



Request for Proposal

Title: Terms of Reference for a study on the Status of New Minimum Wage Implementation for Workers in the Ready-Made Garments Sector of Bangladesh as well as Role of Trade Unions and brand Contribution towards implementation of minimum wages

Background:

The Ready-Made Garments (RMG) sector in Bangladesh plays a pivotal role in the country's economy, being a major source of employment and export revenue. The implementation of a new minimum wage for workers in this sector represents a significant policy intervention aimed at improving labor standards and enhancing workers' welfare. However, from our experience in previous times, minimum wages don't always implement on time. Hence there is a need to assess the current status of the implementation process to understand the extent to which the new minimum wage has been effectively enforced and its impact on workers and industry stakeholders.

Objectives:

The main objective of this study is to provide an in-depth analysis of the status of new minimum wage implementation for workers in the RMG sector of Bangladesh. Specific objectives include:

- a. Evaluating whether minimum wage is being implemented at the factory level? Is there any difference between unionized and non-unionized factories in terms of wage. Also explore whether there are any differences based on gender identify such as male, female or minority group
- b. Evaluating the Role of the trade unions for new minimum wage implementation?
- c. Analyzing the contributions of brands in these matters, including whether they have revised their prices accordingly?
- d. Evaluating whether workers are getting salaries based on the new revised grades?
- e. Identifying the challenges workers face after the implementation of the new minimum wage, including whether there have been any worker retrenchments or increased targets for workers
- f. Evaluating the status of overtime after new minimum wage implementation?
- g. Examining the role of key stakeholders, including government agencies, factory owners, and trade unions, in the implementation and enforcement of the new wage policy.
- h. Providing recommendations for enhancing the effectiveness of minimum wage implementation.
- i. Additionally, assessing the real impact on total income and the broader socio-economic effects of the new minimum wage.

Scope:

The study will focus on examining the status of the new minimum wage implementation for workers in the RMG sector of Bangladesh. The scope includes:

- a. Analysis of wage payment practices and compliance levels in RMG factories before and after the introduction of the new minimum wage.
- b. Analyzing CBA of the current factories and see what extend of values are adding to the minimum wage implementation.
- c. evaluation of the mechanisms and tools used for monitoring and enforcing compliance with minimum wage regulations.
- d. Assessment of the impact of the new minimum wage on workers' income levels, household poverty, and socio-economic conditions.
- e. Investigation of the perceptions and experiences of workers, factory owners, government officials, and other stakeholders regarding the implementation process.

Methodology:

The study will employ a mixed-methods approach, combining quantitative and qualitative techniques. The study will be primarily qualitative, based on interviews and some limited desk research. the methodology will include:

- A. Review of existing literature, reports, and documents related to minimum wage policies, labor rights, and the RMG sector in Bangladesh.

- B. Surveys and interviews with workers from 55 factories (per factory at least 3 workers). Out of 55 factories, 20 will be unionized, and 35 will be non-unionized. These methods will be KII, One to One questioner survey, FGD, Case stories/case studies or any other method required.
- C. 4 FGD with workers from 4 different areas (Ashulia, Gazipur, Narayangaj and Chittagong)
- D. Few Cases Studies/ Case stories
- E. 20 interviews with factory management.
- F. 10 Brand Representative interview
- G. Interviews with Government Officials, BGMEA and BKMEA Representatives, Federation leaders, and IndustriALL representatives
- H. Any other relevant stakeholders.

Methodology may be changed by joint discussion with the researchers

Deliverables:

The Study paper will result in a comprehensive report containing: a. Executive summary summarizing key findings, conclusions, and recommendations. b. Introduction providing context and rationale for the study. c. Literature review synthesizing relevant theories, concepts, and previous research on minimum wage implementation and labor rights in the RMG sector. d. Methodology section outlining the research design, data collection methods, and analytical techniques employed. e. Results section presenting empirical findings and analysis of minimum wage implementation status, compliance levels, and impact on workers. f. Discussion section interpreting the results, identifying key issues, and discussing implications for policy and practice. g. Conclusion summarizing the main findings, limitations, and suggesting areas for further research. h. Recommendations for policymakers, industry stakeholders, and other relevant actors to enhance minimum wage implementation and improve working conditions in the RMG sector.

Timeline:

The study is expected to be conducted over a period of 3 months maximum with key milestones including literature review, data collection, analysis, and report writing. The final paper is scheduled to be completed by no later than 31st January, 2025. The details of the timeline will be shared with the consultants who will be selected for this assignment.

Eligibility:

The consultant or organization should have at least five years of research experience, preferably in the readymade garments sector.

Submission of Proposal:

Interested consultant/consulting firms are requested to submit a technical and a financial proposal with updated administrative document (Trade License, BIN, TIN, Latest Tax Acknowledgement) through email at awaj@dhaka.net and copy to imran.awaj@gmail.com. The deadline of proposal submission is on or before **10th October, 2024** with separate folders i.e. technical and financial should be submitted into one zip folder with a covering letter. For any technical queries related to the assignment please communicate to Md. Imran Rahman (imran.awaj@gmail.com)

This Terms of Reference is subject to review and approval by relevant stakeholders before the initiation of the research project. Any amendments or revisions to the TOR will be communicated accordingly.