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Department of Mechanical and Industrial Engineering

ETHICAL APPROACH TO LABOUR POLICY IN READY MADE GARMENT INDUSTRY OF BANGLADESH

EETILINE LÄHENEMINE TÖÖJÕUPOLIITIKALE BANGLADESHI RÕIVATÖÖSTUSES

MASTER THESIS

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Author's Declaration

I have written the Master’s thesis independently.
No Academic Degree has been for based on the material.

All works and major viewpoints of the other authors, data from other sources of literature and elsewhere used for writing this paper have been referenced.

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Preface

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Introduction

Ready Made Garment is a Labor intensive industry. Fast Fashion is a popular term these days which actually is the end user platform originated from ready-made garment industry. To keep pace with fast fashion there is a constant pressure to get the price of the garment as low as possible. On the other hand people now have freedom of choice than ever before to choose the retailer, so the competition is fierce and intense as well. Fast fashion trend, intense competition, customers' expectation, high salary of workers in the western countries has forced the different brands to source their product from developing countries where the cost of labour is cheap and resources are cheap as well. Thus we could see a prolific growth of readymade garment industry in developing countries of Asia and South East Asia. Being an over populated small country, Bangladesh has become giant in readymade garment industry where they are among top 3 producers and still enjoying sky rocketing growth in this sector. Strategic location, cheap labour cost, cheap set up cost made Bangladesh hot spot for all foreign buyers.

Being the flagship industry for Bangladesh which is also considered as backbone of the economy, readymade industry in Bangladesh have seen many deadly accidents and abuses of workers' rights in many forms These issues are important from the buyers' point of view, of the ethical sourcing of products. Also it is the retail brands that can play a vital role to ensure ethical approach to the labour policy of readymade garment industry of Bangladesh.

Theoretical aspect regarding business ethics, sub-contracting, clothing industry, HR practices in labor intensive industry has been discussed in the introductory part.

List of abbreviations

- RMG - (Ready Made Garment)
- BGMEA - (Bangladesh Garment Manufacturers and Exporters Association)
- BKMEA - (Bangladesh Knit Manufacturers and Exporters Association)
- ILO - (International Labour Organization)
- BEPZA - (Bangladesh Export Processing Zones Authority)
- EPZ - (Export Processing Zone)

CHAPTER 1 - INTRODUCTION AND PROBLEM STATEMENT

This section will focus the background study of the subject matter, socio economic impact and problem of the thesis. Later problem discussion in Bangladesh case will be followed by purpose of the study and research questions and will end up with limitations.

Garment industry is the flagship industry for Bangladesh economy. This industry not only employs the highest number of individuals but also helps Bangladesh to earn majority percentage of foreign currency. This industry is also a straight bridge between Bangladesh and West. Bangladesh is no longer an unknown country with the contributions of the particular industry. On the other hand, being an over populated country and having cheap labour Bangladesh became the hotspot for RMG industry. What is fast fashion worldwide is bread and butter earner for millions of people in Bangladesh. The sector has huge contribution in socio economic aspect in the country or region in question. Bangladesh has observed some of the deadliest industrial disasters in the history. Poor working environment, exploitation of labor, child labor, catastrophic incident, and workers agony has sometimes hindered the growth and trust of investors in the past. Despite all these negativities, RMG industry is the major sector for the region and this study will focus on ethical approach to labor policy and working condition for a sustainable growth.

1.1 Background

Later part of the twentieth century was dominant in breaking the state nation based economy to more open and competitive based economy which we popularly call globalization and now as global village. According to Friedman (2007), “globalization is an important factor that influences organizations that compete for customers with high expectations for performance with low cost”[1]. Various trade agreements was the catalyst for hunting cheap labor and low price solution which helped the different industries to move from west to under developed countries.[2]

The population of the world is highest now in any given time and thus the socio economic growth and capitalistic movement is on the rise as well. People try to buy more, people want to become trendy and fashionable and thus these 7 billion People of the world [3] have created a huge market demand for cloths which normally the end user will not produce. This huge demand has created the term Fast Fashion. A Fast fashion trend is designed in such a way where people buy more frequently with lesser price. Thus this enormous buying pattern has created a huge paradigm shift in socio economic change of the whole world.

Table 1: Garment manufacturing labor costs (US\$/hour) by Countries [4]

Asian Competitors	
Bangladesh	0.22
Cambodia	0.33
Pakistan	0.37
Viet Nam	0.38
Sri Lanka	0.43
Indonesia	0.44
India	0.51
China(remote/inland areas)	0.55-0.80
China (other coastal/core areas)	0.86-0.94
China (Prime coastal areas)	1.08
Malaysia	1.18
Thailand	1.29-1.36
US Regional Suppliers	
Mexico	2.54
Honduras	1.72-1.82
Dominican Republic	1.55-1.95
Nicaragua	0.97-1.03
Haiti	0.49-0.55
EU Regional Suppliers	
Turkey	2.44
Morocco	2.24
Russia	1.97
Tunisia	1.68
Bulgaria	1.53
Jordan	1.01
Egypt	0.83

It is clearly evident that the wage rate in garment industry in Bangladesh is the lowest in the world, which is why, Bangladesh, is so popular destination for the foreign buyer to manufacture their product. Moreover the location of Bangladesh is strategically amazing and thus it plays a vital role in global supply chain. This tendency is a very good sign for Bangladesh and is the prime reason for tremendous economic growth in Bangladesh for last two decades, specially the last decade.

On the other hand this labour intensive industry like RMG industry in Bangladesh has already observed some of the deadly industrial accidents in human history. There been case where workers are forced to work long hours, paid very poorly not even the minimum wage set by government and working in a risky factory environment which might be fatal for their health and safety.

Being the largest contributor in GDP this sector need a perfect ethical way of treating its workers so that the industry may sustain.

1.2 Impact of fashion industry on society

Bangladesh being a densely populated country and an agricultural country just in recent past is being transformed to industrial country with the help of RMG industry. This is the first real industry that has grown enormously inside the country. The industry involves huge number of women workers. As a society, until very recently, Bangladesh is a conservative one. This sector helped women workers to come outside of home and helped them to earn and live. Being a Muslim majority country the women empowerment is an massive achievement and this achievement is almost solely by the help of RMG sector.

The author believes, it is not only the economic paradigm that is being made but also the socio economic shift. It is not long before, in rural Bangladesh women were being treated just as a mechanism for family raising and maintenance. But now with the help of garment industry women are having their own say in their family and society.

Bangladesh is now being considered as next Asian tiger and is surely an emerging market, which shows continuous growth of GDP above 6 for over last few years. Emerging markets are countries which are in transition phase from Developing to developed markets due to rapid growth and industrialization [5].

1.3 Problem discussion in Bangladesh case

The clothing industry is no doubt the backbone of Bangladesh economy and it is been for long time a true contributor for Bangladesh's tremendous GDP growth. Clothing industry is characterized by labor intensiveness, low startup cost and easily transferable technology. The high supply of unskilled workers is the key for low wage rate and cheap labour solution. Traditionally weaving and sewing was characterized as women's work in the country in question has impact on the industry with high supply of women worker. On the other hand, absence of alternative job creation for women is also another reason for abundance of women worker. Consequently, South East Asian countries' competitive labour cost helps to capture a notable portion of market share in the readymade garment industry. [6]

Bangladesh is third largest clothing producer which stands after China and European Union. It is predicted that the growth of Bangladesh will continue and scheduled to adopt market place by triple by 2020. [7]

But readymade garment industry of Bangladesh has observed some of the deadly human rights violation in the work place on earth. Numerous industrial accidents like Tazreen Garments [23] and Rana Plaza [24] case has stunned the world with horror. Informal employment, child labor, shadow factory, breaching the labour law, under payment, all these not only breached Bangladesh labour law but also International Labour Organization guidelines.

The term “Informal Economy” which replaced the previous term “Informal Sector” is used to refer workers or companies that are not recognized and is not protected under legal and regulatory frameworks and are characterized by a high degree of vulnerability [8]. Informal workers often do not have any wage agreement, they earn too little to survive, they are often left without a job contract, they normally don't have any employment contract as well, on the other hand they do not have insurance contract or unemployment benefits as well. Sadly but truly these informal workers are not in the priority of the most government or labor organizations.

The Trend to go towards informal economy is rising in garments industry. As by nature garments industry is very competitive and tends to find cheap products, this is boosting the demand for informal employment. The bigger brand try to source from fewer companies or countries and then this companies also have selected supplier and thus the supplier channeled to the subcontractor which most of the time have informal employment. In most cases informal employment in readymade garments industry is made by shadow factories where factory owners or management may have their own factory. They tend to receive the order from buyer by presenting their big compliant factory but hence divert some of the work to the shadow factory. In shadow factory the workers work in vulnerable position without any basic rights.

According to Karl Marx famous alienation theory [25], work at its best that makes us human. It fulfills our species essence as he putted. Work allows us to live, to be creative, and to flourish. However the reality in 19th century Europe was that work destroyed workers, particularly those who had nothing to sell but their labor. To the mill and factory owners a worker was simply an abstract idea with a stomach that needed to be filled. The workers had no choice but to toil long hours for a minimum wage. In practicality it is the theory is also applicable for Bangladesh RMG industry as well. The workers are treated as human machine and they work in such a condition that they do barely have any integration with the society at all.

According to CPD (Center for policy dialogue) there are major concerns for the wage level issue in RMG industry which are, no minimum definition of the minimum wage is available under Bangladesh Labour Law 2006, secondly lack of acceptable methodology for estimating minimum wage [9] which this structural error in place we can see the as low as 68 dollar per month wage for workers in Bangladesh which is very low to live and sustain in modern days life.

1.4 Purpose of the study:

The Study makes an attempt to know the existing business ethics theory, International Business Ethics and its practice. Moreover it focuses on Ready Made Garment industry which is a labor intensive industry. The study tries to investigate the problem and practice in readymade garment industry in Bangladesh and suggest some actions plan to improve the working condition for the particular industry in the particular country.

1.5 Research questions

Research Questions 1: What is the problem and practice in labour policy in readymade garment industry of Bangladesh?

Research Questions 2: How the readymade garment industry of Bangladesh can become more compliant and ensure a better work place?

1.6 Limitations

Small sample size and limited number of respondent did not allow the author to get real details on the issue. If the sample size was greater, then there could be a conclusive evidence of real scenario of the labour policy and practice in Bangladesh on the particular case. Conducting survey from distance outside of the main field activity has also a greater limitation. As the supply chain and factory of Fast Fashion industry is critical, it can be very hard to say that all the data necessary for the research was collected. Moreover, even though the survey was anonymous but most the respondents denied to response and the author needed to work with limited data.

CHAPTER 2 - LITERATURE REVIEW

2.1 Concise gloss over on business ethics

Business ethics includes the study of appropriate business practices and policies that are supposed to be practiced in all types of organizations in regards of fiduciary responsibilities, corporate governance, corporate social responsibility, discrimination, bribery, insider trading so on. Since, business ethics preserves worker rights, therefore it often led by legislations. Sometimes, business ethics is required to follow to gain public acceptance. [10]

2.2 Overview of business ethics in Bangladesh readymade garment industry context

Business ethics assures that consumers have a certain level of confidence on business practice of market participants. Consumers are confident that they are having exactly the same thing advertised by producers. Similarly, they are not getting products subduing workers normal life and basic needs. For example, a baby food producer must not claim dubious health benefits to gain more market share, rather, they should label all ingredients, which their food really contains. Likewise, workers, who are working to provide nutritious baby foods to make infants healthy, should have enough time and wages to nourish their own child. Ethical practice in business ensures that all types of public both workers and consumers get fair treatment. [11]

In accordance with Bangladeshi garment industry concern, cloth manufacturers are producing human wears depriving underprivileged human beings. Business ethics is written in agreement paper, some activities are carried out through fancy way in the name of corporate social responsibility but they are for photo shoot so that foreign buyer could be attracted to get their clothes produced from Bangladeshi Garment Industry. Despite, this industry has been receiving many orders producing products and making numerous shipments but workers wage is not augmenting, working condition is still in danger. Eventually, while Bangladeshi workers are decorating others life with modern fashioned clothing, in return they are receiving for themselves and their children an unsecured, unhealthy and penurious life.

Although many international buyers want to be merely informed whether producers are maintaining business ethics. Foreign buyers are being deceived when they come to investigate, because manufacturers treacherously present some flamboyant safe production houses, corporate social activities, leaving their unsound dilapidated production houses where underprivileged worker are suffering. [12]

2.3 Contributions of ILO in formulation and calibration of Bangladesh labor law

Bangladeshi Ready Made Garment Industry formally initiated in 1980, since then RMG section are being receiving foreign investment. In 1980, there were only 50 factories; however, Readymade Garments firms flourished to 4296 factories so far. This industry has employed more than 04 million people around 80% of whom are woman. Since then workers' basic rights have been violated in Bangladeshi RMG industry. This scenario was not called upon International Labor Organization's (ILO) attention before 24th April until Rana Plaza collapsed with around 4000 People leaving 1129 people dead and 2500 injured [13].

Bangladesh RMG sector is one of the prime providers of USA, German, UK, France and other EU countries. Therefore, the representatives of Bangladeshi Government, European Union (EU) represented by European Commission and the International Labor Organization (ILO) met in Geneva on 8th July 2013 to figure out the issue and reach to a plausible solution. Team members were from renowned brands, retailers, SMEs, trade unions, employer and other key stakeholders to acknowledge every issue holistically. This step was a much required step as over the past three decades, Bangladeshi RMG section has contributed to economic development, employment, creating skilled human resource, eradication of poverty, women empowerment to the greater extent. Consequently, millennium Development Goals could be attained timely. Trade amongst countries has increased; RMG section becomes familiar internationally which creates global wealth. As a result, a balanced improvement of the sector, with safe, sound and secure work place is must require for further expansion of trade [14].

European Union and Bangladeshi representative welcomed and encouraged ILO effort to work together in addressing the flaws of Bangladesh labour standards, infrastructure and so on. That meeting results in the National Tripartite Plan of action on structural integrity and fire safety, improving labor standard, empowering labor association and allowing them to work with freedom in the RMG sector in Bangladesh. Precisely, adoption and successful implementation of Bangladesh Labour Law compatible with international labour law standard. [15]

Bangladesh Government avowed to work effectively and efficiently with continuity to establish ILO fundamental workers right according to ILO convention. European Union would always help Bangladesh to accomplish the pact in labor safety. Moreover, Bangladesh would always follow instruction of ILO and other relevant national institutions to develop all area of occupational, health and over all labor safety. Also assured that all types of companies including brands, retailers, producers, small enterprise, big enterprise should respect the core ILO standard [15].

Tripartite also welcome recommendation from world's famous brands which source RMG products from Bangladesh. Following are the areas ILO persuades Bangladesh to enact in protecting workers rights.

High priority for freedom of association

This law was recalibrated in July 2013 by Bangladeshi Government to preserve workers fundamental rights allowing them for collective bargaining through labor organizations. Joint committee will be responsible for monitoring the execution of law in the long run. Collective bargains include workers privilege for free election to select their representatives to submit their needs and complaints against discriminations.

In collaboration with ILO and Intra-governmental, working group will be vigilant for this purposes, it has the full authority to inspect workers agendas, if complaint is found rational necessary steps might be taken against alleged organization. Export Processing Zone (EPZ) is the labor-intensive area where laborers are mostly being deprived. At those areas workers associations can strike without the fear of being black listed.

Building safety code

To ensure safe and secured working environment, the National Tripartite Plan of Action determined a stipulated time for this project and avowed to monitor the progress with the support of ILO. Moreover, this is settled that from now on, at the time of each new building construction, the structural safety code must be followed and existing buildings must be recalibrated with the structural safety code. Unsafe and unsound factories must be relocated including technical resources. There should be inspecting team to inspect whether factories are installing fire safety measures, factories should be accountable in this regards if any inconsistency found they must be entitled for fines to violation remediate. Factories must operate fire and building safety training for their workers [16].

Responsible business conduct by all stakeholders

Bangladesh, the EU and ILO, the National Tripartite commended the participation of international 70 renowned brands to work in the development of Bangladeshi working environment. Those companies signed the accord on fire and building safety to contribute on them. They also declared not to purchase products from factories that are not strictly following the building protocol. So, therefore, Bangladeshi stakeholders are to conduct their business according to aforementioned way to attract more and more international buyers. ILO and EU highly recognize and Bangladesh also acceded those retailers, brands, multinational-corporations, brands needs to address supply chain deeply to analyze safety needs. The unified code of conduct developed by ILO in regarding fire safety, building safety and worker's fundamental right must be followed by mentioned organizations [13].

2.4 Case study on ethical standards of H&M

In 1947, Hennes & Mauritz founded a brand named H&M to let fashion enthusiast experience unique fashion. Through the brand H&M, it has been inspiring fashion enthusiast around the world to wear cloths the way they like that is the best fashion. It is making people modern fashionable through its other brands such as COS, Monki and Weekday. H&M is doing business in sustainable way protecting workers right. Despite it is doing business performing corporate social responsibility, making environment less harmed, leaving less carbon footprint, it is making 223 billion SEK sales including VAT. H&M operating its business in 64 markets in six continents and e-commerce in 35 markets. Out of 161,000 employees 75% women workers are working in a safe, sound working condition, getting well remuneration, enjoying holidays, leaves and other facilities that an employee supposed to get. Likewise around 69% women are spearheading at the management level, trying to make the company maximum profitable and achieve its objectives. H&M group has proved that it is mere possible to be profitable, successful and flourishing by protecting every single right of women in a women intensive organization [17].

Equality for diversity and incisiveness

H&M group considers that fair job is important for an employee to grow as individual and professional. Its motto is giving fair jobs can create more fair jobs for others thus company expands. H&M groups stewardship of diversity and inclusiveness is an important part of 100% Fair and Equal job. H&M group's ideology is that when a women or girl has the same access opportunity as men, they can dominate and contribute remarkable in the economy, community flourished remarkably. According to Mckinsey report if women participate in the economy identically, men would add up to \$28 trillion (26%) to the annual global GDP by 2025 if current trend exists. this result were incredible since it is equal as the combined GDP of USA and China today [17].

H&M commitment for workers

- (i) They posit employees to the position according to their qualification, skill and experience. Besides these, nothing influences the recruitment procedures nor on the compensation procedure.
- (ii) H&M Group offers all employees the opportunity to make them skill, compatible, technologically sound and able to lead. It enables their employees to achieve mentioned quality by leadership training. They ensure development through business growth, internal requirement and tinning opportunities.
- (iii) H&M leads employees towards a value-driven way to perceive as best for themselves and be ambassador of those values for others. How they do business and how the interact with the world their company culture which gives them competitive advantage over others. H&M considers that this company culture would make their employees best in the world.

(iv) H&M provides a concrete foundation of attractive resourceful and fair working conditions. These includes fair labor standard, health and safety standard, fair and competitive compensation, cooperative and pedagogic working environment [17].

How H&M guides their suppliers about workers right

The H&M group gets their cloths produced from many countries. They have a specific guidance to their product suppliers about protecting workers rights. They strongly monitor two factors about workers right. Firstly, there should be a safe, sound, friendly and cooperative working condition. Secondly, living wages should be fair enough to satisfy basic needs. This is indisputable that living wages should be equal globally but it fluctuates according to the geographic condition but should not deviate from the standard. H&M developed a global fair living wage strategy but they are struggling to implement this due to inadequate wage setting policy of some countries. Nevertheless, some countries deliberately deprive workers of fair living wages to provide products at cheap price. To remediate this situation, they make collaboration with stakeholders, government, trade unions to make a unified code of conduct that ensures that workers get fair compensation [17].

Ensuring safe working environment

H&M makes deal with their suppliers that if they want to supply products to H&M they must install all types of safety measures such as fire and other safety measures. Production house must be built in accordance with integral structural code. Every worker must be entitled to receive safety training.

Remuneration & holidays

Since garments organizations includes more female employees than male employees. Female employees need some compulsory leaves such as maternal leave. H&M convince their suppliers to provide female workers with paid maternal leave. Moreover, remuneration must include provident fund, gratuity, and performance bonus so on.

Prohibition of child labour

H&M persuades its suppliers not to recruit child labor force rather raise fund to educate underprivileged children. Since one of the mottos of the company is to operate business without harming the environment where we live, H&M highly recommend their suppliers to contribute on the Corporate Social Responsibility, for example tree plantation to make the environment greener. Recycling wastage to make them useable for further production is the part of sustainability [17]

2.5 Extraterritorial measures to address human rights violation and remediation

Experiencing the violation of human and business rights, disrespects in work place and deprivation from basic needs, the United Nations incepted a statute titled “Guiding Principles on Business and Human rights” on 16th June 2011. United Nation’s Intention to develop this principle was to implement “Protect, Respect and remedy framework to preserve workers’ rights [18]. This initiative comprises the necessity of special representative for business and human rights. Special representatives should be from Government to monitor human rights and from corporate to monitor violation of worker’s right inside the business and prescribe remedies. Extraterritorial monitoring mechanism motivates, guides national organizations, monitor’s workers right preservation activities and can even implement them domestically. Nevertheless, for international aspect the UN human rights preservation project motivates, guides organizations but cannot implement them. Organizations of some developing countries consider workers basic rights preservation as optional duty, no accountability should be imposed for that. While voluntarism fails, domestic law must be step-in to persuade corporation to protect and respects human rights [19]

Despite, employment resolution addresses both human and business rights issues, statutes are not followed by companies due to lacks of accountability. In this regard, certainly varieties of improvement needs to be included to domestic legislation where companies are operating their business, they must abide by the statute and can be sued if they violate them. This treatment is suitable for the states where rules and human rights are prevalent; the way of companies operation does not raise serious human rights violation. In contrary, if a company operates in such a country where there is a combination of little respect for human rights, frequent corruption and weak governance, companies are not subject to any direct international legal obligation unless they violate human rights that extends as international crime. This is not an easy task to identify human rights violation as crime and attribute international law. Therefore, domestic legislation should include statute that allows registered companies outside to reach out to their activities abroad [18] to carry out these activities perfectly adoption of extraterritorial measure would help in great extent. According to this measure, companies must report social impact of their business operation and their compensation policies as well as of their subsidiaries abroad. If any deviation found in protecting worker’s right direct extraterritorial jurisdiction maybe imposed on that company at the consent of domestic authority [18].

Exercising extraterritorial measures may require passing through many complicated jurisdictional steps according multifaceted laws of different countries. This is for sure that implementing this measure will bring positive benefits for the wellbeing of any country. While international producers can monitor their overseas workers condition and remediate if their rights are violated or disrespected, this will motivate local producer to follow them and make their working environment at international level. Eventually local government may have a clear insight how workers’ rights are protected, respected and remediate in the developed countries [19]

2.6 Extraterritorial measure to protect Bangladesh readymade garments workers right

Bangladeshi readymade garment industry (RMG) is one of the leading knit and woven clothing providers in world. Out of total GDP USD 173.82 billion, Bangladeshi readymade garments alone contributed USD 12.2 billion according to FY 2014-2015. This department has been growing exponentially since 1980. The matter of great remorse is that the workers who are blood of this section are being deprived of their basic rights for years. Human right violation, insecure working environment, uncertain future, humiliating supervision came into light in on 24 April 2013 while Rana Plaza, a RMG firm collapsed. The eight-storied building collapsed leaving 1129 people dead and 2500 People injured. International buyers have become concern about the workers safety issue. To satisfy them Bangladeshi producers reorganized some of their factories by installing standardized safety matters. Foreign suppliers become satisfy noticing one or two safe production house perceiving all are same. Subsequently, deals are being made, producers get huge clothe production order. However, most of the products still are being produced in unsafe production house by disrespecting workers right and depriving from their legal wages [13]. Extraterritorial law has much to do to protect Bangladeshi RMG workers' right. Under this legislation, the deal should be like this, foreign buyers would monitor each right of workers in production facility meticulously through their specialized team. Workers' rights includes safe and sound working environment, fair remuneration that is sufficient to satisfy basic needs spontaneously, sick leave, emergency leave, yearly leave, maternal leave and other leaves should be given according to the standard of domestic county, pension fund, provident fund, injury compensation and so on. Architectural design of production houses must follow the safe building code, which include all types of safety instruments and have emergency exists. Monitoring team should pay surprise visits with the help of native legislative organizations. If any worker right violation is found, they would have the authority to abrogate the deal and mark negatively on the database of international readymade garment association so that the same producer would not be eligible to be entitled for any production deal in the long run. Simultaneously, the producers ought to be accountable by the local Government for violation of human rights, as business workers' rights and human rights are the same under every countries statute. United Nation could make ever steps to get all international unions together on this point, convince them to accede with Extraterritorial measure in preserving workers life [12]. Thus, Extraterritorial law could protect, remediate and recalibrate workers right, specially, for the developing countries like Bangladesh. Rate of accident at production point will reduce. Consumer could wear clothes, which were not made at the cost of worker life. The more workers are satisfied the more they can contribute. Therefore, more foreign buyers are attracted more deals are made leading to a prosperous economy [13].

CHAPTER 3-RMG INDUSTRY OF BANGLADESH

3.1 History and growth

Bangladesh, a tiny country in South East Asia who gained Independence in 1971 was popularly known as a “bottomless Basket” now surprising the whole world with its Basket full of wonders. Bangladesh is a rare country which is maintaining its GDP growth by 6% for the past decade. After the independence in 1971 the war devastated country did not have any industry to rely without its agricultural nature. Having too many people in a small land caused a very land to people ratio. So for upgrading itself from under developing country to middle income country there was a in need of a sector which can employ the huge number of population and thus can help the country to move further.

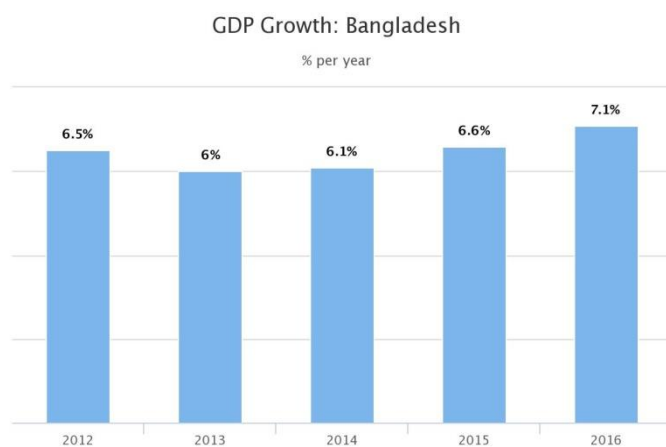


Figure 1: GDP growth of Bangladesh in last 5 years [20]

It was 1980s when the Garment industry start coming in to Bangladesh. The huge population base was and is always a strong reason for cheap labor in Bangladesh. That primary factor blended with other regional, geographical and political factor helped Bangladesh to flourish its garment Industry.

From ancient time, Bangladesh or subsequent area was popular across the globe for the golden fiber or for Jute Production. But the revolution that started from 1980s now turned Bangladesh as 2nd largest manufacturer of Ready Made Garment in the world. The Industry is not only the backbone of Bangladesh’s economy but also the main reason for staggering 6% plus GDP growth for a long period of time. In the year 2015-2016 Readymade Garment sector has a total contribution of 81% in total export revenues [21].

Similar to any other startup example, the starting of garment industry came from a very small initiative. One of such initiative was Reaz Garments which was local tailoring outfit. After 15 years of its inception by serving the local market only, Reaz garments changed its name to M/s Reaz Garments Ltd in 1973. By shipping 10,000 pcs of Bangladesh made men shirts to France in 1978 which worth 13 million francs Bangladesh for the very first time in the history stepped in real readymade garments export business.

“However, Desh Garments Ltd established in 1977 as Garments industry and made the milestone by setting up the joint venture with the South Korean company Daewoo. It became the single largest and most modern garment manufacturing unit the whole sub-continent by the joint venture. 4th July of 1978 both companies signed the collaborative agreement which consists of marketing and technical fields. As a result, Desh Garments could send 130 management trainees and workers for training to the Daewoo’s state-of-the art technology enabled Pusan plant in South Korea in 1979. After a six months of intensive and advanced training 130 selected trainees of Desh Garments returned home to take the Ready-Made Garments into another level with the latest technology and human resource base. Subsequently, Desh Garments builds the modern manufacturing factory based on the Daewoo’s expertise and technical assistance. This factory build through the 1.3 million USD investment with the capacity of 5 million pieces per year thru 6 lines and 600 workers.

This success led to another South Korean firm Youngone Corporation to form first equity join-venture partnership with another Bangladeshi firm Trexim Ltd in 1980. This partnership introduced a new firm named Youngones Bangladesh whereas the Bangladesh partners had 51 percent contribution to this new equity firm. In December 1980, it exported its first consignment of padded and non-padded jackets to Sweden”[22].

3.2 Facts and figures

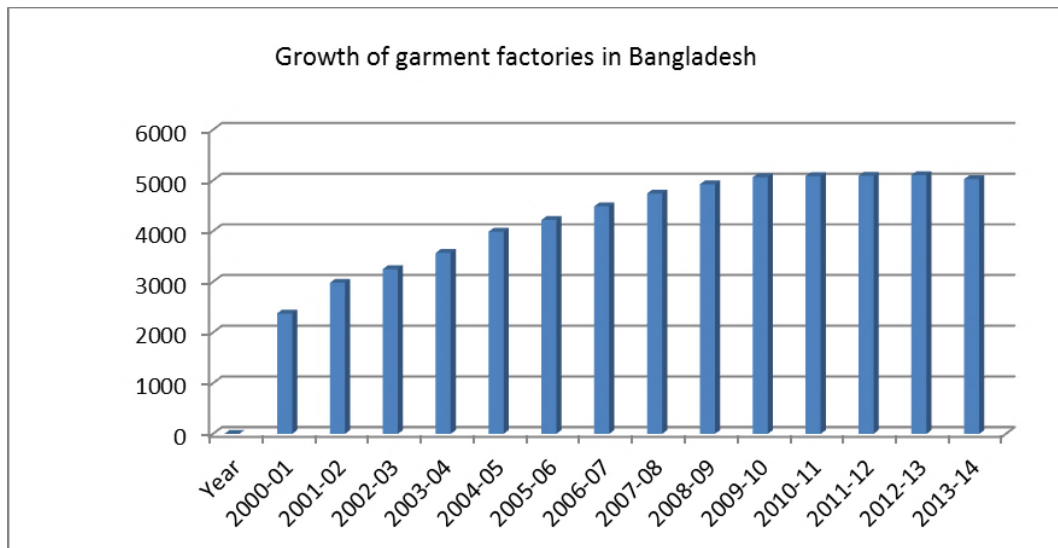


Figure 2: Growth of garment factories in Bangladesh [41]

Bangladesh readymade garment industries have seen a tremendous growth in last 15 years’ time. In 2000-2001 the number of registered garment factories was 2377, while in 2013-2014 the number of registered garment factories is 5027. It is estimated that the backward linkage factories and many micro sized factories will have much bigger state in number.



Figure 3: Growth of garment workers in Bangladesh [41]

In 2000-2001 fiscal year the total numbers of workers were in registered factories was 1.13 million. But in 2013-2014 the number stands 4.02 million workers in registered number. It has been evident that, not only the industry went double in size but the number of workers almost quadruples. It is also estimated that the number is much bigger in real scenario outside the registered factories.

Table 2: Percentage share of Textile sector in GDP [44]

Year	Total Apparel Export	Total BD Export	% share in BD export	% share in GDP
2009-10	12496.72	16204.65	77.12	12.45
2010-11	17914.46	22924.38	78.14	16
2011-12	19089.73	24287.66	78.6	16.31
2012-13	21515.72	27027.36	79.61	16.57
2013-14	24491.88	30176.8	81.16	14.07

In the fiscal year 2009-10 percentage share in export of Bangladesh for textile sector was 77.12 and it had 12.45 percentage shares in overall GDP. In the fiscal year 2013-14 percentage share in Bangladesh export was 81.16, while it had contribution in overall GDP growth was 14.07 percentages. It is quite evident that the importance of Textile or readymade garment sector in overall export of Bangladesh. One particular industry having over 80 percentage share in export clearly express the importance of the sector for overall foreign currency earnings.

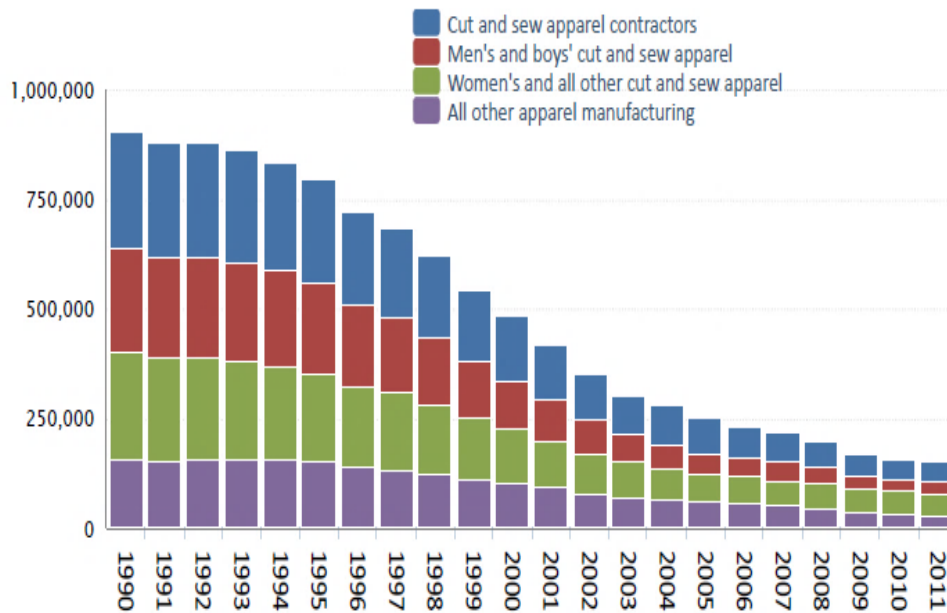


Figure 4: Employment in apparel manufacturing and component industries, 1990-2011 in USA [42]

Here in this figure we could see the drop of employment in textile sector in 20 years' time frame. In 1990 in USA the employment was near about 1 million workers in the particular industry but after a timeframe of 20 years the employment has dropped to one fourth regardless their economic growth. The business is simply being outsourced to developing countries like Bangladesh where the retail brand owner can get cheap products. The fast fashion trend is not viable with high wage payment in the west anymore and that is why we saw a prolific growth in the sector in Bangladesh almost for the same time period.

3.3 Regulatory bodies

BGMEA

According to BGMEA (Bangladesh Garment Manufacturers and Exporters Association), 30 years of experience and reputation is the main strengths of Bangladesh RMG sector. The workforce is vibrant and young where 70% population is under the age of 40 who are quick learner and dedicated. On the other hand, quick response to global issues such as environment friendly, energy efficient and green concept has also probed Bangladeshi entrepreneur are adopting quick and fast.

BGMEA started with 12 members in 1980s currently have 4300 member factories. 40% of BGMEA member factories are knitwear and sweater factories while rests of the 60% factories are woven garment manufacturers.

BGMEA is being run by 35 members elected board of directors who gets elected for a two year terms. Seven vice presidents having important portfolio along with secretariat of experience officials who assists the president of BGMEA for formulating important policies for execution and running of the organization. President of BGMEA possess the highest executive authority in the organization. [43]

As a Parent of this industry in Bangladesh BGMEA is involved with quite a few activities for the betterment of the industry

- I. Trade Facilitation and Promotion
- II. Human Resource Development
- III. Watchdogs workplace safety and compliance
- IV. BGMEA University Fashion and Technology (BIFT)
- V. Green and Clean Production
- VI. Healthcare of workers

To help building excellent man power, BGMEA established BUFT (BGMEA University of fashion and Technology) in 1999. It was a pragmatic decision which is helping Bangladesh with potential skilled mid-level managers for the industry in questions.

BKMEA

Another powerful organization is BKMEA (Bangladesh knitwear manufacturers & Exporters association) who were formed in 1996. Now BKMEA has 2000 knitwear manufacturers as member who are contributing to the largest value chain of foreign remittance earner for the country Bangladesh. BKMEA closely works with ADB(Asian development Bank), JICA (Japan International Cooperation Agency) , BRAC (Bangladesh rural Advancement committee), Ministry of finance of Bangladesh and various national and international organization for the development for the sector and for the people who are directly and indirectly involved in the sector.

BKMEA is run by a body of 27 member's board of directors who are led by board president. The boards of directors are elected for a 2 years term [44]. BKMEA work with having several objectives:

- I. To promote the knitwear exporters to global platform and to enhance the global market share.
- II. To formulate policy for making the knitwear sector a sustainable one.
- III. To boost the capacity building throughout the sector.
- IV. To introduce international standard to the knitwear sector of Bangladesh.
- V. To work hand in hand with government to formulate sector friendly policies.
- VI. To raise awareness and business principles among the stakeholders.

From the very starting day of BKMEA, it tries to make impact for the betterment of knitwear sector of Bangladesh. BKMEA is running various skill enhancement program and some are free for public. They are also

working closely for making green industry development as well. They also have factory based productivity enhancement program. BKMEA is also involved in much safety drilling and trying very hard to create awareness and accountability in the sector.

BKMEA has many free training courses for the aspirants who want to make contribution in the sector. After numerous occupational hazards in garment factories in Bangladesh, BKMEA responses with the courses for better tomorrow for the sector, some of the pioneering and ground breaking courses are:

- Apparel Merchandising
- Social compliances and CSR issues
- Industrial Engineering and Lean Issues
- Production planning and Supply chain Management
- Fire Safety management and risk management

3.4 Labour policy of Bangladesh

The constitution of Bangladesh, in Article 14, it states:

“It should be a fundamental responsibility of the state to emancipate the toiling masses- the peasants and workers- and backward section of the people from all forms of exploitation”. [26]

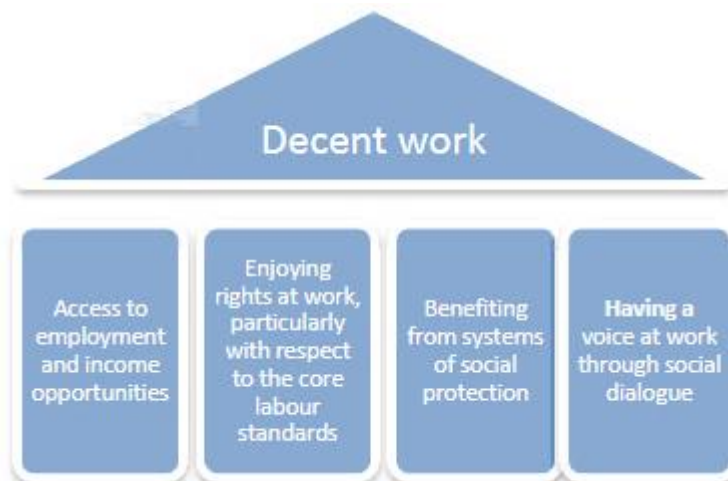


Figure 5: Four Pillars of Decent work [27]

It is a basic right of human being to have access to employment and income opportunity which is one of the pillars of decent work. Another pillar is having the access to core labor standard and to have access to rights at work. Social safety or security and having access to social dialogue is another two pillars of decent work. The concept was incorporated with Millennium development goal which was due to achieve by 2015.

With having a wage just above 2 dollars a day, the life of a worker in ready-made garment industry in Bangladesh is tough. A nutritious diet is even a luxury for most of the workers. As the society don't have social safety nets or social security, having good education for their children even a distance dream. Moreover, the labour law and the enforcement of the law do not give proper safeguard to the workers. While they are working just to sustain their life, but workers are often miss treated, and their life are as cheap as the cloths to employer in some cases. The mass supply for a limited work positions has made the bargaining power of workers at the minimal level and which is why Bangladesh has observed some of the worst violations of labour rights.

Bangladesh labor law 2006 is the main framework for guiding labour practice in Bangladesh. In July 2013, there were a lot of amendments. Export processing zone has different policy for laborer beside of Bangladesh labour law 2006. Bangladesh labour law recognizes any person working in any company who don't have any administrative and managerial capacity and is also not a supervisor is termed as laborer.

After numerous industrial accidents and with huge international pressures, Bangladesh government made amendments in Bangladesh labour law 2006 which offers better safety net for the workers in Bangladesh.

Child labour

Among many violations of labour rights and sourcing of laborer, child labour is very much present in the market. Similar to many South Asian country child labor is a hidden truth in the labor market. As a big part of the labor force in engaged with informal economy and household work here comes the opportunity to employ child labor or forced labor.

The constitution of People's Republic of Bangladesh ensures the rights of children. Article 11,14,15,16,17,18,19 and 20 constitutes the fundamental principles of state policy where it is emphasized that every child should have access to primary education. Forced labor is completely prohibited and is termed as a case of violation of fundamental rights. After independence, Bangladesh enacted the Children Act 1974 (Act 39 of 1974) for the protection of the children and their rights. [28]

Child and adolescent are the two different terms which has close gap when child labour is discussed in the case of Bangladesh. According to Bangladesh Labour Law 2006 child and adolescent are classified. As per section 2(8) of the act, a person who has attained age 14 but does not reached 18 is classified as "adolescent". Those who has not attained 14, as per section 2(63) is termed as child. Child labour can be traced in two sectors in Bangladesh namely formal sector and informal sector. Formal sector might include but not limited to construction, ship breaking, transport and commercial organizations as well. While in the informal sector most variety of sub sector where child are found to be engaged. Some of the industries are agriculture, livestock, fisheries, pulling the rickshaw, brick breaking, household work etc. [29]

Though the constitution and national labour law safeguards the child from laboring but extreme poverty and lack of surveillance help and forced many child to work both officially and unofficially in these sector. Child labour is very attractive to the employers because it is easy to exploit the child with long working hours, under payment and extreme violation of working condition.

In case of readymade garment industries it has been a good sign very recently with abolishing trend in child labour but as long as Shadow factory prevails in the industry total elimination of child labour is a far dream to become true.

According to section 62 of the 2006 Bangladesh Labour Law, these following standards are required for all RMG factories in Bangladesh [30]

- There should be at least one exit with stairs which connect all floors of the factory building.
- No exit should be locked during working hours
- The fire alarm should be clearly audible and effective in nature
- Passages should be cleared so that that provides access to the escape routes
- If there are more than 50 workers in the factory, there should be at least one fire drill in a year.

3.5 Cases of industrial disaster

Rana Plaza

Millions of peoples in Bangladesh still remember the name Rana Plaza as a horror. The man made Rana Plaza disaster still bears the death of 1129 worker, 200 remain still missing and more than 2500 injured workers. This disaster considered as the as the deadliest disaster in the history of garment industry. A garment factory building which was made with the substandard materials and without following the industrial building code collapsed and kill thousands of innocent garment workers on April 24, 2013.

Rana Plaza a garment industry in Savar, an industrial area in Dhaka who used to produce stitching trousers, shorts, T-shirts and sweatshirts for the high-street retailers of European, Canadian and American markets. This factory had more than 3700 workers in total. Eighty percent of the workers were female and most of them aged between 18 to 20 years old. While the workers earned between 12 cents to 24 cents an hour (based on the seniority of working), though they needed to work from 8 AM to 9 or 10:30 PM almost 90 to 100 hours a week with two days leave in a month [31]. The building which was using as a garment factory was supposed to build with the standard materials, industrial and factory building codes with fire and safety equipment and plans, instead made with substandard materials, disregarded the building codes for industries and fire and safety procedures. The eight-storey building was not only unsafe for working but also constructed more upper floors to

facilitate more workers and production lines. Unplanned large heavy power generators also placed in the poorly constructed upper floor to provide power backup which was one of the main reason of the building collapse.

The day before of the incident, cracks appeared in the building probably due to the large power generators and start shaking the building. An engineer was called to inspect the building who warned to the building owners as the building was unsafe. Despite of the warning, Mr. Rana and other factory management employees ordered their workers to start working from the next morning.

Government reports during their post inspection suggested that the disaster was waiting to occur. In the morning of the incident, workers refused to work on the building but the management employees and some outsiders (considered as paid gang members by the owner) forced to start working by beating and threatening them not to pay the previous salary if they don't start working. When the electricity went out and heavy generators started on, immediately the eight-story building began to shake and the building collapsed downward with a loud explosion.

Pakhi Begum (25), a victim of this disaster who lost her two legs explained, "When it happened, it was very fast. I saw people running and then a huge hole opened up in the floor and I fell into it. Then it was all dark, like a grave. A concrete beam was across my legs and another on my side so I couldn't move. I was screaming and praying". After almost 36 hours of the incident, rescuers reached her but it was impossible to rescue her from rubble since one beam crushed her legs. She also explained, "I was talking to them. I told the rescuers to cut my legs. They refused. We argued. I was telling them to do it. Then someone volunteered. First, he did the right leg. The anesthetics did not work properly so I screamed. He said, don't scream or I can't work. So, I did not scream when they cut again". [32]

The incident was not only a mere incident but also nightmare nobody wants to see in his or her bad dreams. Thousands of peoples died and thousands of peoples' lives are posed to future risk. This incident leads the \$ 28 billion a year industry to a questionable point. The very low payment, poor work environment, long shifts without proper breaks, no facilities like dining, recreation, safety passages, worker harassments specially women workers, not paying the wages regularly were old issues with garment industry but now, new and more killing factors included such as poor health and safety, unsafe buildings, forcing to work, etc. It is true that the garment industry is considered as a blessing in a country like Bangladesh who is a small country with having a large population of 160 million people. Most of the uneducated or less educated and less skilled people from the underprivileged people work in the garment industry who make the world's most fashionable clothes for western peoples but still giving their lives in such poor workplace incidents which are caused by humans and selfish businessman who are busy with making money by killing those workers. This disaster also brought the whole industry and the government and their actions under questions and their might be many more lives needed to sacrifice for such avoidable industrial incidents.

Tazreen Fashions tragedy

Garment industry in Bangladesh become more popular to the American, European and Canadian market due to the lowest price manufacturing comparing to other competitive countries. This industry has become a \$28 billion dollar a year earning industry now. There are many reasons for this cheap manufacturing. One of the main reasons is the cheap labour cost. On an average, a worker earns \$68 in a month. Paying the lowest money is not the main reason here. To search for the cheap cost, most of the time garment manufacturers in Bangladesh take unethical practices of not having proper health and safety measurement, fire and safety procedure, making building without following the industrial building codes, bribing to officials to avoid other necessary measurements or making more floors than planned. End of the day, by these they deliver cheap products but in contrast they sacrifice innocent of workers' lives by manmade disasters, saving cost by not using fire and safety equipment, poor workplace, etc.

Tazreen Fashions, a garment factory who made clothing products for giant clothing brands for USA and Europe such as GAP, Tommy Hilfiger, Walmart, etc. The eight-story garment factory of Tazreen Fashions located in the Ashulia district of the capital Dhaka city. On that night, almost 1150 people working on that factory. According to the reports, the fire caused from the electrical malfunction on the ground floor where yarn and fabric were stored. The fire spread fast and 113 were killed and another 200 injured.

The fire could have easily contracted if they used fire safety equipment properly and if the raw material were not stored there improperly. Usually, in a manufacturing building or plant, electric equipment arranged with fire safety instruction and managing cables properly. Raw materials are also supposed to store in a way that fire cannot reach them or in a fire proof room.

There were also not enough exit stairs in the building. One of the workers Muhammad Shahbul Alam (26) describes, "It was 6.45pm when the fire alarm was raised. I rushed out. I heard that the grills were blocking the way to second and third floor. When I came down, I saw fire at both the stairways that the ladies used. I still have not found any trace of my sister-in law" [33]

Another worker Zakir Hossain told reporters that after the fire alarm rings, management told employees not to evacuate. He explained, "The office staff asked us to stay where we were, telling us not to panic. We did not listen to them and started moving out," Hossain recalled. "A lot of people were stuck there. Some people got out climbing down the bamboo [scaffolding] tied against the building." [34]

This devastating disaster could be avoided just following the proper safety procedures. 113 workers killed and those bodies burnt beyond identification could have saved. Negligence of the management and not following the proper fire safety procedures that brought the shocking tragedy.

Authority of Bangladesh also played a role in this avoidable tragedy. This industrial area is not properly planned. Roads are very narrow that fire fighters could not reach the location with gears at their earliest. In some fire incidents, even they could not find the water source easily to fight against the fire and save people. Mr. Salim Nawaj Bhuiyan who runs a fire safety company in Dhaka said, "The main difficulty was to put out the

fire, the sufficient approach road was not there. The fire service had to take great trouble to approach the factory”[35].

This is one of the worst industrial tragedies in Bangladesh. Many could have saved if proper precaution was taken. In search of cheap costs, management of garments industries should not scarifies more workers life.

3.6 Steps towards sustainability

There had been plenty of reforms and recommendation after that two deadly incident in quick time. ILO, different large NGO and Government of Bangladesh came forward to take some initiative to recover the identity damaged that was created by the two accidents. Two the occupational accidents in RMG sector were not new but the intensity of this two accident was enormous. Some of the few reforms are as follows [29]

- *Building fire and electricity assessments*
With the facilitation of ILO, a process is being established for systematic and regular follow up of fire and structural inspection by the department of inspections of factories and establishment (DIFE).
- *Employer and workers organizations and OSH*
With the help of the regulatory body (BGMEA, BKMEA) training will be provided to master trainer who will try to train at factory level about occupational safety and health.
- *Fire Safety*
Department of fire service and civil defense (FSCD) underwent capacity building training and want to disseminate all over the country.
- *Rana Plaza Victim support*
A coordination unit on rehabilitation of victims of Rana Plaza served over 1700 persons including wounded worker and their family. 300 wounded workers got skills and livelihood rehabilitation support. A disability inclusion policy has been made in the hope to rehabilitate the workers in various factories and manufacturing works.
- *Workers education and trade union rights*
With the help of US department of labour and Norway ILO provided training to trade union officials and organizations or rights and responsibility.
- *Skill development in the RMG sector*
H&M and Swedish Government supported skills programme has assisted in founding of Center of Excellence (CoE) for Skills in RMG sector that was soft launched during the opening of the December Apparel Summit by the Hon’ble Prime Minister of Bangladesh. Enterprise based training on up gradation of skills is being established.

CHAPTER 4 - METHODOLOGY

The main aim of this research paper is to provide the explanation of ethical approaches to labour policy in the Ready-Made Garment Industry of Bangladesh. Empirical and theoretical approaches are being used to collect data. To sort out the underlying apparent, quantitative methods are followed. Research data analysis process and findings will be explained in descriptive manner.

4.1 Research design:

The research aims to know the practice and scenario of readymade garment Industry in Bangladesh. The research is exploratory research which will be used to get answer regarding current work place facilities and industry practice for workers in readymade garment industry, buyers' readiness for the better and standard workplace and importance of having a compliant work environment.

To complete the research paper, following steps were followed.

- Research Strategy and Formulation
- Research Design
- Sample Design
- Research process and data Collection
- Data Analysis
- Generalization and Interpretation

The questionnaire of the survey was designed to collect the valuable data from the sample participants. To analyze the data further, numerical data was required. Thus, quantified way of information gathering adopted through the numerical data. The research questionnaire was mixed with dichotomous questions, likert response scale, and semantic differential.

The mutually exclusive and close ended question type was used in the survey since the research was conducted only to the sample audience of the readymade garment industry in Bangladesh. The dichotomous questions allowed knowing the exact answers in a Yes/No, True/False or Agree/Disagree answers patterns. Dichotomous questionnaires are easy to understand, short and simplify the survey experience for the respondents.

Likert-type questions are used to get fixed choice response formats and designed to measure attitudes or opinions in a closed option situation [36]. On the other hand, Semantic differential is an object is assessed by the respondent on a set of bipolar adjective pairs [37].

This thesis study is based on the questions concerning to the labour policy in readymade garment industry of Bangladesh. The study also includes the approach from the market and customers' point of view with the standards and moral fragments. It is necessary to get the clear concept of the real scenario hand in hand with theoretical concept. Direct and accurate information is essential to get the existing status quo to do further analysis and study. The different types of questions enabled to know the real facts and analysis leads to the conclusive possibilities.

The core components of this research study are as follows.

- The international business ethics and theories.
- Rules, regulations and practices of business ethics and approaches all over the world.
- Analyze the current situation of labour policy and practice in readymade garment industry of Bangladesh.
- Study the gap between theoretical, practical and standard point of view.
- Buyers' attitude towards ethical approaches and practices.

4.2 Sample and sampling design:

The research has been conducted within readymade Garment manufacturing companies in Bangladesh. The respondents are members of BGMEA (Bangladesh Garment Manufacturers and Exporters Association) and BKMEA (Bangladesh knit manufacturers and exporters association) and also small scale garment factories who are not member of these two associations. The category of the garment industries includes factories (producer), buying houses (intermediaries), retailers and wholesalers who have foreign, local and mixed target customers.

Table 3: District wise RMG factory in Bangladesh [38]

District	Number of Factories
Chandpur	1
Chittagong	674
Comilla	7
Dhaka	1961
Feni	3
Gazipur	1297
Magura	2
Manikganj	4
Munshiganj	2
Mymensingh	43
Narayanganj	734
Narsingdi	17
Nawabganj	1
Noakhali	2
Pabna	4
Rangpur	1
Tangail	12
Total	4765

Factories in EPZ (Export Processing Zone) are not included here. According to the data from Ministry of Labor and Employment in Bangladesh, the total numbers of verified Ready-Made Factories in Bangladesh are 4765.

Table 4: list of workers district wise in Bangladesh [38]

District	Male	Percentage	Female	Percentage	Total
Chandpur	80	40.00%	120	60.00%	200
Chittagong	72642	29.24%	175862	70.78%	248469
Comilla	350	36.46%	610	63.54%	960
Dhaka	342450	38.65%	507436	57.28%	885939
Feni	210	60.00%	140	40.00%	350
Gazipur	393081	49.06%	414610	51.74%	801291
Magura	0		0		0
Manikganj	2309	34.02%	4478	65.98%	6787
Munshiganj	0		0		0
Mymensingh	5317	31.71%	11453	68.29%	16770
Narayanganj	104406	47.49%	115375	52.47%	219871
Narsingdi	480	52.75%	430	47.25%	910
Nawabganj	0		0		0
Noakhali	0		0		0
Pabna	0		0		0
Rangpur	0		0		0
Tangail	1264	34.98%	2350	65.02%	3614

Bangladesh, a country with almost 165 million people, where the overall economy was significantly dependent upon the agriculture but the trend of dependency is slightly shifting towards RMG export. The market based mixed economy is listed as one of the next eleven emerging markets and the third largest economy after India and Pakistan in South Asian territory. 2017 estimated GDP (Purchasing Power Parity) stands on \$ 686.598 Billion (33rd) with \$4,207 per capital [39].

Currently readymade garments sector provides the highest number of foreign currency for Bangladesh economy. The readymade garments contribute almost 80% of total export of the country [44].

Although there is no significant study that took place to measure the ethical approaches to labour policy in this industry, especially in Bangladesh market. Little research conducted based on the top listed garments industries to sort out some of the aspects of ethical approaches.

Nowadays, ethical approaches are important to sustain in the business because consumers are more aware about the facts of non-compliance and there would have a possibility to shift their choice due to the said facts. However, the motto of business must not all about generating revenue rather they have some responsibility to the society and stakeholders denoted as corporate social responsibility (CSR).

For this study, a total of one hundred fifty Ready-Made Garment factories were selected on random basis who are concentrated on manufacturing, buying house (intermediaries), wholesale, retail and have foreign, local and mix target customers. Random sampling also includes the top listed garments manufacturers in Bangladesh such as Ha-meem Group, BEXIMCO Fashions Ltd., Square Fashions Ltd., Opex Sinha Group, Fakir Group, DBL Group, Epyllion Group, Standard Group, Asian Apparels Ltd., Givensee Group of Industries Ltd., mid-sized garment manufactures Star Fashions Ltd., 3N Fashion (BD) Ltd., 9 Star Apparels Industries Ltd., A One Dress Makers Ltd., A J Fashions Ltd., A Plus Industries Ltd., small sized garment manufacturers such as Zerose Fashion Ltd., Zia Apparels King Ltd., Zilani Apparels Limited, Zaara Sara Knit Ind. Ltd., Yara Knit Wear Ltd., export buying houses such as Knittexpo Sourcing Ltd, Trust Maker International, AVS Fashion, Zex Fashion Bangladesh, Innotex and Casual Wear Sourcing Ltd. are mentionable.

Few of the largest export garment manufacturers in Bangladesh follow some sets of ethical practices due to the heavy pressure from the international buyers, welfare societies and NGOs. Most popular sets of ethical practices which are being followed by the top listed export garments manufacturers are minimum national wage structure, complaint factory according to the buyer requirements, safety and building code, onsite dine in and small scale of recreational facilities, etc. Few factories offer insurance, restaurant and dine in facility, provident and gratuity facilities, overtime payments to the mid-level employees but not workers and staffs who has assistant nature of works.

4.3 Research process and data collection:

Research process is considered as the way of conducting the research studies and collection of data for the research. Quantitative method has been followed for data collection in this research.

Quantitative data collection is used to quantify the subject problem with numerical data which can be transformed into the required statistical manner. It involves quantifying attitudes, behaviors, opinions, facts, information and generalizes results from a sample population. This method is more structured and includes different types of surveys including paper surveys, online surveys, other electronic surveys, face to face interviews, telephone interviews, organized observations.

Usually the selection of data collection method depends on the research type, availability, problem definition and approaches. The author selected the Quantitative data collection process for this research. Considering the research type and pattern, information and communication availability quantitative data collection is more convenient and effective to the author. This research was conducted from Estonia to Bangladesh though online survey opportunities.

Data collection is the process by which the researcher collects the required information which is needed to analyze the research problem. It includes the overall process of gathering and measuring the information, test hypotheses and evaluate the outcome in a systematic manner.

There are many ways to classify and collect the data. Based on the research type, primary data and secondary data can be collected for this study.

Primary data refers which are collected by the researcher himself for a specific purpose. For this study, the author used the primary data collection process to collect the data. A tailored questionnaire was made to conduct the survey and basically all the questions were closed ended. The process involves through online and email survey, telephonic survey and social media survey.

The structured questionnaire was distributed using various channels to the respondents. The respondents were selected on random basis and some of them are from personal source. All the respondents either working on the Ready-Made Garments sectors in Bangladesh or the owners/stockholders of those companies or involved in the buying or selling process in this industry. The online questionnaire was also sent to the members of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) members through email. Personally known members were interviewed through the telephonic interview and online questionnaire also sent via social media platforms (groups and pages). During the survey and interview no personal or company data were collected or recorded due to the personal and company privacy and confidentiality.

Table 5: Questionnaire Structure

Number	Structure type	Questions
1	General questions regarding type of company, target customers' and workers' demographic segmentation	1-4
2	General exploratory questions regarding work place environment, safety and compensation related issues	5-20
3	Questions focusing more at more macro level regarding buyers attitude regarding workplace environment and growth factors for the industry in question	21-24

Secondary data:

Secondary data refers to those data that have been already collected by someone else for other purposes and available for use. The author does not have relation to those data collection since they are collected someone other than the author. For instance, census data, data collected by government or agencies, organizational records, etc. Advantages of using the secondary data are already available, hassle less, less time consuming, inexpensive and conducted on larger sample size or population.

For this research, author used various types of secondary data. Namely previous research studies conducted for educational, professional and nationwide use, articles and books related with this topic, website, university journals and publications. To gain the theoretical knowledge and overview, author used the data from secondary sources. Author also make sure the secondary data used for this research are relevant, sufficient, high standard and accurate.

4.4 Data analysis:

The numerical representation and manipulation of observations for describing and explaining the phenomena that those observations reflect [40] Quantitative data were collected for the research and analyzed using the descriptive statistics format. Data were analyzed by using the help of tools such as Microsoft Excel, Google Survey Analysis and presented in tables, bar diagram, chart, column, line, bar, histogram and Smart Art Graphic.

For the interpretation, mean, mode, average, comparison and descriptive statistics analysis were being used. Along with these tools, author's interpretation gave final meaning to the data collected.

CHAPTER 5- DATA ANALYSIS AND FINDINGS

In this chapter the focus will be to know about the respondent's view of the most significant areas in Bangladesh readymade garment sector. This will present through analysis of the survey questions derived from online survey questionnaire.

A survey was conducted according to the aim of the thesis research questions. The online survey was sent to One hundred fifty factories and different stakeholders in Readymade garment industry of Bangladesh which is geographically located in four main factory clusters in Bangladesh, namely Dhaka, Gazipur, Kachpur and Chittagong. Survey was opened for about a month and it got total 56 responses. Survey contains 24 questions and majority of the questions was dichotomous question.

The survey was formed in such a way that the respondent can stay anonymous and thus can contribute to a non-biased survey result.

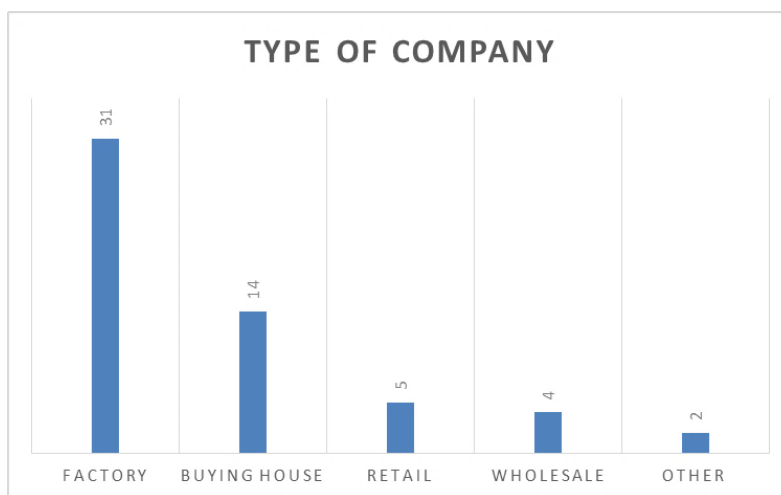


Figure 6: Type of company (Source: Made by author, according to survey question 1)

In the first question instead of asking the respondent position or name of the company the author asked the type of company where respondent work for. There were four options given namely factory, buying house which acts as intermediary in Bangladesh market, retail and wholesale. After analyzing the data author found that highest number of respondents work in factory with 31 responses, while buying house has 14 response, retail 5 and wholesale has 4 response and there are 2 respondent who work with other stakeholders. Among 56 respondents, 31 which are more than 60 percent are from factory. The higher number of response from factory management will definitely help the author to find more insights, as per author believe through the research motive.

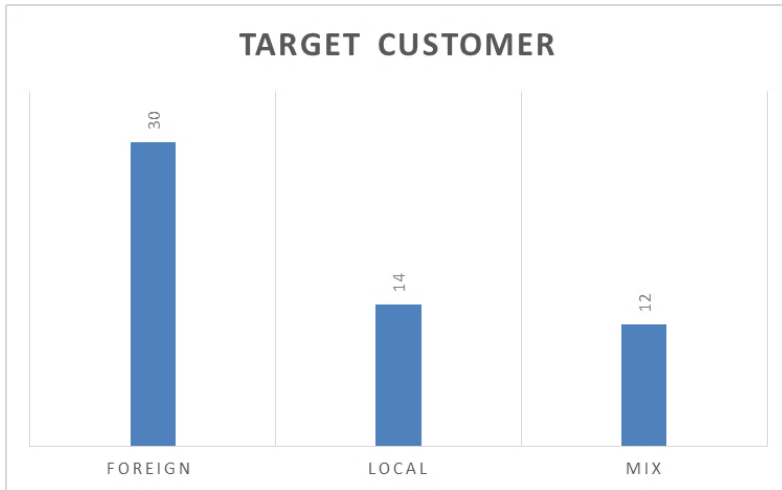


Figure 7 : Target Customer (Source: Made by Author, according to survey question 2)

Second question was to know about the type of customers they are serving. Respondent was served with 3 simple choices containing foreign, local and mix. Out of 56 respondents 30 answered their target customers are foreign, where 14 respondents said they are targeting local market. 12 respondents answered they work for both local and foreign worker.

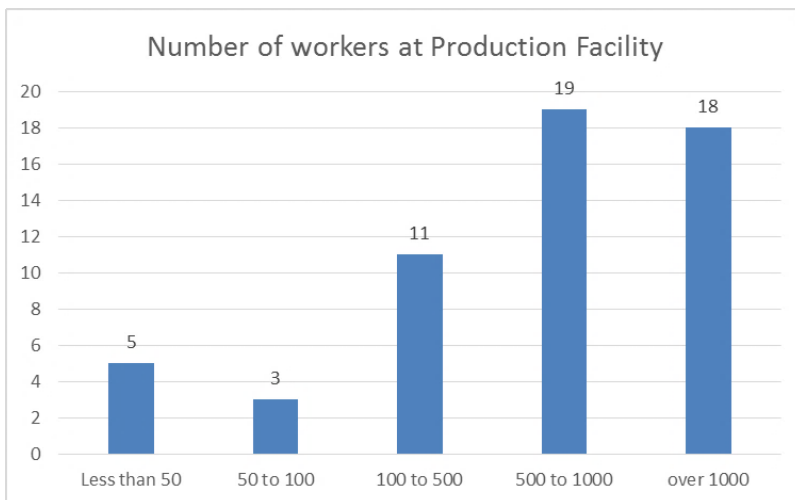


Figure 8: Number of workers at production facility (Source: Made by author, according to survey question 3)

In third question author wanted to know about the size of production facility from where the response has come. The answer came with 5 facilities with less than 50 workers, 3 facilities with 50 to 100 workers range. 11 respondents are from 100 to 500 workers group, while 19 respondents said they have workers from 500 to 1000. Last but not the least, 18 workers disclosed that they have over 1000 worker base. The variation number of workers shows that the respondents are from small micro level factory to large giant factory.

Table 6: Women’s participation in the work force (Source: made by author, according to survey question 4)

Participation of Women worker in the work force	
20-40%	12
40-50%	11
50-60%	15
more than 60%	18

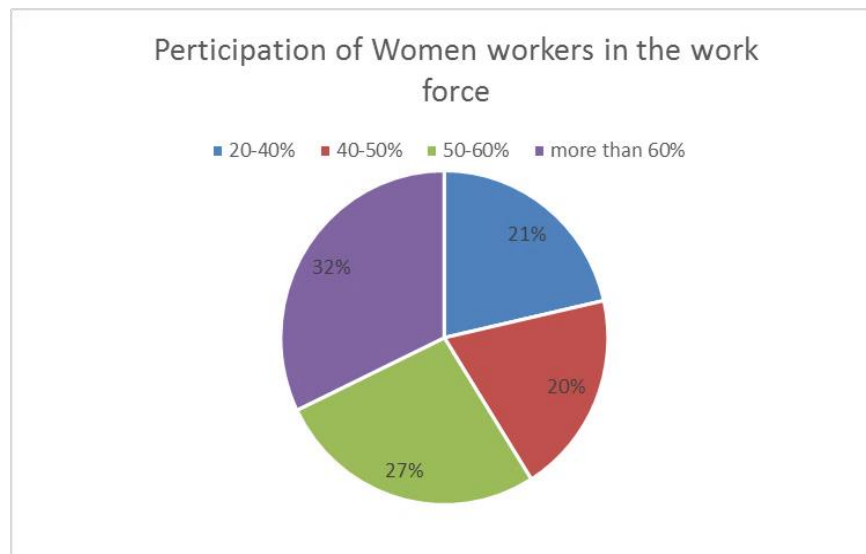


Figure 9: Women’s participation in the work force (Source: made by author, according to survey question 4)

Fourth question was to know the participation of women workers in the workforce. 18 respondents which 32% of respondent answered they have over 60% women participation in the workforce. While 15 respondents (27% of respondent) said they have women participation in the workforce between 50-60%. 11 participants answered that they have 40-50% women in the work force. While 12 respondents answered they have 20-40% range of women participation. The author believes participation of women in the garment industry of Bangladesh is shaped by many reason, among many other reason the participation of women in particular company also depend on the size and flexibility of the factory in question.

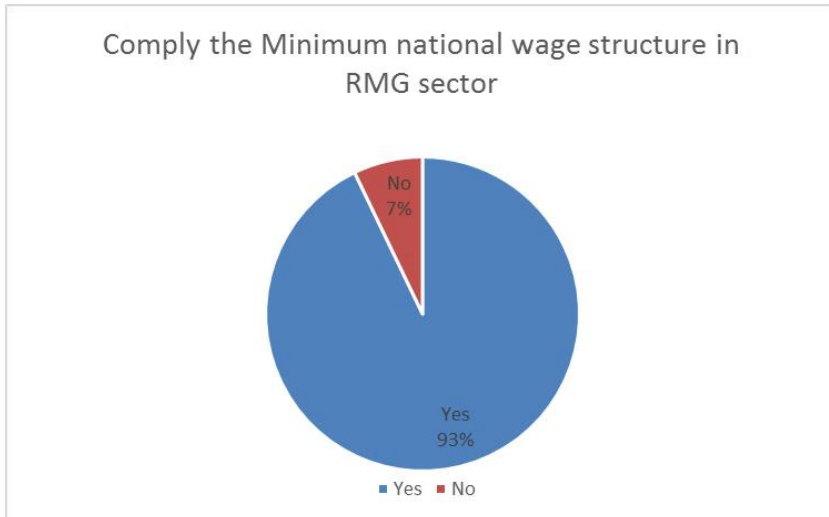


Figure 10: Compliant to the minimum national wage structure (Source: made by author, according to survey questions 5)

Fifth question was in the view to know whether the production facilities are complying with national minimum wage level or not. Surprisingly enough, 7% of total respondent agreed that they do not comply with minimum wage level. Author believes that there are many shadow factories running in Bangladesh with the high demand in labor market where labors are unskilled and without any experience. These shadow factories are the main source of this kind of under wage structure. Since the surveillance from government are sometimes inadequate and the corrupted factory owner take the opportunity to under pay the workers.

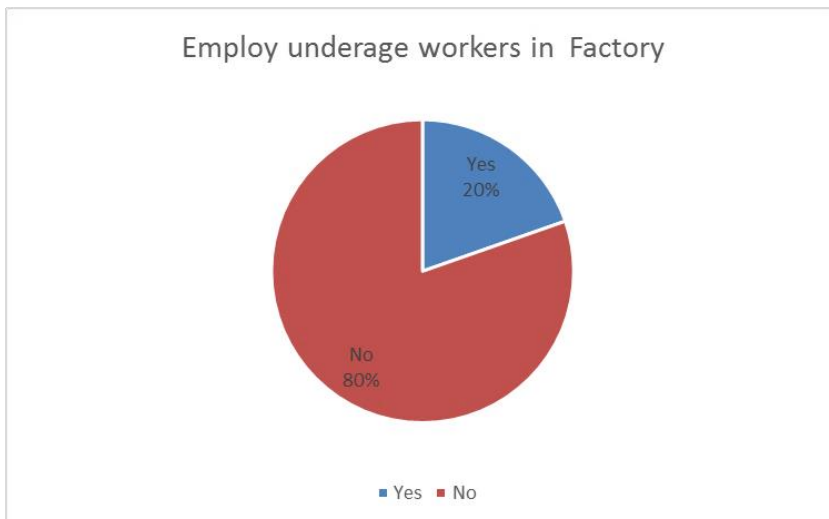


Figure 11: Employ underage worker in factory (Source: Made by author, according to survey questions 6)

Sixth question was to know the scenario about child labor in the factories. 20% percent of the respondents answered that they have under age worker in the factory. While rest of the 80% which is total 45 respondents

confirmed they do not have any underage workers. According to Bangladesh labor law any children under the age of 14 is considered as child labor [45]

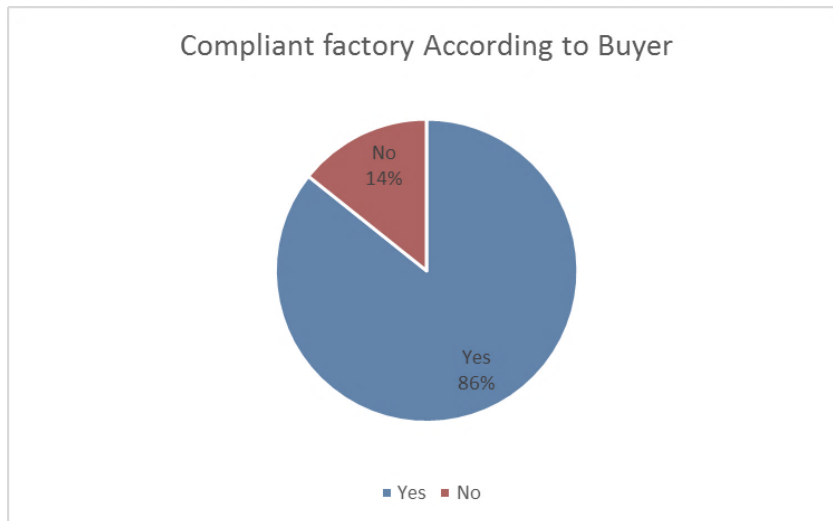


Figure 12 : Compliant factory according to buyer (Source : made by author, according to survey question 7)

Compliance is a popular word to garment buyers. After some continuous catastrophic accidents, now the garment manufacturers are also trying to be compliant as well. This question was to know whether the factories are compliant one or not? 48 respondent answered they are compliant while 8 respondents said their factories are not compliant factory.

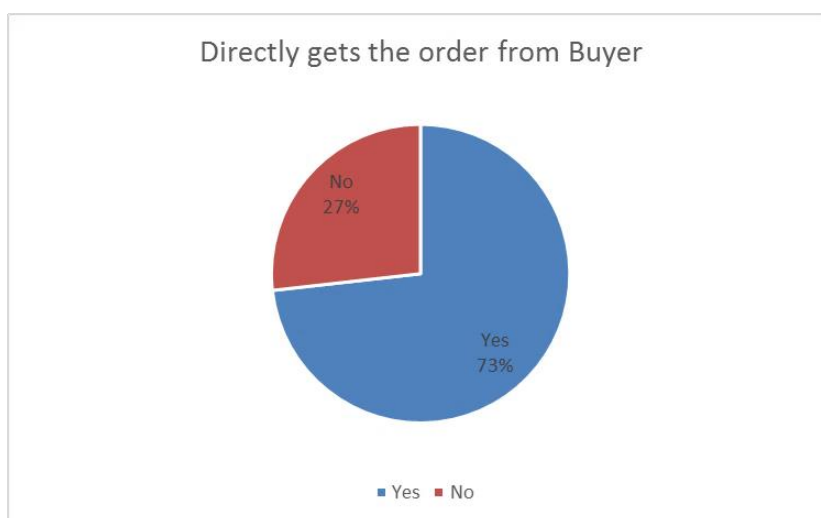


Figure 13: Directly gets order from buyer (Source: made by author, According to survey question 8)

While sub-contracting is a common practice nowadays but in garment industry sub-contracting is sometimes used for ill purpose too. A garment factory owner gets an order by presenting its compliant factory but he could

give some or entire portion of his order to another factory for more lower rates and thus he gained an extra profit just by sub-contracting the orders to a third party company. This question tried to know whether the factory gets the order directly from the buyer or not. 73% of respondents said that they get the order directly from the buyer and 27% said they do not get the order directly from the buyer.

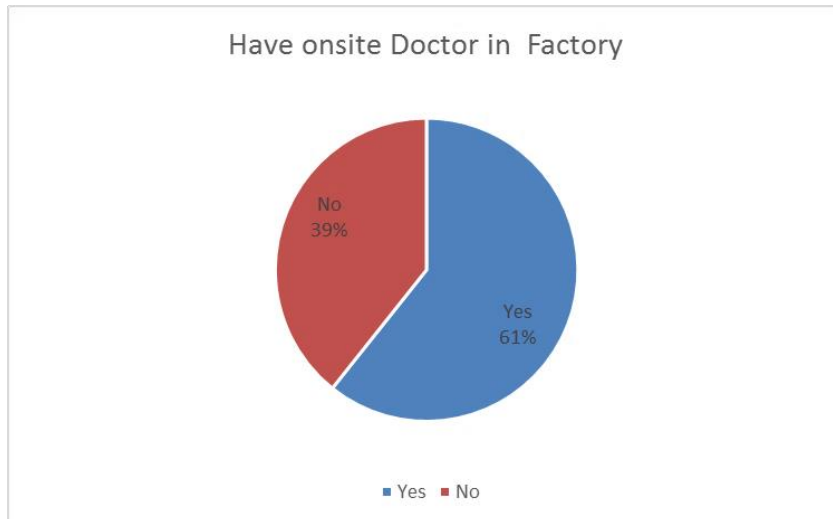


Figure 14: Having onsite doctor in the factory (Source: made by author, according to survey question 9)

RMG is a labor intensive industry and many of the factories are geographically sparsely located. So it is very important to have onsite doctor for a factory, if not for full time, but author believes at least doctor should be available for some part of the day. This question tried to know the condition of availability of doctor in production facility. 61% of the respondent said that they had onsite doctor available for the workers, rest of the respondent said they don't have onsite doctor in their premises.

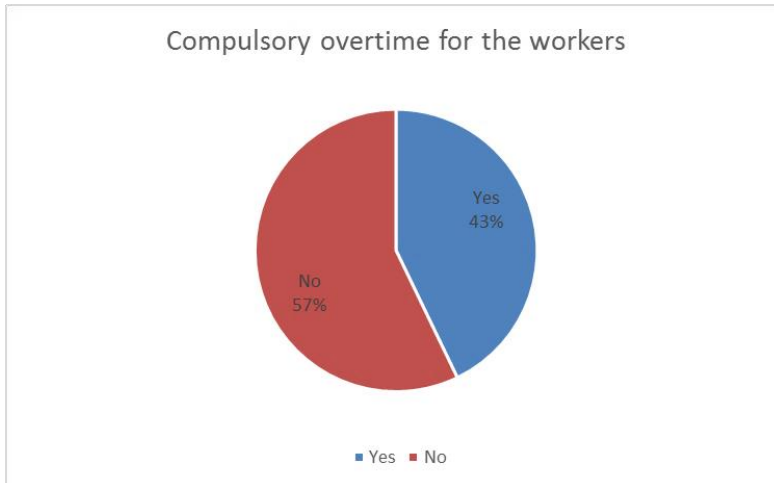


Figure 15: compulsory overtime for workers (Source: made by author, according to survey question 10)

While overtime is normally positive for workers but that should be mutually agreed. According to ILO, overtime cannot be forced and worker should agree for participating in extra shift. This question wanted to know whether the overtime is pre prescribed or mutually agreed. 43% of the respondent said they have compulsory overtime for their workers, while rest of the 57% said overtime is not compulsory.

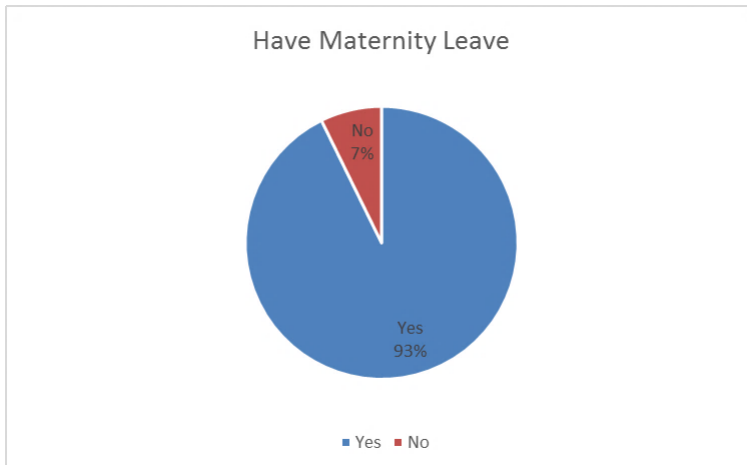


Figure 16: Having maternity leave (Source: made by author, according to survey question 11)

Whether the company has maternity leave or not was the eleventh question. 93% respondents from 55 respondents for this question did say that they do have maternity leave. While 7% respondent replied in negative. Author believes, not having maternity leave is no longer common but in micro to mini sized factory who normally work as sub-contracting, or shadow factory or for local market they might not have that facility. Rather, the worker loses the job when they go to leave due to pregnancy. When they return they might be prioritized for any vacancy but not guaranteed.

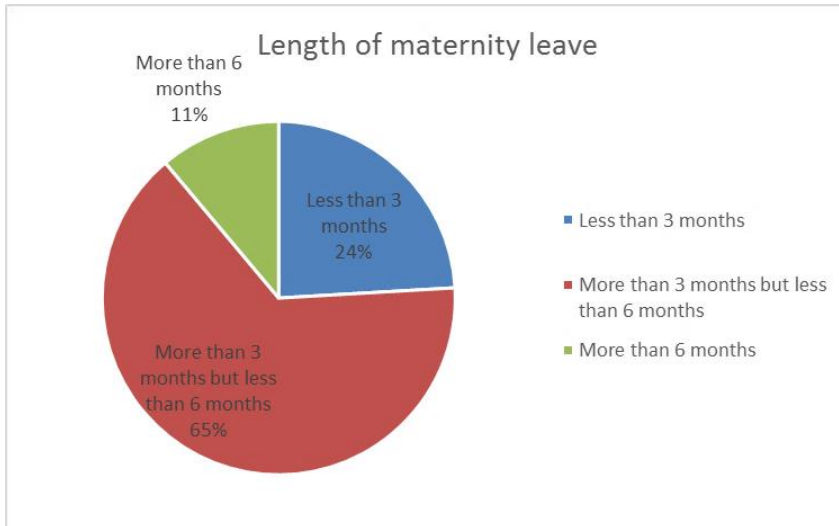


Figure 17: Length of maternity leave (Source: made by author, according to survey question 12)

12th question was to know about the length of maternity leave for those who have the facility. 65% of respondent answered the length of maternity leave is more than 3 months but less than 6 month. 11% respondent said their maternity leave policy allows workers to be in leave for more than 6 months. While some 24% respondents said, the length is less than 3 months.

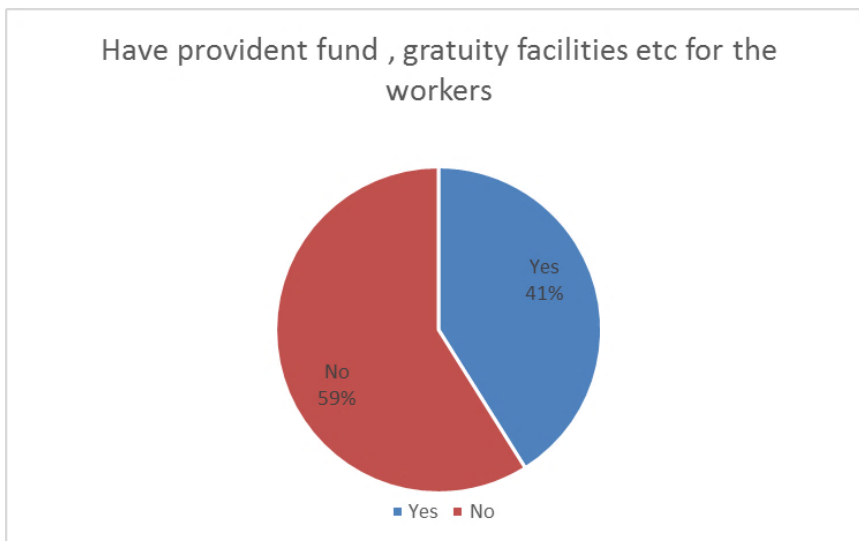


Figure 18: Having provident fund, gratuity facilities for the workers (Source: made by author, according to survey question 13)

13th question was to know whether the factory provides workers with provident fund and gratuity facilities. Here, in this case 59% of respondents said they do not have any scheme for these facilities and some 41% factories said they have provident fund and gratuity facilities.



Figure 19: Having transport facility (Source: made by author, according to survey question 14)

Transport facility is one big problem for the workers in garment industry. Most of the factories are located in the city areas for better electricity and communication facilities. But the workers got such a wage which is next to impossible to stay in a location near the factory premises in most cases. Thus, transport provided by the production factory could be a great reward for the workers. 72% of respondents said that they do not have any transportation facility for the workers while 28% said that they have transport facility for the workers.



Figure 20: Accommodation facility for the workers (Source: made by author, according to survey question 15)

The 15th question was to know about the accommodation facility. 76% of the respondents said that they do not have any accommodation or hostel facility for the workers, while 24% respondents said they do have some sorts of accommodation facility for the workers.



Figure 21: Recreational facility for the workers (Source: made by author, according to survey question 16)

Worker in the fast fashion industry work in very monotonous environment what is tiring and long hours. Hence, author believes that recreational facility is a very important aspect to get rid of the monotony. Getting rid of the monotony is important for optimal production. 16th question was also a yes/no question where it was trying to figure out whether the factory owns some sorts of recreational facility or not? 46% of the respondents agreed that they do have some sorts of recreational facility or activity for the workers in the production facility. While 54% of the respondents said they do not have any access to recreational activity for the workers.

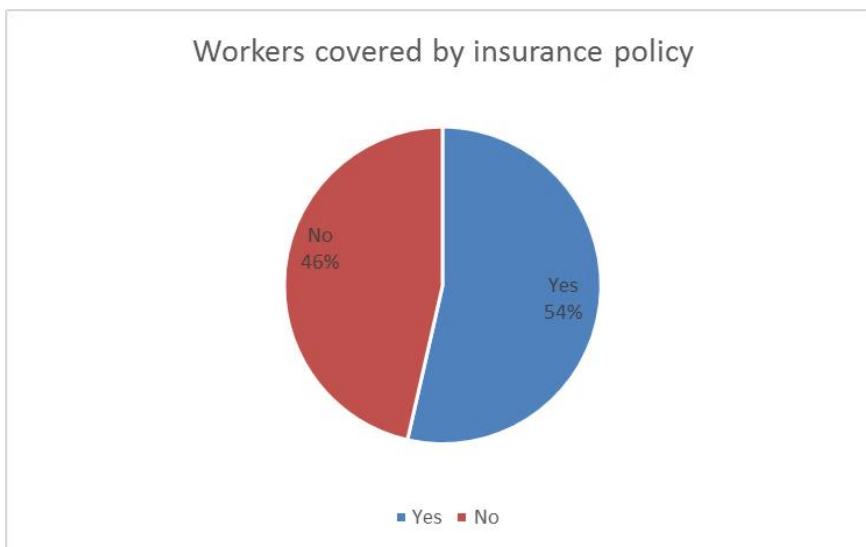


Figure 22: Workers covered by insurance policy (Source: made by author, according to survey question 17)

17th question was to know whether the workers are insured by insurance policy. 54% of respondents said that their workers are covered by the insurance policy. While 46% said that their worker are not covered by the insurance policy.

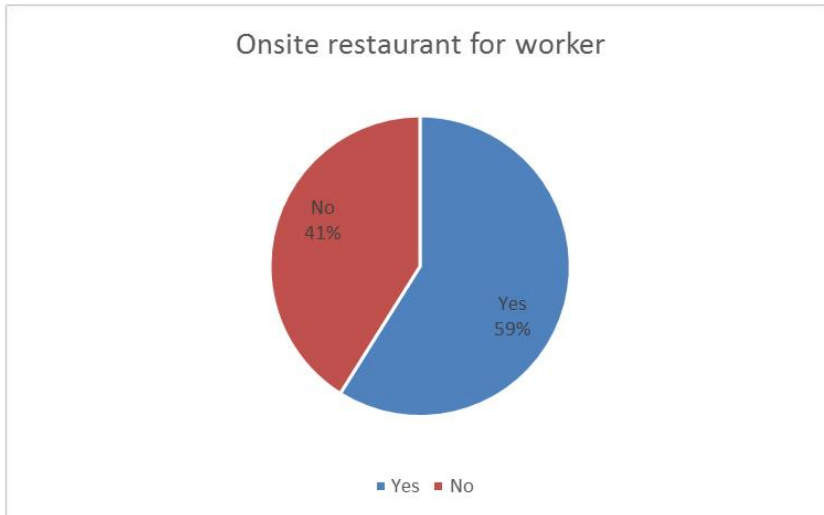


Figure 23: Having onsite restaurant facility for workers (Source: made by author, according to survey question 18)

Workers in Ready-made garment industry work for very low wages therefore workers try to bring home made food with them to take lunch during the working time. Hence some factories try to provide free lunch or subsidized lunch facility for the workers as well. 18th question was to know whether the factory has onsite restaurant facility to dine in for the workers. 59% respondent said that they have this facility while rest of the respondent said they do not have the facility in their work premises.

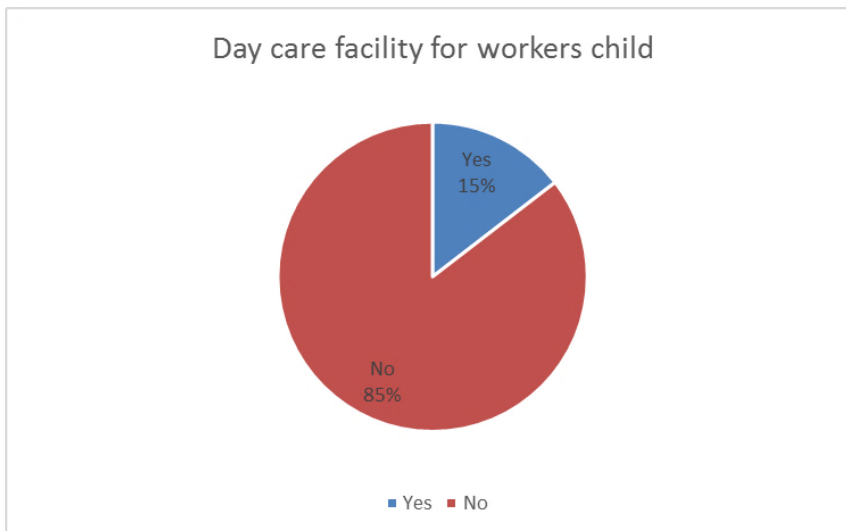


Figure 24: Day care facility for workers child (source: made by author, according to survey question 19)

Fast Fashion industry tends to employ massive number of workers, and the workers work longer hours. It is also statistically proven that workers in the garment industry has majority of women workers. The author believes that there should be day care facility for workers for better psychological state of the women workers. The workers are greater in number, so even it will be a cost effective solution to establish a small day care facility for the women workers in the factory. This 19th question was to know the day care facility for the women

workers and 85% of the respondents said they do not have day care facilities and 15% said they have the facility for the workers.

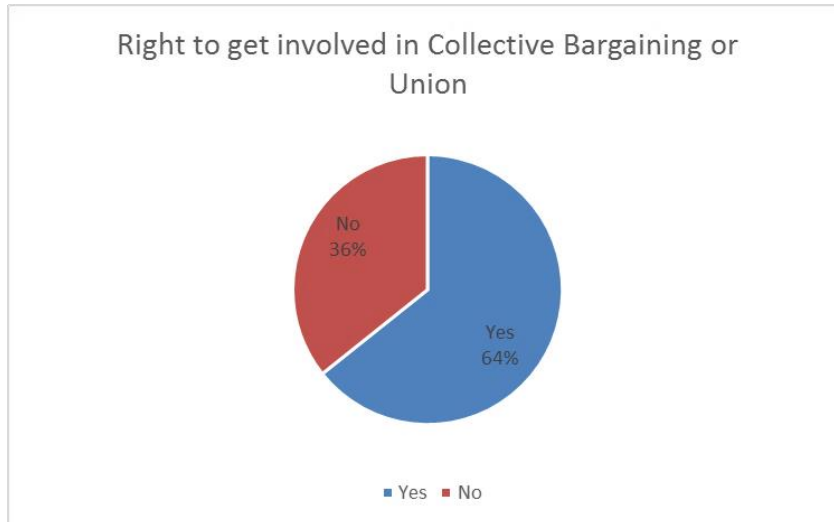


Figure 25: Freedom of association (Source: made by author, according to survey question 20)

Involving with collective bargaining is workers’ rights unless otherwise stated. This 20th question tried to know whether the workers in the particular factory have access to get involved with collective bargaining or not. The response shows that 64% factory’s workers have access to collective bargaining while 36% respondent said their workers do not have access to get involved with collective bargaining or union.

Table 7: Rate & rank of the importance of having superior working condition for workers (Source: made by author, according to survey question 21)

Statement	Very Low		Low		Moderate		High	Very High		
Employee retention	3	5%	15	27%	17	30%	7	12%	14	25%
Greater Profitability	1	2%	4	7%	9	16%	11	20%	31	55%
To attract Buyer	0	0%	4	7%	15	27%	6	11%	31	55%

Here in this question the author wanted to know the perception of respondent regarding three aspects for having superior working condition for the worker in fast fashion industry. The aspects are employee retention, greater profitability and to be attractive to buyer. In case of employee retention the 30% of respondents though its impact is moderate, which in author’s opinion is the reflection of workers abundance in Bangladesh market. 55% of respondents think that having superior work condition results in greater profitability. Lastly, 55% respondents who are 31 in number think superior work environment will have very high impact to attract

buyers. The author thinks employee retention has less value to factory management as there is abundance of worker in labor market. On the other hand, the management are quite interested on superior working condition because they believe it result in greater profitability and it can attract large numbers of buyers.

Table 8: Rank of buyer's attitude towards the whole production process (Source: made by author, according to survey question 22)

Statement	Very Low		Low		Moderate		High		Very High	
Superior working condition	1	2%	15	27%	16	28%	9	16%	15	27%
Safety & Compliance	0	0%	7	13%	22	39%	4	7%	23	41%
Price Finished Product	1	2%	7	13%	10	18%	10	18%	27	49%
Delivery time	3	5%	5	9%	8	14%	11	20%	29	52%
Quality	0	0%	1	2%	8	14%	13	23%	34	61%

22nd question was to know perception regarding buyer's attitude regarding whole production process in the aspects of "Superior working condition", "Safety and security", "Price of finished product", "Delivery time" and "quality of the product". According to 28% of the respondents superior working condition has the moderate impact for buyer's attitude in the production process. Safety and compliance have very high impact in buyer's attitude with 41% respondent's response. Price of the finished product has very high impact factor in buyer's mind where 49% respondents have the belief like that. 52% respondent believes that delivery time is very high in impact factor towards buyer's attitude. When it came to quality 61% respondents believe buyer has very high impact in quality of the finished product. The author believes from the data that, buyers are more focused with quality, delivery time and price of the finished products then the safety and superior working condition. The nature of fast fashion is also directly linked with price, delivery time and quality as well. Safety, compliance and superior working condition are important through legislation but for the fast fashion industry there is always an escaping tendency in the working condition, a sad truth according to author.

Table 9: Ranking of the reasons for tremendous growth in Ready Made Garment sector of Bangladesh (Source: made by author, according to survey question 23)

Statement	Very Low		Low		Moderate		High		Very High	
Cheap Labor	8	14%	8	14%	3	5%	6	11%	31	55%
Strategic Location	1	2%	8	14%	16	29%	13	24%	17	31%
Good Infrastructure	0	0%	12	21%	17	30%	12	21%	15	27%
Professionalism	1	2%	6	11%	15	27%	10	18%	24	43%
Technical Know How	2	4%	1	2%	12	21%	18	32%	23	41%

23rd question was to know the perception of respondent regarding the tremendous growth of readymade garment industry in Bangladesh. The author asked the aspect in the view of "cheap labor", "Strategic location",

“Good infrastructure”, “professionalism” and “Technical know-how”. As expected, 55% respondents believe that cheap labor has a very high impact for the growth in Readymade garment industry that Bangladesh is enjoying, when it is location 31% respondent believe Bangladesh having a strategic location also an important factor for Bangladesh’s growth in the sector. 30% respondents believe that good infrastructure has moderate influence on Bangladesh’s growth. After being a flagship industry for the country in question workers and management do possess a high level of professionalism and 43% of the respondents believe that it has a very high influence for the growth as well. Technical know-how also has a very high impact according to 41% respondents. According to author’s perception from analyzing the data for this question it is evident cheap labor is the by far most high reason for the growth of RMG industry in Bangladesh. But at the same time the industry personnel has acquired certain level of professionalism and technical know-how and that is why Bangladesh’s RMG sector still on the rise. While until very recently the government of Bangladesh is paying much focus on infrastructure but it has moderate influence for the growth the country is enjoying.

Table 10: Ranking of the reason that may hinder the growth of Bangladesh in RMG sector (source: made by author, according to research question 24)

Statement	Very Low		Low		Moderate		High		Very High	
Political Unrest	12	23%	2	4%	6	11%	8	15%	25	47%
Infrastructural Shortage	2	3%	24	43%	9	16%	14	25%	7	13%
Less Branding	14	25%	15	27%	8	14%	15	27%	4	7%
Environmental Issues	3	5%	10	18%	12	22%	14	25%	17	30%
Unpredictable Global Change	2	3%	11	20%	11	20%	14	25%	18	32%

24th question was the last question which made in the view to know the perception of respondents for the reasons which can hinder the growth of readymade garment industry of Bangladesh. Author wanted to know the perception on following issues for this regard “political unrest”, “Infrastructural shortage”, “Less branding”, “environmental issues” and “unpredicted global changes”. First aspect was to know about the impact of political unrest on growth of the sector. 47% respondents believe that political unrest has a very high impact which can hinder the growth. 43% respondents believe infrastructural shortage has low impact on the growth of the sector. When it came to branding issue, 27% respondents believe that it has high impact which can hinder the growth, on the other hand another 27% respondents believe that it has low impact for hindering the growth. While 30% of the respondents believe that environment issues could have negative impact in very high manner which could hinder the growth of the sector. Finally when it is about unpredictable global changes, 32% of the respondents believe that it could have very high influence to hinder the growth of the sector. The author believes, among all the reason political unrest is the champion of all which can seriously affect the sector. Bangladesh has a fragile politics where strikes, shut down are very much common practice. In the fast fashion industry delivery time is the one of the top most priority for retail brand owners and suppliers as well. A missed schedule in shipment could have a catastrophic effect on both parties and eventually for the whole industry reputation.

CHAPTER 6 - CONCLUSION

This chapter will draw conclusion based on the existing labour policy and practice as well as from the online survey outcome and research. International organizations compliance and labour policy and previous case study on workers' rights violation will help to make a conclusive statement on the research questions.

Research Questions 1: What is the problem and practice in labour policy in ready made garment industry of Bangladesh?

Ready made garment industry of Bangladesh is still in the growth stage. Free market economy always wants to maximize its profit without ensuring proper rights and justice to its main resource which is human. Human being the best species should have minimum level of standard ensured in the work place but the RMG industry of Bangladesh have witnessed some of the deadliest human rights violations in workplace in the history of mankind. The accident like Rana Plaza has shaken the world. The constitution of Bangladesh, Bangladesh labour law 2006 and ILO guidelines and various policy makers are there for the betterment of the industry in question but the greed and profit maximizing tendency influenced the employer for breaching the law which suffered the workers a lot. Child labour, underpay, industrial accidents made negative impacts on particular industry. Having a tag like biggest export earner cannot be a cause for lack of accountability, which is seen in the case of Bangladesh. Government supervision and international watchdogs has a big role to play not only in legislative terms but also in ensuring the practice. On the other hand, a manufacturing hub being attractive only for cheap labour is another deadly reason which also has indirect to direct impact to the problem and practice. "Fast Fashion" a terminology which is creating lots inferior products and industrial waste is a prime reason where Bangladesh market has very little to play.

Research Questions 2: How the ready made garment industry of Bangladesh can become more compliant and ensure a better work place?

As a growing economy Bangladesh is heavily depending on the ready made garment sector. This particular sector already helped ensuring women empowerment, GDP growth and many socio economic paradigms. The world is connected than ever before and making business without ensuring ethical standard is no more acceptable or even possible. Like any trade ensuring the compliance and better work place in RMG industry Bangladesh heavily depends on multi party collaboration. After the Rana Plaza incident there has been lot of actions taken place and thus government of Bangladesh already trying hard to avoid any sorts of occupational hazards in this particular sector. Many foreign watchdogs including ILO created extensive pressures which made Bangladesh government to amend the Bangladesh Labour law 2006. But in practice there is still a long way to go. It is the retail brand owner who has a big game to play. Bangladesh RMG sector gained lots of experience in past few decades and the technical know-how has its own value. Thus it is the brand owner who should try to focus on the quality as well apart from cheap price. Going only to cheap solution creates pressures on manufacturer in country like Bangladesh where the abundance of workers are there. On the other hand, the end user of cloths should also take steps to create pressures on retailer. Apart from cheap price, a benchmark need to create where there should be a mechanism to know the origin of the product, how the product being made and in which condition it was made. Ensuring ethical supply chain must be ensured and maintained. After

Rana Plaza there was a pressure from Retail brand owner to shift their production from Bangladesh which might have an even worse impact on socio economy of Bangladesh. It is the brand owner who should create pressures, guide and step forward to help Bangladesh government to ensure better work environment.

Safety nets for the workers like insurance, day care facility and some of the basic workers' rights should be maintained by complying international rules and practice. More dialogues, trainings and unscheduled factory visit should be conducted.

The garment sector has great contribution towards Bangladesh economy and growing concern on workers' rights violation also prevails with the success story. In order to sustain the growth, it is high time for Bangladesh government to ensure work place safety, security and facility through the authoritative leadership. On the other hand retail brand owner should also take steps on changing the attitudes on cheap price, they should consider the branding their products as ethically sourced product and thus can create a new demand which should be beneficial for both for their business and workers who made this.

CHAPTER-7 SUMMARY

The purpose of this thesis is to identify the problem, practice and probable solutions in ready made garment industry of Bangladesh containing focal point of Labour policy. Fast fashion trend, intense competition, customers' expectation, high salary of workers in western countries has forced the brands to source their product from developing countries where the cost of labour is cheap and resources are cheap as well. Thus we could see a prolific growth of readymade garment industry in developing countries of Asia and South East Asia. Being an over populated small country, Bangladesh has become giant in readymade garment industry where they are among top three producers and still enjoying sky rocketing growth in this sector. Strategic location, cheap labour cost, cheap set up cost made Bangladesh as a hot spot for all foreign buyers.

Deadly industrial accidents like Rana Plaza and Tazreen Fashion have helped various international watchdogs to identify labour rights violations and create pressures to ensure the occupational health and safety issues in Bangladesh RMG sector. Besides, research questions have been brought out to know the actual practice and work condition of RMG industry in Bangladesh.

The research has been carried out by reviewing various literatures on business ethics, ILO conventions, international companies' code of conducts and Bangladesh labour law. The research also includes empirical data analysis and an exploratory survey was made by online survey questionnaire. A conclusive recommendation was made based on the exploratory research.

Despite having various reforms and recommendation for better work place safety for the betterment of workers and employees, it is a long way and complex issue to ensure the ethical standard and ethical sourcing of ready made garments. A solution could be the altering of buyers' attitude towards fast fashion trend.

The research can be used further for finding the route cause and practice in garment industry relating to labor policy in Bangladesh, similar South Asian manufacturing hub or similar emerging markets. The work can also be used for ensuring basic workers' right in work place. Most importantly this thesis work might help to ensure minimum standard to be maintained in labour intensive industry like readymade garment industry.

KOKKUVÕTE

Antud magistritöö eesmärk on kaardistada Bangladeshis rõivatööstuse probleeme, praktikad ja võimalikud lahendused keskendudes tööjõupoliitikale. Kiirmoe pidevalt muutuvad trendid, tugev konkurents, tarbijate suurenevad ootused ning Lääneriikides makstavad kõrged palgad on sundinud moebrände vaatama arengumaade poole, kus nii tööjõud kui muud ressursid on odavad. See on toonud Aasia ja Kagu-Aasia maades kaasa rõivatööstuse tohutu kasvu. Bangladesh, mis on territooriumilt väike ja ülerahvastatud, on muutunud üheks kolmest rõivatööstuse tippruugist ning kiire kasv selles sektoris jätkub. Bangladesh meelitab strateegilise asukoha, odava tööjõu ja madalate kuludega.

Rana Plaza ja Tazreen Fashioni-sugused surmavad tööstuslikud õnnetusjuhtumid on juhtinud rahvusvaheliste organisatsioonide tähelepanu tööliste väärkohtlemisele ja on sundinud Bangladeshis rõivatööstust tegelema töötervishoiu ja turvalisuse küsimustega. Lisaks on välja toodud küsimustikud, mis aitavad kaasa tegeliku olukorra välja selgitamisele Bangladeshis rõivatööstuses.

Uurimus on läbi viidud toetudes erinevatele kirjalikele allikatele, mis tegelevad ärietikaga, ILO konventsioonidele, rahvusvaheliste firmade käitumiskoodeksitele ja Bangladeshis tööjõuseadusandlusele. Uurimus sisaldab ka empiirilist andmeanalüüsi ning uurimusliku osana online's läbiviidud küsitlust. Lõppjäreldus baseerub uurimuslikul osal.

Hoolimata sellest, et tööliste olukorra parandamiseks on läbi viidud mitmeid reforme ja antud arvukalt soovitusi, on rõivatööstuse eetiliseks muutumiseni veel kaia pikk tee. Üheks lahenduseks võiks olla ostjate suhtumise muutumine kiirmoodi.

Antud uurimuse raames võib edasi uurida rõivatööstuse ja tööjõupoliitikate põhjuseid ja praktikaid nii Bangladeshis kui ka teistes Lõuna-Aasia tööstuskeskustes. Uurimust võib kasutada ka tööliste põhiõiguste tagamiseks töökohal. Mis kõige olulisem, antud uurimustöö võib aidata kaasa sellele, et tööjõurohkel elualadel nagu seda on rõivatööstus, oleks tagatud minimaalsed standardid.

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Appendix

A Short Survey on Ethical Approach to Labour Policy in Ready Made Garment Industry of Bangladesh

Tallinn University of Technology is running a study on "Ethical Approach to Labour Policy in Ready Made Garment Industry of Bangladesh". Related information from your company would help to gather data for the research. This survey will take only five minutes to complete.

Ready Made Garment Industry is the flagship industry of Bangladesh. The Economy of Bangladesh is heavily dependent on this industry in question. Being among the top three largest manufacturer of ready made garment in the world and having the continuous growth, Bangladesh is aiming to surpass China, a leading ready made garment exporting country in the world. However, the strength of Ready Made Garment Industry in Bangladesh is largely attributed to the availability of cheap workforce. This survey will try to get some insights of the labour policy in RMG sector of Bangladesh.

Type of Company you work for?

- Factory
- Buying House/Intermediaries
- Retail
- Wholesale
- Other...

Target Customer?

- Foreign
- Local
- Mix

Number of worker at Production Facility?

- From 500 to 1000
- 1000 over
- From 100 to 500
- From 50 to 100
- Less than 50

Perticipation of Women worker in the work force

- 20-40%
- 40-50%
- 50-60%
- 60% or More

Do you comply the Minimum National wage Structure in RMG sector

- Yes
- No

Do you employ underage worker in your Factory?

- Yes
- No

Are You a compliant factory According to Buyer?

- Yes
- No

Do you directly get the order from Buyer?

Yes

No

Do You Have Onsite Doctor in your Factory?

Yes

No

Do You have compulsory overtime for the workers?

Yes

No

Do You have Maternity Leave?

Yes

No

What is the length of maternity leave?

Less Than 3 months

More than 3 month but less than 6 months

More than 6 months

Do you have provident fund , gratuity facilities etc for the workers?

Yes

No

Do you have transport facility for the workers?

Yes

No

Do you have accommodation facility for the workers?

Yes

No

Do you have recreational facilities for the workers?

Yes

No

Are your workers covered by the Insurance Policy?

Yes

No

Do you have onsite restaurant to dine in?

Yes

No

Do you have Day Care facilities for the children of women workers?

Yes

No

Does your worker have the right to get involved in Collective Bargaining or Union?

Yes

No

Please rate & rank the importance of having superior working condition for your workers?

	Extremely Low	2	3	4	Extremely High
Employee Retention	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Greater Profitability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
To attract buyer	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Rank the buyer's attitude towards the whole production process?

	Extremely Low	2	3	4	Extremely High
Superior Working Condition	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Safety and Compliance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price of Finished Product	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Delivery time	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please rank the reason for tremendous growth in Ready Made Garment sector of Bangladesh?

	Extremely Low	2	3	4	Extremely High
Cheap labor	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Strategic Location	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Good Infrastructure	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Professionalism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Technical Know How	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please rank the reason that may hinder the growth of Bangladesh in RMG sector?

	Extremely Low	2	3	4	Extremely High
Political Unrest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Infrastructural Shortage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Less Branding	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Environmental Issues	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Unpredictable Global Changes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

SUBMIT