

Bangladesh

Union organising first!



Due to current events, this issue of the **ExCHAINS** newsletter is focused on the latest developments in Bangladesh's garment industry. The first six months of 2010 were very eventful for our partner in the **ExCHAINS** project, the *National Garment Workers Federation* (NGWF). The union's goals still remain the same, most importantly:

- ✓ a life in dignity and safety for garment factory workers;
- ✓ the right to organise in unions, so that workers have a chance to fight for their concerns on their own behalf;
- ✓ implementation and recognition of rights and claims that already exist on paper.

Workers in Bangladesh have been granted a large number of rights by the labour law which is quite progressive. But implementation is a big problem, so most of these rights are still far from being conceded to workers in reality. The right to organise in unions is the most fundamental of these rights. Sadly, it is also the one which is most widely ignored – or even actively opposed to – by factory owners, managers and supervisors.

In fact, union organising is still widely banned on the shop floor, so workers have a very hard time in trying to take the improvement their working and living conditions

into their own hands. Consequently, it is no surprise that workers' despair and discontent regularly explodes into acts of violence and hard-fought clashes – both in the factories, where machinery and equipment often gets destroyed, and on the streets, where (mostly male) workers enter into heavy battles with security forces and police. The causes of workers' despair include working conditions which are regularly bad and sometimes appalling, wages which might be enough to secure a workers' mere



Developing and strengthening links between workers from Asia and Europe, working along the subcontracting chain of garment production, is the main objective of the **ExCHAINS** project. These links are vital to the global fight against the exploitation of workers and for the eradication of poverty.

In the **ExCHAINS** project, TIE (Transnationals Information Exchange) is collaborating with three regional unions:

- ✓ Free Trade Zones and General Services Employees Union (FTZ&GSEU, Sri Lanka) (former Free Trade Zones Workers Union, FTZWU)
- ✓ National Garment Workers Federation (NGWF, Bangladesh)

✓ Vereinte Dienstleistungsgewerkschaft (ver.di, Germany)

We want:

- ✓ to raise awareness concerning the international production chain in the textile, garment and retail sector;
- ✓ to establish concrete solidarity between workers along the supply chain;
- ✓ to support freedom of association and the right to organise;
- ✓ to support concrete campaigns;
- ✓ to pressure big retail companies to name their suppliers and to support

the right to organise at their suppliers. This newsletter is being published regularly in Bangladesh, Sri Lanka and Germany, containing information about working conditions in the respective countries, as well as information about ongoing campaigns. We hope this will provide an opportunity for information exchange and raise awareness about the connections between the different countries and unite workers' demands.

For more information:

Website:

www.exchains.verdi.de
www.tie-germany.org

E-mail:

info@tie-germany.org
ftzunion@wow.lk
amin.ngwf@yahoo.com

existence, but not for a life in dignity. Additionally, the lack of perspective or hope for change weighs especially heavy where workers are prevented from improving their situation through union organising and collective action.

Over the last 26 years the NGWF

has been waging a systematic struggle, in the most difficult of circumstances, to gain implementation and recognition of workers' rights in the garment factories. The goal underpinning all these efforts is to enforce workers' right to engage in union organising on the shop floor. During the

first six months of 2010 the Federation conducted two specific campaigns. One was for the increase of the garment workers' legal minimum wage, and the other addressed the catastrophic consequences of a fire in a factory run by an H&M supplier in Dhaka, which claimed many lives.

Far from a living wage

The recent rise in the minimum wage can only be an intermediate step

In Bangladesh's garment industry, far more than 2 million workers generate 75% of the country's total export earnings in thousands of factories. And yet – the wages in these factories are not only among the lowest worldwide, they are also by far the lowest compared with other industrial sectors in the country. The legal minimum wage for the sector was last raised in October 2006 and has since been set at 1,662 Taka (roughly 18 euros) a month for a worker on the lowest skill level (Level 7). Most workers currently earn between 2,000 and 3,000 Taka (21 to 33 euros). At the same time, however, the cost of living in Bangladesh has risen sharply over the last four years. In particular, prices for staple foods have increased hugely. As a result, the workers are not able to live in dignity on their low wages, let alone feed their families.

In spring 2009 the NGWF began a campaign calling for the minimum wage to be adjusted (we reported on this in previous **ExCHAINS** newsletters). It brought forward repeated demands for the minimum wage to be increased so that it enables adequate nutrition and a life in dignity. The sector's unions eventually joined forces and demanded, with one voice, a new monthly minimum wage starting at

5,000 Taka (about 54 euros) for the lowest skill level. After all, they argued, according to the World Bank a monthly income of less than 4,200 Taka defines a life in poverty.

The labour law of 2006 prescribes that the minimum wage must be reset at least every 3 years by a tri-partite

Wage Board consisting of representatives from government, factory owners and unions. In case of special circumstances such as significant price rises, the law even demands that the minimum wage must be adjusted before the 3-year period has elapsed. However, despite steep price rises and corresponding demands

from the unions, after 3 years agreement had not even been reached about who should be on the Wage Board.

Since the start of 2010 garment factory workers had repeatedly demanded higher wages; in some instances they had refused to work, and



from June onwards some had even taken to the streets to fight it out with the police. At this point in time the Wage Board had finally been convened, but the employers had not brought forward any offer worthy of discussion. Since the unrest began, the government has been persecuting, detaining, beating and threatening workers as well as union activists who had allegedly incited the workers to engage in resistance. Now it has announced even more serious measures against “trouble makers”. Eventually, an offer was made for a wage scheme beginning at 3,000 Taka a month for the lowest wage level (Level 7). After initially rejecting this offer, a majority of unions in the sector has now accepted it in principle.

The NGWF accepts the minimum wages for Levels 1-4 and 7 in the model. However, it rejects the new wages for Levels 5 and 6, which most garment workers belong to, and demands an increase because the new wages are hardly higher than the old ones. At the same time the union is demanding an end to government threats and violence against workers and union activists. Immediately after the new wage scheme was agreed to in principle, the NGWF organised a

demonstration and rally to present these two demands.

It will take time until the new wage scheme is implemented: a quarter of factory owners even today are paying their employees less than the wages which had been set in 2006. Once the new wages will actually be paid out to the workers, many of them will cease to suffer from a lack of food. But this still does not mean a guarantee that workers and their families will be able to live a life in dignity.

For a workers’ life in dignity, two things have to be achieved:

- ✓ Workers must be able to exert their right to organise in unions on the shop-floor so that they can struggle for their rights on their own behalf.
- ✓ Buyer companies have to take responsibility in this situation and pay realistic prices for the goods produced, instead of tightening the screw by paying lower and lower prices.



Only union rights can help to combat life-threatening working conditions

Bangladesh’s garment sector has had a long history of factory disasters that have already cost many workers their health or even their lives (we reported on such incidents in **ExCHAINS** newsletter 1-2006).

On February 25, 2010 22 employees were killed and 50 injured – some seriously – by a fire in the Garib&Garib garment factory in Dhaka. The fire spread rapidly from the first floor of the seven-storey building. It is likely that the number of victims would have been even higher, had the fire occurred during the daytime.

The main buyer, H&M, responded

promptly, maintaining that conditions in the factory had been okay. However, the experts appointed by the government state in their inspection report that the safety situation in the factory was appalling. The company had ignored specific demands made by the authorities to implement fire safety measures after two incidents in 2009 – in one of these, a fire fighter had been killed. As is so often the case, the pursuit of profit won out over concerns for workers’ safety: according to the inspection report, the building was poorly ventilated so that smoke could not escape and the victims suffocated as

a result. Neither the obligatory emergency exits nor the fire extinguishers were in good function: the exits were blocked by material boxes, and the fire extinguishers defective. Additionally, neither security staff nor workers knew how to use the fire extinguishers. Structural changes to the building, improper storage of flammable materials and a blocked main gate were also contributing factors.

The NGWF started a campaign on the day after the tragedy (see box), aimed in the first instance at quickly establishing the causes of the fire and punishing the factory owner responsi-



ble, as well as ensuring that immediate support was provided to the relatives of those injured and killed.

Over the course of the campaign, further key demands were developed and put forward:

- ✓ The long-term loss of income suffered by families who had lost a family member must be made up for through compensation payments. After long, drawn-out negotiations following the collapse of the Spectrum factory in 2005, a model for long-term compensation was finally put into effect (we reported on this in the **EXCHAINS** newsletter). H&M should accept this case as a precedent and compensate workers' families accordingly without delay.
- ✓ Health and safety committees, including workers' representatives, should be set up in the factories. Workers' reps should have a say in all safety-related issues around factory procedures. It is obvious that accidents like this one can be effectively prevented only if the workers themselves are involved in monitoring working conditions. A legal obligation to set up such committees at shop-floor level already exists.
- ✓ The workers must be guaranteed



NGWF campaign following the fire disaster at Garib & Garib

- 26th February:** Mourning procession as an expression of protest and condolence
- 13th March:** Press conference presenting workers' demands
- 30th March:** Joint rally with other trade unions; memorandum with demands presented to Labour Minister
- 1st May:** Demonstration and rally: "No more fire disasters – No more locked gates – No more garment workers' deaths"
- 16th May:** Sit-in in front of employers' association (BGMEA) building; memorandum with demands handed over
- 1st June:** Visit to H&M production office: meeting and handover of memorandum with demands



the freedom to organise in unions of their choice so that they themselves are able to struggle for their own concerns, including that of safety. Trade unions must be granted free access to the factories and to the workers for the purpose of union organising.

The national works council of H&M in Germany has announced its support for the demands made by the NGWF and has also called upon H&M management in Stockholm to urge its suppliers to meet them.

The campaign will be continued.

