

# Not Even the Bare Minimum:

Bangladeshi Garment Workers' Wages and the  
Responsibility of Canadian Brands







#### Cover image

A garment worker on the way out of work with her child in Dhaka.

Photo: BCWS

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The Steelworkers Humanity Fund is a registered Canadian Charity funded by United Steelworkers member contributions. For more than 25 years, The Humanity Fund has supported international development projects, provided emergency humanitarian aid for disasters around the world, supported food banks across Canada and offered an education program for Steelworker members.









Two garment workers on their way to work in Dhaka.

Photo: BCWS



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# Abbreviations

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**AFWA**

Asia Floor Wage Alliance

**AMRF**

Alternative Movement for  
Resources and Freedom

**BCWS**

Bangladesh Center for Worker  
Solidarity

**BDT**

Bangladesh Taka

**BGIWF**

Bangladesh Garment and  
Industrial Workers Federation

**BGMEA**

Bangladesh Garment Manufacturers  
and Exporters Association

**BKMEA**

Bangladesh Knitwear Manufacturers  
and Exporters Association

**CCC**

Clean Clothes Campaign

**CPD**

Center for Policy Dialogue

**DIFE**

Department of Inspection for  
Factories and Establishments

**EPZ**

Export Processing Zones

**GLWC**

Global Living Wage Coalition

**HBC**

Hudson's Bay Company

**ILO**

International Labour Organization

**RMG**

Ready-Made Garment

**UN**

United Nations

**WPC**

Workers Participatory Committee

**WRC**

Worker Rights Consortium

**Methodological notes:**

Pseudonyms have been used for all of the individuals interviewed in this report to protect confidentiality and to address workers' fears of reprisal by management for speaking out. The garment factories employing workers interviewed for this study are identified. When the Bangladesh factory is cited, the name of the Canadian brand sourcing from that factory is included in brackets following the name of the factory. The Canadian brand does not own the factory and does not manage the factory.



# Foreword by Kalpona Akter

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Poverty Wages. That is what the women and men who make clothes in Bangladesh's garment factories are paid.

That is a fact and it has been this way for a long time. It was true when I started working in a garment factory as a child more than 20 years ago. Every union leader and organizer know that it remains true today — every day we are confronted by the



desperation, heartbreak, anger, as well as courage of workers trapped in poverty.

During our long struggle for better wages and working conditions we have seen progress and setbacks, but the fact remains that the worlds' biggest retailers and fashion brands have built their profits on the poverty wages paid to women and men working for them in their supply chains. This report shows that Canadian companies have also been part of the problem.

This report shows that the women and men who make clothes for some of Canada's most recognized retailers work in factories that pay poverty wages. Canadian companies do not stand apart from the rest of the industry. Workers in factories supplying Canadian brands face the same anti-union tactics and rights violations across the RMG (ready-made garment) sector. In the face of the COVID-19 pandemic, workers producing for Canadian brands faced similar layoffs, terminations, delayed pay, wage theft, and the same lack of savings and safety net as workers throughout the sector.

That must change. My union, the Bangladesh Garment and Industrial Workers Federation (BGIWF),

my colleagues at the Bangladesh Center for Worker Solidarity, and hundreds of workplace leaders have been fighting for change for decades. Together with our international allies in countries that consume our country's exports we had, before the impact of COVID-19, made huge changes in the area of factory building safety. This pandemic has shown again how vulnerable workers are, and how unequal power balances are in the global garment industry.

Some will argue that Canada is too small of a player, that we can't expect Canadian companies to take the lead and to start paying living wages to their workers, especially in the aftermath of COVID-19.

When I was younger and at times felt powerless to bring change, my mother told me "always someone can start." Canadian companies can start. Canadian companies have a responsibility to workers in their supply chain to pay living wages, respect workers' rights, and to cushion the impact of COVID and make sure workers and their families survive.

This report brings workers' voices in a way that paints an accurate picture of life for Bangladeshi garment workers. I may not know the women and men interviewed for this report personally, but I know their stories. Those workers share experiences similar to hundreds or thousands of workers that my colleagues and I support and fight for every day.

Whether you are a consumer that shops at Canadian retailers, a shop-floor worker activist or union leader, an elected Canadian government representative, or a decision-maker working for a Canadian company, I encourage you to read this report, and to let the voices of the Bangladeshi women and men who make your clothes reach you.

And I ask you to take action, as Canadians, to stand with us and to work with Bangladeshi trade unions and our local and international allies to bring change.

**Kalpona Akter**

President, Bangladesh Garment and Industrial Workers Federation

Executive Director, Bangladesh Center for Worker Solidarity



# Executive Summary

The Steelworkers Humanity Fund conducted research into the wages and living conditions of Bangladesh's garment sector, which employs a majority of women, making clothes in factories supplying Canadian brands and fashion retailers.

The research, undertaken by a Dhaka-based researcher, identified factories that produce for Canadian brands and retailers, and then conducted interviews of 35 workers employed in a sample of 9 factories located in the industrial belts surrounding the Bangladeshi capital and the port city of Chittagong.

This report demonstrates that Canadian garment companies are no different than other global brands as they seek to minimize the cost of production as much as possible. Given the abundance of potential supplier factories in competition with each other over brand contracts, costs of production are pushed onto the shoulders of the women and men who work in factories across the supply chain.

The wages that Bangladeshi garment sector workers are paid in factories supplying Canadian brands and retailers are far from sufficient to cover living expenses, and do not come even close to what is needed for women to escape poverty, no matter how hard they work. Through testimonies, this report lays bare how poverty wages concretely affect workers' access to food, housing, healthcare, their capacity to provide for their children's childcare and education, and ability

to save for the future. In other words, even with overtime the women and men who make clothes for Canadian brands are not paid living wages — and Canadian brands must take responsibility for that.

Workers seeking to defend their rights by joining unions also face retaliation from factory management, leaving them virtually unable to organize democratically, thus further enhancing their vulnerability.

The COVID-19 pandemic magnified the consequences of the fundamentally unbalanced model in the ready-made garment industry, on which the livelihoods of an entire segment of the Bangladeshi population depend. As orders were cancelled and payments not paid in full by companies, including Canadian-based brands, hundreds of thousands of workers were laid off, often without any compensation. Paid poverty wages, they had no savings to draw on. As for those who did not lose their employment in the aftermath of the pandemic, the cost-saving imperatives imposed by brands on factories resulted in increased pressure and worsening conditions for workers.

In order to address the immediate consequences of this situation on workers, the independent trade union federations representing garment workers in Bangladesh, together with their global allies, are

◀  
Kalpona Akter during  
the World Social Forum in  
Montréal, August 2016.

Photo: Daniel Mallette

▼  
Eurotex factory  
(supplying Hudson's Bay  
Company), Dhaka,  
December 2020.

Photo: BCWS



urgently calling for wage assurance supports and the establishment of a global severance guarantee fund financed by a price premium paid by brands on future orders. Corollary to this, Canadian brands should commit to pay living wages, which would ultimately be expressed through legally binding agreements for a price premium or contribution toward living wages on every garment purchased.

For years, Canadian brands have benefited from the global power imbalance between buyers and suppliers in the garment sector, and from repression of workers' rights in supplier factories. Although this report focuses on Bangladesh, the dynamics are similar in many other countries involved in global supply chains. The systemic character of poverty wages needs to be addressed on a global basis, and in that effort garment companies are key players. Canadian brands have the capacity now to play a positive role in achieving a truly fair garment sector in Bangladesh and elsewhere with living wages for workers, strong unions and environmentally sustainable practices throughout their supply chains.



▲  
Standard Stitches  
Limited factory (supplying  
Mark's/Canadian Tire),  
Dhaka, December 2020.  
Photo: BCWS





# Introduction

**30 years, and I still constantly worry about when I will get the next paycheck, whether I will have enough money this month to buy some beef or chicken for my children, whether I have to end to my son's education and put him to work, how I will pay for my mother if she needs to be taken to the hospital for her heart...**

—Maleka, Standard Stitches  
(supplying Mark's/Canadian Tire)

Forty-five-year-old Maleka Banu has worked in Bangladesh's garment sector for three decades. She began as a helper in a small, subcontracting factory employing 50 people to making her way up the ladder to the position of a senior operator in Standard Stitches, a factory producing for some of the world's biggest brands, including Canadian retailer Mark's. A lot has changed in the country and in the ready-made-garment sector for the better since she first began working at 14, but one thing, she says, has remained the same in her life: the struggle to stay afloat.

"You work, and you work, 6 days a week, 12 to 15-hour shifts, thinking your luck will change. You'll make it in the end. But the end of my career is already here, I can feel it in the way my supervisors react to my slow and aging body. When will my fortune change? 30 years, and I still constantly worry about when I will get the

next paycheck, whether I will have enough money this month to buy some beef or chicken for my children, whether I have to end to my son's education and put him to work, how I will pay for my mother if she needs to be taken to the hospital for her heart... Now with the coronavirus, I am in constant anxiety over losing my job. I have no savings. At my age, no one will hire me again."

Maleka has been working in her current factory for the last 10 years and earns 10,300 Bangladeshi taka (BDT) a month (the equivalent of \$161 Canadian dollars<sup>1</sup>), excluding overtime, as a senior operator in grade 3. It simply isn't enough. Her income, as she highlights in interviews, is insufficient to cover the costs of her household, which includes her two school-age children and elderly mother.

Maleka is one of millions of Bangladeshi women and men who form the backbone of Bangladesh's economy. RMG export earnings in Bangladesh surpassed \$34.13 billion in the 2018-19 fiscal year, accounting for over 80% of total exports.<sup>2</sup> In 2019, Bangladesh was the second-largest apparel exporter in the world, second

▼  
Garment sector workers in  
a Dhaka factory, 2018.

Photo: Steelworkers  
Humanity Fund



<sup>1</sup> The exchange rate used throughout this report is 1 CAD for 64.0801 BDT, the exchange rate in effect on November 2, 2020.

<sup>2</sup> Uddin, Jasmin (May 31, 2020), *RMG Exports feared to decline to \$10 billion in 2020*. The Business Standard. Consulted on December 11, 2020: <https://tbsnews.net/economy/rmg/rmg-exports-feared-decline-10-billion-2020-86968>





On April 24, 2013, the Rana Plaza factory collapsed, killing 1,134 workers and injured over 2,500 workers. The site of the Rana Plaza disaster is now an empty lot.

Photo: Steelworkers Humanity Fund

to China.<sup>3</sup> There are around 5,000 garment manufacturing firms in the country, employing more than 3.5 million people, 70% to 80% of whom historically have been women<sup>4</sup>. New research, however, suggests that the number of women in the sector has declined to 60.8% in recent years.<sup>5</sup>

There can be no doubt that the rise of the RMG has changed the contours of the Bangladeshi economy. While it has

provided much-needed employment opportunities to an ever-growing population and empowered an incredible number of women to take on new and challenging roles outside the traditional confines of the home, it has also fostered conditions of tremendous exploitation. An abundant supply of so-called unskilled female labour from the countryside work under increasingly precarious conditions — terrible occupational health and safety practise, physical and sexual violence, intimidation, and restriction on their rights to join trade unions — to meet the buyer-driven demands of a global industry characterized by seasonal and fashion-related fluctuations and ever-decreasing prices for the goods they produce.

The international attention generated by the 2013 Rana Plaza disaster allowed labour rights advocates inside and outside of the country to push forward massive changes in building safety in the industry. The Accord on Fire and Building Safety in Bangladesh, a legally binding agreement between about 200 global brands and global unions, drove change. It pioneered a system of rigorous building safety inspections with detailed corrective action plans, health and safety training, and an independent mechanism to address worker complaints. The Accord put the Bangladesh garment sector on the path toward a safe, sustainable industry.

While factory safety has vastly improved, what hasn't changed is the economic foundation of the sector: poverty-level wages. Since Rana Plaza, minimum wages in the sector have been increased twice. The latest increase was announced in September 2018, following widespread labour protests. Nonetheless, it represented only half of what the unions and workers had been demanding for years, and did not take into consideration the 5% yearly increase the workers are entitled to, or the spiralling cost of living over the last five years.<sup>6</sup> At BDT 8,000 (\$125), it is one of the lowest wages among major RMG producing nations in the world.

3 Fashionating World (August 15, 2020), *Vietnam Surpasses Bangladesh in RMG Exports: WTO*. Consulted on December 11, 2020: <https://www.fashionatingworld.com/new1-2/vietnam-surpasses-bangladesh-in-rmg-exports-wto>

4 Khan, Mohd Raisul Islam, and Christa Wichterich (2015), *Safety and labour conditions: the accord and the national tripartite plan of action for the garment industry of Bangladesh*. International Labour Organization, p. 113.

5 Ovi, Ibrahim Hossain (2018), *Women's participation in RMG workforce declines*. The Dhaka Tribune. Consulted on December 11, 2020: <https://www.dhakatribune.com/business/2018/03/03/womens-participation-rmg-workforce-declines/>

6 Preetha, Sushmita Sharmin (March 13, 2019), *Innocent until found protesting, Himal Southasian*. Consulted on December 11, 2020: <https://www.himalmag.com/innocent-until-found-protesting-bangladesh-garment-workers-sushmita-preetha-2019/>

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PART ONE:

# Context

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## Unequal Relationships: Global buyers have the power



Ananta Garments  
factory (supplying  
Joe Fresh/Loblaws),  
Dhaka, December 2020.

Photo: BCWS

Over the last decades, the relentless drive by clothing retailers and brands to produce clothes at the cheapest possible cost has driven the bulk of garment manufacturing out of the economies of Europe and North America into regions with abundant availability of low-wage, skilled workers, particularly women workers. Rather than investing and building their own garment factories, most retailers have found it more profitable to contract local factories to produce their garments and deflect a certain level of responsibility for labour rights violations. The economic structure of the global industry that has emerged is characterized by a power imbalance between relatively few buyers, typically larger well-resourced companies with a global reach, and many, many suppliers, normally much smaller, that compete with each other for the business of the brands. As a result of this dynamic, the brands have considerable leverage to

set the terms for quality, quantity and price.<sup>7</sup> Supplier factories accept the terms, or risk losing business to other suppliers in the region, or in other countries.

In this context, it is the influence of the brands and retailers that determines what working conditions will be in garment factories. When brands push suppliers to reduce costs, the latter are unable to pay more than poverty wages to their workers, even if they want to. The global garment sector is the quintessential example of the “race to the bottom” where workers, suppliers, regions, and indeed entire countries and their economies are pitted against each other to satisfy buyers’ demands for ever lower costs. The key to building a sustainable garment manufacturing industry able to pay living wages in Bangladesh and elsewhere lies with the brands, not with individual Bangladeshi factory owners. If the inequities and power imbalances that lay at the heart of the global system are not confronted, the garment workers fighting for their rights face a daunting task and the prospects of improving the lives of garment workers are limited.

**...since Rana Plaza, the price paid by lead firms to supplier factories in Bangladesh declined by 13%, with retailers making no adjustment in prices for the better to reflect the minimum wage increase.**

Research conducted by Mark Anner found that since Rana Plaza, the price paid by lead firms to supplier factories in Bangladesh declined by 13%, with retailers making no adjustment in prices for the better to reflect the minimum wage increase.<sup>8</sup> Meanwhile, retailers decreased lead times (the time given to factories to make and ship a product) by 8.14% from 2011 to 2016; and there was a 19.72% increase in payment time after shipment.<sup>9</sup> All these point to the fact that retailers have continued to push costs downwards and increase their pressure on suppliers despite their professed goals in public to end the exploitative conditions in Bangladeshi factories. How exactly is the latter to pay for these increasing costs? Some, if not most of the costs have to be borne by workers in the form of excessive hours, lower wages, unpaid entitlements, increased retaliation against trade unionism and so on.

In the global garment industry, it is typical for a factory to take on supply contracts from several international brands. The factories that supply Canadian brands most often also produce for other, usually larger global brands. One result is that brands may try to avoid responsibility for what happens in factories they source from, with the claim that they are only one of several buyers, and have little influence over the supplier. Such finger-pointing would miss the mark insofar as it ignores the systemic context within which all brands operate, and all brands contribute to perpetuating. More importantly, individual brands continue to be accountable for human rights throughout their own supply chains. While it is true that issues of wages in any given factory are addressed most easily with the cooperation and contributions of many brands working in concert on a sectoral basis, inaction on the basis that “no one else is doing it” or “we are too small of a player” is not an acceptable response. Neither is the answer to shift

7 Mark Anner (2019), *Squeezing workers' rights in global supply chains: purchasing practises in the Bangladesh garment export sector in comparative perspective*, Review of International Political Economy. Consulté le 11 décembre 2020 à <https://doi.org/10.1080/09692290.2019.1625426>

8 Anner, Mark (March 22, 2018), *Binding Power: The Sourcing Squeeze, Workers' Rights, and Building Safety in Bangladesh Since Rana Plaza*, PennState Center for Global Workers' Rights. Consulted on December 11, 2020: <https://ler.la.psu.edu/gwr/documents/CGWR2017ResearchReportBindingPower.pdf>

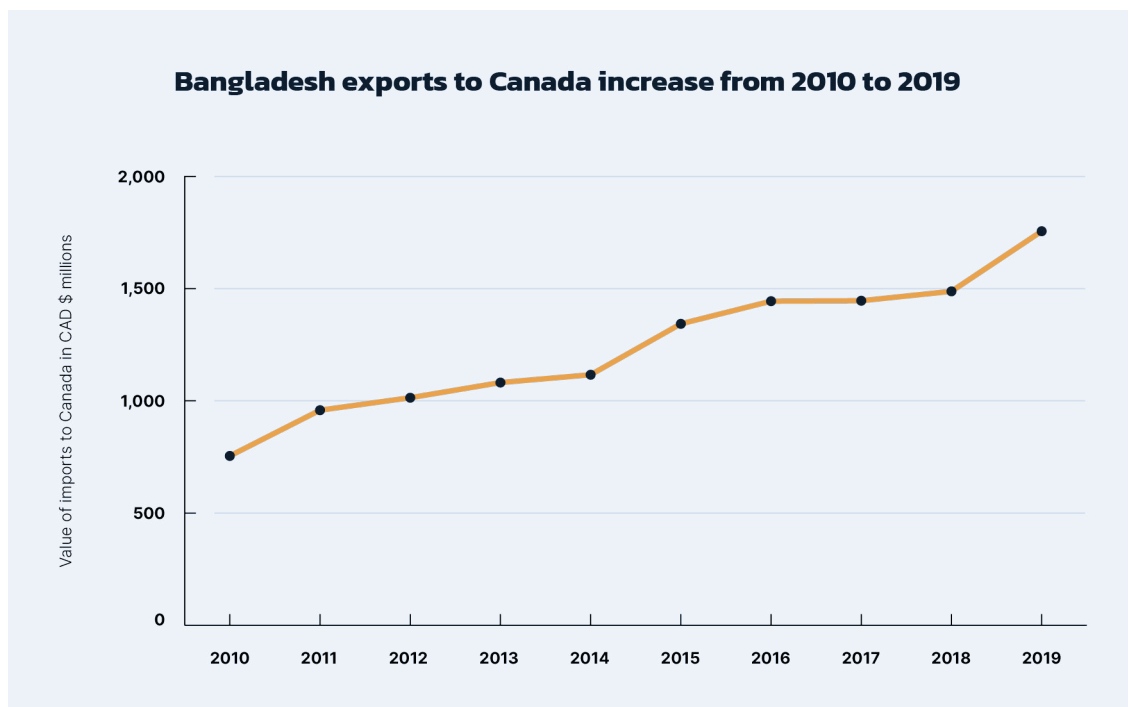
9 Ibid. Mark Anner (2019), p. 15.



production out of Bangladesh to other countries, which may have faced less public scrutiny, or where it may be harder for labour rights advocates and consumers to access reliable information on wages and working conditions. On the contrary, improving the lives of garment workers means staying put and investing in building a sustainable industry everywhere.

## Bangladesh and Canada

Canadian retailers and brands are among the international companies that have been attracted to Bangladesh by the low wages and low production costs in Bangladesh's garment factories. Bangladesh garment exports to Canada have grown by \$1 billion over the last ten years, a 133% increase from 2010 to 2019 (see graph below).<sup>10</sup> Bangladesh exported \$1.75 billion (CAD) to Canada in garments in 2019, making it the second-largest source of imported clothing for Canadians. Bangladesh accounted for 12% of all garment imports into Canada, second to China (35%), and ahead of Vietnam (10%) and Cambodia (9%).

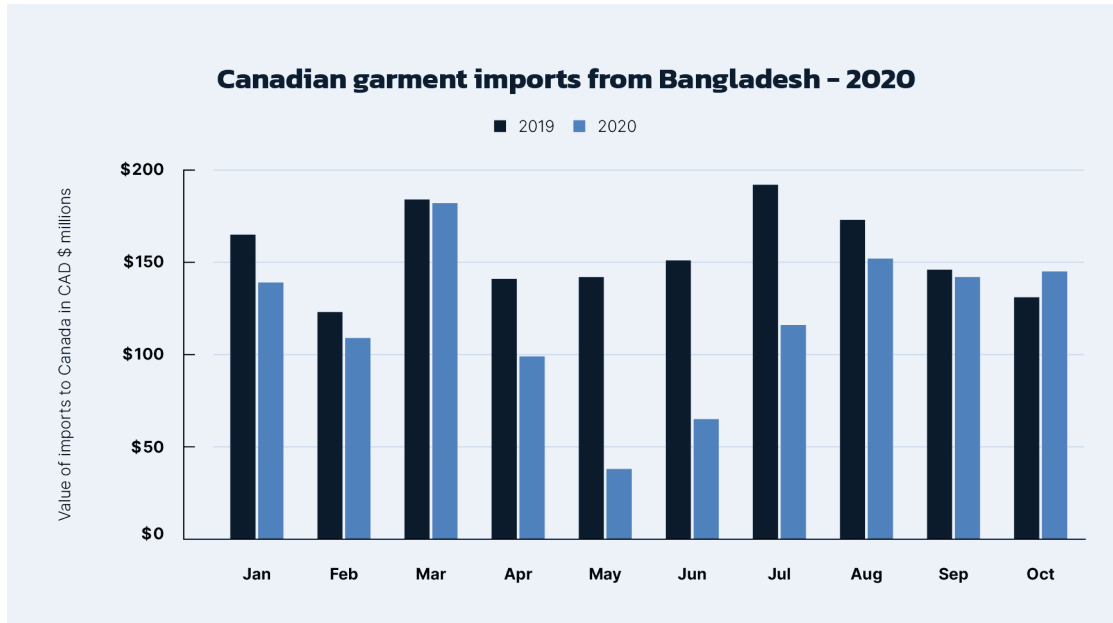


The COVID-19 pandemic has had a dramatic impact on garment exports to Canada in 2020. In only 5 months (April to August 2020), imports from

<sup>10</sup> Government of Canada, *Report – Trade Data Online* (Canadian imports, clothing manufacturing, latest 10 years, data generated on 02/11/2020). Consulted on December 11, 2020: [https://www.ic.gc.ca/app/scr/tdst/tdo/crtr.html?timePeriod=10%7CComplete+Years&reportType=TI&hSelectedCodes=%7C315&searchType=KS\\_CS&productType=NAICS&currency=CDN&countryList=DET&runReport=true&grouped=GROUPED&toFromCountry=CDN&naArea=9999&lang=eng](https://www.ic.gc.ca/app/scr/tdst/tdo/crtr.html?timePeriod=10%7CComplete+Years&reportType=TI&hSelectedCodes=%7C315&searchType=KS_CS&productType=NAICS&currency=CDN&countryList=DET&runReport=true&grouped=GROUPED&toFromCountry=CDN&naArea=9999&lang=eng)

Bangladesh were \$330 million or 41% lower than in the same period in 2019 (see chart below).<sup>11</sup>

The poverty level wages of Bangladesh's garment sector are well known and well documented.<sup>12</sup> The intent behind this report is to take a closer look at how



Canadian retailers and brands operated in this context. In other words, do the women and men making clothes for Canadian brands earn enough to keep themselves out of poverty? Or when it comes to wages, is the experience of workers in Canadian supplier factories the same as workers in factories producing for other global brands?

In order to answer this question, we went to the source and asked those most directly concerned: the workers employed in factories supplying Canadian brands. The picture that emerges from those interviews is not a pretty one.

Each of the interviewees, irrespective of their pay grade, stated that it is difficult to subsist on their salaries unless there is another member of the family supplementing their income or if they work considerable hours of overtime.

As one worker who works as an operator for Eurotex, a factory producing for Hudson's Bay Company, stated, "Without overtime, there is no way I can make it through the month, so when our factory gives us overtime, there is no question of refusing it. The amount I earn — 8,500 taka (\$132) — gets spent by the second

<sup>11</sup> Government of Canada, *Report – Trade Data Online* (Canadian imports, clothing manufacturing, latest 24 months, data generated on 02/11/2020). Consulted on December 11, 2020: [https://www.ic.gc.ca/app/scr/tdst/tdo/crtr.html?sessionId=00010o0---C2zilzNAZe7R9j\\_lu:-G80F79?timePeriod=24%7CMonthly+Trends&reportType=TI&hSelectedCodes=%7C315&searchType=KS\\_CS&productType=NAICS&currency=CDN&countryList=DET&runReport=true&grouped=GROUPED&toFromCountry=CDN&naArea=9999&lang=eng](https://www.ic.gc.ca/app/scr/tdst/tdo/crtr.html?sessionId=00010o0---C2zilzNAZe7R9j_lu:-G80F79?timePeriod=24%7CMonthly+Trends&reportType=TI&hSelectedCodes=%7C315&searchType=KS_CS&productType=NAICS&currency=CDN&countryList=DET&runReport=true&grouped=GROUPED&toFromCountry=CDN&naArea=9999&lang=eng)

<sup>12</sup> See OXFAM Australia (February 2019), *Made in Poverty – The true price of fashion*. Consulted on December 11, 2020: <https://whatshemakes.oxfam.org.au/wp-content/uploads/2019/02/Made-in-Poverty-the-True-Price-of-Fashion.-Oxfam-Australia..pdf>

week of the month, after I pay my rent — 3,000 taka (\$46) — and send another 3,500 (\$54) to my mother to look after herself and my 5-year-old son. I have to pay back another 100 taka (\$15) to my creditor. On good months, I earn between 2,000 (\$31) and 3,000 taka (\$47) as overtime. Although it's still not enough, at least I can eat three meals a day.”

## Legislated Minimum Wages

Wages paid across Bangladesh's garment sector are not established at the factory level, but are set by the country's minimum wage legislation and apply across the sector. This, however, does not mean that factories are not allowed to pay more than the minimum wage. They simply can't afford to because of the price pressure from brands.

The current entry-level minimum wages, which were set in 2018 are shown in the table below. The distribution of workers in each grade varies by factories, but surveys suggest that a majority of workers are in grades 4-6, with a large group of entry-level workers in grade 7.<sup>13</sup>

Minimum Wages in Bangladesh RMG Sector (established in 2018)				
			Equivalent in Canadian dollars	
Grade	BDT	CAD	Per day (6 days/week)	Per hour (10 hours/day)
7	8,000	125	5.21	0.52
6	8,420	131	5.46	0.55
5	8,875	138	5.75	0.58
4	9,347	145	6.04	0.60
3	9,845	154	6.42	0.64
2	15,416	240	10.00	1.00
1	18,257	285	11.88	1.21

The minimum wage calculation is based on the government's view of the needs of workers in five categories: basic income, housing, medical, transportation, and food. The breakdown among these categories is shown in the table below. The “basic income” category is particularly important because it is used as the basis for other wage calculations such as overtime, bonuses, and vacation.

<sup>13</sup> Asian Center for Development (2015), *Garment Workers in Bangladesh: Social impact of the garment industry*, Dhaka, Consulted on December 11, 2020: [https://www.researchgate.net/publication/302963415\\_GARMENT\\_WORKERS\\_IN\\_BANGLADESH\\_SOCIAL\\_IMPACT\\_OF\\_THE\\_GARMENT\\_INDUSTY](https://www.researchgate.net/publication/302963415_GARMENT_WORKERS_IN_BANGLADESH_SOCIAL_IMPACT_OF_THE_GARMENT_INDUSTY)



Components of Bangladesh Minimum Wage (in Taka)						
Grade	Total	Basic Income	Housing Expenses	Medical Expenses	Transportation	Food Subsidy
7	8,000	4,100	2,050	600	350	900
6	8,420	4,380	2,190	600	350	900
5	8,875	4,683	2,342	600	350	900
4	9,347	4,998	2,499	600	350	900
3	9,845	5,330	2,665	600	350	900
2	15,416	9,044	4,522	600	350	900
1	18,259	10,938	5,469	600	350	900

In addition to minimum wages, workers in some factories also get a monthly attendance bonus (which ranges from 200 to 500 taka (\$3 to \$8), and/or a production incentive if they can meet the required targets (the amount and policy vary from factory to factory). Additionally, they are entitled to two festival allowances at a rate equal to their basic wages, although each year, many factories, particularly smaller factories, refuse to pay workers this bonus on time.<sup>14</sup> Under the minimum wage legislation workers are entitled to annual increases of 5% per year.<sup>15</sup> However, these annual wage increases have fallen short of protecting workers' real incomes over the last decade. At the same time, it is important to note that because wages are so low to start with, a 5% increase only amounts to a wage increase of 440 to 600 taka (\$6 to \$10) per month for most workers. As a result of the annual wage increase in most factories, women in the same job categories and doing the same work are earning different wages, based on how long they have worked in the factory (and how rigorously the factory has applied the required annual increase).

14 RMG Bangladesh (July 23, 2020), *About 600 RMG factories at risk of unrest before Eid-ul-Adha*. Consulted on December 11, 2020: <https://tbsnews.net/economy/rmg/about-600-rmg-factories-risk-unrest-eid-ul-adha-110380>

15 Bangladesh Parliament (July 22, 2013), *An Act adopted to amend further the Bangladesh Labour Act, 2006*, Bangladesh Gazette. Consulted on December 11, 2020: [https://www.ilo.org/wcmsp5/groups/public/-ed\\_protect/-protrav/-ilo\\_aids/documents/legaldocument/wcms\\_229274.pdf](https://www.ilo.org/wcmsp5/groups/public/-ed_protect/-protrav/-ilo_aids/documents/legaldocument/wcms_229274.pdf)



# Gender Wage Gap

Existing research suggests there is a gender wage gap in the sector, both in managerial and non-managerial positions. While the glass ceiling is more acute in the supervisory roles, research shows that even among non-managerial workers there was an overall wage gap of around 8%, even though men and women entered the sector at the same entry-level position and wage<sup>16</sup>. This suggests that the gap emerges over time, with men moving up the ranks faster and/or taking up skills-intensive, higher-paid roles. [Note: Investigation into the gender wage gap was beyond the scope of this study, but such an investigation is urgently needed].

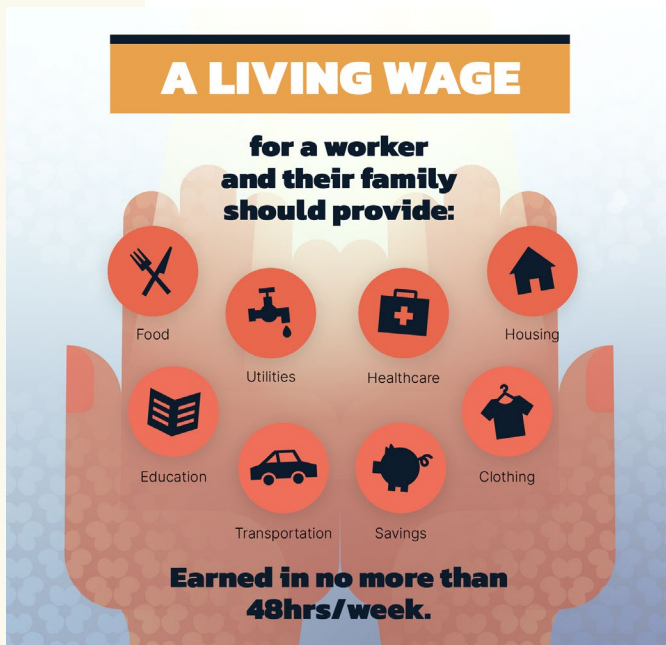
## Living Wages

The women and men working in garment factories understand better than anyone else what it means to try to get by on the legislated minimum wages, even with the annual wage increase. The findings that emerge out of the worker interviews conducted for this report are validated by systematic research which calculates the level of a “living wage”. Comparisons of wages actually paid with what is needed to achieve a living wage shows how much wages need to increase to allow workers to escape poverty.

A living wage, recognized by the United Nations as a human right, is a wage that is sufficient to afford a decent standard of living for a worker and their family. It means that a person should be able to sustain themselves and their families on their salaries with dignity. Although there are different approaches to measuring a living wage, there is widespread agreement that it should at least be able to meet a full-time worker’s “basic needs,” including nutritious food, decent housing,

utilities, healthcare, education, childcare, transport and clothing as well as provide for some savings for the future and unexpected events. A worker should not have to work more than 48 hours in a standard work week, as per ILO standards, to be able to provide for themselves and their families.<sup>17</sup>

The Asia Floor Wage (AFW) Alliance, a global coalition of trade unions, research, campaign and labour organizations founded to formulate and demand a living wage for Asian garment workers, defines a living wage as a wage that covers basic needs and is calculated based on regular working hours, not including overtime. The AFW formula accounts for “differing economic and political environments in each participating country”



<sup>16</sup> Menzel Andreas and Christopher Woodruff (2019), *Gender Wage Gaps and Worker Mobility: Evidence from the Garment Sector in Bangladesh*. National Bureau of Economic Research, Working Paper 25982, p. 2. Consulted on December 11, 2020: <http://www.nber.org/papers/w25982>

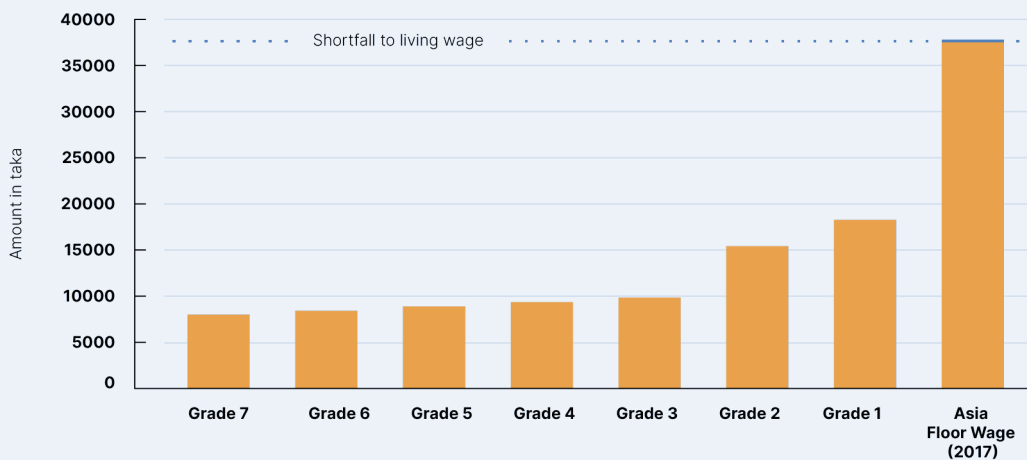
<sup>17</sup> Oxfam Australia (2017), *A sewing kit for living wages*, p. 15. From: <https://www.oxfam.org.au/wp-content/uploads/2017/09/A-Sewing-Kit-for-Living-Wage.pdf>

and concludes that the amount should support workers' dependents.<sup>18</sup> According to this coalition, the living wage of Bangladesh, calculated in terms of the Purchasing Power Parity, was 37,661 taka in 2017 (\$588 per month).

In order to calculate a living wage at the country level, the AFW Alliance first conducted need-based surveys in garment-producing countries, and the ratio of food costs to non-food costs were calculated based on the ratio that currently exists for the working class of different countries.<sup>19</sup> Accordingly, it estimated that 50% of monthly salary goes towards food, based on 3,000 calories a day per adult, 40% of monthly salary goes towards clothing, housing, travel costs, children's education and health costs, while another 10% goes towards discretionary income.<sup>20</sup> The AFW calorie figure is based on accepted benchmarks by governmental and non-governmental bodies in the Asia region and the physical nature of work, while for childcare costs, the AFW calculation assumed a single income family, using a formula based on three adult consumption units.

It should be remembered, however, that the AFW calculation was done in 2017. Since then, the cost of living in Dhaka and surrounding areas has increased exponentially. A study by the Centre for Policy Dialogue (CPD), a research institute based in Bangladesh, has found that the cost of living of workers increased by 17.2% per year between 2013 and 2018, with food costs increasing by 11.4% per year, and non-food costs increasing by 23.1% per year.<sup>21</sup> The CPD's 2018 Survey on RMG Workers' Livelihood study revealed that 36% to 40% of families' income was spent on food.<sup>22</sup>

### Minimum wages (2018) fall short of Living Wage Benchmark for Bangladesh



18 South-South Dispatch (November 2015). No. 3: Towards an Asia Floor Wage, A Global South Labour Initiative for Garment Workers, p. 1. Consulted on December 11, 2020: <https://asia.floorwage.org/wp-content/uploads/2019/10/Towards-an-Asia-Floor-Wage-Nov-2015.pdf>

19 Ibid, p. 45.

20 Ibid, p. 45, 46.

21 Khondaker Golam Moazzem and Md. Arfanuzzaman (2018), *Livelihood Challenges of RMG Workers: Exploring Scopes within the Structure of Minimum Wages and Beyond*. Centre for Policy Dialogue, Working Paper 122, p. 4. Consulted on December 11, 2020: <https://cpd.org.bd/wp-content/uploads/2018/12/CPD-Working-Paper-122-Livelihood-Challenges-of-RMG-Workers.pdf>

22 Ibid.



# Methodology

In order to answer the questions at the heart of this research, a two-step process was implemented, first with the identification of the factories that produce for Canadian brands, and second, by conducting interviews of the workers employed in a sample of those factories. Additionally, secondary research was conducted on the garment sector in Bangladesh for a more comprehensive analysis of wages and working conditions.

## Identifying Factories

Most Canadian brands do not disclose the names or addresses of the factories that make their clothes. Hudson's Bay Company and Joe Fresh (Loblaw's) are two of the very few Canadian companies that have decided to become more transparent, and do disclose their list of supplier factories online. Based on that public disclosure, we were able to identify supplier factories in Bangladesh in the supply chains of HBC and Joe Fresh (Loblaw's). Mountain Equipment Coop and Lululemon are other Canadian brands that disclose factory locations. MEC does not source from Bangladesh. Lululemon lists one supplier company on its Finished Goods Supplier List as of March 1, 2018.<sup>23</sup>

▼  
Two garment workers  
about to start their shift.  
Photo: BCWS



The names and locations of factories supplying other Canadian brands were identified by searching international shipping data for garment imports into US ports, data which is publicly available for a fee through several commercial data management firms (Panjiva, in the case of this research). Using this data, several Canadian brands with significant shipments originating in Bangladesh were identified, including Arcteryx (based in Canada, but owned by Amer Sports of Finland), Coalision Inc., Groupe Dynamite, Lululemon, Mark's (owned by Canadian Tire), Nygard, Rietmans, Stormtech Performance Apparel, and YM Inc. Of these, Bangladesh appears to be the main source of garments for Mark's and Nygard, informing the selection of factories supplying these two Canadian brands for further investigation. Some factories were identified as sourcing for multiple Canadian brands.

<sup>23</sup> Lululemon (2018), *Lululemon Finished Goods Suppliers List*. Consulted on December 11, 2020: <https://info.lululemon.com/content/dam/lululemon/www-images/Sustainability/2018%20lululemon%20Finished%20Goods%20Supplier%20List.pdf>

### Factory profiles

Canadian brand sourcing from factory	Bangladesh Supplier	Address	Registered union <sup>24</sup>	Number of workers <sup>25</sup>
Hudson's Bay Company	ACS Textiles Ltd.	Tetlabo, Rupgonj, Narayanganj, Dhaka, 1212	No.	4,335
Hudson's Bay Company	Eurotex Knitwear Ltd.	Nayamati, Kutubpur, Fatullah, Narayanganj	No.	1,911
Joe Fresh (Loblaw's)	Ananta Garments Ltd.	Nischintapur, Ashulia, Depz Road, Savar, Dhaka, 1341	No.	6,326
Joe Fresh (Loblaw's)	Sigma Fashions Ltd.	Rs-61, Dhonaid Tajpur Rd Yearpur Zirao, Ashulia Savar, Dhaka	No	900
Joe Fresh (Loblaw's) / Nygard	Safaa Sweater Ltd.	Jamgora, Gazirchat, Ashulia, Dhaka	No	884
Mark's (Canadian Tire)	Patriot Eco Apparels	Plot No B 35 B 50 Gazipur 1710 Bd	No.	4,335
Mark's (Canadian Tire)	Standard Stiches Ltd.	Tetlabo, Rupgonj, Narayanganj, Dhaka, 1212	No.	4,953
Nygard	The Rose Dresses (& Islam Garments Ltd. & Islam Dresses Ltd.)	Daikhali Yearpur, Jamgora, Ashulia, Savar, Dhaka	No.	3,440
Lululemon	Youngone (CPEZ) Ltd.	Plot #11-16, Sector 2 Chittagong Bangladesh Bymile, Konabari, Gazipur Sadar, Gazipur	No	N/A

The initial list of factories supplying HBC, Joe Fresh (Loblaw's), Mark's (Canadian Tire) and Nygard was shared with independent union federations representing garment workers, and factories were identified based on where worker contacts could be established and trust built between workers and the researcher. Two factories were chosen for each brand. Initially, focus groups were conducted with a larger group of workers, with whom the purpose of the research as well as associated risks were shared. Later, based on the workers' availability and consent, in-depth, semi-structured interviews were conducted with a total of 35 workers, and between 3 and 5 workers were interviewed from each factory.

<sup>24</sup> As per interviews with workers and union federations.

<sup>25</sup> Information about the number of workers were obtained from publicly available documents in the Bangladesh Accord website: <https://bangladeshaccord.org/factories>

# Gathering Workers' Voices

▼  
A garment worker  
headed to work during  
the COVID-19 pandemic,  
Dhaka, December 2020.  
Photo: BCWS

A total of 35 workers were interviewed for this research. A majority of the workers interviewed were women, which reflect the demographic breakdown of workers employed in the RMG sector<sup>26</sup>, and three quarters of the interviewees were married and had children. Deliberate efforts were made to include women, particularly women-headed households, in order to get a more nuanced understanding of their experiences and vulnerabilities. The workers interviewed range from 19 to 45 years old of age, and had been employed at factories for periods of 5 months to 15 years. Workers from all seven grades were interviewed, but a majority of the interviewees worked in grades 5 and 6, followed by those in grade 7 (see wages table for breakdown of grades and salaries).

An initial set of interviews were conducted in the workers' own homes. However, the onset of the COVID-19 pandemic posed additional challenges for the research as it was no longer possible to conduct field visits and interview workers or their families in person. From March onwards, interviews had to be conducted over the phone. Detailed conversations with workers on sensitive topics were difficult on the phone as the researcher did not have an opportunity to build rapport with them in person. As such, the researcher followed up with the workers for a period of six months in an attempt to establish trust and obtain reliable information, cross-checking claims about violations when necessary. All names in the document have been changed as per workers' requests to ensure their safety and privacy.

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<sup>26</sup> Kabeer, Naila and Simeen Mahmud (2004), *Globalization, gender and poverty: Bangladeshi women workers in export and local markets*. *Journal of International Development*, 16 (1), p. 93-109.





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PART TWO:

# **Trying to Make Ends Meet**

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A garment worker on her way out of the factory after her shift, Dhaka, December 2020.

Photo: BCWS



**Our interviews with workers employed in factories in Canadian brand's supply chain touched on the different components of the living wage, including food and household costs, housing, childcare and education, and healthcare. The interviews also addressed the basic principle that a decent living should be achievable without excessive overtime.**

**The stories in the following sections are drawn from worker interviews and reflect workers' experiences.**

## Food and Basic Living Expenses

"They [the government] increase our wages by a fraction of our demands every five years or so, but our landlords increase our rent every year. The price of food and transport fares also goes up every year. Our factory owners say we are always causing trouble, asking for more, as if we are just greedy, but we only ask that they increase our wages to cover the rising cost of all essentials," says 36-year-old Badshah Alam who works in the Finishing Section of ACS Textiles Ltd. (supplying Hudson's Bay Company). "It is not greed that makes us ask for more, but need."

Badshah supports six members of his family with his salary, which ranges from 11,000 to 12,500 taka (\$172 to \$195), depending on the hours of overtime worked. His wife and youngest child, a boy, live with him in Gazipur, but his two teenage daughters live in the villages with his parents. He sends almost half his salary — around 5,000 taka (\$78) — to the village to cover his daughters' education and his father's heart medications, and spends another 3,200 (\$50) on rent, and 2,000 (\$31) as monthly instalments on multiple loans taken from NGOs and moneylenders.

**Do the calculations and you'll see there's nothing left for us by the middle of the month. I have to buy from stores on credit and I have taken so many loans, from so many different people, at this point I've run out of options.**

—Badshah, ACS Textiles  
(supplying Hudson's Bay Company)

"Do the calculations and you'll see there's nothing left for us by the middle of the month. I have to buy from stores on credit and I have taken so many loans, from so many different people, at this point I've run out of options. My wife used to

work in a factory too, but her health deteriorated after she had the third child, and now she cannot hold on to a job at any RMG factory where the production pressure is too high. So, we had to send the girls back to the village, where costs are lower,” says Badshah.

“We don’t have any land there, and I had come to Gazipur hoping that I would be able to save up enough money working for a few years to buy some land and move back. Now, forget any savings, I have debts piling up, and no way to pay them back. My wife may have to get a job as a maid or else we have to put one of my daughters to work,” he adds.

All our interviewees echo Badshah that sustaining their families on their salaries and maintaining the life they had envisioned is not possible. An overwhelming

majority say that they run out of cash by the third week of the month and have to buy basic necessities, such as food, on credit from their local stores. During months when there is not much overtime, workers report reducing their portions or intake of proteins to adjust their expenses. Most workers say they had chicken and big fish occasionally, and beef very rarely,

depending on what was left after their fixed costs, such as rent, utilities, medical and education expenses, were paid. Milk products and fruits also did not feature in their diet prominently.

“There are five mouths in my family to feed. Most months, it’s just pulse and rice, and small, cheap fish or dried fish. 1 dozen eggs cost around 85 taka (\$1.30), so we can’t afford that every day either — I cook egg curry once every few days,” says Bobita, an operator from Eurotex (supplying Hudson’s Bay Company). “There are weeks and months when I don’t eat full meals because there’s nothing left after the children and my husband eat. So, I make a chili paste and eat my rice with it.”

A study titled “Food Habit and Dietary Intake of Garment Workers in Semi-Urban Area of Bangladesh” conducted in 2019 found that, overwhelmingly, workers were severely undernourished and at risk of various health hazards.<sup>27</sup> Based on a survey of 165 respondents selected by random sampling, it concluded that workers were consuming necessary food items — milk, milk products, eggs, meat, fruits, vegetables — in lesser quantity than required. Only rice and rice-based products, which keep workers fuller for longer, were consumed at a higher rate than the daily requirement.

Interviews with workers as well as multiple studies conducted over the years confirm that existing wages are insufficient for a balanced, nutritious diet. Food insecurity, a constant in the life of an overwhelming majority of RMG workers, has increased even further with the onset of COVID-19. On the one hand, household incomes of workers have fallen drastically as a result of the pandemic, as more and more workers have been laid off or terminated due to reduced orders in the global market. Even those who still have jobs reported a decrease in their wages and benefits, as overtime hours, benefits and Eid bonuses have been reduced during this period (for more, see part 3 of this report). Meanwhile, many

**Food insecurity, a constant in the life of an overwhelming majority of RMG workers, has increased even further with the onset of COVID-19.**

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<sup>27</sup> Chowdhury, Afroza (2019), *Food Habit and Dietary Intake of Garment Workers in Semi-Urban Area of Bangladesh*. American International Journal of Agricultural Studies, No. 2.



workers suddenly became the sole bread-earners previously as family members working in other sectors, particularly those in the informal sector, have lost their income sources.

As Mila, an operator from Youngone (CEPZ) Ltd., a factory sourcing for Lululemon says, “Before the virus, my husband had a regular income as a carpenter, and we could at least feed the whole family, five of us in total, three full meals a day. Now he doesn’t have enough work and brings in 1000 to 2000 taka a month (\$16 to \$31), if we are lucky. Our household expenses exceed 20,000 taka (64\$) every month, which is more than double what I earn. No one is lending anymore and I’ve had to resort to cooking rice and lentils, or mashed potatoes, to keep the costs in check. When I see the children’s face when I serve them the food, my heart breaks. I am working as hard as I can, but what’s the point if I can’t even feed them properly?”

The Worker Rights Consortium (WRC) surveyed 396 garment workers across 158 factories in nine countries, including Bangladesh, between August and September 2020 and found that 88% of surveyed workers (and/or their family members) had reduced the amount of food consumed per day.<sup>28</sup> Seventy-seven percent of workers reported that they or a family member had gone hungry since the beginning of the pandemic.

## Housing

Rent takes up a significant portion of the workers’ incomes, and yet, most stay in crammed, shared dwellings where they face a myriad of problems, including the absence of privacy, frequent power outages, and lack of proper drainage and waste management. On average, as per the workers interviewed for this research, families of three to five people stay in one small room in a tin shed or concrete building in which they share a kitchen and toilet with five or more other families. For these accommodations, they spend between 2,500 to 3,500 taka (\$39 to \$55). Workers whose families stay in the villages share rooms with non-family members to reduce the burden of costs. While they prefer housing nearby their factories to reduce the budget and time they spend on their commutes, they complained about landlords taking advantage of their situation, hiking the rent every year in the absence of any rent control or supervision mechanism from the government.

For example, Ria and her family of four share a dingy room in a ground-floor compound a kilometre away from her factory, Patriot Eco Apparels, a factory producing for Mark’s/Canadian Tire. The room only has space for a bed, and a small wardrobe crammed to the side whose doors cannot be opened in full. Her utensils and kitchen essentials are stuffed under the bed and her walls are lined with clothing hanging on ropes. There’s a two-foot clearing on the floor where she prepares food or where the children play. There’s a toilet outside shared by 20 other people, which, she says, is often clogged.

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<sup>28</sup> Kyritsis, Penelope, Genevieve LeBaron, and Scott Nova (November 2020), *Hunger in the Apparel Supply Chain: Survey findings on workers’ access to nutrition during Covid-19*, Worker Rights Consortium, p. 1. Consulted on December 11, 2020: [https://www.workersrights.org/wp-content/uploads/2020/11/Hunger-in-the-Apparel-Supply-Chain.pdf?mc\\_cid=1b5f160243&mc\\_eid=dec1891a73](https://www.workersrights.org/wp-content/uploads/2020/11/Hunger-in-the-Apparel-Supply-Chain.pdf?mc_cid=1b5f160243&mc_eid=dec1891a73)

"I pay 3,000 taka (\$47) for this dump, can you believe it? I took this place three years ago for 2,200 (\$34) because it was close to the factory and so I could come home during lunchtime to feed my two-year-old. It has so many problems. There's no space, no sunlight, and there's a drain right outside so if you open the tiny window in our room, the smell fills up the space in seconds. But that hasn't stopped our landlord from increasing the rent. They are like vultures. I'm looking for another space nearby, but the demand is high as there are a lot of very big factories in the area. We can't find anything in our budget, so we have to make do," says Ria.

Roshni, who works in Ananta Garments Ltd., a factory producing for Joe Fresh (Loblaw's), has to share a kitchen with five other families and often runs late for work because she has to jostle with others for a slot. "All of us who live in the

compound work in factories so we have to leave our houses by 7 am. There are two stoves and five of us trying to cook our meals at the same time. I wake up at 4:30 am just to make sure I'm the first in line, but you see, others also have the same idea. Every morning is a war before I even step out of the house. It's the same when we come back home at 8 pm, everyone fights over the stove to cook dinner."

A study conducted by the Centre for Policy Dialogue shows that, at the existing standard of living, at least 86% workers have to share toilets with other families, 86% of workers share kitchens, 17% of Bangladeshi

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—Ria, Patriot Eco Apparels  
(supplying Mark's/Canadian Tire)

RMG workers sleep without a bed at night and 16% do not have ceiling fans in their homes.<sup>29</sup> On the other hand, between 2013 and 2018, rent went up by 38% for those who stayed in the same house and 22% for those who shifted houses.

## Childcare and Education

Almost all our interviewees with children had high aspirations for their children's future, and considered the spending on their schooling a crucial investment. However, they also spoke about the difficulties in spending the amount of money on their education needed to make them competitive and enable them to flourish in their studies.

As Mushtaq from Standard Stiches Ltd. (supplying Mark's/Canadian Tire) stated, "I can afford the school fees, which is less than 1,000 taka (\$16) a month. At any rate, I am willing to eat one less meal so that my son can have a better life than mine. But he is in eighth grade now and everyone is going to private tutors for different subjects for better results as they don't teach much in schools. But tutors charge 500 taka (\$8) for each subject. If he goes for chemistry, physics,

29 Khondaker Golam Moazzem and Md. Arfanuzzaman (2018), *Livelihood Challenges of RMG Workers: Exploring Scopes within the Structure of Minimum Wages and Beyond*. Centre for Policy Dialogue, Working Paper 122, p. 10. Consulted on December 11, 2020: <https://cpd.org.bd/wp-content/uploads/2018/12/CPD-Working-Paper-122-Livelihood-Challenges-of-RMG-Workers.pdf>

biology and English, that's already 2,000 taka (\$31). Where will I get that extra money? I'm running a debt at the end of each month as is. If he doesn't score well in the standardized tests, he won't get admission in any college and that will be the end of his and my dreams."

Shahana, a single mother who works at The Rose Dresses, a factory producing for Nygard, spent every cent she could spare on her daughter's education, and it paid off. Her daughter scored high marks in her standardized exams and got admitted to a well-known college in Dhaka. But now Shahana is at a loss of how to come up with her admission fee, which is 20,000 taka (\$311), almost double her salary. "My daughter and I were so excited that she got admission in this college, but now I hear that we have to pay the admission fee within a few days. For the last 10 years, every single overtime amount, every single bonus, I saved and spent it on her education. I can maybe manage a few thousand, but who will give me the rest? Besides, she will need money for housing and living costs. My neighbours say, why dream so big? But I want her to have all the opportunities in the world."

**For the last 10 years, every single overtime amount, every single bonus, I saved and spent it on her education.**

—Shahana, The Rose Dresses (supplying Nygard)

Ruma, from Sigma Fashions Ltd. (supplying Joe Fresh/Loblaws), also had high hopes for her daughter, but had to put her to work when her husband became paralyzed six years ago. "She was 14 at the time, and she wanted to continue her studies, but there was no way I could manage the household on my own. I found work for her in a small subcontracting factory. Now both of us earn and so it's not as hard as it used to be, but her life is not much different from mine. It's not what I had envisioned for her."

Of the interviewees, three send their children to *madrasahs*, a religious institution primarily for the study of Islam because they are more affordable than government-run schools and also provide room and board. "I can't keep

▼  
Children of garment workers, Dhaka, December 2020.  
Photo: BCWS





my child here with me because it's too expensive and there's no one in the village who can look after him either. So, I put him in a *madrasah*. At least he'll get three meals a day and maybe he can become an imam when he grows up," says Makhshuda, from Youngone Ltd. (supplying Lululemon). Other workers use *madrasahs* as an alternative to childcare.

In the context of the COVID-19 pandemic, workers who have lost their jobs are afraid that they will soon have to stop their children's education. "Schools haven't opened yet, but how can I pay 1,200 taka (\$19) per month for my son's education when I don't even have enough money to buy him food?" asks Brishty, from Sigma Fashions.

## Health

Hosne Ara, who works at The Rose Dresses (supplying Nygard) was diagnosed with a tumour in her uterus last December, but for the last seven months, she hasn't been able to go for a check-up. She simply doesn't have the money. "I earn less than 10,000 taka a month. But last time I went to the doctors, I had to pay my full salary's equivalent just to get tests done. On top of that, I had to pay for transport to and from Dhaka where I got the ultrasound and blood

tests done, and a bunch of medicines the doctor said would help get rid of my tumour. He asked me to do another ultrasound in March or April to see if my tumour was increasing or decreasing. But then the virus came and there was no way for me to find any money to get these tests done or to travel to Dhaka again to see the specialist," says Hosne Ara, a widow with a 10-year-old son.

She had to borrow around 12,000 taka from a moneylender in her area at a 13% interest rate to get her initial checkup. The interest rate for short-term loans in banks is 9%, but there was no way for her to access a line of credit with her bank. "I live from hand-to-mouth because whatever I can save

here, I send directly to my son and my parents in the village. Both my parents have heart problems and need expensive medication. So, when I fall sick, who do I turn to? I can't read or write and no bank will give me money."

For many workers, particularly women, health concerns take a backseat when there is a cash crunch. Two thirds of the female interviewees report that they suffer from chronic illnesses, for which they did not seek adequate medical attention, particularly when it concerned their sexual and reproductive health. Some say they had consulted general practitioners in nearby health complexes regarding abdominal cramps, irregular menstruation, or severe white discharge, but that they did not receive effective treatment there and could not afford follow up with specialists. Each factory is required by law to have a medical

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centre staffed with a doctor and nurses, but workers say that they only receive limited services and medications there and often medical staff, particularly doctors, are not readily available when they seek treatment.<sup>30</sup>

Almost all complain about some form of back and joint pain, headaches, difficulty in breathing or urinary tract infection (UTI) as a result of long and harsh working conditions. All respondents say they drink as little water as possible throughout the day and refrain from going to the toilet so that they don't fall behind in the production line. As a result, extreme dehydration and urine infections are common. Most do not believe they will get better as long as they work in the factories and, as such, they do not see the point of "wasting" money on doctor's visits.

Momota, 34, does not remember the last time she got a good night's sleep. Her factory, Standard Stiches Ltd. (supplying Mark's/Canadian Tire), operates on a two-shift schedule, a morning shift that starts at 7:30 am and an evening shift that starts at 7:30 pm. Every other week, she has to work the night shift, and before her body can adjust to one sleep cycle, it's time for her to switch to another schedule. The consistent sleep deprivation, coupled with the high stress work environment, has had a detrimental effect on Momota's health. One and a half years ago, she had a mild stroke, after a particularly grueling 13-hour shift at work. "I was tired and dizzy when I came back home, so went to bed earlier than usual. In the middle of the night, I woke up in cold sweat, unable to move the left side of her body. I thought I was dying. I would have been permanently paralyzed if my husband didn't take me to the hospital then and there. We spent a fortune doing tests and going to the doctor. It took me one and a half months to recover my mobility and join work. Thank God, back then my husband had a job so we could afford the treatment. If it happened now, I would just rot to death," remembers Momota.

With the onset of Covid-19, and a reduction of work orders from the factory's buyers, stress at work has shot up exponentially. Supervisors and production managers are more ruthless than before, she says, and she is afraid that her health condition makes her a liability. "My blood pressure shoots up from the constant stress and pressure, but there is no cure for it."

## Hours of Work and Overtime

According to Bangladeshi labour law, RMG workers can work a maximum of two hours overtime a day given adequate remuneration, with the average work week not exceeding 56 hours.<sup>31</sup> However, the law allows the government to grant a special permission to certain factories to operate extra hours for a period not exceeding six months.<sup>32</sup>

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<sup>30</sup> For more extensive research on women RMG workers' health, see Akhter, S., Rutherford, S. & Chu, C. (2019), *Sewing shirts with injured fingers and tears: exploring the experience of female garment workers health problems in Bangladesh*. BMC Int. Health Human Rights 19, 2, <https://doi.org/10.1186/s12914-019-0188-4>

<sup>31</sup> Bangladesh Labour Act (2006), Chapter 9, Article 102 (1) (2); 108 (1).

<sup>32</sup> Ibid, Article 102 (2).

The interviewees for this research work between 8 to 13 hours a day, 6 days a week, depending on the factory and the level of production pressure. For instance, in The Rose Dresses (supplying Nygard), workers say they work an average of two hours' overtime. In Ananta Garments Ltd. (supplying Joe Fresh/Loblaw's), workers say they work between two to five hours overtime during peak production period, for instance, when seasonal demands from brands are

high or to meet fluctuations in demands or last-minute changes in style.

**The interviewees for this research work between 8 to 13 hours a day, 6 days a week, depending on the factory and the level of production pressure.**

In Standard Stiches Ltd. (supplying Mark's/Canadian Tire), workers work in two shifts; one that starts at 7:30 am and ends at 7:30 pm, and another that starts at 7:30 pm and ends at 7:30 am. This means, on average, they work 12 hours a day, including four hours of overtime. It is mandatory for all

workers to work the night shift every other week, including for women, although the Labour Act clearly states that, "no women shall, without her consent, be allowed to work in an establishment between the hours of 10 pm and 6 am".<sup>33</sup> For each night shift, they get an additional 100 taka (\$1.50).

"I need the money so I don't mind working the long day shifts, but the night shifts are brutal. In the nighttime, your body automatically wants to rest, but we are expected to work like machines. Except for a one-hour meal break around 1 am, I am on my feet the whole time," says Rahela, who works in the finishing section. "Sometimes I feel like collapsing, and during the break, I just lie down on the floor from exhaustion. So many people leave because they get sick working these night shifts, and I am sick all the time as well."

When asked if female workers are given a choice about working the night shift, workers replied in the negative. "Choice? If we say we don't want to work the night shift even one week, they'll say, 'Why bother come to work again?'" Even

if you're feeling sick or tired, unless you have a high fever or some other noticeable symptom, you have to show up at work," says Polashi, who works in the cutting section.

**I wake up at 5:30 in the morning before everyone else in the house to prepare meals for the day, wash clothes and finish other household chores. [...] By the time I can close my eyes, it's almost 1:30 am. It feels like as soon as I fall asleep, it's time to wake up.**

Workers from other factories also comment that, as much as they need the extra money for their household expenses, the long working hours do affect their physical and mental health and leave them exhausted. This is particularly true for women, for whom the "work day" begins long before they have to report to duty, and ends long after they leave the factory.

"I wake up at 5:30 in the morning before everyone else in the house to prepare meals for the day, wash clothes and finish other

household chores. I have to be out of the house by 7:15 am so that I can reach the factory on time because it's a long walk from here. There are weeks/months when I work 14-hour shifts, so I get out at 10 pm and then walk back home again," shares Amena from Ananta Garments Ltd. (supplying Joe Fresh/Loblaw's)

—Amena from Ananta Garments Ltd.  
(supplying Joe Fresh/Loblaw's)

<sup>33</sup> Bangladesh Labour Act (2006). Chapter 9, Article 109.



“I have to then prepare dinner, take care of whatever the children need and also make time for my husband. He does nothing in the house, except give orders. By the time I can close my eyes, it’s almost 1:30 am. It feels like as soon as I fall asleep, it’s time to wake up.”

Workers report that their overtime hours have been irregular since the onset of COVID-19, and workers note one of two developments regarding overtime hours. In some factories, there has been very little overtime from March to June, with no overtime at all during April, when the country was in an unofficial “lockdown” and factories were closed. In other factories, overtime has stayed the same or gone up, as employed workers are expected to make up for workers laid off or terminated during the pandemic.

The International Labour Organization (ILO) as well as all brand codes of conduct specify that overtime must be performed by workers on a voluntary basis. The issue of voluntary overtime is not explicitly covered by the Bangladesh Labour Act, although it can be argued that since the Bangladesh Constitution prohibits all kinds of forced labour, any overtime must, by extension, be voluntary.

While workers admit they preferred to work overtime, they categorically state that they do not get a choice in the matter. Workers report that they are not asked, but rather informed, 15-30 minutes before the end of their regular duty whether they have overtime that day.

“When production pressure is high, and there is overtime, saying no amounts to insubordination. It’s probably okay to ask to go early once in a blue moon, if you’re feeling sick or if there’s a family emergency, but it is not something you can expect to do multiple times without repercussions,” says Marina, from ACS Textiles Ltd. (supplying Hudson’s Bay Company).

As per the Labour Act, a worker is entitled to remuneration twice the rate of his/her ordinary rate of basic wage.<sup>34</sup> Workers are supposed to



▲  
ACS Textiles factory  
(supplying Hudson’s  
Bay Company), Dhaka,  
December 2020.  
Photo: BCWS

be paid overtime, regardless of whether they work 10 minutes, 30 minutes or a full hour after their general duty ends. However, our investigation reveals that in multiple factories, management is violating workers’ rights guaranteed by the law by compelling workers to do unpaid “off the-clock” work and refusing to compensate them for the actual overtime hours worked.

In Standard Stiches Ltd. (supplying Mark’s/Canadian Tire), workers claim they are not compensated for the total number of hours worked and that management routinely denies them of their rightful overtime dues. If they work 3 hours and 20 minutes of overtime in any given day, they are paid for 3 hours, but not the additional 20 minutes, they explain. The same is true for when they work an extra 40 or 50 minutes — the management only records overtime when a full hour has been completed. In the workers’ pay slips, only the number of hours for which they are paid is entered which, by mutually corroborating testimony of workers, do not reflect the real overtime hours worked.

<sup>34</sup> Bangladesh Labour Act (2006), Chapter 9, Article 108 (1).

“Whether we work 5 or 55 minutes extra, we are not paid for the extra time. They only pay us for the full hour. I am an uneducated person so in the beginning I didn’t understand what was going on. But then I began to think how come my overtime pay is so little when I am working such long hours. And it’s not just me — they are doing it with everyone,” says a senior operator working for the factory. “At this point, I don’t know how much I have lost like this.”

Workers across the departments say the situation in Standard Stiches has worsened since the onset of the pandemic. More than 200 workers have already been terminated or forced to resign and workers are afraid of the repercussions of protesting forced and unpaid overtime. Workers also note that there were no irregularities in overtime payment previous to the pandemic, but that the factory seems to have taken a hardline since then to keep its cost at a minimum.

In other factories, irrespective of the pandemic, workers say they have to frequently spend 10 to 30 minutes at work for which they are not compensated. Most of them do not even consider those additional minutes to constitute overtime. For instance, workers in almost all factories say they report to work at least 10 minutes early each day so that they can prepare their machines and start work on time, time for which they are not paid: “If I don’t come early, then by the time I punch in my card, stand in line to get in, clean my machines, get my assignment, I’m already running late. Production pressure is so high that if I miss a few beats, I miss my targets and am stressed throughout the day. So I just come early, and leave late, if necessary, to wrap up the work on time,” says Sumona from Eurotex (supplying Hudson’s Bay Company). In factories with attendance bonuses, late arrivals can result in workers losing the additional money.

Workers in The Rose Dresses (supplying Nygard) say they are given high production targets, and if they are unable to meet them during the day, they have to stay back after their shift ends to finish them. They are not paid for the extra time. Similarly, a worker at Ananta Garments (supplying Joe Fresh/Loblaws) state they have to work an additional 30-50 minutes after their shift and/or overtime ends, for which they are not paid. Workers in Safaa Sweater Ltd. (supplying Nygard and Joe Fresh/Loblaws) also allege they have to stay back and finish their production targets without pay if they are unable to meet them.

Across the board, workers say their production pressure has gone up exponentially since the wage increase of 2018. Most of them add that they find the pressure “too much to handle” and that they are always stressed during their shifts, particularly as their supervisors often resort to verbal harassment if they are unable to meet the increasingly high production targets. Multiple workers from The Rose Dresses allege that they were not only abused verbally, but also made to stand in front of the machine for 30 minutes as punishment for not achieving the targets.

Workers from Standard Stiches (supplying Mark’s/Canadian Tire) also argue that production pressure is unbearable, so much so that they are unable to take bathroom breaks without falling behind. “We don’t drink any water all day or all night during the night shifts because it means you will lose 10 minutes. How will you make up for these 10 minutes? Even if you are

▼  
Garment workers gathering at their factory’s entrance in Dhaka, following the initial COVID-19 lockdown, May 2020.  
Photo: Anisur Rahman



working non-stop at full speed, you can barely reach the hourly targets. If you fall behind once, you are lagging behind the whole day. Every hour, you'll have to put up with verbal abuse from the supervisors and production managers who pull no punches."

**In most factories, they are increasing the production pressure to unbearable levels so that only the fittest and fastest can survive. The rest, particularly those who are weak, sick or not as competitive, are either fired or forced to resign...**

—Naushad Raihan, union organizer with BGIWF/BCWS

Workers in some factories note that production pressure, which was already unbearable before, went up even more since factories reopened following the onset of COVID-19. As one worker from Standard Stiches argue, "We had to make 100 pieces before the wage increase, then we had to make 130 pieces, and now it's 160 pieces. It's not possible." When asked why production pressure would increase at a time when factories are claiming orders have gone down, workers explain that they have to make up the output of their colleagues who have been laid off or fired over the last few months.

Union leaders also support the workers' claims, adding that factories are undertaking this strategy to also drive out workers who are unable to sustain this production pressure. "In most factories, they are increasing the production pressure to unbearable levels so that only the fittest and fastest can survive. The rest, particularly those who are weak, sick or not as competitive, are either fired or forced to resign," says Naushad Raihan, an organizer for the BGIWF/BCWS, who has been assisting workers terminated by Standard Stiches during the pandemic.

## **Worker Rights and Union Representation**

Workers producing for Canadian factories report that they do not have registered unions in their factories. As such, none of them have collective bargaining agreements or an official platform through which to negotiate their wages.

All factories with over 50 workers are required to have Workers Participatory Committee (WPC) with equal number of representatives from the management and workers.<sup>35</sup> In the absence of trade unions, these committees, comprising both owners' and workers' representatives, are supposed to provide a platform for voicing workers' concerns, ensuring application of labour laws, and promoting "mutual trust, understanding and cooperation between the employer and the workers."<sup>36</sup> In most cases, these committees are not effective, as the former have undue influence over the latter. Most workers allege that the committee members are selected based on their proximity or relationship with the management and thus do not reflect workers' interests. Workers Participatory Committee members who take the workers' side over the management, or are vocal about violations, are expelled from the committee or from the factory altogether.

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<sup>35</sup> Bangladesh Labor Act (2006), Chapter 13, section 205.

<sup>36</sup> Ibid, section 205 (2).

“The WPC members of our factory do not reflect our concerns. They are in the pocket of the management and do their bidding. They are more interested in making us swallow the management’s decisions than negotiating on our behalf,” says a worker producing for a factory supplying for HBC. “The management does not like workers who are too active, nor workers who go to unions. They don’t like it if we get together to place demands. Every time they hear a whiff of unionizing, they fire some of us, force some of us to resign, transfer us to other sections or other factories, or threaten us with thugs. If they knew I am talking to you, I’d be in serious trouble.”

The Labour Act requires membership of 20% of all workers in a factory to form a union. However, workers say as soon as they start unionizing, management begins to retaliate, making it difficult, if not impossible, to reach the target.

“If the management finds out, we are going to a federation or trying to get members for a union, you will have a target on your back. First, it’s the verbal threats, but once you get close to you reaching your target for union registration, they increase the heat, such as physical threats by local thugs or even getting the police to pick you up and harass you in jail. They are so powerful, they can do anything,” says Ronny from The Rose Dresses (supplying Nygard).

The condition is even worse in the Export Processing Zones (EPZs) where workers are strictly prohibited from forming unions. Instead, they can form Workers Welfare Associations, which do not have the rights of trade unions and violate numerous provisions of conventions 87 and 98, as identified by the ILO Committee of Experts. They are not allowed to maintain any relationship with federations, unions or NGOs outside of the EPZ. An amendment to the EPZ Labour law, passed in early 2019, did not address any of the concerns long highlighted by labour advocates and continues to perpetuate zones of exception in the EPZs where the Bangladesh Labour Law does not apply.<sup>37</sup>

“Forget trade unions, if the management found out I am speaking to an outsider or journalist about our lives or work conditions, we will be fired. If you work in the EPZ, you have to keep your heads down and mouths shut, and count your blessings that you have a job at a big factory,” says Rupa, who works at Youngone (CEPZ) Ltd. (Lululemon).

Outside the EPZ, too, the fear of retaliation stops many workers, particularly those who are more vulnerable, from taking part in organized protests or unionizing. Protests for higher wages over the past decade have been met with increasingly ruthless crackdowns on workers and labour activists in Bangladesh. Following the last wage protests in December 2018, at least 65 workers were arrested and subjected to criminal charges brought by factories that supply for global brands, more than 11,600 workers were fired without any legal justification, hundreds of workers were blacklisted from finding other jobs in the area and tens of thousands of workers were physically assaulted by hired thugs and members

**Forget trade unions, if the management found out I am speaking to an outsider or journalist about our lives or work conditions, we will be fired. If you work in the EPZ, you have to keep your heads down and mouths shut, and count your blessings that you have a job at a big factory.**

—Rupa, Youngone (CEPZ) Ltd. (supplying Lululemon)

<sup>37</sup> ITUC (April 2019), *Internationally Recognised Labour Standards, Report for the World Trade Organization (WTO) General Council Review of the trade policies of Bangladesh*, Geneva, p. 4. Consulted on December 11, 2020: [https://www.ituc-csi.org/IMG/pdf/2019-03\\_wto\\_tpr\\_bangladesh.pdf](https://www.ituc-csi.org/IMG/pdf/2019-03_wto_tpr_bangladesh.pdf)



of the security forces. A comprehensive documentation of the crackdown by The Worker Rights Consortium (WRC), an international labour rights monitoring body, found that the criminal charges were “baseless” and that the protests were for the vast majority peaceful.<sup>38</sup>

According to WRC, between December 2016 and February 2017, following spontaneous demonstrations by tens of thousands of workers in the manufacturing hub of Ashulia, at least 1,500 workers were fired without any specific or individual allegation of misconduct, and 38 garment worker leaders were arrested and imprisoned. Not only did nine factories, including The Rose Dresses (supplying Nygard), file criminal charges against leaders and hundreds of “unnamed” workers (meaning that anyone can be picked up at any time), the government also filed cases under the country’s Special Powers Act 1974. Under the law, a person can be detained if the government simply suspects him or her to carry out an act which the administration deems detrimental to the interest of the state. While a 2003 High Court directive afforded some legal protections to detainees arrested under this act, those are not codified into law and are routinely violated.

Shabana used to work as a senior operator in The Rose Dresses in 2016. As mass protests demanding higher wages broke out in Ashulia in December, workers from The Rose Dresses also raised the same demand with their management. When the latter refused to listen, workers went on a peaceful strike. However, on December 22, a case was filed against 13 named and hundreds of unnamed workers for “destruction of property” and “conspiracy against the state.” Shabana was one of the workers named.

“I couldn’t believe when I heard my name was on a case for treason. We didn’t engage in any violent activity in the factory. We just remained in our seats and refused to work if they did not agree to our demands. You can ask every single employee of the factory and they will say the same. Ask for the CCTV footage, there’s simply no evidence of any violence. I am a single mother. What would happen to my daughter if the police arrested me? I was in hiding for a month before our federation got us our bail from the High Court on January 17. After that, I found that I had lost my job, and worse, I could not find a job anywhere for over six months since my name was on a blacklist. After an international campaign, the factory owners agreed to give us back our jobs to the brands and to the media, but in reality, when we went back for the job, the management said you better take the money [termination benefits] and go. I didn’t want to take the money. I wanted my job back. But the management made it clear that if I were to join, they would make my life hell.”

Despite threats of retaliation, workers continue to organize and mobilize for higher wages, whether or not they are members of trade unions or federations. In fact, the wage movements over the past decade have mostly been spontaneous, led by tens of thousands of unorganized workers in the industrial belts, driven by a simple dream and demand for a dignified life. Police brutality, mass arrests, terminations and forced resignations have not succeeded in silencing the workers from taking to the streets and vocalizing their demands, even during a pandemic. As Akhtara, from ACS Textiles Ltd. (supplying Hudson’s Bay Company), says, “They can beat and threaten us all they like, but while there is blood left in our veins, and while we still sweat for this country, we will continue to rise. We do not ask for charity; we ask for our right.”

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38 Worker Rights Consortium (April 2019), *Banning Hope: Bangladesh Garment Workers Seeking a Dollar an Hour Face Mass Firings, Violence, and False Arrests*. Consulted on December 11, 2020: <https://www.workersrights.org/wp-content/uploads/2019/04/Crackdown-on-Bangladesh.pdf>

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PART THREE:

# **Abandoned at a Time of Crisis**

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# A “New Normal” for Garment Workers?

Workers who live from paycheck-to-paycheck, with little to no savings, found themselves in extreme vulnerability with the advent of COVID-19 in the country. On the evening of March 25, the Government of Bangladesh announced an unofficial lockdown from March 26 to April 4. In the following days, authorities further intensified lockdown measures, including deploying the police and military to ensure public compliance, going so far as to harass and beat people loitering on the streets.<sup>39</sup>

However, suppliers asked workers to head back to work on April 5, even though all transport services had been suspended and the whole country was still in complete lockdown. Many workers had left for their villages after the initial announcement on March 25, so they had to come back to the industrial belts, some of them travelling hundreds of miles on foot, hitchhiking or in the back of pickup trucks, pressed against others also desperate to return to work. In what has since been decried as a public health disaster, tens of thousands of people were seen walking in very close proximity through otherwise empty highways towards their respective towns. Following widespread criticism on social media, at around 10 pm the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) asked its members to consider closing down their factories until April 11, and the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) did the same at midnight.<sup>40</sup> There was no clear directive from the government in this regard.

Abdullah, a male worker from Safa Sweater Ltd. (supplying Joe Fresh/Loblaws), says he came all the way from Tangail to Savar, a distance of at least 80 km, because he was told by his supervisor to show up to work on April 5. “I had left for the village because I live in a mess and the conditions here are very bad. I share a room with three others and there’s barely any room to walk, maybe less than 10 feet. I thought it would

►  
Patriot Eco Apparel  
factory (supplying Mark’s/  
Canadian Tire), Dhaka,  
December 2020.  
Photo: BCWS



39 Sajid, Eyamin (March 27, 2020), *Police enforce social distancing through humiliation, harassment*. The Business Standard. Consulted on December 11, 2020: <https://tbsnews.net/coronavirus-chronicle/coronavirus-bangladesh/police-enforce-social-distancing-through-humiliation>

40 The Daily Star (April 4, 2020), *BGMEA, BKMEA suggest factories be shut till April 11*. Consulted on December 11, 2020: <https://www.thedailystar.net/coronavirus-deadly-new-threat/news/bgmea-suggests-factories-be-shut-till-april-11-1889581>

be best to go home and wait it out there. It was the end of the month and I had already run up a debt of 1,500 taka (\$23) so with whatever cash I had, I just left. This way, at least my landlord wouldn't be able to chase me for the rent".

"We heard that the government holiday had been extended until April 11, but we were confused. I called my supervisor and he said that, of course, I have to return to work. Did I want permanent holiday, he asked me. These days, everybody is talking about cancelled orders and job cuts, so I couldn't risk it. Besides, I needed to get paid. I had found some transport on my way home, but back there was nothing on the streets, except for people. It was a nightmare. I kept on walking until my feet were sore and my thighs felt they would cave in, I got on rickshaws for small distances, but then the police would stop us at different checkpoints and harass us. Finally, I got there late at night. The next

day, we were told from the gate to go back and that we would be paid when the factory opens, God knows when! Can you believe this? I have so much debt now, I spent 1000 taka (\$16) coming here. I honestly don't even know how I will eat or what I will tell to my landlord."

**I don't have a choice but to come to work. I have no money in my pocket, I am running on loans from various places and I am desperate. If I don't come to work, then they can get rid of me or not pay me. Of course, I am worried about my life. Even poor people worry about their lives.**

—Joynal, Patriot Eco Apparels  
(supplying Mark's/Canadian Tire)

The government continued to extend the general lockdown throughout April. On April 23, however, it announced that factories could reopen with limited number of workers following safety protocols. Again, there was widespread confusion about whether or not factories would reopen, and when, and workers received mixed messages from their respective factory management. There was also no clear announcement as to whether

all workers, or only selected workers, would be paid for the month of April and onwards. Factories outside the capital resumed operation in a haphazard manner, without following the reopening schedule agreed upon by government officials, leaders of trade bodies of the garment sector, experts and economists at a meeting on April 25, raising fears of wider transmission of COVID-19 with tens of thousands of desperate workers returning to the industrial belts at the same time from all over the country.<sup>41</sup>

The decision to reopen the factories at the height of the pandemic, when other institutions, including public transportation, were still closed, was met with concern and criticism from labour rights and human rights advocates.<sup>42</sup> They pointed out that an overwhelming majority of the factories were not maintaining adequate safety protocols. Safety measures were limited to handwashing before

41 The Daily Star (May 1, 2020), *RMG units reopening haphazardly*. Consulted on December 11, 2020: <https://www.thedailystar.net/frontpage/news/rmg-units-reopening-haphazardly-1898434>

42 The Daily Star (May 8, 2020), *Infected RMG Workers: 'Half tested positive after factories reopened'*. Consulted on December 11, 2020: <https://www.thedailystar.net/backpage/news/infected-rmg-workers-half-tested-positive-after-factories-reopened-1900540>; Uddin, Jasim, Abu Sayem, Amir Hossain & Mostafizur Rahman (April 29, 2020), *Safety guidelines flouted at RMG factories*. The Business Standard. Consulted on December 11, 2020: <https://tbsnews.net/economy/rmg/safety-guidelines-widely-flouted-rmg-factories-74998>; The Daily Star (May 5, 2020), *Editorial: Is it safe to reopen RMG factories?* Consulted on December 11, 2020: <https://www.thedailystar.net/editorial/news/it-safe-reopen-rmg-factories-1899427>; Clean Clothes Campaign (April 2020), *Coronavirus and garment workers in supply chains*, Blog entry for April 2020. Consulted on December 11, 2020: <https://cleanclothes.org/news/2020/april-2020-covid19-blog>



entry and exit, and measuring of temperatures at the gate (in the case of bigger factories). Many factories did not even provide masks or sanitizers to their workers. Workers say it has been impossible to maintain social distancing in the factories, and that the sanitization of machines and products would require additional time and resources that the factories were not willing to spend.

The industrial zones in the outskirts of Dhaka were the hotbeds of the virus during this time. On April 29, only three days after factories reopened in the area, 150 people tested positive for COVID-19, out of 160 samples tested in 24 hours.<sup>43</sup> Workers were particularly vulnerable, especially as they had to enter and exit the Export Processing Zones and industrial areas in huge groups, increasing the risk of transmission.

Workers who were interviewed for this study stated that though they were worried about their safety and health, they were even more worried about the repercussions if they did not join the workforce. Almost all had run out of money since it was the end of the month, and were desperate for any assurance that they would be paid for the month of April and onwards.

"I don't have a choice but to come to work. I have no money in my pocket, I am running on loans from various places and I am desperate. If I don't come to work, then they can get rid of me or not pay me. Of course, I am worried about my life. Even poor people worry about their lives," says Joynal, who works at Patriot Eco Apparels (supplying Mark's/Canadian Tire). "My elderly parents live with me. I have heard on the news that it infects elderly people so I worry about them."

"Have you ever seen a factory? Do you know how the production process works?" reports Mita, who works in the Finishing Section of Youngone Ltd. (supplying Lululemon) "I have to pass on my work to my colleague, who sits less than a foot away from me, every few minutes... do you think they give us time to wash our hands every few minutes? I have to meet my production targets. People are falling sick left and right, but the management is not telling us the truth. They tell us not to worry and get back to work, but who is disinfecting the machines? What about the other workers who are carrying the disease but who haven't fallen sick themselves?"

On May 4, the government announced that workers would be paid 65% of the wages for the month of April.<sup>44</sup> Subsequently, protests broke out in the industrial belts, as agitated workers took to the streets to express their demand for their full salaries.<sup>45</sup> In some cases, protests turned violent when police threw tear gas and fired rubber bullets towards workers or as workers hurled bricks and stones towards the factories and the police.

Workers across the board were disappointed and frustrated by the decision to cut their wages, especially as many are already in debt. "I haven't got the salary for last month and we are living off of scraps right now. The last of my wife's salary from March has been spent. Now they're saying they'll pay us 65%...

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43 Shamima, Rita (April 28, 2020), *Coronavirus: 150 test positive among 160 tested in Narayanganj*. Dhaka Tribune. Consulted on December 11, 2020: <https://www.dhakatribune.com/health/coronavirus/2020/04/28/coronavirus-150-test-positive-among-160-samples-tested-in-narayanganj>

44 United News of Bangladesh (May 4, 2020), *Workers of shut RMG factories to get 65pc salary for April*. Consulted on December 11, 2020: <https://unb.com.bd/category/bangladesh/workers-of-shut-rmg-factories-to-get-65pc-salary-for-april/51098>

45 The Business Standard (May 11, 2020), *RMG workers hold demo, demand full April salary*. Consulted on December 11, 2020: <https://tbsnews.net/economy/rmg/rmg-workers-protest-dhaka-ctg-demanding-100-wages-april-79585>

I don't know what's going to happen. That's less than 6,000 (\$94) and half of that goes straight towards rent. Tell me, what's possible to buy with 3,000 taka (\$48) here? Everything costs an arm and a leg. We'll have to live off of rice and lentils for the rest of the month. God forbid, if any of us, or my child, falls sick, how would I afford treatment? I won't be able to even afford rickshaw fare to take him to the hospital. Who will lend me money in this crisis?" said Kamrul from Eurotex (supplying Hudson's Bay Company) during an interview in May.

Sokhina, from Safaa Sweater Ltd. (supplying Nygard and Joe Fresh/Loblaws), says that she is stuck in her village and terrified of what's going to happen. "They asked those who are in the villages to stay here, and not go back. But now I am hearing that they are only paying 60% to workers who didn't work. But no one knows what will happen next month. Will they even pay us anything? I am

## IMPACT OF **COVID-19** ON **GARMENT WORKERS**



**80%**  
**of women**

say it is **difficult to feed**  
everyone in their household.



**July 2020  
survey of  
1,057 workers**



of workers report  
**lower income** in  
April & May than in  
February 2020

Rabbani Atonu, Sanchita Banerjee Saxena, Md Faizul Islam (September 2020), The Impact of COVID-19 on the Lives of Workers in the Bangladesh Garment Industry, Research Brief, Centre for Entrepreneurship Development (CED), BRAC University (Dhaka), p. 2. Consulted on December 11, 2020: [https://chowdhurycenter.berkeley.edu/sites/default/files/shared/docs/CC-BRAC\\_Covid.pdf](https://chowdhurycenter.berkeley.edu/sites/default/files/shared/docs/CC-BRAC_Covid.pdf)



◀  
Sigma Fashions factory  
(supplying Joe Fresh/  
Loblaws), Dhaka,  
December 2020.  
Photo: BCWS

desperately trying to find a way to go back, but I don't know how much money I would need. My two children live here with my mother, they depend on my salary. Even if I take half of my salary, maybe I'll have to spend most of it on the road. How will I rent a room before Eid? What if I lose my job if I can't go back? I feel like I'm going mad."

## Layoffs and Terminations

As orders from global brands reduced drastically, tens of thousands of workers were laid off or forced to resign from March onwards. According to the Department of Inspection for Factories and Establishments (DIFE), as of July 10, over 26,110 workers had been dismissed, 14,132 laid off, and 155,010 workers retrenched since the onset of COVID-19.<sup>46</sup> A study published by the Bangladesh Institute of Labour Studies in August revealed that 1,915 ready-made garment factories had declared layoffs and that 324,684 workers had become unemployed during the pandemic. Citing data from DIFE, the labour institute also stated that some 26,500 garment workers have been fired by 87 factories without following the provisions of labour laws since the outbreak of the novel coronavirus in the country.<sup>47</sup> BGMEA, however, rejected these statistics, claiming that the numbers were "exaggerated and misleading."<sup>48</sup> However, it could not provide a comprehensive list of laid off or terminated workers.

As this publication goes to print, the trade unions have not been able to compile a consolidated list of affected workers, but they say that many of the workers

<sup>46</sup> Sushmita Preetha (July 24, 2020), *Opinion: Ethical business is not a one-way street*. The Daily Star. Consulted on December 11, 2020: <https://www.thedailystar.net/opinion/the-sound-and-the-fury/news/ethical-business-not-one-way-street-1935149>

<sup>47</sup> New Age Bangladesh (August 27, 2020), *3.24 lakh RMG workers lose jobs amid virus outbreak*. Consulted on December 11, 2020: <https://www.newagebd.net/article/114705/324-lakh-rmg-workers-lose-jobs-amid-virus-outbreak>

<sup>48</sup> Refayet Ullah Mirdha (August 30, 2020), *Misleading, exaggerated, data*. The Daily Star. Consulted on December 11, 2020: <https://www.thedailystar.net/business/news/misleading-exaggerated-dated-1953277>



did not receive full compensation in accordance with the country's labour laws. A significant portion of them did not receive anything at all or only received a fraction of their owed wages, severance and other dues. Given the sheer scale of the violations and the limited scope in which courts and unions are operating during the pandemic, an overwhelming majority of workers have no recourse but to accept their fate.

Workers in the industrial belts claim that in many cases, factories forced them to resign rather than dismissing them, which robbed them of their termination benefits that could have helped them go through the depressed economy for at least a couple of months. In March and April, factories by and large forced workers with less than a year of experience to resign, paying them only the running months' salary. In June and July, factories overwhelmingly targeted pregnant workers, according to labour activists, media reports and our own investigation.

**Workers in the industrial belts claim that in many cases, factories forced them to resign rather than dismissing them, which robbed them of their termination benefits that could have helped them go through the depressed economy for at least a couple of months.**

Morjina, a helper from Eurotex (supplying Hudson's Bay Company) says she, along with all the helpers in the production line, were both asked to resign on March 25 before the government declared the "general holiday."

"They asked all of us to resign voluntarily saying there wasn't enough work for us. We said we wouldn't resign since we know if we resign, we don't get our full benefits, and pleaded with them to keep us. But they gave us our month's wages and simply kept our ID cards. They won't give us any benefits or money from my earned leave. This is it. My husband, who also works at the factory as a loader, still has a job. I don't know what I will do now. There

are no jobs anymore and the government benefits I hear of, I don't know if that is for us. There is no way for us to run the family on one person's salary, especially when the cost of everything is escalating daily."

A couple who used to work at Sigma Fashions Ltd. (supplying Joe Fresh/Loblaws) lost their jobs in April. They were not the only ones. Initially, the management had announced that the factory would lay off workers in April and May. However, on April 25, they put up a notice stating that they were terminating 800 staff, 709 of whom were workers on the production floor in non-management positions. "They (factory management) put up a notice, and that was it. Initially, they didn't even give us any money. We started protesting for our wages, and finally they asked us to come collect our dues on May 1. My salary is 10,000 taka (\$156) without overtime, and my husband earns the same amount. We both got 9,000 (\$140) each. I had been working there for 3 months and my husband for 7 months, so we didn't get any additional amount. We are living on the money we collected, but this is not going to last us more than a month, maybe two at most. Besides, my husband sends money to his family every month, and I also send money to mine," says Nurun-Nahar.



Garment workers gathering at their factory's entrance in Dhaka, following the initial COVID-19 lockdown, May 2020.

Photo: Anisur Rahman





“The government has not given us anything. No one but you have called us or spoken to us in all this time. If at least one of us had a job we could survive, but with both of our jobs gone, what are we going to do? No one’s hiring... everyone’s getting rid of people, or will get rid of people in the near future. Our management hasn’t told us if, or when, they will take us back. Maybe we’ll have to give up our lives here and go back to the village, but even there, what would we do? What would we eat? Our families are already starving back there.

On September 1, over 400 workers were let go from their jobs at The Rose Dresses and sister corporation, Islam Garments (supplying Nygard). According to labour unions, 197 of these workers were terminated under Section 26<sup>49</sup> of the Bangladesh Labour Act, while another 215 workers were laid off under Section 20.<sup>50</sup>

**Now, with the threat of unemployment looming over their heads, union activists are more vulnerable than ever and are being targeted even if and when they stay silent.**

“At first they said the factory was going to be closed for 10 or 11 days because there weren’t enough orders. Then our supervisors called us and said that we had been let go. There was no explanation, no opportunity to ask for any further details. I don’t even know whether I was laid off or terminated. I just received 55,000 taka (\$857)

in my mobile banking account. I did not get a breakdown of the amount. I have worked at the factory for five years. There is police in front of the factory and there’s no way for us to get in. No one will speak to us or tell us anything more,” says Jahirul, who worked at the factory as an operator, and was also involved with Garments Sramik Samhati, a union federation.

Workers allege that management in different factories are targeting vocal workers and union members during COVID-19. The pandemic seems to have provided a blanket opportunity to weed out those considered “troublemakers” by factory management, union leaders, members and workers who raise their voices against violations in general. Union busting and harassment and retaliation against dissenting workers have been part of a long tradition in the RMG sector. Now, with the threat of unemployment looming over their heads, union activists are more vulnerable than ever and are being targeted even if and when they stay silent.

According to workers and labour leaders interviewed, a majority of the workers fired or laid off in The Rose Dresses (supplying Nygard) are members of BGIWF, a national federation which is in the process of submitting its union registration to the Registrar of Trade Unions. Kaosar, a worker advocate, claimed he was forced to resign by factory management because he used to raise workers’ concerns in the factory. “First, they terminated 197 workers, and then they laid off 215 workers a week later. My name was not on the list, although the names of some of my colleagues in the committee were. After a few days, the General Manager called me into his office and told me to resign. I asked why I would resign if I had

49 Section 26 of the Bangladesh Labour Act allows an employer to terminate the employment of a worker for convenience. Under this section, an employment of a permanent worker can be terminated an employer by giving him a notice in writing of 120 days if he is a monthly rated worker and 60 days in case of other workers.

50 Section 20 of the Bangladesh Labour Act states that in case of redundancy, any worker can be retrenched from the company. In order to retrench a worker who is working in the company for at least 1 year, 30 days’ notice needs to be given to the concerned worker. In addition, the worker is entitled to receive compensation at the rate of 30 days’ wages for each completed year of service.

done nothing wrong, but he threatened me, saying that the factory belonged to the mayor of Dhaka. Did I really think I could stay in this area with my family if I refused to comply? 'If you don't resign, you'll regret it,' he said. I was scared, because I know how powerful these people are and what they can do to me and my family if they really want."

Workers from Ananta Garments (supplying Joe Fresh/Loblaw's), also allege that the management was taking a hardline against workers who were raising concerns about labour violations or placing demands about wages and/or benefits.

A worker at Ananta says she, along with 19 other workers from the sample section, was fired in May for demanding that the management pay their Eid bonuses in full. Section 111(5) of the Labour Rules 2015 makes it obligatory for employers to pay two festival bonuses in a year, which must be given to employees who have completed at least a year of service in the establishment. However, citing the pandemic and drastic fall in orders, the factory owners' association proposed paying workers 50% of their basic salaries as Eid bonuses and accordingly most factories, including Ananta, paid workers half of what they would otherwise be entitled to.<sup>51</sup>

"We got only 60% of our salary in April. Most of us were already in debt and needed the Eid Bonus just to clear our dues, forget buying new clothes for the kids or cooking something fancy. There was no overtime in May and we desperately needed the money, so I joined in the demand that we get full bonuses. The management told us to take half the bonus now, and that they

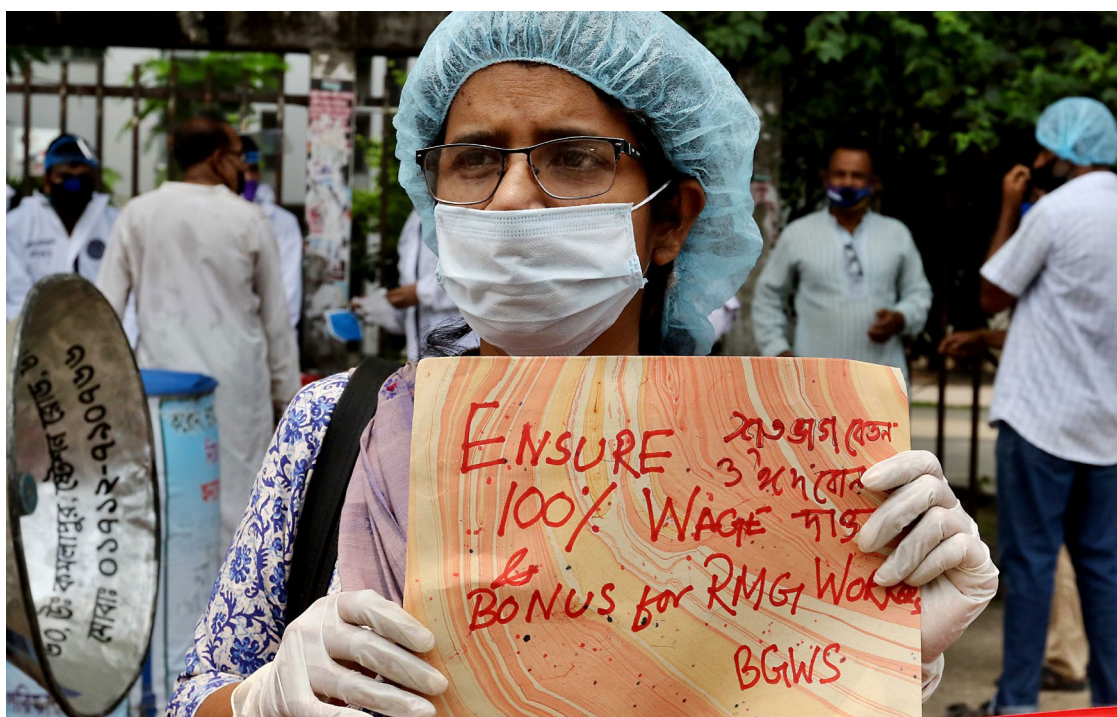


A garment worker protesting for her wages to be paid in full following the initial COVID-19 lockdown in Dhaka, May 2020.

Over the past decades, protests for higher wages in Bangladesh have been met with increasingly ruthless crackdowns on workers and labour activists.

Photo: Anisur Rahman

51 Refayet Ullah Mirdha (May 15, 2020), *RMG owners want to give worker's half pay as bonus*, The Daily Star. Consulted on December 11, 2020: <https://www.thedailystar.net/backpage/news/rmg-owners-want-give-workers-half-pay-bonus-1902760>



would give the other half later, but we responded we wanted the bonus in full after the holidays, if they are unable to pay it now. On May 21, which was a Thursday, the management told us to go collect the payment on Friday. Politicians and powerful people affiliated with the ruling party also warned us not to create any trouble. On Saturday, goons came to our houses and told us to give in and take the money. So finally we caved in and took the money a day before Eid.

The factory reopened on May 27, after the Eid holidays, but 20 of us were not allowed to go in. They took 2 of us inside at a time, handed us 60,000 taka (\$935) and told us to get lost. I have been working there since 2005. I have done the calculations and know that I am entitled to around 298,000 taka (\$4,650), including 14 basic salaries, money from 40 days of earned leave, my salary for May, etc. I told management but the General Manager and Operations Manager told me there was no way they would give me so much money, and to take it or leave it. They told me they had an agreement with the police against unnamed workers that if we caused any trouble, they would hand me over to them. There were 8 to 10 industrial police outside the factory, so I didn't see any option but to leave."

Since then, he has filed a complaint with the Department of Factories and Establishment, Ministry of Labour and Employment, the BGMEA and the Accord. He has yet to receive a satisfactory answer from any of these bodies.

Workers in all factories say they are afraid to raise concerns with factory management as they are afraid they will be targeted next if they do so. "It's really difficult to put up with the harassment and the torture by supervisors in the name of 'efficiency' and 'targets', but I know if I say too much, then I'll be in the line of fire. Everyone feels the same way, so it's harder to collectively raise a demand. No one wants to risk their job in this climate," says a worker from Eurotex (supplying Hudson's Bay Company). "Management can get away with anything now."

## **Global Outcry Demands Responsible Brand Behaviour**

The upheaval in the RMG sector caused by the cancellation of orders by global brands, and the severe impact on workers, quickly led to an international outcry. Many (but not all) global brands responded to the campaigns of labour rights advocates and trade unions by reinstating orders and honouring contracts. The main demand of trade unions has been that brands and governments take immediate action to ensure that workers' incomes are protected throughout the pandemic and crisis, and that workers who remain employed are able to work safely.

Canadian brands were among those who were reported by the BGMEA to have cancelled and delayed orders. What have Canadian brands said about cancelled orders and about support for workers' incomes at time of crisis? A review of material available on the brand's websites shows that in general, there has been a resounding silence from many Canadian brands. To their credit, several Canadian brands have responded. Canadian Tire has said that it has not cancelled any



orders, although it has not made any statement regarding income support for workers.<sup>52</sup> Lululemon committed to pay for orders completed or in production, and endorsed the ILO Call to Action on the garment industry.<sup>53</sup> Arc'teryx (headquartered in Canada, but owned by a Finnish company) has also said that through its European parent it endorsed the ILO Call, paid full price for goods in transit or production, and contributed emergency funds to Bangladesh's AWAJ Foundation.<sup>54</sup>

Notwithstanding the public statements (or lack thereof) and commitments by Canadian brands, the interviews conducted for this research leads to one inescapable conclusion: workers working in factories supplying Canadian brands felt abandoned in the crisis, with no help coming from their employers or from Canadian brands. Workers continue to fear for their jobs, their livelihoods, and their ability to feed their families. In the context of hyper-insecurity worker rights are further at risk at the hands of management, who in some cases are using the crisis as a pretext to terminate worker activists and union supporters.

52 Canadian Tire Corporation Limited (2020), *Our Response to COVID-19*, Consulted on December 11, 2020: <https://corp.canadiantire.ca/English/COVID19/default.aspx>

53 Lululemon (2020), *COVID-19 and our Supply Chain*, Consulted on December 11, 2020: [https://pnimages.lululemon.com/content/dam/lululemon/www-images/Footer/Sustainability/COVID19\\_statement\\_supply\\_chain\\_update\\_91220.pdf](https://pnimages.lululemon.com/content/dam/lululemon/www-images/Footer/Sustainability/COVID19_statement_supply_chain_update_91220.pdf)

54 Arc'Teryx (2020), *The path is made by walking it*, Consulted on December 15, 2020: <https://blog.arcteryx.com/covid-response/>



Garment workers protesting to be given their jobs back, Dhaka, August 2020.

Photo: Anisur Rahman







# Conclusion and Recommendations

The poverty-level wages of Bangladesh's garment sector are well known and well documented. The central question for this report was whether Canadian brands sourcing from Bangladesh stood apart from their peers.

The interviews conducted for this report show that the wages paid to the women and men who make clothes for Canadian brands are not enough to make ends meet. The garment factories supplying Canadian brands pay wages that trap workers in poverty, no matter how hard they work. The interviews lead to the inescapable conclusion that when it comes to workers' wages, Canadian brands do not distinguish themselves from their global peers.

**It is time for Canadian brands to publicly acknowledge that they have a responsibility for workers employed in their supply chains and to make credible commitments to paying living wages not only in Bangladesh, but throughout their global supply chains.**

Unlike leading global brands, Canadian brands have up to now been largely silent on their responsibility to respect the human right of workers to decent work throughout their supply chains. It is time for Canadian brands to publicly acknowledge that they have a responsibility for workers employed in their supply chains and to make credible commitments to paying living wages not only in Bangladesh, but throughout their global supply chains.

For years, Canadian brands have benefited from the global power imbalance between

buyers and suppliers in the garment sector, and from repression of worker rights in supplier factories. The global garment industry has been defined by the corporate race to the bottom. And workers, including the women and men who make our clothes in Bangladesh, have suffered the most from this situation — only made worst with the COVID-19 pandemic.

The upheaval of the COVID-19 pandemic demands an immediate response. The independent trade union federations representing garment workers in Bangladesh, together with their global allies, are urgently calling for *wage assurance* supports that will ensure all workers in the supply chain who were employed at the start of the crisis receive wages and legally mandated severance, and for the establishment of a *Global Severance Guarantee Fund* funded by a price premium paid by brands on future orders.<sup>55</sup>

Finally, commitments by Canadian brands to paying living wages must ultimately be expressed through legally binding agreements between brands and trade unions for a price premium or contribution toward living wages on every garment purchased. The payment of living wages is so fundamental to the lives of garment workers that the implementation of company promises cannot depend on corporate good will or unenforceable policies.

The women and men who make our clothes deserve living wages now; it is a question of human dignity. Canadian brands that want to make a difference can act immediately.



Garment workers on their way to work, Dhaka, December 2020.

Photo: BCWS

<sup>55</sup> See Clean Clothes Campaign #PayYourWorkers Campaign: <https://cleanclothes.org/campaigns/pay-your-workers/covid-19-wage-assurance>











▼  
A Dhaka street during rush  
hour, May 2020.  
Photo: Anisur Rahman





