

## 9<sup>th</sup> Bangladesh Round Table on Social Compliance

### - Synopsis -

This agenda of the 9th Round Table on Social Compliance,  
held on 18 July at Chittagong has been titled:

“A Healthy Industry –  
contribution to productivity,  
the means of incentives and income benefits.”

Mayor Mohammad Manjur Alam, Chittagong City Corporation has been the Chief Guest, pointing at the necessity Social Compliance can contribute to the social stability in this largest industrial sector.

The Round Table has been attended by participants from Dhaka and Chittagong from national and local government public agencies, suppliers, buyers, trade and business associations, trade unions, activists and NGO's. Among the participants were Joint Director of Labour from the Ministry, Deputy Director, Department of Environment, BGMEA and BKMEA, PVH, H&M, Walmart, Lindex, and Trade Unions among others.



photo: LIFT Standards e.K.

Background to this agenda is the quest how to contribute to a situation, whereby workers as well as production output can benefit in a joint effort, at a time of price pressure and rising price of consumer goods. Topics like appropriate communication with workers, labour productivity enhancement and the benefit of incentives have been in the focus.

During the discussion key issues were highlighted like: how to achieve stable workforce, decent factory environment and which are factors of a 'healthy industry'. The participants voiced their area of concern to achieve sustainability for this largest industry sector.

Among the reason for low productivity are also the 'non-invoiceable' costs, which are rising out of control.

Following points have been highlighted by the suppliers as necessary to address for the manufacturer:

1. Clarify the 'Division of Labour (tasks) within the management
2. Set up of productivity parameters to monitor the input and output ratio with improved Quality Cycle
3. Reward the workers with production incentives
4. Develop 'Profit Sharing' practice
5. Invest in the health status of your workers.

At one point did Mr. Sakwat Osman, BKMEA addressed the floor and urged his fellow manufacturers as well as BGMEA "stop talking of 'cheap labour' as the comparative advantage for Bangladesh". Conflicting with the aspiration of developing to a middle income country and producing higher valued good it is moreover the challenge to achieve efficiency in this labour intensive industry. Factors of realistic planning, skilful workers and good working conditions are supporting higher productivity.

Gains can be achieved in reduced migration rate and improved behaviour by the so called 'middle management'. Benefits of Provident Fund, yearly increment and promotion are valuable Human Resource policies, which are widely underutilized.

Among the suggestion for the upcoming Round Table has been to address the 'Role of the middle management for a healthy industry'.

The session has been moderated jointly by Prof. Sekandar Khan, Vice Chancellor East Delta University and by Christian von Mitzlaff, Organiser and BSCI Bangladesh Representative. The Round Table is a regular social dialogue sponsored by BSCI and organized by LIFT Standards e.K.

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