to live a sub-standard life in city slums for years. The wage they get is low. Very often they do not get their salary, overtime bills and bonus in time. Their recruitment system is hiring and firing as they do not get any appointment letter and identity card of the factory and at any time they can be dismissed by owners for any reason. They don't know anything about their job contract. Being maltreated by owners and mid-level officers, working long hours in congested environment without sufficient rest, lack of nutritious foods, medicine, right to legitimate protest against ruthless exploitations etc are their daily destiny. They don't have any access to the decision making process. Factory building collapse, fire accident, stampede render many dead and injured. Nevertheless, if any worker protests against owners or management, he/she is threatened by various types of harassment such as dismissal, arrest or even physical assault by the hired hooligans of owners. Common causes of labor unrest in the RMG sector in Bangladesh are discussed briefly below. Most of the labor force of this sector are uneducated and unskilled and have come from rural area simply in search of livelihood. They have to work hard in return for a very poor salary.

The minimum wage for workers of RMG sector, in any account, is very low in the face of ever-increasing prices of daily necessities. The following table shows a comparative study of minimum wage of workers of RMG sector with other industries of Bangladesh. Sector-wise minimum wage for workers are-

Sl. No.	Sector Minimum	Wage in Tk.
01.	Oil-mills	7420
02.	Re-rolling	6100
03.	Foundry	5100
04.	Ship breaking	4645
05.	Ayurvedic unit	4350
06.	Pharmaceutical	3645
07.	Soap and cosmetic	3300
08.	RMG	3000
09.	Shrimp processing unit	2645

10. Tailoring shop 2350

Source: The Daily New Age, 13 Aug, 2013

5 History of growth of RMG sector in Bangladesh:

In the field of industrialization, the role of textile industry is found very prominent in both developed and developing countries. Economic history of Britain reveals that in the 18th century the cotton mills of Lancashire ushered the first industrial revolution in the world.

Moreover, during the last 200 years or more, many countries of the world have used textile and clothing industry as an engine for growth and a basis for economic development (Ahmed 1991). Bangladesh has a long and illustrious history of producing world-class fabrics. During the Mughal period (in the 17th and 18th century) Moslin⁵ of Dhaka was a legend in the world fabric market. It was adored by members of royal palaces of many countries of Asia and Europe. The unique craftsmanship of the artisans, the cheap labor and locally developed technology were the basis of textile industry of Bengal to flourish for several centuries prior to the British colonial rule. Andre Gunder Frank in this connection comments, 'Bengal once provided the life blood of mercantile and industrial capitalist development in the metropolis'⁶. Unfortunately the industry did not survive. The East India Company suppressed the export of textile from Bengal, often with draconian means, at the behest of British manufacturers of cloth who were unwilling to compete with the cheaper and better cloth of Bengal (Rashid, 1990). History is the evident of inhuman torture upon craftsmen of Moslin by the British colonist. The British colonist even cut the fingers of craftsmen of Moslin and thus bunged the glory of fine textile of Bengal. On the other hand, to ensure the supply of raw materials of textile mills of Britain, they imposed compulsory indigo cultivation upon the farmers of Bengal. The 'Nil Bidroho' (Revolution against compulsory cultivation of indigo) in early 1860s by the agrarian class of Bengal was one of the major shakes against British Imperialism in India.

In 1947, at the end of British rule in India, this part of the sub-continent (present Bangladesh) was part of Pakistan. Despite a number of dissimilarities (having only similarity in religion) two parts of Pakistan (West Pakistan- the main land and East Pakistan-present Bangladesh) started journey as an independent country enduring practically and theoretically wide gap.

In 1972, the first government of Bangladesh headed by Sheik Mujibur Rahman decided to run the country on the basis of socialist ideology. He nationalized most of the mills and factories. Corruption, system loss, mismanagement, inefficiency, bureaucratic complexities crippled the growth of the nationalized enterprises. Despite huge government subsidy, year after year loss brought these public enterprises on the verge of extinction.

In 1982 under the second military administration, a reform program called Trade and Industrial Policy (TIP) was launched with technical assistance from Harvard Institute of International Development (HIID). The New Industrial Policy (NIP) of Bangladesh approved in 1982 instituted various export promotion measures, particularly to promote export of nontraditional items like garment. It should be noted that in case of garment it was the external forces that worked more strongly during the early years than the internally planned proactive efforts.

The real breakthrough occurred in 1984-85 when the number of readymade garment factory increased to 587. The export earning shot up from \$ 31.57 million in 1983-84 to 116.2 million in 1984-85, a 268.07% rise in a year. During 1985-90, the sector grew at a cumulative average growth rate (CAGR) of 40%. The earnings from this sector crossed the billion-dollar mark in FY 91-92, with a total export of \$1.18 billion. In FY 94-95, the share of apparel export increased to 64% of total exports and earnings doubled to \$2.2 billion. The industry grew at CAGR of 29% during 1990-95. Within the next five years, the export proceeds from this sector again doubled to \$4.35 billion and the share of apparel export to total exports grew to 76%. Since then, the apparel sector has continued to contribute more than 75% of total exports.

6 Factors promoting growth of RMG industry:

Factors which promoted growth of RMG sector in Bangladesh can be categorized into two groups- 1) domestic and 2) external.

6.1 Domestic Factors

6.1.1 Cheap labor:

RMG is a labor-intensive sector. Bangladesh is an over-populated country burdened with unemployment problem. The private entrepreneurs in the late 1970s and early 1980s got an opportunity to use cheap labor to flourish this sector over-night. At present, about 3.5 million people are working in this sector. About 80% of them are women.

Country	Per hour wage (US\$)
Turkey	2.44
Mexico	2.17
China	1.88
Pakistan	0.56
India	0.51
Sri Lanka	0.44
Vietnam	0.44
Bangladesh	0.22

The Table shows- Country-wise per hour wage of garment workers. Source: The Daily New Age, 13 Aug, 2013

6.1.2 Low production cost:

As labor cost is very low, RMG factories in Bangladesh can produce quality garment at lower cost which has attracted the foreign buyers. International companies like Wal-Mart, JC Penney, H&M, Zara, Tesco, Carrefour, Gap, Metro, Marks & Spencer, Kohl's, Levi Strauss and Tommy Hilfiger all import in bulk from

Bangladesh. The total export from the sector has doubled from \$6.4 billion in FY 04-05 to \$12.5 billion in FY09-10. The comparative advantage of low production cost also attracted foreign direct investment.

6.1.3 Local Demand:

Clothing is a basic need. Bangladesh is one of the most densely populated countries in the world. Every year Bangladesh needs a huge quantity of garment for its local need. Culturally people of Bangladesh like to wear new cloths on the eve of various festivals like Eid, Puja, Pohela Baishakh etc.

6.1.4 Government Support:

The apparel industry received support from the government, which included measures like duty drawback facilities, tax holidays, cash assistance, income tax rebate, creation of export processing zones, zero tariff on machinery inputs, rebate on freight and power rate, bonded warehouse facilities, provision of import under back-to-back letters of credit, loans at concessional rate, export development fund, etc.

6.1.5 Back to Back Letter of Credit:

Back to Back Letter of Credit is one of the important factors in the initial and continuing success of this sector. It considerably eases the financing requirement of garment business for the local entrepreneurs. The entrepreneurs are able complete the complicated process of manufacturing and export with very little of their own funds for working capital. Even if the turnover is Tk. 50 million and the profit is only 5% the returns are still decent since the funds are borrowed largely from the banks.

6.1.6 Private entrepreneurship:

The export- oriented RMG sector started its journey entirely with private initiatives. The journey was not smooth. The entrepreneurs faced tremendous constraints in terms of power and gas supply. Political instability, frequent hartals (strikes), poor port facility, and labor unrest created longer lead time, which became another barrier in competing with neighboring nations.

6.2 External Factors

6.2.1 Quota facility:

The key factor behind the growth was the quota system under the Multi-Fibre Arrangement (MFA). The General System of Preferences (GSP) facilities and RoO (Rules of Origin) offered by the developed nations also helped Bangladesh to accelerate its export. In short, MFA provided market protection for Bangladesh, whereas GSP facilities offered preferential treatment and market access opportunities in developed economies.

6.2.2 Civil War in Sri Lanka:

Civil War in Sri Lanka which started in late 1970s proved to be boon for Bangladesh in respect of RMG industry, though it was a bane for Sri Lanka. Sri Lanka was a leading country in exporting RMG among Asian countries. But due to the civil war, the western buyers turned away from Sri Lanka and were looking for substitute of Sri Lanka. Finally Bangladesh came forward to replace Sri Lanka in RMG business based on its huge cheap labor force.

6.2.3 Supply Side Factors:

On the supply side, several factors can be mentioned that have contributed to the growth of Bangladesh as an apparel exporter. First as the wages of the East Asian Countries rose and quota restrictions limited shipments from these countries to particularly the US markets, apparel firms from those countries established production operations in other countries with cheaper labor and with few or no quota restrictions.

7 Contributions of RMG industry to national economy:

Garments Industry occupies a unique position in Bangladesh economy. It is the largest exporting industry in Bangladesh, which experienced phenomenal growth during last three decades. The industry plays a key role in employment generation and in the provision of income to the poor. More than 3.5 million workers are directly and more than ten million people are indirectly associated with the industry. The sector has also played a significant role in the socio-economic development of the country.

In terms of GDP, RMG's contribution is highly remarkable; it reaches 13% in FY 2009-10 which was only 3% in FY 1990-91. This is a clear indication of the industry's contribution to the overall economy. It plays a vital role to promote the development of other key sectors of economy like banking, insurance, shipping, hotel, housing, transport, etc.

Till now Bangladesh is known as an agricultural country. Except, RMG sector, there is no other mention-worthy industrial establishment. It is the RMG sector which has accelerated the process of industrialization in the country. Bangladesh is one of the most densely populated countries of the world. With limited land area and natural resource, the increasing population is creating heavy burden on unemployment problem. The RMG sector has been able, to a great extent, to relieve the country from the burden of unemployment by creating employment opportunities for more than three million people. Bangladesh is known as a poor and over-populated country stricken with a lot of problems. RMG carrying the label of "made in Bangladesh" is working to create a positive image of Bangladesh in the world. It has also proved that the heavy burden of population can be turned into an asset by using them as workforce.

8 Findings of the Study

8.1 Causes of Labor Unrest in RMG Sector in Bangladesh:

There are many root causes of labor unrest in Bangladesh. After analyzing secondary and primary data, I found following behind Labor Unrest in RMG Sector in Bangladesh-

i. Very Low Wages and not Pay in Time:

Wages and payment is the most significantly correlated factors to labour unrest (Kamal et.al., 2010). The wage they get is low. Very often, they do not get their salary, overtime bills and bonus in time.

Lowest Wages of RMG in Bangladesh					
Grade: 07					
Basic Salary	House Rent	Food Allowance	Medical Allowance	Travel Allowance	Total
3000 BDT	1200 BDT	650 BDT	250 BDT	200 BDT	5300 BDT

Source: Minimum Wage Board 2014

ii. Long-standing grievance of the workers: The growth of RMG industry of Bangladesh much depends on hard work of the labor force. But unfortunately they are deprived of minimum facilities. They are to live a sub-standard life in city slums for years.

iii. Lack of additional benefits and irregularities in payment of overtime: The main factor for the labor unrest in Bangladesh named lack of additional benefits and irregularities in payment of overtime. The workers used to work at the factory from dawn to dusk with an overtime arrangement which is very low in amount (Islam and Ahmed 2014).

iv. Poor recruitment policy: Their recruitment system is hiring and firing as they do not get any appointment letter and identity card of the factory and at any time, owners for any reason can dismiss them. They do not know anything about their job contract.

v. Excessive Working Hour: As they do not know the legal provisions on employment contracts, an excessive working hour is one of the most common labour standards problems in Bangladesh. Equally, worker has no choice; they are compelled to take up the excessive workloads.

vi. Failure to insure labour law, rights and ILO convention: In our country One of the reasons for this unrest in the garment industry is legal and institutional failures to ensure labor rights (Islam and Ahmed, 2010). Most of the garment factories in Bangladesh hardly follow the labor laws and ILO conventions (Islam and Ahmed, 2010).

vii. Lack of Minimum Facility and Safety: Most of the factories are located in the housing areas of the city which are not built by following the factory rules of the country. This has been often causing accidents and the lives of the workers are going under the threat. Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the government are not serious to improve the situation in this sector.

viii. Sub-Standards Living Conditions: Sub-standard living conditions of the workers are another factor causing unrest in the garment sector of Bangladesh. Due to poor salary, these workers are unable to live in good house. Therefore, the poor living conditions create job dissatisfaction of the workers and that lead to labor unrest in this industry.

ix. Deferred Benefits: In garment companies of Bangladesh, the salary is given after the 15th of the month in order to minimize job turn over in the factory. In addition to this, the benefits like bonus, overtime, etc payments are given after an indefinite period of time that creates labor unrest in the industry.

x. Gender Discrimination: Gender discrimination is common. The majority of garment factory workers are young women. In the RMG sector female workers are considered low-skill, low workers. Mostly abundant

cheap labour and its low opportunity cost lead to low wage levels, providing a comparative advantage to female labour in particular operations in the RMG production sector.

xi. International Conspiracy and Coercive Role of the Law Enforcing Agency: Saying goes that the garment industry of Bangladesh is controlled by other competitor exporting countries of the world. If there is a chaos and confusion in this sector, the smooth production will be hampered and the other competing countries will be able to export their products in the international markets.

xii. Too Much Dependence on Buyers: The garment export of Bangladesh absolutely depends on the WTO resolution and the agreement of the international buyers. Majority of the companies are fully export oriented. They do not produce products for the local markets.

xiii. Pressures from the Workers and Mastans/Terrorists: Very often, local pressures cause the problem for the factory and workers. Local terrorists often demands donation from the factory owners. When terrorists do not get donation they come with their gang and try to create unrest in the factory premise.

xiv. Use of Workers by others and Rumors: The garment workers are from the rural areas and they are very poor. Therefore, there is a chance to use these workers by the local pressures groups that may go against the interest of the company. Moreover, as these workers are illiterate they become militant when there is a rumor against their interest.

xv. Un-Fulfillment of Education Demands of the Children: The workers of the garment factories are unable to send their children to the schools as they are financially incapable to support. This may cause dissatisfaction among the workers in this sector.

xvi. Distorted Minded Workers: Due to illiteracy of the workers, they are incapable to think positively that creates unrest in the garment industry of Bangladesh. Sometime, it is also observed that workers are frustrated and they have innate anger to the rich people. These led them to take part in labor unrest.

xvii. Political Instability of the Country: Due to political instability of the country, like strike, worker cannot come to the factory to work and they marked absent by the factory managers. This sometime makes workers aggressive and lead to unrest in this sector.

xviii. Too Much Workload: Too much and inhuman workload is a common phenomenon in this sector of Bangladesh. The payment rate is very poor and the overtime rate is also insignificant for the workers. As a result, They need to work from dawn to dusk for a minimum amount of salary. Therefore, workers take part in unrest to establish their rights.

ix. Insufficient Wages for Fulfilling of Basic Needs: The basic needs of the workers are food, clothing and the shelter. However, these are costly in the area where the factories are located. The salary workers receive is extremely inadequate to fulfill these needs. Therefore, they create labor unrest to establish the minimum wages.

9 Impact of labor unrest:

Whatever might be the cause of labor unrest in the RMG sector, impact is, beyond doubt, catastrophic. All the four parties- the workers, the owners, government and foreign buyers will be affected. If labor unrest continues, the foreign buyers will cancel their orders and divert to other exporters like, India, China or Cambodia. Hundreds of factories will be closed (Shamim, 2022).

Many owners may be bankrupt. Labors, losing jobs will lose their livelihood and many will involved in criminal activities. This will create burden on the existing unemployment problem and increase various types of crimes in the country. The government will be deprived of huge foreign exchange and revenue income. The industrialization process of the country will be impeded. The foreign buyers, who could buy quality garments at a low price and make huge profit in the US or EU market will have to eye on another exporter country from where they have to count a high price for the same garments.

10 Conclusion:

Labor unrest is a social phenomenon of enormous complexity and it is very difficult to give any complete explanation of this phenomenon. It is a matter of controversy whether the predominant factors underlying labor unrest are economic or non-economic. It has been concluded that so long as income remained the all important means for satisfying human wants and needs, wage would continue to be major consideration in labor unrest. Labor force has been the most important factor in RMG industry. It is the labor force which can help the sector reach to the optimum goal as well as down it to the dust. Labor unrest originated mainly from deprivation and longstanding grievances of the workforce can diminish all achievement of the RMG sector. Hence addressing the problem is a crying need. Government is to play a vital role in addressing the problem. By formulating policy regarding management of labor force of RMG industry, by involving the workers in the decision making process, by regular monitoring the factories and conditions of the workers, by evaluating the implemented policies and reviewing opinions of the stakeholders, government can help a lot to solve the problem and continue the success story.

11 Recommendations:

Labor unrest is a complicated issue in RMG sector of Bangladesh. To solve this problem we suggest the following –

1. Minimum wage for the garment workers should be regularized and implemented properly.
2. The labor-force needs to shun the path of violence and vandalism. Rather, they can place their rightful demands to the respective authority. The factory owners can hear and address the problems of the labor-force.
3. A ‘Grievance Officer’ in all garment factories can be appointed.
4. Incidents of labor unrest need to be investigated taking stakeholders from all concerned sector.
5. Recommendations of investigation report need to be implemented properly. The real defaulters irrespective of their identity and status can be brought under legal provisions.
6. Intelligence agency may work in garment industry area to avert further unrest and take preventive measure.
7. Both public and private sector should work together to solve the problem of labor unrest. Level of mutual trust, communication and cooperation between the two sectors need to be uplifted.
8. BGMEA and Government of Bangladesh also should take more necessary steps to reduce unrest.
9. Trade union leader and member should more aware about it.
10. Organization should improve all kinds of facilities to solve the problem of labor unrest.

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Academic Journal on Arts & Humanities Education (AJAHE)

Volume 3, Issue 1, January 2023

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University Press Limited, Dhaka.