

# GARMENT WORKER DIARIES

## WORKING ON TWO FRONTS: RESULTS FROM BANGLADESH

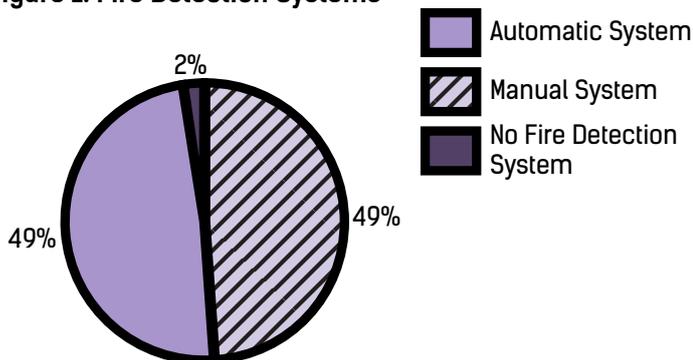
**There are roughly four million workers employed in Bangladesh's ready-made garment (RMG) industry, its largest export industry.**

To understand the economic realities of these workers better, Microfinance Opportunities (MFO), in collaboration with Fashion Revolution and with support from C&A Foundation, launched the Garment Worker Diaries—a yearlong project capturing data on the lives of garment workers in Bangladesh, Cambodia, and India. As part of the project, a team of BRAC field researchers visits 182 female workers every week to ask detailed questions about their earnings and expenditures, working conditions, daily schedule, physical well-being, and major events that happened in their lives. The participants are distributed across three districts—Chittagong, Dhaka, and Gazipur. The average age of the sample is 27 years old, and 80 percent of workers are married.

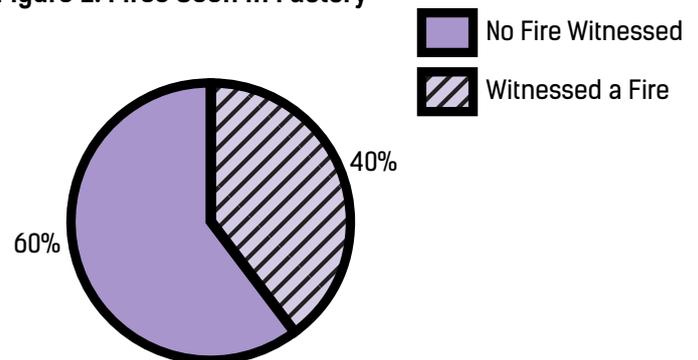
While workers generally have similar demographic profiles and living conditions, there are two important sub-samples among our workers: about two-thirds of the sample are responsible for paying rent and actively contributes towards managing their households' finances. The remaining one-third are not directly responsible for paying their household's rent and typically have limited economic autonomy, often handing over sizable portions of their salaries to heads of their households. Fatema and Halima, two workers from our study, exemplify these two sub-samples.

Both women work at the same factory in Savar, a suburb just outside the city of Dhaka. Their factory owner, like most factory owners in Bangladesh, regularly exposes them to unsafe conditions. Their factory has over-loaded columns and two extra stories that make the factory structurally unsafe, and a manual fire detection system where workers sound fire alarms themselves. Forty-nine (49) percent of workers in the Diaries sample also had a manual detection system, and another 49 percent had automatic systems. Forty (40) percent of workers have seen a fire break out in their factory at least once during their employment, and just during the brief period of this study, they have reported four fires. Workers also reported that discrimination was common in the factories, stating that age, gender, and pregnancy were influential factors that determined if a worker was hired or fired.

**Figure 1: Fire Detection Systems**



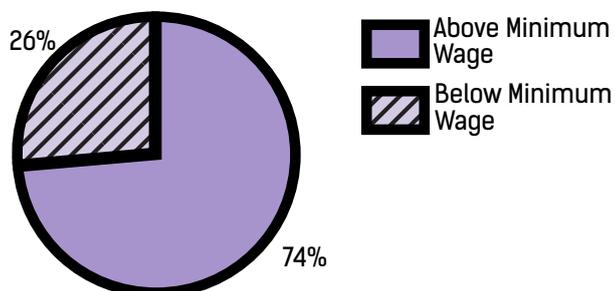
**Figure 2: Fires Seen in Factory**



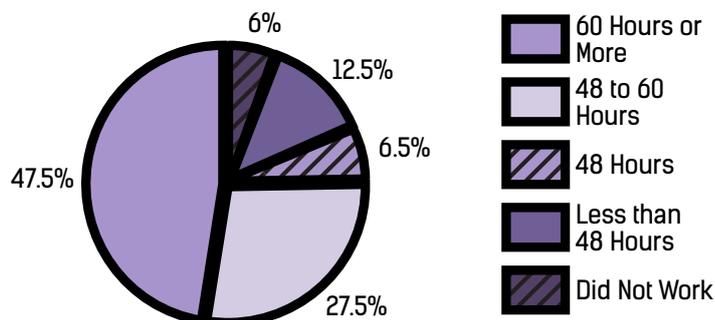
Workers often labor in these poor and unsafe conditions for many hours and for little pay. For example, Fatema worked an average of 56 hours per week and received an average of 26 taka per hour, while Halima worked an average of 54 hours per week and received an average of 24 taka per hour. These averages are in line with the working hours and pay of the whole sample. In about three-quarters of interviews so far, workers admitted to

working overtime—more than 48 hours. As compensation, almost three-quarters of workers received an average hourly wage above the minimum, 25 taka per hour. These averages, however, mask the volatility that workers often experienced. Fatema and Halima, for example, had several weeks when they worked more than 60 hours, the legal limit in Bangladesh. This peaked in November when each woman worked 98 hours in one week. In other weeks, they worked fewer than 30 hours.

**Figure 3: Workers Receiving Minimum Wage**



**Figure 4: Length of Workweeks**



Though both Fatema and Halima received salaries from the same factory in roughly the same amounts, what they did with their earnings varied considerably. Fatema held on to most of her money and spent it on behalf of herself and her household. She regularly paid her household’s rent and made loan repayments to BRAC and informal lenders. She also responded to several medical emergencies, relying on her informal network of neighbors and shopkeepers to help finance her medical bills. On top of this, Fatema, with support from her husband, was responsible for purchasing household necessities. In other words, Fatema actively managed the money she earned and borrowed from and repaid loans to both formal and informal lenders.

Fatema’s behavior mirrored that of other workers in the study who are responsible for paying rent in their household. These workers spent an average of over 1,000 taka per week on household purchases, excluding rent, almost half of which was for food. Their rent payments averaged about 2,500 taka per payment. These expenses alone often drained most of the workers’ salaries, forcing them to rely on financial services to access cash. Though workers relied most heavily on informal home savings, they also made use of loans and financial service providers’ (FSPs) savings tools. Rent-paying workers also received cash transfers from other family members to help finance household expenditures.

Those who were not responsible for paying rent made few purchases of household necessities and did not use financial tools frequently. Halima’s economic behavior more closely matched this segment of workers. Halima typically handed most of her earnings over to her husband in the form of large cash transfers so that he could manage the household’s finances. Halima rarely used her earnings to purchase household necessities or to finance large and recurring expenses. She never received a loan, nor did she ever save with an FSP. This left Halima with little say over how her earnings were used.

Fatema’s story is emblematic of women who have become economically empowered through their employment, influencing how their households manage their finances. Halima, however, occupies the traditional Bangladeshi situation of a woman who has little economic influence, aside from earning income. Their economic realities mirror those of women across Bangladesh, where changing gender relations are slowly creating greater economic opportunities for some women.

Workers are facing changing dynamics within their factories, as well as at home, as a series of factory tragedies have focused public attention on working conditions. In response to these tragedies, stakeholders in the RMG industry have renewed their emphasis on improving safety conditions in Bangladesh’s notoriously unsafe factories. Third-party inspections, like the one conducted in Fatema and Halima’s factory in 2014, have illuminated the dangers that workers face every day. Unfortunately, follow-up visits to factories across Bangladesh have shown that factory owners have been slow to address inspectors’ concerns. As repairs languish, workers will continue to face workplace dangers in addition to their harsh economic realities.

\*On April 10th, 2017, one U.S. dollar equated to about 80 Bangladeshi taka; one British Pound equated to about 100 taka; and one Euro equated to about 85 taka.