



BANGLADESH SUSTAINABILITY COMPACT @ 4: SITUATION WORSENING, TIME FOR ACTION IS NOW

May 2017

For four years, the global trade union movement has provided comprehensive data and analysis to the 3+5 Group to assist it in monitoring the implementation of the Bangladesh Sustainability Compact. Each year, we detailed as to each element of the Compact how the government failed to meet its commitments. Each year, the various bodies of the ILO supervisory system have affirmed our analysis – including a highly critical High Level Tripartite Mission Report and a “special paragraph” from the Conference Committee on the Application of Standards in 2016. The report of the ILO Committee of Experts as to the application of Conventions 87 and 98 reflect the alarm within the ILO system with the situation in the country. This was all **before** the brutal crackdown on garment workers in Ashulia in December 2016. Complaints are now pending before the ILO Committee on Freedom of Association and several of the UN special procedures mandate holders.

In sum, despite the Sustainability Compact, despite millions donated in international assistance towards improving industrial relations and even the efforts of some brands, the government has demonstrated beyond any doubt that continued dialogue mechanisms have failed and will do little if anything to improve conditions of the more than 4 million garment workers and the many millions more in other sectors. *It is time to initiate a GSP investigation.*

We understand that some are reluctant to do so, out of concern for the economic impact – particularly on workers. These concerns are largely misplaced. The investigation process is lengthy and provides ample time for the government to take the measures necessary to comply with the GSP. It does not take time to, e.g., register unions, investigate anti-union dismissals or to extend the Bangladesh Labour Act to the EPZs. It takes political will. We are also confident that EU-based brands, which benefit from the lower tariff on these goods, would become fully engaged in finding solutions, along with trade unions.

In this update, we will not restate our previous observations as there has been no progress made on any issue in the Compact since our November 2016 Compact update (attached). Instead we provide a shorter document where there have been significant changes.

I Bangladesh Escalates Anti-Union Behaviour in 2016

In the final days of 2016, the government of Bangladesh and garment manufacturers unleashed a wave of repression against garment workers following a demonstration for higher wages which started on 11 December in Ashulia, an industrial area in the capital city of Dhaka. The minimum wage for garment workers in Bangladesh remains roughly \$65 per

month, far below neighbouring garment-producing countries such as Cambodia. Police also rounded up union leaders and union organisers, many of whom were not even in Ashulia at the time of the demonstrations. Most were charged under provisions of an emergency powers law that were repealed in the 1990s. Garment manufacturers filed additional claims against union leaders alleging property damage though no evidence to support these claims has yet been produced. The leadership of the Bangladesh Garment Manufacturers Employers Association (BGMEA), among the most powerful organisations in the country with several of its members holding national political office, organised factory managers to suspend, dismiss or force to resign well over 1,600 workers in a massive and coordinated closure of roughly 60 garment factories. Union leaders in these factories were sacked.

Police also raided the offices of unions and worker rights NGOs, disrupting their activities and closing their doors. For example, police barged into a health and safety training convened by the Bangladesh Independent Garment Workers Union Federation (BIGUF), funded by the International Labour Organisation (ILO), on 20 January 2017. The police gathered the participants and told them, falsely, that such training required a prior police permit. The lead inspector threatened workers not to continue to associate with the union and warned that he would drown the Vice-President of the union in a ditch if he found him. The General Secretary, who was present, was told she must leave the union at once or face legal consequences. In the end, police gathered the personal information of the participants and their family members and confiscated the program materials. The police then padlocked the doors and closed the office. Several other unions and NGOs experienced similar intrusions by the police, resulting in offices being closed.

On 25 February, BGMEA was set to host the Dhaka Apparel Summit. Following an international campaign, major international brands decided not to attend due to the Ashulia crackdown. As a result, BGMEA and government representatives reached an agreement with the IndustriALL Bangladesh Council, a coalition of garment union federations, on February 23. Subsequently, all detained workers were released on bail though *all the criminal charges remain pending*. Union and NGO offices were re-opened *though police surveillance and harassment continue*. The Global Framework Agreements that IndustriALL Global Union has signed with a global brand has created a process for the implementation of the tripartite agreement at six factories. At the rest of the factories, there is no prospect of reinstatement.

The commitment of the government to follow through on these commitments remains in doubt. On 3 March, a police officer disrupted a collective bargaining training at the BIGUF office in Chittagong. The officer questioned the two trainers, BIGUF staff and factory-level union leaders. During lunchtime, multiple officers interrogated participants about the training and their union activity. The police remained for about 45 minutes before the activity was called off and BIGUF decided to close the office.

As a result of pressure from the industrial police, the landlord of the National Garment Workers Federation's building in Ashulia has terminated the lease and is asking the union to vacate the building by the end of April 2017.

II. Compact Commitments on Freedom of Association and Collective Bargaining Are Still Unmet

- The government has failed to make any additional amendments to the Bangladesh Labour Act of 2006.

In 2017, the Committee of Experts explained that it “**deeply regrets** that the Government has once again failed to provide information on the steps taken to review the abovementioned provisions of the BLA and notes that the Government simply indicates that the review of the BLA in 2013 involved tripartite consultations with workers and employers, as well as the ILO.”

The Implementing Rules to the BLA were issued two years late and are deeply flawed.

In 2017, the Committee of Experts requested, “the Government to undertake any necessary measures to ensure that, under the Bangladesh Labour Rules, workers’ organizations are neither restricted nor subject to interference in the exercise of their activities and internal affairs, that unfair labour practices are effectively prevented and that all workers, without distinction whatsoever, may participate in the election of representatives.”

The government has flatly rejected making further amendments to either the BLA or the Rules to bring them into compliance with Conventions 87 and 98.

- The government denies workers in the EPZs the right to freedom of association. It has repeatedly rejected extending this right to EPZs workers, citing prior commitments to international investors to keep the zones union-free.

In 2017, the ILO Committee of Experts recalled, “both the Conference Committee and the high-level tripartite mission requested the Government to ensure that any new legislation for the EPZs allows for full freedom of association, including the right to form free and independent trade unions and to associate with the organizations of their own choosing, and emphasizing the desirability of a harmonization of the labour law throughout the country which would ensure that the rights, inspection, judicial review and enforcement are equal for all workers and employers, the Committee requests the Government to address all the issues noted... thereby providing equal rights of freedom of association to all workers and bringing the EPZs within the purview of the labour inspectorate (Chapter XX of the BLA).

- Anti-union discrimination in the RMG sector and elsewhere continues apace, and the government has failed to investigate these cases, sanction employers and provide workers an effective remedy – including reinstatement and compensation.

In 2017, the Committee of Experts “noted with **concern** the observations of the International Trade Union Confederation (ITUC) submitted under the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), alleging numerous instances of anti-union discrimination, slowness of the labour inspectorate in responding to such allegations and the lack of adequate sanctions in practice, as well as a serious lack of commitment to the rule of law in this respect. The Committee also notes the conclusions of the high-level tripartite mission that visited Bangladesh in April 2016, which noted with concern the numerous allegations of anti-union discrimination and harassment of workers, including dismissals, blacklisting, transfers, arrests, detention, threats and false criminal charges combined with insufficient labour inspection, lack of remedy and redress and delays in judicial proceedings. The Committee further recalls that the Conference Committee, when examining the individual case of Bangladesh under Convention No. 87 in June 2016, urged the Government to investigate as a matter of urgency all acts of anti-union discrimination, ensure the reinstatement of those illegally dismissed, and impose fines or criminal sanctions (particularly in cases of violence against trade unionists) according to the law. In light of these considerations, the Committee trusts that all complaints of anti-union discrimination will be dealt with expeditiously and effectively.”

- Violence against trade unionists continues to be a serious problem. Five years later, no one has been held responsible for the murder of Aminul Islam.

In 2017, the Committee of Experts “**regrets** that, despite having replied to the 2015 ITUC observations, the Government does not address the specific incidents of violence against trade unionists alleged therein and fails to provide concrete information on the results of investigations or proceedings in this regard, including in relation to the 2012 murder of a trade unionist. The Committee further notes with **concern** the new allegations of specific

incidents of violence and use of force against trade unionists in the latest ITUC communication, as well as its general allegations that since 2013, trade union leaders have suffered violent retaliation by their employers, have been harassed and intimidated and that the police routinely fail to carry out credible investigations into such cases of anti-union violence.”

- The government continues to reject trade union registrations in the garment sector for no legal reason. From 2010-2017, half of all applications for union registration were denied. Of 860 total applications, 424 were granted and 417 were rejected. The number of registration applications have dropped precipitously since the peak in 2014 (392) to 2016 (130), as anti-union discrimination has continued and intensified (with impunity), and some unions have been told not to bother applying as their applications will be rejected.

In 2017, the Committee of Experts requested “the Government to provide information on the reasons for which such a high number of registration applications were refused in 2016 and to continue to provide statistics on the registration of trade unions and the use of the online registration application. The Committee further requests the Government to take any necessary measures to ensure that the registration process is a simple formality, which should not restrict the right of workers to establish organizations without previous authorization.”

- The government continues to thwart the establishment of unions in the Telecommunications and IT sector. Although a court ordered the recognition of a union in Grameenphone in June 2016 after lengthy legal proceedings, the company has not done so and the government has not registered the union or taken any action to compel recognition. The government has refused registration of the union at Banglalink for no legal reason. A claim was filed under the OECD Guidelines for Multinational Enterprises against Banglalink’s Dutch parent, Vimplecom, but there has been no progress. And finally, the government has rescinded the registration of the union at Accenture.

III. Occupational Health And Safety

- The government has still failed to hire the number of factory inspectors cited in the Sustainability Compact. But beyond the numbers is a profound lack of training and professionalism of inspectors, which undermine the effectiveness of factory inspections. ILO Dhaka has indicated that the government was still several years away from having a factory inspection service that could ensure building safety as well as enforce fundamental labour rights.
- The inspection of export-oriented RMG and knitwear factories has been divided among 2 private initiatives (the Accord and the Alliance) and the national effort under the NAP. While both private initiatives completed initial inspections in 2014, the National Initiative finished an initial inspection of the factories far behind schedule. In its last status report, DIFE indicated that 300 Corrective Action Plans (CAP) have been developed in factories under the national initiative but only 5 CAPs have been approved. *Of concern, this information has not been updated in over a year, as the information is from March 2016.* There is no public database of the actual inspections or CAPs. Therefore, progress on implementation is difficult to assess in the absence of a publicly available database for the CAPs under the National Initiative.
- There is very little evidence that the crucial remediation efforts under the national initiative are actually in process, and the financing of the remediation of the factories under the national effort is unclear. The ILO has highlighted the need for financing to support remediation in Bangladeshi factories, which underscored the absence of a

strategy to ensure the factories under the national initiative have the necessary financial support for remediation.

- In addition to these longstanding concerns, we would note that trade unions have been raising complaints regarding hazardous working conditions in shipbreaking and the leather tanneries for a long time. The government has taken no steps to address these serious concerns, which are leading to illness and death. The government recently decided to move the leather tanneries from Hazaribagh to Savar because of the pollution resulting from the toxic chemicals. However, there appears no plan to protect workers from exposure to these chemicals once the industry has moved.

Sincerely,

Yours sincerely,



Sharan Burrow

ITUC General Secretary



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