

WORKER RETENTION, PRODUCTIVITY, AND BUSINESS SUSTAINABILITY IN BANGLADESH'S READY-MADE GARMENTS INDUSTRIES: ROLE OF WAGE, ENTITLEMENTS, AND WORKERS' WELFARE

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1. Introduction

Readymade garment (RMG) industry is the life-line of Bangladesh economy as it earns the lion's share of the export earning of the country and employs much needed employment to millions of people, majority of which are women. RMG industry currently holds 6.8 % share in global apparel market (WTO 2020). About 3.3 million workers (BBS 2018) of this industry is contributing to earn 83% of the total export earnings (BGMEA 2020). However, the industry is mostly criticized due its poor state of wage and condition of entitlements and welfare of the workers. Wage is a central issue of the RMG workers. Low wage along with deprivation of entitlements often trigger unrest in the sector. RMG workers wage in Bangladesh is the lowest in the world. Not only in international context, but also in national context RMG workers earn lower amount. The low wage has implications for workers long working hours, rest, leisure and recreation as well as for their health condition. A recent study shows that due to poor income from normal working hours 95% women RMG workers want to do overtime work. On the other hand, even at basic level many workers are deprived of their entitlements to employment contract.

Bangladesh's labour law has covered numerous provisions on general welfare of the workers, which are being implemented at varied degree at the workplaces. It has been evident at several studies that workplaces lack 100% availability of all the welfare provisions articulated in BLA 2006. Important to note, first aid, separate place for lunch, and canteen facility are more available facilities; whereas accommodation, restroom, breastfeeding corner are less available facility

The low wage coupled with entitlement deprivation and poor state of workers' welfare has important implications for worker retention and turnover, productivity and sustainability of this industry. According to a study finding, from grade three to six, operators' retention in a particular factory is 2.04 years (The Financial Express, 8-10-2018). Ahmed (2015) argues that workers in this industry are mainly considered as floating workers. He further explains, after entering in this industry the workers move from one factory to another frequently in their short span of RMG life. In his view, workers change factory frequently since they search of better working condition that they are generally deprived of, as well as due to lack of some specific forms of labour market insecurity (Ahmed 2015). Along with turnover trend, productivity is also a great concern for this industry in the process of making it sustainable. Evidences show that productivity of the RMG workers in Bangladesh is lower than the workers in competing countries. Asian Productivity Organization (APO) in 2016 calculated that per hour labor productivity per worker in Vietnam was USD 4.09 compared to USD 3.45 in Bangladesh; India also had higher Labor Productivity than Bangladesh, USD 6.41 (Zahir and Ali 2020). Moreover, a number of factors and issues, including efficiency, infrastructure, skilled workforce, product and market diversification, welfare facilities etc. are consider as crucial for the sustainability of the RMG (Roney, 2020). Against this backdrop this study has three fold objectives— i) to explore and understand the relationship between the workers and their work environment; ii) to find out the relation between organization sustainability and workers performance; and iii) to develop a set of recommendations to improve the working conditions for better productivity.

The whole study has been implemented following a process in which three distinguished phases are identified. The first phase comprises of inception for finalizing data collection tools and brings about clear understanding of the issues involved. The second phase is the implementation phase which includes data collection and report writing. The third phase is the validation phase that incorporates comments from different stakeholders for finalization of the study. The study started with the conceptualization and issue identification brainstorming session. The session finalized the strategy including methodologies and made an initial list of issues to be covered. This draft report has been prepared based on primary and secondary information collected through active utilization of various research tools. This study has employed a mixed method approach. Both quantitative and qualitative aspects have informed the study. Data have been collected from both primary and secondary sources. A rigorous review books, research reports, journal articles, newspaper reports, government report etc. has been the source for secondary information. Primary information, on the other hand, have been collected applying focus group discussion (FGDs), interviews with workers (a survey on 90 workers), and key informant interviews (KIIs).

This report is organized into four sections along with this introduction. The section two has discussed the analytical framework of this study. The framework entails three interrelated key concepts—worker retention and turnover, productivity, and sustainability—and endeavors to find out the common factors underpinning them. Section three examines the condition of wages, entitlements, and welfare of the RMG workers which have crucial influencing role in retention, productivity, and sustainability. Finally, section four is the conclusion part which also highlights the way forward.

2. Worker Retention, Productivity, and Sustainable Business Nexus

This study has employed a framework that entails three interrelated concepts—worker retention and turnover; productivity, and sustainable business—linked with conditions of workers' wage, rights/entitlements, and welfare provisions at workplaces.

Worker retention and turnover

For a factory/workplace/company worker retention is a vital concern while it impacts productivity and margins, as well as sustainability. In general term, the notion of worker retention is concerned with the ability of an organization/workplace to keep and maintain its workforce. However, Yamamoto (2011) argue that the term 'worker retention' has brought new meaning, especially in business administration, which goes beyond the ordinary perception of retention as 'holding, maintaining, continuation, and preventing from leaving'. In the new meaning, as Yamamoto (2011) describes, worker retention denotes 'securing employees in a company'.

Numerous studies are available on worker retention and turnover. These studies have examined the roles and relationships of different personal and workplace related factors of retention and turnover. In 2001 Walker provided a comprehensive list of factors which are instrumental in enhancing worker retention. The seven-point list included (i) compensation and appreciation of the performed work, (ii) provision of challenging work, (iii) chances to be promoted and to learn, (iv) invitational atmosphere within the organization, (v) positive relations with colleagues, (vi) a healthy balance between the professional and personal life, and (viii) good communications.

Along with this comprehensive list, that includes both workplace and non-workplace factors, another effort is seen to view factors from the lens of workplace norms and practice. Using this lens Hytter (2007) classified d factors which have direct and indirect influences on retention. Hytter argues that individual premises of loyalty, trust, commitment, and identification and attachment with the organization have a direct impact; whereas, the workplace-related factors that have an indirect influence on employee retention comprise rewards, leadership style, career opportunities, the training and development of skills, physical working conditions, and the balance between professional and personal life (Hytter 2007).

Much of employee-retention literature explores the interconnectedness of turnover and employee satisfaction. These studies reveal that workers are more likely to leave the company/factory when they are not satisfied with the job; in other words, a negative relationship is evident between turnover and job satisfaction (Cotton and Tuttle 1986; Muchinsky and Morrow 1980; Tett and Meyer 1993; Trevor 2001). The relationship among opportunity to earn more money and employee retention, as well as satisfaction, has been examined by Tang et al. (2000). They explored an 'indirect influence' of the scope of

getting more income on employee retention. They further claim that the influence of income opportunity becomes greater when workers'/employees' job satisfaction level is lower.

Opportunities at the workplace and the role of management have been investigated by researchers. Many of them argue that the scope of learning and development, and training opportunity strengthen retention (Arnold 2005; Herman 2005; Hiltrop 1999). However, it is also true that as Kaliprasad (2006) argues, despite arranging all these factors at the workplace, many employees leave factory/company due to poor and bad management. Birt et al. (2004) identified that employee retention depends on a higher level of integrity and engagement/involvement on the part of managers. Further, empowerment, responsibility, and new possibilities/challenges are significant factors in this regard. They further argue that it is also crucial how employees perceive and experience these factors in the process of their retention/turnover decision (Birt et al. 2004).

Turnover literature explains two forms – voluntary and involuntary. Voluntary turnover is concerned with the employee perspective where they take decision to end/terminate employment relation with employer; on the other hand, employers' take decision to terminate this relation in the case of involuntary turnover (Dess and Shaw 2001). Most studies on voluntary turnover tend to explain the causes of turnover from the point of view of employee's attitude. According to this perspective job satisfaction and organization commitment are two important models to understand voluntary turnover (Mitchell et al. 2001). However, Mitchell et al. (2001) finds a relationship between employee attitude and job alternatives and argues that combination of these two is the direct antecedent to turnover. Hossain and Bary (2014) have shown that turn-over researches have mostly focused on individual-level analysis. Individual level analysis primarily takes into account the attitudinal factors that include job satisfaction, pay satisfaction, organizational commitment, and perceived support to measure intention to quit or actual turnover rates (Hossain and Bary 2014). Besides attitude, there are non-work factors and organization related factors that also affects voluntary turnover. However, Hossain and Bary (2014) argue that attention on organization level analysis, in explaining the causes of turnover, is not frequently seen.

Goldín (2011) explains turnover 'as a form of resistance to industrial exploitation'. Goldín considers turnover as weapon or strategy. Marginalized workers who are unable to appeal to standards of law and organized demand often apply this weapon. Turnover in Goldín's (2011) view represents 'far more than being manipulated by capital for capital's purposes', rather it is the exercise of agency through which marginalized worker establishes control over their life. Goldín (2011) has also referred to different views, expressed by different authors, on worker turnover in export-oriented industries—a response to the demands of harsh work (Cravey 1998); a result of lateral moves from factory to factory (Ngai 2005); temporary worker image (Tiano 1984); a way to satisfy capital's need for replacement of tired, less productive workers (Harvey 1989, Salzinger 2003, Ward 1990, Wright 2006).

Involuntary turnover, on the other hand, is closely related to management/managerial strategies. It takes place because of the need to cut costs, and restructure and downsize the organization (Morrell et al. 2001). In this form of turnover, employers exercise their unilateral authority to end employment relation and terminate worker from employment (Dwomoh et al. 2013).

However, conceptualization of turnover as ‘voluntary’ or ‘involuntary’ is not enough always in order to understand the interacting dynamics behind employees’ turnover behaviour. Often employees leave job not because of direct dismissal, but due to a situation, created by employers, that forces employees to take ultimate decision to leave. In this form (known as ‘constructive dismissal’), although it apparently seems that employees leave voluntarily, the constructed situation is responsible for turnover. In the constructed situation employers usually adopt the technique to follow deliberately some form of behaviour or conduct so that employees themselves resign (Poulston 2005).

Productivity

‘The amount of output per unit of input’ is described as productivity in ordinary conception/understanding. ILO identifies that in an economic system labour productivity, which is a vital economic indicator, is strongly associated with economic growth and competitiveness as well as with the standards of living in the country. In this connection relationship of wage with productivity is an important area of investigation. Referring to the economic theories Meager and Speckesser (2011) articulates the existence of interdependence between productivity, wages and labour demand. In this relationship, as they argue, “wages correspond to the marginal productivity of labour and can be derived from the profit-maximising behaviour of firms” (Meager and Speckesser 2011)

Along with the condition of wage and income, labour productivity also depends on the condition of the worker rights at the workplace. Many researchers also have found a positive correlation between labour productivity and worker rights situation. In this regard, two broad arenas—representational strength and employment and income security—have been identified by Buchele and Christiansen (1995). In their views, the first spectrum of rights (i.e. representational strength) covers union density, collective-bargaining coverage, and the degree of coordination among unions in collective bargaining and the second one (i.e. employment and income security) brings under its purview legally mandated advance notice, legally approved severance pay for layoffs, and duration-adjusted unemployment insurance (Buchele and Christiansen 1995). They primarily identified three factors that determine the labour productivity growth rate. These factors include—1) the pace of innovation in technology and the labour process (how work is organized); 2) the rate of growth of capital stock per worker; and 3) the development of workers' skills (education and training). In their words:

These, in turn, depend on a worker-rights environment that can enhance the quality of labor-management relations (the degree of trust and cooperation between employers and the workforce) and on the level of labour standards, including wages, hours, and working conditions (Buchele and Christiansen 1995).

According to their opinion, faster growth of productivity could be achieved by ensuring cooperation and high labour standards which promotes the active involvement of workers and gives them a long-term stake in the success of the company. The other means that also ensure workers' stake in their workplace/company and hence foster productivity comprise collective bargaining rights, rights to advance notice and severance pay in layoffs, protection against unjust dismissal, and adequate unemployment benefits. They further argue that representational rights and strengths of the workers are crucial since it allows them to risk labor-management cooperation and participation (Buchele and Christiansen 1995).

Buchele and Christiansen (1995) emphasize on strengthening worker rights. In their view, worker rights encourage workers and their unions to accept and even initiate increased worker participation. They further argue that the active and substantive participation of the workers is indeed good for the economy too.

In Bangladesh, garment sector productivity – defined here as gross value added in current prices per employed person – was less than \$1,000. In Cambodia, India, Pakistan and Viet Nam, productivity levels in garments, textiles and footwear ranged from \$1,700 to \$2,300. By contrast, in Thailand labour productivity exceeded \$8,000, and it was more than \$4,000 in Indonesia and the Philippines (ILO 2016).

Figure 2.1: Labour productivity in selected industries across countries



Source: ILO, 2016

Social dimensions of sustainable business

Sustainable development is viewed as an umbrella concept. The prime domains of sustainable development include economic, environmental, and social dimensions. Each area further comprises many variables. Different authors and researchers have identified different variables. There is also a variety of indicators/variables from one context to another context.

Researchers/authors have made numerous efforts to investigate an organization's overall impact and influence and social sustainability. Elkington (1998) argue that from both local and global perspectives measuring and assessing the impact of an organization on the social system, in which it operates, is of paramount importance. Several issues could be brought in under the purview of measurement. According to Elkington (1998) education, equity, well-being, quality of life, access to social resources, social capitals etc. are areas on which organization's impact need to be measured. Besides, other social impacts of an organization are also evident. Organizations profit-maximizing tendency has a crucial role in this regard. Niinimäki (2010) argued that cost-cutting efforts of the organizations and brands create many social issues like sweatshops, child labour etc.

While examining social sustainability of the RMG in Bangladesh many researchers and authors have scrutinized the issue of compliance (Ahmed 2013, Moazzem & Basak 2015). Compliance as a comprehensive term includes several standards. Physical standards of factory building, worker rights condition including the condition of work and occupational safety and health and environmental safety are important parameters/measures of compliance (Ahmed 2013).

The study of Huq, Stevenson, & Zorzini (2014) has investigated sustainability and analyzed the relationship of productivity with social standards. The study included the issue of human rights along with the issues of workers occupational health and safety conditions. The study came up with the conclusion that there was a strong relationship between the enhanced level of social standards and productivity in a factory and the social standards are crucial factors of sustainability.

Salam and Senasu (2019) have mentioned different forms of reporting social dimensions in sustainability assessment. These forms include—TBL tools, CSR principles from the United Nations Global Compact, the ISO social responsibility standard, ISO 26000, the GRI sustainability reporting framework and so on. While exploring social sustainability in RMG, Salam and Senasu adopted three broad variables/indicators—labour and workforce management; workplace management; and stakeholders' engagement and community impact. They described/explained these three components in the following ways:

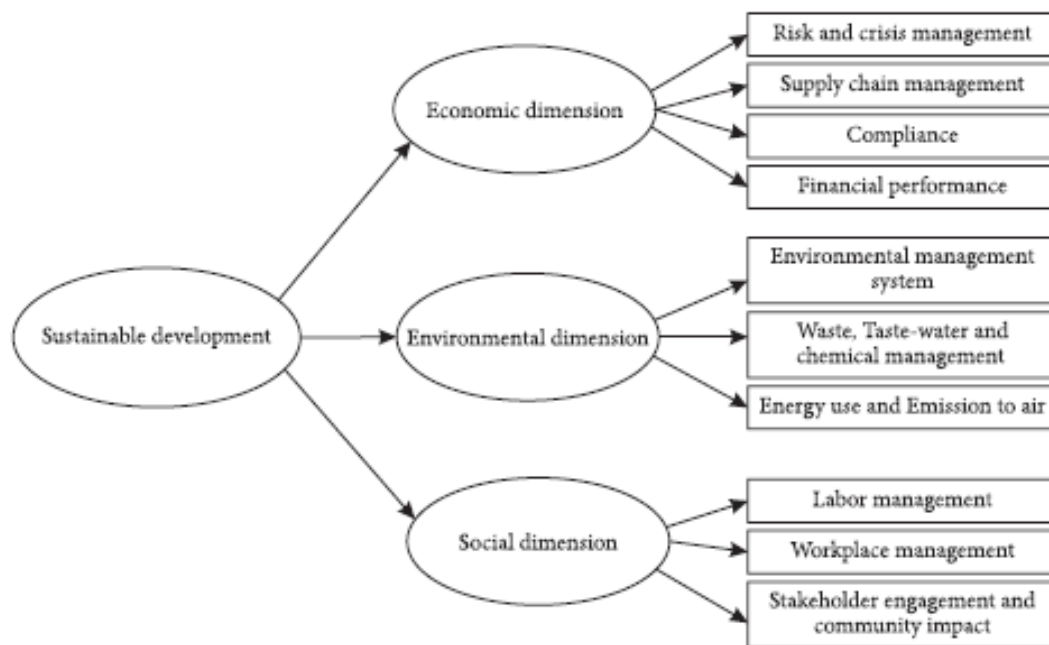
“Labour and workforce management: Good relationships with employees are one of the most important factors for a business to be successful, especially industries like ready-made garments characterized by organized labour. Labour management includes, but is not limited to, the freedom of association and the recognition of the right to collective bargaining, the elimination of child labour, the abolition of any form of forced labour and equality in terms of gender and ethnicity (both in recruiting and remuneration). This variable also considers the conformance of the local laws and policies regarding labour affairs.

Workplace management: A safe and healthy working environment is another important measurement in the social dimension. It not only means a hygienic workplace but also a fear-free, discrimination-free, and fairly treating organization. In workplace management

issues, a properly built factory, safe machinery operating, sanitation, drinking water, workplace security, and so on, are included.

Stakeholders' engagement and community impact: Through stakeholder engagement, companies can create a positive relationship with the stakeholders (labour unions, regulators and/or local community) who in turn, help to reduce unexpected financial and reputational loss (through incidents such as strikes, sabotage and so on). Moreover, a company's philanthropic activities associated with its business size measures the community impact of the business. Hence, this variable measures the internal and external engagement and community impact through employee-oriented welfare activities, corporate citizenship, and corporate philanthropic activities (Salim and Senasu 2019).

Figure 2.2: Stakeholders' engagement and community impact



Source: SALAM, M. A. and SENASU, Kalayanee (2019)

The above discussion on worker retention and turn-over, productivity, and sustainability clearly indicates that in a workplace environment there are some common factors that underpin all of these. As being evident, the common elements pertaining to these three main concepts under this study include wage and income security; employment security; rights and entitlements including working hours, leave opportunity, occupational health and safety condition; skill, education, and training; and representational rights. Present study endeavours to analyze the prevailing condition in RMG with regard to these common elements of turnover, productivity, and social sustainability.

3. State of Wage, Entitlements, and Welfare for Workers in RMG Industries

The preceding chapter analyzed and highlighted conceptual aspects of worker retention and turnover, productivity, and sustainability. The analysis clearly articulates that working environment, worker rights condition including wage, facilities and organizational rights are influencing factors in these regards. Therefore, present chapter intends to reflect on the existing condition in RMG sector with regard to wage and benefits, worker rights and entitlements, and welfare and social protection measures which all are linked to productivity and sustainability.

Wage and benefits

The issue of wage of readymade garment (RMG) workers always occupies a central place in discussions on worker rights and decent work condition in this sector of Bangladesh. Wage has been a major factor that has often triggered worker unrest in RMG worsening the industrial relations in the country. This industry has rapidly attained high importance in terms of employment, foreign exchange earnings, and its contribution to GDP. In addition to its economic contribution, the expansion of the RMG industry has caused noticeable social changes by bringing millions of women into labor force. The garment sector is the largest employer of women in Bangladesh. RMG directly employs 4.2 million people – of whom approximately 55% are women – and indirectly supports as many as 40 million Bangladeshis (about 25% of the population) (EC 2016). This sector has provided employment opportunities to women from the rural areas that previously did not have any opportunity to be part of the formal workforce¹.

Nevertheless, RMG industry is mostly criticized because of its poor wage amount for workers. RMG workers are at the bottom of the global supply chain. They, irrespective of gender, are plagued with various problems. A study of Hossain, Ahmed and Akter (2010) argue that they are deprived of many of their rights in many ways. However, low rate of wage is the most significant issue in this regard. The amount of wage, the workers are getting now are not sufficient to maintain a minimum standard of livelihood considering the rate of inflation and other socio-economic context of the country. In spite of increase, existing wage amount is not sufficient at all to maintain a decent living. The current minimum wage (BDT 8000) for a helper is several times lower than the amount that the Asia Floor Wage Alliance calculates to be a living wage for a Bangladeshi RMG worker and her or his family. Although due to the hard and untiring labour of the workers Bangladesh has become the 2nd largest RMG exporting country in the world, wage of the RMG workers of Bangladesh is the lowest compared to other RMG exporting countries (like India, Sri-Lanka, Pakistan, Cambodia, China, Philippine, Indonesia, Thailand etc.). Bangladeshi RMG

⁵ Bhuiyan, Mohammad Ismail, 2013. Reasonable Wages for Workers to Eliminate Unrest in Bangladesh's Ready-made Garments (RMG) Sector, p 2

workers' wage is the lowest not only in international context but also in national context they are earning the least wage amount.

While some other countries revise their minimum wages on regular basis, Bangladesh has adjusted the RMG minimum wage six times since it was first set in 1985 – with the last revision dating back to 2018. However, during the previous initiatives to fix minimum wage expectations of the workers were not addressed (KII). Wages fixed during those periods were not sufficient at all to meet the all basic needs completely. Thus workers always remained under a poor standard of living which they are still bearing.

Several international conventions, covenants, and recommendations have made provisions to ensure fair wage and benefits for the working people. The Universal Declaration of Human Rights states that all workers have the right to just and favorable remuneration ensuring for themselves and their families an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection (Article 23.3). According to ILO Convention 131, states are required to establish or maintain a system of minimum wages that covers all groups of wage earners and is to be fixed and adjusted from time to time (Article 4).

Bangladesh's labour law defines wages to include other benefits and elaborate wage fixation procedure (Chap. XI). According to law, government is required to establish a minimum Wage Board to determine and declare the rate of wages of workers (Section 138) and it is mandatory for employers to pay worker wages at a rate of wages declared or published (Section 147). The law also specifies the period of wages, and has provided clear instruction on the payment schedule (Section 123). The Law includes the provision that the period of wages must not exceed thirty days, and wages should be paid within the expiry of seven working days after the last day of wage period. The law has made obligatory for employers to provide all remuneration on a regular and timely manner. It also includes that if a worker is terminated by retirement or by the employer (way of retrenchment, discharge, removal, dismissal or otherwise) the wages payable to him should be paid within seven working days from the day of his termination (Section 122 and 123).

As per the BLA 2006, the Minimum Wage Board established for the RMG sector, and declared seven-grade wage structure for the sector workers. The latest minimum wage for RMG workers has been declared BDT 8000 on September 2018 and that has come into effect on 1st December 2018. There is lack of information in the secondary sources regarding implementation status of recently declared minimum wage. Different opinion has been received in KII. A key interviewee said,

“Except some small factories from Narayanganj and Chittagong all the factories are providing the latest declared minimum wage to the workers”.

Another key interviewee informed, “Except some small factories, majority of the RMG factories are providing the new minimum wages”. He further added that “the RMG factories that have been established in the new industrial belts provide neither the new wages nor other facilities to their workers”. In a press conference, secretary General of

IndustriALL Bangladesh Council (IBC) Salauddin Shapon alleged that despite announcement of minimum wage in December 2018 many of the apparel units are yet to implement the new wage for their workers (Budgetary Allocation, 2019).

Level of satisfaction of the workers is important determining factor of both retention and productivity. Though the wage of workers has been increased, 77 percent workers are not satisfied with the wages they received. A study of Karmojibi Nari (KN) shows that average personal income, including the income from overtime, of women workers is BDT 9972.43. More than half (55%) of the women's income is BDT 8001-12000. 24 % worker earned maximum amount of BDT 8000. 21 % workers' had personal income over BDT 12,000 (KN 2019). Present study explores that in general the personal income of BDT 12000. More than three-quarters of the respondents earn below BDT 12000, whereas just 23% workers' personal income is over BDT 12000 (Chart 3.1).

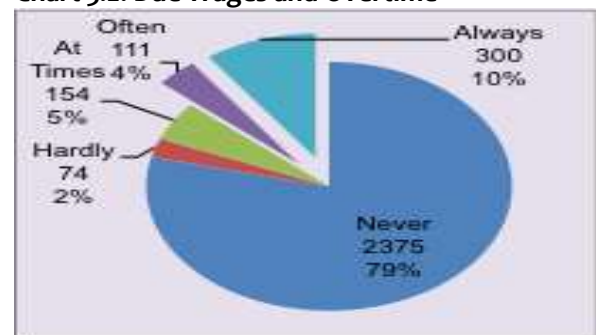
Chart 3.1: Workers' personal income



Source: Workers' survey 2020

Regularity and timeliness of wage payment has improved significantly in RMG. It is apparent that wage and overtime payment is almost regular in maximum of the RMG factories (Karmojibi Nari, 2018; and Hossain, Mostofa and Akter, 2016). However, few factories still keep due the wage and overtime payment. 16 percent women workers reported in a survey that wage and overtime is kept due—often or always in their factories (Karmojibi Nari, 2018). A more recent study of Karmojibi Nari (KN) reveals that for wages and overtime are paid regularly for most workers. 79% workers claimed that their wages and overtime allowances are never delayed. However, 21% women workers report that wage and overtime is kept due—often or always. Where wage is kept due always is reported by 10% of workers (Chart 3.2).

Chart 3.2: Due Wages and Overtime

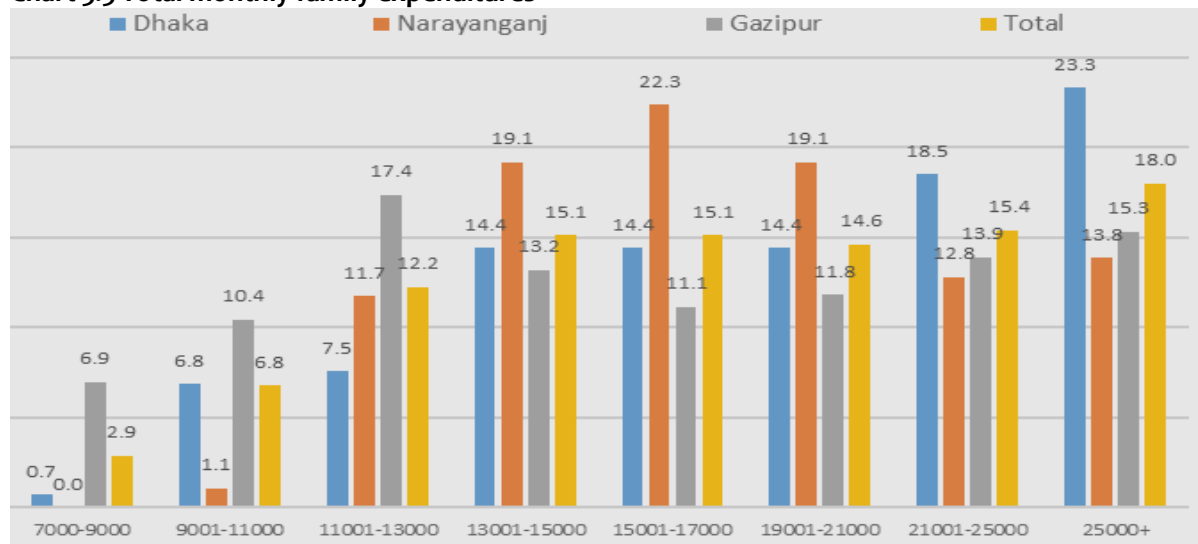


Source: KN, 2019

A significant part of personal income comes from overtime payment. However, knowledge among the women workers about calculation of overtime compensation is poor. 55% women do not know the calculation method of overtime. Also, nearly half (45%) do not get due (and timely) festival bonus, claimed the workers. Besides, attendance bonus is an employer provided incentive to ensure workers presence regularly. There are no set rules of providing attendance bonus, it is mainly at discretion of employers/factory management and varies from factory to factory (KII).

The total income from wage, overtime, and attendance bonus is not sufficient at all to meet the total monthly expenditure of the families. KN study further shows that workers' monthly average family expenditure is BDT 17639.94. Within the range of BDT 12001 to 20000 is the monthly family expenditure of 51% workers. 24% workers have expenditure over BDT 20,000. About 13% workers' family expenditure is less than BDT 12,000 (Chart 3.3). Similar findings have been explored by another research of BILS (2019), which shows that on an average a worker's monthly family expenditure is BDT 17,917.

Chart 3.3 Total monthly family expenditures



Source: BILS 2019

The survey under present study reveals that the BDT 16000-18000 is the monthly expenditure of the largest segment of workers. About one-quarter of the workers' family expenditure is BDT 12000-16000. Besides, 17.8% workers need more than BDT 20000 every month to meet costs for the whole month (Chart 3.4). Since the income of the individual worker is not that much high, they depend on the income of other family members which is again not sufficient in most cases (FGD).

Chart 3.4: workers monthly family expenditure



Source: Workers survey 2020

The inadequate wage amount to meet the personal and family need along with often infrequent payment and lack of other benefits affects both the workers and industry. It is a challenge to keep workers in the factory since workers try to change factory with the hope to earn more (FGD, KII). The meagre wage is affecting productivity level of the individual workers. A key informant explains:

“With the small amount of income workers cannot afford for nutritional foods. They even are unable to maintain sound health and cannot afford for better medical treatment. All these factors affect their productivity level”.

Workers' rights and entitlements

Employment contract

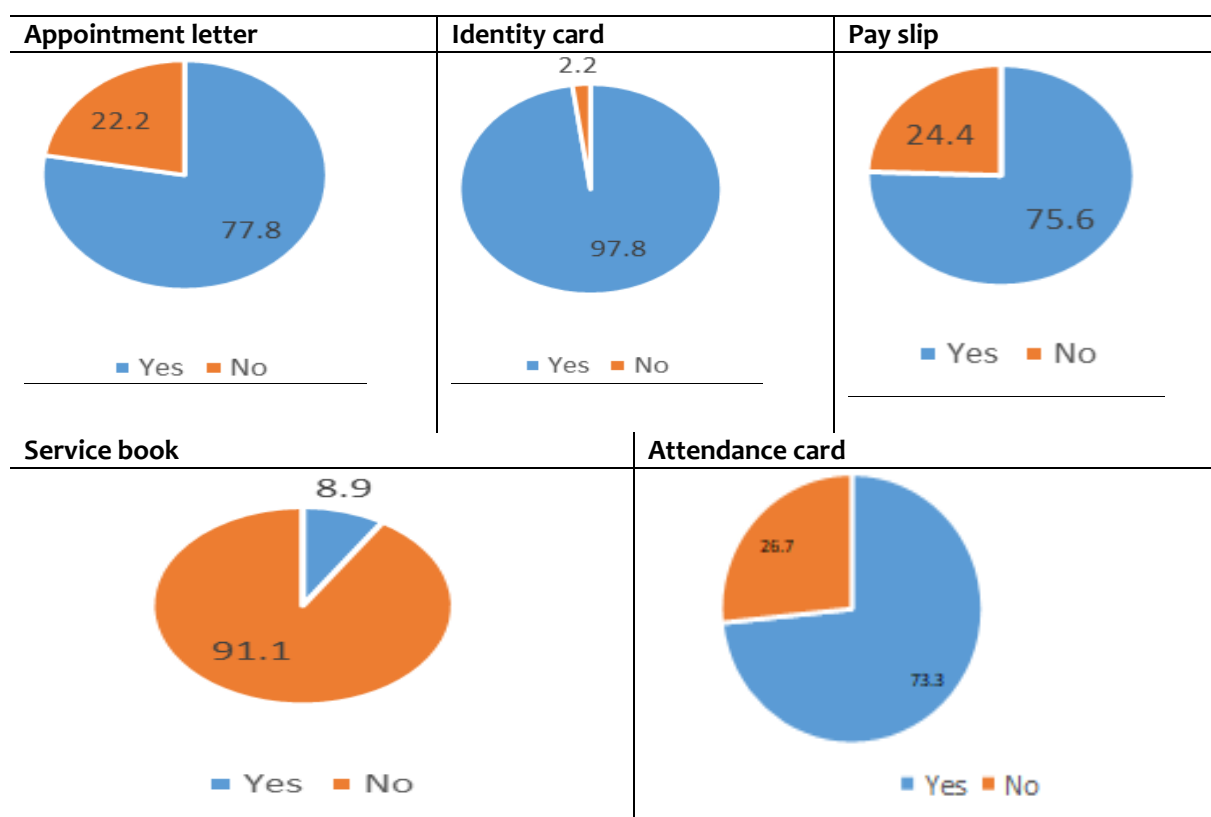
According to the Bangladesh Labour Law every employer is obliged to issue appointment letter and identity card with photograph to all workers (Section 5), and maintain a register of workers (Section 9). The employers at their own cost should maintain service books for workers (Section 6). The protection to workers afforded by the BLA is applicable to all RMG workers who are employees and have an identifiable employer with whom they have an employment relationship. It provides numerous provisions on contractual arrangements e.g., appointment letter and identity card, service book, employee register, as well as detailed guidelines on job termination both by workers and employers. Under the law, it is compulsory for every employer to issue appointment letter and identity card with photograph to all workers (BLA 2006: Section 5), and maintain a register of workers (BLA 2006: Section 9). The employers at their own cost should maintain service books for workers (BLA 2006: Section 6).

However, violation of employment contract related provisions are evident. Among several employment contract related provisions service book is the least implemented, and in contrast, attendance card and identity card is the most implemented. A study of Manusher

Jonno Foundation (MJF) shows that 72 percent of RMG workers in Dhaka and Gazipur did not have a job contract or appointment letter. About 72 percent of the workers in Dhaka and Gazipur, and 84 percent in Narayanganj and Chittagong had ID card. The study also reveals that many garment workers did not get the facilities of wage increment as they did not have appointment letter or any job related contract (“The Situation of Women Workers,” 2018). Similar picture was revealed in another study, where 29 percent garments workers reported about serious irregularities in issuing appointment letter (Islam, 2018: 19). The workers who signed the appointment letter, many of them did not have the copy of appointment letter, as the employer did not provide it. The Trade Union federation members however claimed in the same study that about 70 percent garment workers had got appointment letter (Ibid, 20).

Service book is a significant component of employment contract. The work record e.g., position, grade, employment history is documented there. The service book is very important for workers since these shows the duration of work, previous work record, and the last salary (grade) received. The evidence shows that a few number of RMG factories maintain the worker’s service book (Hossain, Ahmed, and Sharif, Ibid and KII). The worker survey under present study also identifies similar picture. Availability of appointment letter, identity card, pay-slip, service book, and attendance card among the respondents are 77.8%, 97.8%, 75.6%, 8.9%, and 73.3% respectively (Chart 3.5).

Chart 3.5: Availability of employment related provisions



Source: Workers survey 2020

Bangladesh Labour Law 2006 ensures worker's right to resign from the job after giving notice in writing to the employer or surrendering wages equal for variable notice period (Section 27). In the case of job termination of a permanent worker, the employer should compensate for every completed year of service, or provide gratuity whichever is higher (Section 27). Employers are also entitled to terminate workers by ways such as retrenchment, discharge, and dismissal. An employer can only dismiss a worker without serving prior notice if the worker is (a) convicted for any criminal offence; or (b) proved guilty of misconduct (Section 23). The employment contract provision related to termination is often violated. Workers reveal that dismissal of workers without notice is quite common in both the sectors. In early 2019, due to a wage linked protest movement at Savar/Ashulia region employers expelled more than 1500 RMG workers (Hossain and Ahmed, 2018b). Claim is available that the employers always or often expel workers without any prior notice (in 86 percent cases), and even the workers rarely receive due wages and benefits such as overtime amount, gratuity in case of dismissal (Ibid; Hossain, Sharif and Ahmed 2018; and Islam, 2018).

Working hour, rest, and leave

According to ILO convention regarding hours of work (Convention 1), the working hours of persons should not exceed eight hours in a day and forty-eight hours in a week. Additionally, it provides that the limit of hours of work may be exceeded to fifty-six in the week in cases of processes which are required by reason of the nature to be carried on continuously by a succession of shifts (ILO, Convention 1: Article 4). According to BLA 2006 every adult worker is allowed to work, without overtime, maximum eight hours a day and forty-eight hours a week. Though, an adult worker may work 10 hours a day and more than 48 hours a week on condition of giving overtime allowance for extra working hour, but the daily and weekly maximum overtime work not to be more than two hours and twelve hours respectively and the average working hour per week must not be exceeded more than 56 hours in a year under any circumstances. (Section 100 & 102)

With regard to night duty of women workers, ILO provision declares that the women without distinction of age are not entitled to employ during the night in any public or private industrial undertaking, or in any branch thereof, other than an undertaking in which only members of the same family are employed (ILO Convention 89: Article 3). Here, the term 'night' indicates 'a period of at least eleven consecutive hours, including an interval prescribed by the competent authority of at least seven consecutive hours falling between ten o'clock in the evening and seven o'clock in the morning.' (ILO, Article 2 of the Convention No. 89). It is important to note that, the government of respective country is allowed to suspend the provision of night duty restriction for women after consultation with the employer and workers' organization in the case of serious emergency or national interest (ILO Convention 89: Article 5). It also notices that the period of night may be reduced to ten hours of the year in any exceptional circumstances. (ILO Convention 89: Article 6).

Bangladesh Labour Act declares that no female worker should be allowed to work without her consent between the hours of 10 pm and 6 am and no young worker should be permitted to work in any establishment between the hours of 7 pm and 7 am [BLA 2006 Section 109 and 41(3)].

Working hour and work time, which includes average daily and weekly hour, overtime and night duty provision, has great significance from the point of view of workers' rights and their decent work situation which influences workers to take workplace related decision including decisions whether to change workplace (FGD, and KII).

In practice the violation of national legal provisions and international norms with regard to working hours, rest and leaves is widely marked. The different studies notice the widespread violation of working hour provision in RMG (Islam, 2018; Karmojibi Nari, 2018; Hossain, Ahmed and Sharif, 2018; and Hossain, Mostofa and Akter 2016). Ten to twelve hours work is common and hardly maintain over-time limit (in contrast to 2 hours legal limit) particularly during the shipment. In a study, over one-fourth (29 percent) of the workers reported that they work for at least 4 to 5 hours per day as overtime (Hossain, Mostofa and Akter 2016). Line chiefs/supervisors need to work up to 8/9 o'clock at night (BILS, 2018). However, there is an increasing practice of giving a production target in RMG sector and without fulfilling the target workers are not allowed to leave the factories. The workers also claimed that they are pressurized to fulfill the target within regular working hour (Islam, 2018). A very recent study shows that average working hour is 10.37 hours. Majority (56 %) of the workers work 10 hours daily. One-third (34%) workers work more than 10 hours every day. Whereas, according to Bangladesh Labour Law, the general working hours for the RMG workers are 8 hours per day, and including overtime hour it would be 10 hours per day (KN 2019). However, the average working hour per week must not be exceeded more than 56 hours in a year under any circumstances (BLA 2006: Section 100 & 102). Present survey reveals that 52.2% workers work for 10 hours daily and about 29% workers work more than 10 hours (Chart 3.6).

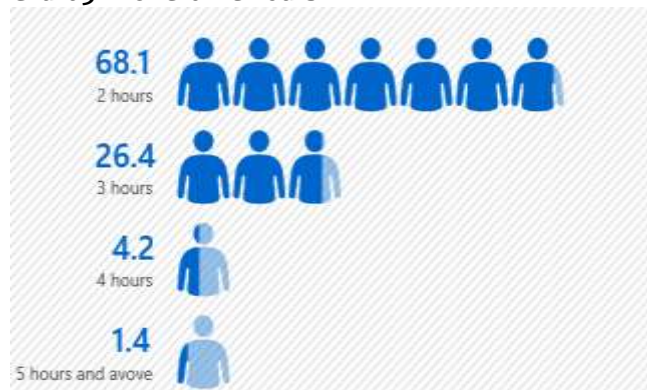
Chart 3.6: Working hours



Source: Workers survey 2020

Therefore, the existing practice in areas of daily working hour shows significant violation of legal norms. This violation is more prominent in case of overtime hours. As evident, 32 % of workers work beyond the legal limit – 10 hours (Chart 3.7). A study claims that, in fact, 92% of workers do overtime work. Important to note that, this overtime is hardly for the choice of the workers; rather overtime is mandatory. 14% and 18% workers respectively claim that their overtime hours are often or at times mandatory. Only 13% workers claimed that they are never forced to overtime hours (KN 2019). Present worker survey reveals that although majority of the workers work 2 hours overtime daily, about one-third workers work for more than two hours which is a clear violation of national and international legal norms.

Chart 3.6: Overtime hours



Source: workers survey 2020

The violation of rights related to working hours is also prominent for women workers in particular. According to Bangladesh labour law, no female worker should be allowed to work without her consent between the hours of 10 pm and 6 am; and no young worker should be permitted to work in any establishment between the hours of 7 pm and 7 am (BLA 2006, Sec. 109 & 41.3). Nevertheless, night duty is mandatory for over one-third of the women workers (34%). In other words, when night duty is scheduled these workers are left with not options but to do night duty. There are workers who lack awareness in this regard; about 4% workers do not know whether night duty is mandatory. Lack of awareness has also been among many workers regarding practice of taking written consent from workers for night duty. However, largest segment of the workers claim that employers never take written consent from them.

The Bangladesh Labour Act provides that the workers have the right to receive/enjoy rest period. According to BLA 2006 a worker in an establishment shall not be responsible to work either---“for more than six hours in any day unless he has been allowed an interval of at least one hour during that day for rest or meal; for more than five hours in any one day unless he has been allowed an interval of at least half an hour during that day for rest or meal or for more than eight hours unless he has had an interval under clause (a) or two such intervals under clause (b) during that day for rest or meal’ (BLA 2006, Section 101). Violation in this regard has not been observed.

However, there is wide variation of in practice of leave provisions. In terms of leave provision, the BLA 2006 ensures one-day weekly holiday, 10 days casual leave, 11 days of paid festival leave, annual leave (one day for each 18 days and after completion of one year of continuous service), 14 days of sick leave, and for female workers 16 weeks of maternity leave.

ILO has adopted a convention relating maternity protection that is applied to women employed in any industrial undertakings and in non-industrial and agricultural occupations, including domestic workers. The norms concerning maternity leave under this convention (ILO Convention 103: Article 3) are:

- if a woman produces a medical certificate stating the presumed date of her confinement, are allowed to enjoy a period of maternity leave for at least twelve weeks including a period of compulsory leave after her confinement;
- the period of compulsory leave after confinement to be prescribed by national laws or regulations, but not to be less than six weeks;
- the rest of the total period of maternity leave may be provided before the presumed date of confinement or following expiration of the compulsory leave period or partly before the presumed date of confinement and partly following the expiration of the compulsory leave period as may be prescribed by national laws or regulations;
- the leave before the assumed date of confinement shall be extended by any period elapsing between the presumed date and the actual date of confinement; and
- in case of illness medically certified arising out of pregnancy, additional leave before confinement are provided by national laws or regulations and in the case of illness medically certified arising out of confinement the women are entitled to an extension of the leave after confinement and in both cases, the maximum duration of leave of which may be fixed by the competent authority.

The CEDAW has also affirmed the regulation by stating that appropriate measures should be taken by the state parties to introduce maternity leave with pay or with comparable social benefits without loss of former employment, seniority or social allowance (CEDAW, Article 11/2b).

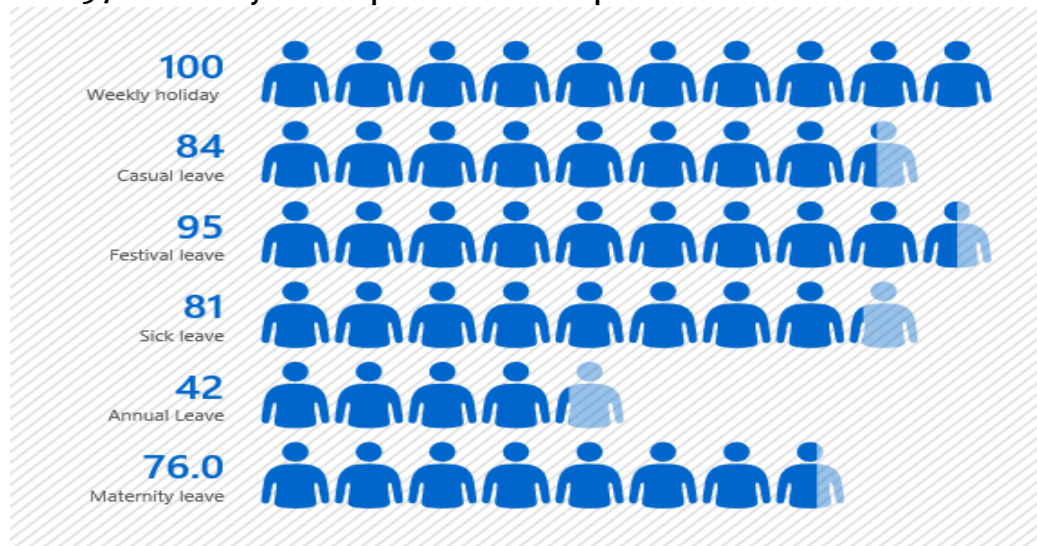
A study shows that among several types of leave weekly holiday is the mostly enjoyed (99% claimed to have received weekly holidays). The study further highlights that many workers are unaware about the practice of leave at their workplaces. 74% workers get casual leave, whereas 14% workers do not know whether casual leave is given. 94% get festival leave (religious festivals) but claim to have no relation with government holidays except May Day. 79% workers get sick leave, however many claim that it is not paid leave. 36% workers get annual leave, however many of them informed that they are paid money instead of leave. 79% workers get maternity leave, and 18% workers lack awareness on availability of maternity leave at their respective workplaces.

A noted positive change is that currently maximum workers enjoy holiday or other leaves compare to 3 /4years back. A study conducted on 2016 shows that 55 percent, 66 percent,

and 82 percent workers always had got weekly holidays, festival leave and maternity leave with pay respectively. Only 21, 33 and 13 percent workers had always got casual leave, sick leave and annual leave respectively. 37 percent workers had never got annual leave (Hossain, Mostofa and Akter, 2016). Whereas another report conducted by Karmojibi Nari on 2018 reveals that about 98 percent, 96 percent, 80 percent, and 69 percent workers get weekly holiday, sick leave, annual leave, and casual leave, but in many cases sick leave is not paid leave (Hossain and Ahmed, 2018d). In case of maternity leave, despite progress, there is also disgrace. Although maternity leave is practiced in majority of RMG industries, but many factories violate the maternity leave related rights in different ways. Some factories provide leave without payment, many other provide payment for fewer months than the specified months mentioned in law, and in some factories getting leave depends on the will of authority (Ibid).

Workers surveyed under the present study also notices the improvements in the practice of leave provisions. Availability of weekly holiday, casual leave, festival leave, sick leave, annual leave and maternity leave has been reported by 100%, 84%, 95%, 81%, 42%, and 76% respondents respectively Chart 3.7).

Chart 3.7: Availability of leave provisions at workplace



Source: Workers survey 2020

Occupational Safety and Health

The rights provisions related to occupational safety and health (OSH) are reflected in the law provisions on three areas of protection e.g. (i) occupational accidents, hazards and diseases; (ii) safety equipment and facilities; and (iii) workplace environment. The law provisions relating to occupational accident, hazards and diseases include that employer should inform inspector if any accident or an accidental explosion, ignition, outbreak of fire or irruption of water or fumes, or any dangerous occurrence (prescribed by labour rules 2015) occurs in any establishment (Section 80 and 81). Employers are also obliged to inform inspectors if any worker contacts with certain specified diseases (Section-82). The

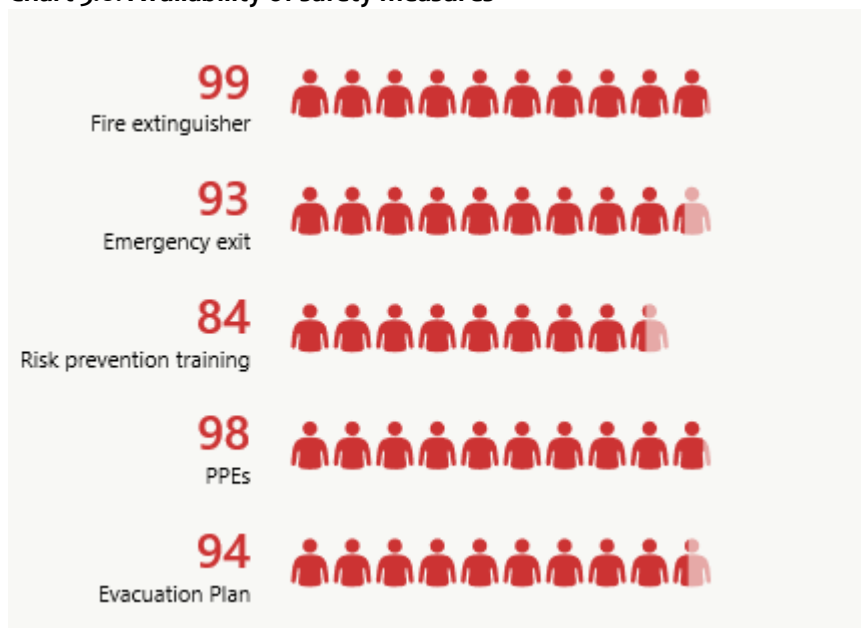
law has provided workers the right to be informed by the employers about buildings and machines which are dangerous /risky. If the employers do not take any measure regarding risks or hazards within specified timeframe, and thereafter accidents occur, the workers will get compensation at twice of normal rate of the compensation (Sec.86). As per law, it is employers' responsibility to continue treatment of the workers, if they suffer from occupational disease or sickness, or injury in an occupational accident (Section 89 (7), BLAA, 2013). The law has obliged employers to maintain safety record books for employing more than 25 workers (Section 90).

Regarding safety equipment and facilities, the rights provision reflected in the labour law on safety of building and machineries, fire-fighting apparatus and emergency exit, fencing of machinery, (Section 61-63 of BLA 2006) and personal protective equipment (Section 78 a, BLAA 2013). There is other safety related precautions against dangerous fumes (Section 77), and explosive or inflammable dust, and gas (Section 78). If there are 50 or more workers employed in a factory, a safety committee should be formed as per law (Section 90a, BLAA 2013). The workplace environment related rights provisions revealed in law provisions on cleanliness, noise, temperature, ventilation, lighting, dust and fumes, humidity, working space, dustbin and spittoon, waste management, agronomics, pure drinking water, and gender segregated toilet.

Workers in RMG are working under various types of occupational risks and health hazards. The most common risk in garments sector is the pricking of finger by needle cutting hand, sewed hand by machine, burning of hand by hot machineries, nail damage and risk of fire. Health problem suffers the RMG workers from headache, bodily aches, fever, weakness or fatigue, skin problems, gastric ailments and mental stress (Islam 2010; and Awaj Foundation, 2019). However, it must be mentioned that, RMG sector has witnessed a considerable progress especially in physical arrangement after Rana Plaza disaster. Safety related facilities including fire-fighting instruments, open alternative stairs for emergency fire exits, fire extinction drill and safety equipment are available at varied levels across factories. According to MJF (The Situation of Women Workers," 2018), about 88 percent factories in Dhaka and Gazipur kept the emergency gate open, while still there are factories where gates remain closed (Hossain, Ahmed and Shari, 2018). The fire drill, and safety equipment are provided always according to opinion of 65.3 percent and 50.4 percent RMG workers (Hossain, Mostofa and Akter, 2016). ,

Respondents under the present study provide more positive information. According to the claim of 99%, 93%, 84%, 98% and 94% workers fire extinguisher, emergency exits, risk prevention training, PPEs, and evacuation plans are respectively available at their workplace (Chart 3.8) .

Chart 3.8: Availability of safety measures



Source: Workers survey 2020

However, there are gray areas also. Despite having arrangement of fire extinguishers not all workers know how to use those. Employers generally do not provide workers the information (in 34 percent cases) regarding risks at workplace. Even many of the factories do not have ‘safety committee’ (Karmojibi Nari, 2018). Regarding personal protective equipment (PPE), in a study of BILS (Islam, 2018), workers reported that PPEs are available in the compliant factories but there are many factories, where PPEs are not available or low quality PPEs are provided. Some factories provide the PPEs during the audit period. With regards to workplace environment related provisions it has been reported that the condition of cleanliness, ventilation system, humidity, workplace situation, and supply of safe drinking water are almost good in the maximum RMG factories, while some provisions such as; sound, temperature, lighting, dust, working passes are yet poor at a number of factories (Hossain, Ahmed and Shari; and Islam, 2018).

Workers’ organization at workplace

Bangladesh’s labour law has provided the right of every worker to form and join trade union by their own choice. Every worker employed in any establishment is entitled to form and join trade union, by their own choice (Section 176). The trade unions of workers have the right to form and join in a federation of their trade unions and such unions and federations are permitted to affiliate with any international organization and confederation of trade unions (Section 176 C). The trade unions have the right to draw up their own constitution and rules, to elect their representatives, and organize their administration and activities and formulate their programs (Section 176 d). The law has also provision on participation committee, and safety committee. According to BLA, every employer is obliged to set up a participation committee at the workplace where fifty or

more workers are employed (BLA Sec. 205. 1; BLR 183). If any establishment has any unit where at least fifty workers are generally engaged, on the basis of recommendation of the participation committee, a unit participation committee may be formed as per law [Sec. 205 (7)]. Regarding the safety committee, it is mandatory in every factory/ industrial establishment where 50 or more workers are employed. The Committee can also be set up in factories with less workers (BLA; 81 & BLR 84).

Despite the rights provisions, the right of freedom of association and collective bargaining in the garments factories is most neglected (Hossain, Ahmed and Sarif 2018; Hossain and Ahmed 2017a, BILS 2011, and KIIs). Currently RMG sector has 52 industrial federations and 732 basic trade unions (KII). The number of trade union in RMG industries drastically increases after the Rana Plaza disaster in 2013. Before 2013, total 132 trade unions were in RMG sector. Total 600 trade unions have been formed during the period of 2013 to February 2019. But the General Secretary of Bangladesh Mukto Sramik Federation claimed that after 2013 the majority number of trade unions has been formed in small garment factories, not in medium and big factories that have 3,000-20,000 workers. About 90 percent of these trade unions in RMG sector do not belong to any national trade union federation (Bhuiyan, 2017). The membership status of trade union in RMG sector shows the total number of RMG workers involved in trade unions is 2,29,579 (KII) and there are about 4 million workers are working in this sector in Bangladesh. Thus, the trade union density in RMG sector is only 5.7 percent.

A recent study reveals that that workers' organization/ committees of different forms are available at workplaces of majority workers (67%). There is lack of awareness also regarding the availability of organization/association. Many workers (16%) do not know whether organizations/committees exist at workplace. In present study, 73.3% respondents claimed availability of organization, in any form, at their workplace (Chart 3.9). On the other hand, one in every five workers is unaware in this regard.

Chart 3.9: Presence of workers' organizations at workplaces



Source: Workers survey 2020

Generally, OSH committee is the most frequent, and in contrary, TU is the least frequent workers' organization at the workplace. A KN study showed that among different committee/associations availability of OSH/safety committee is the most frequent (57%), followed by participation committee (55%). Trade unions are least available workers' association at workplaces. Trade union is available at workplaces of only 6% workers. Nonetheless, Women workers mostly are not members of the organization/committees available at workplaces. Only 16% of workers have claimed to be associated with any of these workers' associations (KN 2019). Interview of workers under present study reveal a similar picture. 73% workers, the largest segment, have claimed the availability of OSH committee whereas only 3.4%, the smallest segment, report TU's presence at their respective workplace (Chart 3.10).

Chart 3.10: Types of organization at workplaces



Source: Workers survey 2020

Multiple factors are responsible for absence of TUs at most workplaces. Non-availability of workers' participation mechanism and workers' unwillingness in joining unions due to fear of harassment and job termination by the authority has been identified as main reasons of low membership in trade union (Hossain, Sharif, and Ahmed, 2018).

CBAs are not new to Bangladesh's RMG sector, but practice of collective bargaining process is hardly seen at factory level, and even workers rarely get scope to bargain with the authority through formal channel. Since 2013, an estimated 51 collective bargaining agreements have been signed in RMG sector (Saltmarsh, 2019). A garments federation—Sammilitito Grments SRAMIC Federation (SGSF) reported that it has negotiated seven CBAs over the last three years (Ibid). The BLA 2006 has drawn several provisions on employee participation committee for ensuring employees' participation in the decision making process at workplace. There are about 1468 participation committees exist in the RMG factories (KII). But the scope for negotiation through participation committee is limited since it leaves aside paramount issues of workers' interests—wages, overtime rate,

working hours, working conditions (Hossain and Ahmed, 2017b). A study reveals that the PC has been formed mainly for two reasons—to comply with the provisions of labour law and to fulfill the buyers’ requirement (Akter, Hossain and Khan 2016). Whatever the reasons of establishment, PCs have some influence on the workplace. While talking about the changes at workplace due to PCs’ initiatives, a high proportion (48.1 percent) of the representatives informed about the increase of production followed by arrangement of pure drinking water (43.4 percent). Quality of work has increased according to opinion of 35.7 percent respondents. About one-third (32.6 percent) and about one-quarter (24 percent) of respondents respectively talked about improved toilet and canteen facilities. Employers’ positive attitude and attitude change of the workers were mentioned by very small proportion of respondents—9.3 percent and 7.8 percent respectively (Hossain and Ahmed 2018). The finding of the study clearly shows that PCs are more helpful to increase production and productivity than to promote workers’ rights at workplace. A key informant claims:

“Existing forms of participation may encourage commitment and higher productivity, but certainly do not greatly increase the amount of influence employees are able to wield in the undertaking.”

Welfare and Social Protection

Bangladesh Labour Law has covered several provisions of general welfare for the wellbeing of workers at workplace. First aid boxes or almiras equipped with the first aid appliances prescribed by rules should be provided in the establishment at all times for easily receive of workers when necessary and the number of such first aid box or almira should be at least one for every 150 workers and maintained by a person, trained in first aid knowledge and has to be available in the factory. But where 300 or more workers are employed, the establishment should provide an equipped dispensary with a patient-room, doctor and nursing staff for its workers (BLA 2006, Section 89). Employers must arrange separate washing facility for men and women worker [Section 91-1(b)].

If fifty or more workers are employed in any establishment, the employer should provide and maintain adequate and suitable rest-rooms for use of workers and a suitable lunch-room with the facilities of pure drinking water so that the workers can eat meals brought by them. The Law makes the provision of separate rest room for the female workers, where more than twenty-five female workers are employed. But if the number of female worker is less than twenty-five, the factory management should maintain a curtain in the same rest room to make a separate resting space for the female workers (BLA sec. 93). Every establishment should provide and maintain a children room for the children of under six years of age, wherein forty or more female workers are working (Section 94).

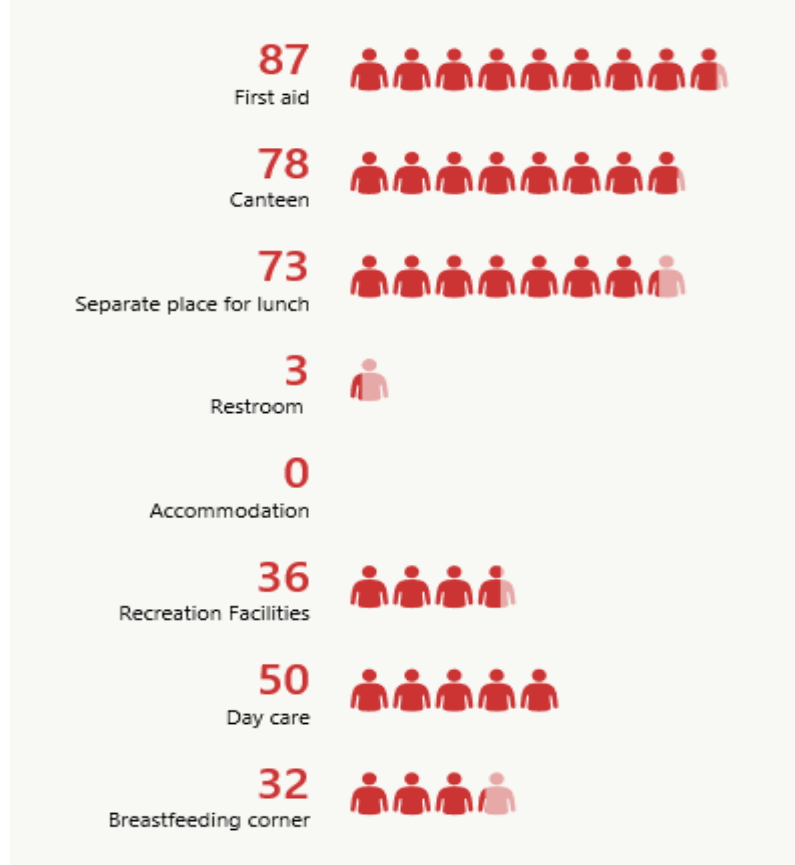
Although BLA 2006 has several provisions on welfare facilities favorable for women workers enjoyment these facilities are subject to the pre-requisite number of workers reflecting that the Act lacks adequate realization of gender/women workers’ issues. Rest-room and day-care facility is also subjected to the number of workers. Rest room facility will not be provided to the workers if they are less than fifty in number. On the other hand,

separate rest room for women workers will be arranged only in those institutions/factories where the number of female workers is more than twenty-five. Thus it could be said that the gender specific needs/special condition of women has not been addressed/considered adequately under this provision. Separate rest-room for female workers is important from both gender perspective and need of the women workers. Pre-requisite number of female workers should not be a barrier for them to get this facility. In the case of day care facility, the required number of female workers as condition is quite high, forty or more. Though there is a provision of employing women supervisors for day care centers/children's room, required qualifications of these supervisors have not mentioned specifically in the law. Labour Act has made provision on arrangement of first aid box and the labour rules have determined the essential to be preserved in these box. However, this also lacks gender sensitivity. However, neither the law nor the Rules fix provisions on preserving sanitary napkins at convenient and easily accessible places. Furthermore, the BLA also lacks provision of 'mandatory female doctor' at the workplaces of women RMG workers.

The conditions of welfare facilities have quite been improved in RMG sector. It is evident that welfare provisions are being implemented at varied degree at the workplaces. The facilities e.g. first aid, cheap medicine, canteen, and separate place for lunch are almost available in maximum factories, but the recreation facilities, day care and breast feeding corner is absent in many of the factories (56 percent, 36 percent and 57 percent respectively) (Karmojibi Nari, 2018). Regarding day care center, it is noticed that very confined space is allocated for day care.

Similar findings have been explored by another study that shows that workers for any of the several welfare-related provisions/facilities have not reported 100% availability. The study also highlights that first aid, separate place for lunch, and canteen facility are more available facilities; whereas accommodation, restroom, breast-feeding corner are less available facility. According to this study, 79%, 60%, and 72% women reported respectively the availability of first aid, canteen, and separate place for lunch. Only little over 1% workers claimed availability of accommodation facility. 48% notice unavailability of recreation facility. Day-care is absent at workplaces of 44% workers. Breast-feeding corner is available at 34% workplaces. 73% workers claim that workload is reduced for pregnant workers. 32% claim to have special treatment (e.g. work-break, reduced work load, supply of medicine) during pregnancy (Chart 3.11). Important to note that under present study a similar pattern of availability of welfare measures at workplaces has been noticed by the workers.

Chart 3.11: Welfare measures at workplace



Source: Workers survey 2020

Regarding the welfare measures, gender sensitive issues are also not realized always. Findings show that majority (60%) of the women workers do not get any special treatment/facility during the menstruation, and 8% are unaware whether any facility is available at workplace. Less than one-third claims the availability of some arrangement/facility that include early-leave (13%), work-break/rest (5%), reduced work-load (5%), sitting arrangement (9%), providing medicine (11%). Although women constitute the majority of workforce in RMG, not at all workplaces female doctors are available to provide treatment.

With regard to social protection, UDHR has affirmed that as a member of society everyone has the right to social security (UDHR' Article 22) and several international instruments have ensured social security of the workers. According to ILO convention (Convention 103: Article 4), during enjoying maternity leave, a woman is entitled to receive cash and medical benefits where medical benefits include; (a) pre-natal, confinement and post-natal care by trained midwives or medical practitioners; (b) hospitalization care where necessary; (c) freedom of choice of doctor, and (d) freedom of choice between a public and private hospital.

The UDHR has ensured the maternity benefits for women by its provision stating, 'motherhood is entitled to special care and assistance (UDHR, Article 25/2). Maternity benefit has also been ensured in two other international instruments – ICESCR and CEDAW. According to ICESCR, special protection should be accorded to mothers during a reasonable period before and after childbirth and during such period working mothers should be accorded paid leave or leave with adequate social security benefits (ICESCR Article--10/2). On the other hand, CEDAW has declared that appropriate measures should be taken by the state parties to prohibit dismissal on the grounds of pregnancy or of maternity leave and to provide special protection to women during pregnancy in types of work proved to be harmful to them (CEDAW Article 11-2a & 2d). According to the maternity benefit provision of BLA 2006, a women RMG worker's employer is liable for the payment of maternity benefit (wage) for sixteen weeks (eight weeks prior and eight weeks after child birth). But the benefit s are not to be payable to any women worker who has two or more surviving children at the time of her confinement (Section 46).

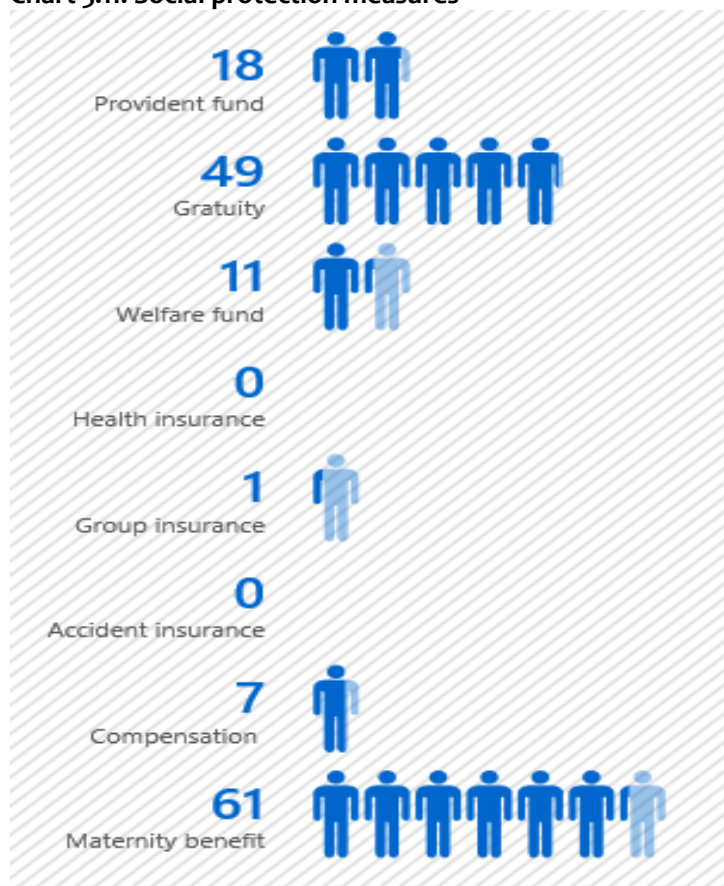
Bangladesh's labour law has provisions in the areas of group insurance, compensation, and maternity benefits, but no specific provisions on pension. Instead, two other provisions intending to provide social security benefits to workers are provident fund, and gratuity. The provision of gratuity is however optional under the provision of law. The provision of provident fund is subject to numerical bindings—at least three fourth of the total workers of any factory/establishment require submitting an application to their employer requesting to form provident fund (BLA 2006: Section 264). The introduction of group insurance too is dependent on the number of workers—may be formed where minimum 200 permanent workers employed. The social security provisions have also been subjected to time bindings as preconditions to receive benefits. In case of maternity benefit, at least six-month long continuous work is needed to receive maternity benefit from the employer, and three-year long continuous service is needed to get the benefit to family of deceased worker (Section 19). The law does not include provisions of medical care as part of the maternity protection and benefit, similar to ILO standards. No specific provisions are there on treatment and rehabilitation, and alternative skill development for workers. Furthermore, the rights provisions on compensation are narrow. A worker gets BDT 250,000 as compensation for complete permanent impairment and BDT 200,000 for death.

The rights situation regarding social security reveals that most of the provisions but maternity leave are hardly effective in RMG. Several key informants inform that some big factories cover group insurance, but all of their workers are not under the coverage. KN study reported the unavailability of group insurance is in 69 percent factories (Karmojibi Nari, 2018). On the other hand, variation is observed in practicing maternity leave. Though large number factories provide the maternity leave as per law provisions, there are some factories that violate the provision in different ways. Some factories provide leave without payment; many other provide payment for fewer months than the stipulated months mentioned in law (Hossain, Ahmed and Sharif, 2018 and KII). Regarding provident fund and compensation about two third and near about half of the workers claimed that these provision are not available at their workplaces. 39 percent of respondent in the same study also claimed about non-availability of compensation at workplaces.

A more recent study also shows that workers are mostly deprived of social protection related facilities at workplace. High prevalence of ignorance/unawareness among workers concerning the social protection facilities is a striking feature in this regard. Provident fund is absent at workplaces of two-third (52%) workers, and 35% are not aware in this regard. Welfare fund is absent for 48% workers, and 45% have no idea. Only 13% factories have provisions of provident fund in their factories. 53% workers have reported absence of health and life insurance facility; 47% workers report the unavailability of group insurance; and 52% do not know whether the facility is available. 45% workers claim the unavailability of accident insurance; and 47% are unaware. About 59% claim that gratuity is given; 22% are unaware in this regard. 39% claim that compensation is not given; 33% are not aware. Most available social welfare measure is maternity leave with pay, although with varied rate of pay calculation. Maternity leave with pay is available at workplaces of 71% workers; 14% have no idea whether such benefits are provided to women.

The findings of the present survey reveal a trend similar to the previous studies, with a slight variation in the proportion of workers reporting the availability. This survey also finds that maternity benefit is the mostly implemented (61%) measure at workplace. On the other hand, provident fund and group insurances are being implemented at a very insignificant level (Chart 3.12).

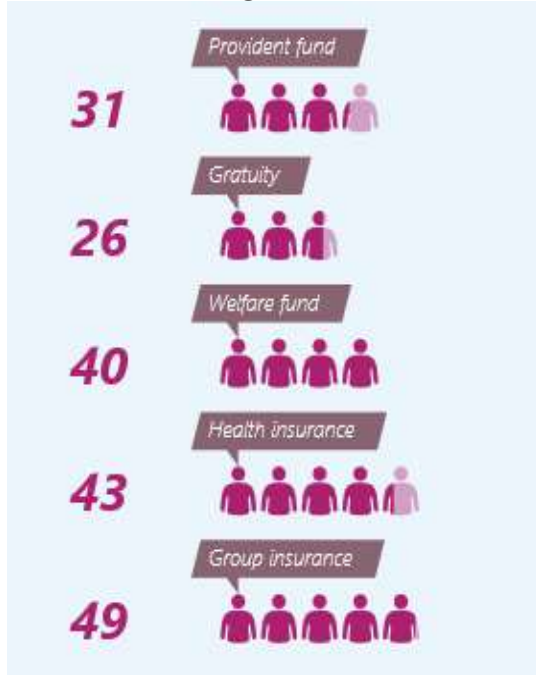
Chart 3.11: Social protection measures



Source: Workers survey 2020

Workers lack of awareness on the availability of social protection measures at workplace is also remarkable. 31%, 26%, 40%, 43%, and 49% workers respectively do not know that whether provident fund, gratuity, welfare fund, health insurance, and group insurance are being implemented at their workplaces (Chart 3.13).

Chart 3.13: Percentage of workers unaware of social protection measures at workplaces



Source: Workers survey 2020

4. Conclusion and Way Forward

The study clearly shows that worker retention and turnover, productivity and sustainability is closely linked with the condition and implementation status of the worker rights including wage, welfare and representational rights. However, from the discussion and evidences from 'section three' it has been clearly apparent that the rights and welfare condition of the RMG workers are still in a miserable state. Even the wage is not sufficient to meet the family needs completely. As whole the present situation of wage and benefits, entitlements and welfare is unable to address the requirement of sustained RMG. In the light of the findings and analysis this study recommends following required actions:

- **Respecting labour and human rights at work**

Without realizing rights at workplace it is not possible to achieve sustained productivity. Further, working condition is also a determining factor of retention and turnover, workers in RMG change factory in search of better working conditions. Therefore, as the rights implementation condition is poor in RMG, this is a threat for productivity and sustainability of this sector. Implementation of labour and human rights (including wage and workplace entitlements) therefore must be put on the top of strategies required for RMG sector.

- **Increasing wage and advocacy for living wage**

Although wage has link with the productivity of the workers, present wage amount is not sufficient to maintaining a minimum standard of living. Insufficient wage leads workers to change factory which is also in the long run a threat for the social sustainability. Therefore, initiatives are needed to increase the wage of the workers to a level that would be sufficient enough to maintain a decent health and nutritional life of the workers. This in turn will be instrumental for both productivity increase and reduce turnover. The existing practice of sectoral minimum wage in RMG cannot satisfy the workers. Minimum wage is unable to ensure a decent living standard for them. Therefore, it is also important to focus on the issue of living wage for workers and immediate advocacy initiatives on this issue are to be adopted.

- **Equal emphasis on economic and social upgrading**

For productivity purposes, technological and product upgrading is necessary. Equally importance should be given on social upgrading. Economic upgrading does not automatically bring about social upgrading. The economic upgrading influences the social up(down)grading like standards and fundamental principles and rights at work, employment and income opportunities, social protection, social dialogue.

- **Training and skill development**

Level of skills is closely linked with labour productivity. However, at workplace level scope of training and skill enhancement for the workers is very limited. Employers hardly arrange training for workers aimed at upgrading their skills. Therefore, initiatives are needed to develop skills of the workers. In this regard, trainings should be designed considering the future skill demands.

- **Social dialogue**

Harmonious industrial relations are necessary for both productivity and sustainability. Effective social dialogues are needed that will bring employers, workers and other stakeholders closer to improve the wage and other rights conditions that will ultimately result in increased productivity and sustainability.

- **Strengthening inspection mechanism**

Since implementation of rights, wage and welfare is of paramount importance it is quite equally significant to strengthen the mechanism that look after to what extent rights provisions are being implement and enforce the legal provisions. In this regard, investing in labour inspection systems would help to ensure compliance with minimum wage law and other rights and welfare provisions of Bangladesh Labour Act.

- **Responsible business practice from part of buyers/brands**

Often non-implementation of rights at workplace and poor wage of the workers are the direct and indirect outcomes of business practices of buyers/brands. Hence buyers /brands must uphold the responsibility of fair and ethical business.

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