

CASUALTIES OF FASH!ON

HOW GARMENT WORKERS IN BANGLADESH
AND CAMBODIA ARE WEARING THE COST
OF COVID-19



act:onaid



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Front cover: Front cover: A women garment worker producing clothes in a factory in Bangladesh during the Covid-19 pandemic. © Eyepix Group/Alamy

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Founded in 2011, the Cambodian Alliance of Trade Unions (CATU) is the first independent union in Cambodia that is led by women and adheres to democratic principles at all levels of the union structure. CATU was formed through a collaboration between CATU union leaders and workers in the garment sector and the union now represents workers in textile, garment, footwear, travel goods and bag producing factories across Cambodia.

Since its formation, CATU has assisted tens of thousands of workers in receiving higher benefits, moving off short-term contracts and into permanent employment, and improving health and safety conditions in workplaces. CATU has also helped thousands of workers, including those discriminated against for pregnancy or trade union activities, to be reinstated with full backpay. During the pandemic, CATU has provided crucial support to its members in the textile, garment, footwear, travel industries who have been impacted by COVID-19.



Dhaka, Bangladesh. 25th Apr, 2021. Garment workers on their way home after finishing their work. ©: Pacific Press Media Production Corp./Alamy

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1. EXECUTIVE SUMMARY

The COVID-19 pandemic plunged the fashion industry into turmoil, as supply chain disruptions and store closures threatened the profits of the world's biggest brands. The response of the fashion industry was abrupt. International brands took immediate action to cut costs – cancelling and delaying billions of dollars of clothing orders from factories in countries like Bangladesh and Cambodia. At the other end of the supply chain, mass layoffs pushed garment workers into crisis as poverty and hunger grew.

Nearly two years on, while many fashion brands have returned to profitability, the situation for garment workers remains dire and the road to recovery long. Through interviews with over 200 garment workers in Bangladesh and Cambodia, this report provides evidence of the daily realities for the mostly women

workers in the sector, who have been left wearing the cost of the COVID-19 pandemic.

It is an urgent reminder that the decisions made by fashion brands in Australia, and other wealthy countries, have very real consequences for the workers toiling day in day out in garment factories around the world. When their profits were on the line, the response from fashion brands was swift, and the consequences for garment workers catastrophic. With the pandemic shining a new light on an industry already plagued by exploitation, it is beyond time for fashion brands to take real action to provide fair wages and decent working conditions for the women making their clothes.

ActionAid Australia, a global women's rights organisation supporting garment workers on the

frontlines of this crisis, is calling on the Australian fashion industry to take responsibility for the wages and working conditions of garment workers in their supply chain and commit to building back better after the pandemic. To do this, brands must:

- Publish and maintain a complete list of supplier factories they source from;
- Publicly commit to delivering a living wage for all workers in their supply chain; and
- Negotiate directly with unions on an enforceable agreement on wage assurance and a severance guarantee fund to ensure that all workers employed during the COVID-19 crisis receive their full salaries and/or severance payments.

KEY FINDINGS

218 GARMENT WORKERS INTERVIEWED ACROSS 2 COUNTRIES AND 30 FACTORIES

Bangladesh

99% interviewed were women

Cambodia

86% interviewed were women
12% were men
2% were transgender



Almost all garment workers are not earning enough to cover basic living costs for themselves and their families



Hunger is on the rise as workers struggle to buy food for their families



Garment workers have been forced to take on more debt just to cover basic household costs



Workers were forced to put their health at risk due to the high rates of COVID-19 in garment factories



ABOUT ACT!ON AID

ActionAid is a global women's rights organisation that empowers women on the frontlines of injustice to mobilise and transform their communities. The organisation provides resources, technology, and training to support women to amplify their voices, fostering leadership and campaigning for local, regional, and global change.

ActionAid Australia launched the She Wears the Cost Campaign in 2021, in response to the persistent exploitation of women workers in the global garment industry. ActionAid works with women garment workers in Bangladesh and Cambodia, and advocates for Australian and International brands to step up and uphold the rights of the women who make their clothes.

In Bangladesh, ActionAid Bangladesh supports nine Workers' Cafés in Dhaka and Chattogram for women garment workers that are employed in Bangladesh's readymade garment industry. The Workers' Cafés are an innovative approach to strengthening women's rights that provide women workers with a space for relaxation and recreation alongside an information sharing and support service. Workers





can access the Cafés to acquire knowledge about labour laws and workers' rights, receive legal advice about employment issues, including in the case of workplace violence and sexual harassment, and participate in training to build their negotiation, dispute resolution and leadership skills.

In Cambodia, ActionAid Cambodia works in solidarity with labour alliances to advocate for labour rights across Cambodia, including for the protection of the right to freedom of expression and association, and collective bargaining. ActionAid Cambodia advocates for legislative reforms, in line with international labour rights standards, that uphold women's labour rights including the right to freedom from violence and harassment in the world of work, and to have access to maternity leave and benefits. ActionAid Cambodia also works to improve gender responsive public services and social protection.

In Australia, ActionAid brings together activist groups in 5 states around the country, and an online supporter base of more than 60,000 people, to call on Australian and international brands to support garment workers in their supply chains during the pandemic by honouring contracts and ensuring that garment workers are paid their full wages and severance entitlements. Beyond this, ActionAid Australia is campaigning for Australian and international brands to improve supply chain transparency, ensure labour rights are upheld by suppliers and pay garment workers a living wage.

The COVID-19 pandemic continues to have a devastating impact on garment workers around the world. With job cuts, wages slashed and rights at work under threat – garment workers have been pushed further into poverty, hunger and debt.

Despite the hardship over the past two years, garment workers are continuing to advocate for better wages and decent working conditions. ActionAid is proud to support these efforts in Bangladesh and Cambodia.

ActionAid Australia will continue to campaign to ensure garment workers are not left wearing the cost of the pandemic, amplifying the voices and demands of those on the frontlines of injustice. In solidarity with garment workers, we call on Australian brands to uphold workers' rights across their supply chains and commit to paying all workers a living wage.

Michelle Higelin, Executive Director,
ActionAid Australia.

2. INTRODUCTION

When the COVID-19 pandemic hit the fashion industry in early 2020, international brands were confronted with supply chain disruptions and store closures that threatened their bottom line. Two years on, it is women garment workers in countries like Bangladesh and Cambodia who are paying the biggest price, as some of the world's leading fashion brands push the costs of the pandemic onto the workers making our clothes.

COVID-19 has unleashed the world's largest humanitarian crisis, as countries across the world battle the devastating health, social and economic impacts of the pandemic. With the stark reality of global inequality on full show, it is low-income countries that are being hit the hardest as cases continue to soar and vaccine hoarding by wealthy countries leaves the world's poorest communities unprotected. Those in low-paid and insecure work – particularly women workers – are bearing the brunt of the pandemic-induced economic recession.

There is no greater example of the failings of the global economy than the experience of garment workers during the pandemic. When COVID-19 first emerged in Wuhan, China in December 2019,

supplies of raw materials to garment-producing countries like Bangladesh and Cambodia were immediately disrupted. In the following months, fashion stores across Europe and the United States rapidly closed. With profits under threat, the response from international brands was swift – and exposed the inequality and exploitation at the heart of the global fashion industry.

Brands took immediate steps to slash production – cancelling orders, delaying payments and even refusing outright to pay for orders that were already in production. The impact on garment workers was catastrophic. One million garment workers are estimated to have been laid off or suspended by garment factories in March 2020 in Bangladesh alone. With minimal access to social protection, garment workers – approximately 80 per cent of whom are women – were thrust further into poverty and hunger. Those lucky enough to keep their jobs did not fare much better, as factory owners cut wages and hours, and the risk of contracting COVID-19 in garment factories rose rapidly without access to adequate protective equipment.

What has followed over the last two years is multiple waves of crisis. The livelihoods of garment workers have been dictated by COVID-19 lockdowns and the way international brands have responded to falling demand from consumers in wealthy countries, including Australia. This research provides an update on the situation facing garment workers two years after the pandemic began.

Through interviews with 218 garment workers in Bangladesh and Cambodia, this report provides an insight into how COVID-19 has impacted workers' employment and income, their safety and rights at work, and their lives at home. This research paints a disturbing picture – providing a glimpse into the daily realities for garment workers during the pandemic and exposing the exploitation at the heart of the fashion industry. The global garment industry has long needed reform – COVID-19 has only made this more urgent.

CHANNA'S STORY

Channa is a skilled and experienced worker in the Cambodian garment industry. When the pandemic hit at the beginning of 2020, Channa had been working in packaging and on the finishing line at the Violet Apparel factory in Phnom Penh for over 13 years. By May, Channa's life had been thrown into chaos when she lost her job with little warning, after the factory suspended production and then closed in July.

Violet Apparel was a factory manufacturing goods for Nike, among other brands, and has been the subject of a severance dispute since its closure. Nike claims to have ended its relationship with the factory in 2006, despite strong evidence that the factory had been producing Nike clothes as a subcontractor for many years. Nike's failure to take responsibility for the workers in its supply chain is having devastating impacts for workers like Channa.

Working at Violet Apparel meant a lot to Channa – she was able to make a good living making products for big brands like Nike and Matalan and the working conditions in the factory were good. Channa had nice colleagues who she had worked with for many



Workers from the Violet Apparel Factory protest their terminations. ©ActionAid.

CHANNA'S STORY (CONT)

years, and while her supervisor sometimes used bad language, she felt that he cared about her and her colleagues and wanted them to earn a good salary.

Before the pandemic hit, Channa was taking home around USD 500 per month, while this is below the living wage in Cambodia, it is considered to be a good salary for workers in the garment industry.

In February 2020, Channa went on maternity leave, with a plan to return to work in May 2020. During her maternity leave Channa received three months' salary on half pay from Violet Apparel and an additional USD 550 from the Cambodian government through the National Social Security Fund.

Channa kept checking in with friends at work throughout her maternity leave and was told the factory was operating as usual, so she wasn't worried about being able to return to her job once her leave finished. However, at the beginning of May, she was told by the factory management that she would be unable to return to work because the factory was in trouble due to the pandemic.

When Channa found out that she couldn't return to work she became very worried – her husband had

also lost his job and they needed money to pay for rent and living expenses. Channa had stopped breastfeeding so she could return to work in the garment factory, but without the wages that she was meant to get from her employer, she didn't know how they could afford baby formula.

When the Violet Apparel factory closed in July, Channa knew that she should receive financial compensation, but she did not know how much. However, when her supervisor told her that she should receive almost USD 3,000, she felt relieved, as this would tide her over until she could find another job. More than a year after she was laid off, Channa still hasn't received everything she is owed.

“They told me that they will give me the final payment fully following the five points as per the Cambodian Labour Law...they said I could get almost USD 3,000. I felt better hearing that. I thought at least I could use that money to start a new business. But it didn't turn out as they said.”



I felt so worried. I stopped breastfeeding my baby so that I could return to work, then they told me that my job is hanging. I didn't know how I could look for other jobs at that time and my husband didn't have a job either.

The factory refused to pay Channa her full benefits, offering only around USD 700 in compensation. When this happened, many of the workers at Violet Apparel went on strike, with support from the Cambodian Alliance of Trade Unions. However, the factory would not budge and in the end, Channa decided to accept the compensation on offer, because she needed the money to pay for rent and cover her living expenses.

With Violet Apparel closed, Channa had to look for a new job. Initially, she tried to find work with Violet Apparel's sister factory Olive Apparel but when she couldn't get a job with them, she was forced to look for work at smaller factories, where the pay and working conditions are poor.

Without a stable job with a decent salary, Channa's financial situation deteriorated, and she had to send her baby to live with her parents in her hometown. Initially she would visit him on weekends but after Cambodia went into lockdown in April 2021, she

was unable to see him for many months. Channa resorted to selling her jewellery in order to pay the rent. When her husband got sick and had to go to the ICU, she was forced to take out a USD 1,000 loan to pay for medical treatment. Now, she's having to spend USD 100 a month on loan repayments.

After almost a year of moving from job to job, Channa has finally found a new job at a factory that will pay her an initial salary of USD 180 per month rising to USD 190 after a few months. But she hasn't stopped calling on the Violet Apparel factory, international brands and the Cambodian government to ensure workers are paid in full for the wages and benefits they are owed.

"I don't want the final payment. I want the factory to open again and open to take previous workers. Otherwise, they should pay all the benefits that workers are entitled to because all the workers that lost the job are still struggling looking for a new job."



I got a job, but I had to quit and moved from one to another. I had to quit because they were suppressing workers' rights and exploiting workers. They gave me little pay, but I had to take it because I needed to buy formula for my baby. When I joined those smaller factories then I learned that Violet Factory was great. I felt so depressed that I lost my job at Violet.

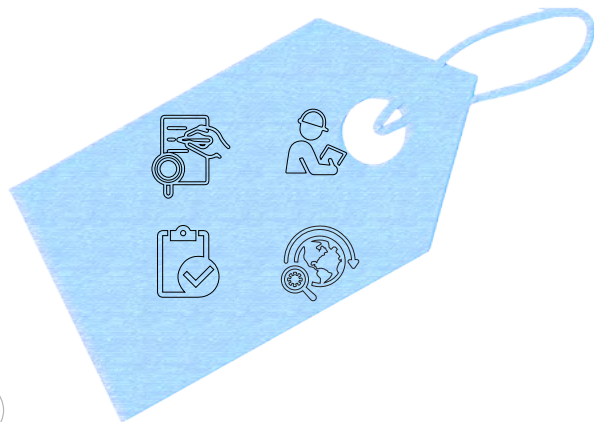
3. RECOMMENDATIONS

Building on the demands of women garment factory workers in Bangladesh and Cambodia, ActionAid and partners are calling on brands and governments to commit to the following actions:

BRANDS

1. Transparency

Publish and maintain a complete list of supplier factories they source from across all tiers of their supply chain, including subcontracted suppliers.



2. Living wage

- Publicly commit to paying all workers in their supply chains a living wage, and release a detailed plan outlining the timeframe and steps that will be taken to ensure all the factories they work with are paying workers a living wage.
- Publish a responsible purchasing practices policy that is aligned with brands obligations under the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector.

Brands' purchasing practices should provide factory suppliers with order stability and adequate time for planning and implementation of orders. Payments should be timely, and the costing model used by companies should enable the payment of living wages and benefits, the provision of social protection and the implementation of worker safety protections.

3. COVID-19 response

- Pay for all orders made during the pandemic and do not request delays in payments, last minute changes to orders, and/or discounts as these demands will impact negatively on garment workers.
- Publicly commit to a wage guarantee and negotiate directly with unions on an enforceable agreement on wage assurance and a severance guarantee fund to ensure that all workers employed during the COVID-19 crisis receive their full salaries and/or severance payments if terminated during the pandemic.
- Immediately resolve severance disputes in supply chains so that garment workers receive full severance payments and other legal entitlements as a matter of urgency.
- Develop COVID-19 Occupational Health and Safety (OHS) plans for all factories that outline actions to be taken to detect and prevent the spread of COVID-19, including provision of protective equipment to workers, and the right to paid sick leave if workers contract COVID-19.

4. Labour rights

- Ensure all suppliers protect workers' rights to freedom of association and collective bargaining.
- Resource independent social audits to assess and respond to human rights risks in supply chains with the participation of workers and unions.

Social audits should:

Reflect brand obligations under the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector;

Be conducted by independent third parties and should include off-site interviews with workers and unions;

Include a root cause analysis to identify how pricing and purchasing practices impact on labour rights compliance; and

Be publicly released in a timely manner.

- Take action to ensure union leaders or whistle-blowers are not targeted in suspensions and terminations linked to the pandemic.

5. Women's rights and gender equality

Publish a detailed gender policy outlining steps that will be taken to achieve pay parity for women workers, and to ensure zero tolerance for sexual harassment and violence against women in the workplace, as well as establish redress mechanisms for women workers who experience gender discrimination.



Cambodian garment workers protest COVID-19 terminations.
©ActionAid.

GOVERNMENTS IN BANGLADESH AND CAMBODIA

1. Align the minimum wage with a living wage

- Increase the minimum wage in line with reliable international living wage standards to ensure that salaries across the garment industry are sufficient to cover basic needs such as food, housing and utilities.

2. Ensure adequate supports for workers during the pandemic

- Have a clear policy in place to guide responses to the ongoing and future impacts of the pandemic.
- Ensure labour legislation is applicable to all garment workers and take action to ensure that all employers in the garment industry operate in compliance with labour legislation.
- Ensure universal social protection for all people out of work during the pandemic have adequate financial support to cover basic living costs.

3. Address workplace violence and harassment

- Ratify the International Labour Organisation's (ILO) Convention 190 on Violence and Harassment in the World of Work and implement the accompanying Recommendation 206 as well as invest in public promotion of these standards.
- In Cambodia, ratification of the ILO's Convention 144 on Tripartite Consultation is also recommended to ensure that legislative reform is subject to effective prior consultations with workers and unions.



AUSTRALIAN GOVERNMENT

1. Transparency

- Update the *Modern Slavery Act 2018* to require supply chain disclosure. Supplier lists should include machine-readable information on all production units and processing facilities, as well as the name, address, type of products made, parent company of the site business, and the number of workers at each site.
- The *Modern Slavery Act* should be updated to include a robust enforcement framework, which includes penalties for businesses that do not report or provide inadequate, false or misleading information.

2. Legislate to protect workers' rights

- Draft and table legislation that mandates Australian companies operating overseas to undertake gender-responsive human rights due diligence and uphold their obligations under the United Nations Guiding Principles on Business and Human Rights:

This legislation should establish an accessible redress mechanism that is independent, well-resourced, accountable, and transparent, which has powers to investigate, and provides effective, enforceable remedies.

- Align Australian trade agreements with our international human rights and gender equality obligations. Binding labour rights provisions should be included in all agreements, and provisions that undermine workers' rights, directly or indirectly in Australia or in partner countries, should be excluded.

Trade agreements should include redress mechanisms that enable workers to access compensation in response to cases of human rights violations.

3. Address workplace violence and harassment

- Provide leadership in ratifying the ILO Convention 190 on Violence and Harassment in the World of Work and implement the accompanying Recommendation 206 and promote the Convention in foreign diplomacy.

4. COVID-19 recovery

- Ensure investment in COVID-19 recovery in Southeast Asia prioritises women workers who have been left destitute as a result of the crisis, including those in the garment industry, with a focus on building back better to ensure decent work, a living wage and social protection.

4. BACKGROUND

A LONG HISTORY OF EXPLOITATION IN THE GLOBAL FASHION INDUSTRY

The COVID-19 pandemic has devastated garment workers, as fashion brands have pushed the costs of the pandemic, and subsequent economic recession, onto the most vulnerable workers at the bottom of their supply chains. However, the seeds of this

exploitation were sown well before the pandemic began. The global fast fashion industry has a long history of labour and human rights violations, with poverty wages, poor working conditions, and insecure employment the norm.

Garment workers rely on the wages they earn making clothes for some of the world's biggest fashion brands to keep their families alive. Yet poverty wages are endemic across the industry, with average wages well below the level workers need to cover the basic living costs for themselves and their families – what is known as a living wage.¹

In Bangladesh, the minimum wage for garment workers is less than a quarter of the living wage. In Cambodia, the minimum wage is slightly higher, covering barely 30 per cent of the living wage.² In both countries, the garment workers making our clothes, and whose labour earns billions for big fashion brands, are locked into working poverty because the wages they earn are not enough to cover their basic living costs.

1. Clean Clothes Campaign (2020) Out of the shadows: A spotlight on exploitation in the fashion industry, https://cleanclothes.org/file-repository/ccc_dci_report_outoftheshadows_sept2020_highres.pdf/view
2. Calculations by ActionAid based on minimum wage data from 2021 and 2020 living wage data from Asia Floor Wage Alliance. The living wage for Asia for 2020 was calculated as 1,420 PPP and the PPP conversion rate for Bangladesh is 34 and for Cambodia 1655.54, <https://asia.floorwage.org/our-work/#tab-id-3>

WHAT IS A LIVING WAGE?

All workers should earn enough to be able to provide for themselves and their families' basic needs. But many workers in the global garment industry do not earn enough to cover the costs of housing, food, education and healthcare. These workers need a pay rise, but what is a fair salary in countries like Bangladesh and Cambodia?


The Asia Floor Wage Alliance (AFWA), an Asian labour-led global labour and social alliance, has developed a methodology to calculate a living wage that would enable garment workers to earn enough to live in dignity. AFWA defines a living wage as a wage that is sufficient to meet the basic needs of workers and their families and to provide some discretionary income.³

Principles of a living wage

- A living wage must be enough to cover the basic needs of a family of four (two adults, two children), including the costs of housing, food, education and healthcare.
- A living wage must include an additional 10 per cent of the costs for basic needs as discretionary income.
- All workers must receive a living wage, meaning that salaries must not fall below the living wage level for any workers.
- Living wages are calculated based on a work week of a maximum of 48 hours. Bonuses, allowances, overtime and benefits must come in addition to this salary.

MINIMUM WAGE VS. LIVING WAGE

BANGLADESH


minimum monthly wage for the garment sector 

\$127 (8,000 BDT)

monthly living wage

\$761
(48,000 BDT) 

CAMBODIA

minimum monthly wage for the garment sector 

\$250 (USD 192)

monthly living wage

\$764
(USD 588) 

3. Asia Floor Wage Alliance, <https://asia.floorwage.org/calculating-a-living-wage/>

WORKERS' RIGHTS VIOLATIONS EMBEDDED IN GARMENT INDUSTRY

The violation of garment workers' labour and human rights is systemic across a fashion industry that has been built off the back of low-paid labour in low-income countries. International brands – based mostly in wealthy countries like Australia – are empowered by a global economic system that enables them to work across complex global supply chains. These supply chains often span multiple countries and factories, involve many layers of sub-contracting, and can also include highly unregulated home-based production that occurs outside of the factory setting.

A system of short-term contracting, alongside international trade rules that increase international brands' market access and power, provides brands with the flexibility to quickly move production between factories, and even countries, if production costs rise.⁴ The result is an industry underpinned by

asymmetric power relations. Brands hold all the power and accumulate huge profits, and our trading system enables a race to the bottom on wages and conditions, with garment workers trapped in the slipstream.⁵

For garment-producing countries, whose economies are oriented towards production for international markets and where the garment industry accounts for a significant proportion of employment and gross domestic product (GDP), governments are focused on providing an enabling environment for international brands, in order to attract a greater share of foreign direct investment (FDI).⁶ Yet with international brands motivated by profit maximisation, an enabling environment for international investment rarely corresponds with strong labour protections. Instead, brands search for cheaper production costs, favouring production

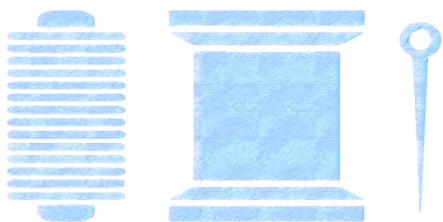
in countries that offer cheap land, low wages and regulation, and limited risk of supply chain disruptions due to poor enforcement of national and international labour laws.⁷

Prevailing economic theory suggests that by engaging in global supply chains, businesses in low-income countries can learn high-value added activities like design or marketing, enabling them to transition from "low-value added activities that generate relatively low profit margins into more profitable segments of the value chain."⁸

However, in reality, there is little evidence of this transition occurring. Rather, while low-value and low-waged production is outsourced to factories in countries with low labour costs, typically high-value and high-waged activities continue to be performed in wealthy countries.⁹

4. Trade Justice Movement (2018) Patriarchy and Profit: A feminist analysis of the global trade system, <https://www.tjm.org.uk/resources/reports/patriarchy-and-profit-a-feminist-analysis-of-the-global-trade-system>
5. Pickles, J., Plank, L., and Glasmeier, A (2015) Trade policy and regionalisms in global clothing production networks, *Cambridge Journal of Regions, Economy and Society*, Volume 8, Issue 3, November 2015, Pages 381–402.
6. Berik, G (2017) Revisiting the Feminist Debates on International Labor Standards in the Aftermath of Rana Plaza, *Studies in Comparative International Development* (Vol. 52, Issue 2).
7. Anner, M (2015) Labor control regimes and worker resistance in global supply chains, *Labor History*, 2015 Vol. 56, No. 3, 292–307.
8. ActionAid UK (2016) What a way to make a living: Using industrial policy to create more and better jobs, https://www.actionaid.org.uk/sites/default/files/publications/what_a_way_to_make_a_living_.pdf
9. UNCTAD (2014) Trade and Development Report, 2014: Global governance and policy space for development, pp 103–105, https://unctad.org/system/files/official-document/trdr2014_en.pdf

Garment workers' demands for improved wages, greater job security, and safe working conditions are also hindered by these power imbalances. Insecure contracts are the norm across the industry, and workers who raise labour rights violations face the very real risk of employment termination. Many international brands have committed publicly to guaranteeing fundamental labour rights, including freedom of association and collective bargaining – rights critical for workers to improve wages, conditions, and protections within their workplaces. However, trade union repression remains widespread, with anti-trade union behaviour common, and unionised workers often targeted by factory owners. With international brands driven by their profits to shareholders, there is a need for structural reform to ensure the rights of workers at the bottom of global garment supply chains are protected and upheld.



Why Brands' purchasing practices are critical for fair wages and decent working conditions for garment workers

The business practices of Australian and International brands directly impact on the wages and working conditions of garment workers in their supply chains. Brands make a range of decisions about product development for all garments they produce and sell, including:



planning and forecasting;



setting prices; and



placing orders and paying suppliers.

These decisions have flow on affects for the factories that brands' contract and, ultimately, the workers that produce their clothes. When brands negotiate low purchase prices and short turn-around times the pressure on factories and workers increases as they are forced to complete orders quickly and for a lower price. This is exacerbated when forecasting is inaccurate and order sizes end up being much smaller or larger than expected, when payment terms are poor and if brands apply unfair penalties if factories are unable to meet production timeframes.¹⁰

Brands' purchasing practices can make it difficult for factories to pay workers a fair wage, provide long-term and secure contracts and maintain good working conditions. This means that, while many brands are publicly committed to ensuring labour rights are upheld across their supply chains, the purchasing practices they employ actively undermine the realisation of this commitment and increase the risk of human rights abuses within garment factories.¹¹

Reform of brands purchasing practices is a critical step in reforming the garment industry and ensuring that the garment workers making our clothes are paid a living wage and have safe and dignified working conditions.

10. Human Rights Watch (2019) "Paying for a Bus Ticket and Expecting to Fly" How Apparel Brand Purchasing Practices Drive Labor Abuses, <https://www.hrw.org/report/2019/04/23/paying-bus-ticket-and-expecting-fly/how-apparel-brand-purchasing-practices-drive>

11. ILO (2017) Purchasing practices and working conditions in global supply chains: Global Survey results, INWORK Issue Brief No.10, https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_556336.pdf

COVID-19 AND THE AUSTRALIAN FASHION INDUSTRY

Most of the clothes sold in Australian stores are produced by women garment workers in countries including Bangladesh and Cambodia, as well as China, India and Vietnam. Off the back of these workers, Australian brands made more than \$1 billion in profit in the 2020-21 financial year, with the industry worth nearly \$25 billion.

COVID-19 rocked the Australian fashion industry, with brands facing supply chain disruptions and closing bricks and mortar stores as the country moved in and out of lockdown. The industry response to this insecurity had a flow on impact on the workers in supply chains, with evidence quickly emerging of brands seeking to cancel orders and delaying payments for in-production or completed orders.

In May 2020, the ABC reported that one of Australia's largest fashion companies, Mosaic Brands, was "delaying payment, holding, or cancelling orders worth a total of \$15 million."¹² The ABC report also revealed that Kmart had made and then reversed a request for a 30 per cent discount on some already completed orders, and that Cotton On had also reversed a decision to cancel orders worth \$18 million.¹³



Rahima, a garment worker in Bangladesh, stands with her sewing machine. © Fabeha Monir/ActionAid

12. Bainbridge, A and Vimonsuknopparat, S (2020) Suppliers under pressure as Australian retailers ask for discounts, hold orders during coronavirus pandemic, 13 May, <https://www.abc.net.au/news/2020-05-13/australian-retailers-delay-supplier-payments-amid-coronavirus/12236458>

13. Ibid.

While many Australian brands committed to pay for all orders made before the pandemic started,¹⁴ in April 2021, a Dateline investigation revealed the extent of order cancellation and delays by Australian brands at the beginning of the pandemic.

Data provided by the Bangladesh Garment Manufacturers and Exporters Association showed that between March and April 2020, brands such as Just Group, Big W, Best & Less, Country Road, Target and Myer had cancelled or delayed orders, or requested large discounts. While most brand subsequently resolved these issues, their disregard for suppliers and garment workers points to the systemic problems within the industry.¹⁶

Dateline further alleged that Mosaic Brands cancelled an order to one factory in Bangladesh worth almost USD 500,000 and delayed shipment and payment of an additional order. In response to the Dateline allegations, Mosaic Brands acknowledged that orders were delayed but said *“all suppliers who sent goods were then paid by the end of June 2020.”*¹⁷

The lack of transparency about Australian brands' pandemic purchasing practices points to wider labour rights issues within the industry. While Australian brands are increasingly responding to pressure from labour rights advocates by releasing their lists of supplier factories, this is often limited to final stage production,¹⁸ and well-known retailers like Just Group and Myer continue to keep their factory list hidden. Additionally, while some brands have taken the important first step of committing to pay workers a living wage, this must now be backed up with a detailed plan for how and when this will be achieved. Very few Australian brands can actually demonstrate that all of the garment workers in their supply chains are being paid a living wage.¹⁹

Despite the disruptions, restrictions and ongoing insecurity in global markets, the Australian fashion industry rebounded in 2021. Buoyed by surging online fashion sales, which have risen by about 29 per cent since early 2020,²⁰ revenue across the industry is expected to rise by 0.7 per cent in 2021-22.²¹ Many of the industry's major players such as the Just

Group (the owner of Just Jeans, Jay Jays and Dotti), Country Road, Best & Less, Kmart, and Mosaic Brands (the owner of Noni B, Katies, Millers, and Rivers) have either continued to make strong profits throughout the pandemic or have seen their profits rebound considerably in 2021 after the difficulty of 2020.²² The same cannot be said for the fortunes of the women workers making the garments sold in Australian stores. As this report demonstrates, garment workers in Bangladesh and Cambodia face a long road to recovery.

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15. Dateline (2021) Covid-19: Fashion's Great Unravelling, 13 April, <https://www.sbs.com.au/news/dateline/tvepisode/covid-19-fashion-s-great-unravelling>

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17. Dateline (2021) Response from Mosaic Brands, https://www.sbs.com.au/news/sites/sbs.com.au.news/files/response_from_mosaic_brands_1.pdf

18. Baptist World Aid (2021) 2021 Ethical Fashion Report.

19. Ibid

20. NAB (2021) NAB online retail sales index: December 2020, <https://business.nab.com.au/wp-content/uploads/2021/02/NAB-Online-Retail-Sales-Index-December-2020.pdf>

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WHY GARMENT WORKERS' RIGHTS ARE A WOMEN'S RIGHTS ISSUE

There are approximately 60 million garment workers in the global fashion industry, around 80 percent of whom are women. In Bangladesh and Cambodia, women make up between 60 and 80 per cent of the garment industry workforce, with many women migrating from rural to urban areas to take up work in garment factories.

The garment industry provides important employment opportunities for women workers; however, the high concentration of women workers within the sector is also interlinked with gender inequality.

Women workers are favoured by garment factories because existing gender discrimination means that they are more likely to work for lower wages, and are less likely to challenge exploitative working conditions.²³ Gender discrimination is also widespread across the industry: women workers are often paid lower wages than their male counterparts

and are concentrated in lower-level positions. Rising through the ranks to higher-waged and more senior positions there are fewer and fewer women, which highlights the hold of the patriarchy across the industry.

The structure of the garment industry — in which women are hired on short term contracts with low wages and weak labour rights protections — increases the likelihood of gendered harassment and violence. Women workers are frequently subject to verbal abuse, and cases of physical and sexual harassment are also widespread. International brands' purchasing practices can exacerbate this situation. When brands demand lower prices from garment factories or provide shorter lead times or last-minute changes to orders, workers' production targets increase. This pressure can increase the risk of harassment and violence if workers are unable to meet their targets.²⁴

Women face unique challenges in advocating for better wages and working conditions, over and above the risk of losing work if seen as an agitator that all workers share. Gender dynamics within garment factories, with managers more likely to be men, and women in less powerful roles, restrict women's ability to raise concerns about workplace harassment and violence. This is particularly difficult when factories lack workplace harassment policies and formal complaints and redress mechanisms. To ensure the garment industry provides genuine opportunities for women workers to earn a decent wage and make a dignified living, international and Australian brands must do more to ensure the women in their supply chain are protected from harassment and abuse, redress the gender pay gap, and ensure that all workers are paid a living wage.

23. Clean Clothes Campaign (2019) Will women workers benefit from living wages? A gender-sensitive approach to living wage benchmarking in global garment and footwear supply chains, https://cleanclothes.org/file-repository/ccc_dec2019_luginbuhl_lw_gender.pdf/view

24. Clean Clothes Campaign (2020) Wages and Gender-based Violence: Exploring the connections between economic exploitation and violence against women workers, https://cleanclothes.org/file-repository/wages_and_gbv_femnet_position_paper.pdf/view

SHAILA'S STORY

Shaila* is a garment worker and a single mother of two sons. When COVID-19 emerged in Bangladesh, Shaila was one of the many garment workers whose lives were thrown into chaos.

When the first lockdown was announced in March 2020, Shaila was one of several hundred workers forced to take leave without pay from their factory. For three months, the company kept Shaila and her colleagues in the dark about their employment status and did not pay them any wages.

When garment factories began to reopen, her company announced a mass layoff and Shaila, along with dozens of others, were told they no longer had a job. Shaila was informed about her termination over the phone – and management said she was being let go because she hadn't worked at the factory long enough. Shaila did not receive any severance pay, despite the requirement under Bangladesh's labour laws.

With no job and no financial security to fall back on, Shaila borrowed money and set up a business selling tea from a cart by the roadside. However, with Bangladesh moving in and out of lockdown, her business did not take off and she was eventually forced to give up.

“During lockdown we heard from so many sources that the government was going to take care of us, that they would not let us lose our jobs and ensure our salary. These were just words. Neither did they stop factories from firing us, nor did they give us any benefits while letting us go.”

As a single mother, Shaila's family were dependent on her for their livelihood, and without her income their situation rapidly declined. Shaila was living with her two young sons in a sub-let apartment, but as the money dried up, she struggled to pay rent. Her landlord refused to suspend her rent during the pandemic and would verbally abuse her and her children for failing to make their payments.

One night, after Shaila had been unable to pay rent for two months, the landlord evicted them and Shaila was forced to spend the night sitting on the sidewalk with her children. During the night, their belongings were stolen.



I came home at night to see my front door locked and the locks changed. All of our belongings were lying in a heap on the staircase. The landlord had taken our fridge for himself as payment for the two months due rent. No amount of wailing and begging could dissuade him. We silently gathered all our belongings and sat down by the roadside, waiting for dawn.

* Name changed to protect her identity.

SHAILA'S STORY (CONT)

As months went by, Shaila struggled to make an living - she did odd jobs and depended largely on food aid. Her eldest son, still a minor, also got some work in small shops so that the family could feed themselves. During this time, Shaila tried her best to find another job in a garment factory but most factories had stopped hiring because of the lower demand from international brands. Shaila had to take on more loans from a loan shark just to buy food for her and her sons. At one point, her debt rose to AUD 1,587 (100,000 BDT) from various lenders, and she had no regular income to pay them back. Shaila and her family never knew when their next meal would be and they spent many days without food. On the days when they did manage to buy food, Shaila would often go hungry to ensure her two sons got enough to eat.

Now, Shaila finally has a steady job as a folder (helper) at a garment factory, where she has been

working for the last two months. But in total, it took Shaila over 18 months to find another job and the burden of her debt weighs heavily on her and her family.

Schools have now reopened, but Shaila's youngest son hasn't yet returned because she cannot afford the registration fees. At the age of twelve, he has already been looking for work to help bring in money for his family.

Shaila wants the international brands to be aware of the labour rights violations that take place in the factories that produce their clothes. She is calling on the government to strictly regulate and monitor garments factories to ensure that they provide workers with the benefits and severance payments that they are owed.



I don't even wish to remember the difficult times we went through during lockdown. No one gave us support, everyone looked out for themselves. My factory let me go in a matter of seconds over one phone call and my landlord evicted me in the dead of the night.

5. RESEARCH FINDINGS

BANGLADESH

Overview of the Bangladeshi Garment Industry

The ready-made garment industry is Bangladesh's biggest export-oriented industry and has contributed significantly to the country's rapid economic growth over the past few decades. With 4,600 factories across the country and 4.22 million workers, approximately 60 per cent of whom are women,²⁵ the garment industry accounts for 11.2 per cent of Bangladesh's GDP.²⁶

In the years before the pandemic, the industry experienced strong growth, with exports rising from \$3.3 billion (2.54 billion USD) in 2015 to \$4.42 billion (3.4 billion USD) in 2019 – an increase of 33.9 per cent.²⁷ The industry's main export markets are the European Union (62 per cent) and North America (21 per cent),²⁸ with Australia coming in as the eleventh biggest export market.²⁹ COVID-19 hit the industry hard, with export earnings falling by almost 18 per cent to \$3.6 billion (2.8 billion USD) in 2020. Despite ongoing challenges for factory owners and garment workers, the industry rebounded in 2021, largely due to the reopening of fashion stores across Europe and the United States. Export earnings have increased to \$4 billion (3.1 billion USD) in 2021; however, this remains below pre-pandemic levels.

Across the garment industry, workers' monthly wages fall well short of the living wage. The minimum wage for the industry was set in 2018 at \$127 per month (8,000 BDT), less than a quarter of the living wage which was calculated by the AFWA to be \$761 (48,000 BDT) per month in 2020, adjusted for purchasing power parity.³⁰ The government planned an increase to the minimum wage in 2021 from \$127 (8,000 BDT) to \$133 (8,400 BDT) per month – a figure well below union demands and barely enough to keep up with spiralling inflation, calculated at 5.5 per cent in August of 2021.³¹ However, to make matters worse, lobbying from the private sector resulted in the government delaying the minimum wage increase, leaving workers to cover the increased living costs from already insufficient wages.

25. Shahjahan et al (2020) Demystifying the Worker's Ratio of Export Oriented RMG Industry, Mapped in Bangladesh, https://mappedinbangladesh.org/wp-content/uploads/2021/08/Working-Paper_Worker-Ratio.pdf

26. Textile Focus (2020) Review and Outlook, 2020 Bangladesh Garments and Textile Industry, <http://textilefocus.com/review-outlook-2020-bangladesh-garments-textile-industry/>

27. The Business Standard (2021), Why 300,000 new RMG jobs mask a grave reality about employment growth in the sector, 6 October, <https://www.tbsnews.net/features/panorama/why-300000-new-rmg-jobs-mask-grave-reality-about-employment-growth-sector-312124>

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29. World Integrated Trade Solutions (2021) Bangladesh Textiles and Clothing Exports, https://wits.worldbank.org/CountryProfile/en/Country/BGD/Year/2015/TradeFlow/Export/Partner/all/Product/50-63_TextCloth/Show/Partner%20Name:XPRT-TRD-VL;XPRT-PRDCT-SHR;/Sort/XPRT-TRD-VL/Chart/top10

30. Based on living wage framework developed by the Asia Floor Wage Alliance. The living wage is calculated as 1420 PPP and the PPP conversion rate for Bangladesh is 34, <https://asia.floorwage.org/our-work/#tab-id-3>

31. Bangladesh Bank (2021) Inflation Indicator, <https://www.bb.org.bd/econdata/inflation.php>

IMPACTS OF COVID-19

THE GLOBAL FASHION INDUSTRY IS HIT BY COVID-19 LOCKDOWNS



MANY FASHION BRANDS RESPOND TO COVID-19 BY CANCELLING ORDERS AND DELAYING PAYMENTS



MANY FASHION BRANDS CONTINUE TO TURN A PROFIT WHILE GARMENT WORKERS ARE PUSHED FURTHER INTO POVERTY



COVID-19
HAS PUSHED COSTS
DOWN THE SUPPLY CHAIN
PUSHING WOMEN GARMENT WORKERS IN
BANGLADESH AND CAMBODIA
INTO FURTHER POVERTY

FACTORIES ARE FORCED TO CLOSE OR LAY-OFF WORKERS



GARMENT WORKERS FACE JOB LOSSES AND SALARY CUTS AND MANY ARE LEFT STRUGGLING TO FEED THEIR FAMILIES



Impact of COVID-19 on the Bangladesh garment industry

The pandemic-induced economic shock to Bangladesh's garment industry³² has seen an estimated one million workers fired or furloughed,³³ as the industry reeled from cancelled orders, factory closures, and the failure of international brands to pay for their pending orders. According to the Bangladesh Garment Manufacturers and Exporters Associations (BGMEA), 1,931 brands delayed, put on hold or unilaterally cancelled up to \$4.8 billion (3.7 billion USD) worth of orders between March and June 2020.³⁴ Following campaigns such as the Clean Clothes Campaign's '#PayUp' campaign, many brands, including Australian brands, recommitted to purchasing their orders. However, some continued to ask for steep discounts.³⁵

The garment industry was further affected by a government-mandated lockdown from 26 March 2020 that closed all sectors except emergency services. These restrictions would be extended

seven times over the coming months and remained in place until 30 May 2020.³⁶ With the garment industry in crisis, the government provided a USD 787 million (BDT 50 billion) bailout package³⁷ to support factories to continue paying their workers as brands cancelled or put their orders on hold.³⁸ This bailout package provided much-needed relief for some garment workers. However, eligibility limitations meant that only factories that were members of the two trade bodies – the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) – were able to access support. All garment workers at other factories were laid off without support.

Additionally, according to a report published by Penn State University's Centre for Global Workers' Rights and the Worker Rights Consortium (WRC), more than one million garment workers in Bangladesh had already been fired or furloughed before the bailout package was announced. Surveyed factories reported that 98 per cent of their buyers refused to contribute to the cost of paying partial wages to furloughed workers, required by law, and 72 per cent of furloughed workers were sent home without pay.³⁹

Conditions did not improve in 2021. Bangladesh was hit with a second, more worrying wave of the Delta COVID-19 variant in April. The government announced a stringent, week-long lockdown on 5 April, and restrictions on public gatherings and industries remained in place between April and June. By July, the severity of the health crisis was threatening to overwhelm an already buckling health system, and another strict, countrywide lockdown was imposed from 1–14 July and, after a short reprieve, reinstated from 23 July to 11 August.⁴⁰

Garment workers experienced extreme difficulty during this period. Under pressure from the factory owners who were dealing with cancellations and the inability to fulfil commitments during this period, the government this time permitted factories to remain open during lockdown periods.⁴¹ Without access to adequate social protection workers were forced to work due to the economic need, but this came with significant risks. Additionally, transport systems were not running, and with no transport provided by garment factory owners, workers had to start at dawn to walk several miles to reach their workplaces, and then walk back home well into the night after completing their shift.⁴²

32. Rabbani, Atonu et al (2021) Impact of COVID-19 on Non-member RMG Factories in Bangladesh, Mapped in Bangladesh, <https://mappedinbangladesh.org/wp-content/uploads/2020/09/MiB-Research-Brief-on-Non-Member-RMG-Factories.pdf>

33. Anner, M (2020) Abandoned? The Impact of Covid-19 on Workers and Businesses at the Bottom of Global Garment Supply Chains, Penn State Centre for Global Worker Rights, <http://www.workersrights.org/wp-content/uploads/2020/03/Abandoned-Penn-State-WRC-Report-March-27-2020.pdf>

34. The Daily Star (2020) Is Foul Play the New Normal?, June 30, <https://www.thedailystar.net/business/news/you-suffer-we-survive-1920733>

35. For more information see <https://cleanclothes.org/campaigns/payup>

36. The Dhaka Tribune (2020) Coronavirus: Bangladesh declares public holiday from March 26 to April 4, 23 March, <https://bit.ly/2DluRia>

37. The bailout package enabled factories to take out loans with private banks at subsidised interest rates, with the Bangladesh Government covering the bulk of the interest.

38. Brac Institute of Governance and Development (2020) 5000 crore novel corona financial stimulus package for export-oriented industries: RMG trade union responses, 18 June, https://bigd.bracu.ac.bd/wp-content/uploads/2020/06/Report_Trade-Union-Responses_Financial-Stimulus-Package.pdf

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41. The Daily Star (2021) Lockdown After Eid: Govt mulls allowing RMG units to stay open, July 15, <https://www.thedailystar.net/health/disease/coronavirus/news/lockdown-after-eid-govt-mulls-allowing-rmg-units-stay-open-2130566>

Methodology overview

ActionAid worked with its established Workers' Cafés across Dhaka to conduct a survey with 100 garment workers across 34 factories located within Dhaka. Ninety-nine of the 100 workers surveyed for this study were women. Survey limitations include the small sample size, the over-representation of women workers, and the sampling method, with the sample group dependent on who attended the Workers' Cafes during the time that the research was conducted.

The focus on Dhaka-based factories also put workers at several other industrial hubs outside the purview of this research. Further, the research was conducted with garment workers employed by factories that are members of the two official trade associations⁴³ – as well as non-member factories, which has led to disparities in survey results due to differences in regulations, operating standards and compliance to labour laws between member and non-member factories.



43. Only factories that are members of BGMEA or BKMEA take direct orders from foreign buyers. Non-member factories then subcontract from member factories and range in their size and compliance labour laws.

BANGLADESH RESEARCH FINDINGS

100
people surveyed

34 factories

36% percent of respondents lost their job due to COVID-19

On average, those who were laid off had to suffer through

11 months
of unemployment

55% of workers reported facing moderate to severe food insecurity during lockdown

1. Garment workers' precarious economic situation exacerbated by COVID-19 terminations and wage cuts

Garment workers in Bangladesh were already earning poverty wages before the pandemic hit, with the majority of respondents (90 per cent) reporting having a second income earner within their family because the wages they received from their job alone

were insufficient to sustain themselves and their families.

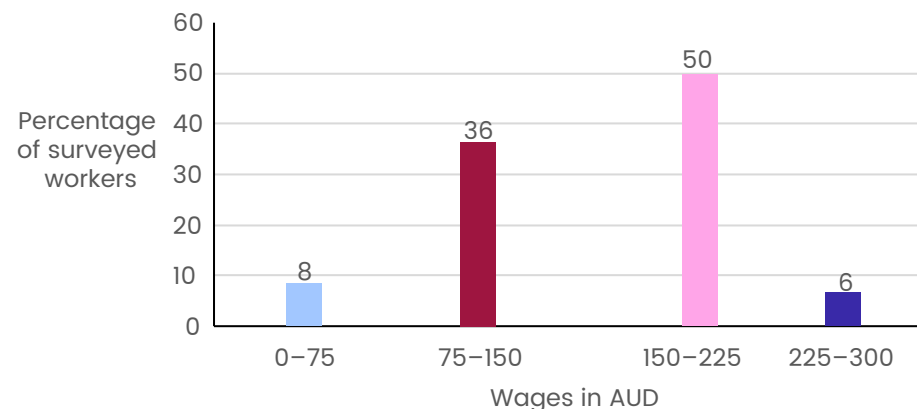
- In January 2020, surveyed workers earned an average monthly salary of \$144.50, (9,103.50 BDT) well below the monthly living wage of \$761 (48,000 BDT)
- The majority of workers earned above the minimum wage prior to the pandemic, however, 8% reported earnings below the minimum wage

Across the board, garment workers' wages were below the living wage (\$761 or 48,000 BDT per month). Worse, Bangladesh's living wage calculation excludes income earned through overtime payments, but the salaries reported by workers do

not – further widening the gap between workers' salaries and the living wage. On average, workers reported that their salary included \$17.50 (1,102.50 BDT) per month as overtime payments – 12 per cent of the total salary.

It is particularly concerning that one in 12 workers reported earning well below the stipulated minimum wage before the pandemic even began. This highlights the discrepancy between factories that are members of the two official trade associations, and non-member factories that play a subcontracting role. Subcontracting factories have weaker regulation and enforcement of labour laws and greater union repression resulting in workers often being paid below the minimum wage or paid on the basis of their output.

Wages in February 2020 (%)



Terminations widespread across Bangladesh garment industry

Garment workers entered the COVID-19 crisis already surviving on subsistence wages, and with few safeguards in place to support during emergencies. Yet the pandemic has only made the situation more dire, with many workers losing work, experiencing long-term unemployment after being dismissed, and failing to receive severance pay.

36% of surveyed workers lost their jobs at some point during the pandemic

94% of workers that lost their jobs had been laid off when the first lockdown was announced on 26 March 2020

27% spent four to seven months searching for another job

30% remained unemployed for as long as 16 months

86% of dismissed workers didn't receive severance pay

These results echo the findings of previous research, which suggested that many workers had already lost their jobs by the time the government bailout packages were announced on 25 March 2020.⁴⁴

Workers also struggled to find new employment as COVID-19 infections raged across the country, lockdowns limited access to public transport and restricted inter-district travel impacted workers who had been forced to return to their hometowns because they could not afford rent. Among those who lost employment, 27 per cent took between four to seven months to find new employment and nearly one in three workers took as long as 16 months to find a new job. Those who lost their jobs were also left without any kind of support from factories.

Workers who lost employment struggled to receive severance benefits. Just one in six workers who lost their jobs reported receiving severance pay, and no worker received furlough payments. The government's bailout only provided three months' worth of salary for employed workers of factories that were members of the trade bodies BGMEA and BKMEA. This payment was directly provided to workers through mobile financial service providers (MFS) and supported those who were already employed through the three initial months of the pandemic. Non-member workers received no support.



Workers were in an all-or-nothing situation: either employed and expected to come to work during service shut-downs, or fired. As one worker said, they had to 'either walk to work or be fired.'

Wages fall by \$10.80 during the pandemic

Alongside the terminations, and the difficulty in finding alternative employment, 46 per cent of workers had their working hours cut, resulting in reduced income from overtime hours. Surveyed workers consequently suffered a wage cut as a direct result of the pandemic.

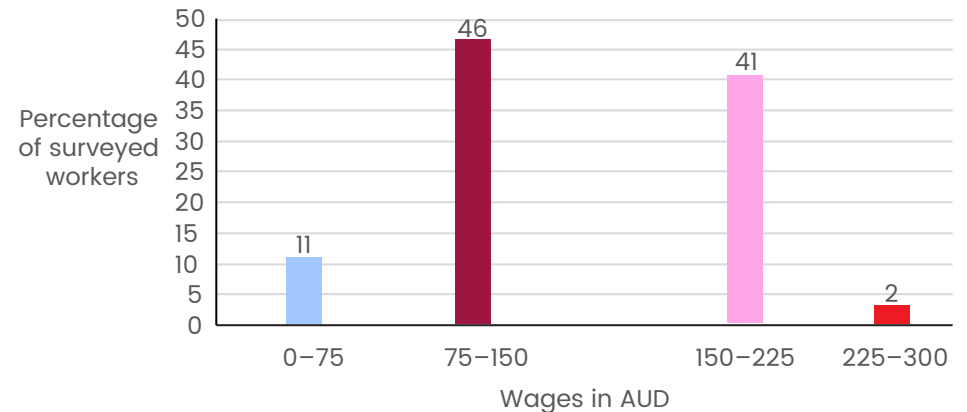
In August 2021, workers reported earning an average monthly salary of **\$133.70 (8,423 BDT)**. This reflects a reduction of **\$10.80 (680.50 BDT)** per month on pre-pandemic salaries – a wage cut of **7.5 %**.

For workers already living on or below the poverty line, this wage cut only pushed them further into poverty.

Rashida, a Rana Plaza Survivor, hangs her clothes. © Najmul Nahid/ Actionaid



Wages in August 2021 (%)



2. Garment workers experienced dire food insecurity and increasing debt in the wake of COVID-19

The inadequacy of financial support available to garment workers during the pandemic has left a devastating trail of hunger and debt as workers struggle to make ends meet.

85% of surveyed workers were forced to reduce their expenses during the pandemic

15% reporting that they had exhausted their existing savings to meet their family's daily needs

70% did not have enough money to ensure sufficient daily food intake for themselves and their families of those

36% were forced to skip meals on a weekly basis and

25% said they faced a daily food crisis

42% reported having to take out an emergency loan to sustain themselves during the pandemic

At the start of the pandemic, the government implemented several emergency food distribution programs, providing one week's rations to impacted households. However, only a third of surveyed workers reporting receiving some form of government support during the period in which the support was offered.

Workers reported having to stand outside and wait on roadsides in the hopes of receiving government aid or food assistance from charities, while others borrowed heavily from their family members or loan providers to cover their costs.

Of those who experienced food insecurity, more than half said that they suffered from moderate to severe food insecurity, with one in three reporting that they were forced to skip meals on a weekly basis and had gone days without any food. For a quarter of all respondents, the situation was even more dire, as they reported facing crisis daily in providing enough food for themselves and their families.

Workers have also seen their debt increase during the pandemic – amongst those surveyed, almost two-thirds reported being behind in rent payments, with workers stating that they still had several months of rent due to their landlords and were only just beginning to pay them back. Further, 4 out of 10 respondents said that they had to take out an emergency loan to sustain themselves through the months of uncertainty during the pandemic.

3. Workers' rights under threat during pandemic

Widespread terminations and wage cuts across the garment industry have led to downward pressure on workers' rights, with surveyed workers reporting that shifts in recruitment and production practices since the pandemic began have made them more concerned about retaining their jobs over the long term.

38% of respondents reported being more concerned about their job security

28% reported that their rights at work had diminished

41% of respondents were members of a registered trade union

Workers' bargaining power is likely to have weakened due to the pandemic, with survey results showing a lessening in the salary gap between union members and non-members

Surveyed workers raised several concerns about their rights at work during the pandemic. A large number of workers, 45 per cent, reported that salaries are now paid irregularly by factory owners. Workers also reported that management viewed worker strikes negatively, responding to organised resistance against factory non-compliance in a heavy-handed manner.

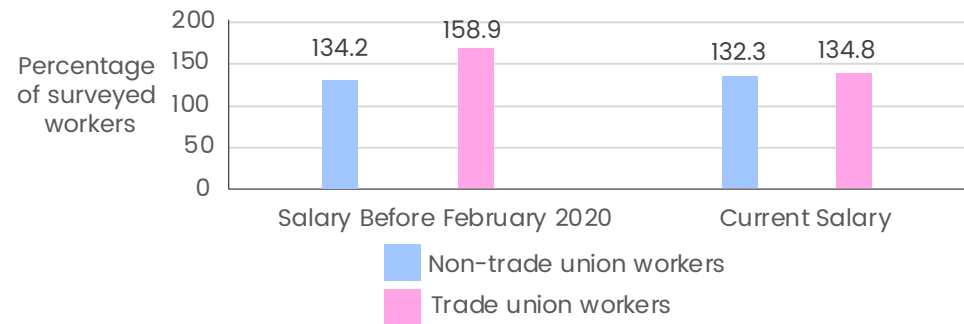
Survey results also suggest that sector-wide layoffs and redundancies, resulting from reduced demand from international brands, has impacted the ability of unionised workers to bargain for higher wages.

Trade unions are crucial for the realisation of workers' rights across the garment industry, as they engage

in collective bargaining on behalf of workers, and facilitate dialogues with employers and trade bodies to improve working conditions. Trade unions in Bangladesh also provide a range of support to their members, including medical support, emergency lay off support and collective picketing in cases where workers are owed wages and other benefits from factories.

Prior to the pandemic, unionised workers earned an average salary of \$159 per month (10,010 BDT), \$24.70 (1,556 BDT) more than their non-unionised counterparts. However, by August 2021, survey results showed little difference in the salaries of unionised and non-unionised workers, indicating weaker bargaining power amongst unionised workers.

Salary Comparison of Unionised and Non-Unionised Workers During Pandemic (AUD)



Workplace gender-based violence widespread

The pandemic has increased employment precarity across the garment industry, which can contribute to an increased risk of workplace violence and harassment as well as limiting workers' ability to report. While workers were reticent to share experiences of sexual harassment for fear of repercussions, survey results demonstrate just how widespread gender-based violence is within the Bangladesh garment industry.



30% of surveyed workers reported that they had faced some form of gender-based violence (GBV) while working

41% reported that they witnessed or knew of a co-worker who had been subjected to sexual harassment



Only 25% indicated that a formal complaint had been placed following the incident of sexual harassment

Workers said that instances of GBV ranged from suggestive slurs to physical and sexual violence, and indicated that the majority of the incidents of harassment went unreported. Further, many formal cases did not lead to positive outcomes for affected workers – in half of reported cases, workers were not satisfied with how the case was resolved but agreed to the decision by factory management for fear of losing their jobs.

4. COVID-19 undermining women's rights and gender equality

Beyond its economic impacts, the pandemic has also raised new challenges for women's rights and gender equality across the country.

42% of surveyed workers reported an increase in their unpaid housework responsibilities

32% said that a lack of income and food insecurity led to increased conflict within their households

An additional 23% reported that they experienced domestic violence during lockdown periods

With family members more frequently at home during lockdown periods and women's earning capacity limited, the burden of increased housework disproportionately fell on women. Women workers also reported increased conflict within the home and experiences of domestic violence, with these difficulties compounded by COVID-19 restrictions, which meant that some women who experienced domestic violence were forced to remain within their homes.

Impacts on girls highlights a countrywide crisis

The survey results raise significant concerns about the impact that COVID-19 has had on children's wellbeing, with the risks to girls particularly concerning.

Nearly
20% of respondents with children under the age of 18 reported that some of their children would not return to school when they reopened

This rose to
30% for respondents with daughters

13% of respondents reported that their children had taken on informal employment during the pandemic to contribute to the family income

25% of respondents reporting increased pressure to arrange early marriages for their daughters

Bangladesh experienced one of the longest COVID-19-related school closures in the world, with schools remaining shut from 20 March to 16 September 2020. The length of school closures has impacted on learning and increased dropout rates. Workers cited their inability to afford their children's education as the primary reason behind this, while others stated that their children were now working to support the family.

The increased risk of child marriage raises serious child rights concerns, with a small number of survey respondents reporting that due to their desperate economic situations and pressure from extended family members, their underage daughters had been married during the pandemic. This reiterates the urgent need for greater support for garment workers, so that the economic costs of the pandemic are not pushed onto children.

REHANA'S STORY



Rehana* is a 36-year-old garment worker who has been working in a factory in Dhaka for ten years. Her husband passed away ten years ago leaving her to care of their two young children alone.

When the COVID-19 pandemic hit Bangladesh in early 2020, Rehana was extremely fortunate not to lose her job – instead, her factory placed her on paid leave for a month and offered her 60 per cent of her monthly salary.

Rehana spent the lockdown months stuck at home with her children as workplaces and schools were closed. Despite being one of the lucky ones who received support from the factory, with only 60 per

cent of her wages coming in life was very difficult. Rehana was able to get some food aid from community organisations but she didn't receive any aid from the government.

Before the pandemic, Rehana's 15-year-old daughter was studying at a Madrasa (Islamic school). However, the school closed in March 2020 and did not open until September 2021. During this time, Rehana became very worried for her daughter's future. She had seen cases of young girls from her local community leaving home to elope and her extended family put pressure on Rehana to get her daughter married.

I would leave for work every day worried about the safety of my daughter, sitting at home with no one to watch her. I didn't know what would happen. We live in a slum that is always beset with crimes and kidnappings. I was always so worried for her future that I couldn't see any options but to marry her off.

* Name changed to protect her identity.

In Rehana's own words, she felt that her daughter was 'wasting away' sitting at home, not doing anything. Rehana's family found a suitor for her daughter, and she was married at the age of fifteen despite existing laws preventing child marriage in Bangladesh.

My family insisted that my daughter be married off during the pandemic...However, I didn't want to marry her off at fifteen. I wanted her to continue studying. But we had no idea when schools would reopen and on my family's advice I decided to agree to the marriage.

Rehana believes that if the COVID-19 pandemic hadn't struck, her daughter would still be studying and she wouldn't have agreed for her to be married. However, the ongoing school closure coupled with a decreased income and her own fears for her daughter forced her to agree to the marriage.

While Rehana's daughter has now discontinued her studies and is living with her husband, Rehana borrowed money to ensure that her 14-year-old son remains in school and attends private coaching classes. Rehana is determined to continue educating her young son.

Rehana still harbours regret about not being able to afford to educate her daughter further. She believes that the government should not have closed schools and educational institutions for such a long time as this has led to many girls being married at a young age.



Rahima, a garment worker in Bangladesh, at work on her sewing machine. © Fabeha Monir/ActionAid

High vaccination rates provide protection from COVID-19, but risks remain

A positive aspect of the Bangladesh Government's COVID-19 response has been the prompt roll-out of vaccinations for garment workers, which has significantly reduced the risk of COVID-19 spreading through garment factories.

All surveyed workers reported being fully vaccinated against COVID-19

68% of respondents said that their employer had taken some steps to prevent the spread of COVID-19 within the factory

Of these, only

45% of respondents indicated that masks and hand sanitiser were provided to workers upon entering the factory and at regular intervals

43% reported that their employer had taken steps to ensure physical distancing within their factories

Factory owners were less proactive with protecting workers against COVID-19. Workers reported mask and sanitiser provision was low, and one quarter of workers said that masks were only provided on a once-off basis and that, subsequently, workers were expected to purchase their own masks. Beyond this, survey results indicated that factory owners had failed to take steps to provide alternative transportation to ensure worker safety when travelling to and from work.

6. RESEARCH FINDINGS

CAMBODIA

Overview of the Cambodian garment industry

Cambodia's garment industry is one of the country's biggest export industries and a significant contributor to its economy. The industry employs more than 800,000 workers across 1,100 factories, and had been expanding rapidly prior to the COVID-19 pandemic. Garment exports increased by 11 per cent between

2018 and 2019; however, the industry was hit by the economic shock of the pandemic, with exports dropping by 10.2 per cent in 2020 from a value of over USD 8 billion in 2019 to USD 7 billion.⁴⁵ Exports continued to drop in early 2021; however, the re-opening of stores in the United States, the United Kingdom and Europe as the COVID-19 situation improved has resulted in a recent recovery of the sector, as orders and exports have increased.⁴⁶

Garment workers in Cambodia often earn well below the living wage. The minimum wage was increased to \$250 (USD 192) per month in 2021; however, this fell short of the \$15.60 (USD 12) per month rise called for by unions, in line with rising productivity and an increase in purchase orders from international brands. Wage increases have not kept up with the rate of inflation, which was 2.9 per cent in 2020.⁴⁷ In 2020, the AFWA calculated Cambodia's living wage to be \$764 (USD 588), which is more than triple the minimum wage.



Garment workers protest in Cambodia. © ActionAid

45. Open Development Cambodia (2021) Exports, August 12, <https://opendevelopmentcambodia.net/topics/exports/>

46. Xinhua (2021) Cambodia's garment exports up 3.3 pct in first 8 months: commerce ministry, September 18, http://www.news.cn/english/2021-09/18/c_1310196169.htm

47. Asian Development Bank (2021) Economic indicators for Cambodia, <https://www.adb.org/countries/cambodia/economy>

The impact of COVID-19

The economic impact of the COVID-19 pandemic on the Cambodian garment industry over the last two years has come in waves. As 60 per cent of raw materials used in garment production in Cambodia come from China, the emergence of COVID-19 in Wuhan immediately and severely disrupted the industry.⁴⁸ Factories struggled to meet orders from international brands. Then when the pandemic hit the United States, the United Kingdom and Europe in March 2020, the industry was impacted again by cancelled, delayed and missed orders. Between January and June 2020, export data shows a 5.4 per cent drop in garment exports from Cambodia as imports in the United States declined by 26 per cent and in Europe by 25 per cent.⁴⁹ This correlated with more than 130 garment, footwear and travel factories being forced to suspend their operations and around 100,000 workers either temporarily or permanently losing their jobs.⁵⁰ In December 2020, the government reported that 110 factories closed during 2020, which left more than 55,000 workers unemployed and without an income to support their families.

In April 2020, the Cambodian Government provided financial support to garment workers who were suspended from their jobs as a result of the pandemic. However, this support fell well short of garment workers' regular wages and the country's legal minimum wage, pushing garment workers further into poverty. After initially proposing a monthly payment of \$148 (USD 114), the government ultimately agreed to provide garment workers with \$91 (USD 70) per month, with \$52 (USD 40) provided by the government and \$39 (USD 30) to be paid by factories.⁵¹ Additionally, factories were only eligible for government support if they did not receive any purchase orders from international brands and officially notified the government of their need to participate in the scheme. Those factories that sub-contracted orders were often ineligible for government support and workers were suspended with no financial support.

While the garment industry experienced some improvement in late 2020, the situation for garment workers has remained turbulent, as production depends on international demand that fluctuated due to COVID-19. A spike in COVID-19 cases in Cambodia in early 2021 brought new health and economic risks for thousands of garment workers.

Escalating case numbers resulted in a national lockdown in April, which was extended for high-risk areas in May, which left garment workers without employment and struggling to survive.

The government did not provide any support to garment workers during the lockdown period. They also notified factories that they were not responsible for supporting workers, but could choose to do so if they wanted. The result was that support for garment workers during lockdown varied greatly – some factories chose to pay their workers their full salary, some provided 20 per cent of their salary, some provided some financial contribution towards rental payments, and some workers were left with no support at all.

Many garment factories resumed operations in May, meaning that workers not living in high-risk 'red zones' were able to return to work. However, factories and workers located in the more restricted 'red zones' remained in lockdown. While this has given some workers access to a much-needed income, the risks of returning to work are high. The virus has continued to spread across Cambodia, particularly in garment factories – where workers are unable to physically distance, squeeze into small and disorganised spaces on breaks, and are forced to take crowded transport to and from work.

48. Khmer Times (2020) Garment factories to experience Chinese raw material disruptions: GMAC, February 12, <https://www.khmertimeskh.com/689917/garment-factories-to-experience-chinese-raw-material-disruptions-gmac/>

49. ILO (2020) The supply chain ripple effect: How COVID-19 is affecting garment workers and factories in Asia and the Pacific, October, p. 9, https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/briefingnote/wcms_758626.pdf

50. The Phnom Penh Post (2020) Over 110 garment factories close, November 22, <https://www.phnompenhpost.com/national/over-110-garment-factories-close>

51. The Phnom Penh Post (2020) Temporarily laid-off workers to get just \$70, April 7, <https://www.phnompenhpost.com/national/temporarily-laid-workers-get-just-70>

Methodology overview

ActionAid worked with the Cambodian Alliance of Trade Unions to conduct a survey with 118 garment workers across six factories in Phnom Penh, Cambodia. Eighty-six per cent of those surveyed were women, and twelve per cent were men and two per cent were transgender people.

Survey limitations include the small sample size, as well as the high representation of trade union members (86.4 per cent) and those currently in employment (95 per cent). This is due to the implementation of the survey by trade union representatives, and the focus on factories that are currently in operation (five of the six factories are currently in operation).



CAMBODIA RESEARCH FINDINGS

118 people surveyed

6 factories

91% of respondents were migrant workers

90.7% of respondents are more worried about their job security since the pandemic hit

13% of respondents lost their job due to COVID-19

89% of respondents have run out of money to buy food during the pandemic

- In January 2020, just 2.2% of the workers who participated in this survey were earning a living wage
- More than twice that number - 5.6 per cent - were earning no more than the minimum wage

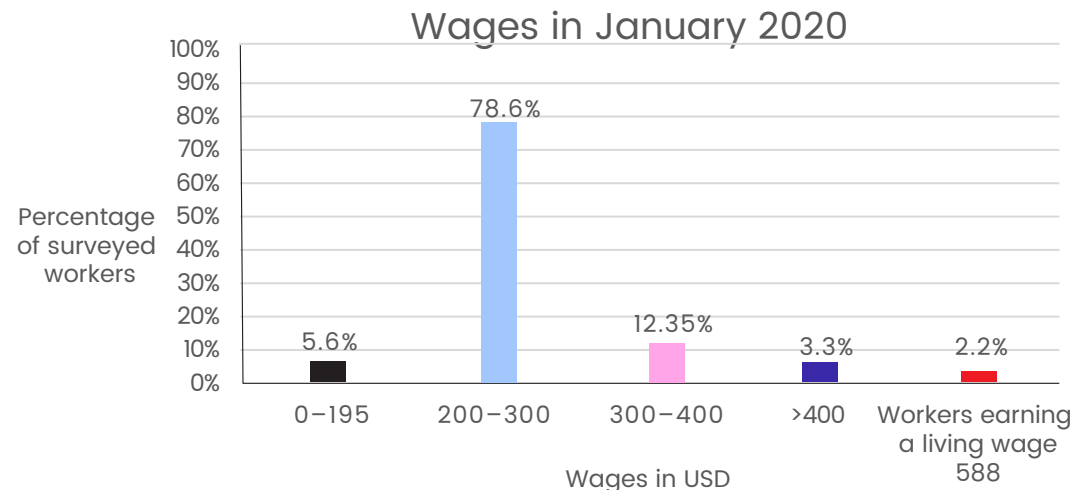
The majority of workers were earning only slightly above the minimum wage when salary and overtime was considered. More than three-quarters (78 per cent) of surveyed workers were earning between \$260-\$390 (USD 200-300), with 12 per cent earning between \$390-\$520 (USD 300-400). Just 3.3 per cent of surveyed workers (three people) were earning above \$520 (USD 400 per month), which is still less than the living wage of \$764 (USD 588).

The \$2.6 (USD 2) increase to the minimum wage in 2021 did not improve the situation for garment workers. Anecdotally, workers said that even after the wage increase, they still struggled to meet their living costs due to rising rent, food, petrol and commodity prices. With the government consistently failing to meet workers' and union calls for a \$15.60 (USD 12) rise to the minimum wage, garment workers were left feeling that the payment of a living wage is completely off the table.

Low salaries across Cambodia's garment industry mean workers not only struggle to meet their daily living costs, but are unable to build savings in case of a loss of employment or reduction in working hours. This has left garment workers particularly vulnerable to the impacts of the pandemic.

1. Poverty wages leave workers vulnerable to the economic impacts of COVID-19

Garment workers in Cambodia entered this crisis already earning poverty wages, leaving them vulnerable to the economic impacts of the pandemic. Low wages reflect the inadequacy of the sector's minimum wage, which is well below the living wage, with garment workers reliant on overtime payments to prop up wages.



2. COVID-19 lockdowns and terminations push workers further into hunger and poverty

Five of the six factories covered in this research remained opened throughout the pandemic, except during lockdown periods. However, at the remaining factory, Violet Apparel, workers were suspended in May 2020, before the factory suddenly closed permanently in July 2020.⁵² Survey results demonstrate that, while all workers have been negatively impacted by the pandemic – facing income drops and rising hunger – workers from the Violet Apparel factory have fared the worse.

13% of surveyed garment workers lost their job as a direct result of the pandemic

Of these **93%** had been employed at the Violet Apparel factory

27% of workers who lost their jobs have received severance payments

An additional **41.5%** of workers lost their income due to factory closures during lockdown periods

40% of surveyed workers said their work hours had reduced since the pandemic started

The majority (93 per cent) of terminated workers reported that they were out of work for more than 12 months. For workers that lost their income due to factory closures during lockdown periods, a significant majority (98 per cent) reported being out of work for between one and two months.

The Violet Apparel factory has been the subject of a severance dispute since its closure in July 2020, and survey results reflect ongoing claims of unpaid benefits. The majority of terminated workers (93 per cent) reported receiving their last salary. However, beyond this, access to benefits has been poor. Less than half of workers (40 per cent) reported receiving their annual benefits and less than a third received severance payments (27 per cent) and prior-notice compensation (20 per cent). This is despite these benefits being legally mandated under Cambodian law.⁵³

52. Nierhoff, A (2020) Cambodian garment factory workers demand rights after coronavirus closures, 16 October, <https://www.abc.net.au/news/2020-10-16/cambodia-violet-factory-workers-demand-pay-after-coronavirus/12769364>

53. ILO (2019) Guide to the Cambodian Labour Law for the Garment Industry, <https://betterwork.org/wp-content/uploads/2020/03/Cambodian-Labour-Law-Guide2019.pdf>

Financial support inadequate

With the international brands failing Cambodia's 700,000 garment workers, the response to the pandemic was pushed onto the Cambodian Government, which ultimately agreed to provide \$91 (USD 70) per month to affected workers – with payments split between the government (\$52 or USD 40) and garment factories (\$39 or USD 30). While the government's payments to affected workers were insufficient to meet people's daily needs, a positive finding from this survey is that the rollout of support packages was strong for official export-oriented factories. However, it is important to note that this was not the case for workers employed at subcontracting factories.

93% of respondents were able to access government support during the pandemic.

75.5% of respondents received government support during lockdown periods.

22% received support when they were suspended from their jobs.

Beyond the support mandated by the government, the financial support provided to workers varied across factories. Excluding terminated workers, two-thirds of respondents reported receiving some additional support from their employer during the

pandemic. However, for the majority of respondents, employer support came in the form of workers' final salary (57 per cent). Additionally, 32 per cent of surveyed workers did not receive any support from their employer at all during the pandemic.



Mom, a garment worker from Cambodia at home after her shift.
© ActionAid

Hunger rising as workers forced to take on debt to cover basic living costs

The inadequacy of financial support available to garment workers has meant workers that faced terminations, suspensions during lockdowns and cuts in working hours have been pushed further into crisis.

89% of workers reported that their household has run out of money to buy food since the pandemic began

68% said that they were forced to reduce their expenses

35% said their income was insufficient to cover daily expenses

47% of workers had to take on additional loans to cover household costs

Rising and frequent hunger was common amongst garment workers, with almost half of workers (45 per cent) saying they sometimes lacked enough

money to buy food, and two in five workers (42 per cent) reporting that this happened frequently or very frequently. This reflects the low salaries across the Cambodian garment industry, which has led to many workers coming into the pandemic with large debt burdens. Almost half of surveyed workers reported taking on additional loans during the pandemic, with anecdotal evidence suggesting that this number could be much higher.

Garment workers financial security was also impacted by job losses and wage cuts within their households, meaning that even in cases where surveyed workers remained in work, family members may have faced wage cuts, which then impacted on their household spending and hunger.

For workers taking on additional loans to cover their household costs (47 per cent), repayments were causing increased stress. Eleven per cent reported that they were struggling to pay back their loans. Additionally, over three-quarters (81 per cent) of workers in employment expressed concern that if they were to lose their job, they would not be able to make loan repayments.



During lockdown, I didn't get any food assistance from local authority or anyone. My parents had to sell their pigs in order to send food and money to me to cope with the situation since we could not go out to earn any money.

Channa, Garment worker, Cambodia

3. Wages stabilise, but terminated workers suffer severe income cuts

Wage data from August 2021 provides a positive indication that for workers who did not face terminations during the pandemic, incomes have returned to pre-pandemic levels –with workers actually reporting an increase in wages. This likely reflects several factors, including the stabilisation in international fashion markets, with retail stores reopening in the United States and the European Union, and fashion sales recovering after long periods

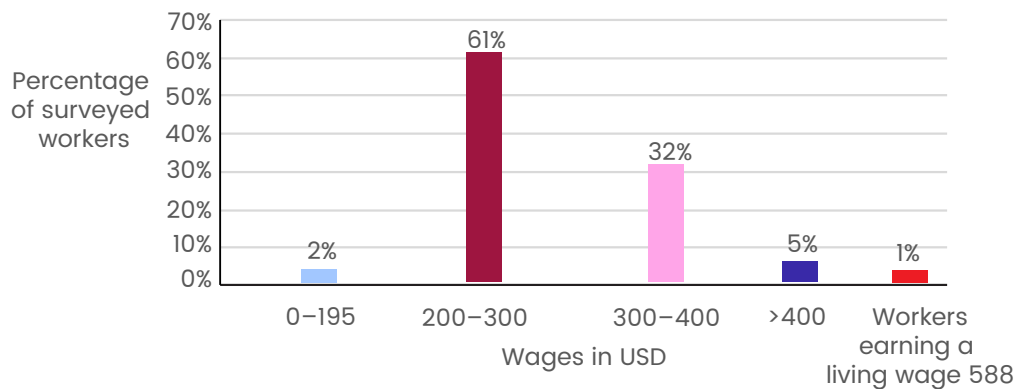
of lockdown. There was an increase in productivity, with factories receiving increased production orders, and workers having higher production targets and receiving more overtime hours. While the survey results are positive, it is important to note that despite this recovery, almost all workers continue to earn well below the living wage.

- In August 2021, the average reported salary for non-terminated workers was \$358.80 (USD 276) per month compared to an average salary of \$312 (USD 240) per month before the pandemic
- Nearly all workers continue to earn below the living wage

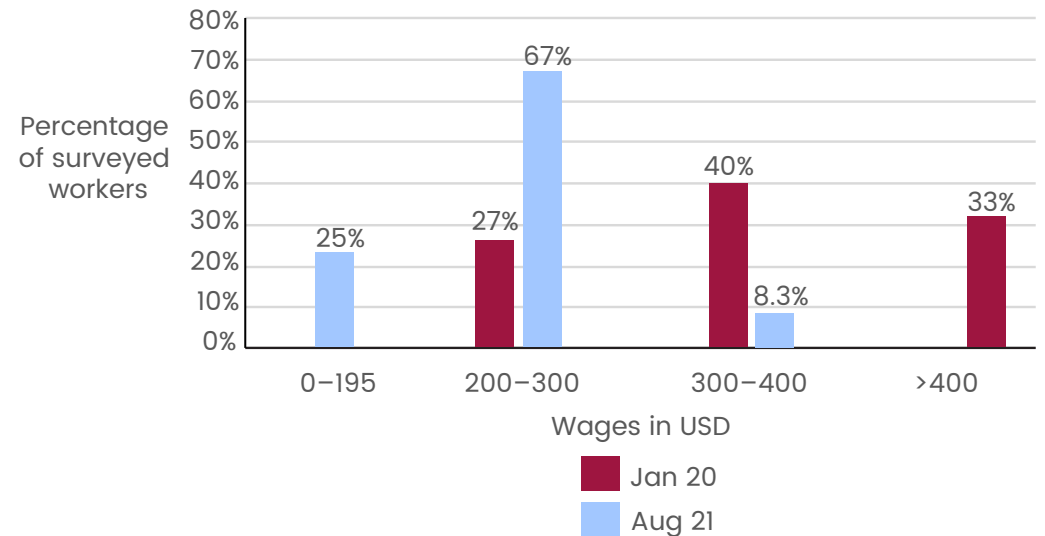
- Workers who faced terminations experienced an average salary cut of \$189 (USD 145.90) per month

The situation for workers who were laid off during the pandemic remains dire. Prior to being terminated, workers at the Violet Apparel factory were earning an average monthly salary of \$447 (USD 343.90), which was at the higher end of the scale for the workers surveyed. In August 2021, the average monthly salary for workers from the Violet Apparel factory was \$257 (USD 198) – an average wage drop of \$189 (USD 145.90) per month.

Wages in August 2021



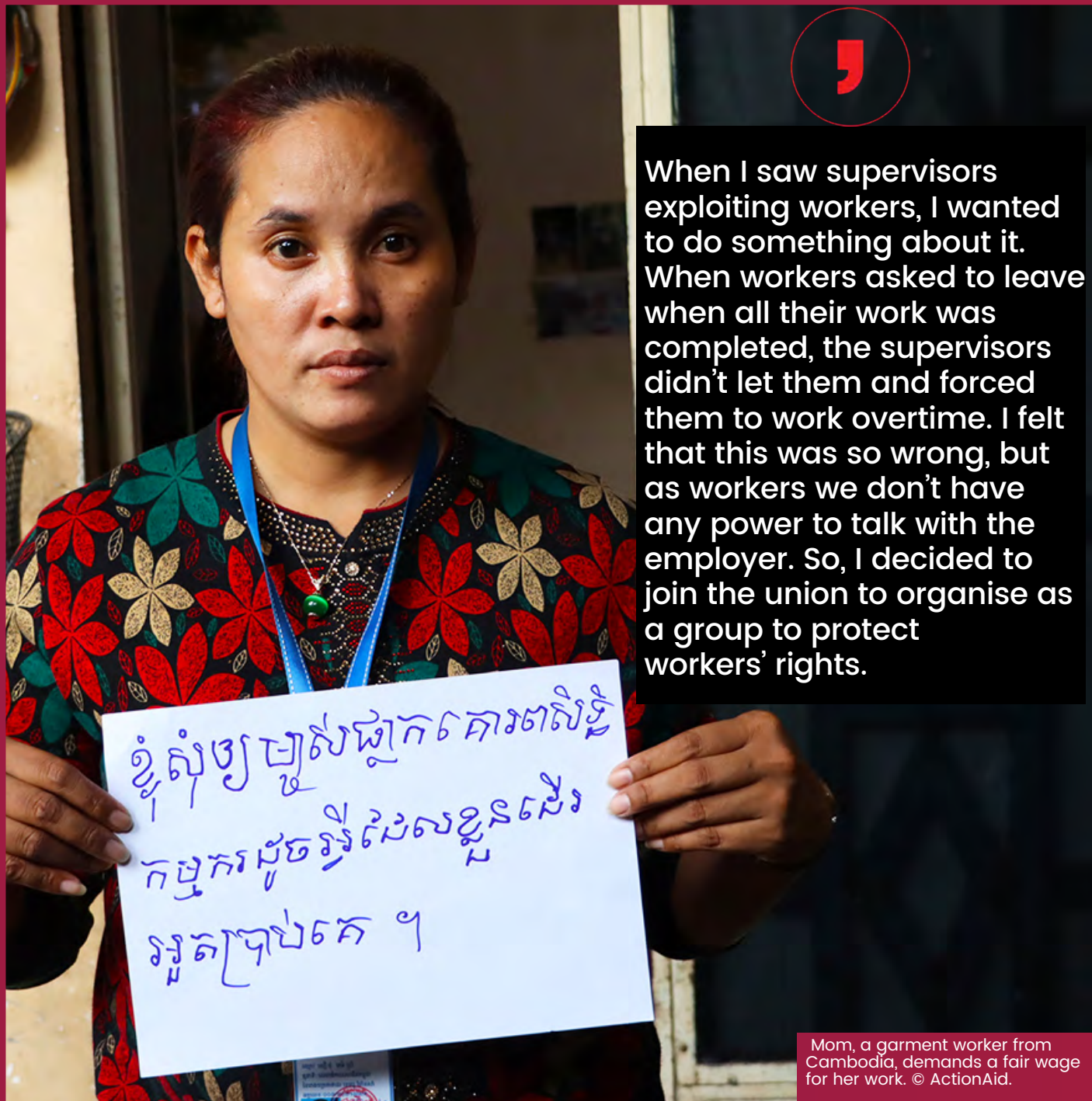
Wage drop for terminated workers



MOM'S STORY

Mom has been a garment worker for 15 years. Throughout her career, she has witnessed countless instances of exploitation in Cambodia's garment factories. That's why Mom became a member of the Cambodian Alliance of Trade Unions (CATU) and remains active in her factory's union.

Ever since the COVID-19 pandemic hit Cambodia, Mom and her colleagues have faced growing challenges. Production targets have risen from 350 items per hour to 400 items per hour – over a 10 per cent increase. Yet, despite larger workloads, workers' salaries have not increased and people like Mom are struggling to afford rising living costs.



When I saw supervisors exploiting workers, I wanted to do something about it. When workers asked to leave when all their work was completed, the supervisors didn't let them and forced them to work overtime. I felt that this was so wrong, but as workers we don't have any power to talk with the employer. So, I decided to join the union to organise as a group to protect workers' rights.

Mom, a garment worker from Cambodia, demands a fair wage for her work. © ActionAid.



“Sometimes, when workers could not meet the target, which keeps increasing, supervisors called them to the admin office and warned them. I experienced this myself – I met the target, but my sewing machine was broken, and they warned me about breaking the machine. I challenged them. I asked, why is the employer only looking for opportunities to fire workers and not protecting the interests of workers? Then, they stopped.”

In April 2021, COVID-19 cases surged in Cambodia and the country was forced into lockdown. Mom’s factory temporarily closed, and she lost her wage. While Mom could access a payment of USD 40 from the government, her employer refused to pay her anything. It wasn’t until Mom and the CATU began advocating that the factory agreed to pay workers 20 per cent of their salary plus some additional benefits– reaching a total of USD 60.

However, the combined payments from the government and her factory were still well below the minimum wage of USD 192 and Mom and the other workers weren’t even able to cover basic living costs. During her factory’s closure, Mom was forced to take out a USD 200 loan to cover her rent. This was on top of an USD 8,000 loan that her family had taken out before the pandemic hit. Mom found that after making the loan repayments and paying her rent and utility bills she had little money left to buy food.

After paying all these loans, the rent, and utility bills, I don’t have much money for eating. So, I just eat a little. I spend \$0.40 for each meal which include a pack of rice and a small bag of soup. I spend around \$1.25 per day for eating.

In garment factories, the threat of contracting COVID-19 is high. When the factory reopened in May, Mom had to risk her health in order to overcome her financial troubles. While workers wore masks and used hand sanitiser regularly, they had to commute on overcrowded trucks and have lunch in crowded spaces. Mom was so worried about catching COVID-19 that she didn’t visit her daughter, who lives with her parents, for almost a year.

Thankfully, Mom and other workers at her factory are now fully vaccinated and she has been able to visit her daughter and her parents.

While the fashion industries in Australia and other wealthy countries are starting to recover from the pandemic, Mom remains worried about her future:

“I have a dream to finish with the repayment for the loans and do the work that I wish to do. For example, working with a union or owning a small business. I want to have time to think and plan for my future. I don’t have secured finances for my future yet and I need money for my girl’s education too.”

When asked what international brands should be doing to ensure a better life for garment workers, Mom’s answer is clear –

“you [the brands] say that you respect workers’ rights, please do what you have claimed.”

4. High risk of contracting COVID-19 in garment factories

Returning to work has brought its own set of challenges for garment workers, especially with COVID-19 escalating across Cambodia in the first half of 2021. Surveyed workers expressed concern about the risk of catching COVID-19 in packed factories, busy lunch halls, and on cramped public transport.

- 51% of surveyed workers felt that they had a high risk of catching COVID-19 at work and 28% felt that they had a medium risk
- 58% expressed concern about the authorities testing for COVID-19, and 43% were worried about being put under quarantine if they tested positive
- Fewer than 10% of respondents said employers had taken steps to ensure workers were socially distanced
- Only 5% said their workplace was regularly being cleaned and disinfected

Almost all (99 per cent) respondents said that their employer had taken concrete action to protect them

from contracting COVID-19 by providing masks and hand sanitizer and conducting temperature checks at work. However, concerns were raised that on some occasions the forehead thermometer was broken, or that temperature checks only took place in the morning when workers entered the factory and were not re-checked in the afternoon.

Beyond this, only 2.6 per cent of respondents said that their employer was acting to reduce workers' risk of catching COVID-19 on crowded transportation to and from work. Workers also suggested that shifts for lunch breaks and when leaving the factory would be beneficial to reduce crowd sizes.

Workers were concerned about the financial consequences of catching COVID-19. Just over half (50.5 per cent) of respondents said they were worried that their factory would be locked down if COVID-19 cases were discovered. Inadequate protections for workers in factories forced them to risk their health by working in unsafe conditions with minimal access to financial support if they do contract the virus.

5. Workers' rights under threat

COVID-19 has increased stress on an industry that already fails to protect workers' fundamental labour rights, including freedom of association and collective bargaining. Before the pandemic, many garment factories in Cambodia were not upholding workers' rights. Now, workers are reporting that the situation is getting worse.

- 90.7% of surveyed workers said they are more worried about their job security since the pandemic hit
- 56% said that their rights at work have gotten worse since the pandemic began

Common concerns expressed by workers included that they were afraid to file a complaint, with workers pointing to personal consequences such as being yelled at by the supervisor or given a higher workload if they raised workers' rights issues. Respondents also said that since the pandemic began, employers were too slow in responding to complaints, but that they were afraid to organise a protest, which was necessary to push factories to respond to their concerns and demands.

Garment workers experience of harassment at work widespread

Garment workers' reports of harassment in the workplace are particularly alarming

45% of women and 21% of male respondents reported experiencing violence or harassment at work

56% said they were aware of other people that have experienced harassment or gender-based violence at work

63.5% of respondents said that cases either had not been reported and addressed, or they were not aware if the case had been addressed

The most common form of harassment was verbal abuse, with almost all affected workers (98 per cent) reporting being harassed verbally at work. Eight per cent of respondents reported experiencing physical assault, and four per cent said they have experienced sexual assault. For cases involving other people, more than three-quarters of respondents (77.3 per cent) reported that cases involved verbal harassment, 13 per cent involved physical assault and nine per cent involved sexual assault.

Although the sample size for transgender respondents is not statistically significant, it is notable that all transgender respondents reported experiencing violence or harassment at work.

The majority of cases went unreported, with only one-third of respondents (32.2 per cent) stating that cases had been reported and responded to by their employer, pointing to a culture of impunity within garment factories in which workers are subject to harassment and abuse with few options for redress.

7. CONCLUSION

Garment workers in Bangladesh and Cambodia were already living below the minimum wage before the emergence of the COVID-19 in early 2020, with poverty wages and poor working conditions a mainstay of the global garment industry. When the pandemic hit both countries, garment workers were pushed into crisis as Australian and international brands abandoned the workers that make their clothes.

Two years later, the fashion industry has navigated supply chain disruptions, store closures and an economic recession. But while many brands took a hit to their profit margins, it's the garment workers at the bottom of global supply chains that have worn the cost of this crisis. With jobs cut, wages slashed and rights at work under threat – the pandemic has pushed garment workers further into poverty, hunger and debt.

Garment workers have long demanded reform of an industry built on their exploitation, and the pandemic has only hardened their calls. International brands and governments must rise to address the challenges that COVID-19 has exposed and commit to building back better from the pandemic through the provision of universal social protection and the delivery of a living wage to all workers in garment supply chains.



Garment workers protest in Cambodia. © ActionAid

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