

CHAPTER VI

PERFORMANCE OF TRADE UNION IN PRIVATE SECTOR JUTE MILLS

- 6.1. Introduction**
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6.1. Introduction

The most formidable task of restructuring the Bangladesh economy in the post-liberalisation era has been the restructuring of public sector industries including the jute mills. In order to accelerate the rate of growth of industries the Government has initiated reform process in this prime sector. The new policy has paved the way for industrialisation under private sector initiative. Thus the role of Government has been shifted from regulatory to supportive in the liberalisation process. The new industrial policy also encourages setting up of new industries under private initiative with the invitation of foreign direct investment. The export-oriented industries have given exemption from tax. This has encouraged the new industries to start production of export-oriented goods (Bangladesh Economic Survey, 1993-94).

Long back since the mid 1970s the Government of Bangladesh realised that state-managed enterprises were not functioning properly. These enterprises had been incurring huge losses due to a number of reasons. To overcome this situation the Government took up the cause of privatising the enterprises. The sole objective was thus to improve the productive efficiency of every input. This was urgently necessary, at that point of time, to attain higher economic growth for the welfare of the toiling masses. Naturally, the process of privatising jute industry began in the late 1970s with the disinvestment of medium-sized jute-spinning mills. These mills were handed over to the private owners. Within a very short span of time thirty five nationalised jute mills were privatised in 1985-86 and by 1992-93 the number rose to thirty nine. The privatised jute mills are as under : Afil Jute Mills, Ajax Jute Mills, Allied Jute Mills, Anowara Jute Mills, A.A. Howlader Jute Mills, A.K. Khan Jute Mills, Bangladesh Fabric Co., Bengal Carpets, Broad Burlap Industries, Chittagong Jute Mfg. Co., Co-operative Jute Mills, Delta Jute Mills, Dhaka Jute Mills, Fauji Chatkal, Gawsia Jute Mills, Jabbar Jute Mills, Janata Jute Mills, Kohinoor Jute Mills, Mashriqui Jute Mills, Mohsen Jute Mills, Moqbular Rahman Jute Mills, National Jute Mills, Newab Askari Jute Mills, Nowapara Jute Mills, Pubali Jute Mills, Quasem Jute Mills, Saleh Carpet Mills, Sattar Jute Mills, S.K.M. Jute Mills, Sonali Aush Industries, Sonali Jute Mills, Star Alkaid Jute Mills,

Sultana Jute Mills, Taj Jute Backing Co. Victory Jute Products & W. Rahman Jute Mills (Jute Goods Statistics, 1993-94).

By March, 2003, forty five composite jute mills have been registered under the Bangladesh Jute Mills Association (BJMA), a private Jute Mills Association. The number of Government-managed jute mills is getting reduced and it is learned that ten more nationalised jute mills are going to be privatised very soon (Rashid, 2003).

The present chapter deals with the detailed analysis of two private sector jute mills namely Ajax Jute Mills and Mohsen Jute Mills. We have also presented here the production, growth rate of production, export of jute goods and growth, man-power position of privatised jute mills. We have conducted opinion survey with 130 workers, employees, staff and executives/managers of two jute mills. We have also gathered opinions from trade union leaders with different political affiliations. We have again made a comparative study of production, export, man-power position, wage etc. between nationalised and privatised jute mills.

6.2. Short History of Two Privatised Jute Mills

This section gives a short history of two private jute mills namely Ajax Jute Mills and Mohsen Jute Mills. The Ajax Jute Mills Ltd. was established at Mirerdanga, Daulatpur, Khulna in 1964. It started production since 1965. It is a medium sized enterprise having 1320 workers of which 1080 are permanent and 240 are temporary workers. The total number employees and officers is 190 and 59 respectively. It was originally a privately-managed enterprise where 51 percent share were owned by the individuals and 49 percent was the Government share. After liberation in 1971 80 percent of the private enterprises were nationalised including the Ajax Jute Mills. Till nationalisation it was a profit-making concern. But after nationalisation the industry started experiencing losses. Due to change in Government policy and subsidies offered by the Government the financial position of the enterprise improved substantially and it gradually started making profit. As a policy of the Government this enterprise was denationalised in 1982. After denationalisation the position of this industry again deteriorated. Due to mounting loss the workers are not being provided wage and other benefits

properly and timely. The employment absorption capacity of this industry has been decreased. The detail analysis of the jute mills will be given in the following sections just after the overview of the other private jute mills namely the Mohsen Jute Mills.

Other important private jute mills namely Mohsen Jute Mills was established in 1969 which started its production activity since 1970. It was set up at Shiromoni in Khulna with its head office at Nasim Chamber, 21, Dil-Khusa, Dhaka as a private jute industry. The enterprise started its production with sixty five broad looms equivalent to 250 narrow looms. The nationalisation of this industry was made in 1972 which again was denationalised in 1982. The Mohsen Jute Mills is relatively smaller than the Ajax Jute Mills in terms of production capacity, export of jute goods, employment absorption etc.

6.3. A Comparison of Nationalised and Private Jute Mills

In this section we present a comparative statistics of production and export of jute goods of nationalised and privately managed jute mills of Bangladesh. We have again shown the man-power position as well as wage differentials of these mills.

The production and growth rate of production of both public sector and private sector jute mills in Bangladesh have been shown in terms of tables 6.1 and 6.2 below.

Table : 6.1

Production of Jute Goods Under Nationalised Mills

(In 000 M.T.)

Year	Quantity Produced	Growth Rate
1986-87	334	—
1987-88	326	- 2.39
1988-89	317	- 2.76
1989-90	332	+ 4.73
1990-91	261	- 21.38
1991-92	244	- 6.51
1992-93	283	+ 15.98
1993-94	271	- 4.24

Source : Compiled from Bangladesh Bureau of Statistics

Table 6.2 is portrayed in diagram 6.1 below.

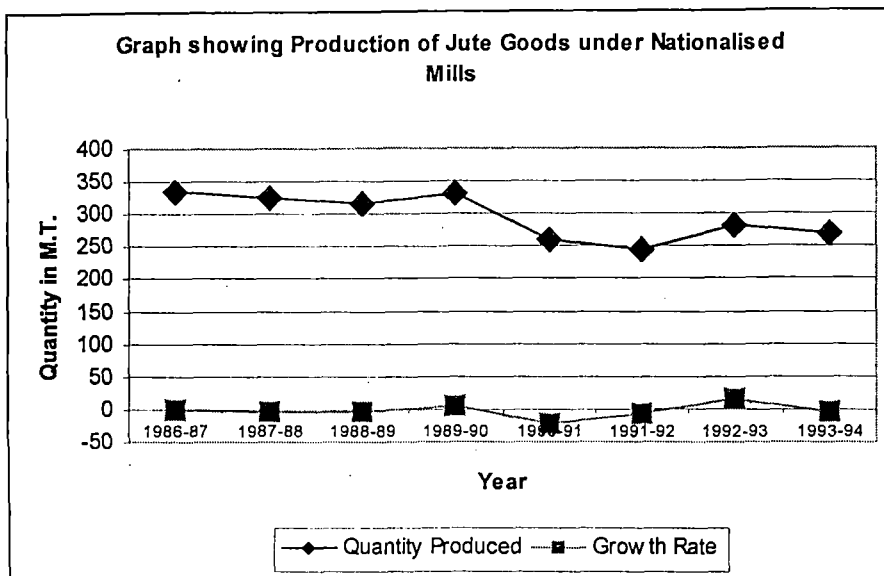


Figure 6.1

Table : 6.2
Production of Private Jute Mills

Year	Production (in M.T.)	Growth Rate
1990-91	173438	—
1991-92	172280	- 0.66
1992-93	162865	- 5.46
1993-94	150657	- 7.49

Source : Compiled from Bangladesh Bureau of Statistics

Table 6.2 is portrayed in diagram 6.2

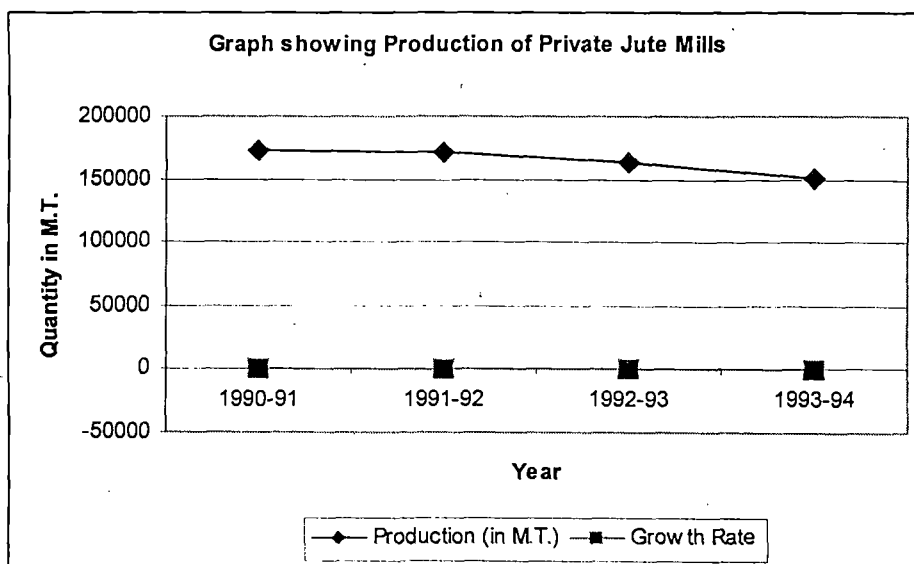


Figure 6.2

The export of private Jute Mills is represented in table 6.3. It is also shown in terms of **Figure 6.3**.

Table : 6.3
Export of Private Jute Mills

Year	Export (in M.T.)	Growth Rate
1990-91	146740	0.00
1991-92	129116	- 12.01
1992-93	115872	- 10.25
1993-94	118275	+ 2.07

Source : Compiled from Bangladesh Bureau of Statistics

Table 6.3 is represented in **Figure 6.3**

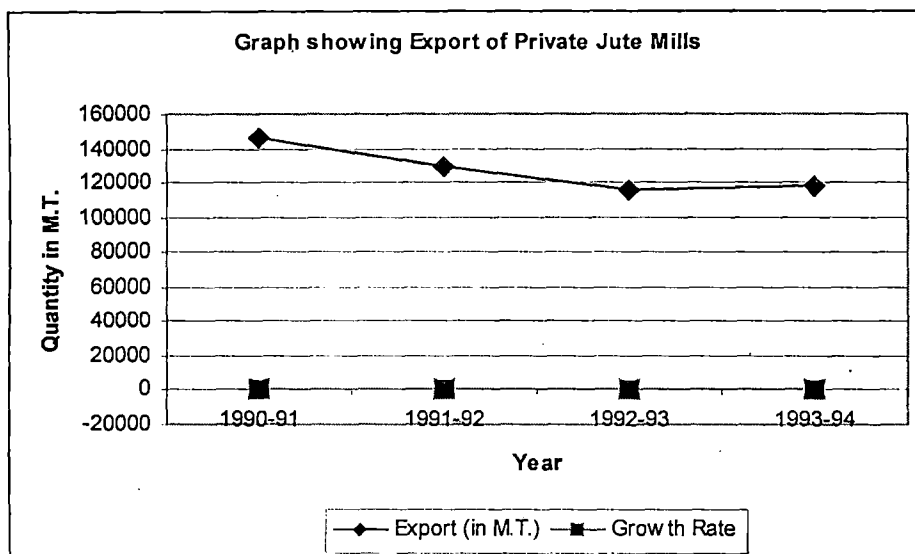


Figure 6.3

A comparative picture of production of nationalised and private jute mills is shown in table 6.4 as well as in terms of bar diagram 6.4 below.

Table : 6.4
Production of Nationalised and Private Jute Mills : A Comparison
(In 000 M.T.)

Organisation	Year-wise Production			
	1996-97	1997-98	1998-99	1999-2000
Nationalised Jute Mills	271.53 (66.1)	255.29 (62.43)	236.19 (64.13)	234.9 (69.27)
Private Jute Mills	139.22 (33.9)	153.59 (37.57)	132.06 (35.87)	104.2 (30.73)
Total	410.75	408.88	368.25	339.1

Source : Annual Jute Goods Statistics, 1999-2000, Vol. 89, Dhaka, Bangladesh.

Figures within the parentheses indicate percentages to total.

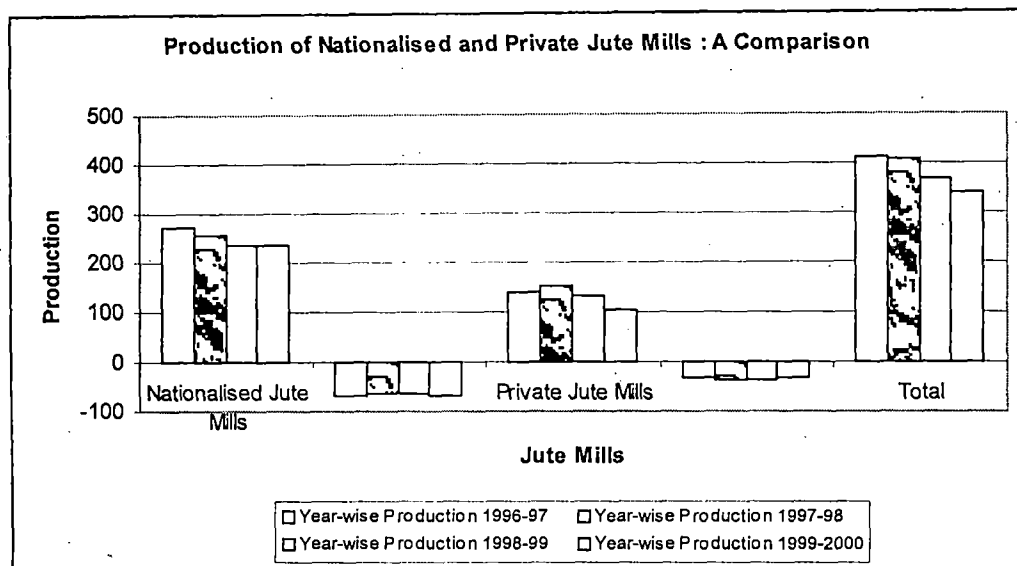


Figure 6.4

Growth rate of production of both public and private jute mills is shown in table 6.5. This again is represented in terms of growth curve (Figure 6.5)

Table : 6.5
Growth Rate of Production between Nationalised and Private Jute Mills

Year	Production Growth Rate	
	Nationalised Jute Mills	Private Jute Mills
1996-1997	—	—
1997-1998	- 5.98	+ 10.32
1998-1999	- 7.48	- 14.01
1999-2000	- 0.54	- 21.09

Source : Calculated from table 6.4

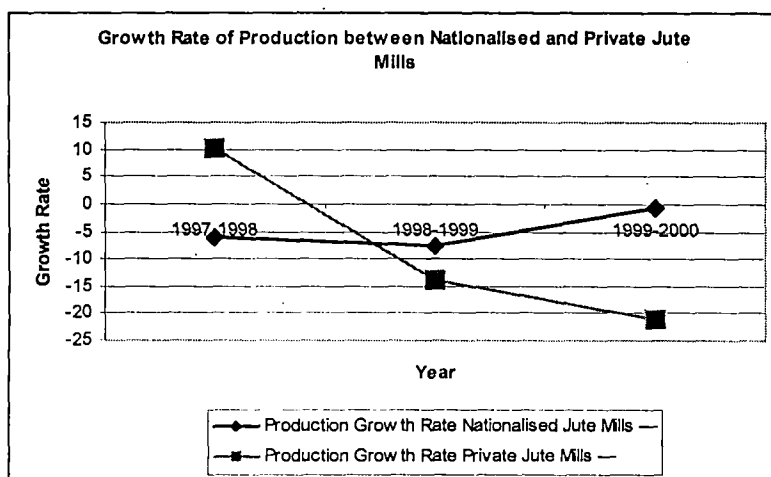


Figure 6.5

Nationalised jute mills' contributions were 66.1, 62.43, 64.13 and 69.27 percents in 1996.97, 1997-98, 1998-99 and 1999-2000 respectively

whereas the contributions made by the private sector jute mills were 33.9, 37.57, 35.87 and 30.73 percents respectively during the above mentioned periods of time. We receive a dismal picture of growth rate of production of both the nationalised and private sector jute mills shown in table 6.2. In 1997-1998 the rate of growth of production was - 5.98 percent in nationalised jute mills. It rose to - 7.48 percent in 1998 - 1999 and in 1999 - 2000 the nationalised jute mills position was not good enough when they experienced a negative rate of growth of production (-0.54 percent). The position on the private sector jute mills was equally bad. The only exceptional year was 1997-1998 when they experienced a positive rate of growth of production (+10.32 percent). In 1998-99 the private jute mills incurred a negative rate of growth of production of - 14.01 percent. This negative trend continued also in 1999-2000 when this sector experienced a huge negative growth rate of production (- 21.09 percent). The growth rates of both nationalised and private jute mills are fitted in figure 6.5.

A comparative picture of export of jute goods and the rate of growth of export of nationalised and private jute mills is shown in tables 6.3 and 6.4

Table 6.6
Export of Jute Goods between Nationalised and Private Jute Mills

(In 000 M.T.)

Organisation	Year-wise Export			
	Nationalised Jute Mills	192.85 (67.92)	160.27 (67.77)	223.84 (73.92)
Private Jute Mills	91.06 (32.07)	76.20 (32.22)	78.97 (26.07)	67.5 (25.08)
Total	283.91	236.47	302.81	269.1

Source : *Compiled from Annual Jute Goods Statistics, 1999-2000, Dhaka, Bangladesh*

Figures within the parentheses indicate percentages to total.

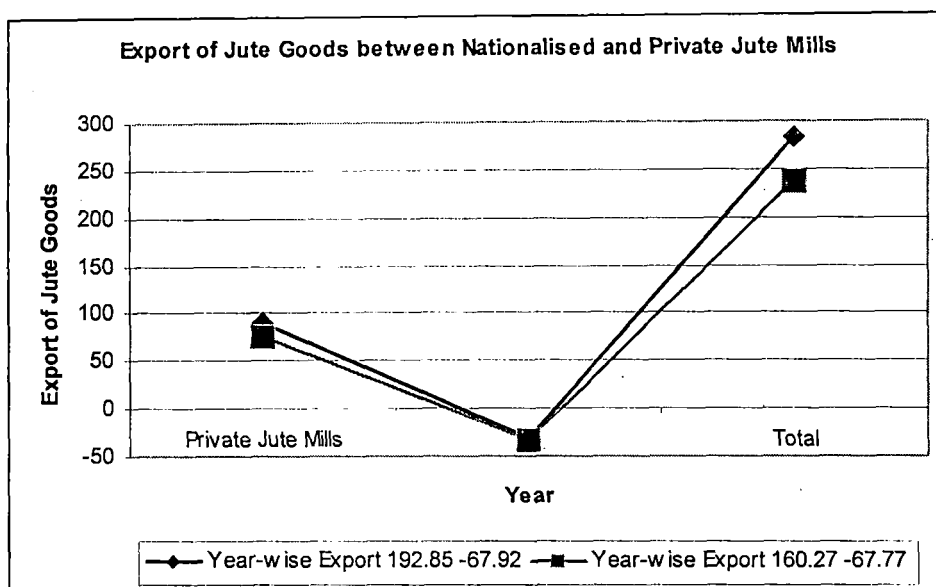


Figure 6.6

Table : 6.7
Growth Rate of Export between Nationalised and Private Jute Mills

Year	Export Growth Rate	
	Nationalised Jute Mills	Private Jute Mills
1996-1997	—	—
1997-1998	- 16.89	- 16.31
1998-1999	+ 39.66	+ 3.63
1999-2000	- 9.93	- 14.52

Source : Calculated from table 6.3

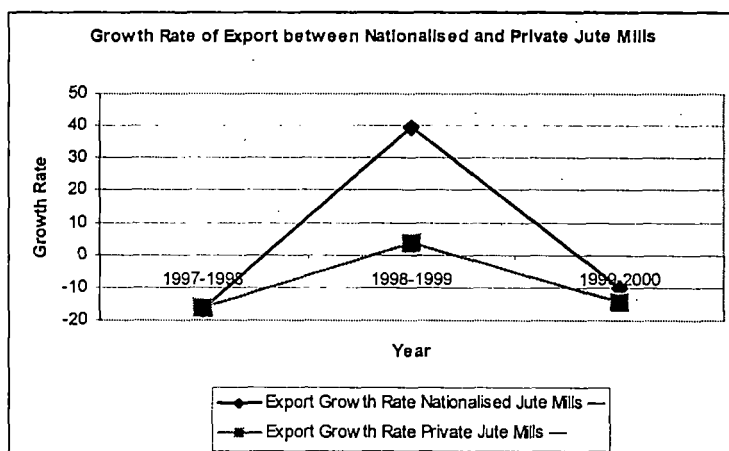


Figure 6.7

Export of jute goods both in nationalised and private jute mills during a period of four years i.e., during 1996-97, 1997-98, 1998-99 and 1999-2000 has been shown in table 6.7 above. This is also shown in diagram 6.6.

The table 6.4 shows that there has been an upward trend of export of nationalised jute mills. The only exceptional year was 1997-1998 when total export of jute goods has fallen from 192.85 thousand metric tons in 1996-97 to 160.27 thousand metric tons in 1997-1998. But the export of private jute mills of Bangladesh has been reduced in terms of total exports as well as in percentage terms. The export scenario of jute mills (both nationalised and private jute mills) has been shown in terms of bar diagrams. The growth rate of export of both nationalised and private jute mills shown in table 6.4 is negative. Annual Jute Goods Statistics showed that in 1997-1998 the rate of growth of export in nationalised and private jute mills were - 16.89 and - 16.31 percents respectively. The position improved in 1998-1999 when both the nationalised and private jute mills gained positive growth of export. Nationalised jute mills export recorded 39.66 percent increase in 1998-99 over the previous year. In 1999-2000 both nationalised and private sector mills experienced a huge negative (-9.93 and - 14.52 percents respectively) rate of growth of export.

The man-power position of both public and private jute mills of Bangladesh is shown in table 6.5.

Table 6.8
Man-power position of nationalised and private jute mills as on 30.06.2000

Category of Mills	Employees				Workers							
					Registered				Attendance			
	Officers	Clerical Staff	Non-Clerical Staff	Total	Permanent	Adhoc	Badli	Total	Permanent	Badli	Casual	Total
Public	2475	3889	3779	10143	71116	1119	27834	100069	52237	17367	331	699.35
	(56.45)	(61.97)	(58.79)	(59.36)	(67.63)	(100)	(52.0)	(62.62)	(80.68)	(64.17)	(14.18)	(74.29)
Private	1909	2886	2648	6943	34026	-	25688	59714	12502	9696	2003	24201
	(43.55)	(39.03)	(41.21)	(40.64)	(32.37)	-	(48.0)	(37.38)	(19.32)	(35.83)	(85.82)	(25.71)
Total	4384	6275	6427	17086	105142	1119	53522	1597	64739	27063	2334	94134
	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)

Source : Compiled from Data Received from Bangladesh Economic Review, 2000, Govt. of Bangladesh.

Figures within the parentheses indicate percentages to total.

Man-power position of nationalised and private jute mills as on 30.06.2000)

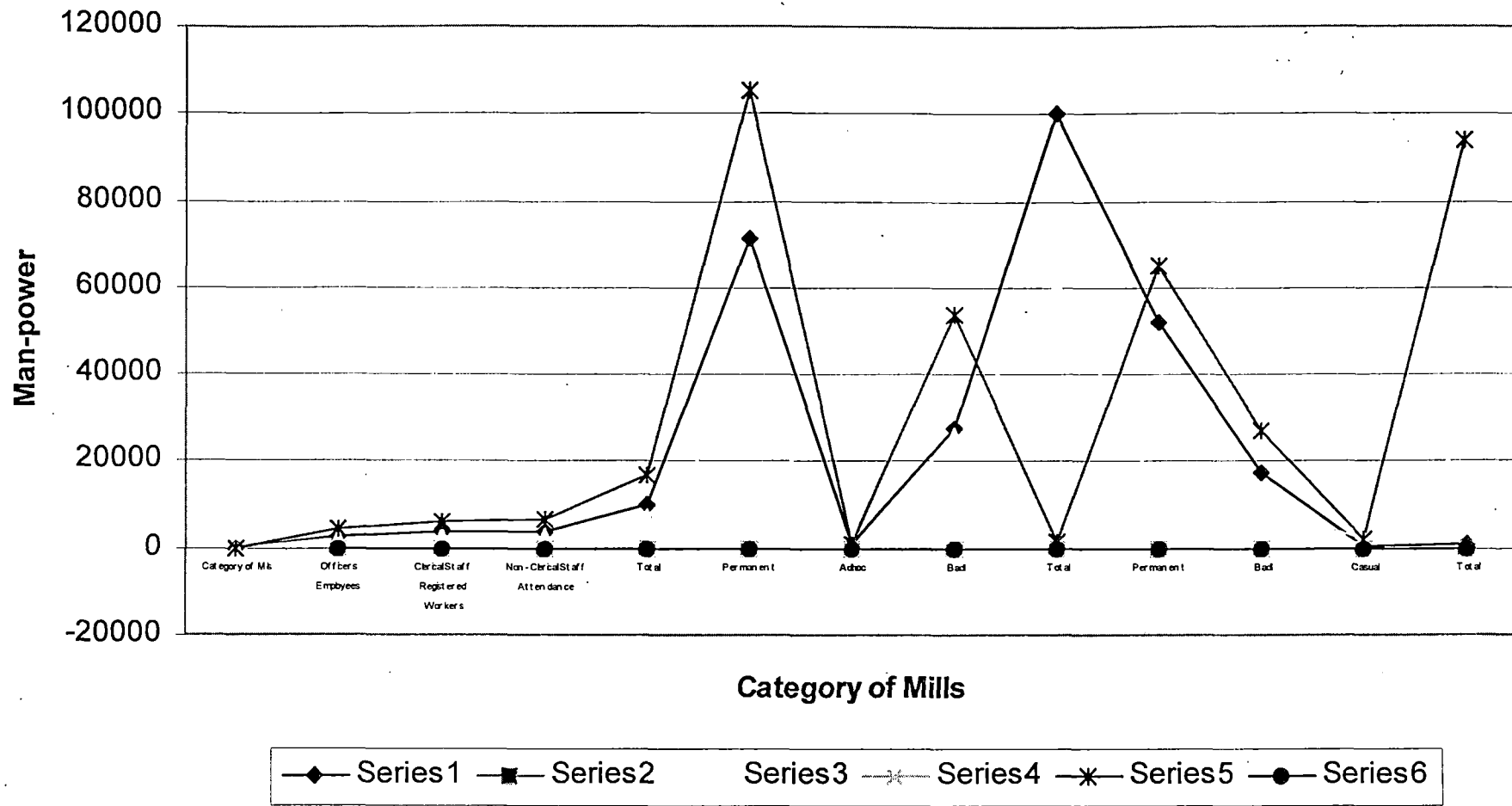


Figure 6.8

Above table shows that nationalised or public sector jute mills are the largest employment providers in the jute industry. This sector provides on an average 59.36 percent employment opportunities to total opportunities available. Total manpower has been divided into two distinct parts, namely, employees and workers. Employees include officers, clerical staff and non-clerical staff. Workers have two separate categories i.e., registered and attendance categories comprising permanent, adhoc, badli and casual workers. Employees provide 59.36 and 40.64 percents respectively to public and private jute mills out of total employment available in this sector. Registered attendance category workers' absorption are 62.62 and 37.38 percents respectively in public and private enterprises and in cases of attendance category workers these are 74.29 and 25.71 percents respectively. Thus we see that public jute mills in Bangladesh still provide the better employment opportunities than the private jute mills in terms number of workers employed, wages and other benefits (including social security) provided to the employees and the workers. Opinion surveys also reveal this truth as shown in the following section.

Wages provided to both nationalised and private jute mills workers greatly vary. The nationalised jute workers still receive greater wage and other fringe benefits relative to private jute mills. The wage differentials between these jute mills are represented in table 6.6

Table : 6.9
Wage Differentials Between Nationalised and Private Jute Mills

Post	Basic Pay of nationalised Jute Mills (In Taka)	Basic Pay of Private Jute Mills (In Taka)
Helper	1550 - 2270	560 - 860
Cleaner	1550 - 2270	560 - 860
S/Feeder	1600 - 2410	590 - 920
T/Feeder	1600 - 2410	590 - 920
B/Feeder	1600 - 2410	590 - 920
F/Feeder	1600 - 2410	590 - 920
Reliever	1600 - 2410	590 - 920
B/Shifter	1600 - 2410	590 - 920
D.S.O.	1600 - 2410	590 - 920
B.M.O.	1650 - 2550	620 - 980
Sli : Feeder	1650 - 2550	620 - 980
Spinner	1800 - 2970	730 - 1180
Reliever Grade	1800 - 2970	730 - 1180

Source : *Compiled from the Record Supplied by the Office of Mohsen Jute Mills, 1997.*

The above table 6.9 shows that there is vast wage differentials between the nationalised and the private jute mills in Bangladesh. The pay structure (basic) of nationalised jute mills are more than 2.5 times larger than the private jute mills. Two revisions of wages were made since 1985 for the nationalised jute mills workers, one in 1991 and the other in 1997. But no revision of wages so far was being made for the private jute mills workers. Ironically workers in private jute mills are still drawing a basic pay (along with other allowances) as it was prevailing during 1985 for the nationalised jute mills workers. The socio-economic status of the private jute mills workers are worst than ever. The economic conditions of the nationalised jute mills too are bad but little better than the private jute mills workers. The casualisation of work force in the private jute mills has been increasing fastly especially since the days of privatisation of jute mills. Naturally the role of collective bargaining agents has become almost inactive in settling wage and other benefits.

Like many other developing nations the labour movement in Bangladesh has been supported by multiple trade unions. Each union is again linked to a political party. In fact the pluralism of trade unions has assumed a complex shape. A group of economists and social scientists view

that globalisation has benefitted the labour class especially engaged in industrial production activities. But one powerful logic that we can put is that the adoption of improved technology and innovation in industries (including the jute industry) reduces labour employment thus reducing employment opportunity in this sector. This extends the quantum of unemployment basket. Under the circumstances labour power becomes cheaper and each worker is given a wage lower than the minimum subsistence wage. This phenomenon is prevalent both in nationalised and private jute mills of Bangladesh. The wage rate prevailing for the jute mills workers in Bangladesh excludes the value of house accommodation, supply of light, water, medical facilities or other amenities. It also excludes the contribution made by the employer to pension or provident fund, travelling allowance or concession or other special expenses entailed by the employment and any gratuity payable on discharge.

6.4. An Analysis of Our Field Survey with the Private Jute

Mills

This section represents the socio-economic background of trade union members of two private jute mills. We have conducted an opinion survey with the workers, employees, trade union leaders and the management. At the Ajax Jute Mills we have gathered informations from the eighty workers and at the Mohsen Jute Mills we have conducted our survey with fifty jute mills workers. All types of socio-economic data we have collected have been presented in tables 6.7, 6.8, 6.9, 6.10, 6.11, 6.12, 6.13, 6.14, 6.15, 6.16, 6.17, 6.18, 6.19, 6.20, 6.21, 6.22, 6.23, 6.24, 6.25, 6.26, 6.27, 6.28, 6.29, 6.30 and 6.31 where we have shown classification of workers on the basis of age (6.7), classification on the basis of education (6.8), parental occupation (6.9), workers encouragement to join the unions (6.10), role of trade unions (6.11), management's attitude towards workers (6.12), ways of placing demands by the workers (6.13), negotiation process (6.14), volume of disputes (6.15), ways of workers facing disputes (6.16), causes of disputes (6.17), nature of workers cooperation (6.18), nature of demand (6.19), workers reaction (6.20), legal provisions followed in the jute mills (6.21),

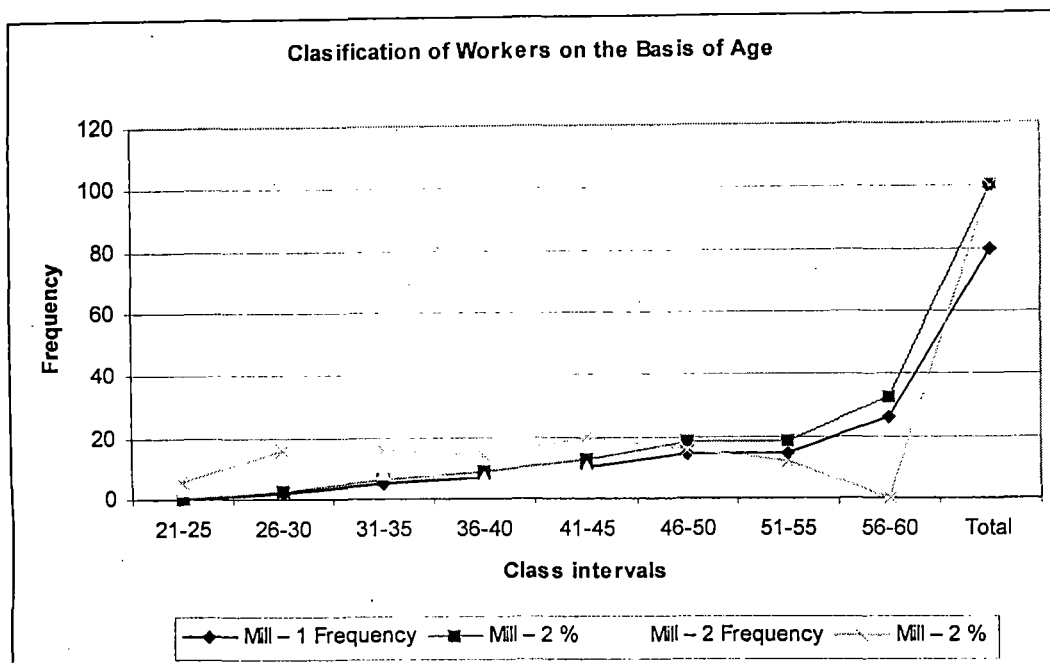


Figure 6.9

impact of non-compliance with legal provisions (6.22), ways of increasing productivity (6.23), major problems faced by the mills (6.24), major causes of problems faced by the mills (6.25), solutions prescribed by the workers (6.26), nature of working of collective bargaining association (CBA), causes of conflict between trade unions (6.28), suggestions for removing the conflict (6.29) and workers suggestions to management for developing trade union (6.30).

Table 6.10
Classification of Workers on the Basis of Age

Class interval (yes)	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
21-25	Nil	Nil	03	6.00
26-30	02	2.50	08	16.00
31-35	05	6.25	08	16.00
36-40	07	8.75	07	14.00
41-45	10	12.50	10	20.00
46-50	15	18.75	08	16.00
51-55	15	18.75	06	12.00
56-60	26	32.50	Nil	Nil
Total	80	100.00	50	100.00

Table 6.10 shows that major concentration of workers lies within the age group 56-60. Next concentrations lie in the age groups of 46-50 and 51-

55. Data of mill 2 shows that highest concentration lies within the age group 41-45.

Table 6.11
Classification on the Basis of Education

Level of education	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Upto class v	37	46.25	17	34.00
Class vi to x	39	48.75	26	52.00
S.S.C & Above	04	5.00	07	14.00
Graduation (B.A/B.Sc/B.c om/other)	Nil	Nil	Nil	Nil
Total	80	100.00	50	100.00

Table 6.11 represents that 48.75 percent of the total workers have educational level from Class-VI to Class-X in mill 1 and in mill 2 it is 52.00 percent. No workers were found who received bachelor's degree in mill 1 or mill 2. In mill 1 46.25 percent workers had education upto Class-V and in mill 2 34 percent workers had attained this education level.

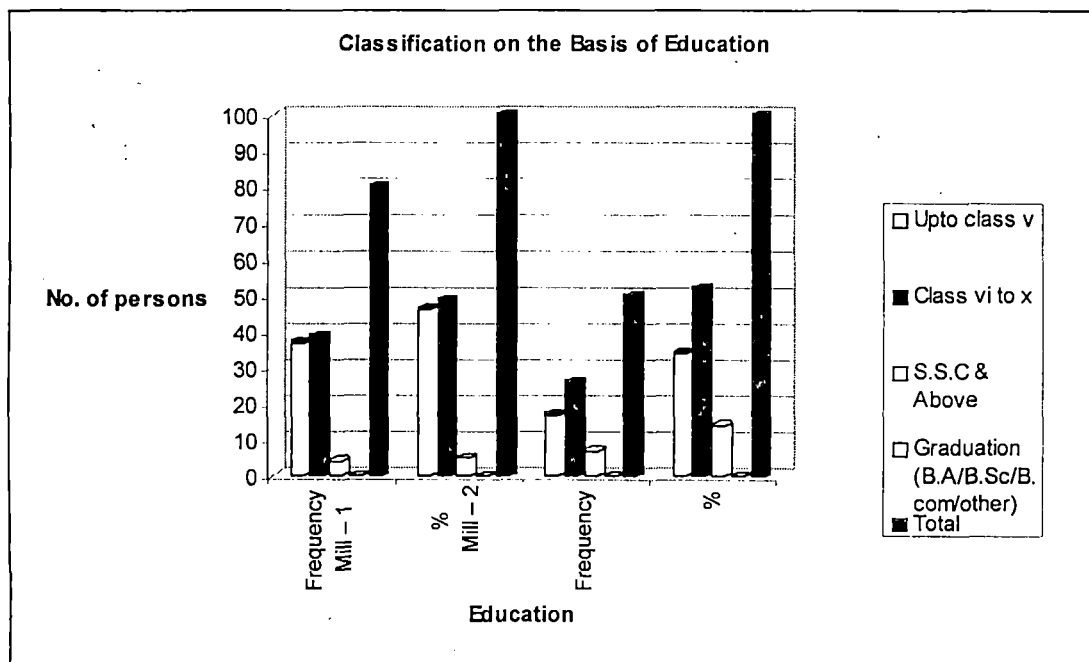


Figure 6.10

Table 6.12
Parental Occupation

Type of Occupation	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Agriculture	43	53.75	27	54.00
Business	24	30.00	13	26.00
Service	13	16.25	10	20.00
Total	80	100.00	50	100.00

Table 6.12 shows that more than fifty percent of worker's parents have agriculture as the primary occupation on in both mills. The second **Source** of parental occupation is business in mills 1 and 2.

Table 6.13
Workers Encouragement to Join the Union

Sourses of Encourapement	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Encouraped by the Colleagues	40	50.00	26	52.00
As the Union works for the workers	09	11.25	04	8.00
Influenced by Union Leaders	23	28.75	14	28.00
As Appointed by Trade Union Leaders	08	10.00	06	12.00
Total	80	100.00	50	100.00

Table 6.13 shows that on an average 50 percent or more of the total workers are encouraged by the colleagues to join the trade union. The opinion survey of mill 1 and mill 2 reveals this fact. Opinion survey of mill 1 shows that 28.75 workers are influenced by the union leaders to join the union and it is 28 percent in mill 2.

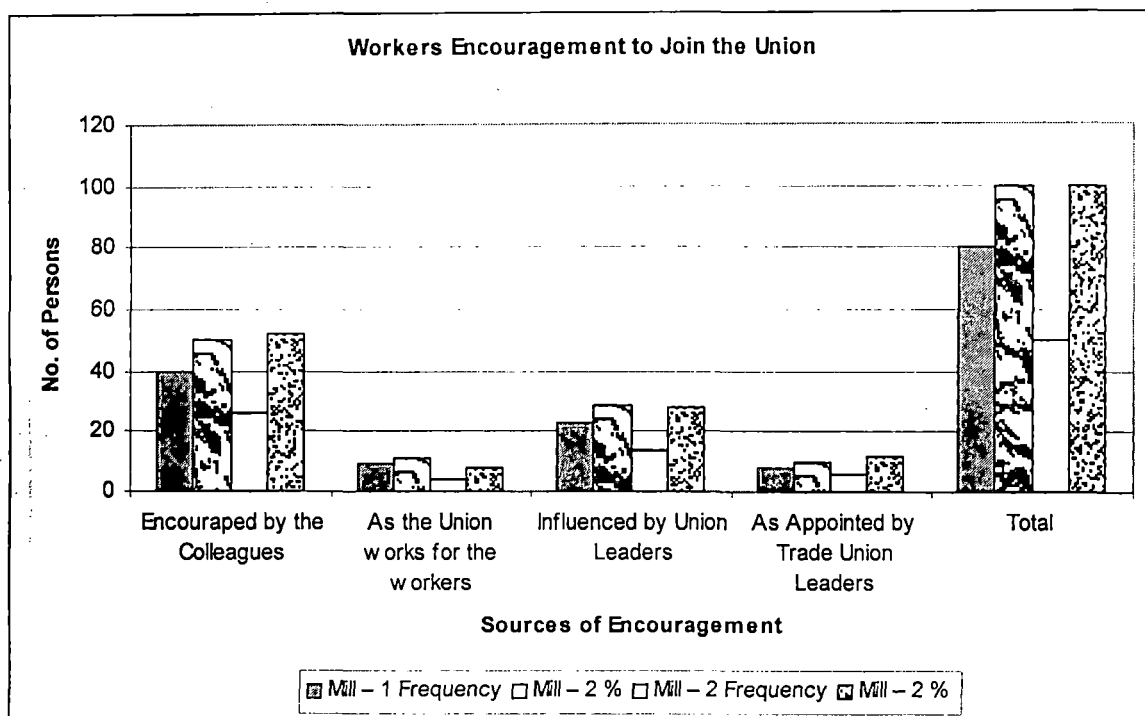


Figure 6.11

Table 6.14
Role of Trade Unions

Role	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Alright	09	11.25	04	8.00
Not Satisfactory	35	43.75	23	46.00
Pro-management	15	18.75	12	24.00
Satisfactory	21	26.25	11	22.00
Total	80	100.00	50	

As regards the role of trade unions 43.75 percent workers mill 1 opine that the role of trade union in settling their major issues with the management is not satisfactory. Which 46 workers in mill 2 support 6.12 this view. Table 6.11 represents different views of workers regarding the role of trade union.

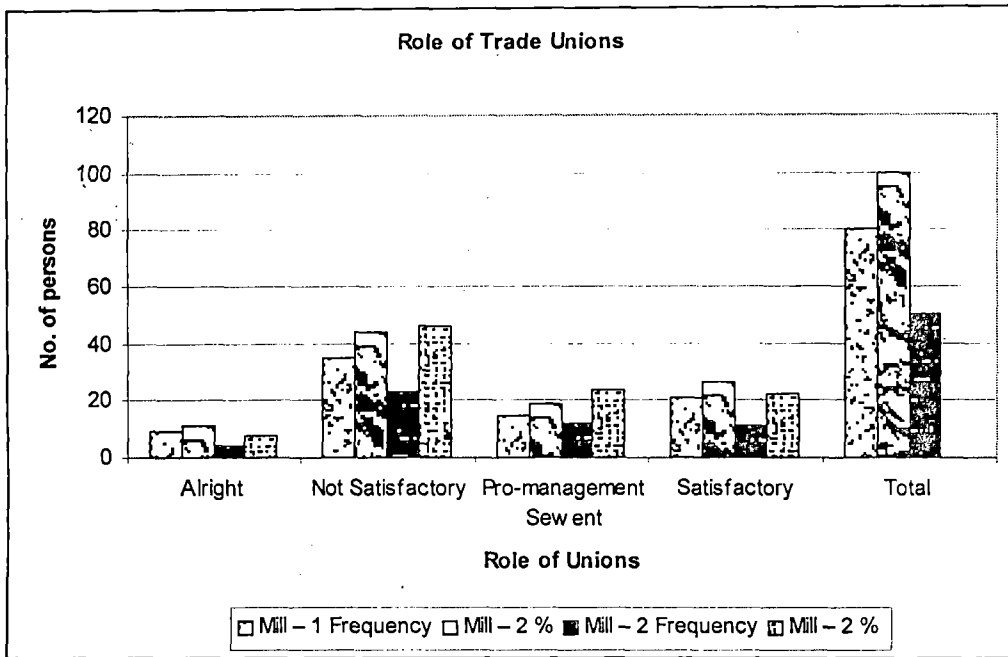


Figure 6.12

6.15
Management's Attitude Towards Workers

Attitude	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Not Sympathetic at All	25	31.29	22	44.00
Not so much Sympathetic	26	32.50	11	22.00
Sympathetic	12	15.00	09	18.00
Management is not considerate to the workers As they get Union support	17	21.25	08	16.00
Total	80	100.00	50	100.00

Table 6.15 shows that 31.29 percent workers of mill 1 opine that the management are not at all sympathetic to them while 44 percent workers of mill 2 support this view. Only 12 percent and 9 percent workers of mill 1 and mill 2 respectively say that management is sympathetic to their problems

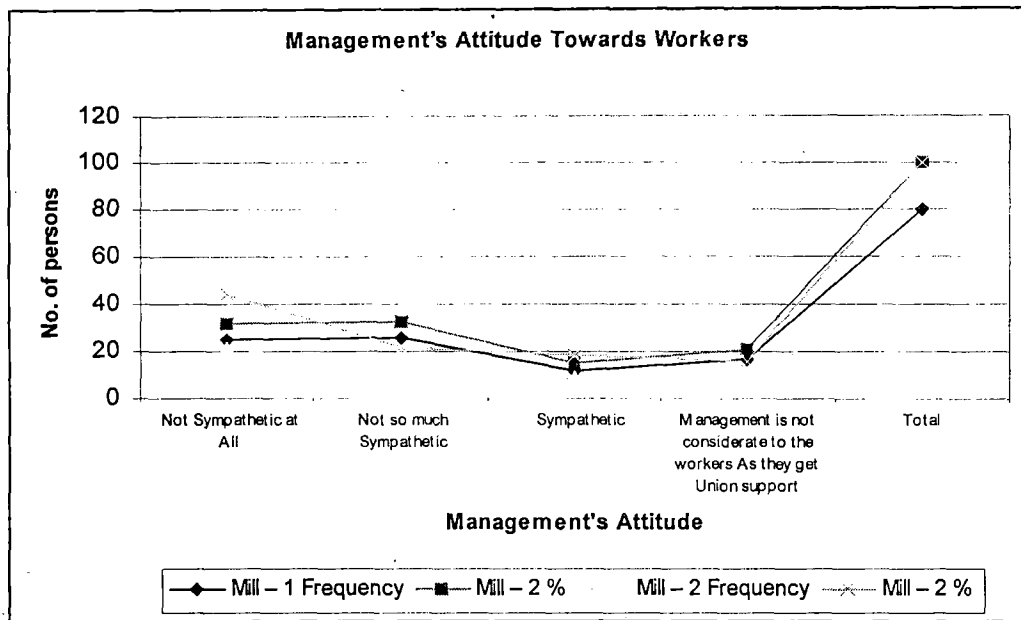


Figure 6.13

Table 6.16
Ways of Placing Demands by the Workers

Ways	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Through Union Leaders	33	41.25	22	44.00
Through Direct Discussion	17	21.25	11	22.00
Through internal communication	14	17.50	10	20.00
Written ultimatum	16	20.00	07	14.00
Total	80	100.00	50	100.00

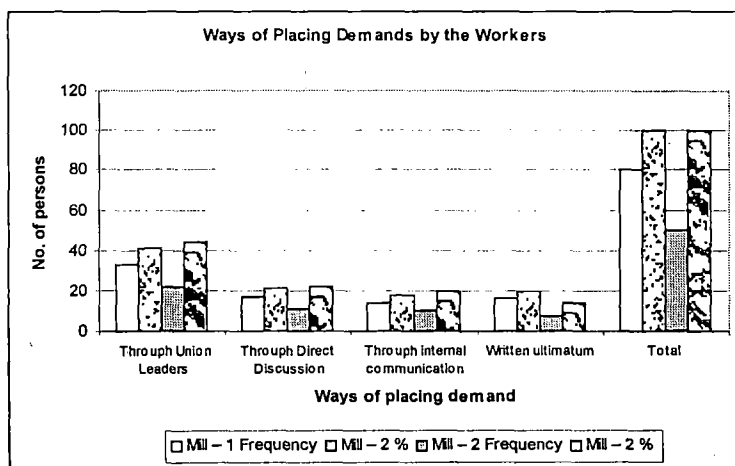


Figure 6.14

Table 6.17
Negotiation Process

Process of Negotiation	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Through C.B.A Leaders	32	40.00	20	40.00
Through Departmental Heads	15	18.75	08	16.00
Written Ultimatur	17	21.25	10	20.00
Through Strikes	16	20.00	12	24.00
Total	80	100.00	50	100.00

Table 6.18
Volume of Disputes in Last Five Years

Volume of Disputes	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Can not say the exact number	35	43.75	26	52.00
So many disputes took place	27	33.75	14	28.00
It took several times	18	22.50	10	20.00
Total	80	100.00	50	100.00

Volume of disputes took place in last five years is shown in table 6.18 and the ways they face disputes is represented in table 6.19

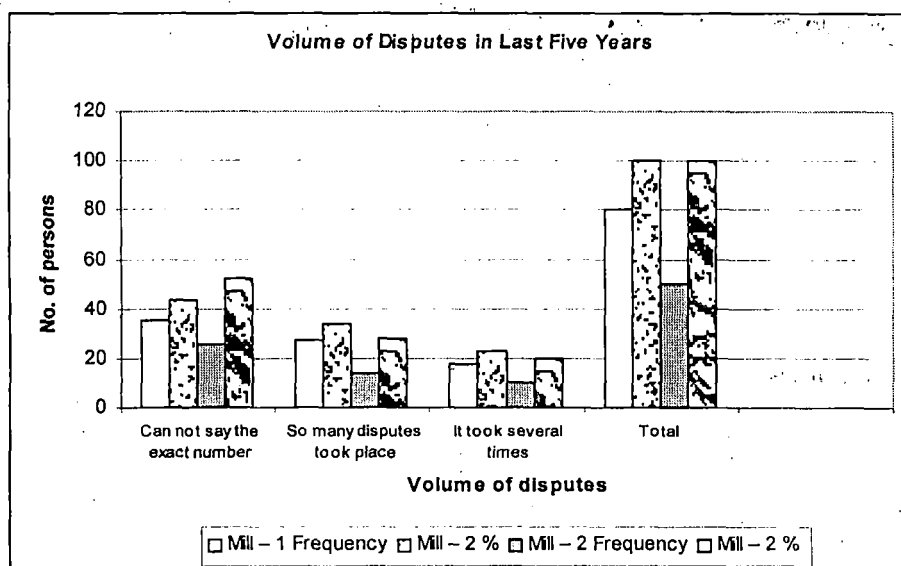


Figure 6.15

Table 6.19
Ways of Workers Facing Disputes

Ways of facing Disputes	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Through Negotiation Communicable settlement between union leaders of management	18	22.50	20	40.00
Negotiation through C.B.A	30	37.50	23	46.00
By giving pressure through strikes	32	40.00	07	14.00
Total	80	100.00	50	100.00

Major causes of disputes as opined by mills workers (1&2) is shown in table 6.20

Table 6.20
Causes of Disputes

Causes of Dispute	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Wage and other benifits	34	42.50	23	46.00
Financial on non financial benifits	22	27.50	11	22.00
Wage and other facilities	24	30.00	16	32.00
Total	80	100.00	50	100.00

The nature of workers demand is shown in table 6.18 below

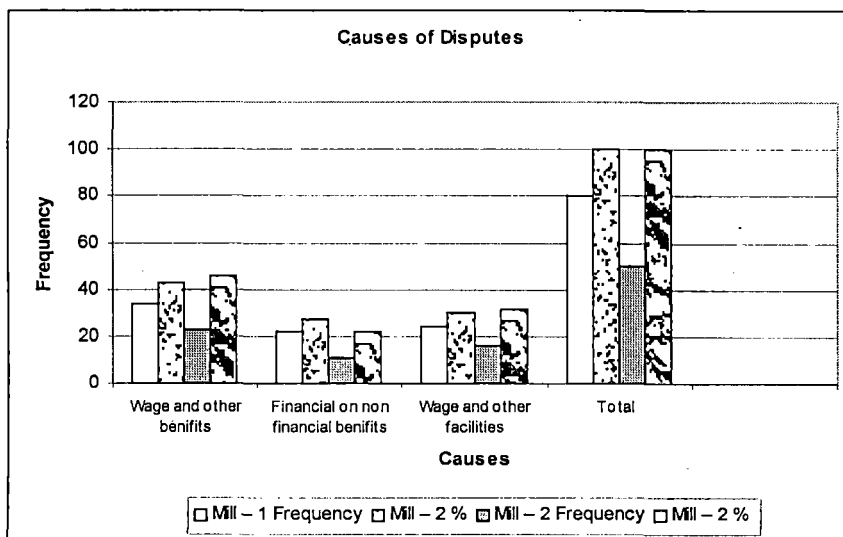


Figure 6.16

Table 6.21
Nature of workers co-operation

Workers co-operation	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Workers co-operate at the time of necessities	23	28.75	17	34.00
Co-operate unconditionally	14	17.50	13	26.00
Co-operate without hampering their interest	21	26.25	13	26.00
When management seeks co-operation they go ahead	22	27.50	07	14.00
Total	80	100.00	50	100.00

Nature of demand paid by the workers of mills 1 and 2 is shown in table 6.22

Table 6.22
Nature of Demand in Last Five Years

Demand in last five years	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Demanding new Scale	22	27.50	12	24.00
Higher wage and benefits	24	30.00	18	36.00
Better housing and other benefits	17	21.25	13	26.00
Considering price level new scale demanded	17	21.25	07	14.00
Total	80	100.00	50	100.00

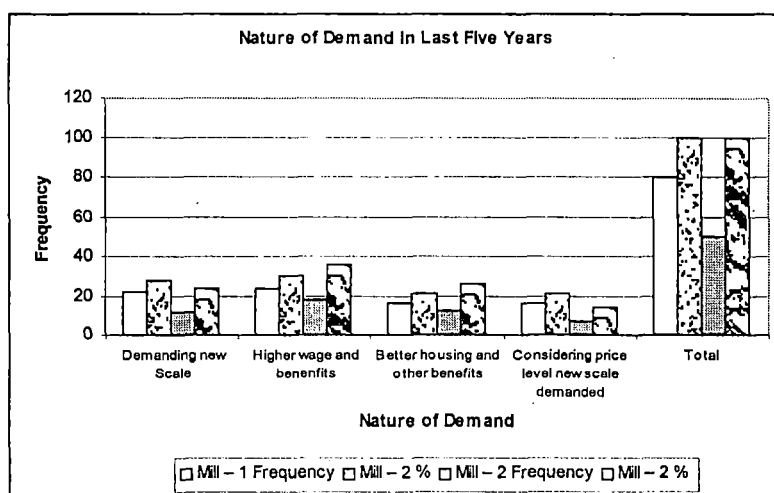


Figure 6.17

Table 6.23
Workers Reaction

Reaction on non fulfillment	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Go for movement	29	36.25	17	34.00
Ultimatum for greater movement	17	21.25	13	26.00
Give demonstration	16	20.00	09	18.00
Go for strike	18	22.50	11	22.00
Total	80	100.00	50	100.00

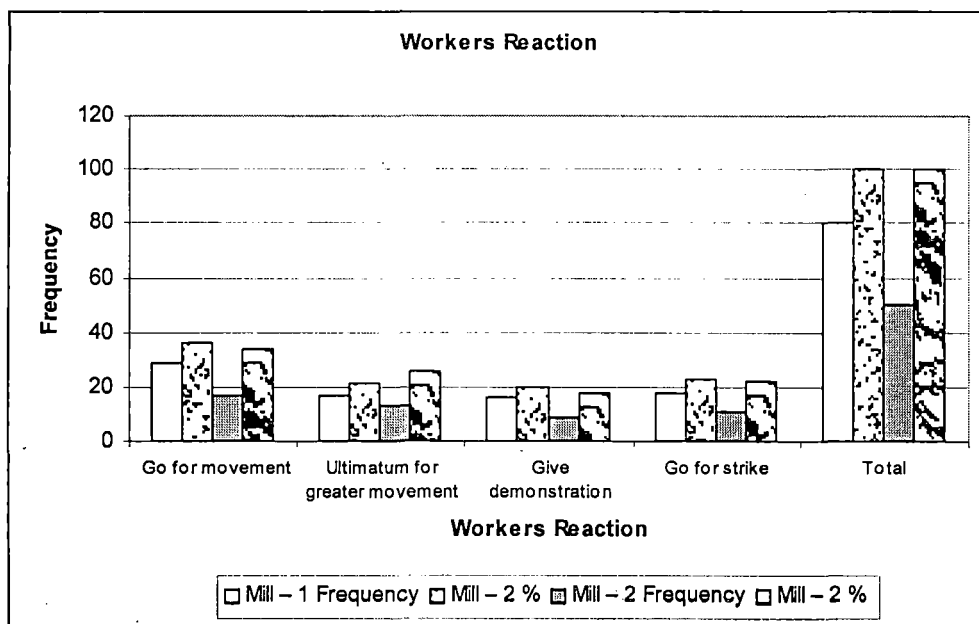


Figure 6.18

Table 6.24
Legal Provisions Followed in the Mills

Provisions followed in the mills	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
To some extent	18	22.50	20	40.00
Not always	22	27.50	17	34.00
Try to follow some how	28	35.00	09	18.00
No idea about that	12	15.00	04	08.00
Total	80	100.00	50	100.00

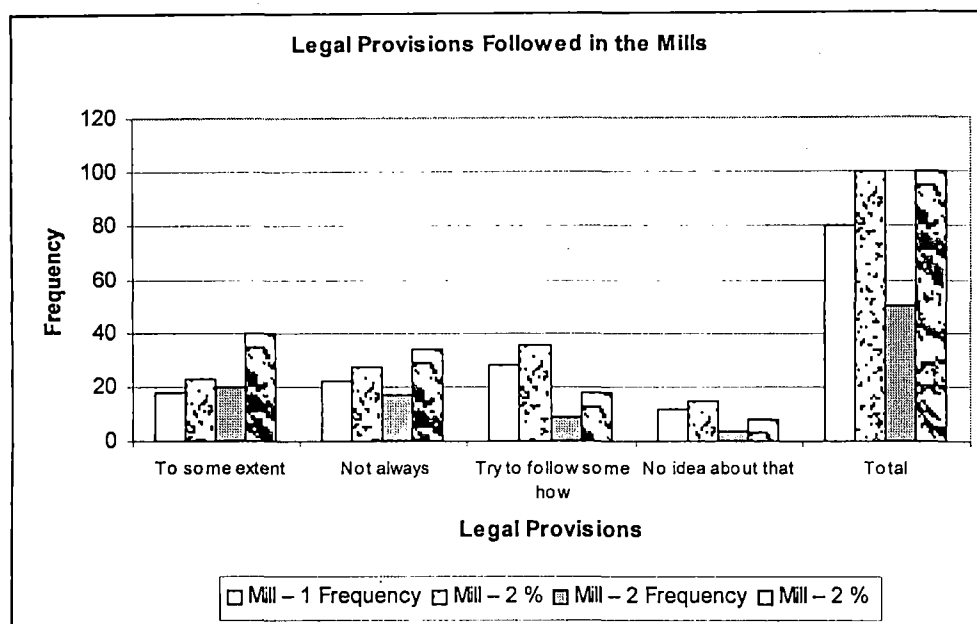


Figure 6.19

Table 6.25
Impact of Non compliance with Legal Provisions

Impact of non compliance	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Personal or industrial relations will be disturbed	22	27.50	21	42.00
Personnal problem will come up	26	32.50	13	26.00
Legal environment will be threatened	15	18.75	08	16.00
Labour problem will emage	17	21.25	08	16.00
Total	80	100.00	50	100.00

The jute mills are facing problems with the level of production and productive efficiency. We have shought opinion from the mill workers. They have suggested the followin to improve productivity in the jute mills like (I) providing proper training and adequate wage and other benefits, (ii) supplying raw materils, proper wage and other benefits and (iii) by careful observation and timely payment of wages. In mill 1, 33.75 percent workers say that proper training and wage benefits may help increase productivity. In

mill 2, 32 percent workers opine that proper training facility good wage basket will help increasing productivity.

Total 6.26
Ways of increasing Productivity

How to increase productivity	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
By giving training and proper wage and other benefits to the workers	27	33.75	16	32.00
By supplying raw materials, proper wage and other benefits	22	27.50	19	38.00
By careful observation and timely payment of wages	31	38.75	15	30.00
Total	80	100.00	50	100.00

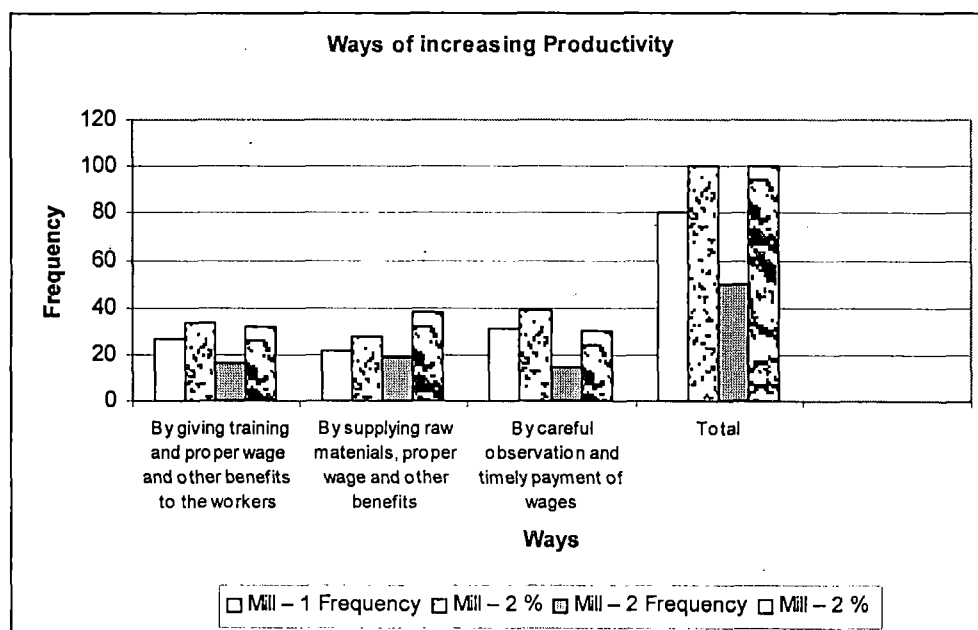


Figure 6.20

Table 6.27
Major Problem of the Mill

Problems of the mills	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Production has gone down due to shortage of raw materials and working capital	13	16.25	07	14.00
Unhealthy alliance between management and C.B.A leaders	23	28.75	08	16.00
Financial, administration and personnel problem	23	28.75	20	40.00
Inefficient management and corrupt C.B.A leaders are not concerned about financial crisis	21	26.25	15	30.00
Total	80	NL	50	100.00

Private sector jute mills suffer a number of problems. The major problems faced by the jute mills, among others, are shortage supply of raw materials. This is due to continuous contraction of areas of jute cultivation. The second major problem is the lack of sufficient working capital. Another problem is unhealthy alliance between management and the CBA leaders. The other vital problem is relating to inefficient management.

The major problems of the private jute mills, as told by the workers, are represented in table 6.27.

The cause of the problems of mills and the solutions suggested by the workers are represented in tables 6.28 and 6.29 respectively.

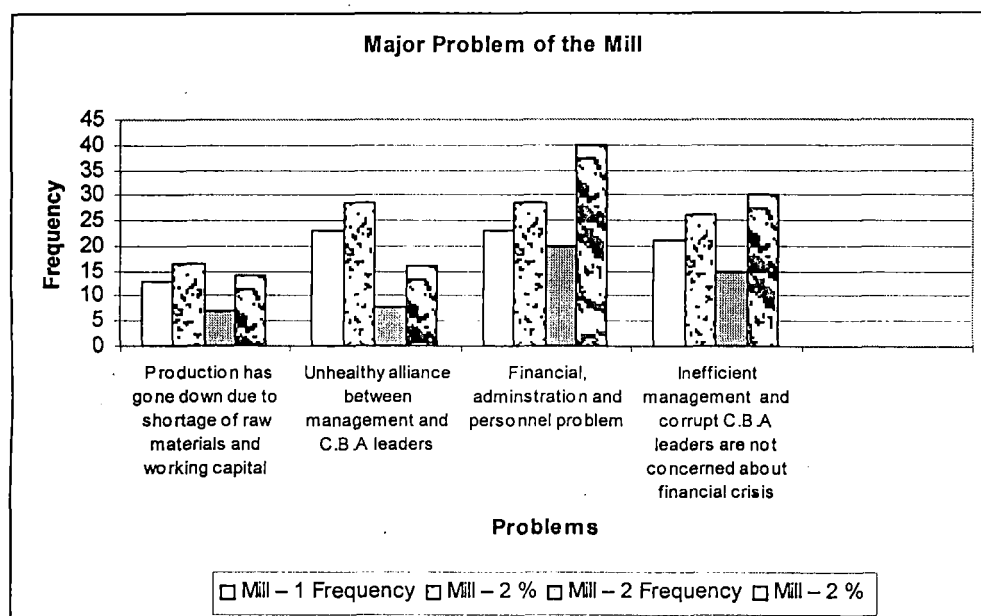


Figure 6.21

Table 6.28
Major causes of the problems of the mill

Causes of the problems	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Management's constant negligence to the problems after denationalisation	22	27.50	13	26.00
Main causes are administrative and poor industrial relations and financial	18	22.50	13	26.00
Managements negligence to the official business and poor wage	12	15.00	12	24.00
Main causes are corruption with the help of CBA leaders low wage and other benefits	28	35.00	12	24.00
Total	80	100.00	50	100.00

Table 6.29
Solutions Prescribed by the workers

Workers suggestion	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Management should look after the problems of the mill management and should try to minimise corruption and try to look after the interest of the workers	30	37.50	11	22.00
Management should have to ensure logistic problems of the mill and they have to pay wage timely	08	10.00	03	06.00
Management should look after the problems of the mill and management should try to minimise corruption	35	43.75	13	26.00
Management should try to follow the legal provisions to minimise losses through management audit and should be more careful to make it a profitable organisation	07	8.75	23	46.00
Total	80	100.00	50	100.00

Nature of working of the CBA is shown in table 6.30

Table 6.30
Nature of Working of C.B.A

Working of C.B.A	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Works nicely	06	7.50	09	18.00
Not up to the mark	28	35.00	18	36.00
Not Satisfactory	29	36.25	17	34.00
They serve the purpose of the management	17	21.25	06	12.00
Total	80	100.00	50	100.00

Today the main objectives of the business enterprises are to remain competitive, to be cost-reducing, and to strive for market leadership. Obviously the managers/executives try to control the entire workers community from the very outset. They thus take a strategy to reduce the volume of permanent workers, increase the volume of casula workers, link wage and other benefits with productive efficiency (Janardhan, 2003), increase the number of contract workers, oppose to form trade unions in the plant etc. Multiplicity of trade unions is a major feature in most of the trade unions of the developing countries. Bangladesh is not an exception. In each and every plant there are a number of trade unions, ranging the number from two to ten.

Table 6.31
Causes of Conflict Between Trade Unions

Causes of conflict	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Due to political reason	20	25.00	18	36.00
Due to leadership conflict	35	43.75	15	30.00
Due to personality clash	25	31.25	17	34.00
Total	80	100.00	50	100.00

This causes conflicts between the trade unions. Workers of both mills point out that political rivalry, leadership conflict and personality clash are some of major causes of conflicts between different trade unions within the same plant. Some causes of conflicts, as pointed out by the mills workers, are shown in table 6.31.

Table 6.32
Suggestions for Removing the Conflict

Suggestions	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
We should try to minimise Politicisation of unions	28	35.00	13	26.00
Early settlement of disputes	24	30.00	16	32.00
Workers participation in management and union activities	16	20.00	11	22.00
Direct negotiation with the workers	12	15.00	10	20.00
Total	80	100.00	50	100.00

Table 6.32 shows, as suggested by the workers, the remedial measures for reducing conflict within the trade unions.

Table 6.33
Workers Suggestions to Management for Developing Trade Unions

Suggestions to management for developing Trade Union	Mill - 1		Mill - 2	
	Frequency	%	Frequency	%
Training for Trade union members	20	25.00	10	20.00
Motivation of Trade union members	28	35.00	17	34.00
Close co-operation between management and workers	32	40.00	23	46.00
Total	80	100.00	50	100.00

6.5. Our Concluding Observations

As a part of liberalisation process major industries in Bangladesh including the jute industry have been denationalised. The reasons behind such a policy, among others, are to overcome the problem of mounting losses incurred by the jute mills, increase efficiency, reduce average costs and reduce strain relations between the employers and the employees. We have completed twenty years of de-nationalisation process in jute sector in 2002 with a hope of improving the loosing concern. But the conditions of jute mills have deteriorated substantially over this period of time. Of the forty five private jute mills thirty jute mills have been closed. In all, some forty five jute mills which include public jute mills too are now defunct. The industries are closed due to continuous loss. The biggest jute industry in Bangladesh, the Adamjee Jute Mills which has already stopped its production for havoc loss and for so many other reasons common for all the jute mills as mentioned earlier. One of our two sample jute mills namely the Ajax Jute Mills also once stopped production. But later on has started production. The golden days of Bangladesh Jute industry (once first position in terms of contribution in the national income) have gone and it seems that those days will not roll back again. Why do we predict this ? What are the bases of such a prediction ? Is there any internal weaknesses within this sector ? Is the sector less competitive in the international market ? Is the demand for jute goods declining globally ? What roles trade unions, in general and the workers in particular, can play to improve the position of both the public and private sector jute mills ? We have so far tried to answer those questions in chapter-V and in the present chapter. What we can add here is that our jute industries (both public and private) fail to cope with the international competitive conditions; because the jute industry in Bangladesh has not gained any benefit from the advantage of devaluation. Economic theory tells us that the price of a product depends on direct and indirect costs incurred by a firm or an industry while producing that good. These costs are popularly known as average variable costs (AVC) and intrinsic costs of production. This theory does not hold good for Bangladesh jute products. Here the price of jute goods is not fixed on the basis of costs

incurred by the mills. The sales price of Bangladesh jute goods is, instead, decided upon the sales price of competitors in the international market.

The other reason for weak performance of Bangladesh jute mills is that internal market for jute goods are too small. The substitute goods especially the polithin bags have partially replaced the demand for jute goods in Bangladesh. Naturally, home consumption of jute goods is less than fifteen percent of the total jute goods produced in Bangladesh. World statistics of jute goods production and consumption show that jute goods producing countries of the world consume a substantial portion of their own jute goods production. India, for example, consumes almost ninety percent of its total jute goods production. It is necessary to enhance the multiple use of jute goods. This will increase the area of jute production which again will expand the scope of employment in the rural sector.

The liberalisation policy has an impact on industrial relations especially the relation between the management and the workers. Broadly speaking, liberalisation policy throughout the world has three types of impacts. First, globalisation has intensified economic inequality globally. It has adverse impact on employment and wages of unskilled or low-skilled workers and there has been a change in policy orientation on labour relations i.e., relation between the management and the workers. As a result of liberalisation programme in Bangladesh there has been a greater reliance on the market forces of demand and supply, which are expected to play in a greater way the allocative role in the economy. Casualisation of workforce in jute sector has increased, increasing the helplessness among the workers community in this sector. This again has weakened the collective bargaining power of the trade unions. Trade union activities are very weak in private jute mills. Naturally, the unions cannot motivate the management to enhance their wages and other benefits. This is due to this fact that last pay revisions in the private jute mills were made in 1985. Since then two more revisions were being made in public sector jute mills with modifications of fringe benefits. The private jute mills workers are being deprived of this. They are not in a position to organise movement for better wages and for other benefits. Thus our field survey suggests that the future of private jute mills of Bangladesh is indeed bleak.

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