

The Daily Star

Wednesday, September 9, 2020

YOUR RIGHT TO KNOW

Home » Business

12:00 AM, September 09, 2020 / LAST MODIFIED: 01:14 AM, September 09, 2020

SIX MONTHS WITH CORONAVIRUS WHERE THE ECONOMY STANDS NOW

Govt plans handouts for the laid-off

Terminated and insolvent garment, leather workers to get Tk 3,000 a month for 3 months

367

Shares



Many workers who lost their jobs have been languishing in poverty as the pandemic has curbed alternative employment opportunities. Photo: Star/file

Rejaul Karim Byron , Refayet Ullah Mirdha and Md Fazlur Rahman

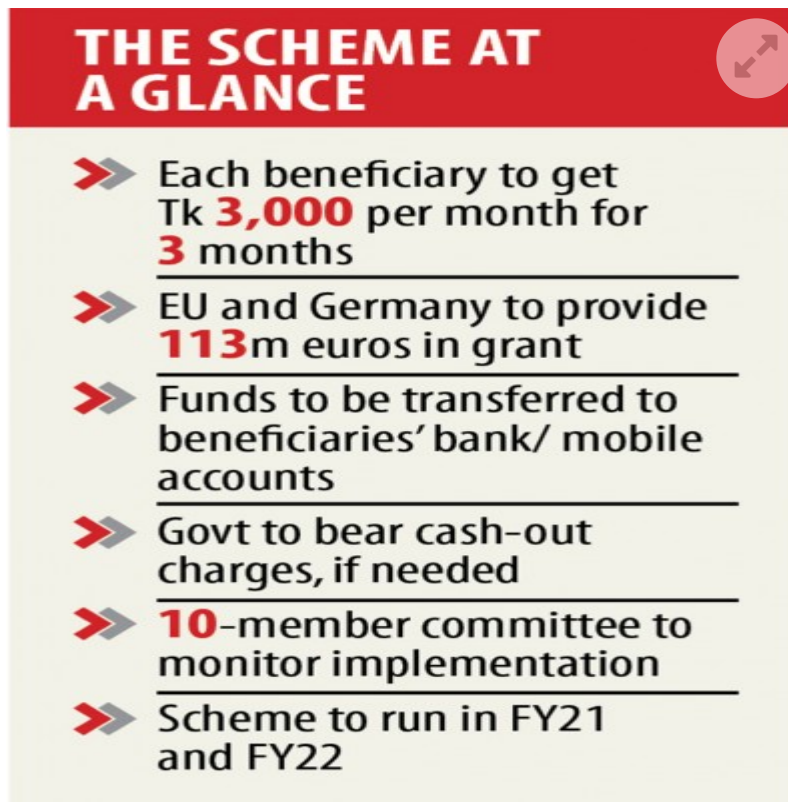
A ray of hope has emerged for the laid-off, disabled and insolvent workers of export-oriented garment, leather and footwear manufacturing factories as the government has initiated a scheme to extend financial support to them.

The government would pay Tk 3,000 per month to a worker for three months under the scheme, backed by the European Union and Germany, who together paid €113 million.

The labour department has prepared an implementation guideline for the social safety net programme.

Laid-off, disabled and insolvent workers of factories which are members of four platforms would be eligible.

The four are the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), the Leathers and Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB) and the Bangladesh Finished Leather, Leathers and Footwear Exporters' Association (BFLLEA).



THE SCHEME AT A GLANCE

- Each beneficiary to get Tk **3,000** per month for **3** months
- EU and Germany to provide **113m** euros in grant
- Funds to be transferred to beneficiaries' bank/ mobile accounts
- Govt to bear cash-out charges, if needed
- **10**-member committee to monitor implementation
- Scheme to run in FY21 and FY22

The finance ministry has sent a proposal to the Prime Minister's Office seeking permission for the scheme.

Bangladesh's export sector came under pressure because of the pandemic-induced economic disruptions in the major export markets such as the EU and the US. As a result, several export-oriented factories in the two sectors were forced to announce temporary layoffs and put production on hold or reduce production, affecting both owners and workers.

The affected workers have received compensation under the labour laws. Still, they have been languishing in poverty as the pandemic has persisted and the scope for alternative employment opportunities has been squeezed, the labour ministry guideline.

It said some temporary workers did not get the compensation as they do not meet the conditions. Besides, there is a group of workers who have become physically disabled because of workplace accidents or women workers could not return to work after giving birth.

"As a result, the income-generation capacity has narrowed and the workers are facing economic hardships."

"So, the government has initiated a move to roll out a social protection scheme to provide emergency humanitarian support for the two important sectors," said the implementation guideline.

The EU and Germany have agreed to provide €113 million in grant to implement the scheme. The government would allocate a budget in favour of the scheme.

The labour department would implement the scheme. But it would be implemented through active participation of the owners.

The initiative would be implemented under the guideline in the current and the next fiscal years. Md Saiful Islam, president of the LFMEAB, said it was a good move as many workers had lost jobs.

"If the real retrenched workers get Tk 3,000 per month at least for six months, they will be able to cope up with the adverse impacts."

Nazma Akter, president of Sammilito Garment Sramik Federation, a platform for workers, said the workers would be benefited.

"The workers who have not received salaries in June, July and August are really in trouble."

"It is good that the welfare of the workers is being looked into. We hope it would be implemented properly," said Hossain Zillur Rahman, executive chairman of the Power and Participation Research Centre.

The economist said surveys showed that the government's social protection schemes were mostly giving attention to formal sector workers. But 87 per cent of the country's workforce lies outside the formal sector.

"The thinking about the informal sector workers is still weak. Now, there should be vigorous policy thinking about the informal sector."

The informal sector is no longer a sea of unknown workers. There are specific occupations where workers can be identified, according to Rahman.

"We have to address the informal sector. Otherwise, there would be inequality within the working group."

Tanvir A Mishuk, managing director of Nagad, a digital financial service arm of the postal division, said this was a timely initiative and the right approach to stand beside the employees who have already lost their jobs.

It is already proven that mobile financial services (MFS) are the trusted players to disburse the government's funds that can ensure full transparency, he said.

"And I am quite sure that only through MFS platforms, the right person can get the support and no other channels can offer this type of cost-efficient service maintaining high transparency."

The director-general of the labour department would lead an eight-member implementation committee.

It will include the additional director-general of the labour department, the additional inspector general of the Department of Inspection for Factories and Establishments and the chief accounts and finance officer of the labour ministry.

Representatives of the BGMEA, the BKMEA, LFMEAB and BFLLEA and the EU will also be there.

A 10-member committee led by the labour secretary would monitor and evaluate the scheme.

The factories under the four associations would prepare a primary list of the affected workers and bring relevant information under a management information system (MIS).

The information includes names of the workers, their addresses, national identification numbers, bank or mobile financial service account numbers and mobile phone numbers.

The factories would send the data to the associations. The association would forward the list to the labour department.

The labour department would verify the data and place it at a meeting of the implementation committee.

The list recommended by the implementation committee would be approved by the director-general of the labour department. A bill would be submitted to the Chief Accounts and Finance Office.

The chief accounts office would send the electronic payment transfer to the central bank, which would transfer the cash to the banking or MFS accounts of the beneficiaries.

Workers who were employed until February this year would be eligible for the support. Besides, the workers who tested positive for Covid-19, are suffering from other diseases or are unable to work are also eligible.

The finance ministry would scrutinise the list the same way it did in case of distributing the government's support for 50 lakh families which were affected by the pandemic.

The government has distributed cash support among 35 lakh beneficiaries.

Nagad distributed Tk 324.47 crore among 12.9 lakh beneficiaries. Bkash channelled Tk 233.99 crore among 9.3 lakh beneficiaries, Rocket Tk 177.44 crore among 7.05 lakh recipients and SureCash Tk 120.79 crore among 4.8 lakh beneficiaries.

On the eve of Bangladesh embarking on a countrywide shutdown on March 26, the government announced a Tk 5,000-crore special package to pay the wages and allowances of export-oriented industries' workers for three months starting from April.

As the fund was later found to be inadequate, the government released another Tk 2,500 crore from the bailout package rolled out for the large industries affected by the pandemic.

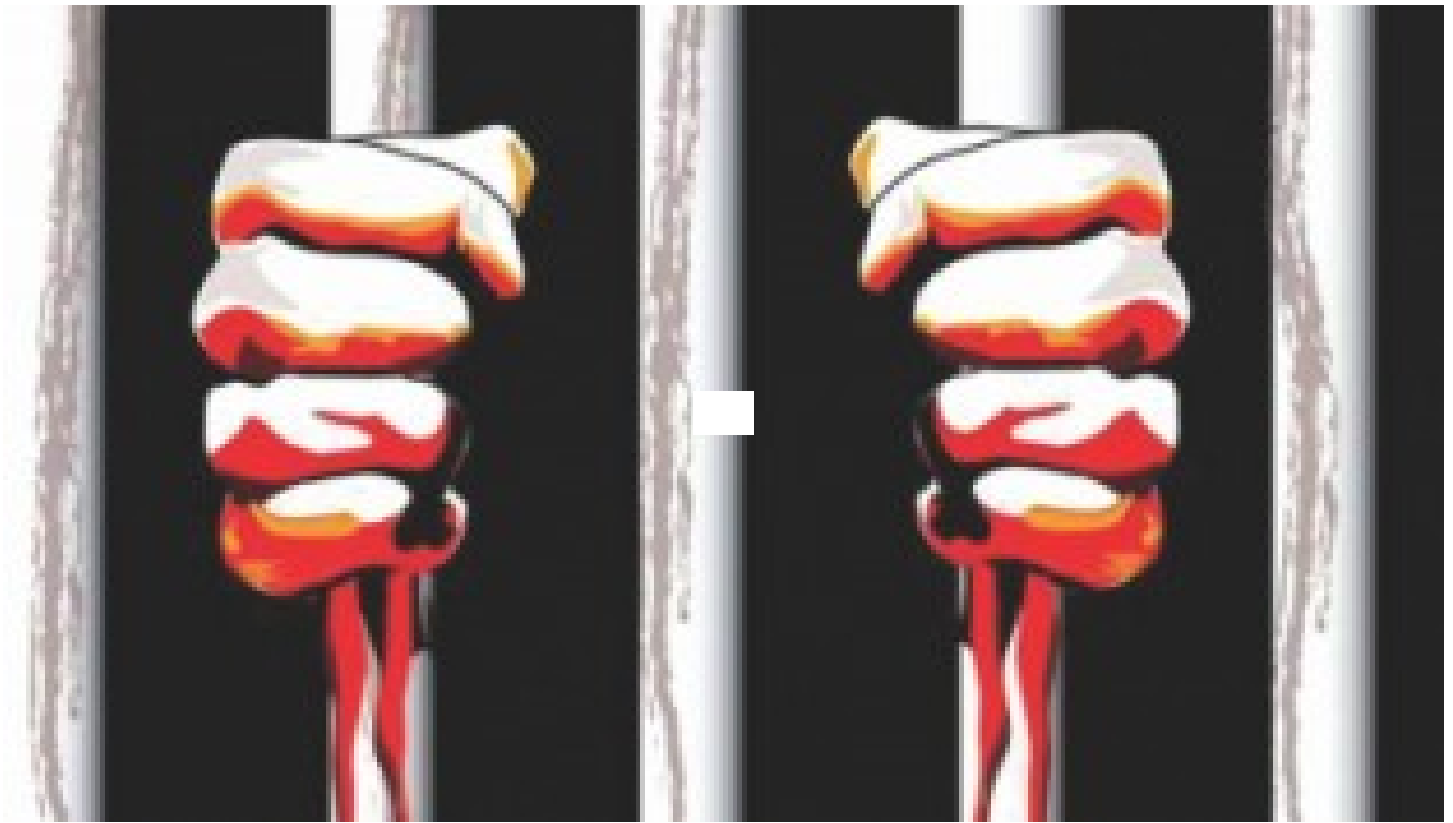
VIEW MORE

MORE FROM BUSINESS



Standard Chartered, bKash and Valyou launch Bangladesh's first blockchain-based cross-border remittance service

LATEST FROM STAR LIVE



(Watch) Custodial death: Eminent lawyers, rights activists react to landmark verdict



(Watch) Who knew loving cats could be this hard?

Stay updated on the go with The Daily Star Android & iOS [News App](#). [Click here](#) to download it for your device.

The Daily Star Breaking news alert on your phone

Grameenphone:

Type **START** <space> **BR** and send SMS it to **22222**

Robi:

Type **START** <space> **BR** and send SMS it to **2222**

Banglalink:

Type **START** <space> **BR** and send SMS it to **2225**

Find more information on SMS subscription

LEAVE YOUR COMMENTS COMMENT POLICY

1 Comment

Sort by Newest



Add a comment...



Md. Irfat Sourav

As Ban is heading towards bcoming a welfare country , it should take csre of misfirtunare harment workers who are the life bood of our economy.

Like · Reply · 9h

TOP NEWS

'I'm satisfied, sir!': victim's brother weeps after 1st verdict on custodial death

No idea how Sinha murder probe report leaked: home minister

A historic verdict: 3 policemen get life term for custodial death

DU professor terminated for 'distorting history, defaming Bangabandhu'

A 'moonshot', PM Johnson wants mass testing in Britain by spring

PM calls for safe environment for students during Covid-19 crisis

