



Research Brief

# The Impact of COVID-19 on the Lives of Workers in the Bangladesh Garment Industry

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*A Rapid Survey jointly conducted by BRAC University's Centre for Entrepreneurship Development (CED) and BRAC James P Grant School of Public Health (JPGSPH), and the Subir and Malini Chowdhury Center for Bangladesh Studies at the University of California, Berkeley*

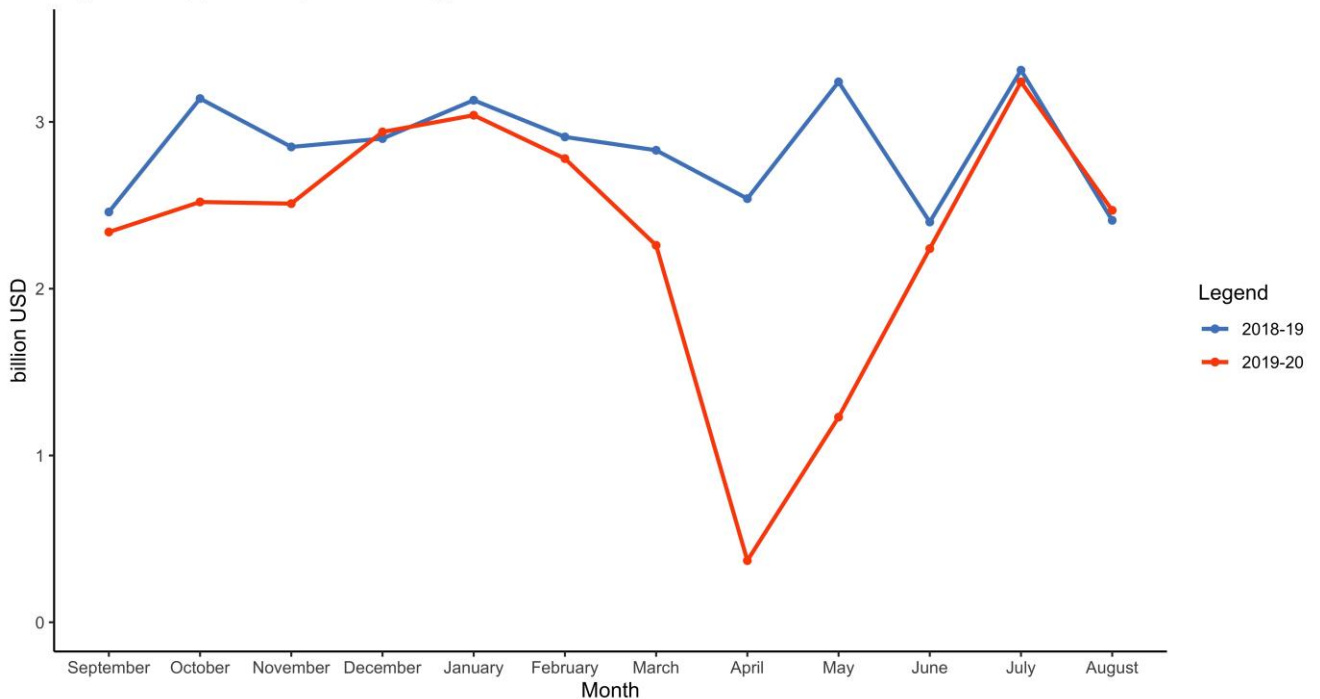
**The Impact of Covid-19 on the Lives of Workers in the Bangladesh Garment Industry:  
A Rapid Survey jointly conducted by BRAC University's CED and JPGSPH and the  
Subir and Malini Chowdhury Center for Bangladesh Studies at the University of  
California, Berkeley**

**By Atonu Rabbani, PhD, Sanchita Banerjee Saxena, PhD and MD. Faizul Islam**

**Background**

The COVID-19 pandemic has shaken the world's economy and supply chains worldwide. The ready-made garment (RMG) sector has been especially hard hit as consumer demand for apparel has plummeted, leading to global retailers cancelling orders and revising their sourcing strategies. This sector has been one of the major drivers of the socio-economic development of Bangladesh in the last 40 years, and the country is now the world's second-largest garment exporter, after China. In 2020, the garment industry accounted for 82% of Bangladesh's exports and 11% of its GDP. Based on export earning data<sup>1</sup>, USD 4.6 billion was lost during March-May. This gap had almost vanished by June demonstrating hope for a recovery of the sector.

**Figure 1: Apparel Export Earnings**



The Subir and Malini Chowdhury Center for Bangladesh Studies at the University of California, Berkeley in collaboration with the James P Grant School of Public Health (BRAC JPGSPH) and the Centre for Entrepreneurship Development (CED) at BRAC University in Bangladesh conducted a rapid response survey of garment workers in order to understand how they have been impacted during this pandemic. Since the effects of this pandemic are unfolding rapidly, it is imperative that we understand the extent of workers' hardship and the

<sup>1</sup> Bangladesh Bank Export Earning Data.

impact of the pandemic on their livelihoods urgently. Between June 30 and July 13, 2020, we reached 1,057 garment workers who participated in a phone survey of about 35 minutes.

In this study, we focus on workers from the ready-made garment (RMG) sector who are particularly vulnerable to even a transitory shock to the sector. The salaries received by the workers are generally perceived to be inadequate in that a typical garment worker household needs to rely on supplementary income sources to maintain basic levels of sustenance. Any negative shock can potentially lead to serious compromises in consumption and asset depletion. Therefore, it is critical to quantitatively assess the experience of workers in the sector during the Covid-19 pandemic and this is what this research brief aims to do.

## **Key Findings/ Highlights**

### **INCOME/SAVINGS/ NUTRITION**

- 82% of workers said the income they had in April/May 2020 was less than the income in February 2020.
- At the time of the survey, 52% of the respondents said that they saved less than what they saved in February, the pre-COVID-19 period.
- 77% said it was difficult to feed everyone in their household (80% of women and 72% of men).
- 69% of workers ate less of meat, fish and eggs in May compared to February, but 40% ate more pulses (lentils, chickpeas, etc.), and 74% ate about the same amount of rice and wheat in the same period.
- When asked how they have coped during this period, 60% of workers (65% women and 55% men) said they don't save or use their savings to pay for food; 92% (90% of women and 96% of men) said they reduce other expenses.

### **LAYOFFS**

July data from the Department of Inspection for Factories and Establishments (DIFE), found that over 26,110 workers were dismissed, 14,132 were laid off, and 1,55,010 workers were retrenched since the onset of Covid-19<sup>2</sup>. In our survey, we find:

- Among the 906 workers who were still employed in February 2020, 140 reported that their current employer was laying off workers since March after the pandemic broke out in Bangladesh. The average number of laid off workers, as reported by the respondents, was 232. These seemingly low responses regarding layoffs are possibly a result of public policy responses (a 10,500 crore taka stimulus package and strong political motivations from the government) and resumption of production again in May.
- Even if the reported layoff experience was low, overwhelmingly, 70% of the workers are very worried or somewhat worried about workers in their factory who lost their job or might lose their job because of the pandemic.

### **CORONAVIRUS**

- 87% said their factory has introduced new precautions against the Coronavirus, including giving workers new protective equipment (91%), encouraging more hygiene measures (77%), sending workers with symptoms home (66%), encouraging distance between workers (75%).

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<sup>2</sup> <https://www.thedailystar.net/opinion/the-sound-and-the-fury/news/ethical-business-not-one-way-street-1935149>

- However, 59% still feel that they are somewhat likely or very likely to get infected by the virus in their factory, whereas only 29% think they will contract it in their homes.
- 54% of women and 45% of men would not be able to isolate at home if they contracted the virus.

## **GOVERNMENT SUPPORT**

- 90% said they did not receive any support from the government during this pandemic.
- Expectations that workers have from the government include: cash support (70%), health care facilities (58%), job security (53%), and food rations (45%).

### **I. Methodology: Survey details and worker demographics**

#### **DATA COLLECTION and SAMPLE DISTRIBUTION**

Given the lockdown situation during the survey period, it was not possible to visit factories and interview workers in-person. This survey was carried out by CED using alternative research methods by successfully collecting workers' names and contact details through various channels in their network. We were able to collect the names and phone numbers of RMG workers from factories in Dhaka city, Ashulia, Savar, Dhamrai, Tongi, Gazipur, Narayanganj, Tangail, Chattogram and Mymensingh. Using this method, we were able to retrieve the contact details for 2,500 workers. Enumerators called the workers from the list and collected answers to our questions over the phone in a 35-minute interview and entered the responses using Kobo Tool Box. Out of the 2,500 workers on the original list, researchers successfully surveyed 1,057 workers. The demographic details of the workers interviewed are show in Table 1 below.

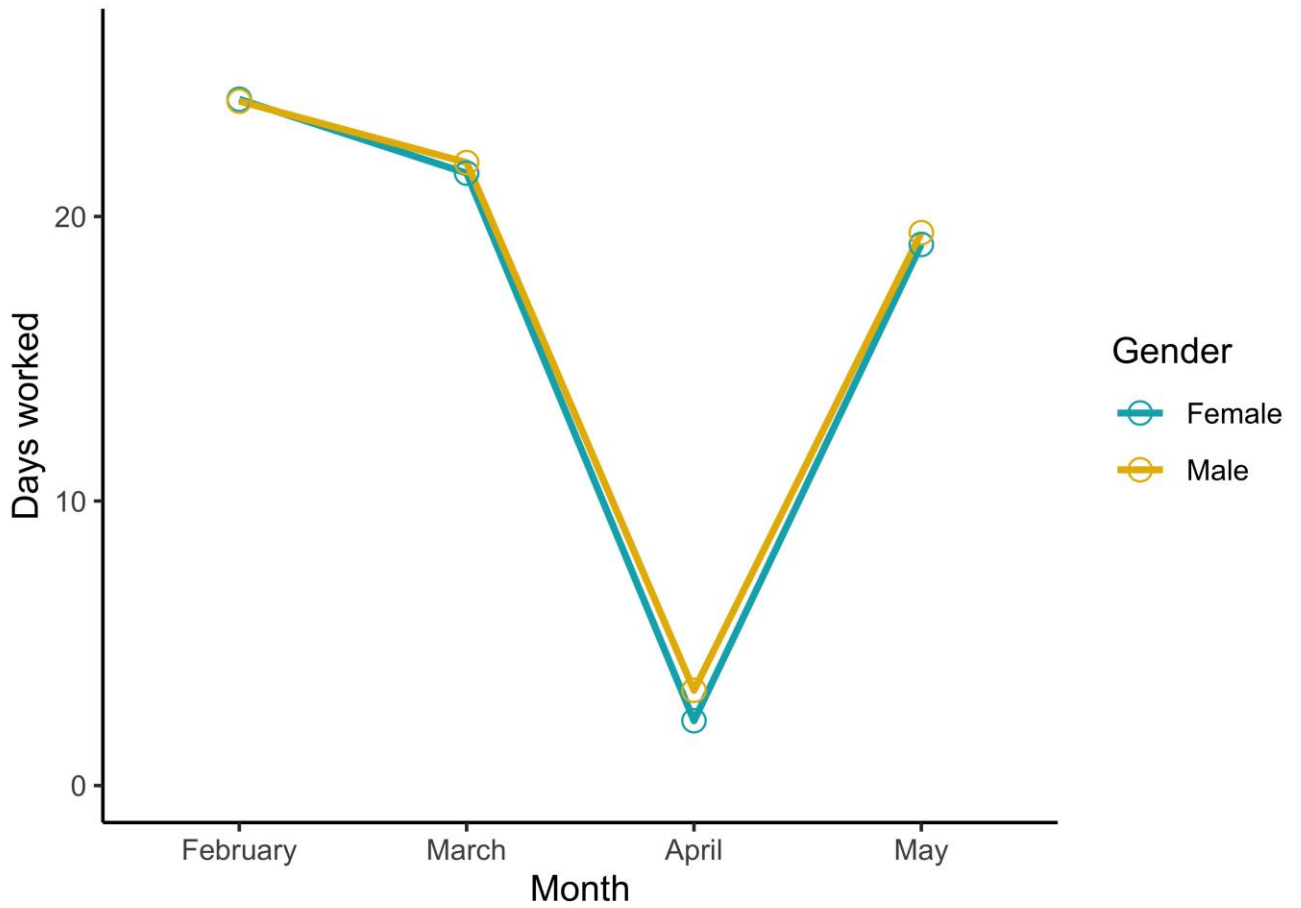
**Table 1: Demographic Profile**

	Male		Female		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
Gender	500	48.17	538	51.83	1,038	100
Age (average)	30.64	-	29.61	-	30	-
Household Size (Average)	4.05	-	3.92	-	3.99	-
<b>Education</b>						
None	24	4.8	40	7.43	64	6.17
Pre-primary to Primary	108	21.6	225	41.82	333	32.08
Secondary	254	50.8	237	44.05	491	47.3
Higher Secondary	85	17	28	5.2	113	10.89
Honors and above	29	5.8	8	1.49	37	3.56
<b>Marital Status</b>						
Married	396	79.2	464	86.25	860	82.85
Unmarried	100	20	30	5.58	130	12.52
Widowed	2	0.4	22	4.09	24	2.31
Divorced	1	0.2	13	2.42	14	1.35
Separated	-	-	9	1.67	9	0.87
Refused to answer	1	0.2	-	-	1	0.1

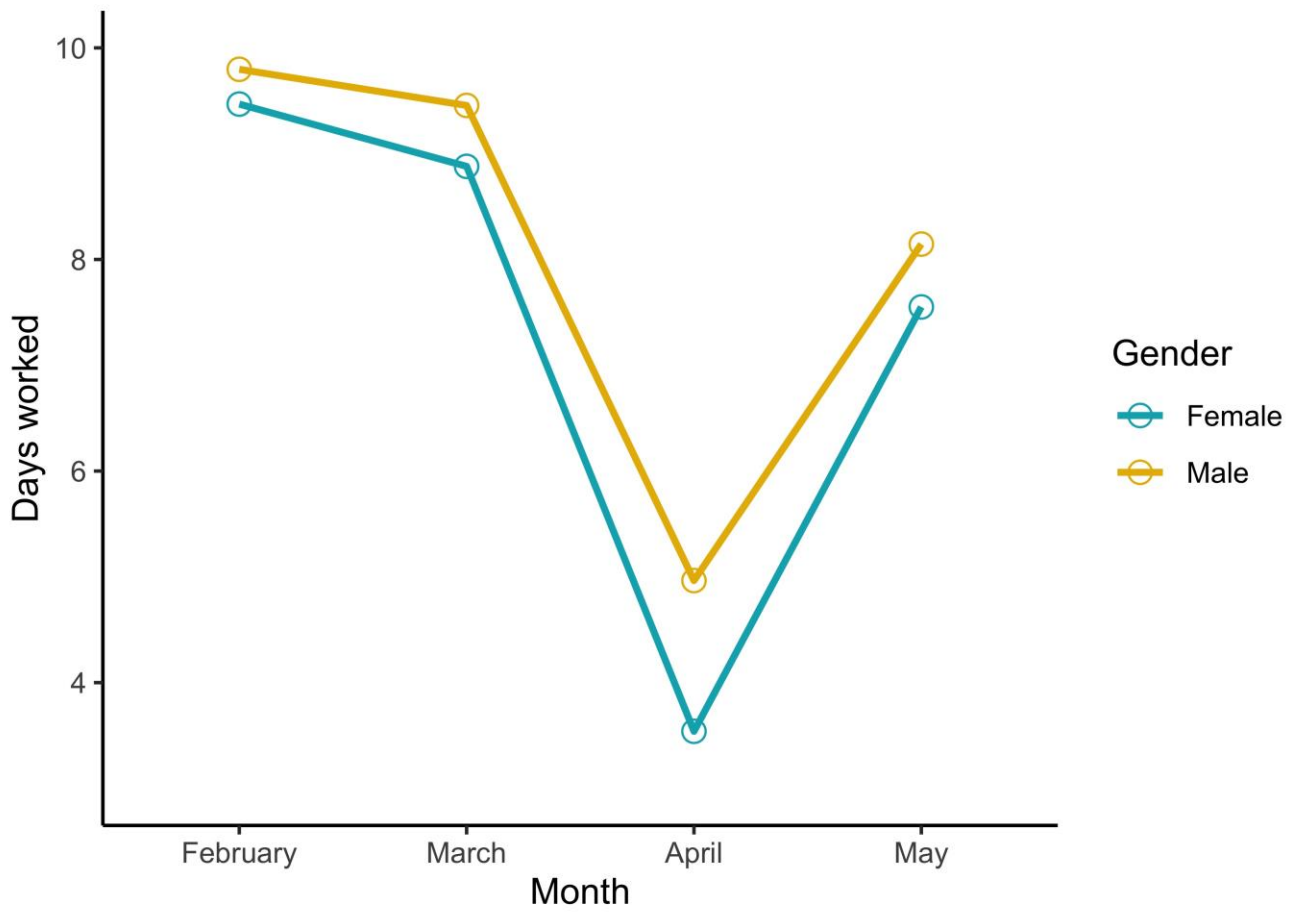
II. Hardship due to COVID  
a. Salary and wages/ Nutrition

Figure 2: Number of Days Worked by Months and Number of Hours Worked Per Day

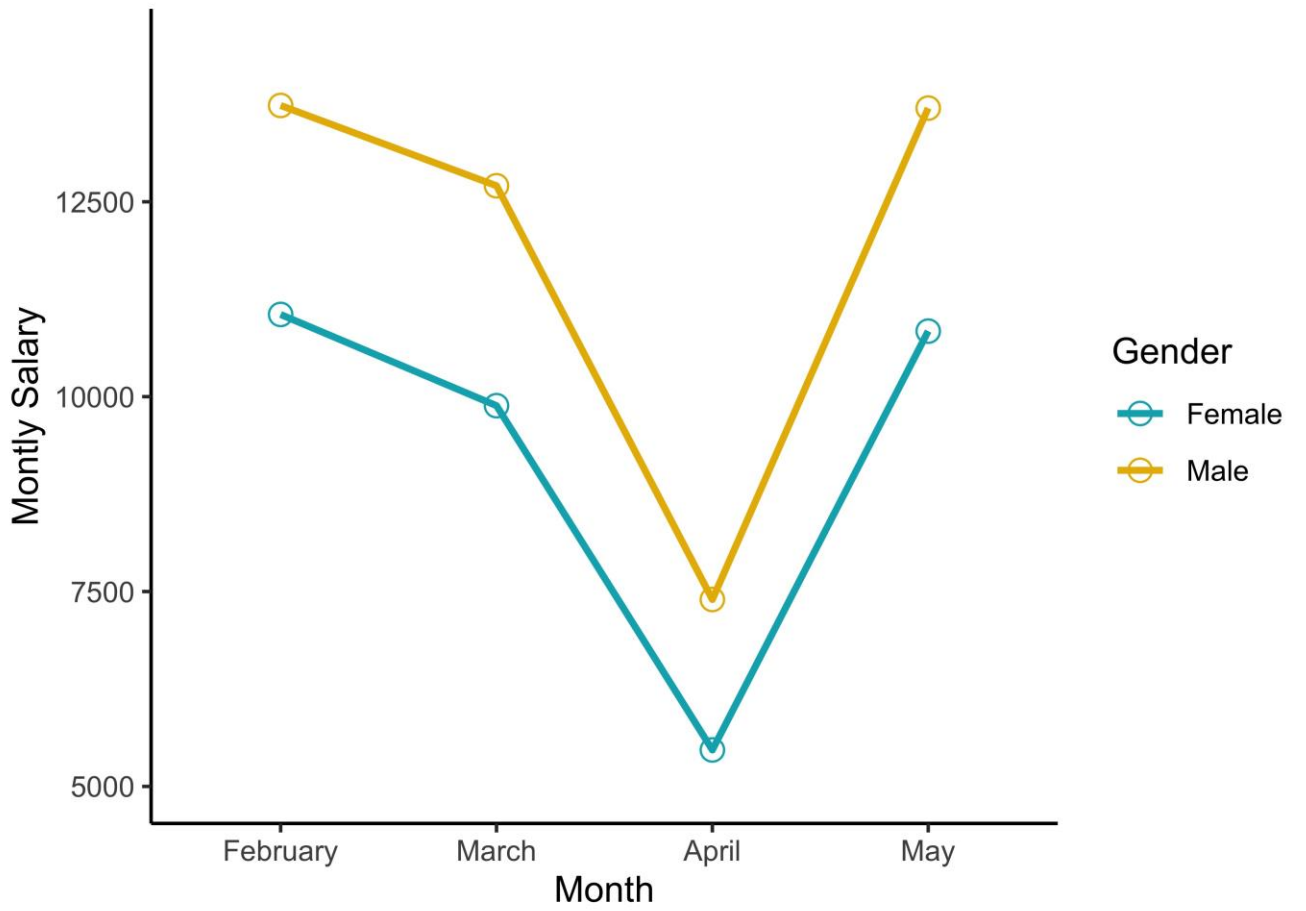
Figure 2A: Number of Days Worked by Months



**Figure 2B: Number of Hours Worked Every Day**



**Figure 3: Monthly Salary**



**Figure 4A: Monthly Salary by Tenure (in years)**

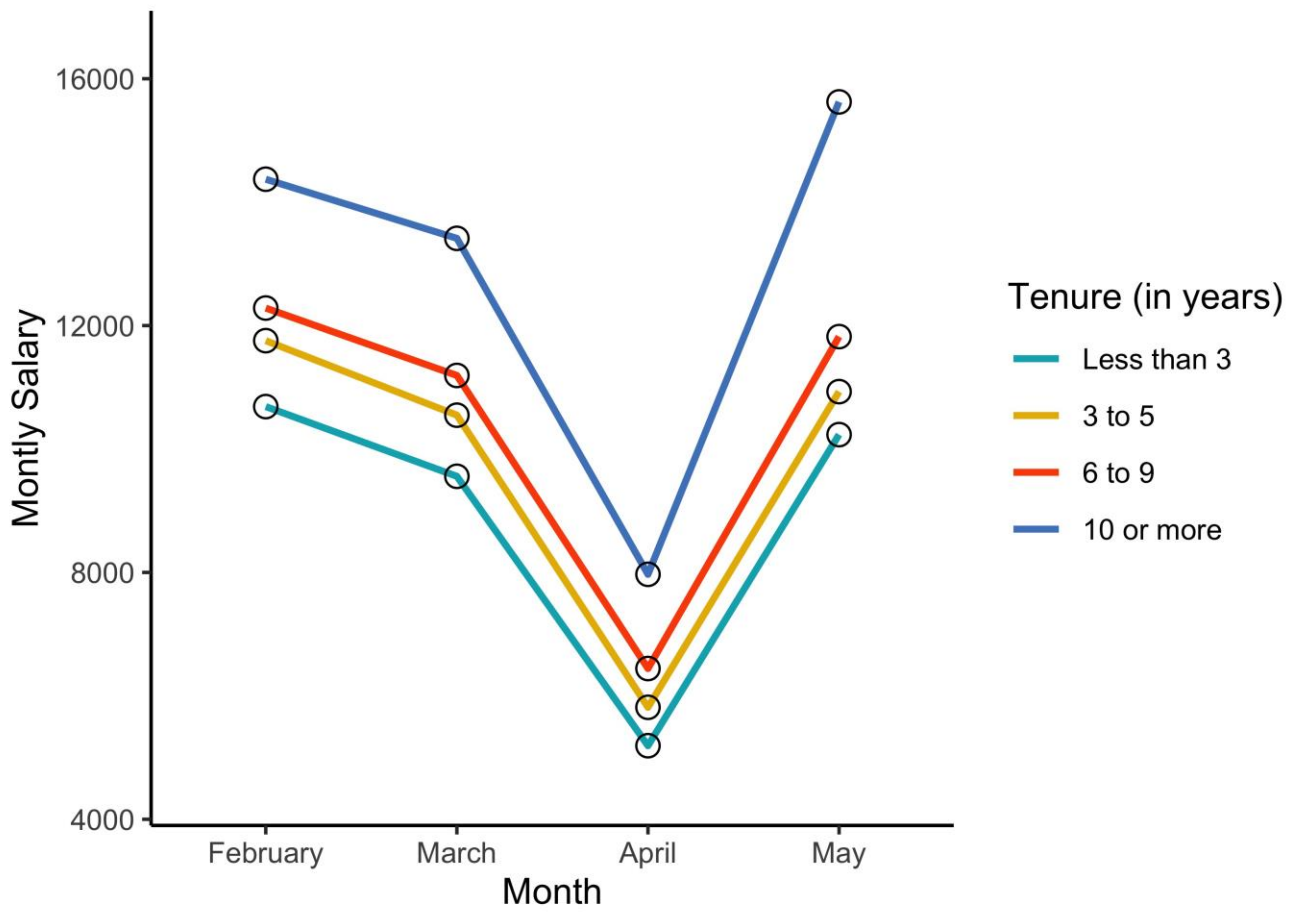




Figure 4B: Monthly Salary by worker position<sup>3</sup>

Figure 4B: Monthly Salary by Worker Type

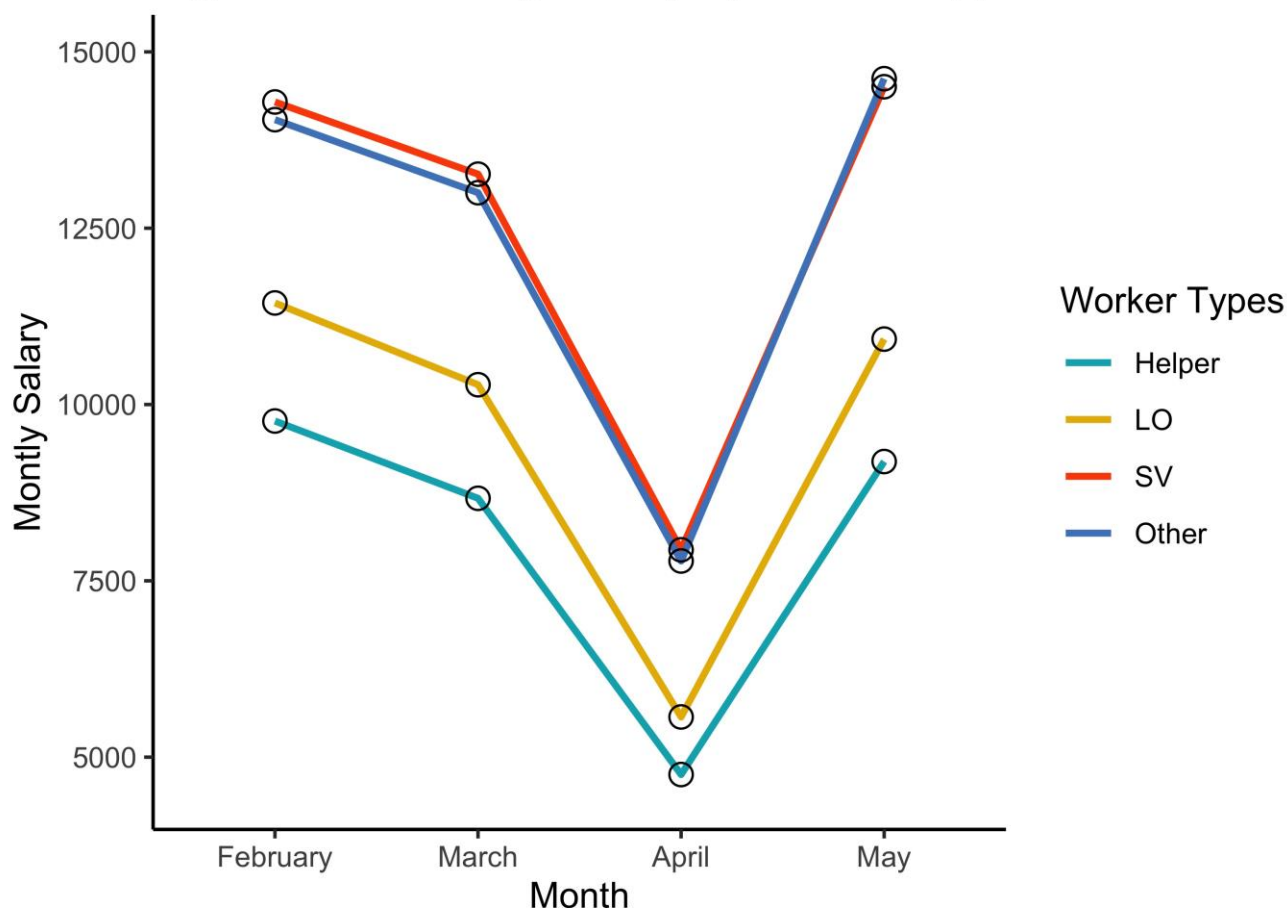


Table 2: Respondents' household total income from economic activity in April & May 2020 (in BDT)

Position	Number of respondents	Total income In April	Total income In May
Line supervisor	27	14,968.52	26,025.93
Line Operator	518	11,256.93	17,989.2
Quality supervisor	25	13,601.4	22,012.08
Helper	105	11,447.35	17,395.53
Input Man	11	11,640	19,098.55
Quality inspector	107	11,226.45	18,479.07
Assistant line supervisor	8	14,187.5	18,887.5
Iron Man	54	11,256.39	18,029.94
Other	183	13,598.45	22,134.18
<b>Total</b>	<b>1,038</b>	<b>11,865.49</b>	<b>19,037.14</b>

Workers' salaries went down significantly in March and April. In May, the salary levels have returned to original levels or are higher. In this survey carried out during June-July 2020,

<sup>3</sup> "LO" denotes line operators. Both LOs and helpers work on specific lines in the assembly-like production process. "SV" denotes production and quality supervisors. Production SVs typically work on the lines supervising 15-20 LOs. All other worker types are included in the "Other" category.

87% of workers said that their most recent payments were paid on time and 73% were paid through mobile banking. We can speculate that a combination of advocacy by workers' organizations, international campaigns, and a partial resumption of factory work resulted in workers receiving their salaries again in May. We don't know, however, if the workers we interviewed received the entire amount of their salaries or partial wages. The Clean Clothes Campaign<sup>4</sup> estimates that between March-May 2020, the wage gap in Bangladesh (the amount of funding that is needed to make workers whole) was 30%, or \$501.62 million. While the gap reduced in May from April, they estimate that many workers did not receive their Eid bonus as was promised them, causing this gap to remain.

Of course, the hardship for all workers during this period has been great. 77% said it was difficult to feed everyone in their household (81% of women and 72% of men; 81% of operators and 85% of helpers). 69% of workers ate less protein intensive foods (meat, fish, eggs, and milk) in May compared to February. When asked how they have coped during this period, 65% of women and 55% of men said they don't save or use their savings to pay for food. Not being able to save puts workers at even greater risk for not being able to mitigate future economic or health crises that may occur. 92% said they reduce other expenses in order to cope. Workers may be cutting costs in other essential areas like health care, again putting them at great risk<sup>5</sup>. We see that these vulnerabilities further exacerbated when we analyze the salary figures by tenure (Figure 4A) and position (Figure 4B). Operator and helper roles in the factory are the lowest paid and are primarily held by women. In our survey, 70% of operators and 82% of helpers were women. We also know that the gender pay gap is around 1000 Taka per month<sup>1</sup>. Thus, women disproportionately bear the brunt of the economic hardship under this pandemic (Figure 3).

### III. Information about COVID-19

In June and early July, when this survey was conducted, it seems like there was better information about virus prevention and more awareness about the precautions that need to be taken<sup>6</sup>. 94% of workers said they received guidelines from their factory about the coronavirus. Workers committees in the factories may have played an important role in training workers about safety measures and disseminating critical information. 50% of workers in our survey said workers participation committees were active during Covid-19.

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<sup>4</sup> Clean Clothes Campaign. (2020). "Un(der) Paid in the Pandemic."

<sup>5</sup> While in May salaries have been closer to their original level, we know that these salary levels have never been adequate for workers to support their families, meet their calorific needs, and accumulate savings. Those who have been working in the industry for less than three years are also more vulnerable. Preetha (2019) cites studies which discuss how much workers need to spend to meet their mandated nutritional intake: "Another survey of 200 workers conducted in 2018 by Bangladesh Garment Sromik Samhati, a Dhaka-based labour-rights group, found that an average garment worker has the ability to spend BDT 1110 (USD 13) per person per month on food. However, the study found that a worker must spend at least BDT 3270 (USD 39) per month to meet the calorific needs, as determined by the Institute of Nutrition and Food Science at Dhaka University. This caloric requirement excludes food with higher nutritional value, like meat or fruits." (<https://www.thedailystar.net/opinion/the-sound-and-the-fury/news/ethical-business-not-one-way-street-1935149>)

<sup>6</sup> In March and April, at the onset of the pandemic, there was a lot of confusion and inadequate information surrounding the virus. Back in April, BRAC Institute for Governance and Development (BIGD) found: *The Trade Unions pointed out the lack of responsible behaviour amongst most factory owners regarding implementing and enforcing operational health and safety measures specific to the COVID-19 pandemic. This exposed workers to risks of infection and contagion. The rules for using face masks and hand gloves were not strictly enforced everywhere. Not all factories provided adequate hand sanitizers and hand wash facilities for workers. In many factories, workers continued to work in densely arranged environments, ignoring the three feet distance rule* (<https://bigd.bracu.ac.bd/publications/covid-19-crisis-implications-for-the-rmg-sector-trade-union-responses-a-rapid-study/>).

**Table 3: Precautionary measures by factories**

Measures	Gender		
	Male	Female	Total
	Percentage	Percentage	Percentage
Given workers new protective equipment (e.g. face masks or gloves)	91.07	91.75	91.42
Encouraged or introduced more hygiene measures, (e.g. more handwashing or cleaned work areas more often)	79.08	74.51	76.74
Sending workers with symptoms home (e.g. by checking worker temperature)	70.15	61.65	65.8
Encouraged more distance between workers (e.g. by moving workstations, changing shifts, having lunch in shifts)	77.55	72.09	74.75

Despite measures taken, however, workers are still very worried about contracting the virus. 59% feel that they are somewhat likely or very likely to get infected by the virus in their factory (68% helpers compared to 52% on average for those in supervisory positions), whereas only 29% think they will contract it in their homes. 54% of women and 45% of men would not be able to isolate at home if they contracted the virus, even though 66% said the factory will send workers home if they show symptoms<sup>7</sup>.

#### IV. Government support

In our survey, 90% said they did not receive any support from the government during this pandemic, and only 21% of workers that they reached out to the government for help to get through this crisis. Workers do have expectations from the government, however, as shown in the table below. The type of help they expect also strongly varies by worker position; 77% of helpers and 75% of operators expect cash support from the government, compared to 49% on average for those in supervisory positions<sup>8</sup>.

<sup>7</sup> Since the onset of the pandemic, trade unions and workers organizations have been advocating for factories to be shut down until the virus is under control. In a webinar organized by Harvard University, Taslima Akhter (Bangladesh Garments Sramik Shanghati) stated: *... from the very beginning we tried to say that and we demanded that the factory owners and our government should close the factories, lockdown factories for a few times and try to effectively run the lockdown but we saw that they cannot continue this and this situation put the whole sector in a vulnerable situation* (<https://mittalsouthasiainstitute.harvard.edu/event/webinar-the-labor-of-fashion-in-bangladesh/>).

<sup>8</sup> The Government of Bangladesh announced a stimulus package of BDT 50 billion for the ready-made garment sector in order to support workers who had lost their jobs and were owed due wages. The package was meant to ensure job security, regular wage payments, and retention of workers. However, many question the adequacy of the package to fully fund wages and benefits for all workers in the sector. According to BIGD: *Using the estimate of the number of workers (4.1 million), this study estimates that the monthly payment of minimum wage alone would require almost BDT 33 billion per month; the current size of the stimulus package is only about 51% of the amount needed to pay the minimum wage for three months. It is still unclear how the shortfall will be addressed. Moreover, the minimum wage may not be sufficient to sustain families through the COVID-19 crisis; most of whom depend critically on their overtime wages* (<https://bigd.bracu.ac.bd/publications/covid-19-crisis-implications-for-the-rmq-sector-trade-union-responses-a-rapid-study/>).

**Table 4: Expectation from the Government\***

Response	Gender		
	Male	Female	Total
	Percentage	Percentage	Percentage
Cash support	66	74.35	70.33
Extra wage	12.8	11.34	12.04
Food rations	41.2	49.44	45.47
Health care facilities	62.6	54.28	58.29
Children Education support	10	9.67	9.83
Job security	58	47.58	52.6
Others	2.2	0.74	1.45
Don't know	0.2	0	0.1

\* Multiple Responses

### **Conclusions and Recommendations**

The garment industry in Bangladesh has been successful in the country's economic growth, however, for the industry to continue to flourish and for workers to be treated with dignity, we need a system where workers have a safety net, adequate wages, and job security. These are all necessary for workers' livelihoods during normal times, but even more critical during times of extreme economic crisis and hardship, like under this current pandemic. Otherwise, as we see, it is very difficult to mitigate a crisis by living hand to mouth (with inadequate nutritional intake), reducing other potential critical expenses, and exhausting limited savings. All these actions place workers in an extremely unhealthy and vulnerable position.

- We need to have a continued discussion around the adequacy of current wages. If the current wage rate is not enough to accumulate savings or meet the recommended caloric intake (and this is even more stark between different factory positions), then we need to revisit the idea about a minimum wage versus a living wage. According to the Clean Clothes Campaign, *"The severity of this crisis could have been averted if living wages had been paid, and social protection mechanisms had been implemented."*<sup>9</sup>
- There needs to be more opportunity for mobility between various positions in the factory, particularly for women. Workers face hardship, overall, but women in certain lower tiered positions (like operators and helpers), are trapped in a cycle of poverty due to inadequate wages and lack of job security.
- Workers' committees (many of them established after the 2013 Rana Plaza disaster) may have been very helpful with training, disseminating information, and educating workers about preventive measures. These committees, however, should not be considered a substitute for worker organizing, whether in the form of unions or workers associations. Worker organizing is critical to address structural inequalities that are in place.
- The Government of Bangladesh needs to establish and maintain minimum standards for social protection using International Labor Organization (ILO) standards in the area of unemployment, employment injury, and medical insurance<sup>10</sup>.

<sup>9</sup> Clean Clothes Campaign. (2020). "Un(der) Paid in the Pandemic."

<sup>10</sup> <https://bigd.bracu.ac.bd/publications/covid-19-crisis-implications-for-the-rmg-sector-trade-union-responses-a-rapid-study/>.

- Preventive measures may now be in place in many of the factories, but there is still a high level of fear about the risk of contracting the virus. Even if factories establish certain measures, given the reality, some of these protocols may be unrealistic for workers to follow through on. If factories are going to continue their operations during this crisis, there needs to be certain contingency plans in place for workers who become sick, including providing places to isolate, health care, financial support, and job security.
- Advocacy by several groups can be effective at various levels. For example, during this pandemic, we saw that international campaigns were effective in pressuring some of the brands to meet their commitments. Workers' organizations were instrumental in ensuring payment of wages and advocating for preventive measures to reduce the risk of the pandemic are in place.