Dealing with the Aftermath of COVID-19

Adjustments and Adaptation Efforts of the Apparel Workers in Bangladesh

Debapriya Bhattacharya
Fahim Sobhan Chowdhury
Towfiqul Islam Khan
Afra Tahsin Chowdhury

Citizen's Platform for SDGs, Bangladesh
এসডিজি বাস্তবায়নে নাগরিক প্ল্যাটফর্ম, বাংলাদেশ

DEALING WITH THE AFTERMATH OF COVID-19
Adjustments and Adaptation Efforts of the Apparel Workers In Bangladesh

Citizen's Platform Working Paper 6

Debapriya Bhattacharya

Fahim Sobhan Chowdhury

Towfiqul Islam Khan

Afra Tahsin Chowdhury

Citizen's Platform for SDGs, Bangladesh
এসডিজি বাস্তবায়নে নাগরিক প্ল্যাটফর্ম, বাংলাদেশ

Partnership and Collaboration

actionaid

CENTRE FOR POLICY DIALOGUE

christian aid

FRIEDRICH EBERT STIFTUNG

Cordaid

PLAN INTERNATIONAL

PORTICUS

WaterAid

UNDP

Extended discourse on the aftermath of COVID-19 is currently the highlight of research. As the world is driving towards recovery, the consequences of the pandemic need to be assessed to learn from the coping mechanisms endeavoured and to substantiate the policy actions towards a sustainable socio-economic rebound. Amid a probable fourth industrial revolution, the pandemic is terrible news for the apparel industry and for Bangladesh, as the country is the second-largest exporter of readymade garments (RMG) in the world. In this context, the repercussion of COVID-19 is a pressing concern. Thereby, the adjustments and adaptation efforts of the country's apparel workers are established in this paper through a household survey undertaken by the Centre of Policy Dialogue (CPD). The discussion capturing the first and second waves of the crisis continues on the effectiveness of public policies for the RMG workers before moving on to policy recommendations.

Preface and Acknowledgement

The present paper sets out to determine the COVID-19 fallout on the garment workers of Bangladesh. The research progresses under three sub-themes incorporating the impact of the pandemic on the livelihoods of the workers, their response strategy and the effectiveness of the public policies in supporting their recovery. This paper is part of a broader initiative by the Citizen's Platform for SDGs, Bangladesh titled "Strengthening Citizen's Engagement in Delivering SDGs in view of COVID-19 Pandemic." The programme is an effort to aid public policy interventions in mitigating the impact of COVID-19.

This paper has been a shared effort. I convey my appreciation to the co-authors of this paper, Towfiqul Islam Khan, Afra Tahsin Chowdhury and Fahim Subhan Chowdhury, for their keen contribution. The study team acknowledges the hard work and dedication of the 20- member survey team, competently coordinated by Mr Nahid Hasan. The team also thanks the participants of the surveys conducted in this study.

The authors are particularly grateful to Professor Rehman Sobhan, Chairman and Dr Fahmida Khatun, Executive Director, CPD, as well as to the CPD colleagues for their intellectual and organisational support. Remarkable contributions of colleagues at the Secretariat of the Citizen's Platform for SDGs, Bangladesh are thankfully recognised. Special mention may be made of Mr Avra Bhattacharjee, Joint Director, Dialogue and Outreach; Mr Sarwar Jahan, Senior Dialogue Associate; Ms Tarannum Jinan, Senior Administrative Associate; Mr Irtaza Mahbub Akhond, former Dialogue Associate; and Ms Anikah Ibtisam, Programme Associate (Communication). Helpful support received from Mr AHM Ashrafuzzaman, Deputy Director, IT, Ms Tamanna Taher, former Executive Associate, and Ms Salsabil Hayat Anannya, Programme Associate, CPD are also recalled.

The inspirations extended by the members of the Core Group and the Advisory Group of the Citizen's Platform for SDGs, Bangladesh are gratefully mentioned.

Special thanks are due to Christian Aid Bangladesh for their support in conducting the survey. Finally, the constant support extended by the Centre for Policy Dialogue (CPD), ActionAid Bangladesh, Friedrich-Ebert-Stiftung Bangladesh, Cordaid, Plan International and WaterAid, UNDP Bangladesh and Porticus to the Citizen's Platform's programme, "Strengthening Citizen's Engagement in Delivering SDGs in view of COVID-19 Pandemic" is highly appreciated.

Debapriya Bhattacharya, PhD
Convenor, Citizen's Platform for SDGs, Bangladesh
and
Distinguished Fellow, Centre for Policy Dialogue (CPD)

Citizen's Platform for SDGs, Bangladesh was formed in June 2016 with the objective of providing a policy stage to the non-state actors (NSAs) in Bangladesh to contribute to the implementation of Sustainable Development Goals (SDGs). The Platform seeks to enhance transparency and accountability in the SDG process at the country level. It particularly aims to promote the 2030 Agenda's pledge to Leave No One Behind in the process of development.

Since its inception, the Platform emerged as the largest forum for the NSAs that include a unique blend of non-government development organisations, civil society organisations (CSOs) and private sector associations in Bangladesh. The Platform currently has over 120 Partner Organisations. They work on knowledge generation as well as monitoring of national development policies towards delivering SDGs by 2030. Moreover, the Platform undertakes policy advocacy and stirs new conversations on relevant challenges and solutions. All these are accomplished through regular conferences and dialogues at the national level, capacity development workshops, international events and webinars.

At the beginning of its journey six years ago, the Platform sought to outline the scope of partnership between the government and NGOs and explore the role of private sector in implementing the SDGs. It emphasised the importance of SDG 16 (Peace, Justice and Strong Institutions) as central to the overall delivery of the 2030 Agenda. The Platform later provided intellectual inputs to identify the population groups at risk of being left behind in attainment of the SDGs in Bangladesh. Subsequently, one of its highlighted focuses was youth—a systematically vulnerable community in Bangladesh—in view of the country's journey through a window of demographic opportunity. In the following years, the Platform brought together more than 50 Partner Organisations that actively contributed in documenting Bangladesh's progress towards attainment of selected SDGs for review during the High Level Political Forum (HLPF). The Platform along with its Partners prepared a set of thematic policy briefs with a view to contribute NSA perspectives towards the Voluntary National Review (VNR) of Bangladesh.

Since the scourge of COVID-19 unleashed itself in the first quarter of 2020, the Citizen's Platform realised the advantage and potential of its substantive network. It immediately engaged in conceptualising initiatives that could address the crisis and particularly uphold the interests of the "left behind". Thus, the year was marked by the Platform's many activities widely discussing the implications of COVID-19 at the grassroots level, on the SDGs, and on the pathways towards an inclusive recovery and resilience. Towards this end, the Platform along with its Partner Organisations, embarked on a flagship research and outreach programme titled "Strengthening Citizen's Engagement in Delivering SDGs in view of COVID-19 Pandemic". A number of knowledge products will be created under the programme, to be followed by policy advocacy.

In view of the above, the Citizen's Platform is introducing a Working Paper Series, which will feature pertinent research on issues related to SDG delivery with a particular focus on the marginalised and vulnerable communities in Bangladesh. The present paper is the sixth of this series.

Series Editor: *Dr Debapriya Bhattacharya*, Convenor, Citizen's Platform for SDGs, Bangladesh.

Dr Debapriya Bhattacharya, a macroeconomist and public policy analyst, is the Convenor of the Citizen's Platform for SDGs, Bangladesh, and a Distinguished Fellow at the Centre for Policy Dialogue (CPD)—a globally reputed think-tank in Bangladesh—where he had been earlier its first Executive Director. He is a member of the United Nations Committee for Development Policy (CDP) and also the Chair of two global initiatives, viz. LDC Monitor and Southern Voice. He was the Ambassador and Permanent Representative of Bangladesh to the World Trade Organisation (WTO), UN Office, and other international organisations in Geneva and Vienna.

Dr Debapriya is engaged in high-level policy designing and advising for the national government and various bilateral and international development agencies at home and abroad. He has published extensively on trade, investment and finance related issues of the least developed countries (LDCs) and Sustainable Development Goals (SDGs). He serves in the boards and working groups of a number of national, regional and international development organisations and networks and in the editorial board of reputed journals.

He holds a PhD in Economics from Plekhanov National Planning Institute, Moscow and had been a PostDoctoral Fellow at Queen Elizabeth House, Oxford. He held a number of visiting positions, including Senior Fulbright Fellow at the Centre for Global Development (CGD), Washington DC.

Mr Fahim Sobhan Chowdhury is the Senior Research Associate at Centre for Entrepreneurship Development (CED), BRAC University, Dhaka. He is an expert statistician and econometrician and has conducted several academic and survey-based research on food security, environment and climate change, urban poverty, resettlement, rehabilitation and livelihood restoration of development interventions with both national and international organisations in the development sector since 2007. He completed his Master's degree in Economics from BRAC University, Bangladesh with an outstanding award.

Mr Towfiqul Islam Khan is an economist and currently a Senior Research Fellow at the CPD. He has undertaken various research and published in a number of areas including macroeconomic policies, fiscal policy and fiscal transparency, governance, financing for development, inclusive development and SDGs.

Khan is a member of the 'SDG Working Team' constituted under the Prime Minister's Office, Government of Bangladesh. He is also a member of the 'SDGs NGO Sub-Committee' constituted under the NGO Affairs Bureau of Bangladesh. Khan received the Australian Leadership Award (ALA) in 2008 to carry out his post-graduation academic degree at University of Melbourne, Australia. Khan also obtained his Masters and Bachelors in the area of Economics from Jahangirnagar University, Bangladesh.

Ms Afra Tahsin Chowdhury is a Research Associate at CPD. Her current research work is related to international development including South-South Cooperation and the SDG implementation in South Asia. Her research further branches into the Readymade Garments sector of Bangladesh. She completed her Master of Science in Economics from the University of Greenwich, the United Kingdom with a Distinction. Her undergraduate degree is in Bachelor of Science in Economics from the City University of London, the United Kingdom. She also has a Diploma in International Business and Economics from the City University of London.

Table of Contents

List of Tables and Figures

Acronyms

ADB	Asian Development Bank
ALA	Australian Leadership Award
BB	Bangladesh Bank
BBS	Bangladesh Bureau of Statistics
BDT	Bangladesh Taka
BGMEA	Bangladesh Garment Manufacturers and Exporters Association
BIGD	BRAC Institute of Governance and Development
CED	Centre for Entrepreneurship Development
CGWR	Centre for Global Workers' Rights
CPD	Centre for Policy Dialogue
EPZ	Export Processing Zone
EU	European Union
EUR	Euro
GDP	Gross Domestic Product
ILO	International Labour Organisation
LDC	Least Developed Country
MFO	Microfinance Opportunities
MiB	Mapped in Bangladesh
MJF	Manusher Jonno Foundation
NBFIs	Non-banking Financial Institutions
NGOs	Non-government Organisations
OMS	Open Market Sales
RMG	Ready-made Garments
SANEM	South Asian Network on Econometric Modelling
SDG	Sustainable Development Goals
UN	United Nation
UNDP	United Nations Development Programme
US	United States
USD	United States Dollar

1. INTRODUCTION

1.1 Context

The 'Made in Bangladesh' labels in ready-made garments have become customary in the international fashion industry. Bangladesh has remained the second-largest apparel exporter globally[1] since 2010 (Van, 2021)[2]. However, the COVID-19 pandemic had placed the readymade garment (RMG) sector on the cusp of an unprecedented catastrophe. Enforcement of countrywide lockdowns and border closures globally impacted the livelihoods of both the employers and workers of this sector. The existing vulnerabilities[3] faced by the informal workers employed in the RMG sector were aggravated while many new challenges emerged. For a country whose apparel industry contributes to 84 per cent of its total exports and employs about 4 million people, even a nugatory decline in orders or exports can throw the whole economy into an unforeseeable predicament (UN, 2021)[4].

On the eve of the pandemic, the supply chains of this highly globalised sector were distorted. According to Bangladesh Garment Manufacturers and Exporters Association (BGMEA), exporters were in deep water due to deferred payments of ready or already delivered products (worth USD 3 billion) and cancellation of orders by major buyers from the European Union (EU), United States (US) and Canada (worth USD 3.18 billion) (Munni, 2020). Additionally, USD 620 million worth of orders were cancelled or held by buyers from non-traditional markets (Munni, 2020). The buyers imposed higher payment terms, demanded suppliers cut their prices, and sometimes forced them to take orders below production cost (Fair Wear, 2021). The resulting sourcing squeeze was passed on to the workers escalating their anguish. Dual reduction in demand and production and closing down of factories contributed to widespread lay-offs and retrenchments on top of decreased work hours and payment cuts (SANEM–Fair Wear, 2021). These simultaneous blows that hit the garment workers may increase 'working poverty' in the post-pandemic time. Around 2.2 million RMG workers from 1,142 factories were affected by the pandemic as of April 2020 (ADB, 2021). In only three months (March to May 2020), approximately USD 502 million was lost in wages (IHRB, 2021). A joint survey by Centre for Policy Dialogue (CPD) and Mapped in Bangladesh (MiB) reported 0.35 million[5] job losses in the sector between January and September 2020 (Moazzem and Taznur, 2021).

Considering the fallouts of the pandemic, the government announced stimulus packages to provide a liquidity lifeline to the RMG sector. During the initial phase, the government of Bangladesh announced USD 580 million (BDT 50 billion)[6], a stimulus package for export-oriented industries primarily consisting of RMG factories[7] (BB, 2021a). The fund was to be utilised to pay the workers' wages for up to three months. However, the minimum wage payment of the garment workers per month alone is USD 380 million (BDT 33 billion) (Sultan et al., 2021). Therefore, this stimulus package was only 51 per cent of the total amount required to pay the wages for three months. Moreover, the EU declared to provide incentives worth approximately USD 191 million (EUR 171 million) as wages for 1 million furloughed apparel workers for three months[8] (Ovi, 2020b). However, the absence of documentation on the laid-off workers prevented Bangladesh from receiving the grant.

---

[1] Bangladesh's share in global apparel export is close to 7 per cent (Ovi, 2020a).

[2] However, the country briefly lost its rank to Vietnam in 2020 (Hossain, 2021).

[3] Low minimum monthly salary, hazardous working conditions and low skills have always impeded the sector.

[4] The apparel industry contributes to 11.2 per cent of Bangladesh's Gross Domestic Product (GDP) (Islam, et al., 2020).

[5] It accounted for nearly 14 per cent of employment in the RMG sector in 2020 (Moazzem and Taznur, 2021). Calculation done with MiB database of total number of labour working in the RMG factories.

[6] The fund was in effect from 2 April 2020 (BB, 2021a).

[7] Interest rate was not charged, instead 2 per cent one-time service charge was deducted (BB 2021a).

[8] Each worker to get nearly USD 35 (BDT 3000) per month from June till August 2020 (Ovi, 2020b).

As the lockdown eased and vaccinations rolled out, Bangladesh was getting back on track with export orders[9]. Data from BGMEA showed that shipments of RMG increased to around USD 2,517 million in April 2021 from USD 375 million in April 2020 (Hassan, 2021). But then, the second peak of COVID-19 cases was witnessed in April 2021. The severity of the first wave of the pandemic made it difficult for the apparel sector to withstand even a milder second wave. As a result, the impact of the second wave was not as rampant as the first wave. Still, the volume of work orders slowed down, causing uncertainty within the production chain and making it difficult for factories to forecast and plan their inventories and cash flows (Kamal, 2021).

The current study focused on the RMG workers in light of the pandemic-induced consequences. An RMG household survey conducted by the Citizen's Platform for SDGs, Bangladesh in June 2021 bears witness to the RMG workers' tales of despair. The present working paper reports on the findings of that study

1.2 Objectives

The survey undertaken for this study focused on the RMG workers from four major industrial regions of Bangladesh, namely Dhaka, Gazipur, Narayanganj and Chattogram, and their 500 households. The core objectives were thereby to analyse:

    I.   The impact of the COVID-19 pandemic on the workers and their households
    II.   The adjustment strategies undertaken by these respondents to endure the crisis
    III. The serviceability of the public interventions targeted toward the workers

The above three main focuses of the study were framed through separate dimensions such as employment, income, expenditure, food consumption and others.

1.3 Analytical focus

In order to reflect on the adaptability and resilience of the workers in the apparel industry of Bangladesh and the impact the pandemic had on them, this study analytically ventured upon various issues. First, labour market dynamics were examined to understand if any new adjustments were made considering COVID-19. Second, the current status (at the time of the survey) and comparative well-being of the workers, who were retrenched due to the pandemic, were closely observed to draw up income, expenditure and consumption correlations. Third, credit market impacts were drawn from the survey by looking at assets and savings losses. In addition, this study tried to identify a pattern in the determinants of policy beneficiary selectivity.

In drawing up this study, a major goal was to include the impact of the second wave of the pandemic, which was missed by most of the previous studies. The second wave of COVID-19 reached its peak in Bangladesh at the beginning of April 2021, with a higher fatality rate in comparison to the first wave.

1.4 Novelty

Given the scope of the existing literature at the time, the current study was one of the first studies to focus on the impact and adjustments of the RMG workers in Bangladesh after the second wave of COVID-19 had taken effect. What differentiated the current study from the existing ones was that the survey of the

---

[9]The first lockdown was eased on 31 May 2020 after 66 days of strict lockdown (BetterWork, n.d.).

workers was done at a household level. In contrast, the past studies were mostly done at the individual or enterprise level. The impact on and adjustment efforts of an RMG worker has underlying factors that influence the worker's individual behaviour, and those factors include household attributes. Therefore, surveying the households could show the consequences of the pandemic not only on the workers, but also on their households. On an individual level, adaptability tends to be poor compared to a household level. This is why this study also emphasised on differentiating the effect of the pandemic on workers living with their families compared to those not living with their families.

In order to establish the study objectives accordingly, various data sources were exhausted. An agreed methodology was followed, which seemed appropriate for this study. This will be elaborated in the following section.

1.5 Methodology

This study was based on three data sources: literature review, analysis of survey results and stakeholder feedback received at a dialogue.[10] The quantitative data for the current study were collected from a total survey population of 1,379 respondents from 500 RMG workers' households who are or were employed in factories located in Dhaka, Chattogram, Gazipur, and Narayanganj. The survey was carried out during the first half of June 2021 (3 June – 12 June). The results from the survey have been detailed in three core sections. Lastly, the virtual dialogue was reviewed, and policy recommendations were drawn to conclude the study.

The status of the garment workers was evaluated by addressing the impact of the pandemic on their lives and livelihoods at a household level. Another focus of the study was to draw attention to the adjustments and adaptations made by the RMG workers to survive the fallouts of the pandemic. Finally, the study further focused on determining how successfully the public policies backed the actors behind the lifeline of the economy – the garment workers.

1.6 Structure

Following the introduction, this paper is divided into six following sections. Section 2 provides an understanding of the state of knowledge in the concerned area and discusses the existing study results and their limitations. The section looks at the divergences and commonalities in the previous studies regarding the impact of the pandemic on the garment workers, the survival tactics they adopted, and the public policies initiated to mitigate the consequences of the crisis. Section 3 describes the survey design, and Section 4 analyses the survey results of the impact of COVID-19 on the RMG workers of Bangladesh. Similarly, the next section (Section 5) focuses on the survey findings covering the coping strategies adopted by the workers during the pandemic. Section 6 addresses the public policies undertaken to protect garment workers' livelihoods. Finally, Section 7 concludes with a set of policy recommendations.

---

[10] The dialogue on 31 August 2021 titled "Bangladesh's RMG Sector and Workers: Anticipating the Future" was hybrid in nature and included eminent discussants, stakeholders and actors across the RMG value chain.

2. STATE OF KNOWLEDGE

Historically, the contribution of the apparel industry to Bangladesh economy has highlighted the country on the world map. Given Bangladesh's export dependency on RMG, the COVID-19 pandemic had caused setbacks to the mainstay of economic progress. The workers in this industry were among the hardest hit. Thus, the study on the RMG industry had captured the attention of various stakeholders, especially their interest in comprehending these impacts on the RMG workers. This section consolidates major findings from numerous notable studies that were done from the onset of the pandemic. An overview of the existing literature[11] follows, succeeded by similar conclusions drawn from the studies focusing on the impact of COVID-19 on the RMG workers, how they coped with the crisis, and the public support the workers could avail.

2.1 Overview of the existing studies

Numerous studies by private research institutions and non-government organisations (NGOs) tried to establish the impact of COVID-19 on the lives and livelihoods of the RMG workers in Bangladesh[12]. The surveys focused on major industrial areas in the country, namely Dhaka, Chattogram, Gazipur, Narayanganj and Savar. Most of the studies were conducted through rapid response surveys, media tracking exercises (BIGD, 2020a; BIGD, 2020b; LightCastle, 2020; Manusher Jonno Foundation, 2020) and online surveys (CGWR, 2020a). With the survey population of the workers being within 1,400 only, the fallouts of the first wave were captured. Women were over-represented in almost all the surveys, representing that female participation in the RMG sector is higher than male participation (Matsuura and Teng, 2020). Many cross-country studies were also undertaken, giving similar insights (Kyritsis et al., 2020). Thereby, the current literature review puts forward a number of issues that brought to light the hardships and struggles that had exacerbated the vulnerabilities of the RMG workers of Bangladesh.

2.2 Impact of COVID-19 on the RMG workers

First, mass order cancellations by international buyers and prolonged national lockdown lead to factory closures and retrenchments.

More than one million workers were furloughed or fired, with 72.4 per cent of the furloughed workers unpaid and 80.4 per cent of the dismissed denied severance pays during the week of the first countrywide lockdown in Bangladesh[13] (CGWR, 2020b). Around 97 per cent of buyers denied contributing to severance pay (CGWR, 2020a). By September 2020, the job losses in the RMG sector approximately stood at around 0.35 million (Moazzem and Taznur, 2021). Thereby, about 14 per cent of the total workers in this sector were without a job during the last quarter of 2020. However, according to the official records of the factories, the rate of total laid-off workers was 2.2 per cent, which seems superficial (Moazzem, Shibly and Chowdhury, 2021). More than 15 per cent of the employed workers reported that employees were being laid off since March 2020, thus 70 per cent of them were worried about losing their jobs (Rabbani, Saxena and Islam, 2020).

Second, a decline in work, work hours (including overtime) and thus income had been widespread. On average, two-thirds of the workers from various survey studies reported a decline in income by at least

---

[11]Till June 2021 (the time of the survey in focus).

[12]Notable studies include BIGD (2020a), BIGD (2020b), SANEM–MFO (2020), SANEM–Fair Wear (2021), and others.

[13]Bangladesh's first COVID-19 casualty was reported on 8 March 2020 and the first country-wide lockdown was enforced on 26 March 2020 (Mamun, 2020).

one-third (Rabbani, Saxena and Islam, 2020; LightCastle, 2020; Karmojibi Nari–Fair Wear, 2021). Wage payments (from the government provided stimulus) were made via Mobile Financial Services (MFSs), which increased the salary disbursement rate in April compared to March 2020 (BB, 2021a). A limited-scale study by Manusher Jonno Foundation (MJF) noted that, 99.8 per cent of the respondents have received their wages and benefits for March and April 2020, but despite that, income was reported to decrease in studies done during a similar time frame (mentioned earlier) (The Daily Star, 2020). This is because most workers were not given their full wages (Rabbani, Saxena and Islam, 2020). Out of a 16 workers survey, seven estimated that they were still collectively owed USD 2,672 in unpaid wages (Clean Clothes Campaign, 2021). More than 91 per cent of the RMG workers mentioned wages and allowances were not disbursed as per the labour laws (Manusher Jonno Foundation, 2020).

Fortunately, most of the workers did not contract the virus.

More than 90 per cent of workers in relevant studies did not contract the virus and were oblivious of any other co-worker being infected (Rabbani, Saxena and Islam, 2020; Manusher Jonno Foundation, 2020). The low infection rate could be because the workers were getting themselves tested despite having COVID-19 symptoms (Rabbani, Saxena and Islam, 2020). However, workers started getting infected right after the reopening of the factories on 26 April 2020 (The Daily Star, 2021). Workers felt that they could not isolate themselves in their homes if they got sick (Rabbani, Saxena and Islam, 2020). As a result of new health vulnerabilities, the workers had to increase spending on health essentials (Dhaka Tribune, 2020). Moreover, sexual and verbal harassment from their supervisors increased amid the pandemic (Manusher Jonno Foundation, 2020). Additionally, an upward trend in bullying and harassment by factory supervisors during the pandemic was observed, where women were particularly victims of abuse at their workplaces (Clean Clothes Campaign, 2021).

In order to minimise the impacts, the workers needed to adjust their household expense loans or reduce savings. Studies attempted to underline the survival mechanisms adopted by the RMG workers to get through the pandemic. Their approaches to coping with the crisis have been alike in the context of health and expenditure.

2.3 Coping efforts of the RMG workers with the pandemic

Households had largely reduced their expenditure, especially on food.

The most daunting effect on expenditure was inflicted by job and income losses. A significant percentage of the respondents (60 per cent) mentioned how they either used their savings for food or did not save, to begin with (Rabbani, Saxena and Islam, 2020). In addition, the workers had to reduce other expenses like health care which pushed them towards greater risks. The marginal amount of savings the respondents had could last only less than a month[14] (LightCastle, 2020).

Moreover, households[15] had to forgo remittances which further compelled them to curb their expenses (LightCastle, 2020). As a result of the diminished income, expenses had to be cut (by 92 per cent of respondents) to afford essential items (Rabbani, Saxena and Islam, 2020). Almost 27 per cent of the surveyed workers by Plan International Bangladesh had to cut down on food expenditure. In contrast, some of the workers had to relocate their families if not themselves (Dhaka Tribune, 2020). The same study further reported that 69 per cent of the surveyed workers had to decrease their protein consumption.

---

[14]As mentioned by 30 per cent of the respondents (LightCastle, 2020).
[15]Nearly 26 per cent of the households sacrificed remittances (LightCastle, 2020).

In line with government health guidelines, workers had to maintain safety measures before entering their workplaces.

Safety precautions were adopted in most of the factories[16] (Rabbani, Saxena and Islam, 2020). Protective equipment, hand washing facilities and training on COVID-19 health safety guidelines were provided by the majority of the factories (Moazzem, Shibly and Chowdhury, 2021; Manusher Jonno Foundation, 2020)

Evidently, coping with the COVID-19 crisis has been very hard on the RMG workers who had very less financial support to get through it. Therefore, a leading role had to be played by the government to ease the crisis and help the workers with their adjustments.

2.4 Policy actions undertaken for the RMG workers

Poor provision and implementation of government support for the RMG workers came to light.

It was revealed that a large number of workers did not receive any government support, which raises the question of whether workers were even aware of the stimulus packages (Rabbani, Saxena and Islam, 2020; LightCastle, 2020). On the other hand, some RMG workers received support from their employers (LightCastle, 2020). Moreover, a very low number of workers received food relief that was not routinely (Manusher Jonno Foundation, 2020). The gaps in the analysis of government support establish a base for both the present study and the future studies to elaborate on.

Based on the merits of the studies mentioned above, it is clear that the impact of the pandemic had been profound on the workers in the RMG sector. The workers experienced difficulties in adapting to the socio-economic fallouts. Consequently, they curtailed their household expenses, especially in terms of their food consumption. While external support from the government was announced, appropriate implementation was inconclusive. Thereby, the present study dug deeper into these issues to expand on the trends during the second wave of the pandemic as well. The survey conducted in order to undertake this study gave similar findings. New revelations were also elaborately discussed in the following sections.

3. THE SURVEY DESIGN AND SAMPLE CHARACTERISTICS

The present study is based on a household level survey of 500 RMG workers' households who work or worked (prior to the pandemic) in garment factories located in the country's four major RMG concentrated districts. The population of these households totalled 1,379. The survey population included 574 RMG workers working in the sector for both the pre-COVID-19 and current periods. This section explains how the sample size was set prior to the field survey and details the data processing stages. Moreover, the section attempts to tabulate specific attributes of the survey at enterprise, individual and household levels.

3.1 Sample size determination

While determining the sample size for the current study, several factors were considered, including the population of the RMG workers, location, factory type and whether the factory is located inside or outside the Export Processing Zones (EPZ). In the absence of an accurate number of RMG workers

---

[16] Above 90 per cent (Rabbani, Saxena and Islam, 2020).

population in Bangladesh, the nearest exact figure of RMG workers in Bangladesh was found on the website of the Mapped in Bangladesh[17] (MiB) project implemented by the Centre for Entrepreneurship Development (CED) of BRAC University. As a result, the total number of workers from factories in Dhaka, Gazipur, Narayanganj and Chattogram (as of 10 March 2021) was 2,569,442.

In line with the objective of the current study, the sample size of the employed workers was determined using the commonly used formula setting a margin of error at 5 per cent and a confidence interval at 95 per cent.

The sample size[18] n and margin of error E are given by:

$$x = Z(^c/_{100})^2 r(100\text{-}r)$$

$$n = {}^{Nx}/_{((N\text{-}1)\,E^2 + x)}$$

$$E = \text{Sqrt } [^{(N\text{-}n)x}/_{n(N\text{-}1)}]$$

Where,

c = Confidence level
E = Margin of Error
N = Population
n = Sample size
r = the fraction of responses the study is interested in (generally fixed at 50 per cent)
Z (c/100) is the critical value for the confidence level c

Using the standard formula, the minimum representative sample size for the stated population is 384, rounding of which is 400. The sample is distributed across the four major RMG districts and by gender, following the ratio provided in Table 1.

Table 1: Workers ratio and gender ratio by location

	Total Workers from MiB Data	Ratio	Male to Female Ratio as per MiB
Dhaka	833,088	32.42	40 - 60
Gazipur	1,194,155	46.48	45 - 55
Narayanganj	327,478	12.75	47 - 53
Chattogram	214,721	8.36	27 - 73
Total	2,569,442	100	42 - 58

For the unemployed workers[19], after rounds of discussion, it was determined that 100 unemployed workers households (which is 25 per cent of the employed workers' sample size) from the four districts would be adequate for the current study. The location distribution and gender distribution were followed that of MiB.

Therefore, the current study surveyed 400 employed worker households and 100 unemployed worker households, making the total sample size to be 500.

---

[17]https://mappedinbangladesh.org/ and https://map.rmg.org.bd/

[18] For more in depth understanding: http://www.raosoft.com/samplesize.html

[19] Defined in this study as people who worked in the RMG sector prior to Covid-19 and are currently unemployed or working in another sector.

3.2 Data collection and data processing

The data collection team consisted of seventeen Field Officers (FOs) and three Field Supervisors (FSs). The FOs and FSs were headed by a Field Coordinator, and one FSs headed three field teams each. Prior to the survey, the teams underwent an intensive three-day training carried out by the senior research staff of CPD.

With the help of a computer-aided survey instrument, the survey questionnaire was carried out, and data were collected. KoboToolbox platform was installed on Tablet PCs (Tabs) which compiled data into a server. The data were then collected between 4th – 13th June 2021. The data were cross-checked by FOs and Field Supervisors before being uploaded to the KoboToolbox server. Data cleaning was performed in the first stage after data collection to check and correct any errors and inconsistencies. After the data cleaning, the survey data was analysed using STATA.

3.3 General attributes of the sample

The sample distribution by location is provided in Figure 1 and Table 2. Due to rounding, one additional employed worker household was surveyed, and one unemployed worker household was reduced from the initially intended sample. Thus, the sample consisted of 401 employed workers and 99 unemployed workers from the four districts selected for this study. About 58 per cent of the surveyed workers were female, which corresponds to the fact that female workers dominate the RMG sector.[20] A small fraction of the surveyed workers reported no education.

Figure 1: Sample distribution by location (number of RMG worker households)
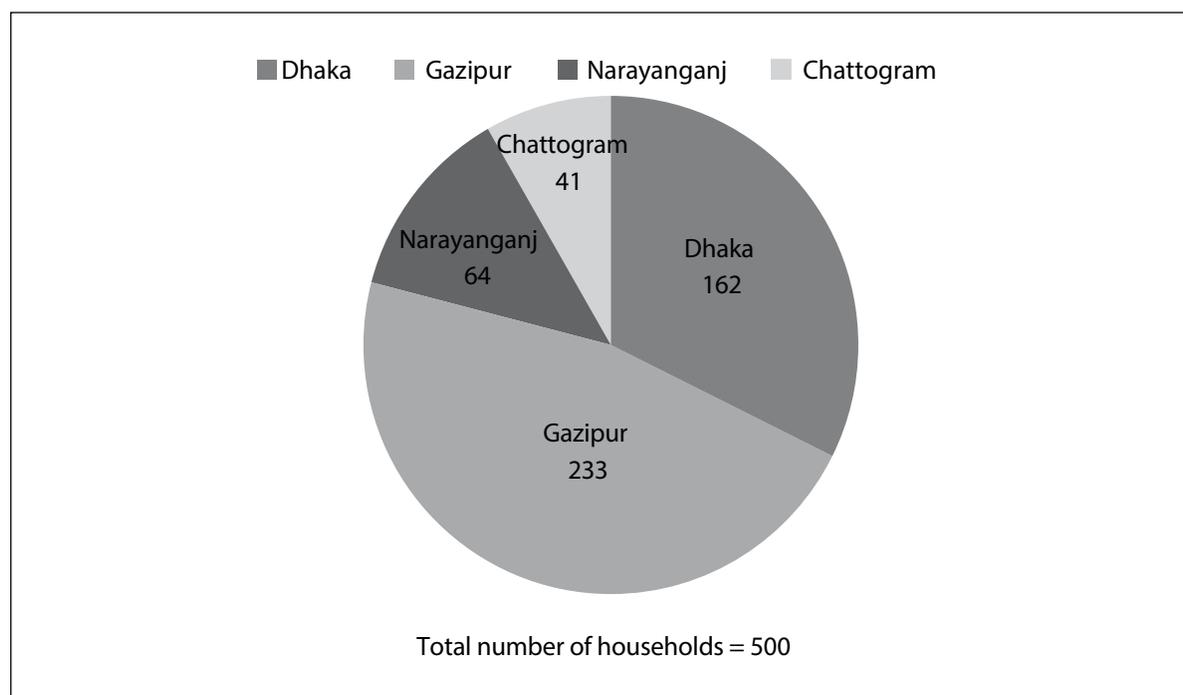
Source: RMG workers' household-level survey by the Citizen's Platform, 2021.

---

[20]Out of the 500 workers surveyed 288 were female and 212 were male.

Table 2: Location-wise distribution of the surveyed population

Variable	Dhaka (n=477)	Gazipur (n=633)	Narayanganj (n=168)	Chattogram (n=101)
Gender				
Female (%)	51.4	47.9	47.6	57.4
Male (%)	48.6	52.1	52.4	42.6
Total (%)	100	100	100	100
Age				
Mean age	25.6	24.9	25.4	24.6
Employment status				
Employed (%)	80.3	76	78	70.3
Unemployed (%)	19.7	24	22	29.7
Total (%)	100	100	100	100
Educational qualification[21]				
No education (%)	13.4	11.4	11.9	9.9
Primary education and below (%)	35.0	34.9	35.1	28.7
Secondary education (%)	40.0	47.0	42.9	52.5
Tertiary education and above (%)	1.3	0.8	1.8	0.0
Other levels of education (%)	4.0	1.3	4.8	2.0
No response (%)	6.3	4.6	3.5	6.9
Total (%)	100	100	100	100
Living status				
Living with family	95.9	94.2	87.5	87.1
Living without family	4.2	5.8	12.5	12.9
Total (%)[22]	100	100	100	100

Source: RMG workers' household-level survey by the Citizen's Platform, 2021.

3.4 Household-level attributes

The surveyed households included a total of 1,379 members. At the time of the survey, 59.4 per cent of the members were earning members, and 73.5 per cent of those earning members were employed in the RMG sector (Table 3).

Table 3: Current employment status

Variable	Frequency	Per cent
Total Members	1,379	100
Current Employment Status		
Earning member	819	59.4
Employed in the RMG sector	602	73.5

Source: RMG workers' household-level survey by the Citizen's Platform, 2021.

---

[21]Primary education is categorised as students enrolled in pre-school till Class 5; Secondary students are those who completed Class 6 to being in college; tertiary level incudes students who completed their Honors or Masters degree and those who have a vocational degree. Other levels of education include those who can read or write.

[22]Out of the 500 worker households surveyed, 409 households had RMG worker(s) who lived with their family and 91 workers lived by themselves.

On average, 21 per cent of the RMG households were headed by a female, which is well above the national average of 14 per cent reported in 2017 (BBS, 2018). Compared to other districts, Chattogram had the most households headed by females (Figure 2).

Figure 2: Gender of the household head*
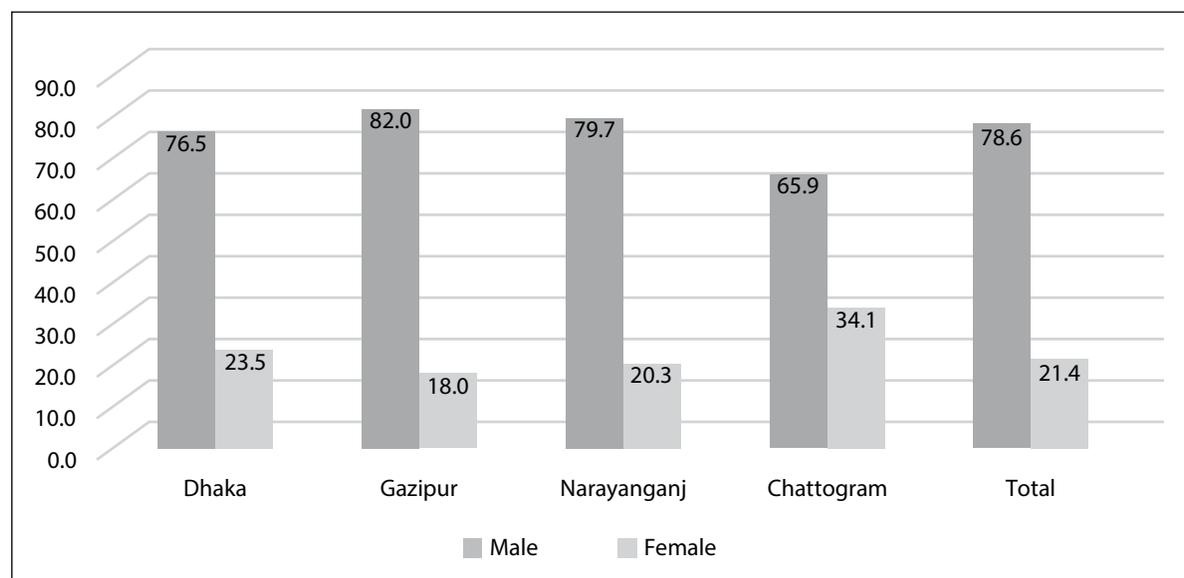
Source: RMG workers' household-level survey by the Citizen's Platform, 2021.

* n=409

3.5 Limitations of the Survey

The main limitation of this paper was the availability of a limited number of studies for the literature review, which to some length, made it difficult to design the questionnaire. Language was somewhat of a concern in Chattogram. Another major challenge was the weather. Moving in the field was challenging since data collection was done during the rainy season. Data collection was the most challenging in Chattogram since the city became waterlogged. The data collection team had to go to the field even when the whole city was partially underwater. In addition, the surge in COVID-19 cases during the survey hampered the ease of data collection. The field team had to be extra careful during data collection and had to follow strict health and safety protocol. Wearing a mask was mandatory for field officers during data collection. The field officers were also advised to ask the respondents to wear a mask. Sanitisers and small soap bars were provided so that the field team could sanitise their hands after each interview. They were mandatorily required to do this at regular intervals to minimise the risk of getting infected by the coronavirus. The discussion of the survey findings is presented in the following three sections.

4. IMPACT OF COVID-19 ON THE RMG WORKERS

The pandemic had a multidimensional impact on the RMG sector. The industry was affected by market closures, interrupted shipments, and postponed payments, which resulted to a liquidity crisis. Consequently, it was the RMG workers who had to suffer the burden. This section presents the areas in which the workers and their households were impacted. Moreover, the impact of the onset of the second wave is also observed to get an understanding of whether the second wave of COVID-19

affected the RMG workers similarly or more adversely. In reporting the impact of the pandemic, this section specifies the impact on income, employment, expenditure, food consumption, education and health through various framing issues, which include location of the surveyed workers, the location of the factories, the category of the garment made in the factories and the gender and age of the workers surveyed.

4.1 Impact on employment of RMG workers and their households

Percentage of earning members in RMG workers' households decreased.

The pandemic prompted job cuts, and many workers were laid off or terminated without notice (Liaquat, 2021). The total number of labour in Bangladesh decreased from 66 million in 2019 to 63.2 million in 2020 (BB, 2021b).

The surveyed households included a total of 1,379 members. Prior to the pandemic, 63.5 per cent of the surveyed members[23] in the RMG households were employed, among whom 77.5 per cent were from the RMG sector. However, due to COVID-19, the percentage of earning members decreased to 59.4 per cent, and the percentage of RMG workers among them also declined to 73.5 per cent. Almost one-sixth of the respondents lost their jobs, and one in every ten respondents who owned their individual business had to shut it down.

Most of the retrenched workers remained unemployed.

More than two-thirds of the retrenched workers were still unemployed during the survey. On average, the remaining one-third of retrenched workers went back to work after seven months, being employed in sectors other than RMG. Most workers aged between 18 and 35 years remained unemployed after being retrenched, which coincides with International Labour Organisation's (ILO's) brief (ILO, 2020). The retrenched workers from Gazipur mostly remained unemployed. These workers all worked in factories outside the EPZ. Among the unemployed workers, about 71 per cent were still actively looking for work during the survey period and 21 per cent became homemakers.

The term of retrenchment was not favourable for the workers – a low percentage of the furloughed or retrenched workers got their full payment.

Only 3 per cent of the unemployed workers responded that they had received the full salary, which includes outstanding payments, compensation and others. Most workers (more than 75 per cent) reported receiving only partial payment. Indeed, the stimulus package announced for the workers' wage support was not received by all the RMG factories[24] (Moazzem, Ahmed and Shibly, 2021). Moreover, at least 25 per cent of the factories, despite receiving support, retrenched workers (Moazzem, Ahmed and Shibly, 2021). In fact, more than 15 per cent of the workers did not get any pay before getting laid off. More workers employed outside the EPZ did not get paid compared to workers employed in factories inside the EPZ.

[23] The earning members in the survey were aged 10 years or more.

[24] Eligibility criteria were put forth, i.e. only factories exporting 80 per cent of their production could avail of these soft loans (Hassan, 2020).

4.2 Impact on the income of the RMG workers and their households

The average income of RMG workers' households was lower compared to the pre-COVID period.

Household income on average was 11.4 per cent lower compared to the pre-COVID period. This reduction was caused by job and overtime losses. The highest decrease in income was experienced by households in Narayanganj, followed by those in Chattogram (Figure 3).

Figure 3: Reduction in household income by location (%)
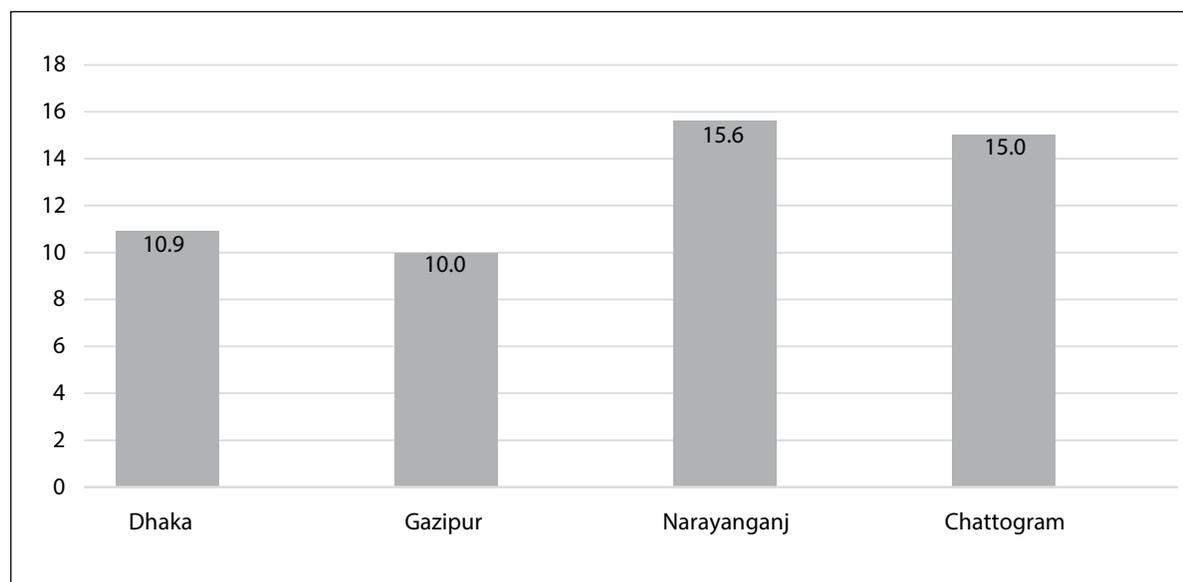
Source: RMG workers' household-level survey by the Citizen's Platform, 2021.

A significant proportion of workers did not receive salaries on time during the first wave. This trend did not continue during the second wave.

During the first wave, two-thirds of the workers did not receive their salaries on time. They were either paid partial salary or not paid at all. The Ministry of Labour further announced that absentee workers would get 65 per cent pay for the month of April 2020 (Hassan, 2020). However, the number of workers who did not receive salaries decreased during the second wave when only one-fifth of the workers were not paid salaries on time since factories were able to regularise exports to some extent (Dhaka Tribune, 2021). During the first wave, factories in Dhaka struggled the most in paying salaries and dues to workers. Woven and sweater factories faced a similar predicament.

Reduction in overtime was more widespread during the first wave compared to the second wave.

More than half (56 per cent) of the RMG workers, on average, experienced a reduction in overtime during the first wave. During the second wave, the reduction was reported by 41 per cent of the workers. The RMG factories were closed for more than a whole month (from 24 March to 26 April 2020) when the first wave hit, reducing work hours (Hassan and Sari, 2020). During the second wave, despite strict lockdown, RMG factories remained operational, following the government's safety guidance (Dhaka Tribune, 2021). In Dhaka, the workers faced the most reduction in overtime. Workers employed in factories outside the EPZ were more affected in this regard. Moreover, the reduction in overtime was higher among female workers during both first and second waves.

Table 4: Reduction in salary or overtime reported by respondent workers during the first and second wave of COVID-19 (%)

	First wave	Second wave
Location of the workers		
Dhaka	80.2	47.3
Gazipur	53.8	44.1
Narayanganj	44.1	47.1
Chattogram	42.4	30.3
Location of the RMG factories		
In EPZ	50.7	39.4
Outside EPZ	63.0	45.5
Category of RMG factories		
Knit	59.8	41.4
Woven	59.2	43.4
Sweater	58.3	29.2
Mixed and others	69.4	58.1

Source: RMG workers' household level survey by the Citizen's Platform, 2021.

4.3 Impact on financial affluency of the workers and their households

Most of the RMG worker households faced financial difficulties in managing household expenditure.

On average, more than 52 per cent of the RMG workers living with their families faced financial hardship during the pandemic, while 35 per cent of the workers living by themselves faced a similar situation.[25] While living with a family means the financial burden of living expenses can be shared by all the earning members of the family, the burden tends to increase during a crisis. The financial hardships increase with the decrease in the number of earning members and their incomes.

The surveyed workers faced a further decline in overall income and additional financial hardship due to the second wave of COVID-19.

The second wave brought additional hardship. Almost 33 per cent of the RMG workers living with families faced a further decline in income, while 23 per cent faced additional financial hardship. The corresponding figures for workers living by themselves were 24 per cent and 15 per cent, respectively. The first wave had diminished the income of the households, and the outbreak of the second wave not long after gave them no time to pull through. Depreciation of salaries, exhaustion of savings, and accumulation of debts were building up on top of rising expenditure.

Fewer workers living with family and employed in factories within the EPZ (26 per cent) reported having faced financial hardship compared to those employed in factories outside the EPZ (22 per cent).

The RMG workers' household expenditure changed amid the financial difficulties.

For employed workers' household expenditure declined. Employed workers living with family recorded more expenditure decline than those living without family. Household expenditure could be shared

---

[25]The figures for the unemployed workers' household were 80 per cent and 56 per cent and for employed workers' households, it was 44 per cent and 33 per cent, respectively.

among the members, reducing the pressure of managing expenses on a particular person. However, unemployed workers' household expenditure increased, and those who were living by themselves experienced a higher increase in expenditure compared to those living with family. The highest overall decline in household expenditure was recorded in Gazipur.

4.4 Impact on food intake of the workers' households

The reduction in carbohydrate intake was negligible, whereas protein and vitamin intakes were reduced by a day during the lockdown.

For such households, carbohydrate (principally rice) is a staple in their diet. Naturally, the reduction in carbohydrate intake was negligible. During the survey, the protein and vitamin intake was recovering. However, food items that were not as essential, like fruits, soft drinks and street food, were generally consumed less by these households but further declined due to COVID-19.

Table 5: Average number of days the surveyed workers' households had the specified food

	Carbohydrate	Protein and Vitamins	Milk, fruits, soft drinks, juice, street food, pitha
Prior to COVID-19	7	5.1	2.6
During Lockdown	6.8	4.1	1.6
In the last one month	6.8	4.3	1.6

Source: RMG workers' household level survey by the Citizen's Platform, 2021.

4.5 Impact on the education of the household members

Before COVID-19, 17 per cent of the household members aged between 4 and 26 years were enrolled in education.

Almost 92 per cent of the household members who were enrolled in educational institutions before COVID-19 did not regularly attend online classes or courses due to institutions not adopting online classes and poor internet connectivity.

Nearly three per cent of the previously enrolled students responded to not continuing education if educational institutions reopen. Among the dropouts, four joined the workforce, and two got married (one member was forced to get married early due to the pandemic). Such an impact on education would have deeper implications in the long term.

4.6 Impact on health and well-being

About 43 per cent of the surveyed household members had COVID-1 symptoms, but only 2.7 per cent went for tests.

When asked why the respondents did not go for the COVID-19 test, more than half of them said they either did not suffer much or did not feel the need to get tested. Bangladesh initially had the second-lowest test rate in Asia due to its people's reluctance and the low testing capacity (Sakib, 2020). However, no one tested positive among the respondents who did opt for the COVID-19 test (Table 6).

Table 6: Incidence of COVID– 19 among the household members

	Number of people	Per cent
Total Members	1,379	100
Male	693	50.3
Female	686	49.7
Symptoms	599	43.4
Went for test	16	2.7
Tested positive	-	-
	Number of centres	**Average cost (in BDT)**
Public test centre	13	360
Private test centre	3	2183

Source: RMG workers' household-level survey by the Citizen's Platform, 2021.

Nearly 5 per cent of the household members either gave birth during the period of 10 months starting from September 2020 till the survey or were pregnant during the survey.

Nearly 42 per cent of these household members missed at least one scheduled regular check-up due to COVID-19. In addition, almost four in 10 of the expecting mothers gave birth at home, where at least two of them would have gone to the hospital for delivery if there was no COVID-19.

Almost 20 per cent of the households responded to having missed child immunisation (children aged three years or below).

Apparently, social distancing, home quarantining, lack of vaccinators, fear of the spread of the virus and negligence of the public organisations in raising awareness delayed immunisation (Hanifi et al., 2022). About two-thirds of the households stopped recreational activities such as visiting parks, leisure, tourist spots and friends or relatives, and going to cinema and theatres.

At least four out of five of these households stopped recreational activities for fear of getting infected.

More than 7 per cent of workers reported that there was an increase in harassment, and more than 4 per cent of workers reported an increase in violence in the workplace during the COVID-19 period.

Nearly 20 per cent of the employed respondents faced violence or harassment in the workplace. More women experienced violence and/or harassment compared to men. Workers in this sector often experience violence and harassment at work, which is a major cause of job turnover (Matsuura & Teng, 2020). Thereby, the pandemic highlighted the imperative need to ratify ILO's Convention No.190 (C190) (ILO, 2021).

At the time of the survey, only 1 per cent of the respondents received either the first dose or both doses of the COVID-19 vaccine.

The mass vaccination drive in Bangladesh started in February 2021 for only people aged above 40. It was not until July that the age limit was lowered for vaccination. However, it was noticed that only one household member aged 40 among all the eligible respondents received both doses of the vaccine.

The survey findings thereby showed that due to job losses, unpaid salaries, and overtime cuts, RMG workers (and their households) faced additional financial hardships. The workers' households most commonly reduced their food intake and overall household expenditure. Dropouts and early marriages were also noticed among the children who were enrolled in education prior to the pandemic. The next section consolidates how the workers' households attempted to overcome these impacts.

5. COPING MECHANISMS OF THE RMG WORKERS

The RMG workers adopted different coping strategies. Some coped by adjusting their food consumption; for some, taking loans or withdrawing savings was the only way to reduce their financial burden. The current section elaborates on the survey findings to establish how the RMG workers battled the pandemic.

5.1 Coping via external finance

In order to deal with additional financial hardships, most of the households either took loans or withdrew savings.

During the first wave, 49 per cent of all the households faced additional financial hardships and thereby undertook 17 different combinations of coping strategies to mitigate the burden. The coping strategies included selling or mortgaging assets like land, gold and livestock, taking loans and withdrawing savings. They even sold harvest or labour in advance. During the second wave, 21 per cent of all households faced additional financial hardships and tried to cope by adopting 11 different combinations of strategies. The percentage of households who responded to have adopted specific coping mechanisms can be seen in Table 7.

Thereby, the lower number of households opted for financial coping strategies especially taking loans and withdrawing savings during the second wave. This was due to the prevailing indebtedness and savings exhaustion during the first wave.

More female respondents faced additional financial hardships compared to males[26] during both the first and second waves of COVID-19. Thereby, more female worker households took loans or withdrew savings in comparison to male worker households (Table 8).

Table 7: Proportion of the households facing additional financial hardships who adopted different financial coping mechanisms (% of n)[27]

Coping strategies	First wave (n=245)	Second wave (n=106)
Took loan	65.7***	67.0
Withdrew savings	24.1	37.7
Sold labour in advance	3.7***	7.6
Mortgaged gold	1.6***	3.8

---

[26] During the first wave, 245 households (out of 500) reported to have faced additional financial hardships where 105 were male and 140 were female. Moreover, among the 106 households who faced additional financial hardship during the second wave, 48 were male and 58 were female.

[27] The table shows the proportion of households who undertook individual coping strategies. It needs to be kept in mind that a combination of strategies was used by 14 per cent households living with family and 12.5 per cent living without family during the first wave and by 18 per cent of the households during the second wave.

Coping strategies	First wave (n=245)	Second wave (n=106)
Mortgaged land	0.8	2.8
Sold gold	0.8***	1.9
Sold livestock	1.2***	0.9
Sold harvest in advance	0.8	0
Others	15.9	0

Source: RMG workers' household level survey by the Citizen's Platform, 2021.

*** *indicates significance level at 1 per cent or lower; ** indicates significance level at 5 percent; and * indicates significance level at 10 per cent*

Table 8: Proportion of the households who adopted different financial coping mechanisms by gender

	Male worker households (%)	
	First wave	**Second wave**
Took loan	67.62	64.58
Withdrew saving	25.71	35.41
	Female worker households (%)	
	First wave	**Second wave**
Took loan	64.29	68.97
Withdrew saving	22.86**	39.66

Source: RMG workers' household level survey by the Citizen's Platform, 2021.

*** *indicates significance level at 1 per cent or lower; ** indicates significance level at 5 per cent; and * indicates significance level at 10 per cent*

Acquaintances, non-government organisations (NGOs) and micro-credit programmes came to the rescue.

Community networks tend to strengthen during critical times (Petrus, 2021). Nearly two out of every three households took loans from their friends, relatives, or neighbours. Moreover, almost two out of every five households could avail of loans from local non-government organisations or through charity.

On average, households withdrew savings equivalent to 2.3 months' income, and their average loan amount was equivalent to 2.2 months' income.

Nearly 94 per cent of the fund from loans, savings and asset sales were spent on regular expenses.

5.2 Coping via adjustments in food consumption

Traditionally, marginalised households tend to spend a large proportion of their income on food items. Thereby, when faced with financial difficulties, they tend to reduce their food expenditure. Households adjusted their food consumption by reducing the number of meals or number of items in a meal, or even the quantity of protein (meat or fish).

Reduction in the quantity of protein intake was most commonly undertaken by households. The second most prevailing coping mechanism was the reduction in the number of items in their meals.

Every three in five households reduced their quantity of protein intake, and nearly half of the households reduced the number of items in their meals.

During the first wave, workers living on their own coped better in terms of food consumption when compared to workers living with their families.

Nearly 10 per cent workers living on their own responded to no adjustment in food consumption compared to workers living with their families.

During the second wave, households coped better in terms of food consumption.

Households tried to cope by reducing their food consumption even during the second wave. However, the percentage of households undertaking these coping mechanisms decreased compared to the first wave. During the first wave, nearly 40 per cent of households did not make any adjustment in their food intake, which increased to 52 per cent during the second wave.

5.3 Relocating as a coping mechanism

Most of the retrenched workers did not relocate.

About four per cent of the retrenched workers returned to their hometowns, three per cent shifted to another district, and two per cent shifted to other cities but stayed in the same district. However, 91 per cent of the retrenched workers did not relocate.

5.4 Adjustments made in remittance

At the time of the survey, nearly 61 per cent of the respondents sent remittances to their families living in their hometowns or other places, among whom 60 per cent of workers either sent less money or reduced their frequency of sending the money due to COVID-19.

Among the workers who lived without their families and sent remittances to them, more than 50 per cent mentioned that their families are dependent on the remittance and cannot manage without it.

5.5 Recovery status of the workers

Among the 52 per cent of RMG workers living with families that faced additional financial hardship (n=213) due to COVID-19, only 31 per cent of households recovered (in five months on average) at the time of the survey. Among the 35 per cent of RMG workers who lived by themselves and faced additional financial hardships (n=32), 50 per cent recovered (in nearly 4 months). The workers who did not recover (for both living or without families) may need approximately another ten months to do so. However, as the crisis further unfolds, the recovery status of the workers would most likely deteriorate. The coping strategies that were most commonly used by the households were borrowing money and reducing their food consumption. The incidence of borrowing money was higher during the second wave. In order to cope with the financial burden, workers even could send lower amount of remittances to their families. Thereby, apart from individual coping strategies, the RMG workers needed external support to recover. The next section interprets the survey findings on the public support mediums available to the workers during the pandemic.

6. EFFECTIVENESS OF PUBLIC POLICIES FOR THE RMG WORKERS

Amid the pandemic unfolding, the RMG workers showed resilience and determination to cope with the burden. However, despite adopting a range of coping strategies, public support was needed for the apparel industry's short- and long-term recovery. This section discusses the types of public support made available during the pandemic and their effectiveness in reaching the RMG worker households.

Seven out of every eight households needed external support to cope with the pandemic.
Among the households that faced additional financial hardship, more than 88 per cent needed cash or other in-kind support to overcome the burden. However, only one in every five of these households received financial assistance from the government, any institution (e.g, NGO) or individuals during COVID-19.

Table 9: Households that received external support (%)

Type of external support	Households that faced additional financial hardships (n=245)	All households (n=500)
No assistance	79.6	85.2
Government support	4.5	3.0
NGO	3.7	2.0
Friends, neighbours, family	9.4	5.2
Charity (individual/institutional/religious institutions)	3.3	4.4
Employer	0.8	1.0

Source: RMG workers' household-level survey by the Citizen's Platform, 2021.

Among the three per cent of total households that received government support, 47 per cent received it a one-off, and 53 per cent got it multiple times (during the second wave). The government support was received mostly in the form of food assistance than cash or any other form of in-kind support (Table 6.2). However, the number of households who responded to have received government assistance is extremely low. This might be an underlying reason why the households' recovery time perceived from this survey is so lengthy.

Five out of every six recipients of government support were male. Moreover, more workers working in factories outside the EPZ received public support compared to those employed in factories in EPZ.

Table 10: Type of government support received by the households (%) (n=15)

Combination of types of government support	Per cent
Government cash assistance (BDT 2,500)	26.7
Government cash assistance (BDT 2,500) + Food assistance	6.6
Food assistance	53.3
Food assistance + Public work/ program	6.7
Food assistance + Safety equipment (mask, gloves, PPE, etc)	6.7
Total	100

Source: RMG workers' household-level survey by the Citizen's Platform, 2021.

Only 17.4 per cent of the RMG workers' households mentioned that the factories they work or used to work in received credit under stimulus packages.

Most of the workers were unaware of the credit under stimulus packages. The households desperately needed external support, which was not received promptly. Only 15 per cent of the households got support from the government or through community networks.

The next section consolidates the survey findings and brings together key recommendations drawn from the survey's perspective and the press briefing discussion mentioned earlier.

7. CONCLUSIONS AND RECOMMENDATIONS

The RMG industry of Bangladesh was facing a plethora of challenges even before the pandemic hit. The existing difficulties were only exacerbated due to the coronavirus. The RMG workers live on poverty wages often struggling to afford their nutrition, healthcare needs and children's education. The COVID-19 outbreak aggravated their situation. Income had decreased due to overtime reduction and retrenchments during the first and second waves of the COVID-19 pandemic. Most of the workers who lost their jobs found it difficult to re-join the industry. The lack of safety nets meant no redundancy pays-out or overdue wage payments.

Food consumption was significantly impacted due to diminished income induced by the pandemic. Even though carbohydrate consumption was marginally affected, protein and vitamin consumption were curtailed significantly. The impact on food consumption deteriorated more during the second wave in contrast to the first wave. The households that opted for reduced consumption expenditure by adapting to a low-cost carbohydrate-based diet are likely to experience negative health impacts (i.e. malnutrition) in due course.

On account of the second wave, indebtedness increased for the workers since they took out more loans and exercised most of their savings during the first wave. The loans were mostly required for daily essentials, not for any new investment or asset purchase. The loans increasingly built-up presumably due to no income restoration. Many of these households are likely to lose all their savings and fall into a debt trap.

Moreover, remittances or money transfers decreased. An interesting observation drawn from the survey was that the relocation of the RMG workers was recorded at a very negligible level. Moreover, the workers who lived with their families during the pandemic coped better with the crisis. However, on average, the households' perceived recovery time was 27 months and a new wave may prolong their recovery time.

Recommendations

It is critical to understand whether the revealed reduction in earnings primarily originated from the decline in overtime payments is a short-term coping strategy for the firms or the practice will be applied over the medium-term. In this context, it is vital to ensure that the apparel workers have collective bargaining power. Their low income-savings ratio indicates their inability to absorb shocks. Moreover, the soaring commodity prices call for the workers' wages readjustment. The Minimum Wage Board should revise the workers' wages and maintain regular reviews (the last review was in 2018). Including new components to the wage structure such as service benefits, child care, and education allowances is imperative.

There is a major gap in the social security system for the RMG workers. Moreover, the mobilisation of existing central welfare funds for workers' welfare purposes has largely been questionable. Thereby, it's time to undertake strong system-wide commitment by introducing human resource support,

insurance, public housing, formal meal plans, etc. Public support should be dedicated to the RMG workers by disseminating essential food commodities at subsidised prices through the ongoing 'open market sales (OMS)' programme. This can be done by arranging such OMS centres in community apparel industrial zones during the evening hours. Additionally, more fair price shops need to be established and regulated.

Moreover, access to easy interest-free loans can help the RMG workers meet emergency requirements without falling into prolonged debt liabilities. Interest-free loans can be provided through central banks, NBFIs, or even from enterprises.

Although RMG workers are part of the formal labour force, countless workers are not included in the financial safety nets due to access and information inadequacy. Thereby, the workers who were furloughed during the pandemic could not receive the needed support. It is a matter of regret that, the EU support for retrenched workers in the apparel sector (EUR 113 million) could not be utilised. The labour leaders, entrepreneurs, government and independent CSOs, need to develop a joint action plan to utilise such funds for the retrenched workers. Putting together an integrated serviceable database is also essential, without which delivery of private or public support has been hampered.

The likelihood of a fourth industrial revolution will change the scenario of Bangladesh's RMG industry. The country currently depends on a small basket of apparel export products. International competitors are surpassing Bangladesh by venturing into fast fashion and employing automation. More initiatives are required to equip workers with post-COVID-19 adaptive skills. Therefore, it is high time the apparel industry instituted skill upgradation.

The RMG industry is a critical source of foreign exchange for Bangladesh. Significant preference erosion is certain with the country's graduation from the Least Developed Countries (LDC). The pandemic had already altered the buyers' habits (i.e. nearshoring, delaying payments, discounted price from buyers and ordering in small batches). The government needs to provide policy support to ensure the country's bargaining power in the international markets. Innovation, diversification, and green technology will help put an end to the woes of this industry. Given that the world is on the brink of the Fourth Industrial Revolution, major emphasis needs to be on protecting the welfare of the workers as the basis of skill upgradation.

REFERENCES

ADB. (2021). *Covid-19 and the ready-made garments industry in Bangladesh*. COVID-19 Active Response and Expenditure Support (CARES) Program. Asian Development Bank (ADB). Retrieved from https://www.adb.org/sites/default/files/linked-documents/54180-001-sd-04.pdf.

BB. (2021a). *Policy measures of Bangladesh Bank in response to the COVID-19 pandemic*. Dhaka: Bangladesh Bank (BB). Retrieved from https://www.bb.org.bd/pub/special/covid19_policymeasures.pdf.

BB. (2021b). *Labour market dynamics in Bangladesh: Impact of the COVID-19*. Labour Force Survey. Retrieved from https://bb.org.bd/pub/research/policynote/pn2104.pdf.

BBS. (2018). *Gender statistics of Bangladesh 2018*. Dhaka: Bangladesh Bureau of Statistics, Statistics and Informatics Division (SID), Ministry of Planning. Retrieved from https://bbs.portal.gov.bd/sites/default/files/files/bbs.portal.gov.bd/page/b343a8b4_956b_45ca_872f_4cf9b2f1a6e0/Gender%20Statistrics%20of%20Bangladesh%202018.pdf.

BetterWork. (n.d.). *COVID-19 timeline in Bangladesh*. Retrieved from https://betterwork.org/portfolio/covid-timeline-in-bangladesh/.

BIGD. (2020a). *COVID-19 Crisis implications for the RMG sector: Trade union response - A rapid study*. Dhaka: BRAC Institute of Governance and Development (BIGD). Retrieved from https://bigd.bracu.ac.bd/wp-content/uploads/2020/06/Final_Report-COVID-19-Crisis-Implications-for-the-RMG-Sector-Trade-Union-Responses.pdf.

BIGD. (2020b). Phase VI: *COVID-19 crisis impact on RMG wages and employment and role of trade unions – media tracking report*. Dhaka: BRAC Institute of Governance and Development (BIGD). Retrieved from https://bigd.bracu.ac.bd/wp-content/uploads/2020/08/Phase-VI-COVID-19-CRISIS-IMPACT-ON-RMG-WAGES-AND-EMPLOYMENT-AND-ROLE-OF-TRADE-UNIONS-%E2%80%93-MEDIA-TRACKING-REPORT.pdf.

CGWR. (2020a). *Abandoned? Impact of Covid-19 on workers and businesses at the bottom of global garment supply chains*. Centre for Global Workers› Rights, Penn State University. Retrieved from https://ler.la.psu.edu/gwr/news-items/Abandoned_CGWRWRCApril12020.pdf.

CGWR. (2020b). Centre for Global Workers' Rights, Penn State University. Retrieved from https://www.workersrights.org/wp-content/uploads/2020/10/Leveraging-Desperation.pdf.

Clean Clothes Campaign. (2021). Retrieved from https://cleanclothes.org/breakingpoint.

Dhaka Tribune. (2021, June 30). *Hard lockdown: RMG factories to remain open, workers will walk*. Retrieved from https://archive.dhakatribune.com/bangladesh/2021/06/30/rmg-factories-to-remain-open-during-strict-covid-lockdown.

Dhaka Tribune. (2020, December 08). Retrieved from https://www.dhakatribune.com/bangladesh/development/2020/12/08/plan-international-webinar-on-rmg-worker-covid-19-impact-wednesday

Fair Wear. (2021). *Covid-19 impact and responses: Bangladesh.* Retrieved from https://www.fairwear. org/covid-19-dossier/worker-engagement-and-monitoring/country-specific-guidance/covid19-bangladesh/

Hanifi, S. M. A., Jahan, N., Sultana, N., Hassan, S., Paul, A. & Reidpath, D. D. (2022). *Millions of Bangladeshi children missed their scheduled vaccination amidst COVID-19 pandemic.* Dhaka: Health System and Population Studies Division, International Centre for Diarrhoeal Disease Research, Bangladesh (ICDDR, B). Retrieved from https://www.frontiersin.org/articles/10.3389/fpubh.2021.738623/full#T3

Hassan, Z. and Sari, M. (2020). . UNICEF. Retrieved from https://www.unicef.org/bangladesh/media/3926/file/%20UNICEF_COVID%20and%20Banladesh%20garment%20workers.pdf%20.pdf

Hassan, K. Z. (2021, May 8). RMG industry back on track after steep export decline..Retrieved from https://thedailynewnation.com/news/286776/RMG-industry-back-on-track-after-steep-export-decline Hossain, S. (2021). *BGMEA: Bangladesh overtakes Vietnam in RMG earnings from Jan-July'21. Dhaka Tribune.* Retrieved from https://archive.dhakatribune.com/business/2021/09/12/bgmea-bangladesh-overtakes-vietnam-in-rmg-earnings-from-jan-july-21

IHRB. (2021). *The weakest link in the global supply chain: How the pandemic is affecting Bangladesh's garment workers.* Institute for Human Rights and Business (IHRB). Retrieved from https://www.ihrb. org/uploads/reports/IHRB__Chowdhury_Center_-_How_the_Pandemic_is_Affecting_Bangladesh_Garment_Workers_-_Apr_2021.pdf.

ILO. (2020). *Gendered impacts of COVID-19 on the garment sector.* ILO Brief. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---sro-bangkok/documents/publication/wcms_760374.pdf.

ILO. (2021). *First international treaty to address violence and harassment comes into force.* Retrieved from https://www.ilo.org/dhaka/Informationresources/Publicinformation/Pressreleases/WCMS_807222/lang--en/index.htm.

Islam, M. R., Hassan, M., A., Hassan, M. S., Rahman, S. & Nargis, N. (2020). Impact of Covid-19 Pandemic on ready-made garments (RMG) industry of Bangladesh. *International Journal of Management.* Retrieved from https://www.researchgate.net/profile/Md-Sharif-Hassan/publication/344271343_Impact_of_COVID-19_Pandemic_on_Readymade_Garments_RMG_Industry_of_Bangladesh_Cite_this_Article/links/5f623f014585154dbbd72b36/Impact-of-COVID-19-Pandemic-on-Readymade-Garments-RMG-Industry-of-Bangladesh-Cite-this-Article.pdf.

Kamal, R. S. (2021). *'Due to second wave, the RMG buyers are maintaining a go slow approach'.* The Business Standard. Accessed 24 February 2022, from tbsnews.net/features/panorama/due-second-wave-rmg-buyers-are-maintaining-go-slow-approach-259225

Karmojibi Nari–Fair Wear. (2021). *The impact of pandemic on the garment workers in Bangladesh.* Retrieved from https://api.fairwear.org/wp-content/uploads/2021/07/The-impact-of-the-Covid-pandemic-on-garment-workers-with-a-specific-focus-on-women-workers.pdf

Kyritsis, P., LeBaron, G., and Nova, S. (2020). Worker Rights ConsortiumRetrieved from https://www.workersrights.org/wp-content/uploads/2020/11/Hunger-in-the-Apparel-Supply-Chain.pdf

Liaquat, Z. B. (2021). Dhaka Tribune. Retrieved from https://archive.dhakatribune.com/business/2021/04/29/report-rmg-workers-had-35-pay-cut-deprived-of-502m-in-wages-during-the-pandemic

LightCastle. (2020). *Impact of coronavirus on livelihoods of RMG workers in urban Dhaka. Dhaka: LightCastle Partners*. Retrieved from https://www.lightcastlebd.com/wp-content/uploads/2020/04/RMG-Workers-CovidReport-1.pdf

Mamun, S. (2020, March 23). *Coronavirus: Bangladesh declares public holiday from 26 March to 4 April.* Dhaka Tribune. Retrieved from https://archive.dhakatribune.com/bangladesh/2020/03/23/govt-offices-to-remain-closed-till-april-4

Manusher Jonno Foundation. (2020, October). *MJF e-newsletter October 2020*. Retrieved from http://www.manusherjonno.org/mjf-e-newsletter-october-2020/

Matsuura, A. & Teng, C (2020). *Understanding the gender composition and experience of ready-made garment (RMG) workers in Bangladesh*. Issue Brief. International Labour Organisation and UN Women. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-dhaka/documents/publication/wcms_754669.pdf

Moazzem, K. G., Shibly, A. S. M. S. A. and Chowdhury, F. S. (2021, January 23). *CPD-MiB study on vulnerability. Resilience and recovery in the RMG sector in view of COVID pandemic: Findings from the Enterprise Survey* [PowerPoint Slides]. Centre for Policy Dialogue (CPD). Retrieved from https://cpd.org.bd/wp-content/uploads/2021/01/Presentation-on-Vulnerabiliies-Resilience-and-Recovery-in-the-RMG-Enterprsies-.pdf

Moazzem, K. G., Ahmed, T. and Shibly, A. S. M. S. A. (2021, May 8). *Corporate accountability practices in the RMG sector could ensure workers' well-being during the COVID pandemic period* [PowerPoint Slides]. Dhaka: Centre for Policy Dialogue (CPD). Retrieved from https://cpd.org.bd/wp-content/uploads/2021/05/Presentation-on-Corporate-Accuntability-in-the-RMG-Secton-in-view-of-COVID-Pandemic.pdf

Moazzem, K. G., and Taznur, T. (2021). . Centre for Policy Dialogue (CPD). Retrieved from https://cpd.org.bd/wp-content/uploads/2021/08/Impact-of-COVID-19-on-the-Labour-Market-Policy-Proposals-for-Trade-Unions.pdf

Munni, M. (2020, July 19). $3.0b RMG payment uncertain: BGMEA tells online discussion. *The Financial Express*. Retrieved from https://thefinancialexpress.com.bd/economy/bangladesh/30b-rmg-payment-uncertain-1595129935.

Ovi, I. H. (2020a, August 5). Bangladesh's share in global clothing exports rises to 6.8%. *Dhaka Tribune*. Retrieved from https://archive.dhakatribune.com/business/2020/08/05/rmg-global-market-share-bangladesh-still-lags-behind-vietnam.

Ovi, I. H. (2020b, June 2). EU to provide €113m as wages for 1m RMG workers in Bangladesh. *Dhaka Tribune*. Retrieved from https://archive.dhakatribune.com/business/2020/06/02/eu-to-provide-97m-for-1m-rmg-workers-wages-for-3-months.

Petrus, J. (2021)**.** *The role of community-based organisations in COVID-19 response: Case studies of Bangladesh, Burkina Faso, Nigeria, and Syria.* USAID. Retrieved from https://reliefweb.int/sites/reliefweb.int/files/resources/11%20The%20Role%20of%20Community-based%20Organizations%20in%20COVID-19%20Response%20Case%20Studies%20of%20Bangladesh%2C%20Burkina%20Faso%2C%20Nigeria%2C%20and%20Syria.pdf

Rabbani, A., Saxena, S. S., and Islam, M. F. (2020). *The impact of Covid-19 on the lives of workers in the Bangladesh garment industry.* Research Brief. Dhaka: BRAC James P Grant School of Public Health. Retrieved from http://dspace.bracu.ac.bd/xmlui/bitstream/handle/10361/15582/The%20Impact%20of%20Covid-19%20on%20the%20Lives%20of%20Workers.pdf?sequence=1&isAllowed=y

Sakib, S. M. N. (2020, April 19). *Bangladesh: Low COVID-19 testing rate raises concerns.* Anadolu Agency. Retrieved form https://www.aa.com.tr/en/asia-pacific/bangladesh-low-covid-19-testing-rate-raises-concerns/1810132.

SANEM–Fair Wear (2021). *The Impact of the COVID pandemic on the cost of production and orders in Bangladesh.* Retrieved from https://api.fairwear.org/wp-content/uploads/2021/07/The-Impact-of-the-Covid-19-Pandemic-on-the-Cost-of-Production-and-Orders-in-Bangladesh.pdf

SANEM–MFO (2020). *SANEM–MFO survey of RMG workers: A massive shift to digital wages payments in Bangladesh's RMG sector.* Retrieved from https://sanemnet.org/sanem-mfo-survey-of-rmg-workers-massive-shift-to-digital-wages-payments-in-bangladeshs-rmg-sector/ .

Sultan, M., Hossain, S. M., Islam, M. S., Chowdhury, K., Naim, S.J., and Hup, F. (2021). Dhaka: BRAC Institute of Governance and Development (BIGD). Retrieved from https://bigd.bracu.ac.bd/wp-content/uploads/2020/05/Final_Merged_summary_Bangla-English_TU_with-all-feedback.pdf.

The Daily Star. (2021, May 8). *Infected RMG workers: 'Half tested positive after factories reopened'.* Retrieved from https://www.thedailystar.net/backpage/news/infected-rmg-workers-half-tested-positive-after-factories-reopened-1900540.

The Daily Star. (2020, October 5). *Survey on RMG workers during pandemic: 99.8pc say they're not Covid-infected.* Retrieved from https://www.thedailystar.net/frontpage/news/survey-rmg-workers-during-pandemic-998pc-say-theyre-not-covid-infected-1972481.

UN. (2021). *Bangladesh – En route to LDC Graduation: Firm-Level preparedness in the textile and clothing sector.* United Nations. Retrieved from https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/Garment-Study-Bangladesh.pdf.

Van, T. (2021). *Vietnam surpasses Bangladesh as world's second-largest garment exporter.* Vietnam Investment Review. Retrieved from https://vir.com.vn/vietnam-surpasses-bangladesh-as-worlds-second-largest-garment-exporter-86314.html.

The ready-made garment (RMG) sector's workers of Bangladesh have time and again displayed resilience in weathering numerous catastrophes. The COVID-19 experience had been no different. This disadvantaged group of population includes more than four million informal workers representing two-fifth of the country's total industrial employment. A vast majority of them are women. The pandemic did exacerbate the traditional economic and social vulnerabilities of this underprivileged group as well as caused the emergence of new ones for them.

The current study thereby sets out to capture the impact of the pandemic on the RMG worker households, their approaches to overcoming the fallouts of the crisis, and the role of public assistance received during their trying times. By reviewing the existing data in this regard as well as by undertaking a nationwide household survey and focus group discussions capturing the first and second waves of the pandemic, the paper estimates the job and income losses due to lockdowns and factory closures. The study also explores the consequences of the pandemic for these RMG households in the areas of nutrition, education and health. The study reveals that these households attempted to cope with the impacts by nutritional intake, scaling down expenses, liquidation of household assets and savings, increase in indebtedness.

The study also reveals the limited effectiveness of public support which was mostly provided as food and cash assistance. On the account of the second wave, the vulnerabilities of these workers intensified. Thus, the study puts forward a number of pragmatic policy recommendations with a view to support the RMG workers in the post-pandemic recovery process.

Citizen's Platform for SDGs, Bangladesh
এসডিজি বাস্তবায়নে নাগরিক প্ল্যাটফর্ম, বাংলাদেশ

Partnership and Collaboration