

Ignoring the Law



Labour rights violations in the garment industry in Bangladesh

Introduction

Employing 2.5 million workers in 4,500 garment factories, Bangladesh's garment industry generates over three quarters of the country's total export revenue. In spite of the central role the sector plays in the nation's economy, Bangladeshi garment workers suffer from appalling conditions in the factories while earning well below a living wage and having limited or no benefits. Female workers, who make up nearly 85% of the garment sector workforce, are paid even less than their male counterparts, and are especially vulnerable to abuse.

War on Want works in partnership with the National Garment Workers' Federation (NGWF), a Bangladeshi trade union that promotes the rights of garment workers. This briefing paper outlines the results of research carried out between June and September 2008 by the NGWF and the Alternative Movement for Resources and Freedom Society (AMRF), a research group based in Bangladesh. As part of the study, a team of researchers interviewed 1,203 garment workers from 43 factories across Bangladesh. The full report of the study is being published in both English and Bangla.

The 2006 Labour Law

The culmination of a process that began in 1992, the 2006 Bangladesh Labour Law was hailed as a landmark achievement for factory workers. The new law brought together 25 separate acts and ordinances enacted over the three and a half decades since Bangladesh gained independence, extending the scope and applicability of labour regulations nationwide. A range of stakeholders played a role in developing the legislation, including workers' rights groups, human rights organisations, the UN International Labour Organisation (ILO) and employers themselves.

The law promised to benefit workers by guaranteeing rights that were being violated on a regular basis by employers. For example, the law strengthened maternity benefits by extending the period of maternity leave from 12 to 16 weeks. It also required companies to issue workers with an appointment letter, a measure which helps prevent employers cheating workers out of benefits. In addition, the law set an employer deadline for payment of wages, raised compensation pay in cases of accidents in the workplace and established more robust health and safety codes for factories.

A failure of enforcement

While the passage of the Bangladesh Labour Law marked an important step towards justice for garment workers, factory conditions have not improved and workers continue to earn well below a living wage.

"The situation on the ground for the millions of Bangladeshi garment workers is dire. In spite of new labour regulations, workers have seen few improvements in their pay or in the conditions of the factories where they work. The reality for workers can only be improved if the right to a living wage and freedom to form a trade union are respected and recognised as essential to a worker's dignity."

Amirul Haque Amin
President, NGWF

The failure of the law to bring about lasting change in the lives of workers is due to lack of enforcement of its key provisions. The Bangladesh Ministry of Labour and Employment has primary responsibility for monitoring enforcement of the Labour Law. However, resources allocated to the Ministry are woefully inadequate: in 2006 there were only 20 inspectors responsible for monitoring the conditions of more than 20,000 factories, docks and other businesses across Bangladesh.

There are other voluntary associations that have been set up by the factories themselves that purport to play an important role in enforcing labour standards in the garment sector. The Bangladesh Garment Manufacturers and Exporters Association and the Bangladesh Knitwear Manufacturers and Exporters Association were both established by the garment industry to monitor and report on the implementation of the Labour Law in factories. Such compliance associations operate outside any enforceable legal framework, and have proven unwilling to pursue any cases of non-compliance in their member factories.

In addition to the marked absence of domestic enforcement of the law, there is also no international mechanism that can be used to hold foreign companies operating in Bangladesh to account for conditions in their supply chains. Many multinational companies are supplied by Bangladeshi factories, including British retailers Tesco, Asda and Primark. These companies wield enormous influence over their foreign suppliers, and the pressure placed on these suppliers leads to lower wages and deteriorating conditions for workers.¹

Labour violations in the factories

Without effective enforcement of the Labour Law, Bangladeshi workers continue to face dire conditions. New research carried out by the AMRF and the NGWF, including interviews with over 1,200 garment workers, has revealed a pattern of labour law violations in Bangladesh's garment factories. Workers described a series of issues, including unsafe factories, unpaid overtime, lack of benefits, gender discrimination and paltry wages that do not cover basic expenses. The key findings of the research, summarised below, are evidence of a failure to implement existing labour legislation and also to ensure a decent life for millions of workers and their families.

Proof of employment

The 2006 Labour Law makes it compulsory for employers to issue appointment letters to all workers. An appointment letter serves as a de facto contract and enables workers to prove their status as employees who are entitled to the full range of rights. However, 53% of the workers interviewed as part of the research did not receive an appointment letter, and thus had no legal standing vis-à-vis their employer.

In many cases workers were given pieces of identification with far less legal value, such as ID cards or attendance cards. These documents offer limited protection against fraudulent employer practices: many workers reported that managers held on to their attendance cards or reissued them on a monthly basis, in both cases leaving them without a record of their hours worked.

The minimum wage

While for the most part minimum wage laws are being adhered to, the salaries are set at levels that keep most workers in dire poverty. The minimum wage is set by the Wage Board, which, according to the Labour Law, “shall take into consideration, while framing any recommendation, the cost of living, standard of living, production cost, production capacity, price of produced goods, inflation... and socio-economic condition of the country.”

The minimum wage in Bangladesh is determined by each worker's employment level. An entry-level worker, for example, is guaranteed a minimum monthly wage of Tk 1,663 – just under £14.² Workers interviewed for this study spanned entry-level earners to higher paid labourers, and 88% of them received the minimum wage according to their grade as defined by the government. There were, however, numerous reports of violations committed by sub-contractors. Over 60% of garment workers interviewed received a monthly wage of less than Tk 3,000, which is roughly £25.

The current minimum wage, established by the Wage Board in 2006 after remaining fixed for over a decade, in fact has a lower value in real terms than the previous minimum wage after the rising cost of food, fuel and other commodities are taken into account. Factoring in this disparity between wage levels and increases in the cost of living, the current minimum wage is in direct contravention of Bangladeshi law.

The National Garment Workers' Federation (NGWF)

The NGWF was established in 1984 as an independent, democratic and progressive trade union federation in Bangladesh. With a central office in Dhaka, the capital, and regional branches in industrial districts across the country, 31 registered factory-based unions are affiliated to the NGWF. The union's network has expanded its presence into an additional 1,000 factories where non-legally recognised factory committees operate on behalf of workers. This move is a crucial first step towards full legal standing as a trade union. The NGWF currently has more than 22,000 members across Bangladesh.

1. See *Fashion Victims II: How UK clothing retailers are keeping workers in poverty*, War on Want, December 2008

2. The exchange rate from sterling to Taka has been calculated at £1 = Tk 119, the average rate for October 2008



Bangladeshi sweatshop workers earn barely enough to feed and support their families.

Gruelling hours and unpaid leave

In spite of legislation limiting working time to no more than eight hours per day and 48 hours in a week, excessive working hours are still the norm rather than the exception. Nearly half of the workers interviewed as part of the study worked between 13 and 16 hours a day; 67% stated that they regularly worked more than eight hours a day. In addition, 78% of workers were put on the night shift, at times remaining at the factory until 3am and returning at 7am that same morning for another day of work.

Bangladeshi law also stipulates that workers must receive 10 days of paid holiday plus a further 11 days leave for the Eid festival. However, out of the 1,203 workers interviewed more than half responded that they are granted 10 days or less of the total 21 days of annual leave. Only 9% received their full allotment of paid holiday including time off for Eid. Although workers are entitled to 14 days' paid sick leave, many of them explained that their employers pressure them into working through illness. No worker reported ever receiving paid sick leave.

“Falling sick during work is not an excuse, they force us to work.”

– Hazera

“I earn Tk 2,200 per month, with overtime, but rent, health expenses and food for my family costs me around Tk 5,000. My older brother sends money from abroad to help make up the difference, but what will happen if he can no longer afford to help us?”

– Arifa³

Factory worker

Forced overtime and unpaid wages

In order to fulfil production quotas, many workers are forced to put in far more hours per day than is allowed under the law, in what amounts to compulsory overtime. Nearly 70% of respondents reported that they are forced to meet daily targets that are set unrealistically high. Over half the workers interviewed stated that they worked seven days a week to meet these targets and earn enough to live on. Those workers that do take a day off during the week keep hours that are equivalent to a full seven-day working week in order to make up for lost earnings. Under Bangladeshi law all employers must grant workers at least one day off a week.

3. The names of all factory workers have been changed in order to protect their identity

The arduous hours and unpaid overtime are made all the more shocking by the frequency with which workers are cheated out of payment for hours worked. Over two thirds of workers interviewed received no wage slip or other documentation of their earnings, making it impossible for workers to verify that they are being paid the proper amount. Many factories that do issue wage slips present the information in a way that is deliberately misleading. For example, on many wage slips the total amount is divided across several columns, making the final figure difficult to ascertain for workers, the vast majority of whom are poorly educated. Around 45% of the workers interviewed said that their final wages do not reflect the full number of hours worked.

Garment workers must also contend with late payment of wages. Less than 10% of workers interviewed for this research received their wages within the legal timeframe established under the 2006 Labour Law. Over a third of the workers interviewed reported that they typically receive their pay towards the end of the month following that which they worked, which is three weeks later than the legally mandated payment deadline.

Unsafe conditions

Bangladeshi labour law states that employers must ensure that basic standards for health and safety in the workplace are complied with. Despite this law,

health and safety violations are rife in Bangladesh's garment factories. Over 70% of workers said that their workplace lacked safe drinking water, even though many factories are poorly ventilated and often reach blistering temperatures. An even higher percentage of workers (87%) reported that the factory where they worked did not have a functioning fire escape. Moreover, only 23% of those interviewed said they had access to toilet facilities.

“We women workers are forced to do more work for less wages compared to men.”
– Nazma

Gender discrimination

The 2006 Labour Law contains a provision guaranteeing equal rate of pay for men and women. However, according to the research conducted by the AMRF and the NGWF, women earn far less than their male colleagues. Over 70% of the women spoken to over the course of the study received less than Tk 3,000 per month; by comparison, less than half of the men interviewed earn below that mark.

Despite the passage of the 2006 Labour Law, factory conditions in Bangladesh remain dire.



Laila Blanchard/Var on Want



“They say: if you are pregnant, leave the job. If you say no they kick you out without paying your wages.”

– Amenda

The wage disparity is the result of two interrelated factors. Male garment workers are far more likely than women to hold jobs that traditionally pay more, such as quality control and floor supervisor, and men also earn more than women who perform the same work.

While all garment workers face poor conditions and poverty wages in factories, the research revealed that women workers suffer in particular. The study also found widespread instances of physical and verbal abuse in factories at the hands of management, with women workers as the main target. The abuse can take the form of obscene language and humiliation, as well as corporal punishment, beatings and molestation. Some workers reported that young women are offered work privileges in return for sex, and that those who refuse are beaten or fired. In total, 90% of all workers reported being subjected to abuse of some kind.

Most women are deprived of maternity leave, which is guaranteed under law. In many cases women have to negotiate individually with management for time off before and after childbirth. Some women are granted a few weeks of paid leave, while others must accept a reduced wage or take unpaid leave.

More likely to experience abuse in the factories, women sweatshop workers face even worse conditions than their male colleagues.

Overall, only 43% of women workers said they had been granted paid maternity leave. Bangladeshi law guarantees a total of 16 weeks’ paid maternity leave: eight weeks prior to the birth of the child followed by eight weeks after delivery. Only 20% of the workers interviewed reported that their employers provided childcare, even though the 2006 Labour Law requires them to do so.

Trade unions

Although Bangladeshi law guarantees freedom of association, efforts by garment workers to form trade unions have been suppressed. Many workers active in the trade union movement spoke of harassment and abuse from factory managers. In total, trade unions had been established in only three out of the 43 factories examined in the study. Participation committees had been established in three additional factories, but these groups are facilitated by management and rarely speak out against factory abuses.

“Hooligans in the pay of the owners threaten that they will kick us out of the factory if we talk about trade unions.”

– Rabeya



Members of the NGWF protesting against factory conditions at a rally in Dhaka.

Workers fighting back

The NGWF has taken a leading role in the struggle for garment workers' rights in Bangladesh to ensure decent working conditions, fair wages and freedom of association. To improve the lives of garment factory workers, the NGWF and its thousands of members have been demanding that the Bangladeshi government take the following actions:

- Reconvene the Wage Board and conduct a review of the minimum wage structure, allowing for meaningful participation by trade unions and civil society organisations to ensure that the minimum wage represents a living wage.
- Develop a national reporting framework and conduct an annual review into the status of implementation of the 2006 Labour Law in the garment sector. Such a review must include participation from trade unions and civil society organisations representing workers.
- Ensure maximum participation of women in all consultation bodies and review mechanisms, aiming for levels comparable to their representation in the garment sector itself.
- Revise the law so that the rights of trade unions are strengthened, especially with respect to:
 - Their ability to appeal against Labour Court decisions rejecting union applications for official recognition.
 - The right of employees who choose to serve as trade union officers to have their identities kept confidential.

What you can do

UK citizens can take the following actions to end abuses inside garment factories in Bangladesh:

- Demand that the government regulate UK companies and adopt legislation enabling overseas workers to seek justice in the UK when they suffer from exploitative buying practices. You can write to: Rt Hon Lord Mandelson, First Secretary of State, Department for Business, Enterprise and Regulatory Reform, 1 Victoria Street, London SW1H 0ET.
- Call on UK companies such as Tesco, Asda and Primark that are supplied by Bangladeshi factories to ensure that the workers producing their clothes are paid a living wage and that their rights are respected. You can learn how to contact these factories by visiting www.waronwant.org/campaigns/supermarkets/fashion-victims
- Join War on Want and become part of a global movement for workers' rights. You can become a member by signing up at www.waronwant.org/joinus or by calling us on 020 7549 0555.

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War on Want, Development House, 56-64 Leonard Street, London EC2A 4LT tel: 020 7549 0555 fax: 020 7549 0556 mailroom@waronwant.org



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www.waronwant.org