What’s Going On: RMG Workers’ Experience During the Covid-19 Pandemic

Guy Stuart, Microfinance Opportunities

October 31, 2020
Introduction

• Garment Worker Diaries
  • Weekly interviews with 1,300 garment workers—nationally representative sample
  • Trusted channel of communication allows stakeholders to insert questions into weekly survey

• Key Findings will be discussed by panelists:
  • Job Security in 2021
  • Wage Digitization and Digital Financial Skills
  • Work, Food Security and Illness
  • Cost of Credit
Hours Worked

- Factories were closed for most of April, but reopened in May.
- Hours worked in May and August were affected by Eid al-Fitr and Eid al-Adha.
- Work hours numbers include break times.
- There are 234 regular work hours (including break times) in a typical month.
- In 2019 the typical hours for a worker were 246 per month.
• Even though factories were closed for most of April, workers were still paid for work performed in March.
• Salary payments in May also include government support payments to workers.
• July and August salary payments are impacted by Eid al-Adha, with advance payments being made in July.
• In 2019 the typical monthly payment was Tk. 10,000
Job Security

In May, workers reported the most employment problems. Problems then declined in June, July, and August, but we saw an uptick in September.

How secure is factory work in the RMG over the next few months?

What policies/programs need to be in place to mitigate the potential employment insecurity?
Discussion: Job Security, 2021

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• What policies/programs need to be in place to mitigate the potential employment insecurity?
Wage Digitization

- Government mandate related to support package for RMG sector workers
- April 2020: about 1 in 4 workers paid digitally
- May 2020: about 3 in 4 workers paid digitally
  - About an increase in 2 million workers
- Will digitization be maintained?
Digital financial skills

Between May and September women workers did gain skills in the use of digital financial services, but still very few of them know how to make a transfer.

Are digital payments useful to workers, especially women?

How can they be made more useful?
Discussion: The Future of Digital Wages

• Will digitization be maintained?
• Are digital payments useful to workers, especially women?
• How can they be made more useful?
Employment and Food Security

Between May and September workers went back to work and employment levels remain high.

At the same time food security increased, but still only remains at about 50% of the workers in the GWD project.

How do we raise food security so that it reaches 100% for employed workers?
Employment and Illness

- Between May and September workers went back to work and employment levels remain high.
- At the same time illness in the household reported by the worker has been climbing.
- How do we manage the trade-offs between employment and illness?
Discussion: Work, Food Security, and Illness

- How do we raise food security so that it reaches 100% for employed workers?
- How do we manage the trade offs between employment and illness?
Cost of Credit

- Workers pay more for rice when they buy it on shop credit.
- The premium they pay amounts to about 7.6% per month.
- What can be done to address this issue?
- How can it be done in such a way that local shopkeepers do not feel like their livelihoods are being challenged?
Discussion: The Cost of Credit

• What can be done to address the cost of food bought on credit?
• How can it be done in such a way that local shopkeepers do not feel like their livelihoods are being challenged?