

Bangladesh

Development, industrialisation and labour rights



Jesper Nielsen, International adviser,

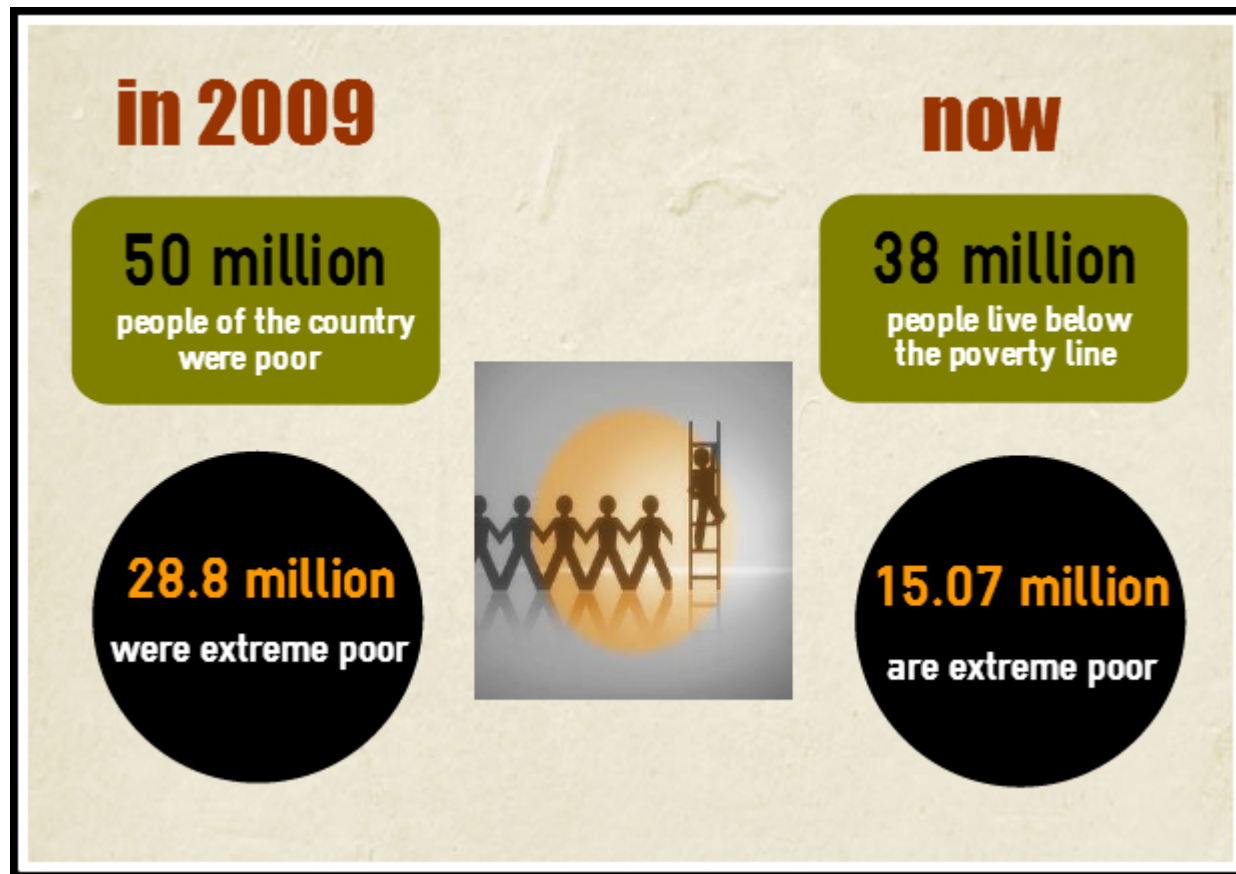


Impressive growth

- ➔ **Economy:** According to the World Bank, BD jumped from 58th to 44th country position in two years and crossed the line to middle income countries
- ➔ **Population:** From 67 to 160 million since independence
- ➔ Population growth in decline: Fertility rate has fallen from 7 to 2.4 since independence
- ➔ Education level increased – not least for women

Poverty reduction

(According to Awami League)

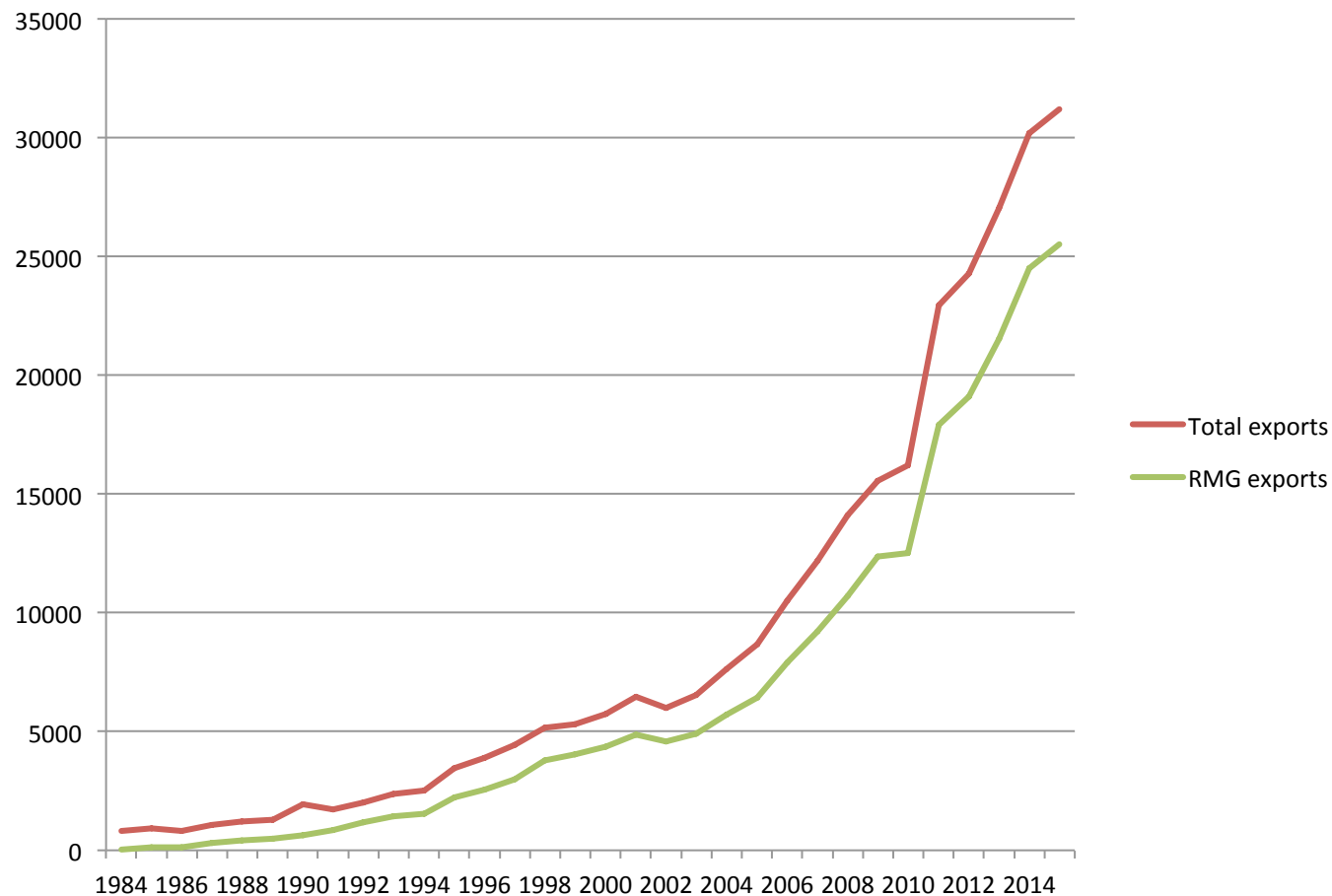




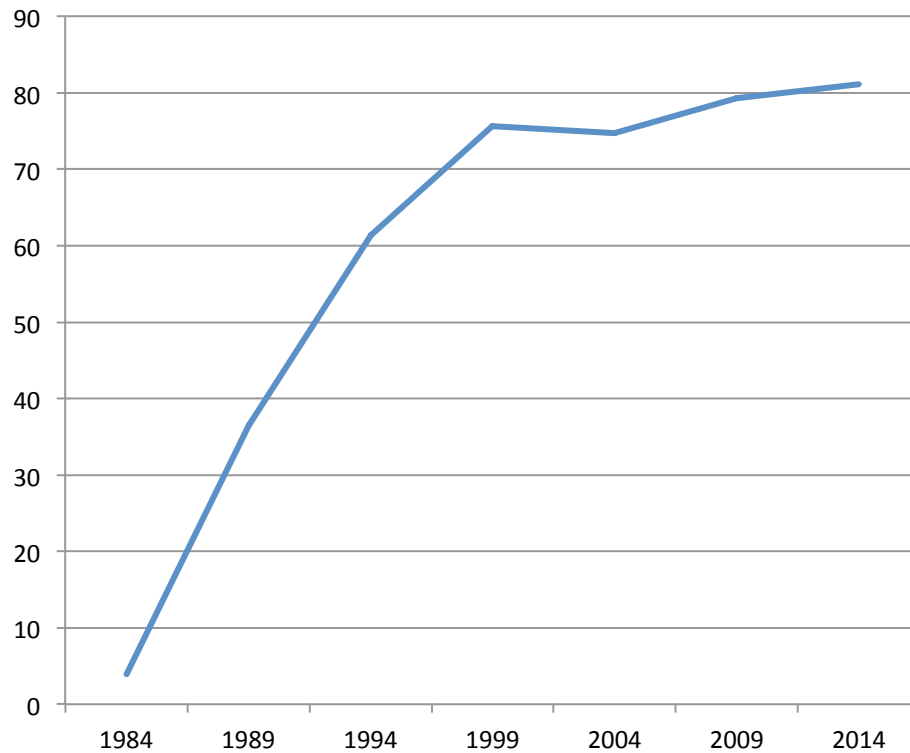
Remittances

- More than 8 million Bangladeshi migrant workers abroad
- Remittances has increased to more than 14 billion USD
- 35 % of "export earnings"
- Contributes more than RMG if cost of imported raw materials is deducted
- Contributes more than foreign development aid

RMG and total exports 1984 – 2015 (mill USD)



RMG exports as % of total







BGMEA MEMBERSHIP AND EMPLOYMENT selected years

Fiscal Year	NUMBER OF GARMENT FACTORIES	EMPLOYMENT IN MILLION WORKERS
<i>1984-85</i>	<i>384</i>	<i>0.12</i>
<i>1994-95</i>	<i>2182</i>	<i>1.20</i>
<i>2004-05</i>	<i>4107</i>	<i>2.00</i>
<i>2007-08</i>	<i>4743</i>	<i>2.80</i>
<i>2008-09</i>	<i>4925</i>	<i>3.50</i>
<i>2009-10</i>	<i>5063</i>	<i>3.60</i>
<i>2010-11</i>	<i>5150</i>	<i>3.60</i>
<i>2011-12</i>	<i>5400</i>	<i>4.00</i>
<i>2012-13</i>	<i>5876</i>	<i>4.00</i>
<i>2013-14</i>	<i>4222</i>	<i>4.00</i>
<i>2014-15</i>	<i>4296</i>	<i>4.00</i>

Source : BGMEA.

Gender and children

- No ratification of Minimum Age Convention (C. 138)
- Poor school quality, lack of security,
- Economic exploitation of children
- Important steps forward for women
- Female prime minister
- 20 % up from 10 women in parliament over 10 years
- Women's formal jobs – becoming breadwinners



What we lost...

(And why Bangladesh is strategic for the TU movement)

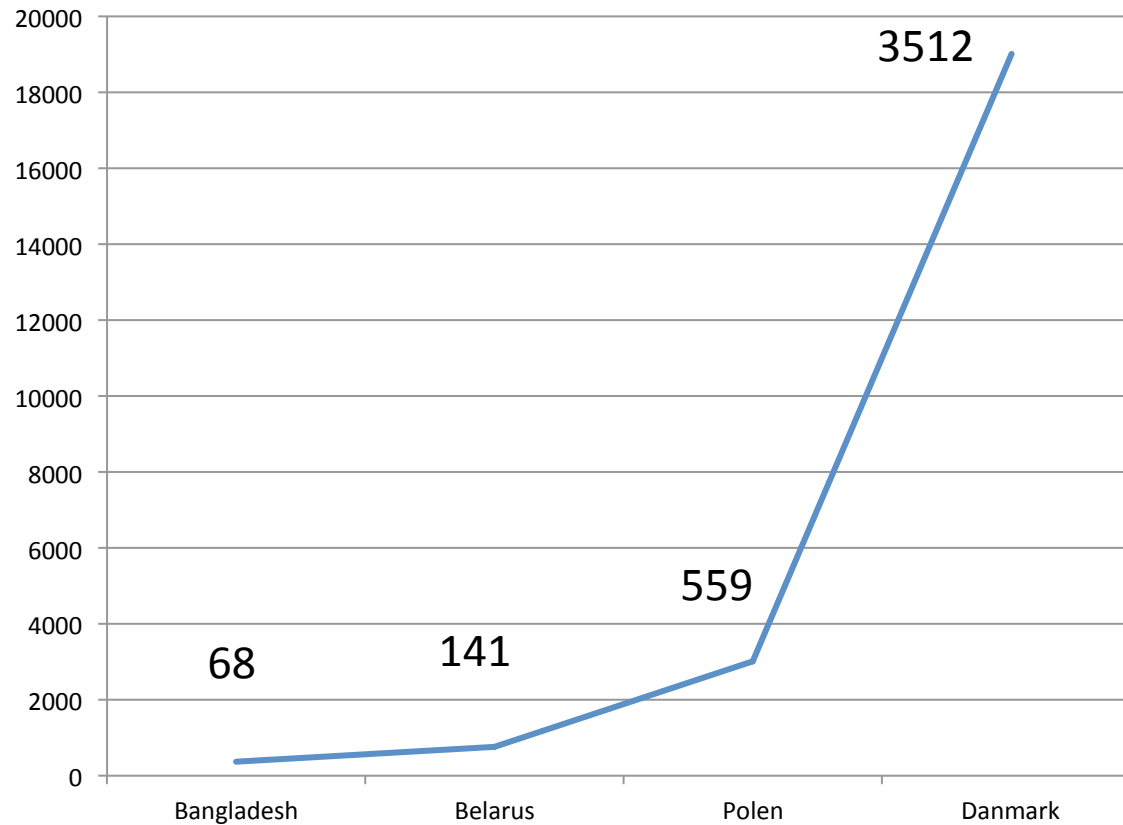
- ➔ Freedom of Association, high trade union density and CBA coverage
- ➔ Normal 8 hour working day
- ➔ Technical environmental and safety standards
- ➔ Job stability and social security
- ➔ "Humanisation" of work

Development challenges

- Tax income and budget deficit
- Infrastructure investment (transport, energy supply etc.)
- Health and education systems to match the future
- Social and environmental legislation and systems to tackle industrialisation, urbanisation and rapidly changing family structures
- Enforcement, compliance and justice

The steep salary slope

Minimum wages in textile and garment 2014



Did the race reach the bottom?

- ➔ Limited Freedom of Association, “gold fever” in the RMG industry and lack of enforcement
- ➔ Textile industry’s worst disaster ever 24 April 2013
- ➔ International political and trade/commercial pressure
- ➔ Legislation improved (but implementation rules delayed)
- ➔ Bold initiative: Accord on fire and building safety with 200 companies involved (+Alliance)
- ➔ Trust fund/Rana Plaza Coordination Committee for compensation to victims (completed June 2015)



Improvements

- ➔ 200 new trade unions in one year
- ➔ 77 % min. wage increase (68 USD/m)
- ➔ Establishing joint standards for safety inspection
- ➔ Inspections of 1500 factories by the Accord, more than 3000 in total.
- ➔ More than 67000 findings, improvements and follow-up in progress

Trade union federations

- Very fragmented TU movement
- More than 50 federations in the sector
- 14 IndustryALL affiliates
- The most important say they have around 600.000 organised
- Around 250 - 300 factory trade unions



New labour market rules

- Freedom of Association and the Right to Collective Bargaining challenged again
- New workers' welfare fund
- Safety committees (more than fifty workers) 6 – 12 members – but will they be democratically elected?



Cases of violence against trade union organisers were not registered by brand's CSR check.

Hasina Akter was beaten up by a gang when asking workers to join the union. She was taken to hospital for a week. It did not change her commitment.

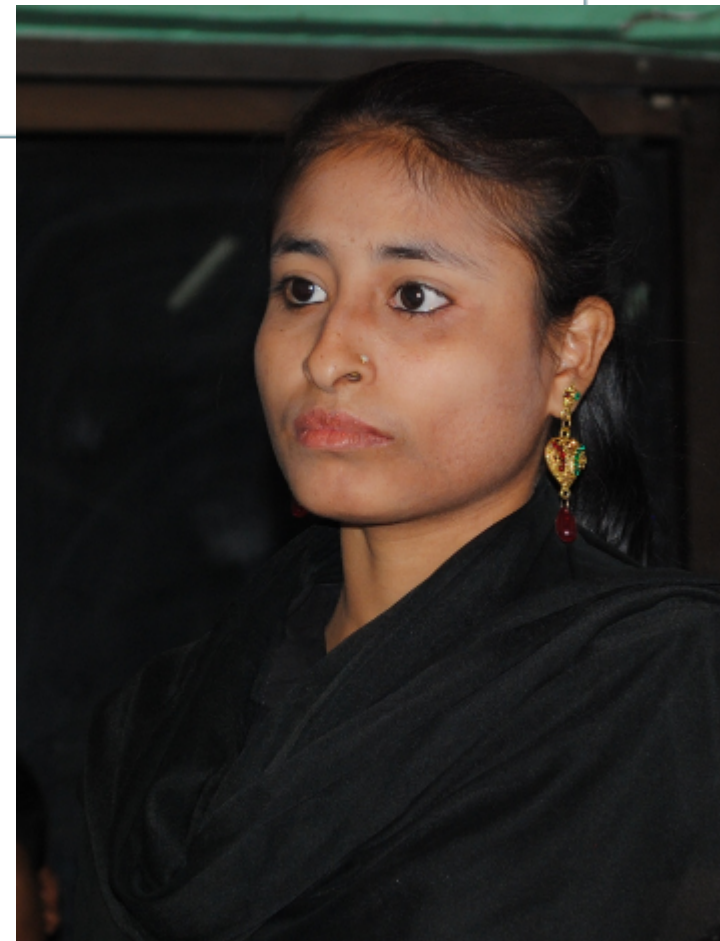






3F strategy:

- Assist sister organisations in their development into representative
- Transfer experience from the textile and garment industry and general labour market in Denmark
- Use social dialogue methods from home to promote social dialogue in Bangladesh
- Collaborate with Danish Chamber of Commerce and Danish Fashion and Textile to promote dialogue between the labour market organisations
- Collaborate with Danish companies to promote specific dialogue and conflict resolution at supplier factories (DK Company, Bestseller)



Collaborate with Danida growth adviser /Ministry of Labour project in Bangladesh and CSR efforts.

Collaborate with the relevant Global Union Federations and donors to support sister organisations' capacity building.



TRADE UNIONS GROUP /
Q-2

ANS. A. WORK PLACE

- * MGT. REP.
- * WORKERS REP. (UNION + FED)
- *

B. NATIONAL (INDUSTRIAL)

- * GOVT.
- * T.U. FED.
- * BGMFA / DRMFA
- * BUYER

C. NATIONAL (BROADER)

- * GOVT
- * T.U. FED
- * EMP / FED
- * BRAND
- * CIVIL SOCIETY / NGO
- * ILO



Q.2

- Effective participation Committee
- Effective Trade Union & Collective Bargaining Agent
- Formation of Tripartite Consultative Council (TCC), with appropriate representation.



STRUCTURE - TRADE BODY

- As per law, NPC
- Recognition of fundamental rights of workers in law
- Elected Representatives / Representatives
- Transparency





Exchange of TU experience



