



CMS POLICY BRIEF 9

LABOUR RIGHTS IN BANGLADESH: CHALLENGES, REFORMS, AND POSSIBILITIES

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Background

The labour market Bangladesh faces persistent challenges, including unsafe working conditions, low wages, harassment, and limited social protections. Workers, particularly those in informal sectors such as agriculture, construction, tea gardens, sanitation, and domestic services, frequently endure exploitation without basic rights like freedom of association or collective bargaining. Recognizing these challenges, the interim government of Bangladesh established the Labour Reform Commission which submitted a set of comprehensive recommendations on 21 April 2025, aiming for establishing social justice and ensuring fundamental rights for the country's labour force. To assess and strategize the implementation of these recommendations, the Center for Migration Studies (CMS) at the South Asian Institute of Policy and Governance (SIPG) of North South University (NSU) organized a roundtable discussion titled "Labour Rights in Bangladesh: Challenges, Reforms, and Possibilities" in commemorating the International Labour Day. Main participants included the key members of the Labour Reform Commission, representatives from the Ministry of Labour and Employment (MoLE), policy makers, labour advocates, academics, trade unions, and representatives from the International Labour Organisation (ILO) and other international organisations.

Key Challenges in Reforming Labour Rights in Bangladesh

Inadequate Legal Frameworks

Many recommendations in the Labour Reform Commission's report rely on broad, aspirational values such as 'social justice,' 'dignity,' and 'respect,' lacking precise legal definitions and enforceability. This ambiguity complicates enforcement efforts, makes it difficult for courts and regulatory bodies to adjudicate labour disputes, and leads to inconsistent interpretations. Consequently, this weakens accountability mechanisms and risks diluting the effectiveness of legal protections for workers.

Administrative and Institutional Weaknesses

The implementation of proposed labour reforms requires robust administrative structures capable of effective oversight, monitoring, and enforcement at both national and local levels. Currently, many local institutions suffer from inadequate funding, insufficiently trained personnel, weak infrastructure, and limited technological support. These deficiencies often lead to inconsistent policy enforcement, particularly in rural and underserved areas, undermining the intended impact of labour reforms and leaving workers vulnerable to ongoing exploitation.

Predominance of Informal Employment

Informal workers, comprising approximately 85% of the workforce of Bangladesh (BBS, 2023), lack formal contracts, social security, and basic legal protections. This high informality severely restricts regulatory oversight and enforcement of labour rights, as informal arrangements leave little documentation or accountability mechanisms. Informal workers frequently experience wage theft, unsafe working conditions, and limited recourse to justice, perpetuating cycles of poverty and vulnerability.

Youth Unemployment and Skill Mismatch

Bangladesh faces significant youth unemployment, with approximately 1.94 million young people unable to secure employment (BBS, 2023). A key factor contributing to this issue is the mismatch between education and the skills demanded by employers. Many educational institutions provide theoretical knowledge based on outdated curricula that inadequately prepare graduates for current industry needs, particularly in technology-driven sectors. Consequently, youth unemployment leads to underutilised human capital, increased economic inefficiencies, and heightened social instability.

Missing Connection between Academia and Policymakers

There remains a notable gap between academic research and policy implementation. Valuable academic insights often remain confined to academic journals and conferences, rarely influencing policy-making decisions. Policymakers, constrained by immediate priorities and political pressures, seldom engage deeply with academic evidence. This lack of integration between academic expertise and policy decisions weakens the effectiveness and evidence-based nature of policy interventions.

Gender Inequality in the RMG Sector

Women dominate the Ready-Made Garment (RMG) industry of Bangladesh, but they are disproportionately subjected to exploitative and unsafe working conditions. Many female garment workers are employed informally, lacking formal contracts, job security, and access to maternity benefits. This informality exacerbates gender-based vulnerabilities, limiting women's ability to assert their labour rights or seek redress for workplace abuses. Addressing these gender disparities requires targeted and enforceable policy interventions.

Dependence of Private Sector on the Government

Increasing instances of private sector enterprises seeking government bailouts to cover unpaid worker wages reflect underlying corporate governance issues. This trend shifts responsibilities of the private sector onto public finances, creating an unsustainable financial burden on the state and diverting resources from critical public services. Such dependency undermines accountability within the private sector, distorts market fairness, and erodes the rule of law, necessitating stronger regulatory oversight and transparent corporate accountability mechanisms.

Barriers to Unionisation

While labour law reforms may be proposed with the intention of improving workers' rights, significant barriers to unionisation remain embedded in the system. Chief among these are high unionisation thresholds and a complex, often bureaucratic, registration process. In many cases, a union must secure a substantial percentage of worker support to be legally recognized, a requirement that is difficult to meet, especially in fragmented or informal workplaces. Additionally, the process of registering a union is frequently delayed or obstructed by administrative hurdles, and in some cases, by political or employer interference.

Policy Recommendations

Establish Permanent Institutions

Form permanent Labour and Wage Commissions to consistently oversee labour rights and fair wage policies.

Strengthen Legal Clarity

Develop precise, enforceable legal frameworks that translate broad aspirational values into clear judicial standards.

Enhance Institutional Capacity

Invest in institutional strengthening at all administrative levels to effectively enforce labour laws and protect workers.

Formalize Informal Sector

Create formal contracts and extend social protections to informal workers through national digital registration and targeted integration strategies.

Bridge the Education-Industry Gap

Align educational curricula with market demands through vocational training, internships, apprenticeships, and academia-industry collaboration.

Support Unionization

Simplify union registration processes and lower formation thresholds to enhance collective bargaining power and worker representation.

Key quotes from the session



Dr. Ishrat Zakia Sultana,
Assistant Professor,
Department of Political
Science and Sociology, NSU

"In a global environment where tariffs increasingly harm vulnerable workers, Bangladesh must prioritize protecting labour rights as a national imperative."

"The commission's report reflects the aspirations of Bangladesh's 80 million workers, proposing significant steps like a permanent Wage Commission and expanded maternity benefits."



Dr. Selim Reza, Coordinator
of CMS and Associate
Professor, NSU



**Professor Dr. Md. Rizwanul
Islam,** Dean, School of
Humanities and Social
Sciences, NSU

"The inclusive consultation process of the Labour Reform Commission is commendable; however, translating these recommendations into actionable reforms is essential."

"Collaboration between academia and policymakers is crucial. The painful memory of Rana Plaza should remind us that reforms must ensure workers no longer need to fight for basic rights."



Mr. A H M Shafiquzzaman,
Secretary, Ministry of
Labour and Employment



Mr. Nafiz Ahmed, Lecturer,
Department of Law, NSU

"While value statements in the report set a commendable vision, without concrete legal frameworks, they risk remaining symbolic."

"The commission's report marks the beginning of an ongoing and meaningful reform journey, anchored in national interest and continuous dialogue."



**Mr. Syed Sultan Uddin
Ahmed,** Head, Labour
Reform Commission



**Dr. Abdul Hannan
Chowdhury,** Vice
Chancellor, North South
University

"The MoU between NSU and the Ministry reflects our strong commitment to advancing labour rights and embedding these principles deeply into academic curricula."

"Despite economic progress, Bangladesh must urgently address persistent vulnerabilities in the informal sector and youth unemployment through robust tripartite cooperation."



Mr. Neeran Ramjathan,
Programme Manager, ILO
Bangladesh

Conclusion

Bangladesh is at a pivotal moment in reforming its labour practices. The Labour Reform Commission has charted a promising course, but the successful transformation from recommendations to reality requires decisive, sustained, and inclusive action. Enhancing legal clarity, administrative effectiveness, educational alignment, and institutional robustness is essential. Bridging the divide between policymakers, academics, and workers themselves will ensure these reforms create lasting improvements, safeguarding rights and promoting dignity for the workforce of Bangladesh.

References

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