

Industrial Relation and Dispute Settlement Procedure in RMG Sector of Bangladesh: A Critical Review

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ABSTRACT: This paper aims to improve our understanding the gap between existing law and real scenario relating to Industrial relations and the procedure of settlement of industrial dispute in Ready Made Garment (RMG) Sector of Bangladesh. The very object of this writing is to find out the reason behind the labour movements and the role of the employer in this situation. Though garment sector is a rising sector in Bangladesh. Most of the time it faces labour movements due to various inner and outer kind of reasons. The main object is to give a pen picture of present status of industrial relation and to put some general suggestions that can help to reduce the dispute in the readymade garment sectors of Bangladesh.

KEYWORDS: Industrial relation, RMG, trade union, CBA, strike, dispute settlement procedure.

1 INTRODUCTION

In the economic development of any country a process is followed in recent time by shifting from Agro based Economy to Industrial Economy. Although in the least developed countries (LDCs) policymakers have, at various times, approached to make agriculture the primary concern of economic growth and employment generation, this attempt has not worked due to the contributions of the Green Revolution, which has had the dual effect of increasing agricultural productivity in the LDCs and displacing the rural labor force at the same time. Bangladesh is one of the representatives of LDCs, has also been following the same direction for the last more than two decades. New rules had come to govern the international trade in textiles and apparel, allowing low-cost suppliers to gain a grasp in American and European markets. Assisted by foreign partners, and largely unaided by the government, entrepreneurs seized the opportunity and exploited it to the fullest. Over a period of 25 years, the garments export sector has grown into a \$6 billion industry that employs over a million people. In the process, it has boosted the overall economic growth of the country and raised the viability of other export-oriented sectors. The importance of RMG sector can hardly be over emphasized. There has been a steady growth in the field of RMG during last two decades. The RMG industry enjoyed a meteoric rise from 30 enterprises in 1980 increased to about 5700 in 2011-12 fiscal years.

In this particular study we will be focusing on the Industrial relation, dispute settlement procedure and its contribution in RMG sector of Bangladesh. We will also try to highlight the ways to improve the efficiency of the dispute settlement procedure. In the last part, we will have some recommendation as well as concluding remarks.

2 THE CONTRIBUTION AND GROWTH OF RMG INDUSTRY IN BANGLADESH: ¹

2.1 CONTRIBUTION OF RMG INDUSTRY TO THE ECONOMY

Garments Industry occupies a unique position in the Bangladesh economy. It is the largest exporting industry in Bangladesh, which experienced phenomenal growth during last two decades. The industry plays a key role in employment generation and in the provision of income to the poor. Nearly two million workers one directly and more than ten million inhabitants are indirectly associated with the industry. The sector has also played a significant role in the socio-economic development of the country. In such a context, the trend and growth of garments export and its contribution to total exports and GDP has been examined the following table shows the position.

Table 1: Growth and trend of garments exports, and contribution to GDP

(Amounts in Million USD)

Year	Garment Export (Min USD)	Total Export (Min USD)	Share to Total Export in %	Share to GDP in %
1984-85	116 -	934 -	12.42 -	-
1989-90	624 (40)	1924 (16)	32.43 (21)	-
1994-95	2228 (29)	3473 (13)	64.15 (15)	5.87 -
1999-00	4349 (14)	5752 (11)	75.61 (3)	9.23 (9)
2004-05	6418 (8)	8655 (9)	74.15 (-1)	10.63 (3)
2005-06	7901 (23)	10526 (22)	75.06 (1)	12.64 (2)

Source: Economic Review of Bangladesh, BGMEA

2.2 GROWTH OF RMG INDUSTRY IN BANGLADESH

The growth of the industry in terms of number of units and employment generation is shown in table below:

Table 2: Growth of the industry and Employment

Year	Number of Garment Factories	Employment in Million Workers
2000-2001	3480	1.800
2001-2002	3618	1.800
2002-2003	3760	2.000
2003-2004	3957	2.000
2004-2005	4107	2.000
2005-2006	4220	2.200
2006-2007	4490	2.400
2007-2008	4743	2.800
2008-2009	4925	3.500
2009-2010	5063	3.600
2010-2011	5150	3.600
2011-2012	5700	4.000

Out of 4.0 million manpower employed in garment sectors, 3.20 million are women (80%), majorities of them are disadvantaged and economically poverty stricken women folk. The country's RMG sector, to a creditable level has relieved Bangladesh from over populous unemployment burden through providing the largest employment next to the sector of agriculture, transport, trade and industry. This sector has uplifted the neglected section of the population, thus radically transforming the socio-economic condition of the country.¹The employers always want to suppress the workers and to realize the highest labour form the workers. Most of the employers do not follow the rules & regulations like the formation of trade union to regulate industrial relations lawfully which is provided in the labour and industrial laws of Bangladesh. The workers cannot go to the employer to raise their demand, which always turns into illegal strike. To create stability in the garment sectors the employers should fulfill the right of the workers like formation of trade union and to follow the industrial dispute settlement procedure.

3 METHODOLOGY

This study is based on both secondary and primary sources. The secondary sources which have been reviewed are: books, journals, reports, news paper and data from various official and unofficial sources. For primary sources, data from official sources have been collected from Bangladesh institute of labour studies (BILS), a focus group discussion with a number of workers from the RMG sectors. We have also used internet sources to collect information on industrial relation and the industrial dispute settlement procedure.

4 INDUSTRIAL RELATIONS

Industrial relation means the relation between the employer and worker, worker and worker. It is based on the provisions of the industrial relations ordinance, 1969 which had been the industrial relations law in Bangladesh since 1969. It is promulgated to amend and consolidate the law relating to formation of trade union, regulation of the relations between employer and workmen and the avoidance and settlement of any difference or dispute arising between them or matters connected therewith and ancillary thereto.

An industrial relation system consists of the whole gamut of relationship between employees and employees and employers which are managed by the means of conflict and cooperation.

A sound industrial relations system is one in which relationships between management and employees (and their representatives) on the one hand, and between them and the state on the other, are more harmonious and cooperative than controversial and creates an environment conducive to economic efficiency and the motivation, productivity and development of the employee and generates employee loyalty and mutual trust.

5 ACTORS IN THE INDUSTRIAL RELATION SYSTEM

Main parties who are directly involved in the industrial relations are employer and the employee. To regulate industrial relations satisfactorily there must be trade union of the workers in every garments factory. Among the trade unions of an establishment a collective bargaining agent (CBA) should be elected, whose validity shall be for two years and in this time it shall seek to improve the terms and conditions of the employment of the workers. Its duty is to exchange views with management and voice the grievance of the workers. It is the right of the workers to form trade union for regulating a good relationship between the worker and workers, workers and employer. In reality trade union is need in an establishment, because the workers can raise their voice against the management and get support from these unions.

6 RULES REGARDING FORMATION OF TRADE UNION

Trade union means any combination of workmen or employers formed primarily for the purpose of regulating the relations between workmen and employers or workmen and workmen or employers and employers, or for imposing restrictive conditions on the conduct of any trade or business and includes a federation of two or more trade unions.

7 RIGHTS OF THE WORKER TO FORM TRADE UNION

According to the section176 of The Bangladesh Labour Code, 2006 workers shall have the right to form trade union primarily for the purpose of regulating the relations between works and employers or workers and workers. Again employers shall have the right to form trade union primarily for the purpose of regulating the relations between employers and workers or employers and employers. Trade union of workers and employers shall have the right to form and join federation and any such union and federation shall have the right to affiliate with any international organization and confederation of worker's or employers organizations. The right to form associations or unions includes the right of workmen to form trade unions for a lawful purpose. The word "form" has been held to refer not only to the initial commencement of the association but also to the continuance of that association. If, however, the state tries to circumvent the right by placing restrictions on the objects or purposes or the normal functioning of an association, this would amount to an indirect restriction on the right itself. The state cannot do indirectly what it is prohibited to do directly. ²

7.1 REGISTRATION OF A TRADE UNION

A trade union shall be registered by the director of labour. A trade Union of workers shall not be entitled to registration unless it has a minimum membership of thirty percent of the total number of workers employed in the establishment in which it is formed.³ This director of labour shall have the power to cancel the registration of a trade union, if it satisfies on enquiry that the registration of a trade union should be cancelled. In this case the director of labour shall submit an application to the labour court praying for permission to cancel such registration. The director of labour shall cancel the registration of trade union within thirty days from the date of receipt of permission from the labour court.⁴

7.2 WORKERS RIGHT TO JOIN IN A TRADE UNION:⁵

Every worker shall have the right to join in any trade union. No employer or trade union of employers or no person acting on their behalf shall—

- Impose any condition in a contract of employment seeking to restrain the right of a person who is a party to such contract to join a trade union or continue his membership of a trade union; or
- Refuse to employ or refuse to continue to employ any person on the ground that such person is, or is not, a member or officer of a trade union; or
- Discriminate against any person in regard to any employment, promotion, condition of employment working condition on the ground that such person is, or is not, a member or officer of a trade union; or
- Dismiss, discharge, Remove from employment or threaten to dismiss, discharge, or remove from employment a worker or injure or threaten to injure him in respect of his employment by reason that the worker is or proposes to become, or seeks to persuade any other person to become a member or officer of a trade union, or participates in the promotion, formation or activities of a trade union; or
- Induce any person to refrain from becoming, or to cease to be a member or officer of a trade union, by conferring or offering to confer any advantage on, or by procuring or offering to procure any advantage for such person or any other person; or
- Compel or attempt to compel any officer of the collective bargaining agent to sign a memorandum of settlement or arrive at a settlement, by using intimidation, coercion, pressure, threat, confinement to a place, physical injury, disconnection of water, power and telephone facilities and such other methods; or
- Interfere with, or in any way influence the election procedure of a collective bargaining agent.⁵

If the employer compels the trade union to do so, it shall be treated as unfair labour practices on the part of employer and in this case the employer shall be punished with imprisonment for a term which may extend to two years, or with fine which may extend to ten thousand taka or with both.⁶

8 COLLECTIVE BARGAINING AGENT AND ITS FUNCTION

In an establishment there shall be registered not more than three trade unions. If an employer has more than one establishment and all the establishments carry out the same manufacturing process, the same type of industries shall be treated as one establishment of that employer.⁷

Collective Bargaining Agent is nothing but a trade union. If in an establishment there is more than one trade union than CBA determine through election. The period of CBA shall be for two years. If there is one registered trade union in an establishment, it shall be treated as a CBA if it has at least 1/3 of total workers as its members. . In this case it is not necessary to hold election to elect collective bargaining agent. The functions of the CBA are to:

- undertake collective bargaining with the employer or matters connected with the employment, non-employment, the term of employment or the conditions of work;
- represent all or any of the workers in any proceedings;
- give notice of and declare, a strike;
- nominate representatives of workers on the board of trustees of any welfare institutions or provident funds and of the workers participation fund;
- to conduct cases on behalf of any individual worker or group of workers.

According to section 209 and 210 of the Labor Code, 2006 collective bargaining is the first step in the industrial dispute settlement procedure.

8.1 IMPORTANCE OF COLLECTIVE BARGAINING:

Collective bargaining includes not only negotiations between the employer and unions but also includes the process of resolving labour-management conflicts. Thus, collective bargaining is, essentially, a recognized way of creating a system of industrial jurisprudence. It acts as a method of introducing civil rights in the industry, that is, the management should be conducted by rules rather than arbitrary decision making. It establishes rules which define and restrict the traditional authority exercised by the management.

8.1.1 IMPORTANCE TO EMPLOYEES

- Collective bargaining develops a sense of self respect and responsibility among the employees.
- It increases the strength of the workforce, thereby, increasing their bargaining capacity as a group.
- Collective bargaining increases the morale and productivity of employees.
- It restricts management's freedom for arbitrary action against the employees. Moreover, unilateral actions by the employer are also discouraged.
- Effective collective bargaining machinery strengthens the trade unions movement.
- The workers feel motivated as they can approach the management on various matters and bargain for higher benefits.

It helps in securing a prompt and fair settlement of grievances. It provides a flexible means for the adjustment of wages and employment conditions to economic and technological changes in the industry, as a result of which the chances are reduced.

8.1.2 IMPORTANCE TO EMPLOYERS

- It becomes easier for the management to resolve issues at the bargaining level rather than taking up complaints of individual workers.
- Collective bargaining tends to promote a sense of job security among employees and thereby tends to reduce the cost of labour turnover to management.
- Collective bargaining opens up the channel of communication between the workers and the management and increases worker participation in decision making.
- Collective bargaining plays a vital role in setting and preventing industrial dispute.⁸

9 REAL SCENARIO OF TRADE UNION OF WORKERS AND THE ASSOCIATION OF EMPLOYERS IN THE GARMENT SECTORS IN BANGLADESH

Visiting in a garment sector "Fashion Jeans Ltd." at Azampur, Uttara, Dhaka, it is to be understood that, employers always want to suppress the worker. Employers thinking are that if workers join in a trade union, they do not work properly. They will create movement at any time. It shall hamper the normal production of the industry. And sometimes it shall be the result of closure of the establishment. For this they do not allow trade union in the establishment. Moreover talking with some workers it makes me confirm that, they do not know what are trade union and the functions of the trade union. One of the production managers says that, there is no trade union. There is a leader of the worker and if any dispute arises it is informed to this leader. This leader shall inform the matter to the employer or other concerned authority and shall settle the dispute according to the direction of the authority. The employers association BGMEA does not create any pressure to form trade union. If at any time BGMEA creates any pressure to form trade union, the employer of the establishment manages it.

Data of registered trade union on sector basis (from 01/01/2009-16/02/2014) ⁹

Sl. no.	Name of the department	No of unions	No of members	comments
01	Main office, Dhaka	279	406479	
02	Divisional labour department, Dhaka	2942	700283	Among 2942 trade unions of Dhaka divisional labour department 210 is from garments sector.
03	Divisional labour department, Chittagong	1252	507568	Among 1252 trade unions of Chittagong divisional labour department 31 is from garments sector.
04	Divisional labour department, Khulna	791	268088	Among 791 trade unions of Khulna divisional labour department 8 is from prawn sector.
05	Divisional labour department, Rajshahi	1682	364437	
06	Sylhet division	119	45201	
07	Barisal division	214	32624	
	Total=	7279	23,24680	In whole Bangladesh there are 241 trade unions at garment sectors.

List of federation of trade union

Type of federation	No of federation	No of unions in the federation	No of members
National federation	32	1352	1076367
Industrial federation (different category)	84	355	2789021
Road transport federation(mechanical)	10	63	56893
Road transport federation(rickshaw)	05	27	52747
Garments federation: Main office-18 Dhaka division-17 Total-35	38	133	65982
Total=	166	1930	4041010

Source: BILS

The role of trade union is should meet the demand of a changing society and labour well-being. Apart from their traditional role of intervention through collective bargaining, the trade unions of Bangladesh are also being organized to introduce social dialogue and framework agreement system; address social issues in the workforce such as gender inequality, HIV/AIDS, child labour and environmental and occupational hazards in the community. ¹⁰ In the context of economic globalization, the trade unions should be given greater leverage to ensure well being of workers and to prevent their exploitation. But the real picture in whole Bangladesh in garment sectors is, there are only 241 registered trade unions. And it is a matter of great regret that, the employers do not allow trade union in the establishment. It is the policy of the employer that, if the workers want to form a trade union than the workers shall be terminated from the service. Though there is the rule that in an establishment there shall be not more than 3 trade unions, most of the cases it is to be seen that there is no trade union or sometimes there is more than 3 trade unions in an establishment. Talking with one of the research officer it is to be known that it is the result of politicization in the establishment.

10 PROBLEMS OF TRADE UNION IN BANGLADESHI GARMENT SECTORS

Problems to continue a trade union in Bangladesh garment sectors are given bellow:

- Politicization of the trade union: Politicization or political affiliation of trade unions prevents them from becoming strong partners in collective bargaining. Politicization of a trade union also causes the loss of its distinct identity; ¹¹

- b) Lack of awareness: most of the workers do not know what are trade union and their right to form trade union. They do not know what collective bargaining agent is and what its function is. Lack of awareness of the worker helps the employer to deprive form their right;
- c) Division of trade union: Bangladesh is a country where every organization has more trade unions in name only,¹² which increases conflict between the workers,
- d) Lack of solidarity: Lack of solidarity among trade unions, provincialism, patronage of vested interest groups and internal conflict are some of the reasons that have led to the fragmentation of trade unions. The trade unions must be free from influences from political groups, government and owners.

11 ROLE OF EMPLOYERS ASSOCIATION

Bangladesh Employers Federation (BEF) is the main federation of employer's association. The main members of BEF in the garment sectors are:

- Bangladesh Garments Manufacturing and Exporters Association (BGMEA)
- Bangladesh Textile Mills Association (BTMA)
- Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA)

The objectives of the federation are to promote, encourage and protect the interest of the employers in industrial relations, and through such efforts, to establish good relations amongst employers and workers. It also represents them both at national and international levels. Being the apex body of the employers, it has been involved in the task of promoting and protecting the interests of employers.

Although BEF was established to deal with labour relations, its activities have gradually diversified. It now has a stake in socio-economic policies of the government, labour legislation and labour relations with kindred national and international bodies.¹³

12 PROCEDURE OF SETTLEMENT OF INDUSTRIAL DISPUTE

12.1 CONCEPT OF INDUSTRIAL DISPUTE

An industrial dispute may be defined as a conflict or difference of opinion between management and workers on the terms of employment. It is a disagreement between an employer and employees' representative; usually a trade union, over pay and other working conditions and can result in industrial actions. When an industrial dispute occurs, both the parties, that is the management and the workmen, try to pressurize each other. The management may resort to lockouts while the workers may resort to strikes, picketing or gherao.

According to the Section 2(62) of The Bangladesh Labour Code, 2006 - "The **industrial dispute**" means any dispute or difference between employers and employers or between employers and worker or between worker and worker which is connected with the employment or non-employment or the terms of employment or the conditions of work of any person;

12.2 CAUSES OF INDUSTRIAL DISPUTE

The causes of industrial disputes can be broadly classified into two categories: economic and non-economic causes. The economic causes will include issues relating to compensation like wages, bonus, allowances, and conditions for work, working hours, leave and holidays without pay, unjust layoffs and retrenchments. The non economic factors will include victimization of workers, ill treatment by staff members, sympathetic strikes, political factors, indiscipline etc.

An industrial dispute can be raised only by a collective bargaining agent or an employer. Section 209 of The Bangladesh Labour Code, 2006 provides the provisions for raising an industrial dispute which lays down "no industrial dispute shall be deemed to exist unless it has been raised in the prescribed manner by a collective bargaining agent or an employer".

12.3 INDUSTRIAL DISPUTE SETTLEMENT PROCEDURE¹⁴

Industrial dispute settlement procedure can be divided into three steps: negotiation, conciliation, arbitration.

Negotiation:

If, at any time, an employer or a collective bargaining agent finds that an industrial dispute is likely to arise between the employer and the workers or any of the workers and the employer, the collective bargaining agent shall communicate its view in writing to the other party. The party receiving the communication shall arrange a meeting for collective bargaining agent on the issue raised in the communication with a view to reaching an agreement within fifteen days from the date on which it was received. If the parties reach a settlement, it shall be recorded in writing and signed by both the parties and a copy shall be forwarded by the employer to the government, the director of labour and the conciliator.

Conciliation:

If the party receiving communication fails to arrange a meeting within fifteen days or if the parties fail to do a settlement through negotiation within one month from the date of the first meeting for negotiation, any of the parties can apply to the conciliator within fifteen days from the expiry of the said fifteen days. The conciliator shall proceed to conciliate the dispute within ten days from the receipt of such dispute. The conciliator shall be such a person who is appointed by the Government by notification in the official Gazette for a specific area or any industrial establishment. The conciliator shall call a meeting of the parties to the dispute for the purpose of bringing about a settlement. If the parties reach a settlement, it shall be recorded in writing and signed by both the parties and a copy shall be forwarded by the conciliator to the government. If the conciliator fails to settle the matter within thirty days from the date of receipt of the dispute, it shall be deemed that the conciliation proceeding fails. If the conciliation proceeding fails, the conciliator shall try to persuade the parties to refer the dispute to the arbitrator. If the parties do not agree to refer the dispute to the arbitrator, the conciliator shall issue a certificate to the parties within three days that the proceedings have failed.

Arbitration:

Arbitrator may be a person borne on a panel to be maintained by the government or any other person agreed upon by the parties. If the parties refer the dispute to the arbitrator than the arbitrator shall give Award within a period of thirty days from the date on which it was referred to him. After giving an award, the arbitrator shall forward a copy to the parties and the Government. This award shall be valid for two years and this award of the arbitration shall be final and no appeal shall lie against it.

The difference between conciliation and arbitration proceedings is the conciliator shall not give any decision to the parties to arrive a settlement. The conciliator shall only help the parties to reach in a settlement. The conciliator shall help the parties by making them understand the pros and cons of the settlement. He shall make the parties understand that if the parties reach in a settlement than what will be their gain and if the parties fail to reach in a settlement than what will be their loss. Decision of settlement is depend on the parties and not on the conciliator. But in arbitration proceedings the arbitrator shall give a binding decision to the parties and the parties are bound to obey the decision of the arbitrator.

12.4 RIGHT TO STRIKE AND LOCK-OUT

If the parties don't agree to refer the dispute to the arbitrator, in that case within three days the conciliator shall issue a certificate to the parties that the proceedings have failed. According to section 211 of the labour and industrial laws of Bangladesh, the party which raised the dispute may, within fifteen days of the issue to it a certificate of failure, shall give to the other party a notice to commence strike or lockout not earlier than seven days and not later than fourteen days of the date of such notice or make an application to the labour court for adjudication of the dispute. There is a condition that collective bargaining agent shall not serve any notice of strike, if three-fourths of its members give their consent to it through a secret ballot specially held for this purpose, under the supervision of the conciliator. If a strike or lockout is commenced, either of the parties to the dispute may make an application to the labour court for adjudication of the dispute. A strike or lockout may last for thirty days. After thirty days the government may prohibit the strike or lockout and refer the dispute to the labour court. The labour court, after hearing of both the parties, shall give an award within sixty days from the date on which the dispute was referred to it. This award shall be valid for not more than two years. There is also a provision that, no strike shall be permissible in an establishment for a period of three years from the date of commencement of production, if such establishment is a new one or is owned by foreigners or is established in collaboration with foreigners. This is the legal way to call strike or lockout.

12.5 ILLEGAL STRIKE AND LOCK-OUT

- (1) A strike or lock-out shall be illegal,
- a) If it is declared, commenced or continued without giving to the other party of the dispute in the prescribed manner a notice of strike or lock-out, before or after the date of strike or lock-out specified in such notice, or
 - b) According to section 225, when any conciliation proceeding or proceedings is pending before an arbitrator or a labour court or an appeal to the appellate tribunal no party to an industrial dispute shall serve any notice of strike or lock-out. Strike or lock-out commences in contravention of section 225 shall be illegal.
 - c) If it is declared, commenced or continued in consequence of an industrial dispute raised by anyone other than a collective bargaining agent or an employer.
 - d) If it is continued in contravention of an order made by the labour court under section 211.
 - e) According to section 227 when strike or lock-out in pursuance of an industrial dispute has already commenced and is in existence at the time when in respect of such industrial dispute, is pending before the labour court or labour appellate tribunal, the labour court or tribunal may, by an order in writing, prohibit the continuance of the strike or lock-out. If the parties contravene an order made under this section.
 - f) If it is declared, commenced or continued during the period in which a settlement or award is on operation in respect of the matter covered by a settlement or award.
- (2) A lock-out declared in consequence of an illegal strike and a strike declared in consequence of an illegal lock-out shall not be deemed to be illegal.¹⁵

Penalty for illegal strike and lock-out shall be imprisonment for a term which may extent to one year or with fine which may extent to five thousand taka or with both.

12.6 REASON BEHIND THE ILLEGAL STRIKE IN THE GARMENT SECTOR AND ITS EFFECT:

In the event of an illegal strike by any section or department of any establishment, the employer may close down either wholly or partly such section or department and the workers participated in the illegal strike shall not be paid any wages for such closure.¹⁶ In this case the employer shall notify the fact of such closure and the fact of resumption of work, following such closure on the notice board in the section or department concerned or at a conspicuous place in the establishment.

Most of the cases it is to be observed that employers do not allow the workers to form trade union and where there is trade union in a garment sector, the collective bargaining agent is not strong there. If CBA leaders raise their voice on behalf of the worker, they are threatened by the employer. There is a risk of lost of job; sometimes it is likely to cause death. Aminul Islam, a CBA leader has to leave this earth, only for raising voice on behalf of the workers. So, there is no one, on behalf of the worker to reach their demands to the employers. For this if any dispute arises regarding wages, bonus, allowances, and conditions for work, working hours, leave and holidays without pay, unjust layoffs and retrenchments, they cannot negotiate with the employer or the employer don't want to negotiate with the worker. As a result, the workers become aggrieved and most of the times it causes strike. The workers thinking are that strike is the way to fulfill their demand. This strike is illegal strike. Because to be a legal strike under Section 211 of The Bangladesh Labour Code, 2006 it is to be followed the dispute settlement procedure. In case of illegal strike the employer can close the establishment. They not only fulfill the demand of the striking workers but also close down the establishment. So, the ultimate losers are the workers. On the creation of a movement by the workers of a readymade garment factory named Goldtex in Ashulia for overtime and increasing the allowance for lunch, the authority close down the factory.¹⁷

To protest the movement of the worker eight readymade garments industry in Gazipur has closed down sine die.¹⁸ So, most of the cases it is to be seen that workers took the way to go on a movement to fulfill their demand, because there is no strong CBA on behalf of the worker and employers always ignore the demands of the worker. As a result illegal strike taka places which are defined in labour law and the employer get the scope lawfully to closure of the establishment.

13 PARTICIPATION COMMITTEE TO REDUCE INDUSTRIAL DISPUTE

There is a special mechanism which is provided in The Bangladesh Labour Code,2006 to reduce industrial dispute at the primary stage. Section 205 of this act suggests the employers to form participation committee, where there are fifty or more workers in an establishment. There shall be equal number of representative of the employer and the worker. The

representatives of the workers in the committee shall be appointed on basis of the nomination made by the trade unions of the establishment. Where there is no trade union, representatives of the workers shall be nominated in the manner prescribed by rules from amongst the workers engaged in the establishment. According to section 206 the functions of the participation committee shall be to inculcate and develop a sense of belonging and workers' commitment and, in particular—

- a) To endeavor to promote mutual trust, understanding and cooperation between the employer and the workers;
- b) To ensure application of labour laws;
- c) To foster a sense of discipline and to improve and maintain safety, occupational, health and working condition;
- d) To encourage vocational training, workers' education and family welfare training;
- e) To adopt measures for improvement of welfare services for the workers and their families;
- f) To fulfill production target, reduce production cost and wastes and raise quality of products.¹⁹

According to section 208(1) of Bangladesh labour Code- 2006 the employer and the trade union of the establishment shall take necessary measures to implement the specific recommendations made by the Participation Committee within the time prescribed by it. Section 208(2) provides that if by any reason the employer or trade union faces any problem in implementing the recommendations of the committee within prescribed time, the Participation Committee shall be informed of it and all possible endeavors shall have to be taken to implement the recommendations.

But reality is that there is hardly any participation committee in RMG sectors. There are some industries, where the participation committee has been formed without maintaining the laws relating to the formation the committee and somewhere they do not observe the functions of the committee.

According to one author:

*"It is true that the formulation of the law in respect of Participation Committee is far from effective. It is difficult to carry the commitment of the workers to fulfill production target when they are not discussed when the target is fixed. It is also too much to expect that the workers' representatives will sit in the meeting of the committee every two months only to discuss, exchange views and recommend measures on paramount issues of their interest which the employer may just ignore and reject without, even mentioning any reason."*²⁰

14 MEASURES FOR IMPROVING INDUSTRIAL RELATIONS IN THE GARMENT SECTORS²¹

The following measures should be taken to achieve good industrial relations:

14.1 STRONG AND STABLE UNION

A strong and stable union in each industrial enterprise is essential for good industrial relations. The employers can easily ignore a weak union on the plea that it hardly represents the workers. The agreement with such a union will hardly be honored by a large section of workforce. Therefore, there must be strong and stable unions in every enterprise to represent the majority of workers and negotiate with the management about the terms and conditions of service.

14.2 MUTUAL TRUST

Both management and labor should help in the development of an atmosphere of mutual cooperation, confidence and respect. Management should adopt a progressive outlook and should recognize the rights of workers. Similarly, labor unions should persuade their members to work for the common objectives of the organization. Both the management and the unions should have faith in collective bargaining and other peaceful methods of settling disputes.

14.3 WORKERS' PARTICIPATION IN MANAGEMENT

The participation of workers in the management of the industrial unit should be encouraged by making effective use of works committees, joint consultation and other methods. This will improve communication between managers and workers, increase productivity and lead to greater effectiveness.

14.4 MUTUAL ACCOMMODATION

The employers must recognize the right of collective bargaining of the trade unions. In any organization, there must be a great emphasis on mutual accommodation rather than conflict or uncompromising attitude. One must clearly understand that conflicting attitude does not lead to amicable labor relations; it may foster union militancy as the union reacts by engaging in pressure tactics. The approach must be of mutual "give and take rather than "take or leave." The management should be willing to co-operate rather than blackmail the workers.

14.5 SINCERE IMPLEMENTATION OF AGREEMENTS

The management should sincerely implement the settlements reached with the trade unions. The agreements between the management and the unions should be enforced both in letter and spirit. If the agreements are not implemented then both the union and management stop trusting each other. An environment of uncertainty is created. To avoid this, efforts should be made at both ends to ensure the follow up of the agreements.

14.6 SOUND PERSONNEL POLICIES

The following points should be noted regarding the personnel policies. The policies should be:

- a) Formulated in consultation with the workers and their representatives if they are to be implemented effectively.
- b) Clearly stated so that there is no confusion in the mind of anybody.
- c) Implementation of the policies should be uniform throughout the organization to ensure fair treatment to each worker.

14.7 GOVERNMENT'S ROLE

The Government should play an active role for promoting industrial peace. It should make law for the compulsory recognition of a representative union in each industrial unit. It should intervene to settle disputes if the management and the workers are unable to settle their disputes. This will restore industrial harmony.

14.8 PROGRESSIVE OUTLOOK

There should be progressive outlook of the management of each industrial enterprise. It should be conscious of its obligations and responsibilities to the owners of the business, the employees, the consumers and the nation. The management must recognize the rights of workers to organize unions to protect their economic and social interests.

15 CONCLUSION

RMG industry of Bangladesh now accounts for over 76% of the country's total export earning which is 13% of the total GDP. the RMG industry started developing in Bangladesh primarily as an export-oriented industry although; the domestic market for RMG has been increasing fast due to increase in personal disposable income, increase in per capital income and change in life style. The sector rapidly attained high importance in terms of employment, foreign exchange earnings and its contribution to Real GDP. After above discussion of the laws relating to the industrial relation and industrial dispute settlement procedure, it is seen that there is a chain of procedure to mitigate the industrial dispute, which should be followed by the employers. Employers should come out from their own interest. They should give their attention to the worker's interest, because industrial reputation mostly depends upon the workers and keeping a large number of workers in dissatisfaction industrial development is not possible.

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