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# Unrest emerges as a new threat to RMG recovery

Labour leaders say owners should fulfil all logical demands

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The number of apparel work orders received by Bangladeshi companies from international retailers and brands for the autumn and winter seasons of 2025 dropped by nearly 10 percent compared to the past due to major shocks from the nationwide student movement and labour unrest in major industrial belts over the past two and half months.

In light of the tense situation prevailing since July, major buyers pushed back planned trips or altogether cancelled factory visits, which led to a fall in the number of work orders for the upcoming seasons.

The months of July, August and September are not only the peak season for shipping goods meant for sale during Christmas to Western retailers, they are also the busiest months in terms of booking work orders for the next autumn and winter seasons.

However, that period coincided with an unprecedented breakdown in the law and order situation this year.

Production was severely hampered in mid-July, when the Sheikh Hasina-led Awami League government imposed a curfew and an internet blackout to quell the unrest stemming from the demand to reform the job quota system for public recruitment.

Ultimately, those measures proved

engaged in vandalism and arson. Factory owners then began to shut down units one by one to avoid any spillover from the unrest as well as to protect the production units and machinery from vandalism.

This was exacerbated by the fact that the law and order situation was practically non-existent following the changeover in power.

Members of the Industrial Police refrained from patrolling industrial areas as they feared for their safety given that police personnel were being attacked.

Alongside that, the police administration was being reshuffled following the change of government so almost all police stations were hamstrung.

As a result, factory owners dared not run their manufacturing units.

The factories could not be run properly even with the help of the army as it did not have any magistracy powers.

So, most factories in Ashulia, Savar, Zirani and Zirabo either remained shut or were vandalised by workers.

Finally, the factory owners had to turn to their ultimate weapon, shutting down factories under the clause 13(l) of the Bangladesh Labour Act, which mainly deals with the "no work, no pay" stipulation.

#### WHY DID THE UNREST TAKE HOLD AT THIS TIME?

Many may question why the unrest erupted when the nation was in such



by different factories for alleged involvement in the unrest.

As attendance of workers is registered through biometrics, either through fingerprints or facial detection, blacklisted workers cannot get jobs at other factories.

So, Amin said factory owners should wipe the names of those workers from the blacklist since they engaged in the unrest only to realise their logical demands.

At present, normalcy is being restored to industrial belts, particularly areas in Ashulia, Savar, Zirani and Zirabo, as security has been beefed up by deploying more members of law enforcement agencies.

Almost all factories in these areas were reopened by Sunday and production started as the workers rejoined their workplaces.

#### IMPACT OF THE UNREST

Not only have a certain percentage of work orders been diverted from local factories, but officials are also concerned about whether they can ensure the timely delivery of goods.

Consequently, Bangladeshi garment exporters will have to provide big discounts or opt for expensive air shipments to offset the time lost.

In some cases, work orders may be cancelled due to a failure to ship goods timely.

But in most cases, exporters will choose air shipment despite steep costs in order to meet the strict lead times and maintain smooth relationships with retailers and brands.

However, they know all too well that the profit margin will be dented significantly due to the increased costs of air shipment.

To ship goods via air from the Dhaka airport to any destination in Europe, exporters must pay over \$4 per kilogramme of dry cargo.

However, it would cost less than 10 cents to send the same shipment to Europe through the Chattogram seaport.

The long-lasting disruption to production is the latest setback for Bangladesh's garments industry, which was already struggling to recover from the severe fallout of the Covid-19 pandemic, the Russia-Ukraine war, persistent inflation, and the Red Sea crisis.

Khandoker Rafiqul Islam, president of the BGMEA, said that apart from a 10 percent decrease in work orders, nearly the same percentage of work orders have been diverted to other countries.

It will take time to recover the lost work orders and it depends on full restoration of the normal business environment, Islam told The Daily Star over the phone.

As many factories were struggling, the Bangladesh Bank helped them clear salaries for the month of August. Around 90 percent of units had paid salaries for August as of September 17, he added.

"We expect full normalcy to be restored to industrial belts and for business to go back to usual after workers rejoin their workplaces," the BGMEA president also said.

workers primarily raised demands to standardise tiffin and attendance allowances as different factories in the same industrial belt pay different rates.

Another demand from workers was to recruit males and females in equal proportion to remove "discrimination".

Moreover, influential locals, especially those with political links, also influenced workers to capitalise on the lack of law and order.

Alongside that, a struggle ensued to fill the power vacuum and take control of the 'jhut' (waste fabric generated during apparel manufacturing) business after the fall of the government on August 5.

At a view exchange meeting with the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) this week, Major General

Muhammad Md Moin Khan, general officer commanding of the 9th Infantry Division of Bangladesh Army, outlined three reasons for the unrest: instigation by outsiders, logical and illogical demands raised by the workers, and a turf war over the jhut trade.

Amid the unrest, the interim government said it may review the wage structure.

However, labour leaders said reviewing the wage structure is not the main demand of the workers this time.

Nazma Akter, president of Sammilito Garment Sramik Federation, said many workers had been laid off since the beginning of the movement in July. She also validated their demands, saying their standards of living were still not up to scratch.

The factory owners need to agree with the logical demands, including calls for social protection, removal of some clauses of the labour law, implementation of maternity leave and provident fund, and stopping abuse of female workers, for the greater interest of the garment business, Akter said.

Md Towhidur Rahman, president of the Bangladesh Apparel Workers Federation, echoed Akter's sentiments.

Outsiders are also involved in the latest spate of unrest, he said. However, he added that many garment factories had not paid salaries timely, which was another trigger for the unrest.

"Usually, garment workers get a low salary. So, if they are not paid timely, how will they run their families and meet expenses such as house rent and tuition for their children?" he asked.

As an example, he said that some garment factories had not paid workers their salary for the month of August yet.

Last week, Amirul Haque Amin, president of the National Garment Workers Federation, said more than 400 garment workers were blacklisted



PHOTO: STAR



futile. The Awami League government was overthrown by a mass uprising, with Hasina signalling the end of its tenure by fleeing to India on August 5.

After a new government was formed, led by Nobel laureate Professor Muhammad Yunus, different demands started coming up from workers of numerous sectors.

Of them, garment workers started raising charts of demand and production was halted for nearly 15 days as employees agitated.

Thousands of garment workers came out on the streets in industrial belts like Ashulia, Zirani, Savar, Tongi and Gazipur while some allegedly

engaged in a delicate situation, especially considering that a new wage structure for garment workers came into effect in December last year.

However, the workers' standards of living have not improved significantly despite the hike in pay due to persistent inflationary pressure.

According to workers, union leaders, labour experts and factory owners, there were some other reasons behind the labour agitation.

During the latest spell of unrest,