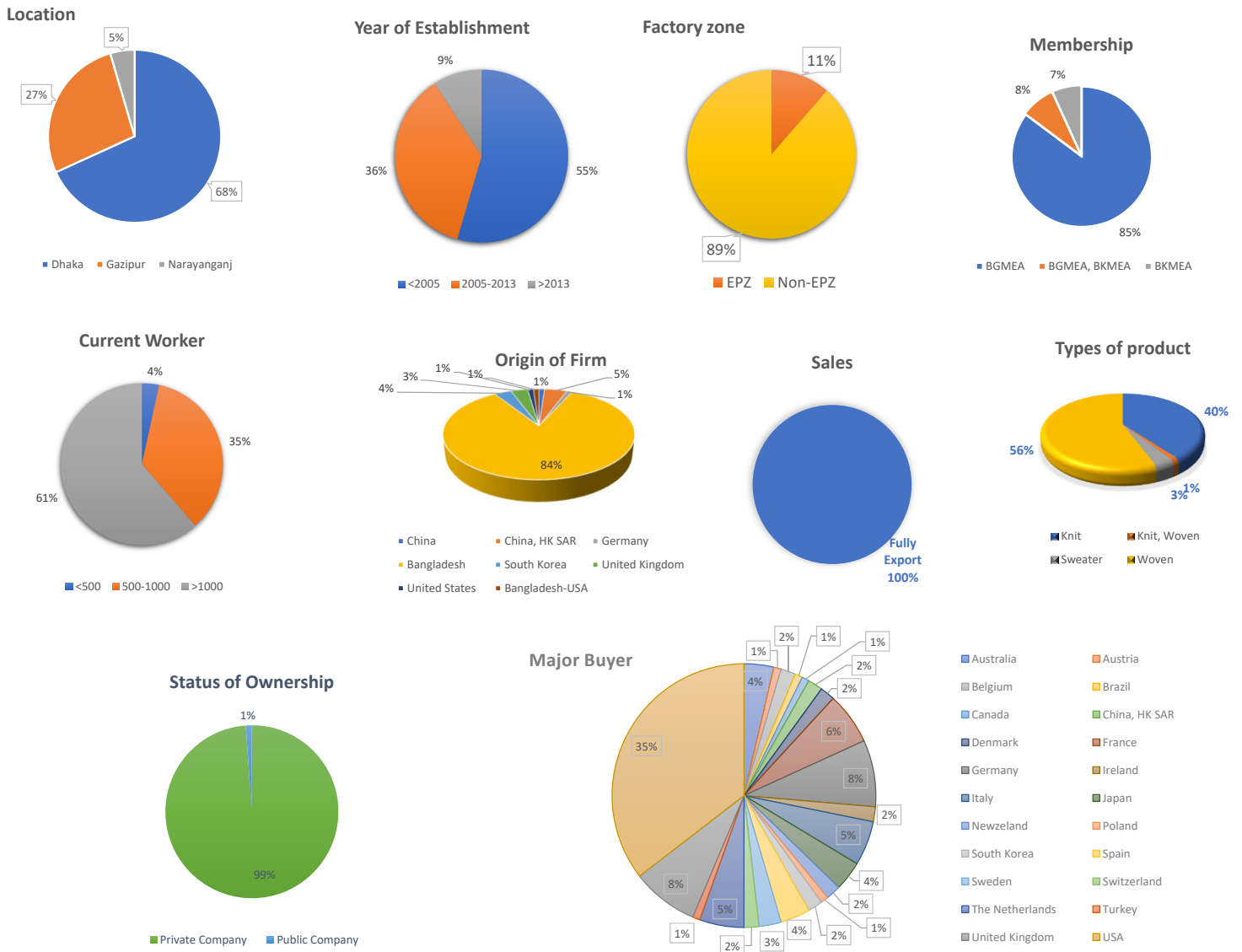


Background: Ready-made garment (RMG) is an important sector in Bangladesh economy, accounting for more than 80% of exports, and its competitiveness depends on cheap labor. On the other hand, it is said that the labor related compliance required by ILO is not properly followed, and as a result, workers are employed at long time with an unreasonably low pay. Therefore, it is important to understand the actual situation and analyzing the effect of compliance on the competitiveness of the ready-made garment sector.

Objective: To identify the factors that determine the lack of compliance of RMG sector of Bangladesh

Research overview: The field survey was conducted in RMG factories in the capital city of Bangladesh, Dhaka and Surrounding areas. An interview survey was conducted with the workers who worked there on the perspective of compliance. Each factory interview at least two workers. Total 176 workers of 88 RMG factories were interviewed. Dichotomous questionnaire was used to assess the existence of compliance or not. The answer ranges from 0 to 1. In the questionnaire, contents cover several issues of labor compliance in eight broad areas where first four areas such as Child Labor, Discrimination, Forced labor, and Freedom of Association and Collective Bargaining are related to ILO core labor standard. Rest four areas are related to human behavior at work place such as Compensation, Contracts and Human Resources, Occupational Safety and Health, and Working Time.

Survey Output:



Research summary: (1) Most of the factories are financed by domestic investor, and found in the outside EPZ area. (2) Most of the factories are large in size where more than 1000 workers are employed. (3) The ownership status of the factories is private in nature and are fully export oriented. (4) Major buyers are USA, Europe, Japan. (5) RMG factories produced both knitted and non-knitted items and are members of either the BGMEA or the BKMEA, or both.

Future direction: Further analysis will be done to identify the factors which determine the lack of compliance of RMG sector of Bangladesh in details.