

6th Bangladesh Round Table on Social Compliance

- Synopsis -

This agenda of the 6th Round Table on Social Compliance, held on 10 August at Dhaka has been on “Social Security in the RMG Sector.”

In his key address the Hon’ble Minister for Labour & Employment Engr. Khandker Mosharraf Hossain said: “The issue of social security “can’t be underestimated when food prices, housing costs are increasingly posing a challenge for the underprivileged population. For the garment workers many provisions are already included in the Bangladesh Labour Code 2006. However, improvements are necessary and my Ministry is active in preparing a new labour law. Government is seriously considering protecting the new minimum wage through other Safety Nets.”

The Round Table was attended by participants representing the government, Parliament of Bangladesh, trade official of diplomatic mission, suppliers, buyers, trade unions and labour groups. Among the participants were Sarah Begum Kabori, Member of Parliament from ruling Awami League, Wajed-ul Khan, General Secretary of the Trade Union Centre, Zia Ahad from PVH, Syed Sultan Uddin Ahmed, Bangladesh Institute of Labour Studies, Vincent Ho, GM of Hermes OTTO International Dhaka, Debashish Saha from Fakir Apparels and Shahidullah Azim, BGMEA Director as well as unionist Zafrul Hasan Khan from opposition BNP party.



photo: LIFT Standards e.K.

During the discussion key issues were highlighted like: Food rations for workers; Provident Fund at all factories, not limited to the Export Processing Zones (EPZ) with possibly a central administrated cell; Housing/Dormitories for factory workers; wages adjustment with inflation; health and medical insurance provision.

It has, however, been debated whether the Provident Fund shall be contributory or not and how many employers should contribute in housing building facilities.

The debate was also held on trade union rights and the Participation Committees (PC) in factories. Commonly the view has been expressed, that PCs shall not be seen as an alternative to Trade Unions.

The opening session was presided over by Christian von Mitzlaff and was moderated by journalist Farid Hossain, Bureau Chief of The Associated Press in Dhaka. The Round Table is a regular social dialogue sponsored by BSCI and organized by LIFT Standards.

During the working session the participants brainstormed along their professional group: Buyers, Suppliers and Trade Unions /Labour Activists. The groups discussed, which recommendation they would suggest to the Labour & Employment Ministry to include in the upcoming new Labour Law, currently drafted the government.

The following suggestions are the result of the group discussion:

BUYERS

- Extension to mandatory Provident Fund in factories outside Export Processing Zones
- Provision of Health and Medical Insurance to include in labour law
- Dearness Allowance in every year
- Inflation Adjustment

SUPPLIERS

- Introduction of Provident Fund in all factories
- Increase deceased compensation amount
- 4-hour Overtime
- Strong Participatory Committee
- Establishment of Welfare Centre
- Housing scheme by government
- Revised pay scale after specified period
- Birth control incentives
- Education facility & scholarship for workers children

TRADE UNION/LABOUR ACTIVISTS

- Compulsory Contributory Provident Fund
- Establish Central PF Cell
- Two months Gratuity
- Workers notice pay for resignation should be withdrawn
- Gratuity & job loss compensation should be separated
- Amount of compensation for accidents should be increased and reviewed periodically
- Requirement of minimum number of workers for group insurance should be waived
- Full Treatment for occupational diseases and accidents
- Full compensation in pay for shifting factories
- Festival Bonuses
- Regular Wage adjustment
- Housing/ Accommodation
- Food Ration/ basic commodities at fair price
- Training of workers for alternative skills to cope the new design and technology

However, labour activists and trade union representatives objected to suppliers' suggestion to extend the legal overtime to four hours. Such an extension would be a violation of workers' legal entitlement to work for 8 hours plus 2 hours of overtime only if necessary. The labour sector also pointed out that in case of national emergency, like natural disasters workers, provision have been agreed in the past to worked more than 2-hours overtime in order to meet shipping deadlines for example. But this exemption should not be a regular practice.

It is remarkable that a good number of overlapping recommendations exist among the professional groups like the provision of provident fund in all factories.

The 7th Round Table is scheduled for Thursday 24th November 2011 at same venue.

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