

Role of the Government and BGMEA in Improving the workplace environment of Garments Factories in Bangladesh

Rozina Akter¹ Fahmida Mostafiz²

Abstract: *In Bangladesh, the most powerful sector to earn foreign currency is ready made garments sector, but workplace environment of most garments factories is below standards. Recent incidents of many garments factories provide the proof of miserable conditions of the workplace of the garments factories. The role of government and Bangladesh Garments Manufacturing Exporting Association (BGMEA) is crucial to improve the workplace environment of garments factories. But the question arises whether government and this business association take corrective actions to improve this environment or not. This paper tries to show what the initiatives the Government and BGMEA taken are and how those initiatives are being implemented.*

Keywords: *garments factories, Ministry of labor and employment, BGMEA, workplace environment.*

Introduction :

Bangladesh Government and Bangladesh Garments Manufacturers and Exporters Association are the major governing bodies of garments sector. They are playing crucial role to develop and expand this sector. Government has been playing the role by providing different trade related facilities and introducing flexible laws for exporting garments and importing garments raw materials. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) is one of the largest trade associations in the country representing the readymade garment industry, particularly the woven garments, knitwear and sweater sub-sectors. Starting its journey in 1983 today BGMEA takes care of an industry that is at the backbone of Bangladesh's economy. Since the inception, BGMEA is dedicated to promote and facilitate the apparel industry through policy advocacy to the government, services to members, ensuring workers' rights and social compliance at factories. Bangladesh has been beset by industrial tragedy. More than 1,000 workers died in the accident of Rana Plaza. The collapse at Rana Plaza was the world's deadliest industrial disaster since a horrifying gas leak at a factory in Bhopal,

- Lecturer, Department of Business Administration, Daffodil International University.
- Lecturer, Department of International Business, University of Dhaka.

India, nearly three decades ago. These incidents create huge pressure to improve the workplace environment of garments factories.

General Objective:

Government earned huge foreign currency from garments sector but does not take up an active and material role committing to the advancement of the health and safety in the garment industry and BGMEA, the largest trade association does not play proper role to improve the workplace of garments. Though both parties are the ultimate beneficiaries of the industry. The general objective of the study is to analyze the role played by Government (Ministry of labor and employment) and BGMEA to improve garments factories workplace environment.

Specific objectives: the specific objectives of the study are

- To identify what are the initiatives taken by Government through ministry of labor and employment and BGMEA
- To find out the gap between initiatives taken by Government and BGMEA and implementation of these initiatives.

Literature Review:

The literature review indicates that the work place environment of garments factories is below standard and the crucial players of this sector government and BGMEA play very little role to improve workplace environment. The working environment in Bangladesh RMG sector is below standards. Most factories do not have adequate ventilation and exhaust fans that leave the garments workers exposed to toxic substances and dust. Raw materials contain dust and fibre particles that hang in the air. Dye, a toxic substance emitted from colored cloth, spreads in the workroom. As a result, many workers suffer from various diseases such as constant fatigue, headaches, anaemia, fever, chest, stomach, eye and ear pain, cough and cold, diarrhoea, dysentery, urinary tract infection and reproductive health problems due to overwork, uncongenial working conditions, and wide ranging labor law violations (Paul-Majumder, 1996). Health and Safety regulations, as prescribed in Factory Rules 1979 (Absar, 2001; Begum, 1995) are routinely ignored by management and are hardly enforced by government.

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has formulated its own code of conduct for the industry, in collaboration with the major trade unions, and has set up a compliance unit that monitors labor conditions in its members' factories (UNIFEM 2008). In 2006, the Government passed a new labor code, after 12 years of deliberations and activism. It applies to all workers, and the new sections relevant to the garment industry include written contracts and identity cards, timely payment of wages, revised minimum wage, paid maternity leave and explicit laws against sexual harassment. The export-quota system and the availability of cheap labor are the two main reasons behind the success of the industry (Haider, 2007).

People's Daily Online China (2008) reported that the Bangladeshi caretaker government is to take stern action from August 1 against owners of garment factories who failed to implement compliance issues like providing minimum wage to workers. German

Embassy (2010) stated that PROGRESS, a joint project of the Bangladesh Ministry of Commerce and the German Federal Ministry, has consequently turned its full attention to the area of social compliance and assisting the government in the following areas: implementation of the new labor law, media campaigns, training and retraining measures for compliance inspectors, advisors, and the introduction of a new monitoring and evaluation system.

Ali and Medhekar (2016) described the protecting the rights of women workers who are sowing garments for the fashion conscious consumers from the developed countries.

Methodology:

As the study will make an attempt to analyze the role of Government and BGMEA to improve workplace environment. It is an exploratory research. Exploratory research is conducted to identify what initiatives are taken by government to improve workplace, which departments of Ministry of labor and employment work for it, what initiatives are taken by BGMEA, identify the gap between initiatives and implementation of initiatives. Exploratory studies involve a one-time interaction with groups of people (cross-sectional study). Exploratory studies, in which the researcher interacts with the participant, may involve surveys or interviews to collect the necessary information. This study exclusively covers initiatives taken by Government through Ministry of labor and employment and BGMEA to improve workplace environment of garments, and level of initiatives implementation. It excluded the details analysis of Ministry of labor and employment and BGMEA. The study did not estimate cost of compliance with workplace environment related laws and standards for the factories.

For the assessment, both primary and secondary data were collected. Personal interview technique was applied while filling up the questionnaire by respondents. For primary data, interview survey was carefully designed and conducted to evaluate the compliance performance of garment factories. Secondary data were collected by consulting official documents of garment industries, internet, industry manuals, audit reports, annual reports, articles, etc. The data were collected during June 7 to August 15, 2013. We Conducted survey to collect the data from BGMEA, Ministry of Labor and Employment by using structured questionnaire.

After collecting data, Analysis is conducted by looking at the various initiatives taken by Government through Ministry of labor and employment and different cells, and also stated various initiatives taken by BGMEA. A gap has been identified between initiatives taken and implementation of those initiatives. Data are also analyzed by using graphs and charts.

Analysis:

Initiatives of Government and BGMEA

The Initiatives of Government to improve workplace environment of Garments factories:

Government takes different initiatives to improve the overall compliance of garments factories. When any incidents were occurred government takes new initiatives but does not seem to be concerned about the implementation of the initiatives. Ministry of Labor

and Employment, Ministry of Commerce takes initiatives several times to improve garments compliance. But the question arises how effective were these initiatives.

Ministry of Labor and Employment: The objective of the Ministry of Labor & Employment is to alleviate poverty through creating employment opportunities for the poor, unemployed and unskilled labor force of the country, enhance productivity of Factories by creating Friendly working environment between workers & Employers and ensure welfare of workers in different industrial area. To implement Labor-Laws. To fix up minimum wages of labor and ensure justice through Labor Court. Under this Ministry the department of Chief Inspector of Factory and Establishment is responsible for garments factories audit-check the workplace environment and working conditions.

Chief Inspector of Factory and Establishment: Prior to 1970, the work of inspection of factories and establishments was being looked after by then Directorate of Labor: the Director of Labor used to be the ex-officio Chief Inspector. In 1970, the Department of Inspection for Factories and Establishments was created as a separate office in pursuance of ILO Labor Inspection Convention No. 81. The Department presently enforces as many as 46 labor laws, rules and regulations relating to the welfare of labor working in factories and different

establishments in the country. In the following Table 1 shows the that total number of inspectors who are responsible for the inspection. For garments factories inspection there are only 27 inspectors which are very few in numbers.

Table 1: Number of Inspectors and Types

Administrative and supervisory head	Chief Inspector of Factories & Establishments	1
Top line inspection and supervisory officers	Deputy Chief Inspectors of Factories & Establishments.	7
Mid-level supervisory and inspection officers	Assistant Chief Inspectors of Factories & Establishments	10
	Inspectors of Factories & Establishments.	17
	Dock Labour Safety Officers	2
First line inspecting staff	Assistant Inspectors of Factories & Establishments	8
	Labour Inspectors	17
	Inspector of Standing Orders	1
	Inspector of Shops and Establishments	48
Total		111

Source: Ministry of Labor and Employment

The number of Inspector is very low. Only 27 inspectors are available to inspect garments factories. There are more than 10,000 garments factories situated in Dhaka city

.So the number of inspector is really insufficient.

http://www.mole.gov.bd/index.php?option=com_content HYPERLINK

"http://www.mole.gov.bd/index.php?option=com_content&task=view&id=472&Itemid=1"&

HYPERLINK

"http://www.mole.gov.bd/index.php?option=com_content&task=view&id=472&Itemid=1"task=v

iew

HYPERLINK

"http://www.mole.gov.bd/index.php?option=com_content&task=view&id=472&Itemid=1"&

HYPERLINK

"http://www.mole.gov.bd/index.php?option=com_content&task=view&id=472&Itemid=1"id=47

2

HYPERLINK

"http://www.mole.gov.bd/index.php?option=com_content&task=view&id=472&Itemid=1"&

HYPERLINK

"http://www.mole.gov.bd/index.php?option=com_content&task=view&id=472&Itemid=1"Itemid

=1

The ministry of labor and employment inspects the factories to evaluate the compliance situation. Fifteen inspection teams (10 in Dhaka and five in Chittagong) are currently working to evaluate the compliance situation. Each factory is evaluated by using the unified codes of conduct as mentioned earlier. A letter grade as A, B, and C is assigned to each factory on the basis of its overall compliance situation and follow-up visits are made to the noncompliant factories to see their progress over time.

Export Promotion Bureau Compliance Monitoring Cell (CMC) :In the post-quota globalized world, issues relating to social compliance have become increasingly important in the export-oriented RMG Sector in Bangladesh. In order to meet various requirements on Social

Compliance including occupational safety and security, labor welfare and improvement of working conditions in the export oriented Ready-made Garments (RMG) industry of Bangladesh, Government has constituted the following two Taskforces and one Compliance Monitoring Cell ,**Taskforce on Labor Welfare in RMG** headed by Joint Secretary, Ministry of Labor and Employment.

- **Compliance Monitoring Cell:** In order to monitor the activities relating to Social Compliance including safety & security, labor welfare and improvement of working condition in the export-oriented Ready-made Garments (RMG) Industries of Bangladesh, a Compliance Monitoring Cell was formed in the office of the Export Promotion Bureau (EPB).

- **Taskforce on Occupational Safety in RMG:** Taskforce on occupational Safety in RMG has prepared short term, medium term & long term work plan as per Terms of Reference,(TOR) classifying in four security aspect such as Fire Safety, Building safety, Environment safety, Security matter safety.

- **Taskforce on Labor Welfare in RMG:** Taskforce on labor welfare in RMG has also prepared short term, medium term & long-term work plan for elimination of all sort of discrimination, abolition of forced labor, removal of all sort of harassment and abuses, free from child labor, provide the worker with an appointment letter, reasonable working hour, health and hygiene and right for freedom of association and collective bargaining.

5.2 The Initiatives of BGMEA to improve the workplace environment of garments factories: The BGMEA is, of course, central to the reform of the RMG industry. They can play a complementary role in implementing self-monitoring, and ensuring and enforcing compliance through compulsory training programs on worker rights, workplace safety, facility inspection and corrective steps so that compliance requirements go beyond a simple checklist and become a culture of good practice throughout the industry.

The initiatives of BGMEA

- BGMEA undertakes a number of regular activities and projects to ensure workers rights, social and environmental compliance and welfare.
- Implementation of the tri-partite agreement among the workers, factory owners and government authorities has achieved a highest success rate, among others, of paying minimum wages, appointment letters and maternity benefit.
- The Group Insurance scheme for the garment workers and staffs has been made mandatory.
- Provides arbitration facilities to the garment workers at free of cost.
- BGMEA organizes worker fairs annually.
- Building Code has been made mandatory for all member units.
- Conduct regular fire drills and fire safety training program in member factories.
- BGMEA has started food rationing program for workers in August 2009.
- Runs skill development programs for the garment industry through 9 training centres in different regions of the country.
- BGMEA has taken particular projects for the rehabilitation of the returned camel Jokies from Dubai.
- **Watchdogs Workplace Safety & Compliance:** Regularly monitors member factories to check compliance. Runs a Social compliance improvement project to improve the compliance standard. BGMEA organizes training for the member factories on social and environmental standards.

- **Healthcare for the workers:** BGMEA recognizes the fundamental rights of the workers, particularly access to healthcare facilities. On this spirit BGMEA runs 12 Health Centers for the garment workers and their families, provide pre – medical services and medicines free of cost. Besides, it runs awareness program on HIV/ AIDS, tuberculosis, reproductive health and the use of contraceptive devices. In addition to this, construction of a 100 bedded Hospital at Chittagong is about to end and partial operation has already started through 25 beds. Construction of another 150 bed hospital at Dhaka has started and will be ready for operation in 2012.

- **Better Work Program:** The “Better Work Program” with ILO is underway for its operation in Bangladesh. Expected benefits should include improved reputation of the Bangladesh RMG sector, reduction of audits, unified code of conduct, labour peace; and productivity & quality improvement.

BGMEA had undertaken a Crash Program for ensuring that every factory should keep open all the exits during working hours and conducting Fire Evacuation Drill .You would appreciate that the Bangladesh garment sector evolved in an unplanned manner. As a result, many garment factories of Bangladesh became located in rented multistoried buildings. Many of the BGMEA member factories have already started to set up their factories outside Dhaka city so that they may ensure proper safety measures in those factories. BGMEA have also requested the Government of Bangladesh to allocate land for the garment sector so that they can relocate their factories and install proper safety measures in those factories.

The BGMEA is also keeping close contacts with the buyers as well as the government. The government should play a proactive role in the interactions between the owners and

the workers to avoid troubles. It is also significant for the BGMEA to have a result- oriented dialogue with the buyers so that they pay a little extra for our garment products which they could utilize to improve conditions in the garment factories and pay higher wages. A number of measures and initiatives, if taken on emergency basis, can help improve the situation. Proper foreign policies are necessary to exploit existing foreign markets as well as identifying potential markets. To be cost competitive and to produce quality items, modern technology and training at all levels of RMG are essential. At the same time for the RMG manufacturers to get maximum benefit, the workers need minimum wage, job security, and better working environment. Initiative needs to be taken for improving all infrastructural facilities in the industrial units. Both the government and the BGMEA should work together to overcome the existing problems and save the garment industries for a better economy.

Findings:

Government and BGMEA both parties take huge initiatives to improve workplace environment of garments but those initiatives implementation is very low. In Bangladesh most of the garments factories are in the ethical stances of obstruction and defense. All try to avoid compliance for the sake of increasing cost. The garments factories that have small workers extremely violate laws. Government contribution to improve workplace environment is insignificant. Actually garments owners create their own culture, standards and rules for non compliance of most of the labor laws, it is quite impossible for government to force them to comply with laws. BGMEA as a foundation for garments owners mostly focus on garments owners benefit not social welfare and garments workers welfare. There are some findings that are shown below.

Huge implementation gap: Both parties are taking initiatives but there are no implementations of initiatives to improve workplace. Implementation gap of Government and BGMEA initiatives remain Garments factories noncompliance.

So the study found that Government and BGMEA take a lot of initiative to improve the workplace environment of garments factories. But the question arises after taking all these initiative why the garments factories remain noncompliant and face pressures to improve their compliance. One of the reasons of garments factories noncompliance is implementation gap of governing bodies' initiatives. Figure 1 showed that among 100% in case of both initiative and implementation 90% initiatives are taken but unfortunately implementation is less than 10%. So no result is found of the initiative.

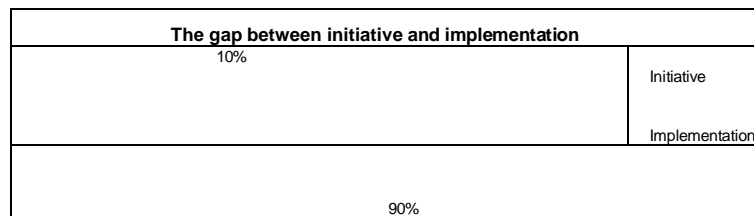


Figure 1: Initiative and implementation gap

As we know that success of any initiative or strategy depends on 10% formulation and 90% implementation. But in these cases it is vice versa. Government and BGMEA give emphasizes on formulation rather than implementation. As a result no improvement occurred. Government and BGMEA actually take initiative for eye wash of buyers and international social welfare bodies. They have no intention to actually improve the working conditions of garments factories.

BGMEA initiative and implementation: In the above discussion it is shown that BGMEA take different initiatives to improve the workers welfare such as watchdogs' workplace safety and compliance, healthcare for the workers and Better work program with ILO. But it is unfortunate that 90% initiative taken but implementation is 10% or sometimes 5% or less.

BGMEA initiatives are adequate but implementation is inadequate. BGMEA does not create pressure to its member to improve their garments factories workplace environment. They just taken initiatives to show up their responsibility as a governing body of this sector. In the figure 1 we find that in case of BGMEA it take 90% initiative among 100% but implementation is very poor only 10%. In case of better work program it is only 5% implementation take place.

The Rana Plaza and Tazreen-like incidents. Bangladesh's workers and the international community had high expectations that the government would finally legislate to protect the rights of workers. It appears that once again factory owners triumphed over their employees through backroom lobbying and their own political power as members of the parliament. While the new law does reflect some positive changes, including occupational safety and health, the government largely failed to make good on its obligations to improve fundamental workers' rights.

Conclusions:

To improve working conditions the Bangladesh Government needs to conduct a thorough review of labour regulation. The working environment and working conditions need to be brought into line with the country's current realities and should be backed with the resources necessary to ensure compliance. Furthermore, the government should protect

workers' rights by creating a system for complaints concerning violations, adjudication, remedies, and punishments. But there are reasons to believe it can be achieved.

Government of Bangladesh has all the power to control each and every sector of Bangladesh. To ensure social welfare and improve workplace environment of garments it should take steps. Also BGMEA as an association of garments owner should take constructive initiatives to implement those initiatives that it has already taken.

Government could take some steps to improve the workplace environment of garments factories in Bangladesh such as - Increase the number of chief inspector for regularly monitoring the garments factories, Organize formal training program for all categories of inspectors for proper enforcement of laws, increase frequency of inspections and ensure proper inspection, monitoring and vigilance in workplaces, expand inspections to all occupations and enterprises, arrange training to develop up to date knowledge and skills, make the labor law more constructive and take action to implement different initiatives, build a monitoring commission to evaluate the performance of the garments manufacturing organizations, make an institute for the garments workers so that they can improve their skills, Create pressure on the garments organization to make sure that they are following the rule and regulations of the labor or industrial law of the country, ensure the industries that they are providing the standard working environment, try to build up a good relationship between the employer and the worker of garments factories.

BGMEA should take steps to implement their instructions properly such as not to over or under value the capabilities of the workers, give fair chance of the workers in recruitments of new workers, give fair chance to the workers in the terms of sex disparity, provide the proper working environment so that workers can work properly, provide the clean and hygiene working environment, provide maternity leave to the lady workers with their basic salaries, provide job securities to their workers, provide after retirement facilities like pension, provident fund and also fix the standard working hour for the employees and pay over time for extra work.

Recommendations

Figure 2: Initiatives taken by BGMEA and its implementation scenario.

Limited role of Trade Unions and tripartite process: The opportunity for the workers to express their grievances at the workplace is severely limited. The role of workers associations and tripartite body were mentioned by only a few garments workers.

Limited number of Chief Inspectors and Irregular Inspection: Most of the garments employer said that they never met any government officials coming and inspecting their workplaces. Also, inspections take place only after some accidents have occurred, like the fire brigade taking action after the fire.

Access to judiciary: Very few workers get the opportunity to take legal measures concerning conflicts with employers. They usually inform the police about such issue and a few take actions through the workers association.

Lack of Enforcement: Punishment for labor law violations is not spelled out under the Bangladesh Labor Law. In some cases, the law is simply silent like in the case of forced labor prohibition. In other cases, the penalty is insufficient, for example Tk. 5000 as fine for violation of provisions on maternity leave, employment of child and adolescent workers, and minimum wage. Still in other cases, the application of penalty defies logic, for example, imprisonment up to one year for the violation of minimum wage provision but not in the violation of the laws on maternity and employment of child and adolescent workers. In addition, there is a recent amendment weakening the penalties for erring employers – payment of only Tk. 5000 as fine for the previous punishment of ‘imprisonment up to three months, or fine up to Tk. 1000, or both’. These types of punishment encourage garments workers to violate the laws rather than follow.

Government insignificant role to improve labor law: The government's recent initiative to amend the [Labour law 2006](#) came under attack as it has allegedly tried to change the laws in favor of the employers particularly the [readymade garment](#) factory owners despite

References

- Ali Muhammad Mahboob and Medhekar, Anita (2016). A Poor country clothing the rich countries: Case of Garment trade in Bangladesh”, *Economy of Region*, Vol.12, No, 4.
- Bangladesh Garment Manufacturers and Exporters Association (BGMEA). 2010. Main Functions of BGMEA (2010).
- Bangladesh Knitwear Manufactures and Exporters Association (BKMEA). 2010. Social Compliance: Ongoing Initiatives of BKMEA (2010). Available at: http://www.bkmea.com/social_compliance.php. ed June 14, 2010.
- Das, Subrata. 2008. “Social Compliance Issue in the Apparel Sector of Bangladesh.” Official web site of Fiber 2 Fashion.
- Mohammed Ziaul. 2007. “Competitiveness of the Bangladesh Ready-made Garment Industry in Major International Markets.” *Asia-Pacific Trade and Investment Review* Vol. 3, No. 1, June .
- Hossain, Hameeda. 2007. “Compliance The Garment Crisis: Who Done It?” *Bangladesh Garments Industry*.
- Islam, Sinful. 2005. “In Bangladesh, garment workers' payday not a sure thing” *Brainstorming An Investigative View*.
- International Labor Organization. 2010. “International Trade Agreements and the Cambodian Garment Industry: How Has the Multi-Fiber Agreement Affected Cambodia?”
- Khan, Shahiduzzaman. 2007. “Challenges Facing the Garments Industry.” *The Financial Express*. January 27.
- German Embassy Dhaka. 2010. “Social and Environmental Standards in the Bangladesh Ready-Made Garment Sector” Available at: www.dhaka.diplo.de/.../Bekleidungsindustrie_Seite.html.
- People’s Daily Online. June 03, 2008. “Bangladesh Implementing Minimum Wage in Garment Industry.” *China*.
- The Daily New Age. April 19, 2009. “Garment industry still flouting minimum compliance.2009.” *Editorial*.
- United Nations Development Fund for Women (UNIFEM). 2008. “Women Seeking Accountability in the Bangladeshi Garment Industry.” Available at: www.unifem.org/progress/2008/.../POWW08.
- The Financial Express. June 29, 2013. BGMEA seeks special garment zone in Chittagong”. Available at www.thefinancialexpress-bd.com. Accessed July 15, 2013. Zikmund, 2009.
- Business Research Methods, seventh edition.
- Donald R. Cooper Pamela and S. Schindler, *Business Research Methods*, eighth edition.
- G.S. Maddala, *Introduction to Econometrics*, Third edition.