



Research Update

RAPID RESEARCH RESPONSE TO COVID-19 ■ SERIES: GENDER 04 ■ 12 MAY 2020



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Phase II Media Tracking of COVID-19 Crisis Impact on **RMG Wages and Employment and Role of Trade Unions**

Introduction

The Ready Made Garment (RMG) sector is the largest export industry in Bangladesh and contributes [84.21% of the country's total export](#) and 20% of the GDP. The [export dropped to 85.252% in April 2020](#) and GDP is [projected to drop by 3%](#). After debates over whether to open factories or not, Bangladesh Garment Manufacturers and Exporters Association (BGMEA) decided to [reopen factories partially](#) from 26 April 2020 [to save the economy](#), after publishing the factory opening guidelines on 25 April. The main concern was regarding the adherence to the

health-safety protocol. According to media sources, [97 RMG workers have been infected](#), of which 52% have been infected after the reopening, till 8 May. Besides the fear of infection and health safety, RMG workers are still struggling for their wages and against layoffs.

Brac Institute of Governance and Development (BIGD) has undertaken a media tracking exercise to understand the impact of the COVID-19 crisis on the readymade garments industry

and the 4.1 million workers it employs, majority of whom are women. The study attempts to identify the roles of different actors including trade unions and workers' rights activists as they navigate the crisis, while dealing with international buyers, RMG owners, and the Government of Bangladesh (GoB). This brief covers the media reports on the current situation of RMG sector during the period 16 April – 9 May 2020.

Key Findings

1. Owners pressed for reopening of factories in a phased manner, fearing loss of work orders to competitors.
2. Consequent abandonment of the phased approach led to workers rushing to re-join and factories to reopen.
3. Preventive health measures were emphasized by Government, trade unions and employers.
4. RMG workers feared that reopening factories would lead to higher rate of COVID-19 infection.
5. Stimulus package loans to factories have been approved and disbursements started.
6. Wages remain unpaid, and job loss and layoffs continue.
7. Role of TU and protest are more visible in social media and are less reported on in print media

Discussion of Findings

Owners pressed for reopening of factories in a phased manner

The pandemic has dealt a devastating blow in the apparel sector of Bangladesh. With [\\$3.18 billion worth of order cancelled](#) from 1150 factories, the sector faced an [85.252% decrease in export earning](#) in April 2020. [Fearing loss of markets to China and Vietnam](#) (since those countries opened their factories), BGMEA was under [pressure from many of the factory owners](#) to reopen factories. Therefore on 25 April 2020 FBCCI chaired a virtual meeting with BGMEA, where [business leaders, and policymakers and agreed to reopen factories in a phased manner](#) by maintaining necessary health protocol. In the meeting, PM's private sector advisor asked FBCCI and BGMEA to prepare health guidelines. The same day a tripartite meeting was held at the Ministry of Labour and Employment (MoLE) where the State Minister of MoLE, [Monnujan Sufian, asked owners to ensure workers health safety](#) in accordance with the health safety guideline. She announced that Industrial Police, Department of Inspection for Factories and Establishments (DIFE) and health department would oversee the health safety maintenance in factories. BGMEA then announced [reopening of factories in a limited numbers](#) and [published the factory opening guideline](#).

Phased approach was abandoned, workers rushed to rejoin and factories to reopen

We observed that BGMEA and BKMEA could not [control the number of factories reopening](#) and on the very first day, almost half of the RMG factories in Dhaka reopened. Till 8 May, [1269 factories under BGMEA and 369 factories under BKMEA](#)

[reopened](#) and the number is increasing daily. BGMEA issued a statement on 25 April 2020 that [only Dhaka based workers should join](#) but by then [workers from outside Dhaka had already started coming in](#). TU leaders claimed that [workers were asked to join via SMS](#) and alleged that workers were confused over factory operations and uncertain about job security and wage payment. Additionally some [workers protested over the confusion about factories opening](#) on 27 April and stopped working which resulted in closure of some factories. Taslima Akter of Bangladesh Garment Worker Solidarity (BGWS) also protested the reopening on social media, and [urged for governments' intervention for a clear and uniform decision on opening](#).

Preventive health measures emphasized by Government, trade unions and employers

Both government and employers emphasized on ensuring workers health and safety in factories. In the 64th tripartite consultative committee meeting held on 25 April, State Minister Monnujan Sufian asked employers to ensure workers safety as a top priority. Following the BGMEA guideline, factories started [running multiple shifts](#), instead of one with larger number of workers, and instructed workers to maintain distance during entry and exit. Thousands of workers joined factories wearing masks and disposable caps, with [authorities arranging hand-washing facilities](#) with body temperature checks. However it was not evident to what extent safety and distancing were being maintained inside the factory. On 29 April, the [MoHFW published the Hygiene and Safety Guideline](#) for garment factories. DIFE formed special inspection teams for [monitoring factory health and safety](#) and it has inspected a total 229 factories till 6 May. It was also mentioned that DIFE would take legal actions against factories if they fail to comply with the health guidelines.

“Workers’ health safety must be the top priority in case of running factories”.

- [State Minister of Labour, Monnujan Sufian on 25 April 2020](#).

As mentioned above, decision of reopening factories was criticized by TU leaders over social media and electronic media through [expert discussion meetings](#) and [TV Talk Shows](#) with participation from human rights activists, labour right activists and social reformists. The Minister of Health declared on a press briefing on 3 May 2020 that [if a factory is diagnosed with significant number of COVID-19 infection](#), that factory will be closed for several days. He also asked all Deputy Commissioners to [prepare a list of RMG workers](#) in their respective districts to ensure quarantine if they return from Dhaka. The recent addition to workers' health safety measure include [BGMEA signing agreement with Common Health Bangladesh](#) to provide free telemedicine service to 100,000 garment workers.

Fear that reopening factories is leading to higher rate of COVID-19 infection among RMG workers.

Various TU leaders opposed the factory reopening decision considering the health risk of workers. Opposing the decision [Nazma Akter stated](#) that the health safety guideline should have been prepared by the MoHFW and alleged that many of the large garment factories were continuing their operation

with majority of their workforce [without maintaining suggested distancing](#). Fearing the spread of infection among workers, [Joly Talukdar of Garment Worker Trade Union Center \(GWTUC\)](#) identified the decision as “illogical and inhuman” and protested in social media and in multiple [TV talk shows](#).

Despite the preventive measures, health experts and the Minister of Health on 5 May 2020 himself stated that [opening RMG factories will increase the rate of corona infection](#) in the country. A review of newspaper reports by BGWS showed that from 26 March till 7 May, total [97 garment workers and employee were infected with coronavirus](#), of which 52% were infected after the reopening. BGWS claimed that as workers were concerned for their job security and livelihood, they could not be cautious about health and safety and were forced to join work. However, BGMEA immediately disagreed with the report and said that [only 0.16% of total infected were RMG workers](#), which is not a significant number. During the reporting period, [2 factories in Savar and Gazipur were shut](#) as workers were infected. On 30 April the [UHFPO of Savar upazila wrote to the UNO to shut down garment factories in the area](#) as the number of corona infected patients was increasing there after factories started opening.

Stimulus package loans to factories approved and disbursements started

On 25 March, the Prime Minister announced a financial [stimulus package of Taka 5,000 Crore for the RMG sector to cover workers wage for the month of April, May and June](#) and the Bangladesh Bank provided the guideline for the package on 1 April 2020. As reported in the Business Standard, factories that applied for loan within the deadline (20 April) got approval and [workers would start receiving April wage from 10 May](#) through MFS account as informed by BGMEA. 1650 member factories of BGMEA were given certificates to apply for the loan. However, application of some factories were [denied as they submitted applications after the deadline](#). In the first phase, the central bank has released Taka 2,000 Crore to banks. However even on 27 April, owners shared their concern that the amount of stimulus package is not enough; as per BGMEA, its member [factories pay around 4,000 crore in wages every month](#) hence 5,000 crore is not sufficient for 3 months wage.

Wages remain unpaid, and job loss and layoffs continue

As on 7 May, [169 factories were yet to pay March wages](#), with an estimated [200,000 workers still not receiving their salary](#). This number is contradicted to that cited by BGMEA, who report that [only 48,200 workers from 92 factories are yet to receive their March salaries](#). [Worker demonstrations demanding full wages for April and March](#) and [due from previous months](#) was a regular occurrence during the reporting period.

After a tripartite meeting with BGMEA and TU bodies on 30 April 2020; Monnujan Sufian announced [60% wages for the month of April](#) for those unable to join work. TU bodies had demanded full wages which BGMEA did not agree to. This created dissatisfaction among the labour leaders since both [BGMEA](#) and government had assured them of no layoff earlier. The State Minister urged for timely payment of [April wages with festival allowance, no termination and no layoff](#).

GWTUC and BGWS rejected the 60% wage announcement on social media. GWTUC leaders were on the road holding rallies and submitting their demands to Shrama Bhavan. They

demanded that the decision be [withdrawn and a government circular be issued to illegalize layoff and retrenchment during pandemic](#) according to section 324 of Labour Law. BGWS also held press conferences and [online protests](#).

The State Minister held another tripartite meeting on 4 May 2020 where [labour unions demanded at least 80% of the salary but BGMEA would not go beyond 65%](#). Labour leaders [rejected the decision and demanded full wage](#). As reported by [New Age](#) the tripartite meeting was attended by few TU leaders loyal to government and left out most of the garment sector TU leaders. Government declared that absentee RMG workers will receive only [65% of wage for the lockdown period in April](#) (60% with April wages and 5% with May wages) and those who resumed work from 26 April would get full wage for the last 5 working days. Those who have worked in April would receive full wages.

“শ্রমিকের এপ্রিল মাসের বেতন ৪০ শতাংশ কর্তনের সিদ্ধান্ত প্রত্যাহার এবং শ্রম আইনের ৩২৪ ধারা প্রয়োগ করে মহামারীকালে কারখানা লে-অফ এবং ছাটাই, বরখাস্ত, জোরপূর্বক ইস্তফা নিষিদ্ধ ঘোষণার সরকারি আদেশ জারি করুন”।

- জলি তালুকদার, সাধারণ সম্পাদক, গারমেন্ট শ্রমিক ট্রেড ইউনিয়ন কেন্দ্র

DIFE and MoLE have repeatedly stated that there would be no layoff during lockdown but according to DIFE, a total of [938 factories had announced layoff](#) till 30 April and 95% of them were from the RMG sector. The BGMEA responded that [layoff is the owners' legal right](#) during crisis periods like these. In a public [webinar hosted by BIGD](#) on 7 May, labour leader Babul Akter stated that a total of 578 factories had terminated workers and 834 factories laid off workers. GWTUC created a survey form to register complaints about retrenchment, layoff, forced resignation and no payment for working period of less than 1 year. The survey found [13,950 terminations from end of March to the end of April](#) and GWTUC stated that the number would increase after the payment of April wages. Joly Talukdar, General Secretary of GWTUC [submitted this result along with the demand for a new directive](#) to the State Minister of MoLE.

BGMEA formed an eleven member [monitoring committee to overview health safety and wage payment](#) as set by the government (65%) on 7 May. The committee, formed under the supervision of Shajahan Khan (Labour Leader, former Minister and AL Presidium Member) includes 3 BGMEA representatives and 8 IndustriALL Bangladesh Council leaders including TU leader Babul Akter. GWTUC, who have been very active in protesting the wage cut, were present in the committee formation meeting.

Role of TU and protest are more visible in social media and less reported on, in print media

Female TU leaders have been very successful in using social media platforms for their activities. Some leaders conducted both online and offline activities and some only online activities – ranging from live virtual dialogues with activists and experts, online protests, TV Talk Shows through virtual media, raising demands, road rallies and demonstration keeping safe distance, to conducting online surveys. TU activities have typically been more focused on mobilizing workers to claim their rights,

and this requires in person communication to a great extent. A fascinating finding in our media tracking exercise was that there were less reports on TU activities in print media compared to social media, with only their statements being quoted after important decisions are announced. But a wide array of their activities are getting left out in formal reporting.

Recommendations

- COVID-19 infection and death reports should provide area-wise figures so that necessary action can be taken in industrial areas for health care and shutdown as necessary.
- Ensure transparency and full activation of BGMEA health, safety and wage monitoring committee headed by Shajahan Khan.
- Assess applications made so far to the Bangladesh Bank to identify who is being left out—is it by choice or because of procedural issues—and identify barriers to develop a remedial plan.

- Public disclosure of information (e.g. through fortnightly reports) regarding the number and identities of recipient factories and workers, and disbursements made by the Bangladesh Bank and other banks to MoL&E and trade associations.
- Enhance TU role in monitoring and documentation of the implementation of various government provisions, such as the present financial stimulus package.
- Print media to provide greater space for reporting of trade union activities, critiques and demands.

Methodology

Our information sources include major national media sources such as – Daily Star, Prothom Alo, Dhaka Tribune, New Age, Financial Express and the Business Standard. We also took information from Facebook pages and Youtube channels.

[Brac Institute of Governance and Development \(BIGD\)](#), Brac University is a globally-recognized centre of excellence in rigorous research on policy and development interventions, with the aim of bringing together academics and practitioners to raise critical questions on development, providing lessons on good practices, and advocating for pro-poor policies.

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It is also a part of the [Rapid Research Response to COVID-19](#) project which aims to generate rapid and actionable research-based insights to policy and program actors, on the socioeconomic impact the COVID-19 pandemic on our lives, focusing on the poor and vulnerable population of Bangladesh.



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