
The Impact of the Covid-19 Pandemic on the Livelihoods of Bangladeshi Garment Workers

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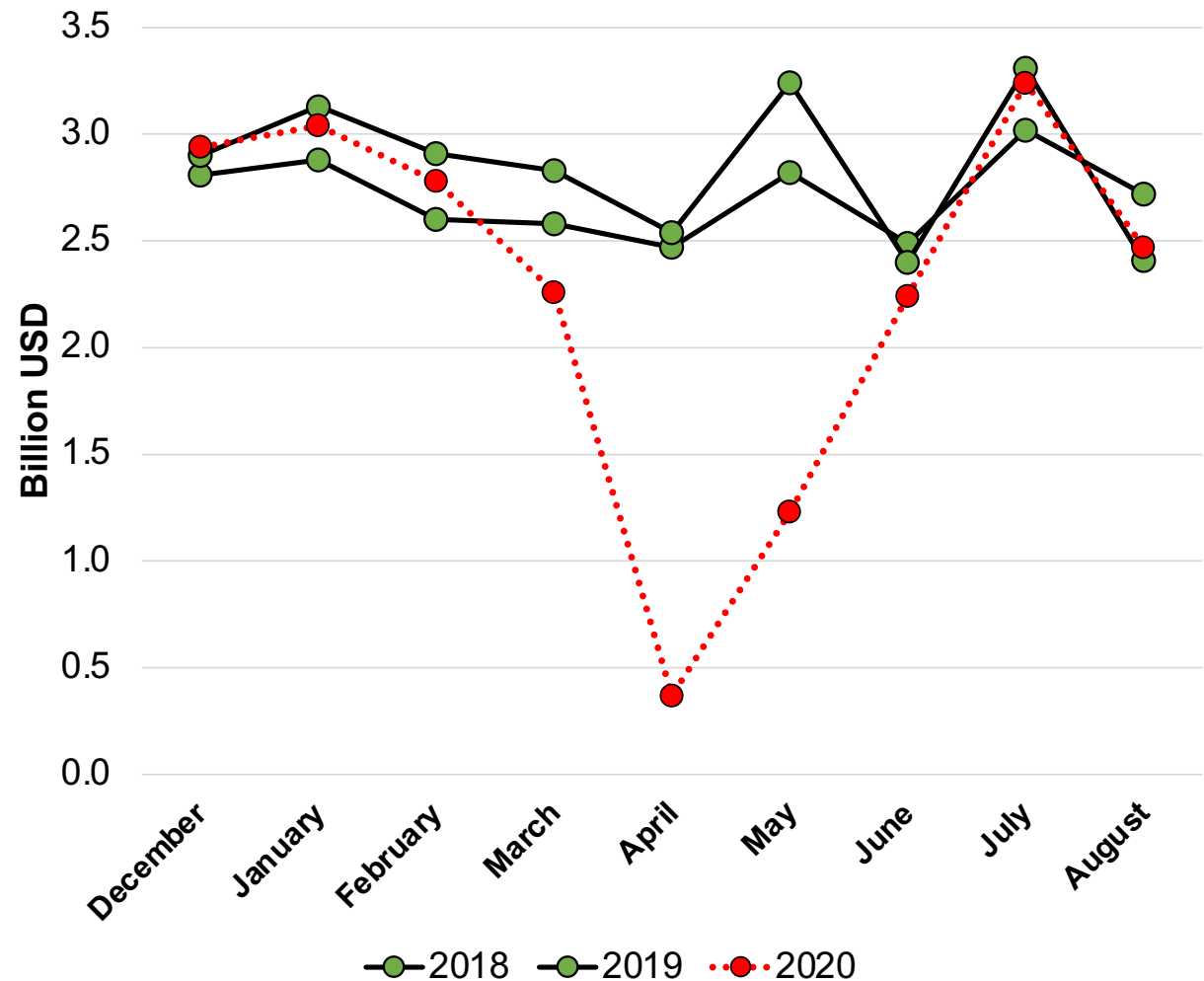
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June 28, 2021

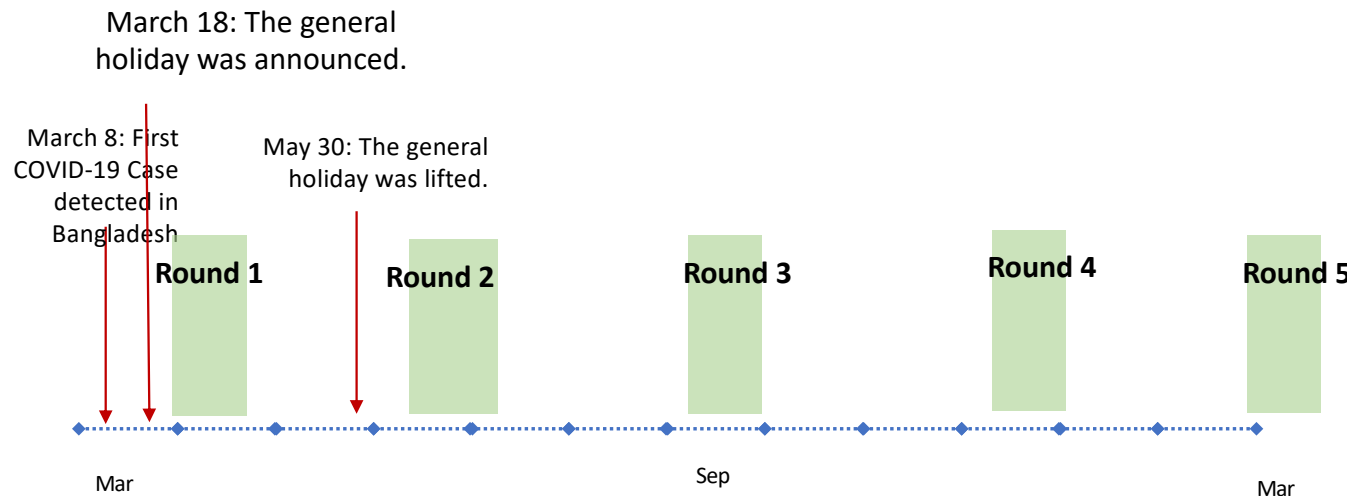
Background

- The ready-made garment sector has been pivotal for growth and development of Bangladesh.
- It employs about 4m workers, about 65% women.
- COVID-19 had a sharp and severe impacts on the sector; however, it also bounced back.
- In this backdrop, we carried out, so far, five rounds of surveys of about 2100 workers to understand short to mid-term impacts of the pandemic on the RMG workers.



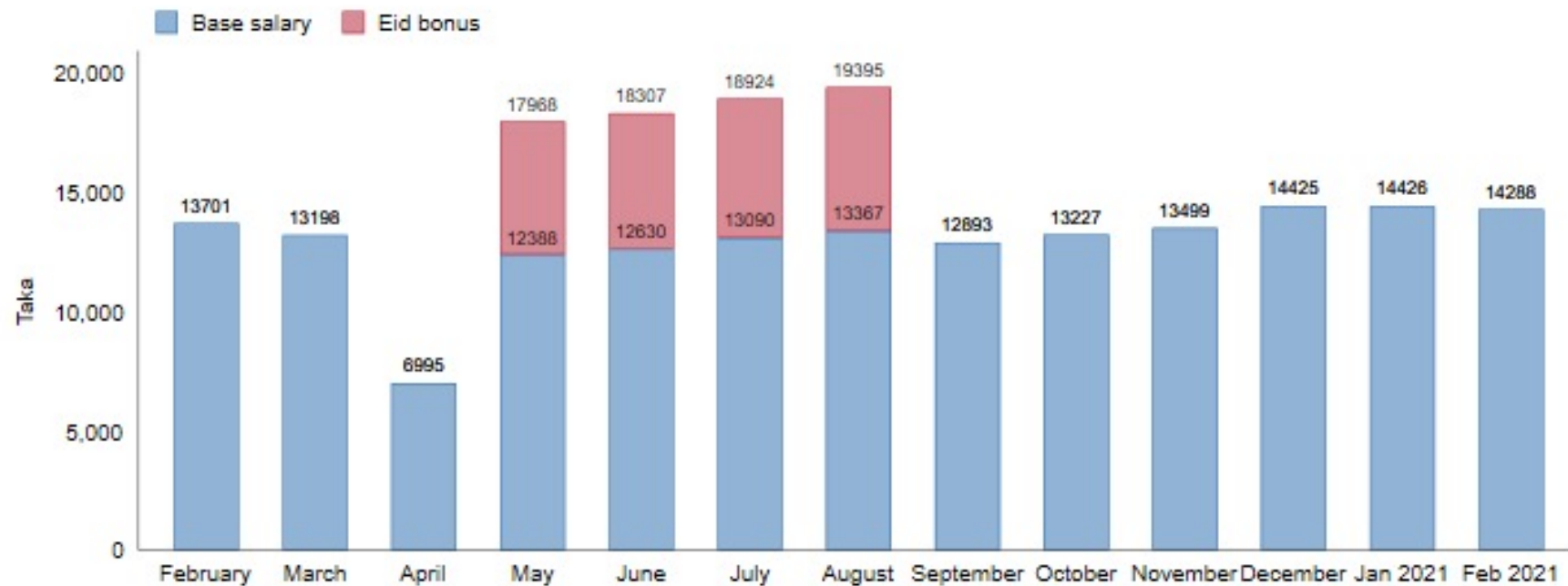
Brief description of the surveys

- Bangladesh reported the first case on March 8 and announced a general holiday on March 18, which ended on May 30.
- We have carried out five rounds of phone surveys.
- Sampling frame:
 - 9,336 workers from multiple projects over the last 5 years
 - Randomly drawn 4,000 workers (imposing further stratifications)
 - Round 1 included 2,112 respondents and they are followed in later rounds.
 - Data today mostly from 1,173 non-managers employed in RMG at end Feb 2020.



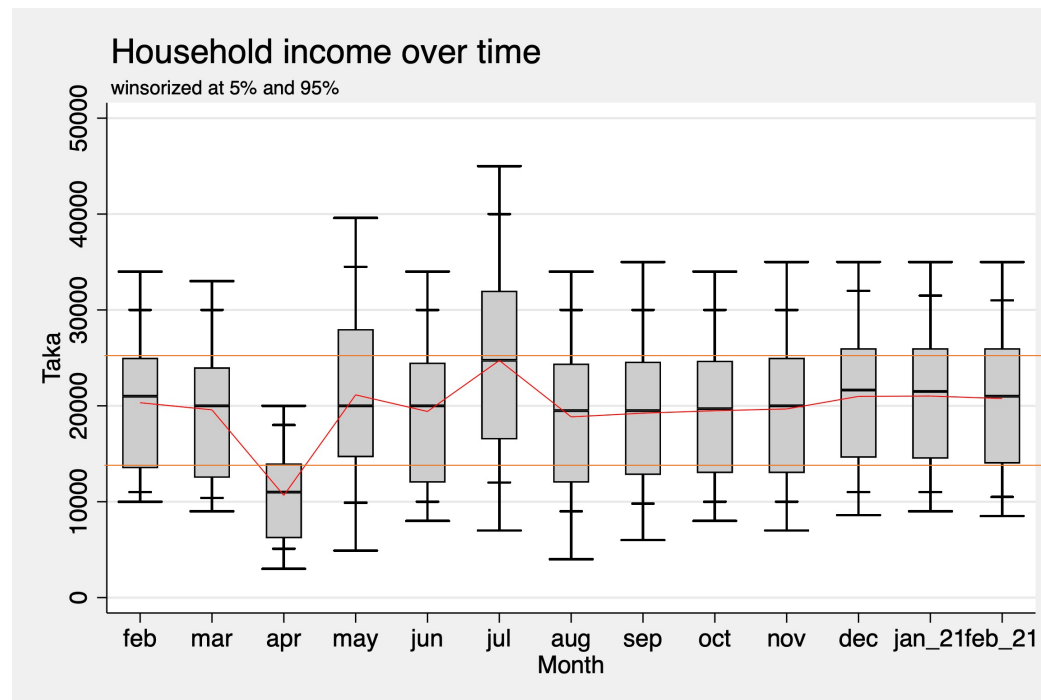
Finding 1: Income from RMG

- Base salary was halved in April.
- Factories did not have any mass lay-offs and provided some salary support (at the behest and with support of the government).
- Base salary came *almost* back to the pre-COVID level by May.



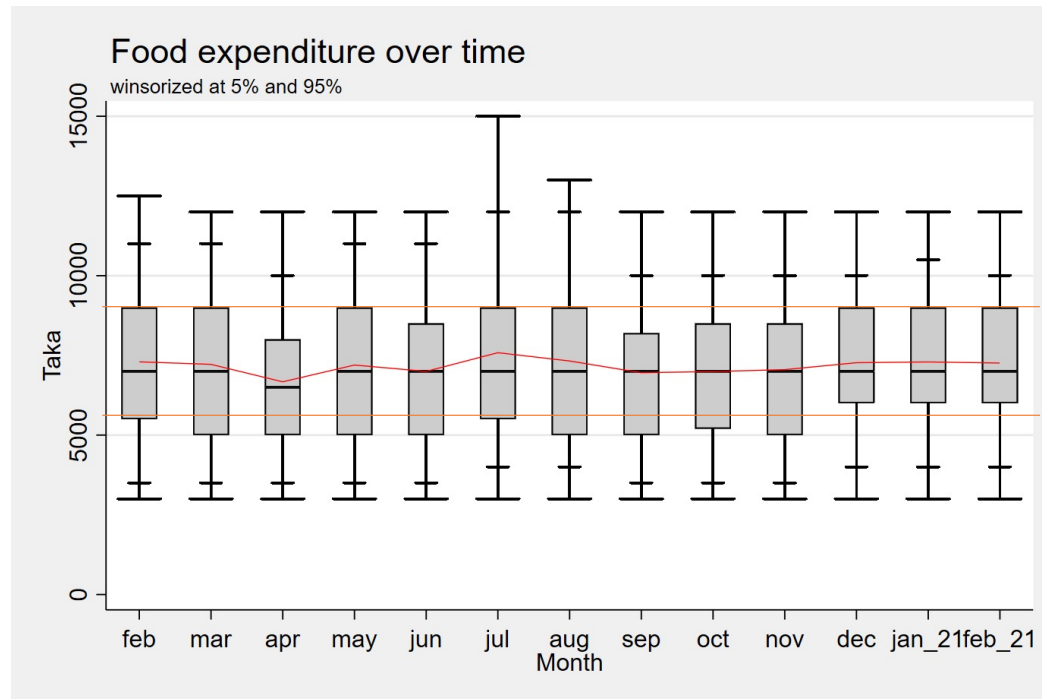
Finding 1a: Total household income

- Pattern generally follows RMG wages
- Fall in April 2020, recovery in most of the distribution after that.
- Bottom quartile takes longer to recover, and bottom decile does not recover fully.



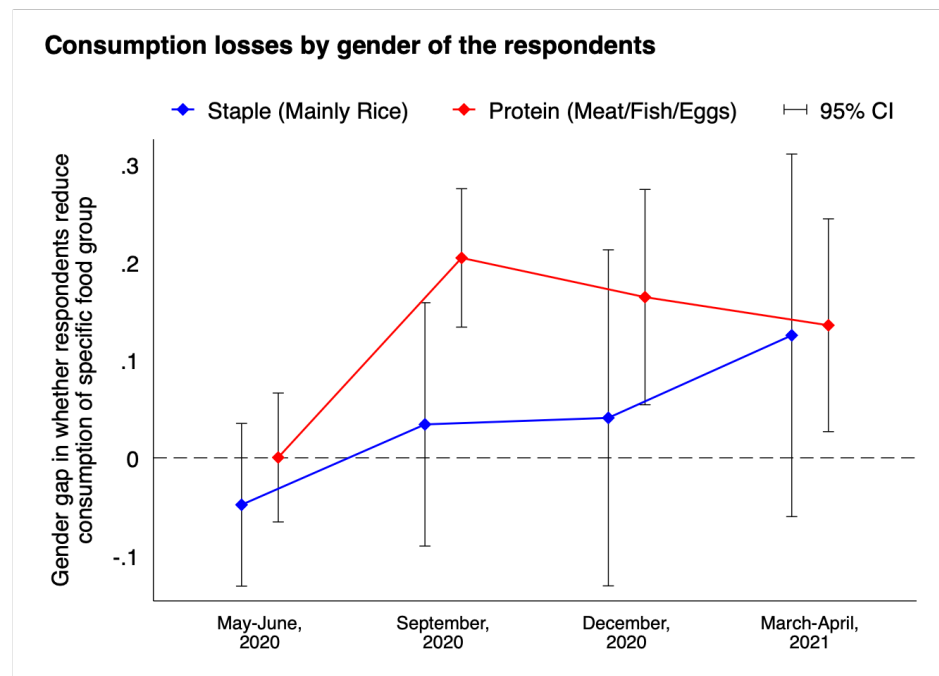
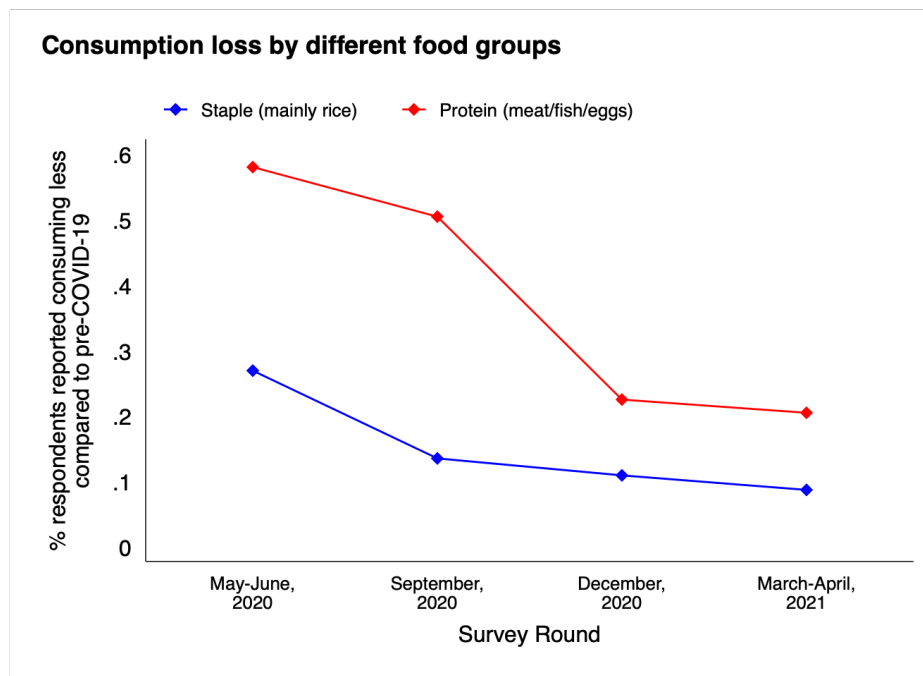
Finding 2: Food consumption

- Dip in April is smaller
- Flat at the median, but again the bottom quartile remains below Feb 2020 until December



Finding 2a: Food consumption.

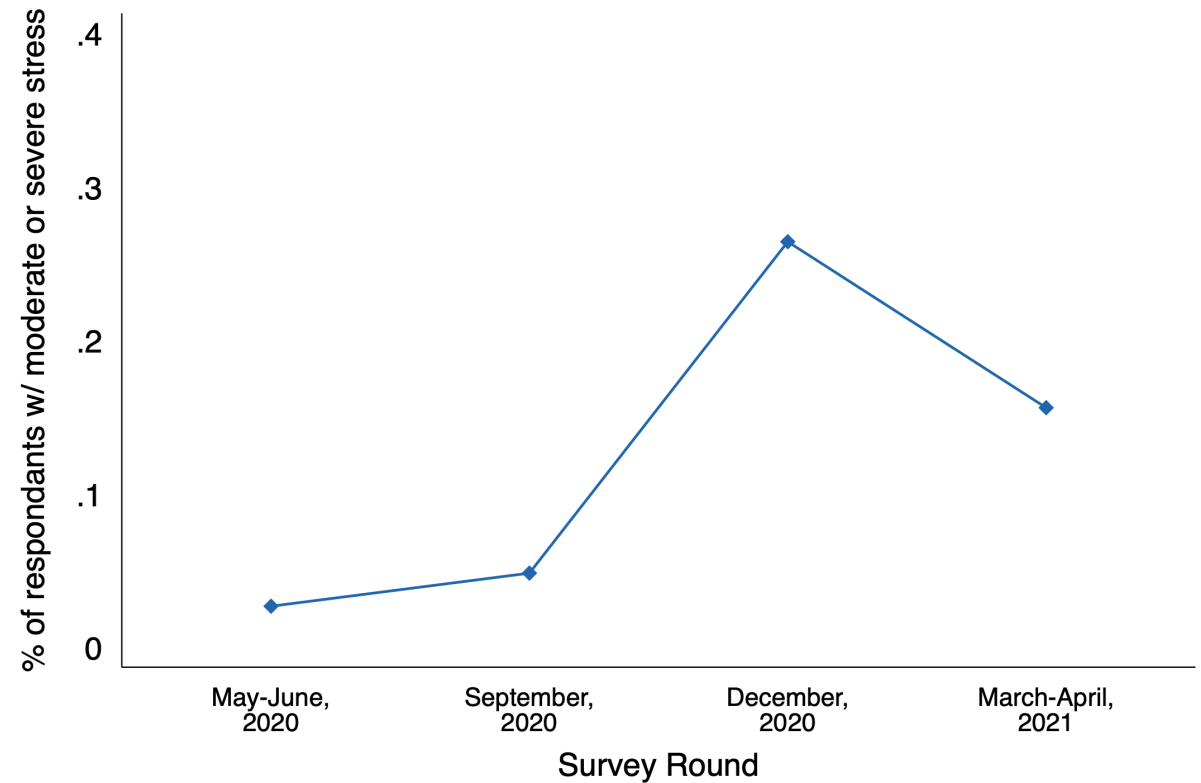
- Consumption cuts particularly pronounced in proteins.
- Within households, the cuts were initially across the board, but then concentrated among women.



Finding 3: Anxiety

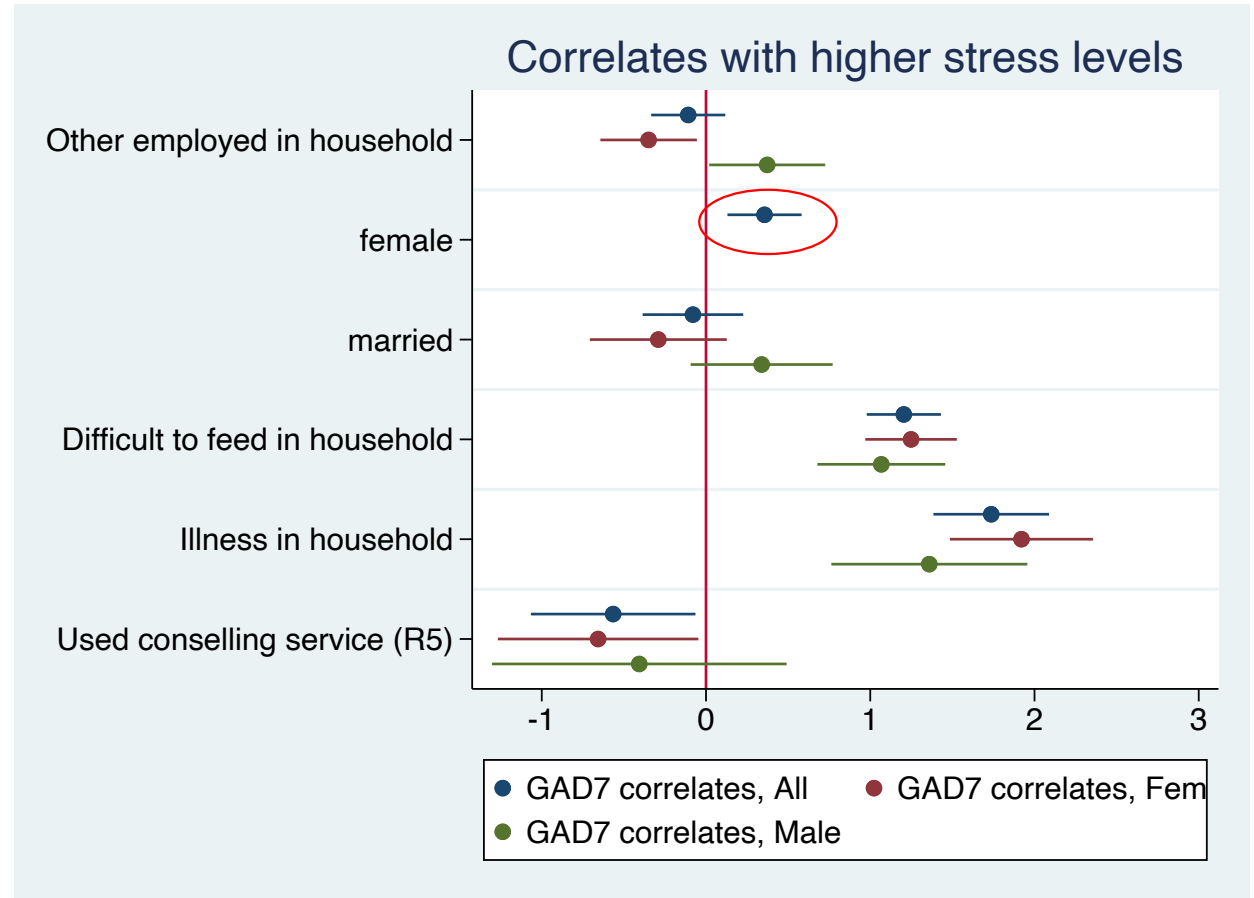
- Measured by the GAD-7 scale, stress increased notably in late 2020.
- There are several factors contributing to stress levels at the individual level, particularly:
 - Worrying about having enough income to feed family
 - Illness in the household

Trend of moderate or severe stress



Finding 3: Anxiety Regression Results

- Women reported higher levels of anxiety from December, though not before
- Having a sick family member is very highly correlated with anxiety
- Concern about having money to feed the family is stress-related factor across all rounds
- We are piloting a telephone-based counseling intervention, with some very preliminary positive results.



Takeaways

- Production, employment, income, and consumption suffered sharply in April, but returned to a more normal level almost immediately.
 - Income returned to about 90% of the pre-pandemic level within a couple of months, and to pre-pandemic levels by the end of 2020.
 - However, stress levels have increased over time
 - For females, who also bear a disproportionate share of the cuts in household consumption.
 - For households where feeding members is more difficult, and with illness
 - Telephone-based counseling service shows some promise (preliminary) in reducing stress levels.
 - One further survey round, following additional encouragement for counseling.
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