



Report on

Mapping on Organizing Workers in Keraniganj Apparel Hub, Dhaka, Bangladesh 2015

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Joyanta Roy
Study team leader-CBSG

List of Abbreviation and Acronyms

ASK	Ain o Salish Kendra
BFWS	Bangladesh Federation of Workers Solidarity
BGMEA	Bangladesh Garment Manufactures & Exporters Association
BIGUF	Bangladesh Independent Garment Workers Union Federation
BJSKP	Bangladesh JatiyoSramikKarmachariParishad
BKMEA	Bangladesh Knitwear Manufacturers and Exporters Association
BLF	Bangladesh Labour Welfare Foundation
BTGWL	Bangladesh Textile & Garments Workers League
CBSG	Capacity Building Service Group
DoL	Department of Labour
DRGTWU	Dhaka Readymade Garments Tailors Workers Union
EC	Executive Committee
FGD	Focus Group Discussion
FNV	Federatie Nederlandse Vakbeweging
GDP	Gross Domestic Product
GoB	Government of Bangladesh
GTWL	GarmentsTailorsWorkers League
GUF	Global Union of Federations
JDL	Joint Directorate of Labour
KII	Key Informant Interview
KKGSKU	Keraniganj KhudraGarmentsShromikKarmochari Union
KRGTL	Keraniganj Readymade Garments Tailor's League
NGWF	National GarmentsSramikFederation
RMG	Ready Made Garment
SBGSKF	Shadhin Bangla Garments SramikKarmachari Federation
SGSF	SommilitoGarmentsSramikFederation
SKOP	SramikKormochariOkyaParishad
WARBE	Welfare Association for the Rights of Bangladeshi Emigrants

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Executive Summary

Bangladesh is well known across the world for the burgeoning apparel industry, which is growing exponentially triggered by the demand from international buyers including Walmart, H&M, JC Penny. What is not very known to the most is that a parallel industry has grown over time to meet the ever-increasing home grown demand for various apparels including jeans, T-Shirts and other types of clothing. These industries are called local garments as they mainly meet local demand. This industry has developed by local entrepreneurs with small capital and no access to bank credit using locally available raw materials and leftovers from export oriented garment industries just other side of Dhaka City divided by the river Buriganga in a place called Keranigang. Over the last three decades, Keranigong local garment becomes an important element in national supply chain.

In the absence of any planned effort, this industry has developed rather haphazardly with very little oversight from the government. Worker rights and work environment long overlooked due to its informal nature of business, of late become important issues. Local and international labour rights organizations are increasing shading lights on this industry which employs a large number of workers. FNV Mondiaal with its local partner Bangladesh Labour Federation (BLF) has commissioned this mapping study to gain in depth information and insights in order to develop strategies to organise workers and assess potentiality to form workers unions. The mapping was done between February and June 2015 in Keraniganj Apparel Hub spread over 21.5 square kilometers.

Industry profile

This is a high density, narrow passage garment area with more than 6,350 garment factories of various sizes, production lines and capacities currently exist in the study area. Among those only 2% factories are significant in size with more than 50 machines, 17% of the factories operate between 21-50 machines, 40% of the factories operate between 11-20 machines while 25% of the factories operate between 6-10 machines. In addition to Apparel factories, more than 900 allied industries have developed to supply inputs and services to Keraniganj Apparel Hub which include embroidery, printing, dyeing & washing plant, packaging and so on. Like Apparel factories, these allied industries are also small in size and have developed by local entrepreneurs. Around 95% factories are owned by individuals while the remaining factories have joint ownership. As far as factory outputs are concerned, 64% factories only produce jeans apparels for men, women and kids. Another 30% factories produce woven clothing that includes shirt and pants mostly for men and kids. Only 3% factories produce both jeans and women clothing. Another 3% produce various garment products for male and female. Only a handful of factories produce knit items.

Product marketing and supply chain

Keraniganj Apparel Hub has developed on the back of a viable and efficient supply chain. The location itself provides the onus of the effective meeting point for raw material suppliers, producers, wholesalers and retailers as the supply chain actors. There are more than 9500 show rooms and sale centers within the hub to sale and market the produce. Keraniganj garment

industry sells its produce to local market catering mainly to the middle and lower middle class people. Products from the Keraniganj apparel factories area are sold all over the countries in retail shops, makeshift urban and rural markets as well as by street vendors. Every factory has a sales centre close to their factory but within Keraniganj which showcases and sells the product to wholesale agents or to the retailers. These sale centres are in effect an integral part of the garment factories. Some of the factory workers also work at the sales centre. Most producers use counterfeit labels of well-known brands in their products. It is taken as normal practices and no law enforcing officials raise any issue for this malpractice. Labels are produced locally using various international brand names and logos. Labels are procured from Islampur and Bongshal in Dhaka city. Some labels are produced in Keraniganj as well. They also imitate product design to make copycat items.

Workers

Keraniganj garment workers are mostly employed in plants and sales centres. More than 185,000 workers are currently employed in Keraniganj garment industry in March 2015. Among the total workers 143,000 are directly employed in the factory level activities while the remaining 42,000 are employed in sales centres. Among the workers there is male majority percentage (81%) in contrast to female. About 58% of workers are from out of central Dhaka and the remaining 42% workers are from southern area which covers greater Barisal and Khulna. Most of the workers (66%) live in Keraniganj while 21% of the workers live within the plant that all are male and 11% of the workers live outside of the Keraniganj. Workers do not receive any contract specifying their employment terms. The employer generally employs workers on an annual basis with an agreed terms and conditions including remuneration package (salary/piece rate/daily wage). The employer has the prerogative to terminate a worker any time even without any notice. Sometimes workers also leave the job without giving any notice. No arbitration system exists or practiced unless something serious occurs between employer and worker. There is no standard wage or compensation system as a whole in the Keraniganj Apparel Hub. In general, the helpers are paid on a monthly basis. On the other hand, operators and cutting masters mostly get their compensation on piece rate. Some of them also get a fixed but a small amount as monthly remuneration in addition to piece rate. As many as 81% workers receive wage based on piece rate. Another 12% gets monthly salary while only 2% gets a monthly salary in addition to piece rate. Among the salaried workers most of them are women and it's about 65%, whereas almost 88% of the piece rate workers are male. On average, a male worker earns BDT 9,793 while a female earns BDT 7,012 in a month. It should be noted that men are able to do work for longer hours than women, not that the wage rate is different. More than 82% workers receive partial salary in each month to maintain their basic needs. The factory owner normally clears all dues during two Muslim festivals. However, partial weekly payment is common especially for factory based workers. Daily payment is made very randomly to irregular workers and some cases to helpers. More than 76% workers receive wages weekly. About 22% workers get monthly payment.

Workers are to work 3-4 additional hours during the peak season when higher volume of orders needs to be met with increased production level. Main motivation for working long hours is to provide more and thus earn more. No overtime rule is followed in this industry as a whole. Even though, most people work on production contract basis, workers usually work 6 days in a week. The most notable financial benefit that goes to the workers is the festival bonus that is paid

mainly during the Eid festivals. Contract workers as well as salaried workers get a lump sum annual bonus.

Working environment

Keraniganj Apparel Hub has grown unplanned in a congested location mainly in multi-storied market cum industrial buildings and none built for industrial purposes. Access roads are narrow and often broken. Drainage systems are mainly filthy, over flow and mostly remain static. The mushrooming growth of garment units along with the growth of associated supply chain industries has caused an exponential expansion in the area. There has been hardly any safety regulation implemented in this area and no industrial inspection ever took place in this area. Within this severe unhygienic working environment, occupational health and safety of the Keraniganj Apparel Hub has to be looked into. Answers from the workers during the study are almost negative regarding the health and safety issues such as; access to safe drinking water, latrine and urinals, separate toilet for male and female, sufficiency in ventilation in lighting and safety measures at the workplace.

Unionisation

During the mapping exercise, three unions have been identified but these only cover a small segment of the workers and there has been a lackluster effort to organize workers in unions. In the mid-nineties there had been some efforts to establish a workers' union but those efforts did not produce much result as the sector is solely dominated by the factory owners and who are reluctant towards forming trade union. Some efforts are still on by a group of devoted workers but at a large scale these efforts remain limited. More than 97% workers who were interviewed during the survey are not aware of unionisation in the studied area. In this context BLF has undertaken initiatives to aware the workers about their rights and involve them through unionisation activities.

In the report a comparative analysis has been carried out between unionized and un-unionized workers and this comparison suggests that workers with better education, lives longer in Keraniganj, come from central Dhaka are more inclined to join a union. Furthermore comparing with the unionized worker to the un-unionized worker it's found that unionized workers enjoy some privileges as they are more aware about their rights.

Key challenges towards unionization comprise of; as the Keraniganj garment industry is fully formed by private entrepreneurs in an unstructured way, it remained unorganized and outside the purview of government regulatory machineries. In a large number of small and medium factories, owners and their family members also work alongside hired labours. Except for a few large factories, most factory owners do not have regulatory obligations to form/allow factory level workers' unions. There remains mistrust between owners and workers though owners seemed to be appreciative of some issues but defend their current practices mainly on business grounds. Workers on the other hand acknowledge the deprivations and agony in private discourse but are hesitant to make those loud and public. These are structural challenges for unionisation in Keraniganj Apparel Hub. Considering the challenges of unionisation in Keraniganj apparel hub there needs to be a carefully created strategy and action plan to invoke

workers into the unionisation process through a mixture of service rendering to awareness development to organizing. On the other hand, factory owners need to be taken to the contingency throughout the process. Therefore, unionisation work at least in the initial stage could be carried forward.

Conclusions and Summary of Recommendations

It is the high time to acknowledge the contribution of Keraniganj apparel hub in the domestic economy and to take initiatives to come up with a pervasive change for the development of the sector. Besides it is also the need of the hour uniting the workers of Keraniganj apparel factories which is increasingly recognized by all, including the national and international trade union organizations, NGOs and the country's own civil society.

The report has come up with some realistic recommendations addressed to all relevant stakeholders namely the Government, Bangladesh Labour Welfare Foundation (BLF), Business Associations and local worker unions. In view of the importance and relevance of Keraniganj apparel hub and the related factories, and at the same time the unsatisfactory and unhygienic working conditions, the stakeholders need to take appropriate actions to alleviate the current situation. The areas that need attention are manifold and include: policy advocacy for recognizing the sector as formal, and so as ensure regulatory framework to govern and monitoring, continuing education for working children, drawing attention to public and private service providing agencies, awareness raising on workers' right, training on occupational safety and health, legal safety net issues for improving the working environment and organizing workers.

Chapter 1: Introduction

1.1 Background

Over the past years, hundreds of small garment workshops have emerged in Keraniganj, Dhaka, producing mainly Western style garments destined for Bangladesh's local market. Thousands of workers are employed in the small workshops, often working under harsh conditions.

The Bangladesh Labour Welfare Foundation (BLF), supported by FNV Mondiaal, seeks to support worker organising in the Keraniganj-based garment industry. Trade union presence and membership is very low in Keraniganj. There is a complete lack of information about the industry and the conditions under which workers work and live. In order to develop strategies to support unions and organise workers such information is indispensable. Therefore, BLF and FNV Mondiaal commissioned CBSG and SOMO to carry out a mapping of the garment industry in Keraniganj.

This research focuses on working conditions in the Keraniganj garment workshops. In addition, the characteristics of the Keraniganj-based garment industry were studied, including: size of the workshops, products produced and supplier-buyer linkages. This report is written by CBSG, with input from SOMO.

1.2 Mapping objective

BLF has been active and working in Keraniganj Apparel area since 2012. BLF has a union affiliate namely Keraniganj Khudra Garments Shromik Karmochari Union that was established in 2001. BLF initiates various strategies aiming at organizing workers and union building (structures & unity) through their affiliates. In this backdrop, the objective of the mapping is to provide insight into current status of apparel workers at Keraniganj and their unionization in general, but in particular, to assess:

- concentration of apparel factories within Keraniganj;
- workforce in the Keraniganj apparel hub and their sex ratio;
- extent of unionization in the study area;
- characteristics of Keraniganj apparel workers; and
- situation of workers: both union and non-union members;

1.3 Methodology

The mapping study adopted a combination of quantitative and qualitative methods to gather data and information as well as in analysing the problems and issues as related to Keraniganj Apparel sector. The methodology and key variables were developed through a series of discussions between BLF, FNV Mondiaal and the study team. It approached multiple tools and techniques to gather mapping and production/supply chain data. These included:

Desk review of secondary information:

Data collected from Keraniganj Sub-district Resource Center and office (secretariat) of two Administrative Union are mainly used as secondary source of information. During this stage CBSG conducted reconnaissance visits to the mapping location particularly Keraniganj apparel

hub. CBSG transacted in the whole area and talked to people sporadically and got some preliminary information about the industry as a whole including its internal dynamics.

Clustering of Keraniganj Apparel industries area aided by Google Map:

The apparel hub at Keraniganj has been divided into sixteen clusters and many sub-clusters using internet based technology namely Google Map. CBSG team then profiled each and every clusters including physical counting of the factories.

Key Informants Interview with Keraniganj Apparel stakeholders and civil society members:

The CBSG team conducted 36 key informant interviews with five different stakeholders i.e. Plant Owner, Owner's Association Leaders, Union Leader, NGO officials and Transport Worker of Keraniganj Apparel Hub (see-Table 1).

Rapid survey of both unionized and non-unionized workers:

To know the situation of the workers a structured one to one interview administered over 240 workers. Of them 40 were unionized workers.

Focus Group Discussions:

CBSG conducted 11 FGDs with 4 different stakeholders. Among those 6 FGDs with plant workers, 2 with showroom workers, 1 with plant owner and 2 with showroom owners (see Table 1).

Mapping data validation workshop:

Just after the cluster profiling was completed, CBSG shared preliminary results of mapping among the various stakeholders i.e.; factory owner, showroom owner, business association leader, trade union leader, workers, NGO officials, and local government representatives at Keraniganj through a data validation workshop.

Coverage and extent

The coverage of the study spreads over Apparel industries at Keraniganj. The Apparel industries are concentrated in two unions of Keraniganj sub-district namely Aganagar and Suvadda. Therefore the mapping exercise was limited to only apparel hub concentrated 21.2 square Kilometers. A detail matrix containing extent of mapping exercise is provided in the annex. Below is the summary of the extent mapping exercise that included:

- Two unions divided into sixteen clusters.
- Total number of KIIs- 36
- Rapid survey of 240 workers (16.7% unionized and 20.0% female);
- Total number of FGDs- 11 (8 for male and 3 for female)
- In-depth case study of union.

Table 1: Extent of the study

Sl. No.	Name of the Stakeholder	No. of Interviewees		Total	No. of participants of the FGDs		No. of KILs
		Male	Female		Male	Female	
1	Plant Workers (Non-union member)	157	43	200	3 (30)	3 (27)	-
	Plant Workers (Union Member)	35	5	40	-	-	-
2	Showroom Workers	-	-	-	2 (20)	-	-
3	Plant Owner	-	-	-	1 (10)	-	20
4	Showroom Owner	-	-	-	2 (20)	-	
5	Owner's Association Leaders	-	-	-	-	-	2
6	Union Leader	-	-	-	-	-	2
7	NGO officials	-	-	-	-	-	3
8	Transport Worker	-	-	-	-	-	9
Total =		192	48	240	8	3	36

Note: Number of participants of the FGDs shows within the bracket

Data Triangulation:

The mapping exercise adopted several yet interrelated methods to derive information and data required to create a benchmark situation that prevails in Keraniganj Apparel industries at Keraniganj. The study team had the opportunity to triangulate data gathered from different sources and assess their convergence. The consultant team assembled results of key informant interviews, mapping of federations and unions, workers survey and made comparative analysis and triangulated among the data sources to draw synergy.

Field Operation and Quality Control:

The field data collection began in early March and continued till 20th of May 2015. During this period, training for the research team at real life field situation, field operation planning, mapping of federations and unions, key informants interviews, workers survey and case studies were conducted. A total of 28 field research investigators, divided into four groups, collected the mapping data.

The data collection team was aided with Internet technology (Google map) to map and count the Keraniganj Apparel factories in sixteen clusters and a number of sub-clusters. Each data collection team (6-8 members' team) consisted of one quality controller, who was responsible for allocating responsibility and specifying sub-clusters for each of investigators. As part of quality control activity, the quality controller on sample basis recounted the factories of sub-clusters and re-interviewed the workers besides guiding the research investigators at the factory level. It is to be mentioned that the senior consultants of the study team visited a

number of plants. They also conducted a number of interviews with key informants. The mapping data and survey was electronically processed using MS Excel and SPSS.

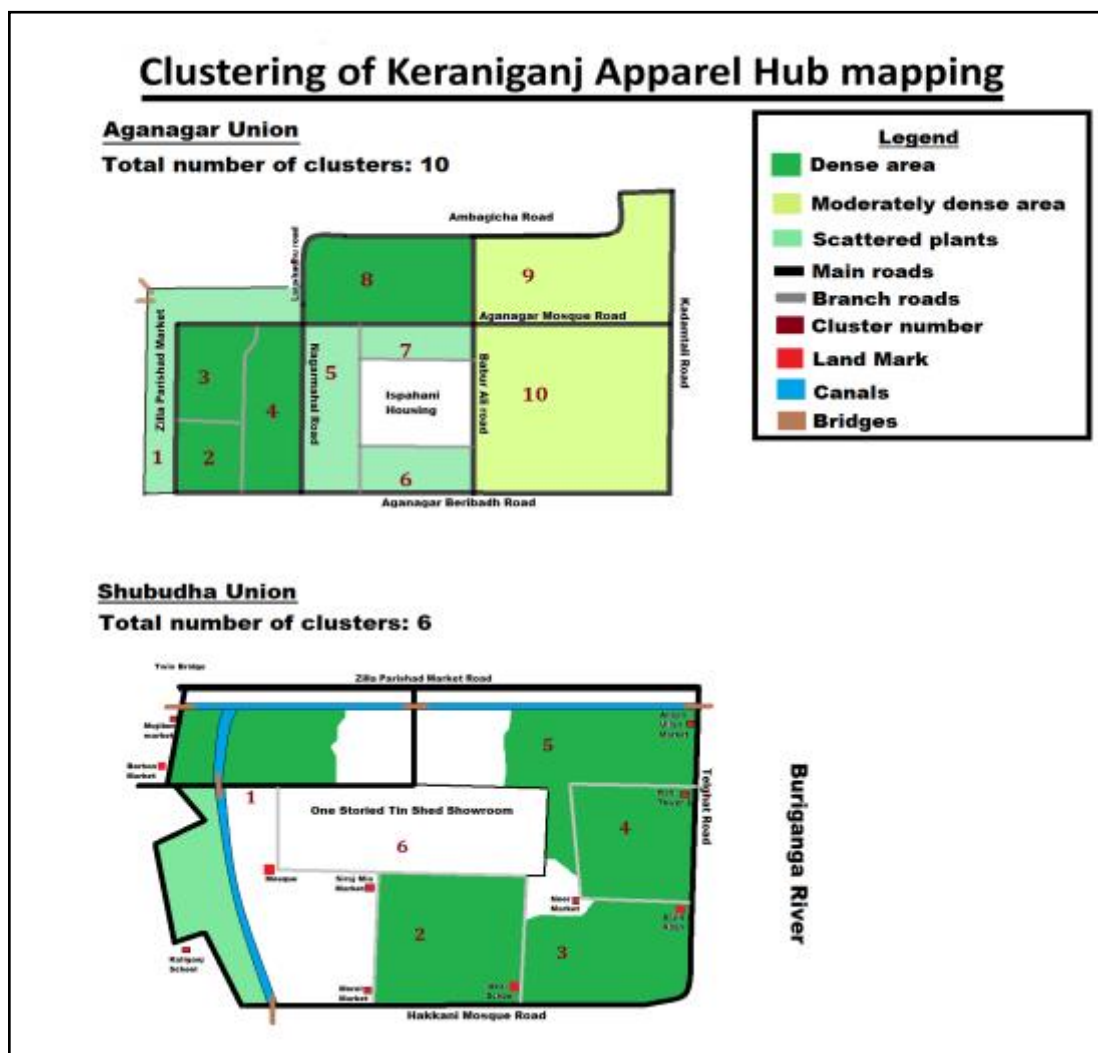


Figure 1: Clustering of Keraniganj Apparel Hub mapping

1.4 Limitations of the Study

- Unavailability of secondary information on the apparel sector in Keraniganj found as constraint in mapping.
- Congested roads and highly dense factories location impede the study team to reach the area by every corner.
- Uncooperative and suspicious attitude of plant owners and business association leaders is a great challenge in conducting KIIs and FGDs.
- Showroom workers and plant workers are too busy to talk to the interviewers.
- Workers are not well informed about various aspects of Keraniganj apparel hub.

1.5 Organisation of the Report

The report begins with an Executive Summary in the upfront. There are altogether four Chapters and organized in the following way.

Chapter 1 present's background and objective of the mapping study, methodology including desk review of secondary information, clustering of Keraniganj apparel hub aided by Google map, key informants interview with Keraniganj Apparel Hub stakeholders, limitations of the study.

Chapter 2 describes an overview and emergence of Keraniganj Apparel Hub, key points of garment industry which include production & supply chain dynamics, financing & insurance, product marketing & branding.

Chapter 3 includes employment and working conditions of the workers (salary, wage & compensation, working hours, occupational health & safety, unionization).

Chapter 4 depicts overall findings of the study, conclusions and recommendations.

At the last section, Appendix consists of selected photographs of Keraniganj Apparel Hub mapping exercise and union case studies.

In addition to the above, there are a number of annexes (Summary of KIIs with the stakeholders, summary of FGD findings, reference tables, notes of the debriefing workshop, general people's perception regarding Keraniganj Apparel Hub, participants list of preliminary findings sharing workshop, compliance with regulatory framework, key study team members of CBSG, Terms of Reference (TOR) and study tools of Keraniganj Apparel Hub study).

Chapter 2: The Keraniganj Garment Industry

2.1 An overview of Keraniganj - general characteristics with historical significance

Keraniganj stands on the southwest side of Dhaka City on the bank of Buriganga River. It is a sub-district of Dhaka district adjacent to the Dhaka city but separated by the river. However, two bridges connect Keraniganj with the Dhaka city.

It is spread over 166.87 square kilometers consisting of 12 geographical unions. Keraniganj Apparel Hub is mainly concentrated in two unions that stretch along the river Buriganga. According to District Statistics 2011, Dhaka¹; Keraniganj has a population of 794,360 with 53.10% male and 46.90% female. Total household is 177,970 and average size of Household is 4.42 (Sex ratio is 100: 113) and density of population in per sq. km. is 4760. Keraniganj had an average literacy rate of 58.5% (60.8% for male and 56.0% for female).

Keraniganj is a commercial and industrial hub. Both large and small scale industries are operating here in sectors such as garments, handlooms, wooden furniture and a few export oriented RMG factories². This sub-district boasts six growth centres and a large number of local markets and bazars. 43 Banks and 7 insurance companies have their branch in this sub-district demonstrating its commercial significance.

There are a large number of primary and secondary schools in this sub-district including a couple of technical and vocational institutes. There is also a government health complex and a large number of private hospitals and clinics. A significant number of national and local NGOs are present in this area providing a wide variety of services particularly to the poor and marginalized people in the field of micro finance, health, education, economic development, community mobilization and human rights.

The study area of Keraniganj included two Unions (lowest local government administrative structure in Bangladesh) spread over 21.5 square kilometer area within the Keraniganj sub-district. There are about 3.5 lac people live in these unions, where literacy rate is 69.87% and about 63% of the total populations are active labor force. A significant percentage of the labor forces are employed in agriculture (37.49%), commerce (23.32%), service (20.25%) and industry (14.26%). As Keraniganj is a major industrial hub, besides apparel factories there are some apparel affiliated industry such as dyeing, printing and other various factories; dockyard, metal workshop, rice mill etc.

¹Bangladesh Bureau of Statistics (BBS). 2013, *District Statistics 2011, Dhaka*: Bangladesh

²Located in the Hasnabad union which falls outside of the scope of this research as there are only a few garment manufacturers located in this area.

Table 2: Basic information - collected from the Union Parishad offices

Particulars		Union		Total
		Aganagar	Suvadda	
Area		6.5 sq. km	15 sq. km	21.5 sq.km
Population		59,034	285,625	3,44,659
Male		29080	153703	1,82,783
Female		28978	144923	1,73,901
Literacyrate		54.74%	85%	69.87%
Labor force		40,526 (68.65%)	175,316 (61.38%)	215,842 (62.63%)
Employment	Commerce	29%	22%	23.32%
	Service	23.5%	19.5%	20.25%
	Agriculture	24%	40.6%	37.49%
	Industry	18%	13.4%	14.26%
	Transportation	5.5%	4.5%	4.69%
Industry/Factory	Export oriented Garments	0	2	2
	Garments for local use	3425	2925	6350
	Rice mill	3	7	10
	Handloom	7	11	18
	Wooden furniture	25	15	40
	Bamboo and cane industry	6	4	10
	Jute Mill	0	1	1
	Poultry farm	5	9	14
	Brick kiln	1	5	6
	Metal workshop	4	13	17
	Dairy Farm	0	3	3
	Dockyard	0	7	7
	Printing press	4	9	13
	Plastic industry	1	2	3
	Others	5	11	16
	Total	3,486	3,024	6,510

2.2 Emergence of Keraniganj Apparel Hub

Keraniganj has been an integral part of Dhaka city for long because of its proximity to the city and the Buriganga river. A large number of small scale industries and workshops were established across the river bank to supply various industrial produce and meet demands of ever growing Dhaka city. Cloth washing plants were one of the important first plants which were followed by the establishment of a large number of nearby small commercial level tailoring workshops. Products from these tailoring houses are normally sold at streets, rural markets and low price shops. A large number of trained tailoring masters and sewing operators were already available in this area. As this area is outside the Dhaka city but still well connected, shop rent is significantly lower than in Dhaka city. Cost of living as a whole is also much lower than Dhaka. Therefore, labour cost was low and supply was plenty.

During the late eighties, a number of export oriented garment factories were established in Dhaka. This fuelled the growth of Keraniganj tailoring activities. Leftover fabrics from the RMG factories became an important source of raw materials to the local tailoring workshops at Keraniganj that use the cut piece cloths to make low cost apparels for local domestic markets.

As the export oriented RMG industry started growing in various parts of Dhaka, so the growth of Keraniganj based local garment factories. The supply of cheap leftover cloths from RMG factories is the main growth engine for Keraniganj as the local tailors quickly switch to using cheap foreign cloths to make apparels which are marketed across the country.

The Government has no role in the development of this industry. It is developed rather haphazardly with private initiatives from local and some outside entrepreneurs who have used their private capital to develop this industry. Initially there was no bank financing though currently there is a bank helping businesses with capital to run the factories. There are a number of local leaders who had helped the industry to grow here. In particular, Mr. Saifur Rahman, former Member of Parliament from Keraniganj and Mr. Md. Nur, former chairman of Suvadda Union Parishad have played a catalytic role to develop this industry. They have shielded the industry from government interference and ensured safety and discipline for the entrepreneurs. They also mobilized local people to help develop basic infrastructure including local roads, factory building construction and other infrastructure development. They along with few others have played the role of facilitators to develop this industry in this region.

2.3 An overview of Keraniganj Apparel Hub

2.3.1 Keraniganj Apparel Hub³

The Keraniganj Apparel Hub mainly uses various inputs including fabric, garment accessories, and allied industries services such as washing, embroidery, labels, packaging etc. to design and make wide range of male and female apparels mainly to cater local low cost and price sensitive market segments. In other words, Keraniganj garment industries fall between the supply chains of a complete industry which produces and markets variety of cloths and apparels mainly for local consumers. Keraniganj garments industries use fabric from local manufactures, wholesale fabric stores, and RMG factories which sale excess fabric as well as waste fabrics (commonly known as cut-piece or jhute).

The Keraniganj based apparel factories have successfully blended the high tech RMG industry production processes with traditional tailoring skills to give a new industry which provides high level of efficiency, economy of scale and productivity, all contributed to low cost product with reasonable quality. This industry has also brought lot of innovation in product design, production processes, technology adaptations and product diversification. All these give it a sustainable high growth industry which now enjoys a significant market share at the local level.

³ Although the Study ToR mentioned the word “Downstream” RMG in keraniganj, the study team finally named it as “Keraniganj Apparel Hub” to align with FNV comment on the final draft.

2.3.2 Production and supply chain dynamics

Keraniganj Apparel Hub has developed on the back of a viable and efficient supply chain. The location itself provides the onus of the effective meeting point for raw material suppliers, producers, wholesalers and retailers as the supply chain actors. It is worth to mention that the whole Keraniganj Apparel Hub is developed leveraging the spectacular growth and development of Bangladesh's export oriented garment industry and its associated supply chains - from raw materials to machine to accessories. Following section provides a description of Keraniganj Apparel Hub supply chain dynamics.

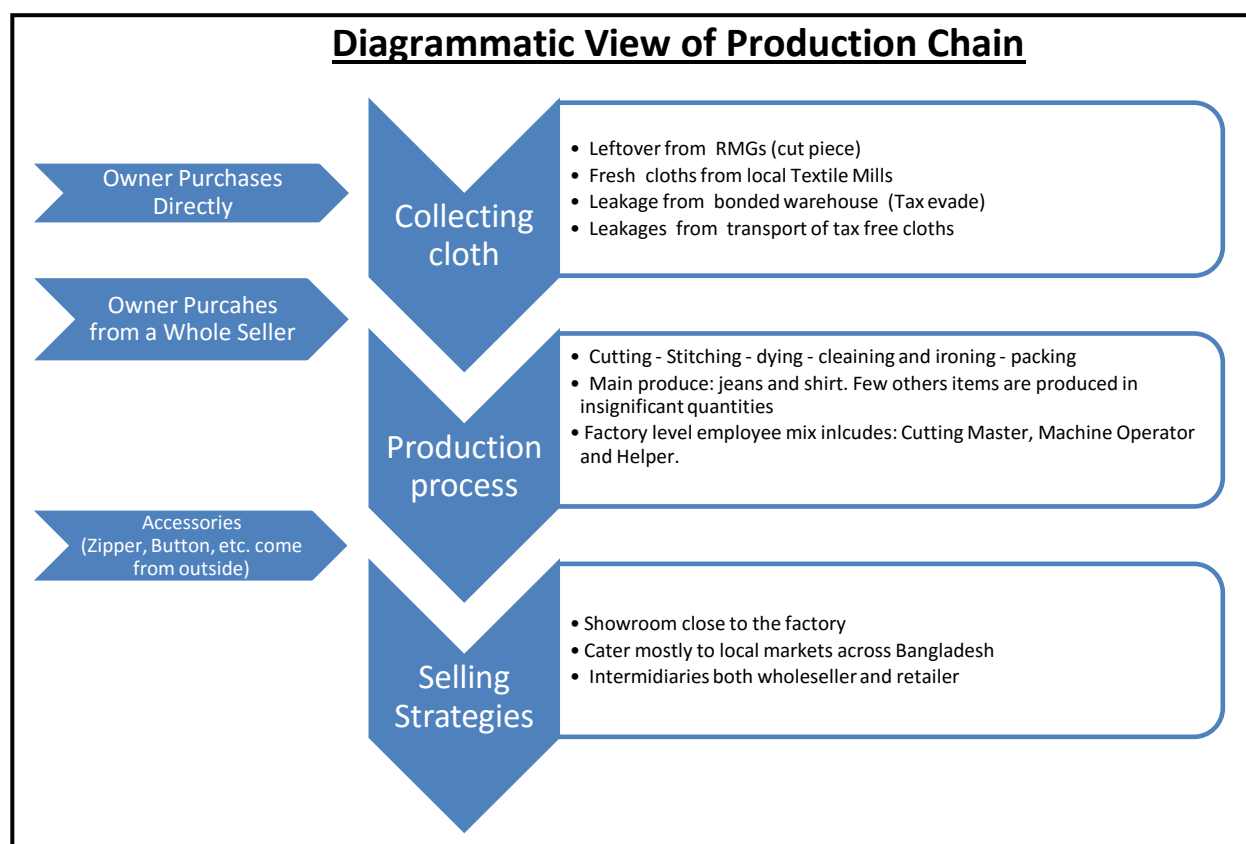


Figure 2: Diagrammatic view of production chain

2.3.3 Sourcing raw materials

Keraniganj Apparel Hub sources their major raw materials including fabrics, yarn locally. None of them import raw material from the international market though a good proportion of the raw materials notably clothing materials used there are actually produced overseas⁴ and reach the Keraniganj factories through multiple transfers.

There are some Islampur-based wholesale cloth traders who sell cloths of both from import and from local textile industries to the garment factories in Keraniganj. Some shops have also been established in Keraniganj area to sell cloths and other accessories to the factory. All these cloths hold reasonable quality.

Another important source of cloth is RMG leftover cloth after cutting which are often called "cut-piece" or Jhute cloth. Keraniganj based garments use these apparently unusable cloth to make apparels both for adults and kids.

Other major raw materials including thread, button, zippers etc. are also sourced from local specialized market based in old part of Dhaka. Some small scale shops are also established within the industry areas. Labels, logos and other fancy materials are also purchased from local market in Dhaka as well as Keraniganj.

2.3.4 Allied Industry

Apparel making is a highly specialised industry. A host of associated allied industries have developed within the periphery of these industries to service its needs which include embroidery, printing, dying & washing plant, packaging and so on. As many as 900 such allied industries have developed in this locality mainly to supply inputs and services to the garment industries in Keraniganj.

2.3.5 Financing and insurance

Most of these workshops have been set up by individual entrepreneurs with their personal savings and have trade license. Some also got small enterprise credit from Bank and Micro Finance NGOs. Borrowing from market formal and informal lenders is also common for this industry. They also purchase raw materials and accessories on credit.

There is a regular cash flow in this industry with production and sales continue throughout the year. However, cash flow increases significantly during festival seasons, mostly notably during the religious festival for the Muslims. All factories have regular banking relations while few have intense engagement with micro finance organisations. No factory is insured - material and labour.

2.3.6 Marketing of outputs

Keraniganj Apparel Hub sells its produce to local market catering mainly to the middle and lower middle class people - primarily for male kids, youth and adult. Some garment items for girls and female are also manufactured here though in limited quantity. The study team while interviewing key informants (Showroom and plant owners), came to know that in recent years, increasing number of garment items is being informally exported to Myanmar, Saudi Arabia, Middle Eastern Countries and India. It is done informally as no export formalities are being

⁴Fabrics are mainly imported from China, Thailand and India

done and no foreign exchange is remitted. Bangladeshi business people take these materials with them and let the material go through informal business route.

Generally, garments produced are marketed by respective factories through a designated sales centre. Most factories have their sales centre— a small showroom or market stand - in a nearby market which sells their produce on wholesale basis. In addition, there are sales centres which work as commission agent or representative for a number of factories. There are more than 9,000 sales centres currently engaged in marketing of product of more than 6,000 garment workshops. There are cases where large factories are running more than one sales centre to market their products.

There is a multi-layer marketing system that brings the apparel products from the factory to the sales centres, to the wholesaler to the retailers and finally to the end users. There are wholesalers from the locality who make bulk purchases from the factory or sales centres and then sell to district level wholesalers. There are regional or district level wholesalers who buy from sales centres and then sell to local level retailers. Some large retailers from Dhaka and other districts also buy garment products from the sale centres as well.

2.3.7 Scale and Operation of Keraniganj Apparel Hub

2.3.8 Size of the industry

The Keraniganj Apparel Hub is hugely concentrated in Keraniganj sub-district specifically in two unions along the bank of river Buriganga. As many as 6,350 garments factory of different sizes, production lines and capacities currently exist in these areas.

Table 3: Number of apparel plants in Keraniganj

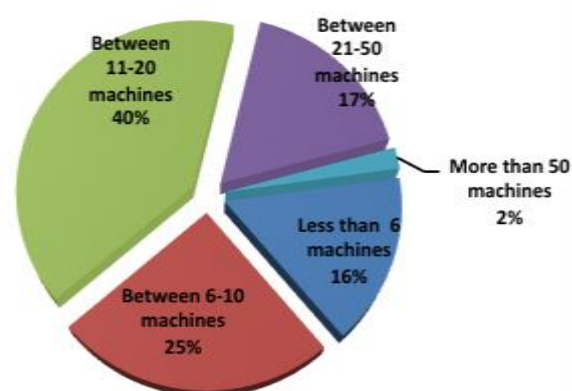
Union Name	No.	%
Aganagar	3,425	54
Suvadda	2,925	46
Total	6,350	100

2.3.9 Factory level machine numbers

There are factories with a few number of machines installed. On the other hand there are handful numbers of factories which have grown significantly. Out of the total 6,350 garment factories, only 2% factories are significant in size with more than 50 machines. On the other hand, 40% of the factories operate between 11-20 machines. 25% of the factories operate between 6-10 machines while 17% of the factories operate between 21-50 machines.

It is found that only 143 factories can be categorized as large with more than 50 machines installed. It is worth

Figure 3: Plant size by number of machines

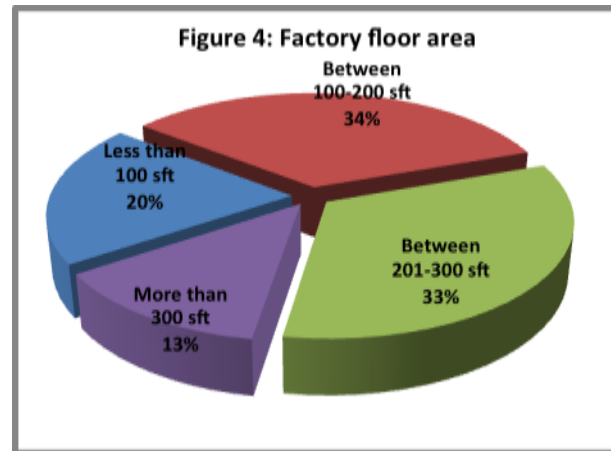


to mention that there are significant differences between machine types and machine capacities. Smaller factories mainly have low end sewing machine added with electric motor while medium and large factories most have industrial type sewing machine often procured from export oriented RMG factories. Production capacity of industrial sewing machines is much higher than the ordinary tailor type sewing machine. It takes higher skills to operate an industrial sewing machine than to operate a tailoring swing machine.

2.3.10 Factory floor area

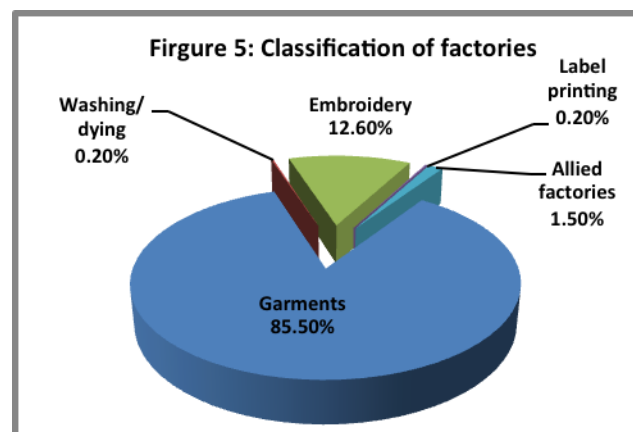
The floor size of Keraniganj Apparel factories can be divided into four categories. These are: Large, Medium, Small and Tiny in size. Accordingly, only 13% factories can be categorised as large factories while 33% and 34% factories can be categorised as medium and small factories respectively. The remaining 20% factories are tiny ones.

The following figure shows the detail union wise factory sizes by the floor size. From the figure, it is evident that the larger factories are mainly situated in the Aganagar Union while tiny factories are more in number in the Suvadda union. There is no specific reason as to why larger factories are more concentrated in the Suvadda union except for the reason that bigger space is more available there.



2.3.11 Factory types

The Keraniganj Apparel Hub consists of several interdependent production classes each complementing one another to give the shape of a complete industry. While garment making is the principal industry, it is complemented by a group on auxiliary industries with constitute the eco-system of the Apparel Hub in Keraniganj. While 85.5% industrial units are concentrating on producing apparels with cutting and sewing work, another 14.5% industrial units are providing auxiliary service as part of the supply chain.

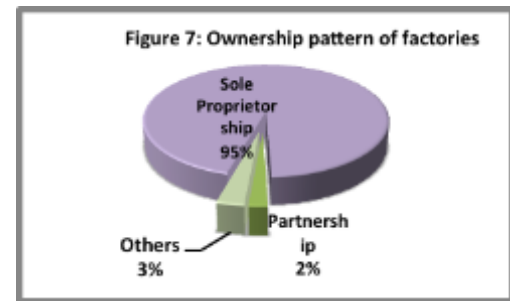


2.3.12 Product composition

Keraniganj Apparel Hub produce a variety of apparel items including knit, woven garments, jeans, and various other boys, girls, men's as well as women's clothing. Most factories are quite specialised and produce only one line of products/ apparels. The mapping exercise revealed that about 64% factories only produce jeans clothing for men, women and kids. Another 30% factories produce woven clothing that includes shirt and pants mostly for men and kids. Nearly 3% factories produce both jeans and women clothing. Another 3% produces various garment products for male and female. Only a handful of factories produce knit products.

2.3.13 Factory ownership patterns

As discussed earlier, most of the garment industries in Keraniganj have been developed by local entrepreneurs without bank finance. 95% of the factories are owned by individuals as sole proprietorship entity meaning only one person owns the factory. Only 2% factories are owned by two or several partners. The remaining 3% factories have different ownership patterns.



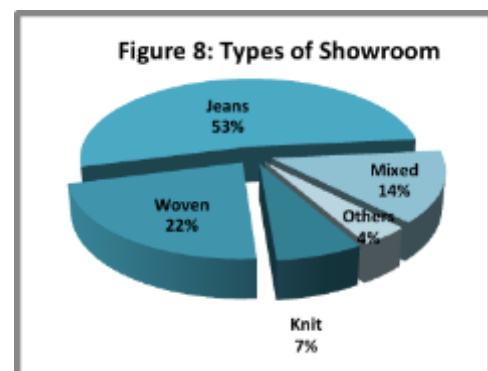
2.4 Seasonality

Keraniganj Apparel Hub mainly produces basic clothing that is consumed throughout the year. However, some items are produced targeting specific festival markets.

From the production point, there are hardly any lean periods. Most of the garment factories remain functional for most part of the year. Seasonal items are stockpiled to cater to the festival market. Even during the recent political turmoil, almost all factories were seen to be functioning in full capacities suggesting that there is constant demand for these products from local markets.

2.5 Product marketing

Products from the Keraniganj based apparel factories area are sold all over the countries in retail shops, makeshift urban and rural markets as well as by street vendors. Some garment items are also informally exported to India and Middle Eastern countries. Every factory has a sales centre close to their factory but within Keraniganj which showcases and sells the product to wholesale agents or to the retailers. These sale centres are in effect an integral part of the garment factories. Some of the factory workers also work at the sales centre. The following figure provides details about the sales centres. The total number of showrooms is 9500. The following figure details on garment sales centres.



2.6 Product branding

The study team while discussing with the key informants (Showroom owners, label sellers and plant owners) came to know that most producers use counterfeit labels of well-known brands in their products. It is taken as normal practices and no law enforcing officials raise any issue for this malpractice. Labels are produced locally using various international brand names and logos. Labels are procured from Islampur and Bongshal in Dhaka city. Some labels are produced in Keraniganj as well. They also imitate product design to make copycat items.

2.7 Export market

The study team attempted to find information regarding formal export linkage of Keraniganj Apparel Hub, but could not find any credible or authentic information, and therefore concluded that there is no formal export market for Keraniganj Apparel Hub. However, some of the shop/plant owners and transport workers reported that very little informal exports are made.

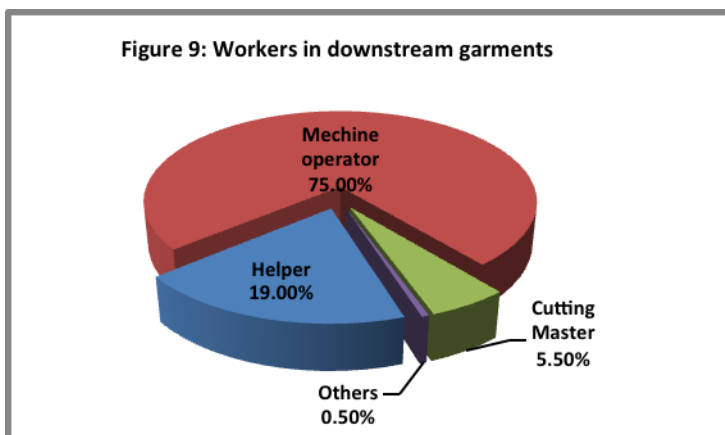
Most of such exports are done informally through the migrants carrying these products. with them mainly to Myanmar, India and few other Middle East countries where Bangladeshi migrants live in a large number.

Chapter 3: Employment and Working conditions

3.1 Workers in Keraniganj Apparel Hub

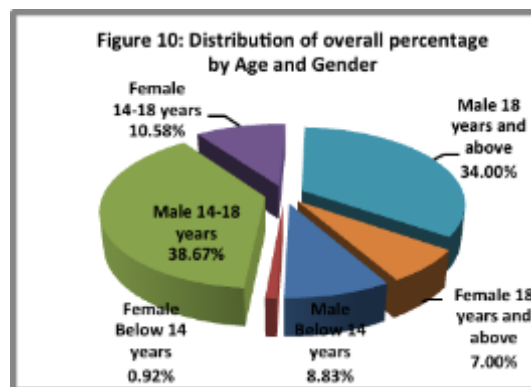
Keraniganj based garment workers are mostly employed in plants and sales centres. Altogether, more than 185,000 men, women and children are currently employed in Keraniganj Apparel Hub in March 2015. Out of the total employment, 143,000 people are directly employed in the factory level activities while the remaining 42,000 people are employed in sales centres.

While sales centre workers are responsible to promote sales of the product, there is a significant division of labour at the factory level mostly notably in three employment categories: Helper, Machine operator, Cutting Master and some other casual staff. 75% of the factory based employment are for the machine operators who mainly responsible for sewing and stitching. Helpers work as apprentice and do stitching but mainly provide assistance to Cutting master and machine operator. It normally takes two years for a helper to become a qualified machine operator. 19% of the people who are working in factories are helper /apprentice. Cutting masters are considered as professional position who designs and cut clothes to be stitched. In small factories, they also work as factory supervisor. 5.5% of the worker at the factories is cutting master. The remaining .5% worker works in a support role.



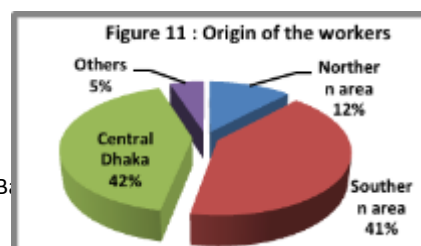
3.2 Gender and age composition of workers

Keraniganj Apparel Hub employs both male and female adults (18 years and above), children of age 14 to 18 years and below 14 years. Around 81% of the workers are male while 19% are female. A staggering 59% of the workers are below 18 years. Of them 9.75% are below 14 years. Around 12% of workers are girls who are below 18 years. Similarly, about half of the total workers are boys below 18 years of age. In other words, child labour is rampant in this industry.



3.3 Origin of the workers

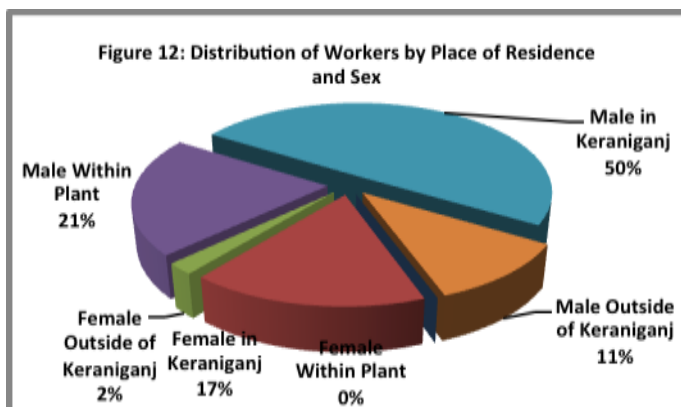
Workers come from different parts of the country. The mapping reveals that 58% of workers are from out of central



Dhaka and 41% among these workers are from southern area which covers greater Barisal and Khulna.

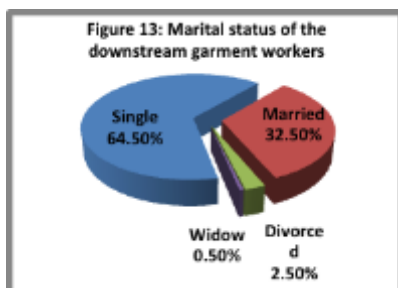
3.4 Workers by Place of Residence and Sex

About 66% of the workers live in Keraniganj. 21% of the workers live within the plant who all are male and 11% of the workers live outside of the Keraniganj.



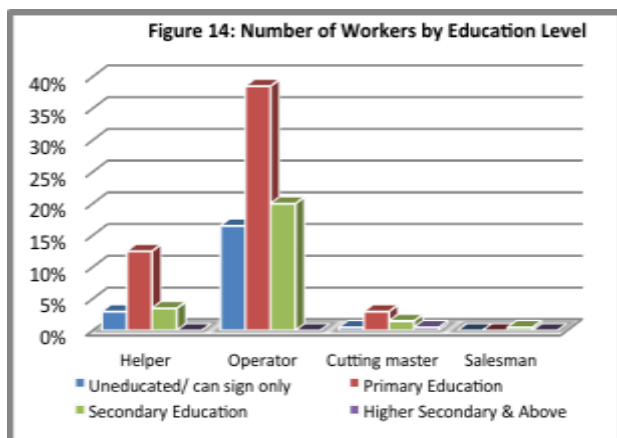
3.5 Marital status of the workers

About 65% of the workers are unmarried and 32.5% are married. About 3% of the workers are either divorced or widowed.



3.6 Educational status

In general, workers involved in Keraniganj Apparel Hub have low level of formal education. About 20% of them do not have any formal education. Most of them can only sign but can't

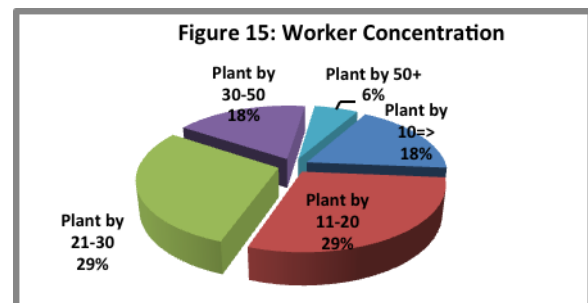


read or write anything. However, more than half of the workers in this industry have primary level education and they can write, read and do some basic math. Only a handful of people have higher secondary education.

It is to be noted that workers are skill focused rather than formal education. It is more to do with practical experience and job expertise to get to the high value job.

3.7 Worker concentration

The mapping revealed that only 6% of the workers work in big factories. On the other hand, around 18% workers work in small factory which employs less than 10 workers. About 76% workers work in medium to large factories which employs among 11 to 50 workers. The adjoining graph gives more details.



3.8 Workers' Issues

3.8.1 Employment and contracts

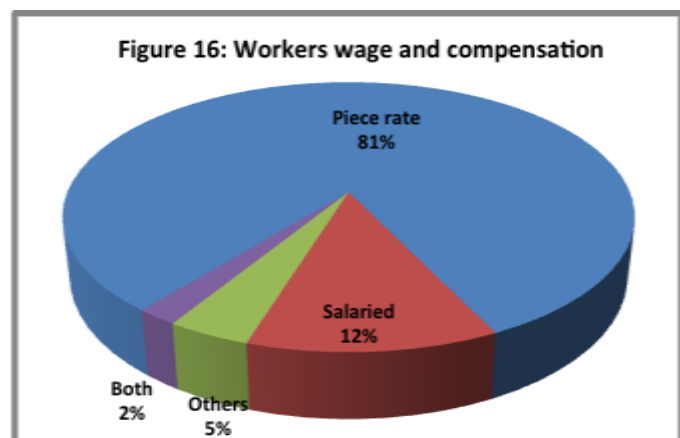
Workers do not receive a contract specifying their employment terms. There is a tradition in Keraniganj Apparel Hub that an employer generally employs workers on an annual basis with an agreed terms and conditions including remuneration package (salary/piece rate/daily wage). As a general rule of thumb, unlike January to December, annual employment cycle in this industry constitute from one Eid festival to another and so the payment cycle. Most cases, employment terms and piece rates are also established in the beginning of the employment year. Annual raise is also negotiated during this period

This negotiation took place between the employer and the worker though nothing is worked out in written form. Most often both the parties comply with their verbal commitment. However, when any dispute arises on the contract term, workers often lose as they cannot take any remedial measures against employers.

The employer has the prerogative to terminate a worker any time even without any notice. Sometimes workers also leave the job without giving any notice. No arbitration system exists or practiced unless something serious occurs between employer and worker.

3.8.2 Wage and compensation

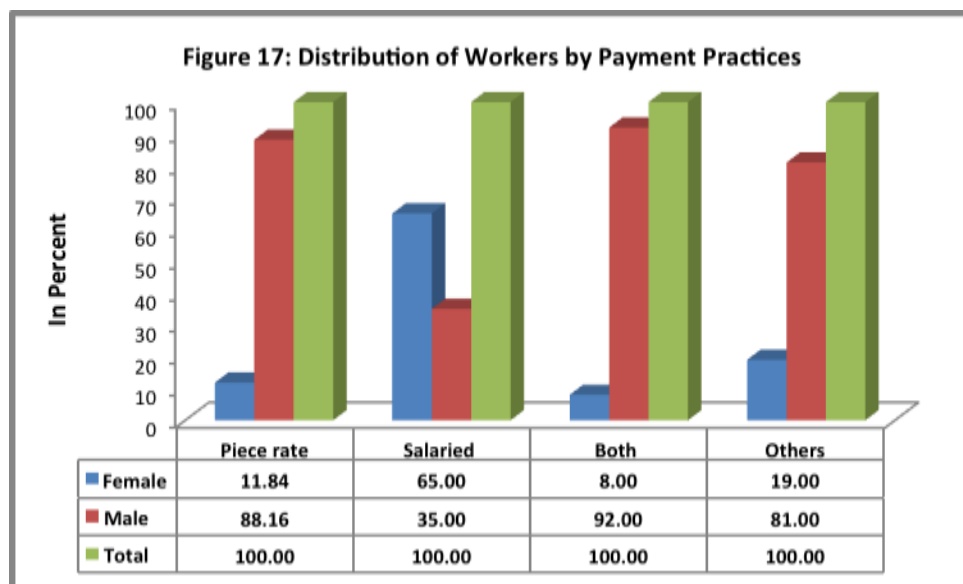
There is no standard wage or compensation system as a whole in Keraniganj Apparel Hub. It is a combination of piece rate or monthly salary or a combination of both. In general, fixed monthly wage for helpers is BDT 7,500. On the other hand, operator and Cutting master mostly get their compensation on piece rate. Some of them also get a fixed but a small amount as monthly remuneration in addition to piece rate.



The mapping data corroborates the general perception that most operators and cutting masters receive their wage or compensation based on production volume or piece rate. As many as 81% workers receive wage based on piece rate. Another 12% gets monthly salary while only 2% gets a monthly salary in addition to piece rate. There is a striking point that revealed from the mapping data is that 5% of the workers do not get any compensation. These groups are mainly apprentice helpers

who only get food and accommodation from their employer for their full time work. This is usually for the first six months to one year into their induction to Keraniganj Apparel Hub.

Among the salaried workers most of them are women and it's about 65%.Whereasalmost 88% of the piece rate workers are male.



3.8.3 Wages and benefits (cash and non-cash)

The mapping exercise strives to estimate average monthly wage of garment workers. Overall, average monthly wage which would include fixed salary as well as production unit based earnings found to be BDT. 9,195. Average monthly earnings for the Helpers are Tk. 7,421 while that of the operators are Tk. 9,426. Cutting master earn about Tk. 11,909. Others including factor managers, sales staff earn the highest at around Tk. 12,000 per month.

Table 4: Average wage/salary received in a month

Union Name	Wage/Salary (in BDT)
Helper	7421
Operator	9427
Cutting master	11909
Others	12000
Averagewage	9195

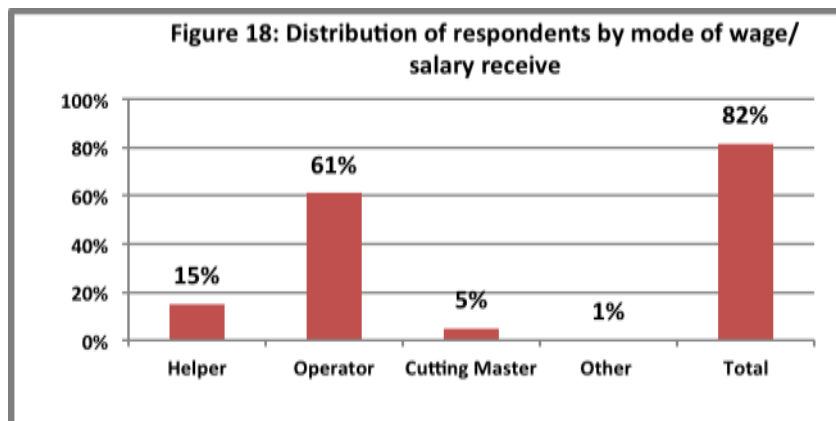
Average monthly earning for women are reported to be lower than that of men. On average, a male worker earns Tk. 9,793 while a female earns Tk. 7,012 in a month. It has been evident that for the same job women earn less than men mainly because women work less hours than men and thus produce less than men. Even for some monthly salary based jobs, women usually make less than the male workers. Employers insist, women's productivity for similar job is less and thus pay less. However, women mostly get similar price for production rate contracts.

Table 5: Average wage/salary received in a month

Sex	Wage/Salary (in BDT)
Female	7012
Male	9793
All	9195

3.8.4 Salary and wage payment practice

There is no established salary payment practice as a whole. However, most factories pay partial salary to the workers to maintain subsistence and basic needs. Mapping exercise suggests that more than 82% workers receive partial salary in each month to maintain their basic needs. They do not mind the factory owner keeping the remaining balance the factory owner normally clears all dues during two

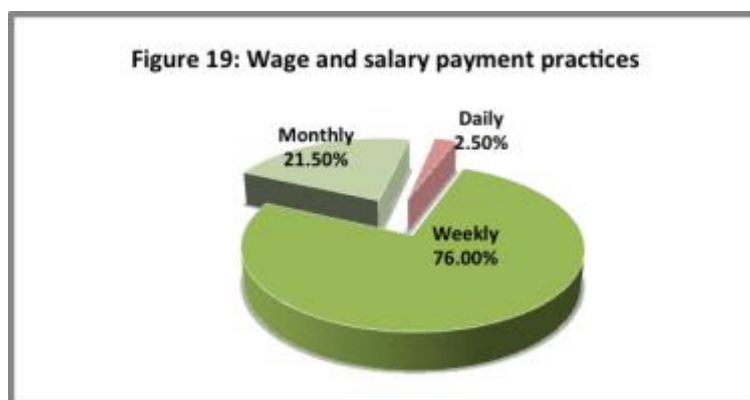


Muslim festivals⁵. Owners generally prefer to retain a portion of the wage mainly to ensure the continuity of the workers and also to ease their cash flow which remains pretty tight due to overwhelming nature of credit sale in the industry. The owners' cash flow becomes positive during Eid festivals as most of their clients clear their dues so does the factory own to the workers.

As a general rule of thumb, unlike January to December, annual employment cycle in this industry constitute from one Eid festival to another and so the payment cycle. Most cases, employment terms and piece rates are also established in the beginning of the employment year. Annual raise is also negotiated during this period.

3.9 Wage and salary payment practices

Payment to workers varies between factories as no standard wage payment practices have established in this industry. However, partial weekly payment is common especially for factory based workers. Daily payment is made very randomly to irregular workers and some cases to helpers. More than 76% workers receive wages weekly. About 22% workers get monthly payment. They are mostly salaried staff often based in sales centre.



⁵It is rather a traditional contractual arrangement between employer and employee in Keraniganj Apparel Hub, followed a seasonal and production cycle.

Plant Owners 'Issues:

Keraniganj based plant owners mostly have come from the locality with a strong tailoring background. They used their personal savings to set up the factory with permission from local authorities like Union Parishad or Upzilla Parishad. None of them have any legal industrial registration. They don't have access to bank loans. A good number of factories and associated sales centres have been insured but in some cases insurance claims are not properly settled. Owners have formed an association to protect their interest but in reality this association is hardly effective to negotiate with government policy level.

Keraniganj Apparel Hub is driven by local demand coming from the country-wide retail network. Production volume remains static over the last three years as demand could not be picked mainly due to political instability. Profitability has been eroding by the days due to low production volume. A few garment workshops used to get sub-contracted orders from apparel factories which have been stopped due to strong compliance requirements of export orientated factories.

Main concentration of the owners is in procurements, marketing and credit sale realization from all over the country. They hardly spend any time in production facilities which is mainly supervised by a trusted person of the owners. Hence, worker's issues remain neglected in the owner's business plan. They consider workers as readily available element in their business. However, some owners feel pity with the working condition at the factory level but accuse building owners and rented infrastructure for lack of ventilation and lavatory. They also expect government support to train unskilled and low skilled owners to enhance their productivity and quality outputs. This will contribute to their business growth as well as increase worker's wages.

Source: Information is gathered from the FGD of plant owners

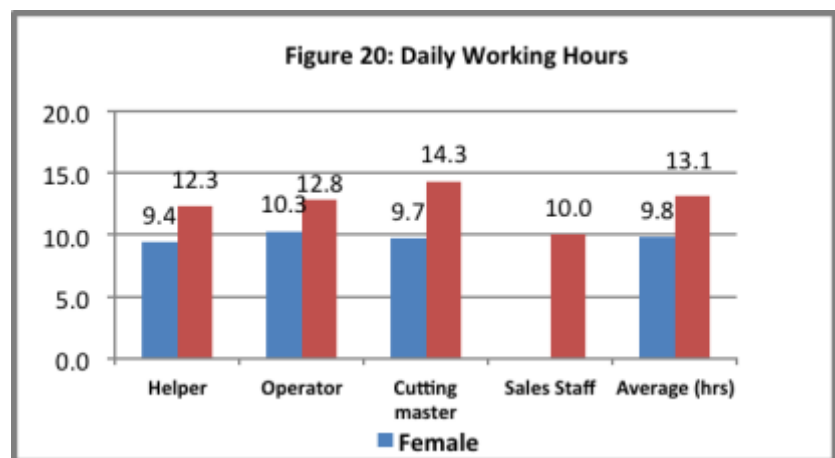
3.10 Working hours

Apparel workers in Keraniganj work long hours almost on a regular basis with a day off mainly on Friday. Workers are to work 3-4 additional hours during the peak season that extents around two months (two months prior to EID festivals) when higher volume of orders needs to be met with increased production level. As there is no reserve work force in this industry, regular workers need to work hard and long hours to meet production demand.

In a typical day, factory begins operations from 8:30 - 9:00 AM and continues operation till

10:00 PM. Sales centres open at 10 AM and close at 8 PM. Workers get one hour lunch break. The mapping revealed that female workers leave their workplace earlier at night than male for their safety and family responsibilities, thus they work less hours than male workers. Main motivation for working long hours is to

provide more and thus earn more. Salaried staffs also work more than 8 hours. No overtime rule is followed in this industry as a whole. Even though, most people work on production contract basis, workers usually work 6 days in a week. There is hardly any day's loss of employment due to factory closure or lack of demand for employment. In other words, production contract workers also find employment for the entire month.



3.11 Other benefit package

Generally speaking, there is no admissible employment benefit provided to the worker except one day weekly holiday. But the holiday is not paid for production contract workers. Workers are not entitled to get paid leave or causal leave as stipulated in the labour law. Even sick leaves are not paid. It is considered as work abstention and does not get paid. No maternity leave is allowed. There are few reported cases of employer giving lunch to the workers. A good percentage (21%) of workers lives within the factory premises for free of cost as they come from different districts of the country. The most notable financial benefit that goes to the workers is the festival bonus that is paid mainly during the Eid festival. Contract workers as well as salaried workers get a lump sum annual bonus.

3.12 Occupational health and safety

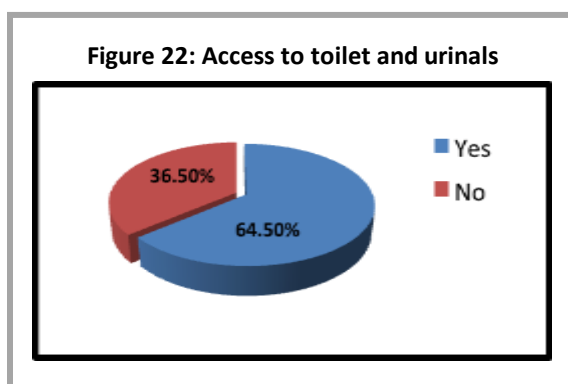
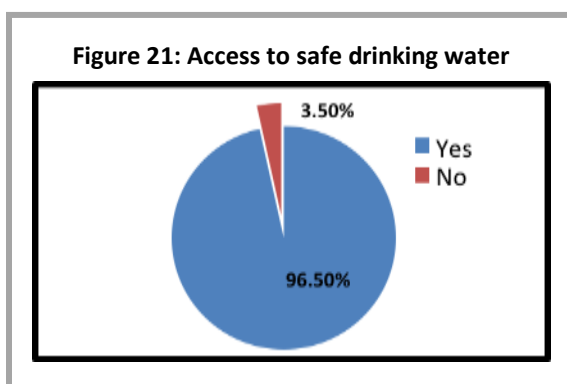
Keraniganj Apparel Hub has grown unplanned in a congested location mainly in private buildings and multi-storied market cum industrial buildings. New constructions are visible in very vacant plots which do not follow building codes. None of the factory buildings are built for industrial purposes. Most buildings and tin shed structures are built to rent out to garment factories or to allied factories or shops.

Access roads are narrow and often broken. Drainage systems are mainly filthy, over flown and mostly remains static. The mushrooming growth of garment units along with the growth of associated supply chain industries has caused an exponential expansion of two particular unions of Keraniganj sub-districts. There has been hardly any safety regulation implemented in this area. The study team did not find evidence of any industrial inspection ever took place in this area. Under these situations, occupational health and safety of Keraniganj Apparel Hub has to be looked into.

A number of areas were looked into during the mapping exercise to assess general occupational health and safety condition in Keraniganj Apparel Hub which include:

- Access to safe drinking water;
- Access to latrine and urinals at the workplace;
- Separate toilet for male and female;
- Sufficiency in ventilation at the workplace; and
- Sufficiency in lighting at the workplace

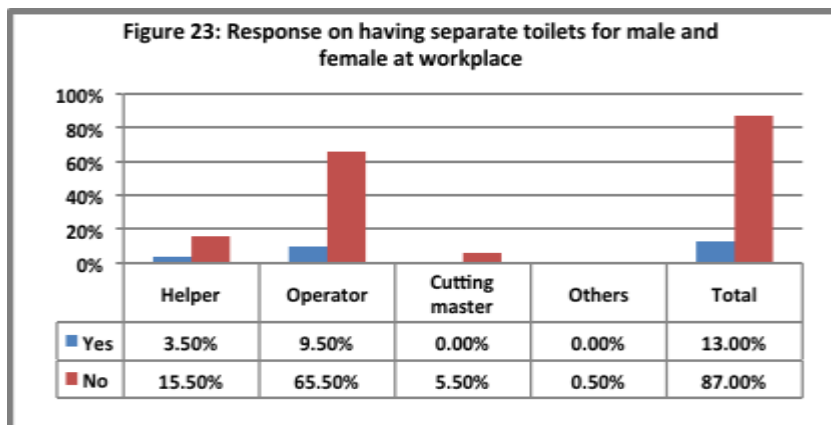
The mapping did not include physical visits to evaluate factory premises on occupational health



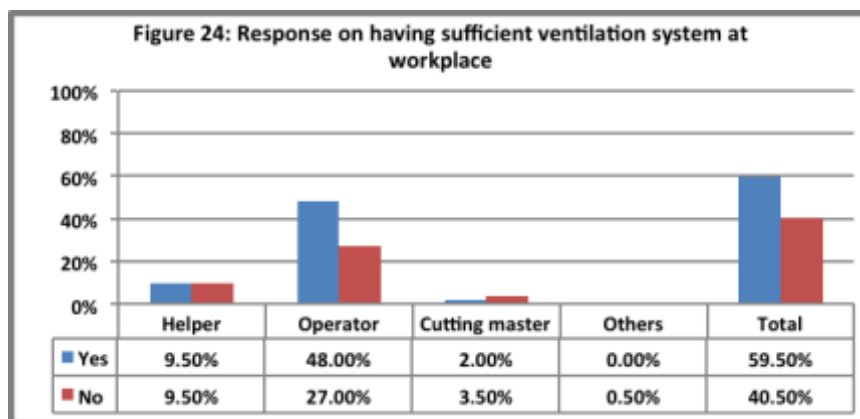
and safety concerns rather it collected perceptions of the workers (who do not have adequate knowledge of acceptable standards) on the above issues. The following graphs show that

factories have arrangements to safe water to the workers in a sense that factory keeps drinking water in jugs which is regularly filled in by hired person. On the other hand, factory buildings have toilets which are inadequate for the large number of workers who work in a building or tin shed structure. Workers often need to queue to get into the toilet.

Another important area of occupational health is the provision of separate toilet for male and female workers. Only 13% respondents told that there are separate toilets for male and female at their factory. It suggests that in vast majority of the factories, female workers have to share toilets with male workers. This is a serious gap in occupational health compliances.

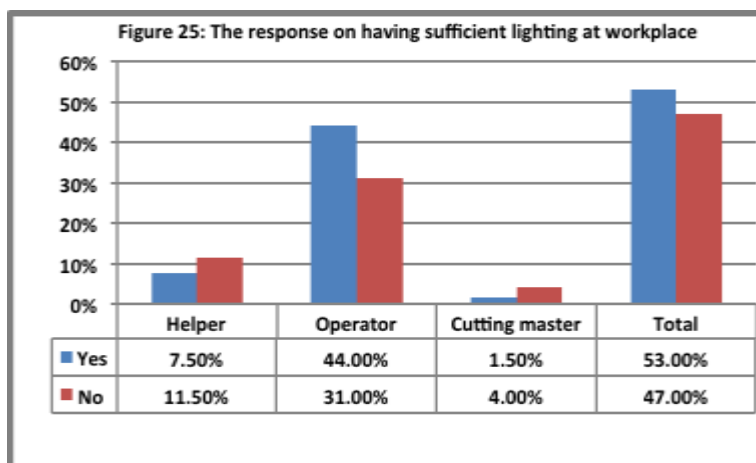


The Following figure provides the perception of the respondents as far as sufficiency of ventilation is concerned, about 60% feel quite comfortable with the existing level of ventilation that exists at the factory level. Most factories have ceiling fan that works for ventilation. However, in reality, most factories are located in closely congested places which



prevent any normal flow of air.

Most factories do not have windows to get natural daylight. However, factories have electric bulbs to provide lighting in the factory premises. The mapping survey revealed that more than half of the workers are satisfied with the lighting while 47% suggest that they work under inadequate light. However, visit to several factories actually suggests that most factories operate in inadequate lighting considering the nature of work.



Some other occupational health and safety issues were also explored in the mapping which revealed that only a handful of factories have a fire extinguisher and emergency exit. There are no reported cases that workers

use safety gear at the workplace. Indeed, there is hardly any factory which has safety gear for the workers.

Though no estimation on accident data could be established in the mapping survey, the incident of factory level accident is not very infrequent. Factories rather experience minor to severe level accidents such as fire accident, electric shock, working injury etc. on a regular basis. Factory owners normally provide Medicare for accidents but rarely pay any compensation.

3.13 Unionisation in Keraniganj Apparel Hub

Keraniganj Apparel Hub is still a growing sector. Workers are mostly unorganized and dominated by factory owners. There had been some efforts to establish a workers' union in the mid-nineties but those efforts did not produce much result. Factory owners with strong political backing back lashed on the union organizers and tried to kill the effort right at the beginning. From then, there has been a lacklustre effort to organize workers in unions.

During the mapping exercise, a number of unions have been identified. Some efforts are still on by a group of devoted seasoned workers but at a large scale these efforts remain limited. A survey among the group of workers suggests that only a handful of them are aware of any union existence let alone their functions and effectiveness. More than 97% who were interviewed are not aware of any union in the area where our research actually indentified three, two have some visible actions. The following table provides highlights of three unions that were identified in the mapping exercise.

Table 6: A comparison among three trade unions

Particulars	Union Status		
Name of Union	Keraniganj Khudra Garments Shromik Karmochari Union (KKGSKU)	Keraniganj Readymade Garments Tailor's League (KRGTL)	Dhaka Readymade Garments Tailors Workers Union (DRGTWU)
Year of Establishment	2001	1997	1990
Committee	13 (3 female)	12 (2 female)	30 (1 female)
Workers issue dealt	40	80	12
Subscription payments	Irregular	Irregular	Not known
Membership	212 (22 female)	2000 (78 female)	700 (35 female)
Familiarity to the workers	Some	Very few	None
2912 workers are unionized in Keraniganj out of which 135 are female under the three registered trade unions. Two of them are functional with periodic but irregular activities while the third one, DRGTWU is generally inactive and on the verge of defunct.			

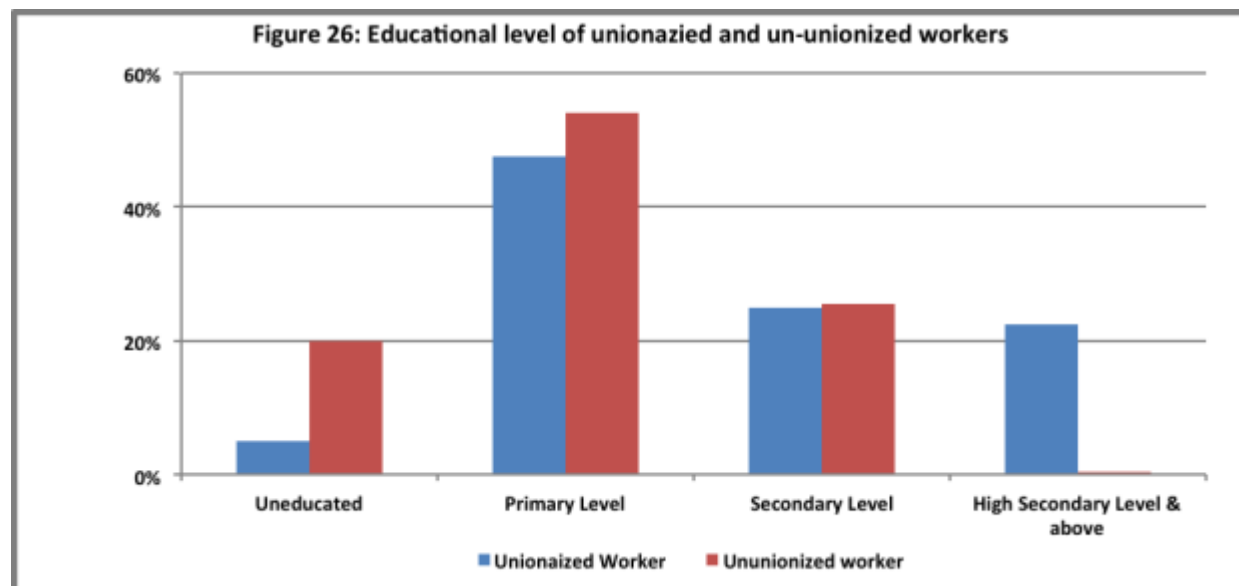
3.14 Comparative analysis of unionized and un-ionized workers

During the mapping exercise, as many as 40 workers were identified who are members of trade union. They were interviewed using the same questionnaire as we did with general workers identified randomly. A comparison was made on some selected indicators which show that workers with union affiliation are far better off than general workers even though unions are less than active and members are only few in numbers. Union members are better paid and enjoy better working condition than non-union members.

Table 7: Comparison between unionized and un-ionized workers

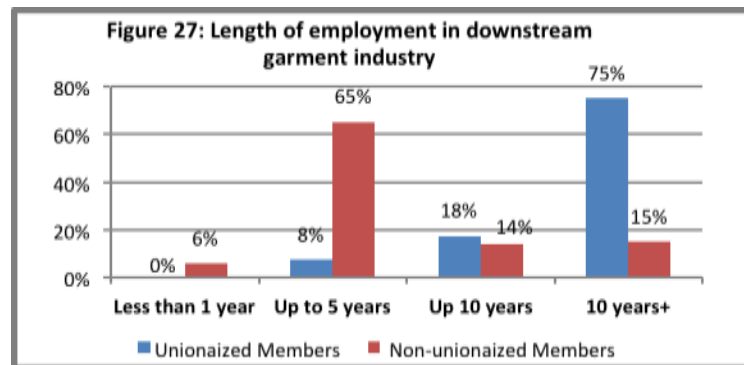
Particulars	Union member	Non Union member
Average monthly wage/ salary (BDT)	12,500	9,000
Average length of employment (in years)	11	5
Average working hour	10	12
Ensuring separate toilet for male and female	75%	13%
Ensuring water and urinal facilities	100%	63.5%
Incidence male-female wage discrimination	98%	42%
Ability to complain and access grievance mgt procedures	28%	0%

In addition to the above, this comparison suggests that workers with better education are more inclined to join a union. It reveals that more than 20% of union members have higher secondary or even higher level of education when only few non-union workers have that level of education. On the contrary, only a few members of the unions are uneducated workers.



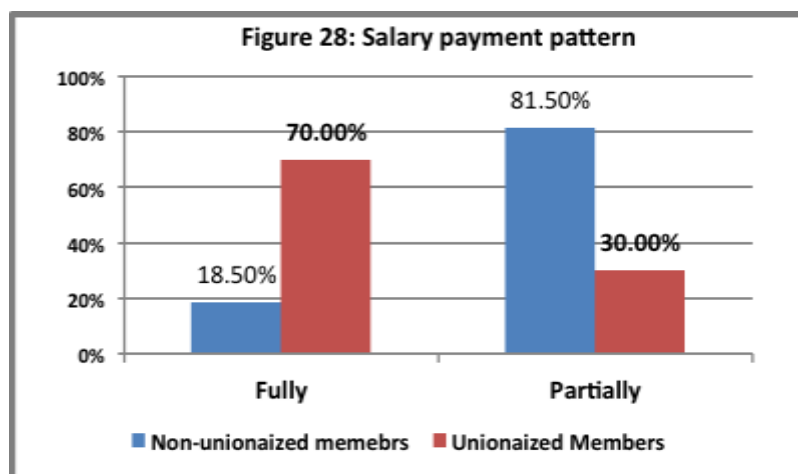
3.14.1 Length of employment in Keraniganj Apparel Hub

People have been working in Keraniganj Apparel Hub since 1990. Therefore more than 25 years have gone since the first generation of workers worked in this industry. More and more people are joining in this industry as it grows exponentially in recent years. As evident in the earlier figure that average lengths employment for the non-unionised worker is 5 years as against 11 years for the unionised workers. A further dissection of data suggests that about 75% unionised workers have been working in this industry for more 10 years. Another 17.5% unionised worker has been working between 5-10 years. In contrary to that, most of the non-unionised workers of Keraniganj garment workers have been working in this industry for less than 5 years. Only 29% workers have been working for more than 5 years. 6% of them are freshman with working experience of less than one year. It is obvious that newly joined workers in Keraniganj Apparel Hub have less understanding about union. Having said that, workers mobilization activities are limited in recent years in absence of adequate workers support organizations.



3.14.2 Salary payment pattern

Workers in Keraniganj Apparel Hub are mainly paid partially and all the dues are paid at the end of a year during Eid festival. A comparison on salary payment pattern has been drawn between unionised and non-unionised worker which revealed an astonishing feature that the unionised worker mostly receives full salary/wage on monthly basis, while only 30% gets partial salary as against more than 80% for non-unionised workers. Employers seem to be more attentive to the unionised workers when it comes to employment condition and labour code.



The graphs above comparing very issues between unionised and non-unionised labour establishes the fundamental argument that the organized labour not only is ensured of improved practices of workers' rights and entitlements but also provide sustainable business environment as no significant business loss has been reported to due providing improved working terms and conditions to the unionised work forces.

3.15 Key challenges towards unionisation

Keraniganj Apparel Hub is fully formed by private entrepreneurs in an unstructured way, it remained unorganized and outside the purview of government regulatory machineries. In a large number of small and medium factories, owners and their family members also work alongside hired labourers. Except for a few large factories, most factory owners do not have regulatory obligations⁶ to form/allow factory level workers' unions. These are structural challenges for unionisation in Keraniganj Apparel Hub.

Union formation in this industry began in 1996. The beginning was confrontational as the demanded rights of the workers were refused by the owners and which consequently led to a bloody clash. With political and state patronage, owners crashed the workers uprising which said to have killed a number of workers though it still remains unconfirmed. There remains mistrust between owners and workers though owners seemed to be appreciative of some issues but defend their current practices mainly on business grounds. Workers on the other hand acknowledge the deprivations and agony in private discourse but are hesitant to make those loud and public. The mapping data provide the empirical evidences of unjust working condition of this industry which are:

- Child labour
- Long working hours without an adequate compensation
- Unhealthy and unsafe work environment and negligence of safety concerns
- Unsigned employment contract leads to job insecurity and harsh treatment
- Absence of minimum wage and other employment benefits

Given the above situation, some union activities are going on at least with three identified trade unions to bring justice to the workers. BLF is supporting one union called KKGSKU which is slowly developing its roots in the workers community and has been able to establish a working relationship with factory owners. Another union established in 2001 remains alive but with little visibility while the third and the oldest one is now in effect a defunct one.

There are some meeting points where both labour and factory owners have consensus which include:

- Need for improved health service to the workers
- Continuing education for the child workers who are mostly school dropouts
- Skilldevelopment of workers

3.16 Unionisation strategy and action plan

Considering the challenges of unionisation in Keraniganj Apparel Hub there is need for developing careful strategy and action plan to invoke workers into the unionisation process through a mixture of service rendering to awareness development to organizing. On the other hand, factory owners need to be taken to the contingency throughout the process. Therefore, unionisation work at least in the initial stage could be carried forward under the cover of popular service packages such as: Initiate satellite schooling, provide health care services to the workers.

⁶ As per Bangladesh labour code, a factory must have a union should it have more than 50 workers. However, workers can form unions for a cluster of factories if they can organize membership of 100 even from as many factories.

3.17 Compliance and regulatory framework of labour rights in the constitution of Bangladesh

The Constitution of the People's Republic of Bangladesh of 1972 upholds several fundamental rights of the working class and peasants. Fundamental Principles of the State Policy (FPSP) article no. 14 highlights that the personal and social emancipation of peasants and workers is the responsibility of the state. Article 20 (1) mentions that "Work is a right, a duty and a matter of honour for every citizen who is capable of working, and everyone shall be paid for his work on the basis of the principle "from each according to his abilities, to each according to his work". Article 34 of the Bangladesh Constitution prohibited of forced labour while Article 34(1) mentions that "All forms of forced labour are prohibited and any contravention of this provision shall be an offence punishable in accordance with law". Article 38 of the Bangladesh Constitution has given the right to form trade union. This Article articulates: Every citizen shall have the right to form associations or unions, subject to any reasonable restrictions imposed by law in the interests of morality or public order.

Bangladesh Labor Act 2006 was enacted to replace 27 existing labour laws and thus created a comprehensive and inclusive legal framework to govern workers issues and ensure their constitutional rights. Main features of the 2006 Labour Act are:

- Proper wages and benefits that ensure an adequate standard of living for workers and their families;
- Equal pay for equal work and non-discrimination;
- Regulated time of work and prohibition on forced labour or slavery;
- Safe, secure and healthy working environment;
- Fair compensation in cases of work-related death or injury;
- Right to organize trade unions for collective bargaining;
- Freedom of children from exploitation;
- Proper sanitation facilities, dining facilities, maternity leave, childcare facilities and human resource development.

All these features were nailed down with further details with specific rules and provisions for employers vis-a-vis workers.

Concluding remarks

In spite of the prevailing negative attitude of the factory owners on the one side and a feeling of job insecurity by the workers on the other, the urgent need for uniting the workers of Keraniganj Apparel Hub has been increasingly recognized by all, including the national and international trade union organizations, NGOs and the country's own civil society. A united but restrained voice of the workers vis-à-vis an understanding approach from the small factory owners is the need of the hour in the greater interest of the Keraniganj apparel sector itself which is now contributing to 75% of local jeans products. The workers' rights have to be established within the broad framework of smooth industrial relations where the trade union is supposed to play the role of a positive catalyst. It must be based on professionalism, not primarily thriving on linkages to political party. Nobody should be allowed to use the workers as pawns in the trade union game that serves neither the industries, nor the workers themselves.

Recommendations

The study reveals the scenario of apparel sector in Keraniganj besides it also covers the workers' situation and the present status of the worker's union. Analysing the findings of the study there are some recommendations suggested regarding unionization, policy advocacy for formal recognition, ensuring regulatory framework for governance, child labour, health and occupational safety, workers' continuing education, awareness raising on workers' right, occupational health and hygiene, legal safety net issues for Government policy makers, Bangladesh Labour Welfare Foundation (BLF), Business Associations and local worker unions. The following section presents the specific recommendations.

- To address the high prevalence of Child Labour in Keraniganj Apparel Hub, BLF should conduct awareness session with owners, senior workers and parents of the child workers. These sessions should include regulatory rules such as child workers' age limits and their working hours and identifying hazardous jobs etc. BLF can design a special module, and communication materials (leaflets, hand-outs etc.) for such awareness campaign.
- This mapping exercise has divided the Keraniganj Apparel Hub into 16 clusters spread over two administrative unions namely Aganagar and Suvadda. The activity of existing workers' union (KKGSKU) is mainly limited to 6-5 clusters centered around their office. BLF can design cluster-wise awareness and organizing activity. It now has deployed two organizing staff, who can be given cluster specific responsibility – which can easily be monitored.
- The study has identified some critical issues for advocacy, BFL now can conduct policy advocacy to bring attention of policy level people of the Government towards recognizing the Hub as a formal industry. This will enable government line departments to enforce regulatory framework and facilitate a lawful environment for the owners and workers.

- Keraniganj Apparel Hub is a densely populated area. Apart from workers issue, the basic environmental, health and sanitation facilities are extremely poor in this Hub. BLF should bring these issues to the attention of both public and private sector service providers. It can organize round tables, seminars and appraise national and international organizations including ILO and international labour support organizations, so that they can come forward and assist in their respective areas.
- BLF has limited organizing activity that is run through an existing union. It has been observed that re-structuring task of this union is an long overdue issue. BLF can facilitate a re-organisation process and make cluster specific sub – committees to bring dynamism in workers organizing effort.
- Most of child workers have left schooling and joined in the workforce at Karaniganj, mainly to contribute their families to earn minimum livelihood. There should be continuing projects especially for those who were compelled to leave school to earn for their family. This type of continuing education programme may include relevant issues of workers’ rights and skill development training.
- The existing union leadership portfolios are not adequately skilled to organize workers. BLF can assess their capacity needs and implement capacity building activities as a continuing process.
- Unlike BGMEA, the plant owners’ association at Keraniganj is not effective to ensure interest of both owners and workers. BLF can develop a MOU with them so that they work jointly for the interest of workers and employers as well.
- Industrial, and occupational safety and health issues are to be considered while addressing workers issues. BLF can develop a simple module relevant to Keraniganj Apparel Hub and facilitate sessions on OSH at the workers and owners level.
- BLF can facilitate formation of cluster based monitoring and supervision systems (watchdog) involving local community people, local GO- NGO officials, BA leaders, UP representatives, worker representative associated with BLF to prevent incidence of child labour in Keraniganj Apparel Hub.

Appendix: Photo Gallery of the mapping exercise

Selected photographs of Keraniganj Apparel Hub mapping exercise



Tool sharing meeting among the members of CBSG, SOMO and BLF



Key informant's interview of union leader



Female workers are giving their responses on a Focused Group Discussion (FDG)



Individual interview of female worker is taken by the field investigator.



KII of garments showroom owner at Century tower, Keraniganj



Workers at a knitting factory



A group of child workers in a apparel plant



Female child workers at a embroidery workshop



A portion of the participants at the workshop on 30 May, 2015.



Mr. Joyanta Roy is putting down the people's perception on the workshop



Ms. Virginia Sandjojo giving her comments during the workshop at Aganagar Union Parishad



Study team leader Mr. Joyanta Roy is presenting the data at the workshop on 30th March 2015

Case Studies on selected unions

Case Study 1: Keraniganj Khudra Garments Shromik Karmochari Union (KKGSKU)

Keraniganj Khudra Garments Shromik Karmochari Union (KKGSKU) is one of viable Keraniganj garment workers union with some visibility and actions. It was established in 2001 and registered with the JDL on 27th June 2001. It is an affiliate of Bangladesh Labour Welfare Foundation (BLF). Out of three unions that exist in the industry, KKGSKU is the most active one and seemed to be viable for growth and development. It has a small membership of only 212 including 22 female members. Monthly membership subscription is Tk. 5 which is mostly paid by the members. 13 members executive committee has been elected for 2 years which has 3 female members. Md. Zakir Hossain Pannu (01917 570 260) and Mohammad Abul Kalam Azad (01956 00 9181) is the current president and secretary respectively. Most members are from garment factories who are machine operator, cutting master and helpers.

KKGSKU is known to some workers and but there is no visible drive to increase membership and organize workers. It maintains routine activities such as holding quarterly meetings and supports members on issues relating to wage, termination benefits, maternity and other leaves. During 2014, it worked for 40 member related issues with the employers though no major success is yet to accomplish. However, no large scale activities have been drawn up for the general workers members. Generally, workers are appreciative the union but reluctant to join for fear of repulsive actions including firing from job. Factory owners have strong links with political forces and maintain that any move to organize protest against the owners will be dealt with severely.

Bangladesh Labour Welfare Foundation (BLF) is supporting the union to bring momentum in its organizational activities also providing training and coaching to the union leaders. BLF in association with KKGSKU is implementing a number of development service programme including health awareness and counseling, and sewing training to the workers as a cover to sensitize workers on their rights and slowly mobilize them. These services are helping to introduce KKGSKU to the general workers. There are signs evident that with BLF support, KKGSKU is poised to establish as an organized labour union in Keraniganj Apparel Hub.

Case Study 2: Keraniganj Readymade Garments Tailor's League (KRGTL)

Keraniganj Readymade Garments Tailor's League (KRGTL) was formed in 1996 under the institutional framework of Bangladesh Shromik League, a front organization of (Bangladesh Awami League) one of the biggest political party in Bangladesh. It is affiliated with United Federation of Garments Worker (UFGW). It said to have nearly 2000 members including 78 female members. Union members are consisting of machine operator, cutting master and helper. The 12 member executive committee elected in 2009 with Md. Badal as President and SM Khalil (01712099277) as Secretary runs the union on a day to day basis. This committee has expired long ago but no fresh election was held. No organizational activities are visible in the recent past. Membership fee is fixed at Tk. 5 though hardly anybody paid the fee in recent times. This union claims to have settled around 80 individual and group issues with the employers.

KRGTL is functioning in snail's pace. No major organizational activities are visible. Workers are mostly seen to be unaware of this union and have no visible intention to join it either. Union leaders are more involved in their personal matters and reluctant to give time for union activities specially mobilizing members in union activities.