

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

### - Synopsis -

The agenda of the 10th Bangladesh Round Table on Social Compliance, held on 14 November at Ruposhi Bangla in Dhaka has been titled:

***“Bangladesh garment industry, the 2<sup>nd</sup> world exporter - versus the expressed concerns on working conditions - a stretch for sustainability?”***



The 10th Round Table had been addressed by US and European buyers, producers, trade union, activists, Mr. William Hanna from the Delegation of the European Union, senior economist Mr. Qazi Kholiquzzaman Ahmad, Mr. Israfil Alam, MP, Dr. Wajed-ul Islam Khan, Ms. Rubana Huq and as Chief Guest the Hon'ble Minister for industries, Mr. Dilip Barua.

The opening speaker Mr. Zia Ahad shared his analysis on the strength of the rapid development of the garment industry in Bangladesh and also pointed out the history of this industry and that its embedment within the society shows sign of polarisation and the certain disconnect to workers and civil society. He underlined the importance of a common platform, necessary to express the common interests, the need for workers-management understanding and welcome the high level of professional groups gathered around this Round Table.

Mr. Debasish Kumar Saha from Fakir Apparels addressed the floor as producer. Listing the obstacles the industry is facing in terms of low productivity, late approval, smaller sized orders and the challenge to face the price pressure while competing with higher production costs. He also pointed out that any increase in wage rise would immediately be diluted by the local market price increase in the housing area of the garment workers. To sustainably improve the compliance, only via the social dialogue will be achieved in his view.

Dr. Wajed-ul Islam Khan, trade unionist, reflected on the microlevel and pointed out the situation of the worker with rising living costs and advocated for a yearly adjustment of wage increase on the basis of the price rise. He also proposed dormitories, food rationing and Provident Fund. Pointing the necessity of trade union registration and ongoing retaliation he emphasised on

the urgency of a dialogue on planned level and differentiated that Worker Welfare Committee and Participation Committee do not have the charter of demand and shall not be confused with trade unions.

Economist Qazi Kholiquzzaman Ahmad started with the remark, that Bangladesh already can be categorised as a middle income country if the economies of households would be included in the calculation of US\$ 1.005, the international mark. The garment sector has contributed to a 6,5 growth over the last 5 years.

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Commenting on the progress of the Round Table the Economist emphasised that dialogue cannot go on forever without tangible outcome. Every party would need their equitable when participating. He pointed out that among the represented professionals present, elected workers' representativeness is missing. Commenting on the previous speaker from producer he made the critical remark whether the level of productivity shall only be seen in regard of produced unit. Looking at the productivity per labour output, this ratio is probably very high.

The Minister of Industries, Mr. Dilip Barua, has been the Chief Guest, pointing that the successful history of the garment sector is based on the contribution of the high numbers of working class people and they shall take part of the profit sharing.

EU Delegation Ambassador Mr. William Hannah highlighted the effects of free market access had on the impressive growth of this industry in Bangladesh. For the European Union core labour standards are essential and integral part of their support to the country development.

The Ambassador pointed out that the European Union's approach is not conditionally, rather to support least developed countries with free access to the market, which has tremendously helped Bangladesh. He made the remark that a lot would still needs to be done from sight of the government as well as from the European Union to respond to the pressure of improving quality as well as demonstrated best practices by companies, who are treating their workers better, leading to better productivity and overall improvements.

Responding to the rhetoric question, what 'would change the mind of a non-compliant employer', Mr. Hannah emphasised on the potential investment in develop value and high professionalism can have, citing an experience he made in India.

Finally he made the remark that the fact, sitting at the Round Table discussing these issues and trying to focus on the positive way forward is useful, rather than conflict and pushing around the problem.



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When giving open the floor for questions to the speakers by the moderator, the issue of polluting rivers has been raised asking how much has been achieved so far, questioning to which extend the ETP are really functionally on the ground.

During the 2<sup>nd</sup> half of the 10<sup>th</sup> Round Table the discussion got a bit heated, when participants debated on the situation of *polarization* and *politicising* between the employers and the labour sector and speakers called for collaboration rather than conflicting in the interest to support this sector.

It has been raised as useful to present best practices at the Round Table.

At the end of the 10th Round Table, the question on how to achieve tangible results has been re-addressed and the participants concluded with the interest to reactivate the core group helping to maintain the complication, preparation and to strategise in pursuing discussed issues and outcomes of the sessions. The Provident Fund has been widely regarded as the better option to discuss by a Round Table Core Group to pursue and as learning of an intended intergroup communication linkage.

The session has been moderated jointly by Prof. Sekandar Khan, Vice Chancellor, East Delta University, Chittagong 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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