

GARMENT WORKERS IN BANGLADESH

SOCIAL IMPACT OF THE GARMENT INDUSTRY

2015



ASIAN CENTER FOR
DEVELOPMENT

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Garment Workers in Bangladesh: Social Impact of the Garment Industry 2015
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Cover: Abdullah Morshed Miah

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ACKNOWLEDGEMENT

It is our pleasure to publish this first comprehensive survey report on the workers of the Garment industry in Bangladesh. The survey was undertaken with a great enthusiasm to understand the workers of the garments industry in Bangladesh. More specifically, to learn about their socio-economic profile, who they are, from where they came and how are they doing in terms of their endeavor to take them out of poverty.

This task was gigantic in the sense that it is nearly 50% of the workforce of Bangladesh. This was a dream project for the Asian Center for Development and in this task we acknowledge receiving help from the Research Development and Trade Information (RDTI) unit of the Bangladesh Garment Manufacturers and Exporters Association. In particular, we express our deepest gratitude to Md Shahidullah Azim (Vice President, BGMEA), Md Arshad Jamal (Director in Charge, RDTI, BTMEA). In addition, A.K. M. Marzanul Islam Joy (RDTI, BGMEA), Nur Mohammad Amin Rasel (Joint Secretary, RDTI, BGMEA) provided support to our research team whenever they needed to reach the factory management for the survey. We are deeply indebted to them. Md Atiqul Islam, President of BGMEA deserves special thanks from us for his understanding and support to carry out this study.

In developing the methodology for the survey, we received help and advice from Dr Dipankar Roy (Deputy Director, BBS), Kabir Uddin Ahmed (Deputy Director, BBS) and Golam Mostafa Kamal (DG, BBS). We express our sincere thanks to them for their support.

The survey work came to a near halt due to my sudden heart surgery in July 2014. Credit goes to the sincere efforts of Estiaque Bari to lead the survey work and to Mohammed Zakir Hossain Khan who revised the technical note to get the survey going for us. I personally remain grateful to them.

We also express my gratitude to the research team members who worked very hard to collect data from the garment factories. It was not an easy task. At times they were frustrated and yet remained enthusiastic to complete this survey. Finally, Estiaque Bari coordinated this research on behalf of the Asian Center for Development while A T M Atikujjaman Shohel provided all the logistics and support needed for the team. The survey report was edited by Zahidul Naim Zakaria. We are grateful to them for their unconditional service to the Center.

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EXECUTIVE SUMMARY

Introduction

1. RMG is the most important sector of the Bangladesh economy in terms of export proceeds, domestic value addition, and employment generation. It employs four million workers in nearly 5,600 factories (within BGMEA members). The growth of both the numbers of factories and employment has been steady since the 80s. In terms of the importance of the industry, it accounts for nearly 80% of Bangladesh's exports which is equivalent of 20 billion US\$ per year.
2. Our objective in this endeavor is to develop labor statistics that represent the garments industry in Bangladesh. We plan to repeat this survey every 2nd year in order to track changes, and for this we hope to receive support from various stakeholders.
3. The research objective for this survey is to develop a comprehensive picture of the workforce of the industry, their lives and the lives of their families, and also to evaluate the social impact of the sector on the livelihood of the workers. In particular, the study attempts to identify impact of the garment industry in terms of:
 - a. poverty reduction and improvement in the standard of living
 - b. health and education of the workers and their family members
 - c. women empowerment in the families of the workers

Sample

4. To answer these, 1,204 factory workers from 173 factories (drawn randomly from the list of members of BGMEA) from all grades of pay were surveyed. The following table shows the summary of the workers by grade in the survey.

Type of Industry	Salary scale of workers							Total
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	
Knitwear factories	4	8	71	74	68	51	60	336
Woven factories	2	6	27	29	33	26	31	154
Sweater factories	6	12	111	135	109	86	129	588
Others factories	1	0	27	26	27	21	24	126
Total	13	26	236	264	237	184	244	1,204

5. Workers were selected from four types of garment factories: knitwear, sweater, woven and others. The sample was drawn from Dhaka, Naryangonj, Gazipur and Chittagong districts. Based on BGMEA membership proportions, the sample includes 48.84% woven factories, 27.91% knitwear

factories, 12.79% sweater factories and 10.47% other factories. Similarly, the distribution of workers by grade is also proportional in the sample.

Results

6. A complete census of 173 factories show that an average-sized factory employs nearly 950 workers of which 35% are male and 65% are female. The male to female ratio of workers do vary across industry types. Based on our survey we estimate that nearly 1.4 million male and 2.6 million female workers are currently working in the garment industry represented by BGMEA.
7. About 86 percent of the factories are direct exporters, 8.6 percent are engaged in both direct export as well as sub-contracting from others while 5.5% are only sub-contractors.
8. Nearly 83 percent of RMG workers can read a letter while 71% can also write in Bengali. This is above the national average of 58 percent (using the same definition). The literacy varies slightly between genders. For example, while 83% of male workers can write letters, the same is true for 68% of female workers. Only 12% of the workers are illiterate.
9. The average experience of workers in the industry varies between grades. The youngest ones (in grade 7) have been working for about 3 years on average, while workers in grade 1 have been working for about 12 years.
10. Garment sector workers come to factories in Dhaka and Chittagong from all over the country. In the survey, nearly all 64 districts of Bangladesh is represented in the sample. The largest chunk came from Barisal district followed by Comilla, Mymensingh, Rangpur and others.
11. The average family size of a worker is 4.1 and on average there are two earning members in a family. Sex ratio in the family is 108:100 (female:male). Nearly 2.9 percent of the workers do not have a male earning member while 2 percent do not have a female earning member.
12. About 74 percent of the workers live with their families, 26 percent live in shared accommodation with others (relatives, friends, hostel, etc.) and roughly 4% of the workers are orphans; 23.7% of the workers are heads of their families.

Living standards

13. Workers are investing in their future generations. Their children/siblings are in schools. Some of them are also in universities. This is also true in case of unskilled workers.
14. The difference in living standards of the workers manifests a clear change between generations. While their parents are living in tin-shed houses, most of them are living in brick buildings. Similarly, there is visible improvement in their access to amenities at home. Improvement in water supply, electricity, and toilets facilities are clearly recorded.

Wage and Income

15. Less than 0.3% of the workers have income below 6,000 taka per month, 10% of the workers' monthly family income is between 6-12 thousand taka and the evidence is clear across groups of workers (skilled, semi-skilled and unskilled workers). The average income of a poor household in Bangladesh is 8,900 taka. Average family income of the workers in the garment industry is 15,720 taka. The average family income varies from 15,500 to 20,000 taka per month between grades 7 and 1. Nearly 60% of the workers earn their living from the garments industry alone.
16. Besides wage income from the garment industry, workers also make money from agriculture, fisheries and from poultry and livestock rearing. Nearly 16% also have sewing machines to generate extra-income.

Expenditure and assets

17. In terms of asset ownership, 86% have mobile phone, 68% have television, 84% have electric fan, 75% have own home and 28% have gold ornaments.
18. The average monthly family expenditure is around 11,299 taka. Of them, 42% is food cost, 30% is for housing and 11% is remitted to parents/extended families. Monthly expenditure on cosmetics is 299 taka, on education of children/siblings is 667 taka, on mobile is about 316 taka, on clothing is 526 taka, on health is 604 taka, and on entertainment is 98 taka per family. About 40% of families send money back home (to extended family members) and the average monthly remittance is around 3,000 taka.
19. Rice is the staple food in all the families but more than 60% consume potato and 22% consume wheat on a daily basis. Daily consumption items also include pulses. Edible oil, onion and turmeric are in the list of daily consumables for garment sector workers.

20. The weekly consumption bundle includes chicken, fish, beef, eggs and milk products. Similarly vegetables, fruits, sweets and tea are also consumed either daily or weekly.

Women empowerment

21. The top 10 family decisions where women workers always have a say are: decisions with regard to children's education, health and marriage; with regard to own health, job and clothing, with regard to buying cosmetics, family planning and even on husband's choice of job.
22. About 36 to 44 percent of the workers said that they are sometimes consulted in the family with regard to taking decisions related to entertainment, healthcare, buying and selling of assets, choosing location of residences, education, health, and marriage of brothers and sisters, and savings and loan related decisions.
23. Surprisingly it is the case of her own marriage where almost 39% of women workers were never consulted. Of the other issues where 20% or less women workers were not consulted in the case of: selling or purchasing of family asset, or taking a loan.
24. Although 50% of the female respondents reported that this is their first job, 98% of the workers perceive that their job in the garments industry has enabled them to be self-reliant. Similarly, about 93% of the workers perceive that this job has given them a voice in family decisions and raised their importance as a family member.

Health

25. Nearly 84.2% of the factories have doctors in their facilities, 38.81% have health workers, and 76% also provide medicine. About 66% of the workers made use of these facilities when ill.
26. Only 3.6% of the workers reported to have been suffering from chronic diseases while 9% needed some medical attention in the past 30 days (from the date of the survey) due to acute health problems.
27. The average cost of treatment in the past 30 days varies depending on the place of treatment. At a public facility it is nearly 4,540 BDT; at a private healthcare center it is about 5,188 taka, at an NGO facility it is about 590 taka, at traditional healers it is 2,374 taka, at factory outlets it is only 160 taka (only for medicine), and at an off-the-shelf counter it is 2,555 taka.

28. Nearly 61% of the workers had family members and relatives present during the delivery of their child. Only 19% used trained midwives for this service and 9% used NGO health workers. In total, 68% did not use any professional or semi-professional health workers during delivery of their children.
29. Nearly all families have completed the 9 doses of vaccination for children; 55% of the married families have at least one child, 16.4% have at least 2 children, 3.5% have at least three children, and only 2 families out of 715 married families have more than 3 children. Local satellite health centers and Union health centers are among the most popular places for vaccination.