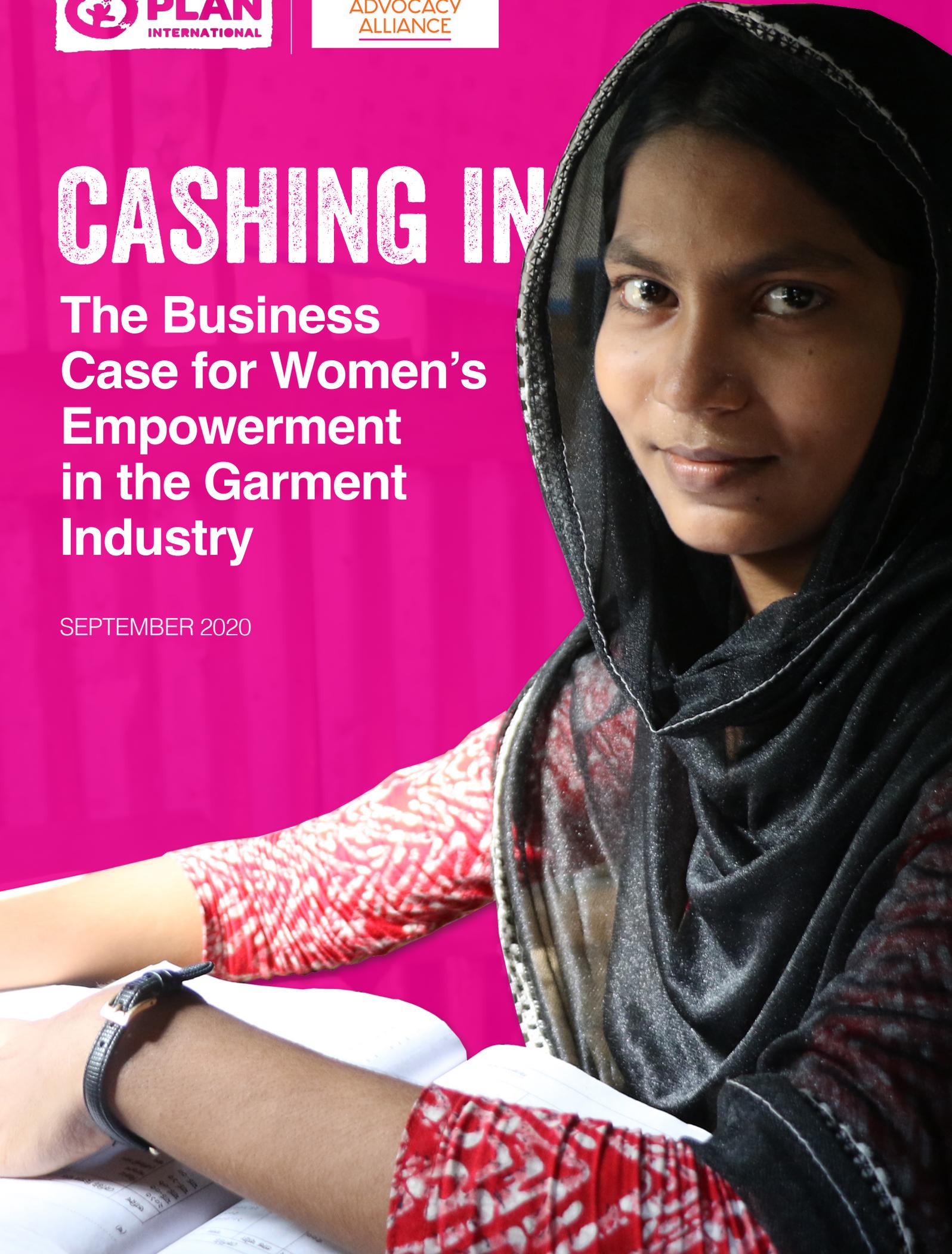




# CASHING IN

## The Business Case for Women's Empowerment in the Garment Industry

SEPTEMBER 2020





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# ABSTRACT

Bangladesh is the second largest global exporter of ready-made garments, and the RMG sector is widely credited with contributing to an improvement in living standards in the country, particularly for women. Although the garment sector has brought unprecedented opportunities for women, especially for those in rural areas, women still face discrimination and harassment in the workplace, and occupy the lowest paid positions in RMG factories.

This report presents a business case for investing on women's empowerment in the RMG sector in Bangladesh. Specifically, it analyzes the impact of specific interventions on worker absenteeism and turnover.

The initial desk review analyzed the state of women in the RMG sector. Professional advancement and promotion are highly gendered; women in the sector have limited upward mobility, and supervisory and managerial positions are male dominated. The jobs in which women RMG workers are concentrated also tend to be the worst paid. Most women in the Bangladesh garment sector are of child-bearing age. And while amendments in the law increased the benefits received by new mothers, in reality, very few RMG factories fully comply with the legal requirements. Furthermore, women in the RMG sector also experienced violence and sexual harassment in the workplace, mainly through verbal and psychological abuse.

The novel coronavirus (COVID-19) has presented the world with an unprecedented global health emergency. The RMG sector is predominantly made up of women workers and they are being disproportionately affected by the pandemic through decreased hours and pay, job losses, increased care work, difficulties in accessing health services, and a higher risk of gender-based violence both at work and at home. And with little to social benefits for unemployed workers in developing countries such as Bangladesh, many families will face poverty, homelessness and hunger.

The primary data gathering was composed of two phases. The first phase utilized a qualitative approach to understand the rationale, implementation process and impacts of various good practices in these factories. The research team conducted focus group discussions, key informant interviews, and observation techniques at four factories from July to December 2018. Purposive sampling technique was used to collect the qualitative data from RMG workers, supervisors, mid-level management, top management, government officials, and CSO representatives. The second tranche was carried out at three additional factories near Dhaka in February – March 2019 and included a qualitative survey and a cost-benefit analysis in addition to the FGDs and KIIs previously conducted.

The factories involved in this research have employed different measures to support women workers. These interventions can be categorized into:

- Programs or trainings that provide women with the skills necessary to advance in their career and win promotions;
- Programs that provide support to pregnant women and mothers, including maternity leave, daycare, and breastfeeding support;
- Programs that confront sexual harassment and gender-based violence;
- Factory health clinics and support for reproductive health and menstrual hygiene;
- On-site fair-trade shops.

All seven factories reported business benefits from the interventions that have been introduced to their workers. The employees' overall well-being improved with measures that allowed them to balance work and responsibilities at home. The identified good practices demonstrated contributions not only to reducing absenteeism and staff turnover, but also to improve a factory's reputation, which attracts skilled workers and buyers.

Cost-benefit calculations for the three factories supported the premise that reduced absenteeism and staff turnover reported monetary benefits as well. From highs of 7-9%, absenteeism has been reduced to 4-5% at the endline. Similarly, staff turnover rates declined from 12-24% to 3-5% at the endline. These have yielded savings for the factories that range from over USD 400,000 to USD 1.7 million annually.

The research also calculated the return on investment (ROI) for the three factories. All three factories yielded positive returns, indicating the benefits of implementing interventions that supported women in the RMG sector outweighed the costs. At two of the three factories, the cost-benefit analysis found an approximate 1:3 return on investment associated with providing gender-specific and gender-sensitive services for female workers. The 1:3 ratio is in line with previous cost-benefit analysis conducted in the Bangladesh RMG sector. At one factory, the cost-benefit analysis found a 1:15 return on investment. One possible explanation for this outlier may be the relatively high value of the products it produces.

Several recommendations were made based on the findings of the study. There was a need to address data gaps and inconsistencies in how factories recorded absenteeism and turnover. Promoting female workers to supervisory and management positions and address underlying issues around upward mobility and female leadership. This involved setting up training programs and systems that are intended to motivate women and improve female promotion rates. Many women missed work due to having their periods and providing more sanitary napkins and access to birth control can improve women's reproductive health.

While health clinics provided health services to the workers and any children enrolled daycare, this benefit was not always extended to other family members who are not on-site. Extending the access by catering to the spouse and all the children will ease the burden of healthcare for these families. Some factories have set up medical insurance packages for workers. This is a good practice that should be shared and adopted more widely. Finally, increasing the capacity of day cares to accommodate more children will allow more women to continue working after giving birth.

# ABBREVIATIONS

<b>BDT</b>	Bangladesh Taka
<b>BGMEA</b>	Bangladesh Garment Manufacturers and Exporters Association
<b>BKMEA</b>	Bangladesh Knitwear Manufacturers and Exporters Association
<b>BNWLA</b>	Bangladesh National Women Lawyer's Association
<b>CBA</b>	Cost-benefit Analysis
<b>DIFE</b>	Department of Inspection of Factories and Establishments
<b>EPZ</b>	Export Processing Zone
<b>FGD</b>	Focus Group Discussion
<b>GAA</b>	Girls Advocacy Alliance
<b>GBV</b>	Gender-based Violence
<b>IFC</b>	International Finance Corporation
<b>ILO</b>	International Labour Organization
<b>IPA</b>	Innovation for Poverty Action
<b>IPV</b>	Intimate Partner Violence
<b>KII</b>	Key Informant Interview
<b>RMG</b>	Ready-made Garment
<b>USD</b>	United States Dollar

# CHAPTER 1

## INTRODUCTION

- Background
- Research Method

### Background

Developing and sustaining the vibrant ready-made garment (RMG) industry is vital to growth of Bangladesh's economy. Bangladesh is the second largest global exporter of ready-made garments, and the RMG sector is widely credited with contributing to an improvement in living standards in the country, particularly for women<sup>1</sup>.

Though there has been a significant decline in the number of women working in the RMG sector (from 80% to 55-60%)<sup>2</sup>, women continuously play a huge role in the RMG workforce in Bangladesh. In fact, 80% of the women working in the country's manufacturing sector are employed in RMG factories, making female employment highly crucial to the sector<sup>3</sup>. Thus, attracting female workers, maximizing their productivity and reducing absenteeism, and minimizing female worker turnover are all critical to the continued success and growth of the RMG sector, and for the Bangladeshi economy as a whole.

### Research Method

This report presents a business case for investing on women's empowerment in the RMG sector in Bangladesh. Specifically, it analyzes the impact of specific interventions on worker absenteeism and turnover – two well-established metrics for measuring business impact<sup>4</sup>, and also the two measures that have previously been utilized to measure business impact in the Bangladesh RMG sector<sup>5</sup>.

### Research Questions

- How are employees empowering women workers, and particularly women, in the workforce?
- What has incentivized employers to invest in female empowerment?
- What have been the costs and benefits of these good practices to employers themselves?
- How can stakeholders effectively empower women workers in the garment sector?

### Research Approach

The research for this business case proceeded in two distinct tranches. The first tranche utilized a qualitative approach and was conducted at four factories from July to December 2018. The target populations were RMG workers, supervisors, mid-level management, top management, government officials, and CSO representatives to understand the rationale, implementation process and impacts of various good practices in these factories. Purposive sampling technique was used to collect the qualitative data. These data were collected through focus group discussions (FGDs), key informant interviews (KIIs), and observation techniques. Table 1 shows the data collection process.

<sup>1</sup> BSR. (2017). *Empowering Female Workers in the Apparel Industry: Three Areas for Business Action*.

<sup>2</sup> ILO RMG Programme. (2018). *Promoting Safe and Healthy Workplaces in the Ready-Made Garment Sector*.

<sup>3</sup> Bangladesh Bureau of Statistics. (2012). *Survey of Manufacturing Industries*.

<sup>4</sup> International Finance Corporation. (2013). *Investing in Women's Employment: Good for Business, Good for Development*.

<sup>5</sup> USAID. (2007). *Effects of Workplace Health Program on Absenteeism, Turnover, and Worker Attitudes in a Bangladesh Garment Factory*.

**Table 1.1 Data Collection Process**

Method	Target	Total of Data Collection Method employed for the selected RMG factories	Remarks
Focus Group Discussion (FGD)	Workers	<b>16 FGDs</b> 4 Male 12 Female	Participants with a minimum one year working experience in the factory were randomly selected.  In each factory, there were one male FGD and three female FGDs conducted.
Focus Group Discussions (FGD)	Community members	<b>6 FGDs</b> 3 Male 3 Female	Family, relatives, other community members were invited for the FGDs conducted in 3 factories <sup>6</sup> .  In each factory, there were one male and one female FGDs conducted.
Observation	Factory	4	Infrastructural issues and overall situation were observed in each of the factories.
Key Informant Interview (KII)	Owner/Top Management	4	One KII interview per factory were conducted with the owners/top management officials who are mostly involved in factory and worker management.
Key Informant Interview (KII)	Management (line chief, floor-in-charge, APM, PM)	16	4 individuals who have experience on the progression of the factory for minimum of 2 or 3 years were interviewed in each factory.
Key Informant Interview (KII)	Supervisor	16	4 supervisors who have experience in handling relevant factory-related issues for minimum 2 to 3 years were interviewed in each factory.
Key Informant Interview (KII)	HR & Compliance	8	2 officials who have excellent understanding regarding factory policies, administrative strategies, and other compliance issues were interviewed in each factory.
Key Informant Interview (KII)	Government Official	1	The General Manager for Public Relations of BEPZA was interviewed.
Key Informant Interview (KII)	Brand/Global Retailers	2	Two brands <sup>7</sup> who have undertaken women empowerment initiatives in the factories were interviewed.

The second tranche was carried out at three additional factories near Dhaka in February – March 2019 and included a qualitative survey and a cost-benefit analysis in addition to the FGDs and KIIs previously conducted.

For the cost-benefit analysis, benefits are defined as reduced absenteeism and turnover among female workers. A worker is deemed absent if they missed a full day of work without obtaining prior permission, and absenteeism is the total number of workdays missed within a defined time period. Turnover, on the other hand, is defined as the number of workers whose contracts are officially terminated within a defined time period.

The formulae used to calculate reduced absenteeism, reduced turnover, and the return on investment (ROI) are different among the three factories because it was dependent on the availability of data – which varied from factory to factory. A detailed discussion of each formula is provided in the section on the cost-benefit analysis, Chapter 4.

With this, for the cost-benefit analysis, factory data were collected in three ways<sup>9</sup>: (1) a data collection sheet, (2) a survey, and (3) a series of focus group discussions.

<sup>6</sup>The Focus Group Discussion with the community of the remaining factory did not push through due to unavoidable circumstances.

<sup>7</sup>These two brands are Bestseller and Dimensions Ltd.

<sup>8</sup>Note that these three factories are different from the four factories in the first tranche.

<sup>9</sup>The three data collection methods were conducted one-on-one with the respondent by the data collectors. The process began with the data collectors explaining the research rationale and obtaining the consent from the respondents. The data collector recorded the survey responses on paper. After the survey, the data collector inputted the survey responses into an electronic survey platform – Survey Monkey.

1. The data collection sheet requested for key information and data needed for the cost-benefit analysis, which was shared with the factories prior to the research team's visit. Data on the services that the factory offers, number of total workers (gender- and age-disaggregated), absenteeism rates, turnover rates, promotion rates, service costs, and service utilization were the data points asked through the data collection sheet. See Annex I for sample data collection sheet.

2. The survey was administered to the factory employees, which were selected by the factory management based on the profiles requested by the research team. See Annex II for sample survey questionnaire.

A total of 54 survey responses from three factories were gathered – 19 employees from Factory #1, 17 employees from Factory #2, and 18 employees from Factory #3.

All the survey participants were female from different age groups and had diverse profiles:

- A worker with an infant in the factory daycare;
- A worker who just got back from maternity leave;
- A worker who is about to start her maternity leave;
- A supervisor;
- An unmarried worker;
- A new worker (but had been working for more than 6 months); and
- An experienced worker who has been with the factory for more than 5 years.

3. The focus group discussions (FGDs) were organized to understand deeper the perceptions of women working in the RMG sector. The FGDs were held in Factory #1 and Factory #2<sup>10</sup> where the international team leader led the discussion and a data collector provided translation. The focus group discussions lasted for 30 minutes to avoid disrupting the respondents' work for the day as well as the factory production.

In addition to this, the national team leader conducted validation meetings in each of the three factories wherein the data and findings gathered were presented. During the validation meetings, the factories were presented only with the data and findings gathered from their factory, and those from the other factories were kept confidential.

### **Selection of Factories**

Factories that had good practices of investing in women's empowerment and those with a reputation for complying with legal requirements were prioritized.

For the first part of this research, the four factories were selected according to the following criteria:

- Factories that have invested on women workers through various trainings, health-related interventions, etc.;
- Community-based programs (school, daycare center, hospitals/health centers, other special interventions);
- Food facilities;
- Vehicle facilities;
- Creation of opportunities for career advancement for women (e.g. more women in supervisory or managerial role as well as senior management); and
- Award-winning factories (reference from news, reports, etc.)

For the second part, the initial plan was to conduct the analysis at the four factories that had participated in the qualitative research tranche. However, those factories declined to participate. Therefore, factory selection was made separately based on expert opinion of the Bangladesh team members, and also depended on the willingness of factories to participate in the study and the available of a data management system.

All these factories manufactured products for the export market. Due to time constraints, only factories in or close to Dhaka were considered for the study. To ensure their anonymity and confidentiality of data, the factories are referred to as Factory 1 (F1), Factory 2 (F2), and Factory 3 (F3). The Factory Profiles are found in Chapter 4 and Annex II of this research.

### **Selection of Best Practices**

Based on the analysis of international best practices and existing good practices in Bangladesh RMG factories, the following interventions were selected:

1. *Programs or trainings that provide women with the skills necessary to advance in their career and win promotions.* The ability to advance along a career path has been proven to motivate workers and contribute to reducing turnover. In the context of the Bangladesh RMG industry, a number of programs in the country are already working to impart the soft skills needed to advance into supervisory or management positions. An example is a project funded by the Benetton Group, and carried out by UN Women and CARE, which is designed to help women get into decision-making positions in the workplace by providing them with training to increase productivity and soft skills (such as communication, negotiation, and leadership)<sup>11</sup>. Similar to this is a program sponsored by GAP on Personal Advancement and Career Enhancement (PACE) which focuses on equipping and enhancing the soft skills of female RMG workers. In addition to this, ILO-supported Better Work also provides a Supervisory Skills Training (SST) program that is focused on female supervisors and is designed to further increase their productivity.

<sup>10</sup>The research team decided not to conduct a focus group discussion at Factory #3 because of time constraints.

<sup>11</sup>UN Women. (2018). [Bangladesh Garment Workers gain better futures.](#)



2. *Programs that provide support to pregnant women and mothers, including maternity leave, daycare, and breastfeeding support* are widely recognized in empowering women across multiple sectors, including the RMG sector. BSR, in cooperation with the International Center for Research on Women, the C&A Foundation, and the Levi Strauss Foundation, identified support for pregnant workers and mothers as a critical female empowerment intervention in the Apparel Industry<sup>12</sup>. In Bangladesh, UNICEF-supported Mothers@Work Communication for Development (C4D) program is successfully promoting breastfeeding in RMG factories through education on the importance of exclusive breastfeeding, and breastfeeding and milk expressing support, which have significantly increased their productivity and empowerment<sup>13</sup>. Support groups were also established by experienced working mothers who acted as mentors to their pregnant and new mother colleagues<sup>14</sup>.

3. *Programs that confront sexual harassment and gender-based violence*. Eliminating sexual harassment and gender-based violence is widely recognized as an intervention to advance female empowerment<sup>15</sup> - including the Bangladesh

RMG sector. Programs such as the ILO/IFC-supported Better Work program and the HERrespect program have been promoting gender equality through participatory training for workers and management, awareness-raising campaigns in the workplace, and review of policies and practices<sup>16</sup>. Several programs in the RMG factories include installation of complaint boxes, designation of staff to respond to verbal complaints, and delivery of sexual harassment trainings for all staff.

4. *Factory health clinics*. The contribution of on-site health services to the improvement in worker productivity, reduction of absenteeism, and mitigation of turnover are well-documented. A review by USAID (2007) shows the positive returns on investment of having on-site health services (such as birth women-specific control, pre- and post-natal care, and pediatric health services) provided to factory workers in Bangladesh<sup>17</sup>.

5. *On-site fair-trade shops*.

<sup>12</sup> BSR. (2017). *Business Brief: Empowering Female Worker in the Apparel Industry*.

<sup>13</sup> UNICEF. (2018). [Let's Make It Work!: Breastfeeding in the workplace – using communication for Development to make breastfeeding possible among working mothers](#).

<sup>14</sup> Wadvalla, B.A. (2018). [Garment Factories Embrace Breastfeeding](#).

<sup>15</sup> BSR. (2017). *Business Brief: Empowering Female Workers in the Apparel Industry*.

<sup>16</sup> BSR HERrespect. (2018). [How Business can make a difference on violence against women and girls](#).

<sup>17</sup> USAID. (2007). *Effects of Workplace Health Programs on Absenteeism, Turnover, and Worker Attitudes in a Bangladesh Garment Factory*.

# CHAPTER 2

## WOMEN IN THE GARMENT SECTOR

- Gendered Segregation of Work and Lack of Professional Development
- Lack of Support for Pregnant Women and Mothers
- Harassment and Violence in the RMG Sector
- Effect of COVID-19 on the RMG Sector



Bangladesh has come a long way in closing the gender gap, from being ranked 91<sup>st</sup> out of 115 countries on the Global Gender Gap Index in 2006<sup>18</sup> and climbing to 48th position out of 144 in 2018<sup>19</sup>. Bangladesh is also the top performer in South Asia, with the gender gap closing mainly on the political empowerment component in which Bangladesh ranked 5th in 2018.

However, women are still underrepresented in leadership positions across all sectors. Bangladesh is performing poorly on economic participation and opportunity – ranking number 133 out of 149 countries in 2018, and a significant gender gap remains in terms of labor force participation and earned income<sup>20</sup>. Bangladesh score 0.542 on the Gender Inequality Index for 2017, ranking 134 out of 189 countries, and women's participation in the workforce is just 33 percent, compared to 79.8 percent for men<sup>21</sup>.

Although the garment sector has brought unprecedented opportunities for women, especially for those in rural areas, women still face discrimination and harassment in the workplace, and occupy the lowest paid positions in RMG factories. The challenges that impede women in the sector are discussed in this chapter.

### Gendered Segregation of Work and Lack of Professional Advancement

Providing opportunities for career progression and promotion supports worker motivation, improves productivity, and mitigates turnover. However, in Bangladesh, professional advancement and promotion are highly gendered: while instances of overt gender discrimination in pay have declined in the RMG sector<sup>22</sup>, women in the sector have limited upward mobility, and supervisory and managerial positions are male-dominated. Indeed, despite representing a majority of total workers, women were generally underrepresented in supervisory and management positions<sup>23</sup>. Compared to the other countries where the IFC/ILO Better Work program is active, Bangladesh has, by far, the lowest percentage of women workers in supervisory positions with just 7 percent (see Figure 2.1).

Not only are women excluded from supervisory and managerial positions, but the jobs in which women RMG workers are concentrated also tend to be the worst paid. The Fair Wear 2018 report found that the majority of helpers and sewing operators are women, while dyeing, washing, and knitting/weaving operators are male-dominated jobs and tend to be better paid.

<sup>18</sup> The Global Gender Index incorporates four sub-indices: economic participation and opportunity, educational attainment, health and survival, and political empowerment.

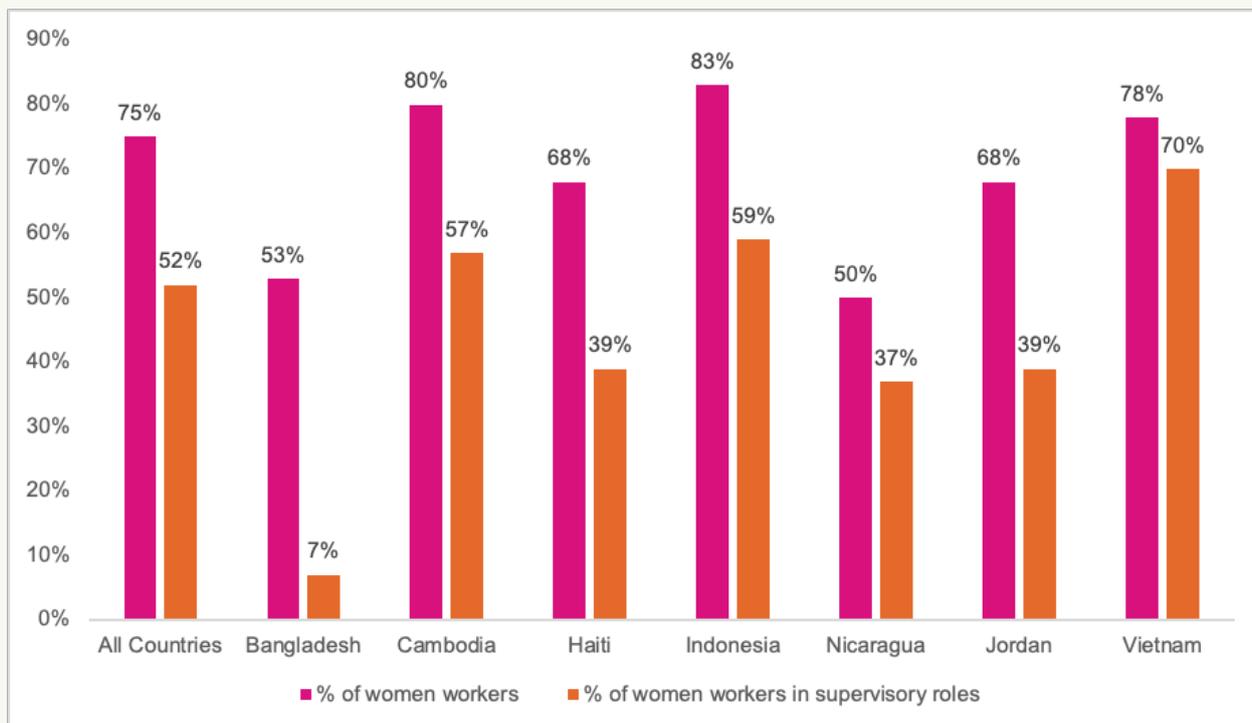
<sup>19</sup> World Economic Forum. (2018). *The Global Gender Gap Report*.

<sup>20</sup> Ibid.

<sup>21</sup> UNDP. (2018). *Human Development Report*.

<sup>22</sup> Fair Wear Foundation. (2018). *Bangladesh Country Report*. In this review, stakeholders reported the decline in overt gender discrimination in pay. Officials at the Department of Inspection of Factories and Establishments (DIFE) interviewed in the context of the Fair Wear Foundation's review, reported that there is equal pay for men and women in 100 per cent of the factories, but also that very few women are in management positions. Fair Wear's own audit of RMG factories did not show big differences between the salaries of male and female workers doing the same job.

<sup>23</sup> United States Department of State, Bureau of Democracy, Human Rights and Labor. (2016). *Bangladesh Country Report on Human Rights*.



**Figure 2.1 Percentage of RMG women workers in supervisory roles**

Source: IFC/ILO Better Work. (2019). *International Women's Day: Better the balance, better the world.*

According to the Fair Wear Foundation's 2018 report, lack of upward mobility, especially for women, was linked to the absence of an effective performance assessment system as a basis for determining eligibility for promotion or wage increases. Rather, the report found, the informal nature of performance assessment made it prone to favoritism and discrimination – a dynamic that does not favor women and can leave them vulnerable to sexual harassment and exploitation.

### Lack of Support for Pregnant Women and Mothers

Most women in the Bangladesh garment sector are of child-bearing age – the average age is 26.6 years, and 74 percent are between the ages of 18 to 29 years – and 78 percent of women working in factories are married<sup>24</sup>. Recent amendments to the 2006 Labor Law guarantees financial benefits to new mothers after they give birth. Previously, if a woman had not given notice prior to the birth of her child, if she did so after the birth, she was entitled to maternity leave for a period of up to 8 weeks after giving birth. However, the original law did not stipulate that in this situation, the post-birth leave period would be paid. The amended Act clearly states that the post-birth leave period must be paid along with other benefits<sup>25</sup>. Thus, providing support to pregnant workers is a critical component of RMG business practices, and quality support can attract and retain a talented female workforce.

In the Fair Wear Foundation's Bangladesh Country Report (2018)<sup>26</sup>, stakeholders indicated that very few RMG factories fully comply with the legal requirements to provide four months paid maternity leave. Some provide half the benefits, or around two months paid leave, while others provide no maternity leave. In some cases, the report found, women lose their jobs for being pregnant. In addition, the same report found that at many factories, childcare facilities were not available or were not functional.

Factories in Bangladesh that provide breastfeeding spaces, breaks for women to breastfeed, and breastfeeding support and education for workers who are mothers, have seen turnover rates among new mothers plummet. A breastfeeding program, introduced in 2017 by UNICEF-Bangladesh, the Institute of Public Health and Nutrition (NNS-IPHN) of the Ministry of Health and Family Welfare and implementing partner BRAC, has benefited both factories' bottom-line and the health of mothers and babies. In 2016, UNICEF research in RMG factories in Dhaka found that the exclusive breastfeeding rate among RMG factory mothers with infants between 2 and 6 months old was just 17 percent, dramatically lower than the national average of 55 percent<sup>27</sup>.

<sup>24</sup> ILO-UN Women. (2018). Data is according to an unpublished preliminary study report presented in a UNDP-Dhaka workshop on 10 December 2018 at the UNDP office in Dhaka.

<sup>25</sup> Sattar, M.S. (2018). *Towards a Better Labour Law – Recent Amendments to Bangladesh Labour Law 2006.*

<sup>26</sup> Fair Wear Foundation. (2018). *Bangladesh Country Report.*

<sup>27</sup> The research was conducted in two factory sites in Dhaka among 121 of their women workers with infants aged below 2 years. The national average of 55 percent is for infants from 0 to 6 months. United Nations Children's Fund. (2018). [Let's Make it Work!: Breastfeeding in the workplace – Using Communication for Development to make breastfeeding possible among working mothers.](#)

## Harassment and violence in the RMG Sector

There are no specific legal provisions regarding workplace harassment in Bangladesh. However, the High Court Division of the Supreme Court of Bangladesh passed a set of guidelines defining harassment<sup>28</sup> and mandating compliance with the guidelines until a law is made to prevent harassment<sup>29</sup>. The goals and objectives of these guidelines are to create awareness about sexual harassment and the consequences of sexual offenses. In addition to this, the guidelines also specify the responsibilities of employers in preventing the harassment of women in the workplace, mandating them to form five-member anti-harassment committees headed by women at all educational institutions and workplaces<sup>30</sup>.

Even though with this set of guidelines in place, multiple research projects have demonstrated high levels of harassment and violence in the Bangladesh RMG sector<sup>31</sup>. Recent work, conducted by icddr,b, with the support of BSR and the South African Medical Research Council in 2016 as part of the What Works to Prevent Violence Global Program, found high levels of violence experienced by female Bangladeshi garment workers in eight factories where the data were collected. Overall, three-quarters (74%) of workers interviewed reported experiencing or witnessing workplace violence. The most common form was workers being shouted at (58%), and half (49%) reported experiencing or witnessing workers being called unkind names. Over 1 in 10 reported experiencing or witnessing a worker being pushed or shoved in the past four weeks, and in total 14 percent of workers interviewed experienced or witnessed others experiencing physical violence in the workplace<sup>32</sup>.

Similarly, the Fair Wear Report (2018) identified verbal abuse directed at workers by mid-level management as a serious issue and reported that gender-based violence (GBV) was a relatively common occurrence in the sector. The report also noted that both the perpetrator and the victims often seemed unaware of what qualifies as GBV, and that verbal and psychological abuse towards women in the garment sector workplaces remain common<sup>33</sup>.

Other studies, although not conducted in Bangladesh, have found that levels of harassment including sexual harassment, are higher among female piece-rate workers in RMG factories than among salaried workers. A study conducted by Better Work (2018), for instance, found that sexual harassment was more likely to be a concern in factories where garment workers are paid "by the piece", and more so when their performance was assessed by supervisors who receive a fixed salary<sup>34</sup>. Within this kind of factory pay scheme, power relations are structured such that supervisors were in a position to demand bribes, in the form of sexual favors, in exchange for a positive report or assessment of individual worker performance<sup>35</sup>.

Outside the factory, women RMG workers are also experiencing violence. Cross-sectional survey data collected during September-December 2016, from 800 female garment workers randomly selected from lists provided by eight garment factories in and around Dhaka, revealed high levels of intimate partner violence (IPV) by workers. A third (34%) reported experiencing physical IPV and almost half (43%) sexual IPV in the past year<sup>36</sup>.

Some studies of the Bangladesh RMG sector have also found that workplace violence and IPV are much lower in factories that work in the Export Processing Zone (EPZ). The study argued that workers at factories in EPZ have more stable jobs (98% of the EPZ workers had an appointment letter to 76% of the non-EPZ workers), and that EPZ workers enjoy better leave policies<sup>37,38</sup>.

## Effect of COVID-19 on the RMG Sector

The novel coronavirus (COVID-19) has presented the world with an unprecedented global health emergency, affecting all industries at a global level. Retail shops around the world have temporarily closed during lockdowns and continued to experience low sales. Asian garment manufacturers, including the RMG sector in Bangladesh, experienced disruptions in both the supply and demand side of the sector's global value chains. This has led to stopped production for many factories<sup>39</sup>.

The global RMG sector is made up of 75% women workers and they are being disproportionately affected by the pandemic through decreased hours and pay, job losses, increased care work, difficulties in accessing health services, and a higher risk of gender-based violence both at work and at home. Simply put, COVID-19 has exacerbated existing inequalities and challenges being faced by women working in the RMG sector<sup>40</sup>.

The RMG sector of Bangladesh was exempted from closing during the country's lockdown as some factories started producing personal protective equipment. However, with retail brands cancelling orders and many countries going into recession, it is expected that many factory workers will continue to be vulnerable to layoffs. Unemployment rates for women are expected to rise for 2020. Many women factory workers are among the lowest paid in the RMG sector and few have accumulated enough savings to provide a financial safety net during the pandemic<sup>41</sup>. And with little to social benefits for unemployed workers in developing countries, many families will face poverty, homelessness and hunger<sup>42</sup>.

As part of its recovery plans, the government of Bangladesh has included a \$588 million stimulus package for the sector, the majority allocated to paying wages. However, it is estimated that this package would only cover wages of millions of RMG workers for one month. Approximately 5% of factory workers are currently back at work but maintaining physical distancing and the prescribed hygiene practices have been difficult<sup>43</sup>.

<sup>28</sup> The High Court defines sexual harassment as an unwelcomed sexually determined behavior (whether directly or by implication) that may be in a form of physical contact and advances, the use of sexual remarks or gestures, abusive language, stalking, leaving messages of sexual nature, among others.

<sup>29</sup> Fair Wear Foundation. (2018). *Bangladesh Country Study*. <sup>30</sup> Ibid.

<sup>31</sup> United States Department of State, Bureau of Democracy, Human Rights and Labor. (2016). *Bangladesh Country Report on Human Rights Practices*.

<sup>32</sup> ICDDR,B. (2018). *HERrespect: How business can make a difference on violence against women and girls*.

<sup>33</sup> Fair Wear Foundation. (2018). *Bangladesh Country Report*.

<sup>34</sup> Borino, F. (2018). *Piece rate pay and working conditions in the export garment sector*. <sup>35</sup> Ibid.

<sup>36</sup> Naved, R., Al Mamun, M., Parvin, K., Willian, S., Gibbs, A., Yu, M., & Jewkes, R. (2018). *Magnitude and correlates of intimate partner violence against female garment workers from selected factories in Bangladesh*.

<sup>37</sup> According to the study, all leave requests placed by 91% of the EPZ workers during the last three months were granted, whereas only 64% of non-EPZ workers had all requested leaves granted during the same reference period.

<sup>38</sup> Naved, R., Al Mamun, M., Parvin, K., Willian, S., Gibbs, A., Yu, M., & Jewkes, R. (2018). *Magnitude and correlates of intimate partner violence against female garment workers from selected factories in Bangladesh*.

<sup>39</sup> International Labour Organization (2020). *Recommendations for garment manufacturers on how to address the COVID-19 pandemic*.

<sup>40</sup> Better Work (2020). *World of Work: The pandemic's impact on female garment workers*.

<sup>41</sup> FairWear (2020). *How does Covid-19 affect women garment workers?*

<sup>42</sup> Lu, S. (2020). *Asia's garment industry should drive post-COVID economic recovery*. Nikkei Asia.

<sup>43</sup> Hossain, A. (2020). *Coronavirus: Two million Bangladesh jobs 'at risk' as clothes orders dry up*. BBC News.



# CHAPTER 3

## Good Practices from Factories

- Timely Payment of Wages
- Pregnancy and Mothers
- Sexual Harassment
- Healthy and Safety

This chapter explains the good practices executed by the seven factories involved in this research – specifically tackling timely payment of wages, pregnancy and mothers (maternity support, daycare centers, and breastfeeding programs), sexual harassment, and health and safety (factory health clinics and menstrual hygiene).

### Timely Payment of Wages

The current minimum wage for a factory worker is BDT 5,300 (about USD 64) per month<sup>44</sup>, and the average salary is between BDT 8,000 and 12,000 (USD 95-141) per month in the RMG sector, and additional payment for overtime work. This should be applicable to all female and male workers as stipulated by the Bangladesh Labor Act of 2006, which states that, in determining wages or fixing minimum wages for any worker, for work of equal nature or value, the principle of equal wages for female and male workers must be followed and no discrimination should be made based on gender<sup>45</sup>.

In September 2018, the government declared a new wage board for the RMG sector and promised to increase the minimum wage for garment workers to BDT 8,000 (USD 95) a month, the first such increase since 2013. In January 2019, RMG workers in Dhaka rioted, demanding a raise to at least BDT 16,000 (about USD 191) per month<sup>46</sup>. At the time this research was carried out, no wage increase had taken effect.

All seven factories involved in this research showed that salaries were paid on time. At the four factories in the first research tranche, key informants, both male and female, also reported the timely payment of salaries are their top priority, and that it attracts workers to jobs at the factory, improves workers productivity, and reduces worker turnover. Similarly, in survey respondents, all respondents reported that salaries were paid on time; however, in some qualitative responses, some respondents reported that salaries for floor staff were sometimes 2-3 days late. Payments that are chronically late – especially several months late – can lead to labor unrest.

### Pregnancy and Mothers

#### Maternity Support

All seven factories involved in this research provided the full maternity benefits: 112 days of maternity leave with full salary – as required by the Labor Act of 2006<sup>47</sup>. In addition, the factories provided a range of additional benefits, including free pre-natal check-ups, free medicines, iron tablets and other vitamins, calcium, and (if needed) saline during pregnancy. Four factories provided training to pregnant workers on health safety for pregnant mothers and newborn babies, and one factory worked with the International Labor Organization (ILO) to provide a Care Giving Training on Childcare Methods for pregnant workers and daycare staff. One factory additionally provided counselling to pregnant workers and their husbands, and another provided awareness raising training on pregnancy under a program called Phulki.

<sup>44</sup> IPS News. (2018). [Bangladesh's Garment Industry boom leaving workers behind.](#)

<sup>45</sup> Bangladesh Labor Act (amended in 2013) – clauses 39, 40, 42, 45, 46, 109, 195, 286, 332, and 345.

<sup>46</sup> Washington Post. (2019). [Bangladesh Garment Workers continue to protest for higher wages.](#)

<sup>47</sup> Bangladesh Labor Act. (2006). Section 46.1, 46.2.

All factories provided ambulance service in the event of an emergency. Several of the factories also prioritized pregnant workers' leave requests by providing a medical certificate via the factory health clinic; requests for leave for workers who presented this certificate were expedited. Pregnant workers were permitted to leave work early if needed, and the 4th month of pregnancy, workers are automatically permitted to leave work at 5PM with no expectations that they work overtime.

Pregnant workers in all seven factories were also offered the option of lighter work during pregnancy. In four factories, pregnant workers were transferred out of machine operations and into positions that required less physical exertion, such as quality control. In three factories, most of the survey respondents reported that pregnant workers had the option to do lighter work if they preferred to and can use the elevator whenever they needed to.

Several factories also provided pregnant workers with additional food. Four factories reported that they provided pregnant workers with snacks such as bananas and bread cakes; while another factory reported that it provides pregnant workers with a snack every day at 11AM.

### Daycare Center

According to the Labor Act of 2006, all establishments with forty or more workers must provide employees with access to child-friendly rooms for their children of age six or below<sup>48</sup>. The law does not provide details on the capacity of daycare facilities or the ratio of caregivers to children, merely stating that the daycare "shall be under the charge of a woman trained or experienced in the care of children and infants" (Bangladesh Labor Act, 2006)<sup>49</sup>.

All seven factories provided quality daycare services free of charge. One factory worked with the ILO to provide childcare training to daycare staff and maintained three caregivers for 15 – 20 children (1:6.7 ratio). At another factory, the daycare facility was staffed with one teacher and five caregivers, caring for 40 children (1:6.7 ratio). At yet another factory, the recently opened daycare facility had two caregivers for six children (1:30 ratio). Several factory daycare facilities provided food, including powdered milk and appropriate food, and some provided clothing for children. For all factories, children enrolled in the daycare facility enjoyed unlimited free access to the factory health clinic. Some factories also provided financial support towards the education of workers' children.

### Breastfeeding

The Labor Law 2006 does not mandate breaks for women to breastfeed or the provision of spaces for women to breastfeed their babies. The only mention of breastfeeding in the law stipulates

in the law stipulates that "at least one chair or equivalent seating accommodation for the use of each mother while she is feeding or attending to her child" (Bangladesh Labor Act, 2006)<sup>50</sup>.

Factories involved in the research provided breastfeeding spaces for breastfeeding mothers. In survey responses in three factories, workers reported that having the space and time to breastfeed at work was critical to reducing worker absences. Most workers reported that they were allowed two 30-minute breastfeeding breaks excluding lunch time. At one factory, workers reported that they were allowed two 30-minute breaks plus an additional 30 minutes at lunch time.

## Sexual Harassment

The seven factories that participated in this review all had sexual harassment policies in place and had set up a variety of mechanisms to address harassment in the workplace, such as complaint boxes, hotlines, and designated support staff. Survey responses in three factories demonstrated very high levels of awareness about the existence of the policy, about ways to report harassment, and about ways to seek redress, and they also had high levels of confidence in the system designed to minimize harassment and support workers who experience it. In this, they stand apart from the majority of RMG factories in Bangladesh. While most RMG factories have a policy against discrimination and sexual harassment, and an anti-harassment committee was in place in more than half of the factories audited for the Fair Wear 2018 Report, very few workers were aware of its existence and activities.

The factories had the following practices:

- A "zero-tolerance" policy towards sexual harassment and a policy of terminating employees who have harassed women workers;
- A welfare officer assigned to each production floor, responsible for taking complaints;
- Complaint boxes, which are discreetly located to protect anonymity; in some factories have complaint boxes in every washroom, and/or in the factory health clinic;
- The Participation Committee is specifically charged with bringing worker complaints to the attention of the management;
- A helpline;
- Trainings on sexual harassment for workers and management;
- Female security guards;
- Closed-circuit cameras in strategic places; and
- Adequate lighting throughout factory grounds.

<sup>48</sup> Bangladesh Labor Act. (2006). Section 94.2, 94.3, 94.4, 94.5, 94.6, 94.7

<sup>49</sup> Bangladesh Labor Act. (2006). Section 94.2

<sup>50</sup> Bangladesh Labor Act. (2006). Section 94.7



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## Health and Safety

The Labor Act Amendment of 2013 introduced specific provisions on workplace safety, which included the establishment of workplace health centers in workplaces with over 5,000 employees<sup>51</sup>. Other mandates under the amendment included safety committees in factories and establishments with 50 or more workers, safety welfare officers in workplaces with more than 500 workers, compensation for occupational diseases in workplaces with over 500 employees, and revision of death compensation to be provided after two years of work, instead of the three years specified in the Labor Act of 2006<sup>52</sup>. Amendments have also been made regarding dangerous work for children, emergency exits, access to gangways and stairs for workers, mandatory use of personal safety equipment, notification of competent authority in case of incident, and provisions on social dialogue, trade unions, and dispute resolution<sup>53</sup>.

### Factory Health Clinic

The health facilities at the seven factories stand out from the crowd: Fair Wear Foundation Report (2018) found out that in-house medical facilities at many RMG factories were insufficient, including factories that are legally required to provide this service .

Although not all seven factories reviewed were legally required to have on-site health clinics (as some factories had fewer than 5,00 employees), all these factories provided this service. Both female and male doctors were on staff at most factories . Health clinics provided primary care, care for work-related injuries, birth control, including menstrual regulation, vitamins, iron supplements for women, pre- and post-natal care, and care for workers children enrolled at the factory's daycare facility.

Some factory health clinics also provided healthcare to the family members of workers, while some had on-site laboratory testing facilities. Some factories offered trainings for workers, covering topics such as general health, nutrition and hygiene, as well as disease specific trainings on dengue, cancer, and sexually transmitted diseases. Women workers at some factories has access to training on breast cancer, ovarian cancer, and reproductive health. Some factories also provided financial support for emergency hospital services and medications, and ambulance services when needed.

### Menstrual Hygiene

Workplaces are not legally bound to provide sanitary napkins to their employees. Yet, six out of the seven factories reviewed provided sanitary napkins to workers (and the seventh has plans to do so), either free of charge, at a reduced price in the health clinic, or at a discounted price in an on-site Fair-Trade Store. Factory management reported that worker awareness of menstrual hygiene had been low – that women use old rags during menstruation, get infections due to poor menstrual hygiene, and sometimes perform poorly and missed work as a consequence.

With this, introducing sanitary napkins including supporting women workers' health and reducing absenteeism have been motivations for factories to provide this service. In addition, some factories reported that NGOs had introduced their management to sanitary napkin programs, and this provided the impetus for initiating provision at their factory. One particular enterprising factory has begun producing sanitary napkins both for their workforce as well as for the market.

<sup>51</sup> Bangladesh Labor Act (amended in 2013) – clauses 39, 40, 42, 45, 46, 109, 195, 286, 332, and 345.

<sup>52</sup> Ibid.

<sup>53</sup> Bangladesh Labor Act. (2006). Section 26, 27, 31

<sup>54</sup> Fair Wear Foundation. (2018). *Bangladesh Country Report*.

<sup>55</sup> One factory had only female doctors.

# CHAPTER 4

## Factory Profiles and Analysis

- Factory 1
- Factory 2
- Factory 3



This chapter summarizes the profiles of the three RMG factories reviewed for this research. This chapter also tackles the cost-benefit analysis tranche of this research as well as the survey and focus group discussion results. For the purposes of discussion, they are described as Factory 1 (F1), Factory 2 (F2), and Factory 3 (F3) from hereon. Additional details about these factories can be found in Annex III while more comprehensive cost calculations can be found in Annex IV.

### Factory 1

Factory 1 (F1) is one of the oldest and most established RMG factories in Bangladesh. Established in 1998, the factory produces

knit composite pieces at a rate of 4.5 million pieces per month on 139 sewing lines. As of January 2019, F1 employed 8,325 people.

### Employee Demographics

The bulk of the workforce (67.5%) was aged 30 or younger, and employees aged 18–24 accounted for the largest share of all employees (35.8% of the workforce). Young people accounted for 70% of helpers in the factory and were poorly represented in the skilled helper category of sewing helpers. Figure 4.1 shows the breakdown of employees by age and job type in F1.

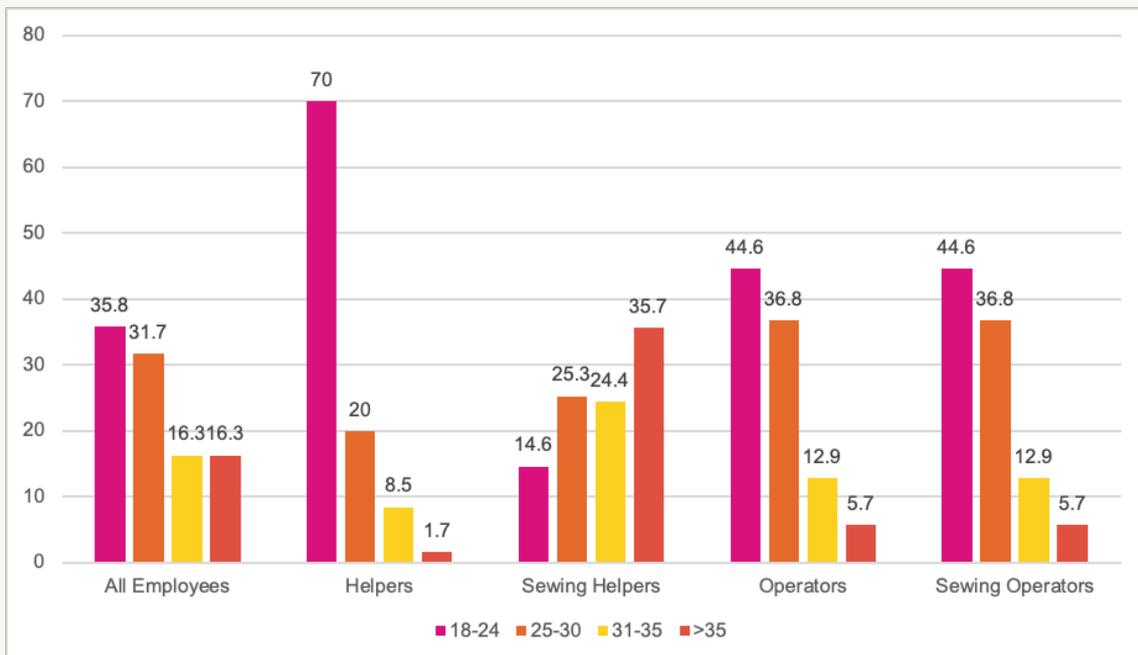
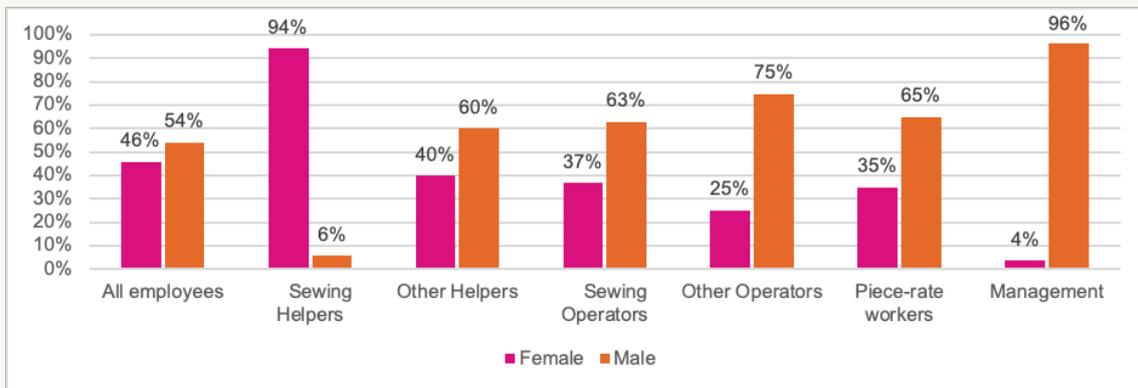


Figure 4.1 Percentage of Employees by Age and Job Type

Source: F1 Data -- as of 3 April 2019

In addition, majority of workers employed in F1 were salaried, however, 28% of the employees were piece-rate workers<sup>56</sup>. In the Bangladesh RMG sector, piece-rate workers are notably compensated higher as compared to salaried workers and tend to be higher skilled than others as well. However, piece-rate workers experience high turnover rates since they tend to change employers in response to market demands, taking advantage of the opportunities that arise.

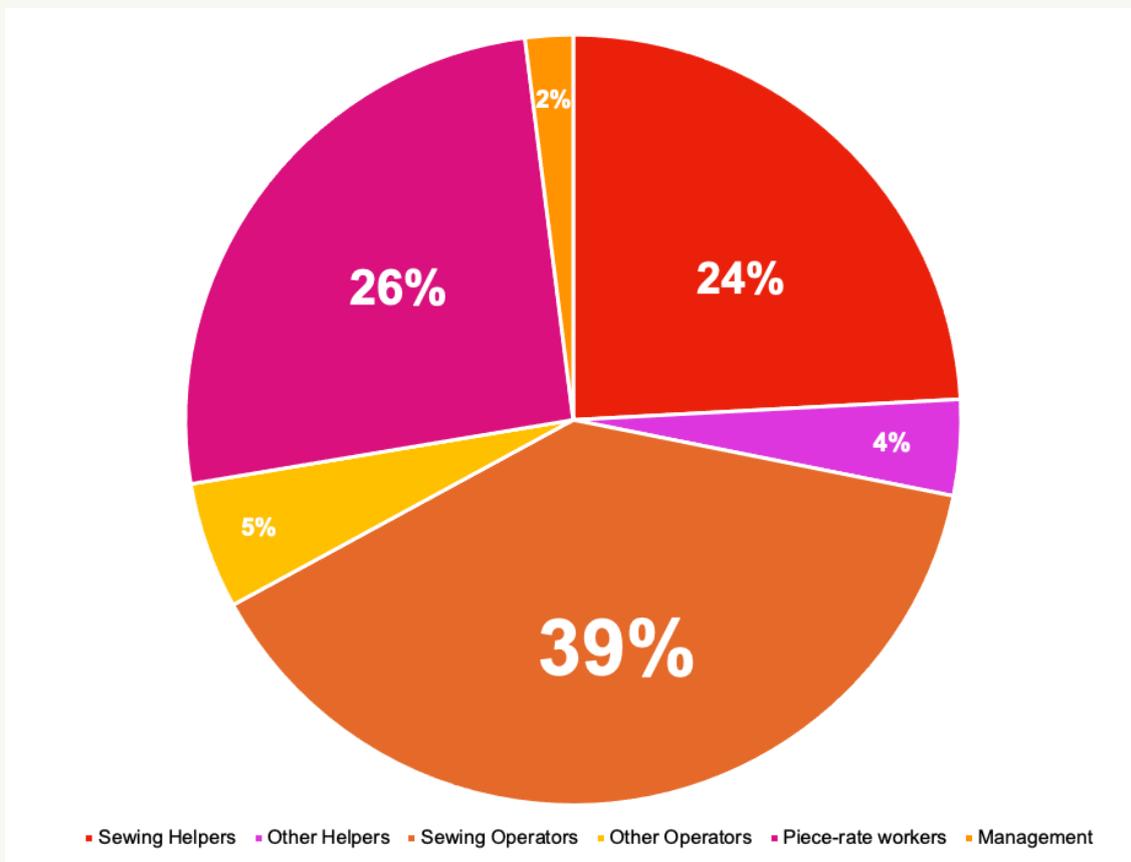
Figure 4.2 depicts the breakdown of employees by gender. The majority of employees (54.2%) in F1 were men. Male employees dominated higher-level positions, accounting for 96.3% of management and outnumbering women nearly 2 to 1 among operators and among the more highly compensated piece-rate workers. Women dominated in the lower-paying positions, notably that of helpers. Sewing helpers lack the skills to use the machines that sewing operators use, but can perform all the same skills as operators, with the notable exception of machine use. 94.3% of sewing helpers in F1 are women and only 37% are sewing operators.



**Figure 4.2 Percentage of Employees by Gender**

Source: F1 Data -- as of 3 April 2018

Figure 4.3 shows the type of jobs wherein women employees are clustered. Women were mostly sewing operators (39%), piece-rate workers (26%), or sewing helpers (24%). Only 2% of women held management positions.



**Figure 4.3 Women employees in F1 clustered by type of jobs**

Source: F1 Data -- as of 3 August 2018

<sup>56</sup> Note that piece-rate workers have access to the same services as regular workers, they are just paid per piece they produce.

## Services Provided by F1

There are several services that F1 provides to their employees. Table 4.1 shows the programs and services offered in F1.

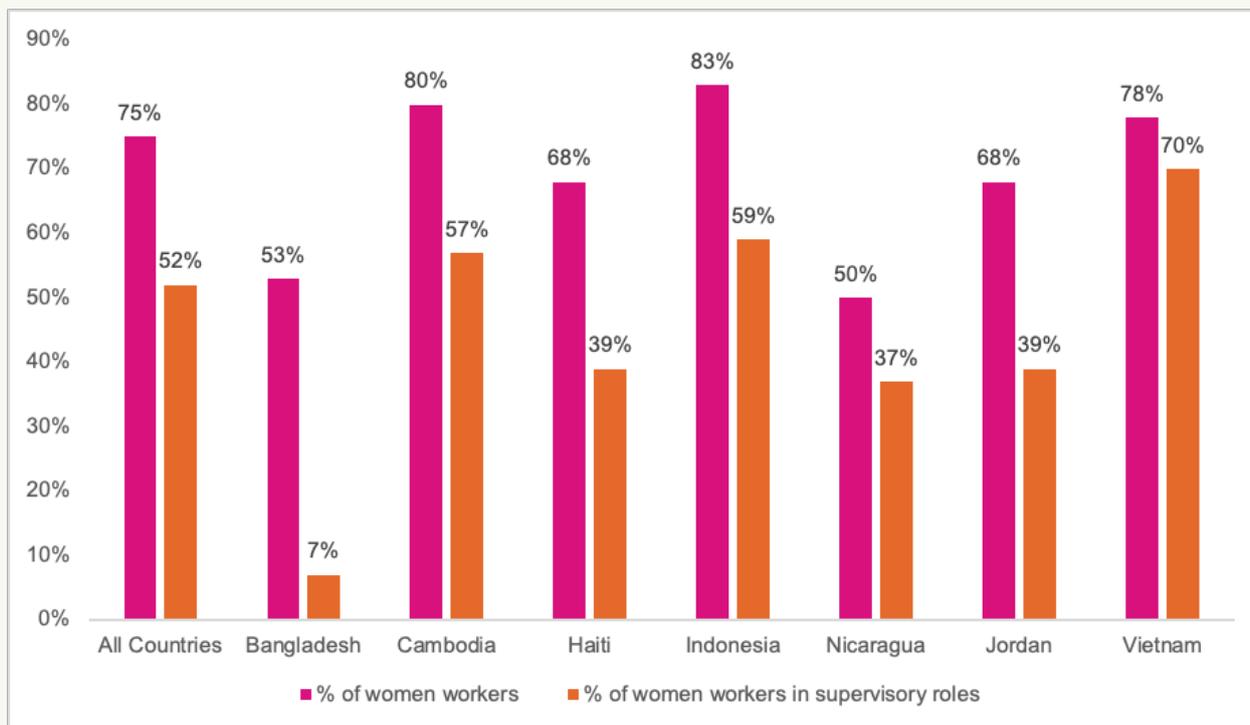
**Table 4.1 Services for Employees offered by F1**

SERVICE	DETAILS
Daycare Center	Established in 1998, the daycare center of F1 currently has a maximum capacity of 40 children ranging from ages 8 months to 6 years. The daycare center is staffed by one teacher and five caregivers.
Complaints box and hotline for reporting harassment	The complaints box began in 1998 and in 2017, there were a total of 88 complaint boxes across the factory's premises. The hotline for reporting harassment, on the other hand, was set up in 2016. However, data on the number of complaints filed/shared relating to sexual harassment or other gender issues are not available.
Participation Committee	A Participation Committee in F1 was established and members were elected on a two-year term basis. The Committee consists of 30 members – 15 members of the management team and 15 factory workers.
Health Clinic	Established in 1998 and renovated in 2016, F1's health clinic is staffed by three doctors (two female and one male), three female nurses, and two male medical assistants.
Birth control and/or iron tablets for pregnant women	F1 provides free birth control and iron pills to pregnant women workers
Sanitary napkins	Sanitary napkins are provided by the health clinic only for emergency cases.
Breastfeeding space and time for breastfeeding	F1 provides a space and proper time for women to breastfeed. Women can breastfeed for 30 minutes, three times a day. However, breastfeeding time schedule is set by F1 and women generally cannot choose the time they wish to breastfeed.
Skill Training	Officially provided in 2016 but have been beginning 5 years prior to that. In 2017, the training center can accommodate 60 trainees at a time. For new employees, the training duration is 500 hours. The job training provided by F1 is to prepare workers for their employment in the factory.
Fair Price Shop	Initially, the fair price shop of F1 sells only milk and chicken. Currently, it sells a wide variety of food, cooking, and other household products at discounted prices. However, it does not include sanitary napkins.
Additional benefits	<p>F1 provides pregnant women with a snack at 11AM every day.</p> <p>In addition to this, F1 also has designated one of its buildings specifically for women. In this building, approximately a thousand of female employees are working – this includes their supervisors. However, the team observed that there are some male supervisors and male guards are in the building.</p> <p>In terms of monetary returns, each worker receives BDT 1,000 (approximately USD 12) on the top of their proscribed Eid bonuses. Also, each worker receives an additional TK 500 (approximately 5.50 Euros) during Eid to purchase meat, and an additional TK 35 (approximately 0.37 Euros) per day iftar during the month of Ramadan.</p>

## Absenteeism

F1's data shows an average annual absenteeism rate of 4.33% in 2018. Figure 4.4 depicts the monthly absenteeism (without approval) rate of F1 for the year 2018, which is highest in March and lowest in May.

Female workers are absent 2.7 days each year, which is 0.5 days higher than the factory average of 2.2 days. In contrast, male workers are absent 1.9 days each year, 0.3 days lower than the average.



**Figure 4.4 Monthly absenteeism rate in F1 (2018).**

Source: F1 Data -- as of 2018

**Table 4.2 Total absences by gender (2018)**

	FEMALE	MALE	TOTAL
Absences (day) for October, November, December 2018	359	594	953
Annual estimated absences (days) <sup>57</sup>	1436	2376	3812
Total number of employees	3813	4512	8325
Average number of days absent per worker	2.7	1.9	2.2

### Savings from Reduced Absenteeism

According to F1's data, they lose US\$ 2,680 per day due to the combined impact of worker absenteeism and workers being away on approved leave.

The combined average rate of worker absenteeism and workers on leave in 2018 was 6.83%, and the average rate of absenteeism (not including workers on approved leave) in 2018 was 4.33%. With this, in order to calculate the daily loss due to absenteeism, the following formula was applied:

$$\frac{\text{US\$ } 2,680 \times 0.0433}{0.0683} = \text{US\$ } 1,699$$

As discussed in the first chapter, baseline data for absenteeism, prior to the initiation and scaling up of services for the workers in F1, was not available. Hence, this research utilizes a comparative baseline point of 7% absenteeism rate from 2007 as a proxy.

In order to calculate what the daily loss if the absenteeism rate is 7% (baseline proxy), the following formula was applied:

$$\frac{\text{US\$ } 2,680 \times 0.07}{0.0683} = \text{US\$ } 2,747$$

To calculate for the savings due to reduced absenteeism the following formula was applied:

$$\text{US\$ } 2,747 - \text{US\$ } 1,699 = \text{US\$ } 1,048$$

With an absenteeism rate of 4.33%, the factory is saving US\$ 1,048 per day. In addition to this, there is an average of 291 workdays per year in Bangladesh (this includes a 6-day work week and an average of 20 holiday days per year). Hence, the annual savings from having an absenteeism rate of 4.33% compared to 7% is:

$$\text{US\$ } 1,048 \times 291 = \text{US\$ } 304,968$$

Annual savings are **US\$ 304,968**.

<sup>57</sup> This figure was obtained by multiplying the figure for 3 months (October, November and December 2019) by four.

<sup>58</sup> Monthly and annual data on cost of absenteeism in F1 was not available. Thus, the figure for the cost of absenteeism was taken from the day the team visited the factory in February 2019. On that day, the factory calculated that 64.67% of their loss was due to worker absenteeism which makes the total Freight on Board (FOB) loss for that day as BDT 353,508 – and 64.67% of that is BDT 228,613. If we take this as an average day, the factory then loses BDT 228,613 (US\$ 2,680) a day due to worker absenteeism.

<sup>59</sup> This proxy absenteeism rate is based on USAID's publication on the *Effects of Workplace Health Programs on Absenteeism, turnover, and Worker Attitudes in a Bangladesh Garment Factory* (2007).

## Turnover

Figure 4.5 showcases the monthly turnover rates in F1 in 2018. One average, turnover is at 5.42% and the monthly separation rate is highest in July and September while lowest in June.



**Figure 4.5 Monthly separation rates (%) in F1.**

Source: F1 Data -- as of 2018

## Savings from Reduced Absenteeism

In order to calculate for the cost of turnover, a proxy was utilized – loss due to skill problem (Skill P.) . According to F1 data, by using this proxy, F1 loses US\$ 347 per day due to turnover . The average turnover rate in 2018 was 5.42%.

As discussed in the first chapter, the baseline data for turnover (prior to the initiation or scaling up of services for workers) was not available. Hence, this study uses the comparative baseline point of 12% turnover in 2017 as a proxy .

The following formula was applied to calculate for cost of turnover at a turnover rate of 12% in F1.

$$\frac{\text{US\$ } 347 \times 0.12}{0.0542} = \text{US\$ } 768$$

To calculate savings due to reduced turnover, the following formula was applied:

$$\text{US\$ } 768 - \text{US\$ } 347 = \text{US\$ } 421$$

With a turnover rate of 5.42%, the factory is saving US\$ 421 per day. In addition to this, with an average of 291 workdays per year in Bangladesh, the annual savings from having a turnover rate of 5.42% compared to 12% is:

$$\text{US\$ } 421 \times 291 = \text{US\$ } 122,511$$

Therefore, the annual savings of F1 are US\$ 122,511.

In order to calculate for the combined annual savings of reduced absenteeism and turnover in one-year period between 2017 and 2018, the following formula was applied:

“Savings from reduction in absenteeism + savings from reduction in turnover = Total Savings”

$$\text{US\$ } 304,968 + \text{US\$ } 122,511 = \text{US\$ } 427,479 \text{ total savings in one year}$$

<sup>60</sup> Skill P. refers to the worker not producing at the expected level, which as a result impacts the whole production line. This also includes new workers who do not perform at their expected levels. This proxy was suggested by F1 and the data for the proxy was provided by F1.

<sup>61</sup> The monthly and annual data on cost of turnover / Skill P. was not available. Thus, the figure for the cost of turnover / Skill P. was taken from the day the team visited F1 in February 2019. On that day, the factory calculated that 8.37% of their loss was due to skill problem (Skill P.). The total loss that day was BDT 353,508, and 8.37% of that is BDT 29,589. This was converted into US Dollars using Oanda online rates, and this came to US \$347.

<sup>62</sup> Since there is no baseline point data available in F1 and there is also no country-wide data on turnover rates in the Bangladeshi RMG sector, the proxy utilized is from Hossain, G. and Mahmood, M. (2018). Employee Turnover on the Garment Industry in Bangladesh: An Organization-level Perspective. This research collected data from eight factories and found that turnover was lower at larger factories, such as F1. The turnover rate at the largest factory in Hossain and Mahmood (2018)'s study was 12%. This was the proxy used for F1.

## Return on Investment

The return on investment (ROI), is the benefit, in this case the total savings from reduced absenteeism and turnover, divided by the cost of the investment or interventions for female workers. The resulting ROI is expressed as a percentage or a ratio. Table 4.3 summarized the cost of investments for F1, and the full calculations can be found in Annex III.

**Table 4.3 Summary of cost of investments in F1**

ITEM	COMPONENT	Annual Cost in US\$
Daycare Costs	Average monthly salary for all daycare staff (in total)	17,580
	Average medical treatment costs provided by the factory to the children through the daycare	708
	Other costs (maintenance costs such as painting the room once a year, buying books, clothes, and towels for each child)	469
Health Clinic Costs	Average monthly salary for all staff (in total)	42,192
	Cost of medicines for one year	23,442
	Cost of procuring sanitary napkin and iron tablets	5,860
	Maintenance Costs	996
Training	Opportunity Cost of Sexual Harassment Training	45,446
<b>TOTAL COSTS</b>		<b>136,692</b>

Return on Investment (ROI) was calculated using this formula:

$$\frac{\text{Total savings from reduced absenteeism and turnover}}{\text{Total cost of interventions (start up and operational costs)}} = \frac{\text{US\$ 427,479}}{\text{US\$ 136,692}} = 3.13$$

The ROI of 3.13 indicates that the resulting savings from reduced absenteeism and turnover is more than three times the cost of interventions. In terms of payback period, this means that the investment is recouped in four months.

## F1 Survey Results

A total of 19 responses to the survey were collected from F1. The vast majority of the respondents reported high levels of satisfaction with their jobs, and 74% hoped to work at the factory for long-term (for the next 5 years or more). However, a couple of respondents also reported that they hoped for more opportunities for promotion and progression in F1.

In relation to salaries, all respondents reported that their salaries were paid on time. However, in qualitative responses, some have expressed that salaries for floor staff were sometimes 2-3 days late. A majority (nearly 80%) have shared that they are able to make their own decisions on how they spend their salaries. The remaining 20% expressed that their parents or fathers decided how their salaries are to be spent or in consultation with their husbands.

On absenteeism, 15.8% reported being absent from work without prior permission in the past 6 months due to their child being sick. Only one respondent reported being absent from work because her request for leave was not approved.

The respondents were very aware of the services available in F1. All the respondents knew that there is a health clinic on-site, a daycare center, a designated place where women can breastfeed, a system for reporting verbal abuse and sexual harassment. All respondents also shared that they have used the services of the health clinic, and approximately one third had visited the clinic for birth control services. 60% have expressed that they received sanitary napkins from F1 on an emergency basis and they suggested for F1 to provide sanitary napkins on a regular basis.

All the respondents were aware of the maternity benefits and daycare services of F1. They reported that having access to breastfeeding spaces reduced absenteeism and turnover among their colleagues. However, among those who reported using the breastfeeding spaces, two-thirds have expressed that they were only allowed 15 minutes or less to breastfeed (twice a day), rather than the 30 minutes (twice a day) in which the factory formally provides. According to the respondents, they have noticed that having the daycare center on-site have reduced absenteeism and turnover amongst themselves as well. However, several have reported that they were unable to enroll their babies in the daycare center for a couple of months following the end of their maternity leaves. The reason behind this was that the daycare center cannot accommodate newborn babies. As a possible alternative, the respondents explained that they rely on their female family members (mothers-in-law or grandmothers) to step

in and care for their babies until it was possible for them to enroll the child in the daycare facility. In addition to this, the women shared that they would prefer a longer maternity leave to attend to their newborn children.

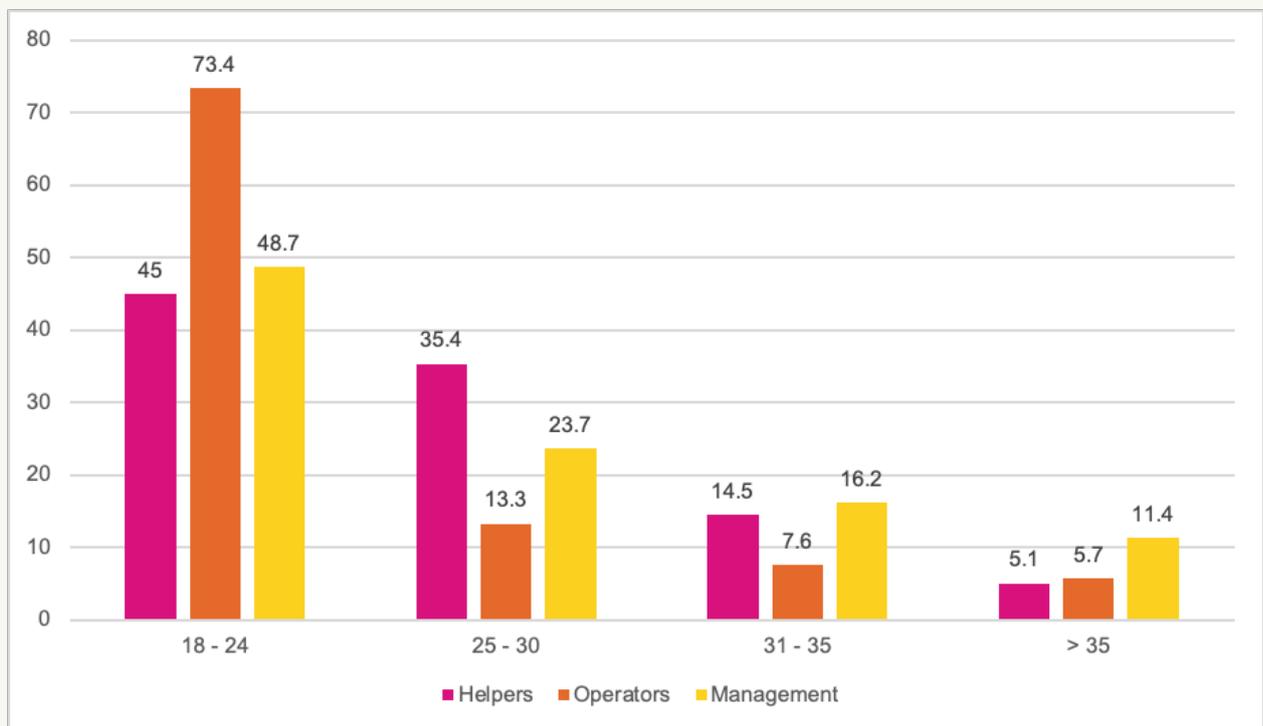
The respondents also shared that they have received a training on sexual harassment at the factory and none of the respondents have reported problems with sexual harassment. However, some gaps on awareness were noted by the research team. When asked about their awareness of the ways to report sexual harassment, 22% of the respondents did not know that there was a complaint box to report sexual harassment issues, 11% did not know that there was a hotline, and 11% did not know that there was a designated staff member in F1 to whom they can address any issues related to sexual harassment.

## Factory 2

Factory 2 (F2) started operations in 2008. Its main product is woven bottoms (pant and denim jeans). The factory includes a washing unit, sewing unit, a shed for drying processes, printing, cutting, sewing, finishing, laundry, and packing units. F2 also includes a fabric store, a finished goods store, a chemical store, a pump house, and a utility building. As of 1 January 2019, the factory employed 3,455 people.

### Employee Demographics

An analysis by age show that the workforce is overwhelmingly dominated in the 18 – 24 age bracket (with the exception of finishing helpers in the 25 – 30 age bracket). Young people (ages 18 – 24) are particularly well-represented among all operators, especially in sewing operators (75.4%).



**Figure 4.6 Percentage of F2 Employees by Age and Job Type**

Source: F2 Data -- as of 1 January 2019

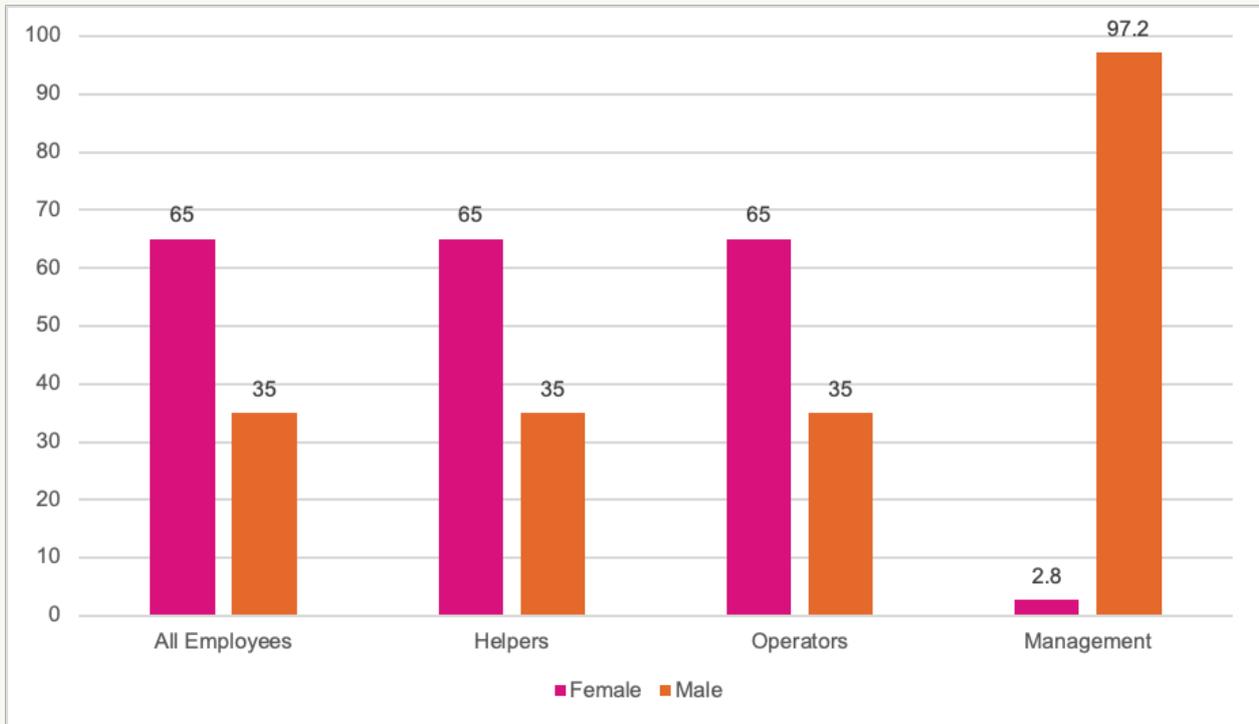
The majority of employees (65%) in F2 were women and are represented in helper and operator positions. However, women are poorly represented in more highly remunerated positions and positions of authority. For example, washing is the highest paid non-management position in F2, and in 2019, 85% of the washers are men. Among management, just 2.8% of the staff are women. In addition to this, in an analysis of employees recruited in 2018, women are being recruited in higher rates in F2 as compared to men. However, as noted above, women appear to be mainly recruited for comparatively lesser paying positions as compared to men. Table 4.4 depicts the breakdown of employees recruited by gender, while Figure 4.7 shows F2 employees by gender and job type.

	Female	Male	Total
New factory employees	358	66	424
Total number of employees	2246	1209	3455
Percentage new recruits	16%	5.5%	12.3%

**Table 4.4 F2 Employees recruited by Gender in 2018<sup>63</sup>**

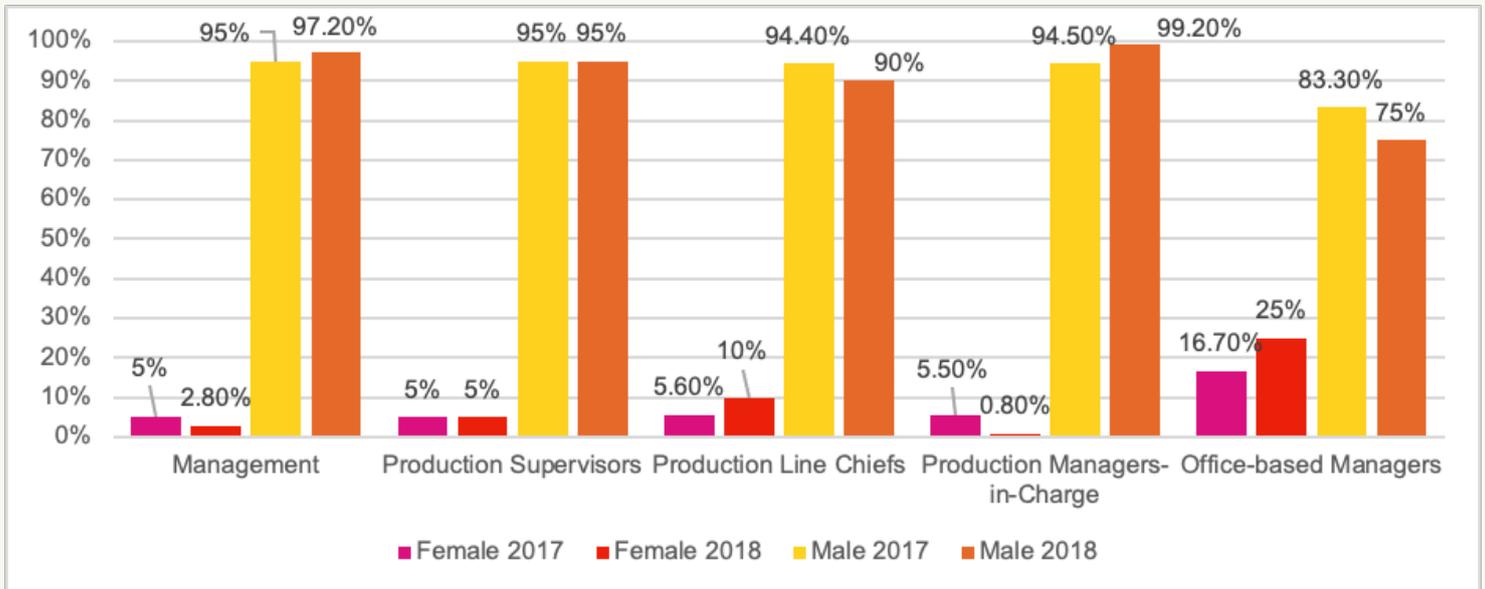
Source: F2 Data -- as of 2018

<sup>63</sup> Note that (1) percentages show the percent within each category, i.e. the denominator is listed on the right-hand column – Total, and (2) percentages in bold and pink color show the largest percentage for each category.

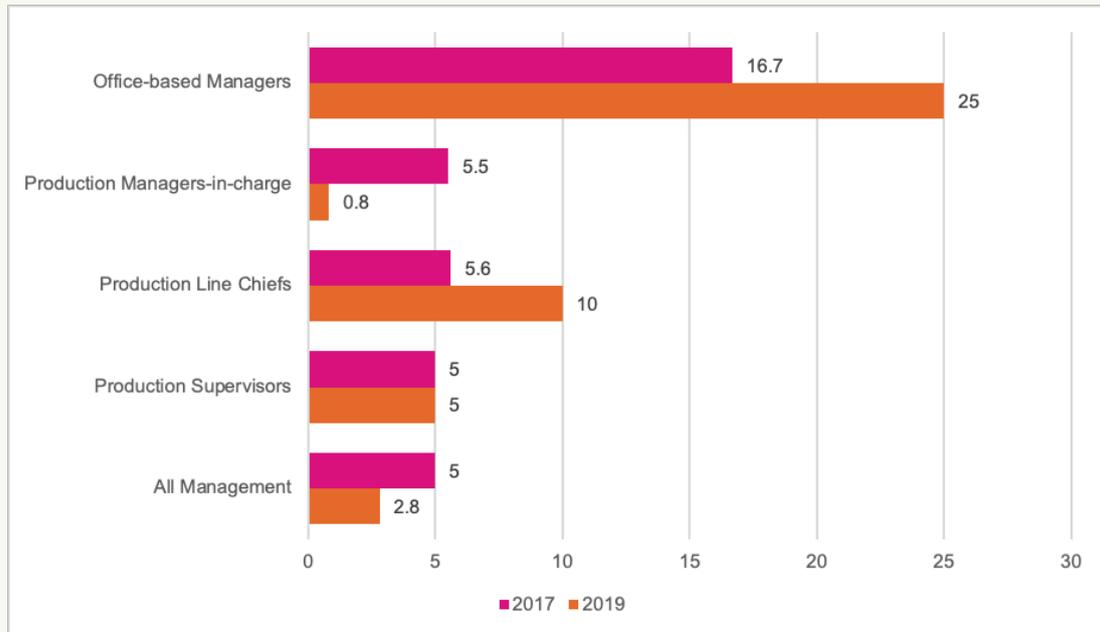


**Figure 4.7 F2 Employees by job type and gender**  
 Source: F2 Data -- as of 1 January 2019

Though male-dominated, the percentage of management positions (production supervisors, production line chiefs, and office-based managers) occupied by women in F2 have increased between 2017 and 2019. For the position of production managers-in-charge, the percentage of positions occupied by women fell from 5.5% in 2017 to 0.8% in 2019. Figure 4.8 shows the breakdown of F2 management positions by gender, while Figure 4.9 show the percentage of management positions occupied by women in 2017 and 2019.



**Figure 4.8 Management positions in F2 by gender, 2017 and 2018**  
 Source: F2 Data -- as of 1 January 2019



**Figure 4.9 Percentage of Management Positions occupied by women -- 2017 and 2019 compared**

*Source: F2 Data -- as of 1 January 2019*

### Services Provided by F2

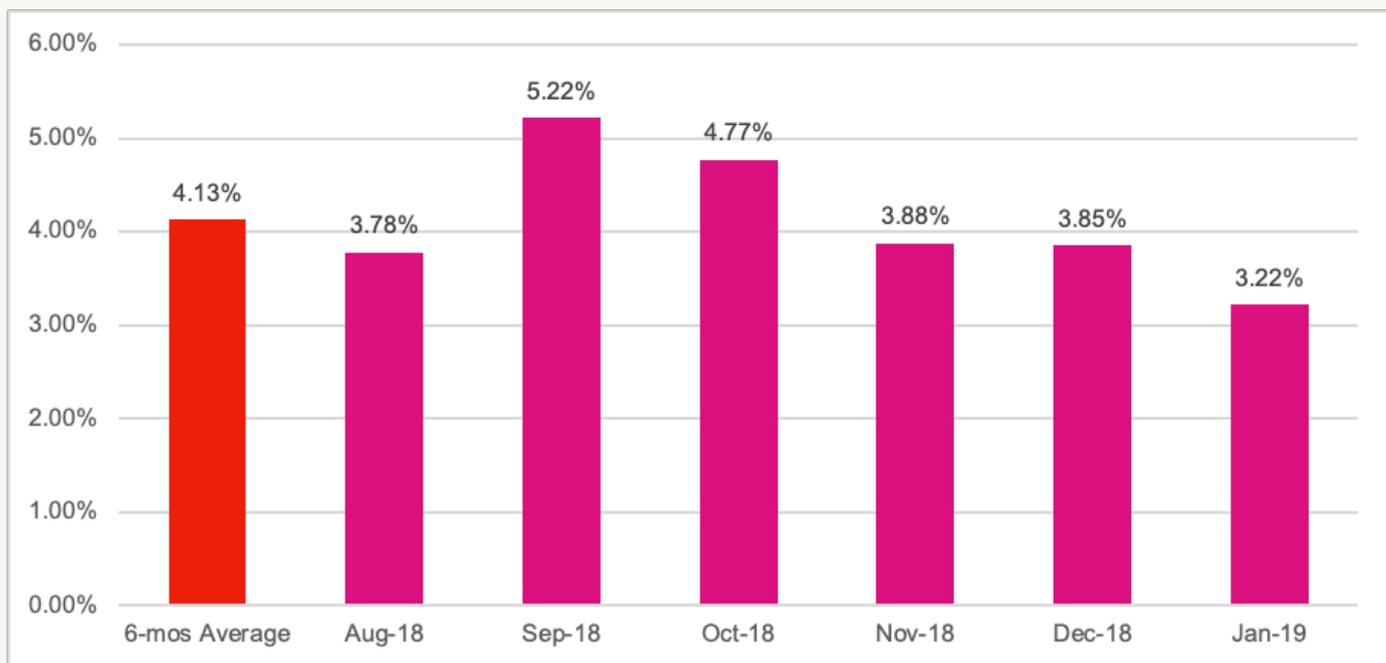
There are several services that F2 provides to their employees. Table 4.5 shows the programs and services offered in F2.

**Table 4.5 Services for Employees offered by F2**

SERVICE	DETAILS
Daycare Center	The daycare center in F2 was established in January 2009 and since then, children between the ages of 6 months and 3 years can be enrolled. The daycare's maximum capacity is 25 children, but the factory aims to expand to accommodate up to 40 children.
Complaints box and hotline for reporting harassment	Set up in 2012.
Health Clinic	Established in 2008. The health clinic has one female doctor, one female nurse, and two male paramedics.
Birth control and/or iron tablets for pregnant women	Birth control is available at the factory clinic. However, the research team observed that the doctor is not trained on provided birth control measures that goes beyond male condoms, the pill, and other natural approaches.
Sanitary napkins	Sanitary napkins are available at the Fair Price Shop with a 10% discount. Sanitary napkins are also provided for free at the health clinic during emergency situations.
Breastfeeding space and time for breastfeeding	F2 allows mothers to come to the daycare center to breastfeed their babies twice a day. In addition to this, there is a private space at the daycare center for mothers to breastfeed.
Skill Training	Established in October 2013, skills training is provided to new workers. For experienced workers, they go directly to the Industrial Engineering (IE) Department to begin work.
Fair Price Shop	Set up in November 2018. The Fair Price Shop provides workers with credit up to 30% of their salary.
Medical Insurance	In October 2018, F2 set up a medical insurance option for their employees. The cost was BDT2,500 for 3 months. This allowed workers to access medical services up to a value of BDT15,000.
Transportation	F2 has 36 buses to transport workers to and from the factory, which is free of charge for workers. There is preferential access for workers who live farther than 5 kilometers away from the factory.

### Absenteeism

F2's data show an average 6-month absenteeism rate of 4.13% between August 2018 and January 2019. Figure 4.10 show F2's absenteeism rate by month.



**Figure 4.10 F2 Absenteeism rate by month (August 2018 to January 2019)**

Source: F2 Data -- as of 2019

F2 data also show that male employees were nearly twice as likely to be absent from work as female employees. Key informants in F2 management reported that women workers are more responsible and also more 'grateful' to have work. In addition to this, they take their work more seriously than male workers, and are less likely to be absent without obtaining prior permission.

**Table 4.6 Total absences by gender (2018)**

	FEMALE	MALE	TOTAL
Absences (day)	2,867	874	3,741
Total number of employees	2,246	1,209	3,455
Average number of days absent per worker	0.78	1.4	0.92

### Savings from Reduced Absenteeism

According F2's data, one worker absence costs the factory US\$ 160 per day. The factory reported a total of 3,741 worker absent days in 2018 and the cost of absenteeism to the F2 in 2018 is calculated as:

$$3,741 \times \text{US\$ } 160 = \text{US\$ } 598,560$$

For the baseline, as F2 does not have baseline data for absenteeism, a rate of 7% for 2017 is used as proxy – based on desk review. In addition to this, we assume that the average absenteeism rate for 2018 is the rate as the average absenteeism rate for August 2018 – January 2019, i.e. 4.13%. Since the factory reported 3,741 worker days absent in 2018, we assume that this corresponds to 4.13% in absenteeism. Thus, to calculate for what the daily loss will be if the absenteeism rate was 7% (baseline proxy), the following formula was applied:

$$\frac{3,741 \times 0.07}{0.0413} = 6,341$$

A 7% absenteeism rate in 2018 will mean 6,341 worker days absent, and the cost will be:

$$6,341 \times \text{US\$ } 160 = \text{US\$ } 1,014,560$$

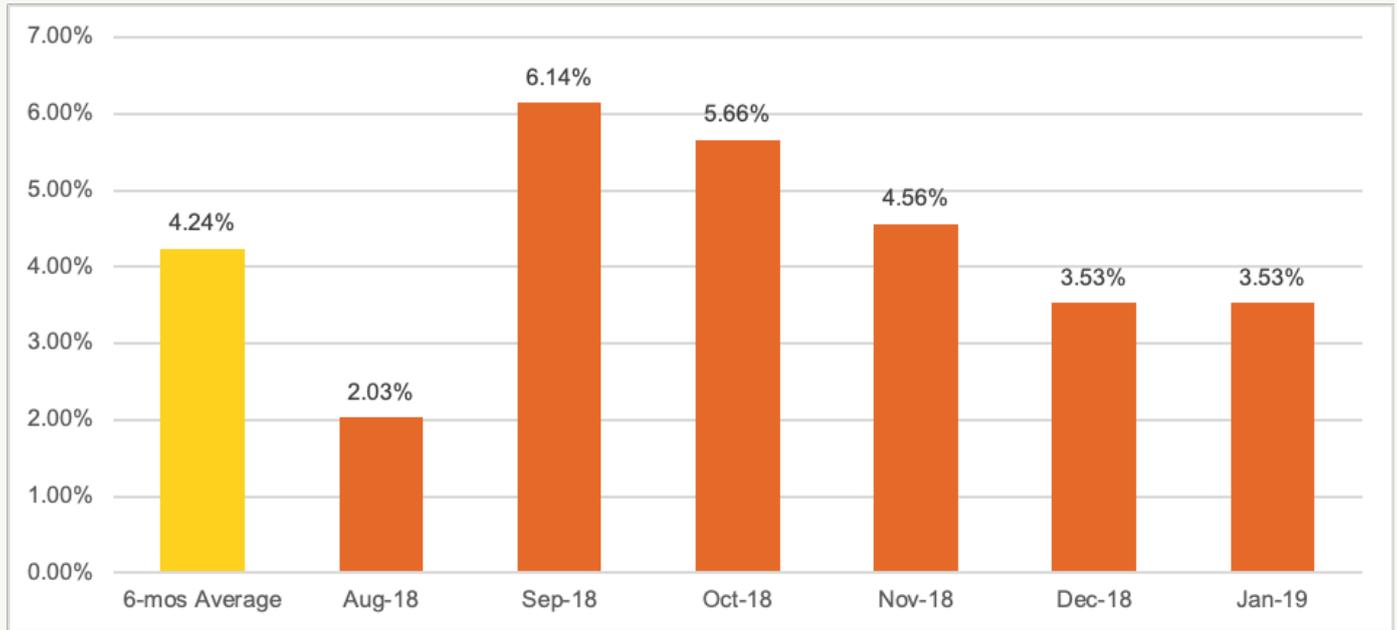
With this, savings from achieving an absenteeism rate of 4.13% are:

$$\text{US\$ } 1,014,560 - \text{US\$ } 598,560 = \text{US\$ } 416,000$$

By achieving an absenteeism rate of 4.13%, F2 is saving **US\$ 416,000 per year**.

### Turnover

The turnover rates for F2 over a 6-month period was presented in 4.11. In F2, turnover rates were lowest in August. Interestingly it was also low at the end as well as the start of the year, but highest in September and October.



**Figure 4.11 Monthly turnover rates in F2 (%), August 2018 to January 2019).**

Source: F2 Data -- as of 2019

### Savings from Reduced Turnover

To calculate the cost of turnover in 2018 of F2, it was assumed that the 6-month turnover average for August 2018 – January 2019 reflect the average annual turnover rate for 2018 i.e. 4.24%. To calculate the cost of a 4.24% annual turnover rate, the following formula was used:

$$4.24\% \text{ of current workforce of } 3,455 = 146 \text{ people}$$

There is an average of 25 working days in a month-period that takes to replace a worker<sup>64</sup>.

$$146 \text{ people missing } 25 \text{ days each: } 146 \times 25 = 3,650 \text{ days missed}$$

As mentioned in Chapter 1, the baseline data for turnover prior to initiation or scaling up of services for workers was not available. Thus, the study utilized a comparative baseline point of 12% turnover for 2017 as a proxy, based on a desk review. In order to calculate what the cost of a 12% turnover rate will be, the following calculations were made:

$$12\% \text{ of current workforce of } 3,455 = 415 \text{ people}$$

<sup>64</sup> According to F2, it takes 7 days to replace their most skilled workers and 10-15 days for them to adjust and get up to speed. For mid-skilled workers, it takes 10 days to recruit and get up to speed. For low-skilled workers, it takes one month of training at a training center before the person passes the test. Here, an average of one month (25 working days) was used to take into account the large turnover.

There is an average of 25 working days in a one-month period and it takes x days to replace a worker.

415 people missing 25 days each  
 $415 \times 25 = 10,375$  days missed

In addition to this, according to F2's data, one worker absence costs the factory US\$ 160 per day.

$10,375 \times \text{US\$ } 160 = \text{US\$ } 1,660,000$  per year

With this, the annual saving from having a turnover rate of 4.24% compared to 12% is:

$\text{US\$ } 1,660,000 - \text{US\$ } 584,000 = \text{US\$ } 1,076,000$

Therefore, annual savings are US\$ 1,076,000.

To calculate the combined annual savings of reduced absenteeism and turnover, the following formula was applied:

"Savings from reduction in absenteeism + savings from reduction in turnover = Total Savings"

$\text{US\$ } 416,000 + \text{US\$ } 1,076,000 = \text{US\$ } 1,492,000$  total savings

### Return on Investment

Table 4.7 summarized the cost of investments for F2, and the full calculations can be found in Annex III.

Item	Component	Annual Cost in US\$
Daycare Costs	Average monthly salary for all daycare staff (in total)	2,954
	Average cost of food per month	9,846
	Average medicine costs for one year provided by the factory to the children in the daycare	1,758
	Cost of the daycare maintenance	1,172
Health Clinic Costs	Average monthly salary for all staff (in total)	14,065
	Cost of medicines for one year	5,157
	Cost of storing medical equipment in the daycare	1,114
Transportation Costs	Buses (including rental, petrol and driver)	15,237
Training	Opportunity Cost of Sexual Harassment Training	7,872

**Table 4.7 Summary of Cost of Investment for F2**

Source: F2 Data -- as of 2019

The Return on Investment (ROI) was calculated using the formula:

$$\frac{\text{Total savings from reduced absenteeism and turnover}}{\text{Total cost of interventions (start up and operational costs)}} = \frac{\text{US\$ } 1,492,000}{\text{US\$ } 59,175} = 15.2$$

The ROI of 15.2 indicates that the resulting savings from reduced absenteeism and turnover is more than fifteen times the cost of interventions. In terms of payback period, this means that the investment is recouped in less than a month. The ROI for F2 is significantly higher than that of F1 and F3. A possible explanation for this is that the product value of F2 is reportedly higher than that of the other two factories. However, it was possible that there have been inaccurate or incomplete cost data since the research team was not able to access detailed factory data to affirm this.

### F2 Survey and Focus Group Discussion Results

A total of 17 responses to the survey were collected from F2 and 6 participants joined the Focus Group Discussion conducted. The participants have reported high levels of satisfaction with their job and over 70% expressed that they plan to continue working at the factory for five years or more.

All the respondents reported that their salaries were always paid on time and over 70% said that they can make their own decisions on how to spend their income. The remaining 30% shared that they always (20%) or sometimes (10%) ask permission from their fathers or husbands on how to spend their salaries.

The respondents also shared that F2 helps women to get promoted and over 70% of them knew of a woman who had been promoted to a supervisory position within the previous six months. All of the respondents reported that they had taken part of a skills-based (vocational) training at the factory and that the training was conducted to help them get promoted. In addition to this, more than three quarters of the survey respondents shared that they have received a raise beyond the legal requirement.

Awareness of the services available at F2 was high. All of the respondents surveyed knew that there is a health clinic on-site and all of them have used its services. Some of them have requested for better access to free sanitary napkins at the health clinic. Table 4.8 shows the reasons for visiting the health clinic in F2.

All respondents knew that the health clinic provides iron tablets and birth control, that there is a daycare center, a place for mothers to breastfeed, a system to report verbal abuse and sexual harassment.

With regard to care for pregnant workers, all respondents reported that pregnant workers can use the lift any time they want and can prefer to do lighter work. Also, all of them shared being "very satisfied" or "somewhat satisfied" with the maternity benefits they receive from F2. However, they suggest

Reason for visiting the health clinic	Percentage of Respondents
Primary Health Care	100%
Work-related Injury	52.94%
Birth Control	41.18%
Pre-natal Care	17.65%
Post-natal Care	17.65%
Care for Child	17.65%

**Table 4.8 Reasons for visiting F2's health clinic**

*Source: F2 Data -- as of 2019*

for the possibility of extending their maternity leaves to 5 or 6 months to give them time to attend to their newborn children.

On access to daycare, some of the respondents reported that the daycare center does not accept children under the age of one year, while the others variously reported that children of 3, 5 or 6 months were allowed to enroll. Some have shared that there is a lack of experienced nursing staff that lead to some mothers deciding not to place their children in daycare. With this, women call upon their female family members (grandmothers, mothers, and mothers-in-law) to attend to their kids while they work. Also, it was evident that the respondents were confused about the age up to which their children can stay in daycare. Some reported up to the age of 3 years, while the others up to 4 or 5 years. For women whose children are too old to enroll in daycare, they shared that they sent their children to live with their grandparents. Despite the gaps, all of the respondents agreed that having an on-site daycare facility have reduced their absenteeism and turnover. A major suggestion from the respondents was to increase the capacity and expand the daycare center to accept more children.

A majority (86%) of those who were or had breastfed while working in F2 shared that they were allowed breaks of just 15 minutes or less, three times a day including lunch break.

On absenteeism, nearly 30% of the survey respondents have reported that they had been absent without prior permission in the previous six months – for between one and 5 days. The main reasons for the absences were illness, illness of a child, or family emergencies. Among those who has been absent in the previous 6 months, 60% reported that they had requested for leave but had been turned down. In addition to this, some shared that although they had not asked for leave and had been absent, upon returning to work, they were still able to request for leave and have received it retroactively.

All of the respondents reported that they had received training on sexual harassment while working in the factory. This training was internally organized and led by F2's welfare officers. The respondents knew that there is a dedicated staff member to whom they can speak to if they have a sexual harassment issue, and the majority (80%) shared that there is a complaint box and a hotline they can use to report sexual harassment issues. However, the respondents expressed that they have a preference for verbally reporting complaints rather than using the written mechanism of the complaint box. In general, all of the respondents have reported that there are no problems on sexual harassment at F2.

Some of the respondents shared that they are interested in having a saving fund, "Provident Fund", to be set up in F2. They were made aware that such funds have been established in other factories and will like to have one of their own. The Provident Fund is a factory-provided savings program for workers in which factories match the amounts that workers input from their salaries. The workers can only access their fund when they leave the factory for good.



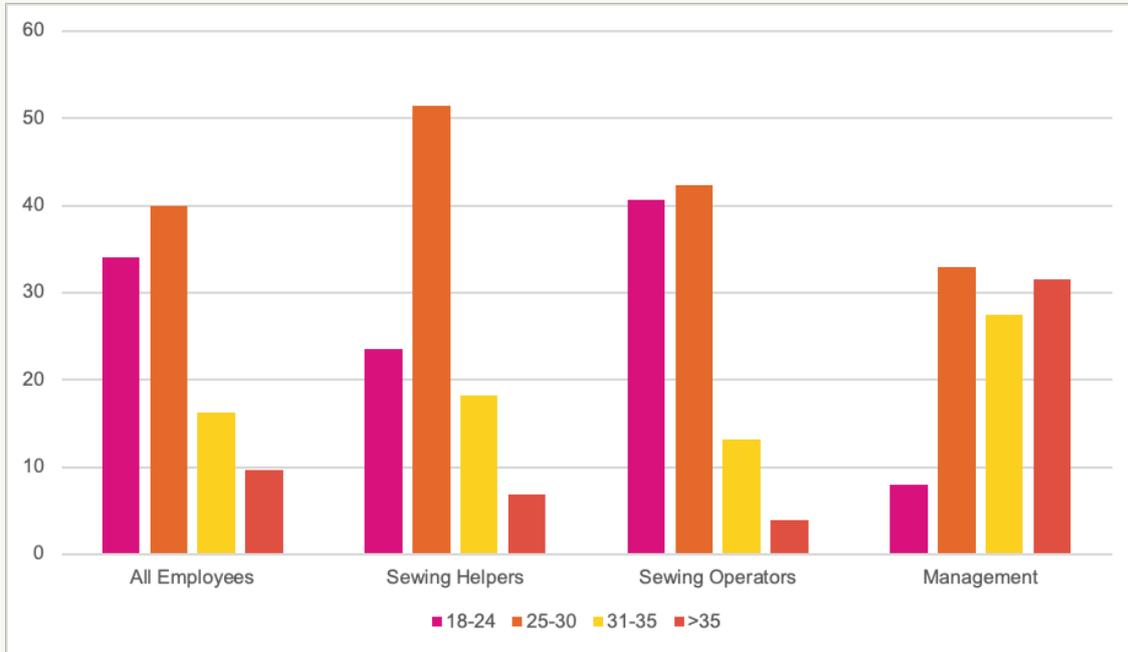
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## Factory 3

Factory 3 (F3) specializes in knitwear and as of 1 January 2019, has employed 2,844 people.

### Employee Demographics

An analysis by age in F3 shows that employees are concentrated in the 25 – 30 age bracket, which was followed closely by those in the 18 – 24 age bracket. Figure 4.12 show the breakdown of employees by age and job type in F1.

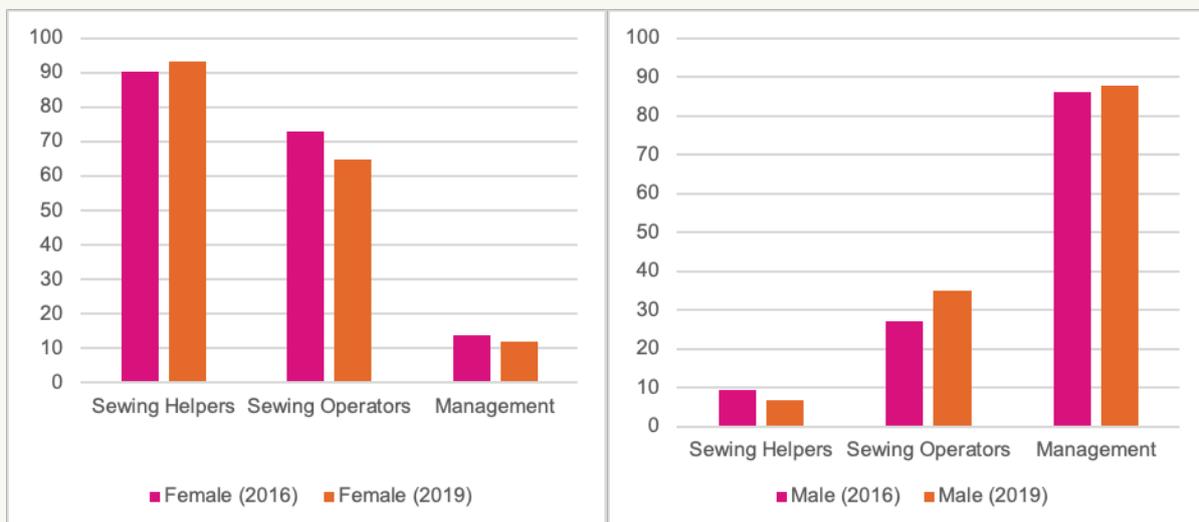


**Figure 4.12 Percentage of F3 Employees by Age and Job Type**

*Source: F3 Data -- as of 1 January 2019*

In addition, it could be seen that people in the 25 – 30 age bracket dominate the sewing helpers and sewing operators. For the workers in the 18 – 24 age bracket, their highest concentration are as sewing operators.

Between 2016 and 2019, the percentage of overall female employees have decreased. The percentage of management positions occupied by women as well as the percentage of operator positions occupied by women have also declined. However, despite this, the number of helper positions occupied by women have increased. Though asked, no explanation for these trends was made by F3 management. Figure 4.13 depicts the breakdown of employees by gender.



**Figure 4.13 F3 Percentage of Employees by Gender and Job Type**

*Source: F3 Data -- as of 1 January 2019*

## Services Provided by F3

There are several services that F3 provides to their employees. Table 4.9 shows the programs and services offered in F3.

SERVICE	DETAILS
Daycare Center	Established in August 2018, the daycare center currently has a maximum capacity of 6 children. It employs two caregivers.
Complaints box and hotline for reporting harassment	Complaint box started in 2014.
Health Clinic	The factory has two health clinics, located in different buildings. One health clinic opened in 2009, while the other in 2017. Each health clinic has one doctor and two nurses – all female. The clinics are open all working days (six days a week).  In addition to this, it was reported that between 20 and 30 workers visit the clinic for maternity care each month.
Birth control and/or iron tablets for pregnant women	Birth control has been provided free since 2018, and this includes male condoms, the pill, and injection. After starting to provide birth control, the factory noticed a reduce in absenteeism and turnover.  Iron tablets are also provided for pregnant women.
Sanitary napkins	The factory has a menstrual hygiene program, which it started in cooperation with an international NGO. The sanitary napkins have been available on-site since December 2018 at a reduced (below market) rate. Since then, the factory began to notice that there has been a reduce in female workers being absent due to menstruation.
Breastfeeding space and time for breastfeeding	F3 provides spaces for mothers to breastfeed. Mothers are allowed to breastfeed three times a day in two 30-minute breaks and during their one-hour lunch break.
Skill Training	Started in 2009 as a vocational training for the job.
Fair Price Shop	Set up in November 2018. The Fair Price Shop provides workers with credit up to 30% of their salary.
Medical Insurance	In October 2018, F2 set up a medical insurance option for their employees. The cost was BDT2,500 for 3 months. This allowed workers to access medical services up to a value of BDT15,000.
Transportation	F2 has 36 buses to transport workers to and from the factory, which is free of charge for workers. There is preferential access for workers who live farther than 5 kilometers away from the factory.

**Table 4.9 Services for Employees offered by F3**

*Source: F3 Data*

## Absenteeism

F3 has made very significant progress in reducing absenteeism. From a high of 11.3% in April 2016 – the first month for which absenteeism data was available – the rate dropped to 5.4% in January 2019.

### Savings from Reduced Absenteeism

F3 reported absenteeism data on a monthly basis, however, annual absenteeism averages were not available. This analysis compares absenteeism rate in April 2016 with those in April 2018. These months were selected as representative of the trend in absenteeism for the following reasons:

1. April 2016 was the earliest month for which absenteeism data was available, and that rate was significantly higher than the May 2016 rate. This suggests that May 2016 may have been an anomaly. Thus, the earliest possible data that do not appear to be an anomaly was selected;
2. They are the same month, two years apart;
3. There is a significant change between the two months in 2016 and in 2018, which likely illustrates a larger downward trend in absenteeism;
4. The absenteeism rate in May 2018 is the same as that in January 2019 (the last month for which absenteeism data was available), suggesting that the rate may have stabilized. Thus, the lessons learned from the May 2018 data may be applicable to 2019.

Absenteeism	Percentage
May 2016	9.1
May 2018	5.4

**Table 4.10 Comparative Absenteeism**  
Source: F3 Data

F3 calculated their loss associated with a worker's absence using standard allocated minutes (SAM) by taking into account the time it takes to make one item, the average number of items lost due to one absence, the number of work hours in a day, and the cost of one lost SAM. The factory calculated that the average loss due to the absence of one worker is US\$ 108.

With this, to calculate the annual financial loss due to absenteeism, the following formulae were utilized:

For May 2018, the calculations made are as follows:

1.  $5.4 \times 27$  working days = 146 worker days absent
2.  $146$  days absent  $\times$  US\$ 108 = US\$ 15,768 total loss for the month
3.  $\frac{\text{US\$ } 15,768}{27 \text{ working days}}$  = US\$ 584 loss per working day due to absenteeism

*With a 6-day work week and an average of 20 holiday days per year, there is an average of 291 workdays per year in Bangladesh.*

4.  $\text{US\$ } 584 \times 291$  = US\$ 169,994 total loss per year due to absenteeism

To calculate for what the daily loss will be if the absenteeism rate were that of May 2016:

1.  $9.1 \times 27$  working days = 246 worker days absent
2.  $246$  days absent  $\times$  US\$ 108 = US\$ 26,568 total loss for the month
3.  $\frac{\text{US\$ } 26,568}{27 \text{ working days}}$  = US\$ 984 loss per working day due to absenteeism

*With a 6-day work week and an average of 20 holiday days per year, there is an average of 291 workdays per year in Bangladesh.*

4.  $\text{US\$ } 984 \times 291$  = US\$ 286,344 loss per year due to absenteeism at the rate of absenteeism for May 2016

In order to calculate for annual savings due to reduced absenteeism, the following formula was incorporated:

$$\text{US\$ } 286,344 - \text{US\$ } 169,994 = \text{US\$ } 116,350$$

Therefore, annual savings are **US\$ 116,350**.

## Turnover

F3 has made significant progress in reducing turnover rates. In December 2009 – the earliest date for which data was available – turnover stood at 24%. By January 2019, the turnover rate had dropped to 3%.

## Savings from Reduced Turnover

According to F3, it takes an average of one month to replace a worker<sup>65</sup>. With this, to calculate for the cost of a 3% annual turnover rate, the following formula were applied:

1. 3% of the current workforce of 2,844 = 85 people

*There is an average of 25 working days in a one-month period it takes to replace a worker.*

2.  $85$  people  $\times$  25 working days = 2,125 days missed

*The loss to productivity per day is US\$ 108.*

3.  $2,125$  days missed  $\times$  US\$ 108 = US\$ 229,500 per year.

To calculate what the cost of a 24% turnover rate will be, the following calculations were made:

1. 24% of the current workforce of 2,844 = 683 people

*There is an average of 25 working days in a month.*

2.  $683$  people missing  $\times$  25 working days = 17,075 days missed.

*The loss to productivity per day, as mentioned by F3, US\$ 108.*

3.  $17,075$  days missed  $\times$  US\$ 108 = US\$ 1,844,100 per year.

The annual savings from having a turnover rate of 3% compared to 24% is:

$$\text{US\$ } 1,844,100 - \text{US\$ } 229,500 = \text{US\$ } 1,614,600$$

Thus, the annual savings of F3 are US\$ 1,614,600.

To calculate the combined annual savings of reduced absenteeism and turnover, the following formula was applied:

Savings from reduction in absenteeism	+	Savings from reduction in turnover	=	Total Savings
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$$\text{US\$ } 1,614,600 + \text{US\$ } 116,350 = \text{US\$ } 1,730,950 \text{ total savings per year}$$

## Return on Investment

Table 4.11 summarized the cost of investments for F3, and the full calculations can be found in Annex III. Opportunity cost of soft skills training comprised 85% of the cost investments.

<sup>64</sup> F3 reported that this figure varies greatly depending on whether the worker to be replaced is low-skilled or high-skilled. Low-skilled workers can be replaced in 7 days, while it can take 2-3 months to replace a skilled operator. It takes a month to train new workers with no experience.

Item	Component	Annual Cost in US\$
Daycare Costs	Average monthly salary for all daycare staff (in total)	4,220
	Cost of the daycare maintenance	703
Health Clinic Costs	Average monthly salary for all staff (in total)	19,961
	Cost of medicines for one year	7,033
Transportation Costs	11 Buses	15,472
Training	Opportunity Cost of Sexual Harassment Training	7,872
	Opportunity Cost of Soft Skills Training	427,950
<b>TOTAL COST</b>		<b>500,773</b>

**Table 4.11 Summary of Cost of Investment for F3**

Source: F3 Data

The Return on Investment (ROI) was calculated using the formula:

$$\frac{\text{Total savings from reduced absenteeism and turnover}}{\text{Total cost of interventions (start up and operational costs)}} = \frac{\text{US\$ 1,730,950}}{\text{US\$ 500,773}} = 3.46$$

The ROI of 3.46 is similar to that of F1 (3.13), indicating that the resulting savings from reduced absenteeism and turnover is more than three times the cost of interventions. In terms of payback period, this means that the investment is recouped in four months.

### F3 Survey Results

There was a total of 18 responses gathered from F3. The vast majority of survey respondents reported high levels of satisfaction with the services provided in F3, and 76.47% said that they plan to work in F3 for another 5 years or more.

All of the respondents have reported that they received their salaries on time, and 72.22% said that they have complete autonomy on how they spend their salaries. Some have expressed that their husbands make the decisions for them, while the others said that they discuss spending decisions with their husbands, and/or they ask their parents' permission to spend their own salaries. The majority (55.56%) reported that they had been promoted at F3 and nearly 95% have shared that they received a raise beyond the legal requirement. In addition to this, in relation to skills training, 72.22% have reported that they had taken part in a skills training offered by F3 – and have expressed that they hope to have more opportunities for cultivating their skills.

However, the survey respondents were more aware of male workers being promoted than of their female colleagues. In fact, only 44.44% shared that they knew a female colleague who had been promoted to supervisor or manager in the

previous six months, as compared to 66.67% in the case of a male worker being promoted.

All of the respondents were aware of the existence of F3's on-site health clinic and all of them have had used its services. Satisfaction levels were high – with 88.89% reporting that they were very satisfied and the remaining 11.11% reporting that they were somewhat satisfied. Table 4.12 shows the reasons respondents listed for visiting F3's health clinic.

Reason for visiting the health clinic	Percentage of Respondents
Primary Health Care	100%
Work-related Injury	44.44%
Birth Control	38.89%
Pre-natal Care	22.22%
Post-natal Care	16.67%
Care for Child	16.67%
Others (receiving iron pills)	5.56%

**Table 4.8 Reasons for visiting F2's health clinic**

Source: F2 Data -- as of 2019

All of the respondents knew that F3 has a daycare center, spaces for breastfeeding, and a mechanism for reporting verbal abuse and sexual harassment. With regard to the daycare center, the respondents strongly agreed that having a daycare center helps in reducing absenteeism and turnover among their female colleagues. All of the respondents also shared that they took part in a sexual harassment training. However, 25% of them reported that they were not aware that there is a complaint box. Though most of the respondents never heard of someone missing work due to sexual harassment, a majority have heard of such situation. In fact, 11.11% have reported that there are sexual harassment problems in F3. Thus, the top suggestions of the respondents with regard to sexual harassment were having more female guards, female supervisors, setting up a hotline, and utilizing the complaint box.

On breastfeeding, some of the respondents reported that they were not allowed to take 30-minute breaks to breastfeed their baby, but rather given 15-minute breaks. Some also shared that they are only allowed to take breastfeeding breaks only at specific times in a day. Thus, they are not able to breastfeed their children when needed.

On daycare, some of the respondents shared that the daycare facility only accepted babies from the age of 8 months (up to 5 years) and that this resulted to difficulties for workers with children under the age of 8 months who lacked family childcare support. Other respondents reported that the daycare center accepted children between the ages of 0 – 2 years while the others stated that children starting from the age of 3 months can be enrolled. In addition to this, according to the respondents, only children enrolled in the daycare center can avail of F3's health services.

89.89% of the respondents knew that sanitary napkins are available in F3, while the rest did not know that this was available. Although most of the respondents knew that sanitary napkins are available, 44.44% reported that sanitary napkins are easily accessible with adequate quantities; 33.33% answered that there are not enough sanitary napkins available, and the rest (11.11%) shared that there are enough sanitary napkins but it is difficult to access them since they are not in convenient locations.

Regarding support for pregnant workers, 83.33% shared that pregnant workers always had the option to do lighter work if they chose to. However, 16.7% reported that this was not always the case. Nearly 70% of the respondents expressed that they were not completely satisfied with the maternity benefits

(specifically leaves) that F3 offers. The primary source of their dissatisfaction was the length of time for leave – 112 days. Some of the respondents felt that 130 days can be more appropriate, while some suggested 142 days.

On absenteeism, 22.22 percent shared that they had been absent from work 1-5 days in the previous six months, and 5.56 percent said that they had been absent from work 11 days or more in the previous six months. The remaining majority of 72.22 percent answered that they had not been absent from work in the past six months. The main reasons for absences in F3 are illness, fatigue due to pregnancy, and illness of their child. Some workers shared that requesting for a leave after an unapproved absence due to illness or illness of their child is still granted retroactively.



# CHAPTER 5

## Conclusion and Recommendations

- Conclusions
- Recommendations

### Conclusion

#### *How are employers empowering women workers in their workforce?*

The factories involved in this research have employed different measures to support women workers. These include the provision of skills training to support upward mobility; provision of maternity leave and support, daycare facilities, and breastfeeding spaces; strong anti-sexual harassment policy, complaints box and hotline; and provisions for health and safety, such as health clinics and menstrual hygiene support. Though these measures have evidently contributed to reducing staff turnover and absenteeism, and increased worker productivity and motivation at work – assessing the impact of women outside the factory was not possible. Thus, this can be area of further study.

The issue of upward mobility and representation in leadership position remains a challenge. In several participating factories, women's representation in leadership positions has eroded over time. In Factory 1, for instance, women made up only 4 percent of management positions despite accounting for nearly 46 percent of the total workforce. In Factory 2, while women made up nearly two-thirds of the workforce, just 2.8 percent were in management positions and only 15 percent were in the washing section (the highest paid non-management position in the factory). In Factory 3, between 2016 and 2019, their percentage of overall female employees reduced from 14 percent to 12 percent with female operator positions reporting a decline from 73 percent to 65 percent.



### What have been the costs and benefits of these good practices to the best practices themselves?

All seven factories reported business benefits from the interventions that have been introduced to their workers. The identified good practices demonstrated contributions not only to reducing absenteeism and staff turnover, but also to improve a factory's reputation, which attracts skilled workers and buyers. Table 4.13 shows the business benefits of good practices in the RMG sector.

**Table 4.13 Business Benefits of Good Practices in the RMG Sector.**

Intervention	Reported Business Profit
Maternity Support	<ul style="list-style-type: none"> <li>Increased worker retention and decreased turnover</li> <li>Improved factory reputation with buyers and contributing to attracting new buyers and orders.</li> </ul>
Daycare facilities	<ul style="list-style-type: none"> <li>Increased worker productivity and decreased turnover and absenteeism</li> <li>Improved worker well-being (since respondents claim their lives would be very difficult without the daycare services provided by the factory)</li> </ul>
Breastfeeding	<ul style="list-style-type: none"> <li>Reduced absenteeism and staff retention</li> </ul>
Anti-sexual harassment policies	<ul style="list-style-type: none"> <li>Low to non-existent levels of sexual harassment at factories</li> <li>Increased productivity of women workers</li> <li>Greater numbers of job seekers due to having a reputation of being harassment-free</li> <li>Increased retention rates and decreased turnover and absenteeism rates</li> <li>Improved worker motivation and well-being</li> <li>Women encouraged to seek promotion<sup>66</sup></li> </ul>
On-site health clinic	<ul style="list-style-type: none"> <li>Reduced absenteeism and staff turnover</li> <li>Documented return of investment (2.4:1 in existing literature)<sup>67</sup></li> <li>Reduced turnover among pregnant factory workers due to access to pre- and post-natal care</li> </ul>
Menstrual hygiene, including sanitary napkins	<ul style="list-style-type: none"> <li>Reduced absenteeism</li> <li>Improved factory's reputation, improving their standing with buyers and attracting new skilled female laborers</li> </ul>

At the three factories involved in the cost-benefit analysis, reduced absenteeism and staff turnover reported monetary benefits as well. From highs of 7-9%, absenteeism has been reduced to 4-5% at the endline. Similarly, staff turnover rates declined from 12-24% to 3-5% at the endline. These have yielded savings for the factories that range from over USD 400,000 to USD 1.7 million annually. Table 4.14 shows the savings from reduced absenteeism in the participating factories, Table 4.15 provides the savings from reduced staff turnover in the participating factories, and Table 4.16 showcases the total savings from reduced absenteeism and staff turnover.

**Table 4.14 Savings from Reduced Absenteeism in the Participating Factories.**

	Baseline AR <sup>68</sup>	Cost	Endline AR	Cost	Savings from Reduced AR per day	Savings from Reduced AR per year
		In US\$		In US\$	In US\$	In US\$
F1	7% <sup>69</sup>	2,747 per year	4.33%	1,699 per day	1,048	304,968
F2	7% <sup>70</sup>	1,014,560 per year	4.13%	598,560 per year	-	416,000
F3	9.1%	286,344 per year	5.4%	169,994 per year	-	116,350

<sup>66</sup> Supervisors and managers must stay at the factory after regular working hours to settle accounts (e.g. daily targets, quantity of inputs used to produce them). If there is any risk of harassment, women workers will not seek promotion.

<sup>67</sup> USAID. (2007). *Effects of Workplace Health Programs on Absenteeism, Turnover, and Worker Attitudes in a Bangladesh Garment Factory*.

<sup>68</sup> AR refers to Absenteeism Rate.

<sup>69</sup> A proxy of 7% was used from desk review since baseline data was not available.

<sup>70</sup> Ibid.

**Table 4.15 Savings from Reduced Staff Turnover in the Participating Factories.**

	Baseline ST <sup>71</sup>	Cost	Endline ST	Cost	Savings from Reduced ST per day	Savings from Reduced ST per year
		In US\$		In US\$		
F1	12%	768 per day	5.42%	347 per day	421	121,511
F2	12%	1,660,000 per year	4.24%	584,000 per year	-	1,076,000
F3	24%	1,844,100 per year	3%	229,500 per year	-	1,614,000

**Table 4.16 Total Savings from Reduced Absenteeism and Staff Turnover.**

	Reduced Absenteeism + Staff Turnover
F1	US\$ 427,479
F2	US\$ 1,492,000
F3	US\$ 1,730,950

### *Return on Investment to Factories*

To measure the “value for money” of the good practices to factories, this research also calculated the return on investment (ROI) for the three factories. ROI is calculated by dividing the savings accrued from reduced absenteeism and staff turnover by the cost of investment(s). Table 4.17 shows the return on investment to the participating factories.

**Table 4.17 Return on Investment on Participating Factories.**

	Total Savings in US\$	Total Costs on Good Practices in US\$	Return on Investment (ROI)
F1	427,479	136,692	3.13
F2	1,492,000	59,175	15.2
F3	1,730,950	500,773	3.46

At two of the three factories, the cost-benefit analysis found an approximate 1:3 return on investment associated with providing gender-specific and gender-sensitive services for female workers. The 1:3 ratio is in line with previous cost-benefit analysis conducted in the Bangladesh RMG sector.

In addition to this, at one factory, the cost-benefit analysis found a 1:15 return on investment. One possible explanation for this outlier may be the relatively high value of the products it produces. The research did not have access to data for further verification on whether this explanation was accurate.

## **Recommendations**

### *Address data gaps and inconsistencies in data collection approaches and methodologies in factories*

Quality and updated data are crucial to decision-making. The cost-benefit analysis found that there was no standard collection approach, and therefore data was inconsistent across factories. For example, some factories conflated absenteeism with approved leave and did not collect this data separately.

### *Promote female workers to supervisory and management positions, and address underlying issues around upward mobility and female leadership*

The lack of female leadership and weak opportunities for career advancement remain major challenges in the RMG sector. Respondents in all the participating factories echoed this concern as reason for turnover. The gender analysis showed that even when absenteeism and turnover are falling, the percentage of women in leadership positions has not grown, and in some instances, has declined. Factories should consider setting up training programs and systems that are intended to improved female promotion rates, encourage female leadership in non-traditional occupations; and foster safe work environment for women to be motivated to stay after work hours. In addition to this, there was also a demand for increased representation of women among factory guards.

<sup>71</sup> ST refers to Staff Turnover.

**Provide more sanitary napkins and access to birth control**

Sanitary napkins were on high demand. Workers, management and the health clinics all reported that women missed work due to having their periods – and that having sanitary napkins available on-site reduced absenteeism in their factories. Thus, sanitary napkins should be provided in multiple discrete locations, not only at the health clinics and the Fair Trade Store. Birth control was also identified as an important factor contributing to reduced absenteeism and staff turnover. With this, factories should consider expanding the options they provide to women beyond male condoms, the pill, and injectables.

**Extend access to the on-site health clinic for the children of workers, including those who are not enrolled in the factory daycare center**

It was reported that some of the factories do not provide access to health services to the children of workers who are not enrolled in the factory's daycare center. Thus, workers suggested to extend the access and cater to all children of factory workers.

**Some factories have set up medical insurance packages for workers**

This is a good practice that should be shared and adopted more widely.

**Daycare facilities were appreciated by female workers and were identified as important in reducing absenteeism**

However, the daycare center should have increased capacity to accommodate more children, and have clear guideline about access to these facilities. At some factories, female employees, including those with children, were confused about the age at which the factory daycare center accepts children. Moreover, survey respondents reported that there was a gap between the end of their maternity and the age at which they can enroll their babies in the daycare center. Those who reported this gap called on family members to provide childcare during the gap period. Management at one of the factories reported that women tended to quit immediately after their maternity leave ended, and lack of access to childcare may be one of the reasons.



# ANNEX

- Data Collection Sheet
- Survey Instrument
- Additional Factory Profile Data
- Factory Cost of Investment Calculations



## ANNEX I Data Collection Sheet

### The Baseline Year

Service	Date it was set up
Daycare Center	
Complaints box and/or hotline to report verbal and/or sexual harassment	
Health Clinic	
Providing birth control and/or iron tablets for pregnant women and/or sanitary napkins	
Skills Training	

**Number of Workers employed at the factory (gender-disaggregated)**

Type of Factory Employee	Baseline (2016 or 2017)					Endline (2019)				
	Total	18-24	25-30	31-35	>35	Total	18-24	25-30	31-35	>35
<b>Total Number of Factory Employees</b>										
<b>Total Number of Helpers</b>										
Cutting: number of helpers										
Sewing: number of helpers										
Finishing: number of helpers										
Ironing: number of helpers										
<b>Total number of Operators</b>										
Cutting: number of operators										
Sewing: number of operators										
Finishing: number of operators										
Ironing: number of operators										
<b>Total number in management, including production supervisors, production line chiefs, production managers-in-charge, and office-based managers</b>										
Number of production supervisors										
Number of production line chiefs										
Number of production managers-in-charge										
Number of office-based managers										

**How many absences?**

Type of Worker	Total days absent between 1 January 2016 and 31 December 2016	Female absences (2016)	Male absences (2016)	Total days absent between 1 January 2018 and 31 December 2018	Female absences (2018)	Male absences (2018)
	If unavailable, absences in 3-month period in 2017			If unavailable, absences in a 3-month period in 2018		
All factory employees						
Helpers						
Operators						
Production supervisors						
Production line chiefs						
Production managers-in-charge						
Office-based managers						

**What is the turnover?**

Type of Worker	Total recruitment between 1 January 2016 and 31 December 2016	Female recruited (2016)	Male recruited (2016)	Total recruitment between 1 January 2018 and 31 December 2018	Female recruited (2018)	Male recruited (2018)
All factory employees						
Helpers						
Operators						
Production supervisors						
Production line chiefs						
Production managers-in-charge						
Office-based managers						

**What does one day of worker absence cost the factory?**

Question	Date for 2018
What is the average value (that the factory gets) of an item produced at your factory?	
On average, how many items does your factory produce in one day?	
On average, how many items does an operator produce in one day?	
What is the cost of maintaining a back-up worker?	
How many back-up workers does your factory have?	

**What does turnover cost the factory?**

Question	Date for 2018
What is the turnover rate? How much does it cost?	
What is the average cost of recruiting one new worker?	
What is the cost of training a new recruit, including how much supervisor time it takes to instruct a new employee?	
What is the average number of days it takes to fill a helper position when a helper leaves?	
What is the average number of days it takes to fill an operator position when an operator leaves?	
What is the average number of days it takes a new helper to produce at the same level as an experienced helper?	
What is the average number of days it takes a new operator to produce at the same level as an experienced operator?	

## What does turnover cost the factory?

DAYCARE CENTER COST	
Question	Date for 2018
Average number of staff members	
Cost of hiring daycare center staff members	
Cost of training daycare center staff members	
Average monthly salary for all staff members (in total)	
Average cost of food per month	
Cost for the space (per foot)? Size of the center, total square feet of the factory? Total production value of the space? (Opportunity cost)	
What is the average number of days it takes a new operator to produce at the same level as an experienced operator?	
Average medical treatment costs provided by the factory to the children through the daycare center?	
What was the cost of setting up (or re-designing) the daycare? E.g. cost of furniture, towels, toys, cots, cradle, maintenance?	
Other costs	

HEALTH CLINIC COSTS	
Question	Date for 2018
Average number of staff members	
Cost of hiring health clinic staff members	
Cost of training health clinic staff members	
Average monthly salary for all staff members (in total)	
Cost of medical equipment	
Cost of medicines for the full year	
Cost of procuring sanitary napkin/iron tablets	
Cost for the space (per foot)? Size of the center, total square feet of the factory? Total production value of the space? (Opportunity cost)	
Other costs	

SEXUAL HARASSMENT SERVICES COSTS	
Question	Date for 2018
Average number of staff members for hotline	
Cost of hiring staff members	
Cost of training staff members	
Cost of printing prevention-related literature	
Cost of investigating the complaints (time, legal fees, etc.)	
Average monthly salary for all staff (in total)	
Other costs	

## Data on Service Utilization

Service	Utilization	Baseline	Endline
Daycare Center	Average number of visits per day		
	Average length of visits		
	Number of mothers visiting the daycare		
	Average length of visits from mothers		
Health Clinic	Average number of female workers who got birth control from the health clinic per month in 2018		
	Average length of visits		
Verbal Abuse	Number of verbal abuse complaints made (full year)		
Sexual Harassment	Number of sexual harassment complaints made in 2018 (full year)		

## Promotions

Type of Worker	Total number promoted in 2018	Female Promoted in 2018	Males promoted in 2018
All factory employees			
Helpers			
Operators			
Production Supervisors			
Production Line Chiefs			
Production Managers-in-Charge			
Office-based Managers			

# ANNEX II

## Survey Instrument

*Data to be collected in person on paper, then entered into Survey monkey. Interviews will take place with female RMG factory workers only. Surveys will be conducted in small meeting rooms close to the workers.*

Hello, my name is \_\_\_\_\_.

We are an independent research team conducting a survey about the services provided at your factory, such as the health services, services to support women, and the training programs provided to women workers. The survey is being funded by Plan International, which is a non-governmental organization. We are not from any brands, and we are not here to audit the factory. Your management is aware of this study, but we will not share of this study – or your responses to them.

The goal of our survey is to find ways to further improve the services that are available to women factory workers and to make the factory an even better place to work. We are very interested in your opinion.

We have some questions we would like to ask you. We are taking notes during the survey, so that we can remember what you said. We will keep all your answers confidential and also, we will not write down your name anywhere. That way your answers will be anonymous, and no one will know what you said or which worker gave which response.

You are not obligated to answer our questions and if you do not want to answer a question, you can tell me, and we will go on to the next question. You can stop the interview at any time. We hope that you will agree to answer our questions though because your answers can be very helpful to make your factory and also other factories in Bangladesh, even better places for women to work.

The survey will take maximum 30 minutes.

Do you have any questions for me?

Do you agree to do the interview, and can we begin?

*At the beginning of the survey, conduct a 5-minute chat/icebreaking discussion just to make the respondent feel comfortable.*

## Section 1: Background

1. Data Collector Name:
2. Interviewee Code:
3. Name of Factory:
4. What is your marital status?      Single  Married  Divorced  Other
5. What is your age?                18 – 20  21 – 24  25 – 30  31 – 34  35 or older
6. What is your job position?      Management  Supervisor  Machine Operator  Helper
7. How long have you worked at this factory?  
  
 6 months or less  More than 6 months but less than 12 months  More than 12 months but less than 2 years

## Section 2: Turnover and Absenteeism

8. How many more months or years do you think you will continue to work at this factory?  
  
 6 months or less  
 More than 6 months but less than 12 months  
 More than 12 months but less than 2 years  
 More than 2 years but less than 5 years  
 5 years or more

Follow-up: What do you want to do after you leave this factory?

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Follow-up: What is your dream for what you will be doing in 5 years? In 10 years?

---

9. Everyone is absent from work sometimes. In the past six months, how many workdays have you had an unauthorized absence?  
  
 None  
 1 – 5 days  
 6 – 10 days  
 11 days or more
10. If you have been absent from work in the past six months, what was the reason? Check all that apply.  
  
 I was ill  
 My child was ill  
 I had a problem with one/some of the other workers  
 I had a problem with my supervisor  
 Others (please specify): \_\_\_\_\_  
 Question not applicable
11. In the past six months, how many times have you been absent from work because you asked for leave but it was not approved?  
  
 Never  
 One Time  
 Two Times  
 Three Times  
 Four Times  
 Five Times  
 Six Times or more

12. In the past six months, what was the reason? (Add: did you have a situation when the in-house doctor recommended medical leave, but the supervisor did not allow it? Then what happened?)

Reason: \_\_\_\_\_

### Section 3: Knowledge of Service Availability

13. Do you know if there is a doctor in the factory you can see? (Does your factory have a health clinic?)

Yes       No       I don't know

14. Do you know if there is any place in the factory where you can keep your children while working? (Does your factory have a daycare center for workers' children?)

Yes       No       I don't know

15. Does your factory have a place where women workers can breastfeed their baby?

Yes       No       I don't know

16. Does your factory have a way to report verbal abuse?

Yes       No       I don't know

17. Does your factory have a sexual harassment committee or a way to report sexual harassment, such as unwelcome touching?

*Explain: Sexual harassment against a woman in the workplace is happening if a man makes unwelcome sexual comments or tries to persuade a woman to have sexual relations with him when the woman does not want to. Sexual harassment is also happening if a man tries to obtain sexual favors in exchange for giving a woman special treatment in the workplace. There are verbal forms of sexual harassment and also non-verbal forms. Non-verbal forms include unwelcome touching or grabbing. Sexual harassment is not the same as sexual assault against a woman, which is when a man physically attacks or rapes a woman.*

Yes       No       I don't know

18. Does your factory help women workers to get promoted to higher positions by providing training in new skills, a skills test administered by the industrial engineering department, a training line or some other kind of support? (For example: promoted to supervisor/manager, is there a training center?)

Yes       No       I don't know

Any comments? \_\_\_\_\_

19. In the past six months, as far as you know, has any female worker been promoted to supervisor or manager?

Yes       No       I don't know

20. In the past six months, as far as you know, has any male worker been promoted to supervisor or manager?

Yes       No       I don't know

21. Which of these services at your factory have you ever used? Check all that apply.

- Health clinic or seen a doctor
- Daycare center for workers' children (i.e. place to keep children while working)
- The place where women workers can breastfeed their baby
- Sexual harassment reporting system/committee/hotline/complaint box
- None of the above

22. In the past six months, has the factory paid your salary on time? Select one answer.

- My salary is always paid on time
- Most of the time, my salary is paid on time
- My salary is paid on time about half the time, and half time it is paid late
- My salary is usually paid late
- My salary is almost always paid late

23. Any additional comments? \_\_\_\_\_

#### Section 4: Salary and Women's Empowerment

24. What kind of things do you spend your money on? \_\_\_\_\_
25. If you have to buy something for yourself, do you have to ask for permission to spend your money?
- Strongly agree (always)                       Somewhat agree (most of the time)  
 Somewhat disagree (sometimes)            Strongly disagree (never)
26. If you have to ask permission from someone, whom do you need to ask? \_\_\_\_\_

#### Section 5: Women's Health and the Health Clinic

27. Have you ever attended the health clinic at your factory?
- Yes             No             I don't know
28. What is your preference: to see a female doctor or a male doctor?
- A female doctor                       A male doctor                       I have no preference
29. If you were examined by a male doctor at the health clinic, was there a woman medical practitioner, such as a nurse or female doctor, in the same room the whole time?
- Yes             No             Question does not apply
30. What services did you receive at the health clinic?
- Primary care because I was feeling sick                       Birth control – condoms or pills  
 Birth control – injection or implants                               Pre-natal care  
 Post-natal care     Care for my child  
 Work-related injury     Other, please explain
31. How satisfied were you with the services you received at the health clinic?
- Very satisfied (no complaints or suggestions)                       Somewhat satisfied (minor complaints or suggestions)  
 Somewhat dissatisfied (there were some complaints)            Very dissatisfied (many complaints)
32. Can you provide any comments on why you were satisfied or dissatisfied with the health services at the clinic? Do you have suggestions how the health services can be improved at the clinic? \_\_\_\_\_
33. Does your factory provide sanitary napkins for women workers?
- Yes             No             I don't know
34. If yes, are you able to easily get enough sanitary napkins?
- Yes, I can easily get enough sanitary napkins whenever I need them  
 I can get sanitary napkins easily but not always enough  
 There are enough sanitary napkins, but it is difficult to get them because they are not in a convenient location  
 I cannot get enough sanitary napkins when I need them, and they are not in a convenient location
35. Does your factory provide iron tablets for pregnant women?
- Yes             No             I don't know
36. If you received birth control, sanitary napkins or iron pills from your factory, how much did you pay?
- I paid nothing, it was free  
 I paid a discounted price  
 I paid full market rate  
 I did not receive any of these things

## Section 6: Support for pregnant women and mothers

37. Can pregnant workers use the lift whenever they want to?  
 Always       Usually       Sometimes       Rarely       Never
38. When a worker is pregnant, can she do lighter work if she wants to?  
 Always       Usually       Sometimes       Rarely       Never
39. Have you taken maternity leave while working at this factory?  
 Yes       No
40. If you took maternity leave, how many days/months did you take? \_\_\_\_\_
41. Are you satisfied with the maternity benefits (the payment you received during your maternity leave?)  
 Very satisfied (no complaints or suggestions)       Somewhat satisfied (minor complaints or suggestions)  
 Somewhat dissatisfied (there were some complaints)       Very dissatisfied (many complaints)
- Explanation (when applicable) or comments? \_\_\_\_\_
42. Have you ever used the daycare center in your factory?  
 Yes       No
43. Are there any rules or restrictions on who can enroll their baby in the factory daycare, such as only workers who have worked at the factory a certain number of years can enroll their baby in the daycare?  
Yes or no and list the rules: \_\_\_\_\_
44. What age was your baby when you were allowed to enroll her or him in the daycare center at your factory?
45. How satisfied are you with the daycare center services?  
 Very satisfied (no complaints or suggestions)       Somewhat satisfied (minor complaints or suggestions)  
 Somewhat dissatisfied (there were some complaints)       Very dissatisfied (many complaints)  
 Question does not apply
46. Was there a period of time between the end of your maternity leave and the time when you could enroll your baby in the daycare center?  
 Yes       No       Question does not apply
47. If there was a gap, how long was it? (Open question)
48. If there was a gap, what did you do to find care for your baby during the gap time? (Open question)
49. Until what age can children attend the factory daycare center?
50. Has one or more of your children reached the age when they are too old to enroll in the daycare center of the factory?  
 Yes       No       Question does not apply
51. For those who answered yes: how did you care for your child after he/she was too old to enroll in the daycare center?
52. Do you have any additional comments about the daycare services – why you were satisfied or why you were dissatisfied?
53. To what extent do you agree with the following statement: having a daycare center at the factory helps women workers to attend work and reduces absences from work.  
 Strongly agree       Somewhat agree       Somewhat disagree       Strongly disagree

54. To what extent do you agree with the following statement: having daycare at the factory is a big reason for women to stay in their jobs and not quit.

Strongly agree       Somewhat agree       Somewhat disagree       Strongly disagree

55. Have you ever used the breastfeeding facilities for mothers and babies at your factory?

Yes       No

56. How long a break is allowed for you to breastfeed your baby?

15 minutes or less       30 minutes       More than 30 minutes       Question does not apply

57. How many times in a workday are you allowed to take a break to breastfeed your baby?

58. To what extent do you agree with the statement: I can take a break at whatever time I want when I need to breastfeed my baby.

Strongly agree – no one tells me when to take a breastfeeding break  
 Somewhat agree – sometimes I have to work so I cannot take a break at the right time to breastfeed  
 Somewhat disagree – generally I have to take breastfeeding breaks at set times  
 Strongly disagree – the supervisor decides when I can take a breastfeeding break, not me.  
 Question does not apply

Comment: \_\_\_\_\_

59. How satisfied are you with the breastfeeding facilities at your factory?

Very satisfied (no complaints or suggestions)  
 Somewhat satisfied (minor complaints or suggestions)  
 Somewhat dissatisfied (there were some complaints)  
 Very dissatisfied (many complaints)  
 Question does not apply

Comment: \_\_\_\_\_

60. Can you provide any further comments about why you were satisfied or dissatisfied with the breastfeeding facilities at your factory? What other suggestions or recommendations do you have to improve services for mothers in the factory?

## Section 7: Sexual Harassment

*Explain the meaning of sexual harassment: Sexual harassment against a woman in the workplace is happening if a man makes unwelcome sexual comments or tries to persuade a woman to have sexual relations with him when the woman does not want to. Sexual harassment is also happening if a man tries to obtain sexual favors in exchange for giving a woman special treatment in the workplace. There are verbal forms of sexual harassment and also non-verbal forms. Non-verbal forms include unwelcome touching or grabbing. Sexual harassment is not the same as sexual assault against a woman, which is when a man physically attacks or rapes a woman.*

61. Have you ever received a training on sexual harassment?

Yes, at this factory       Yes, not at this factory       No       I don't know

62. As far as I know, my factory has ... (check all that apply)

A designated staff member I can talk to if I have a problem with sexual harassment  
 A complaints box where I can put in a complaint about sexual harassment  
 A hotline I can call to make a complaint about sexual harassment (follow-up: do you know the number? How do you find out the number?)  
 None of the above

Comment: \_\_\_\_\_

63. If a woman makes a complaint about sexual harassment, the result might be ... (check all that apply)

- Her application to take a leave could be refused
- She could not be given overtime
- She could be removed from her workstation
- She can get help (or no retaliation)
- Other (another time of retaliation) \_\_\_\_\_

64. To what extent do you agree with the following statement: there are problems with men harassing and teasing women at my factory.

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree

65. To what extent do you agree with the following statement: I feel safe at work and I do not think a man will hurt me while I am at work or follow me after work.

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree

66. If someone reports sexual harassment at your factory, do you think that they get the help they need from the factory management?

- Yes, completely
- Yes, somewhat
- No
- I don't know

67. Have you ever heard of someone missing work because of sexual harassment?

- Yes
- No

68. Have you ever heard of someone leaving their job at this factory because of sexual harassment?

- Yes
- No

69. In your opinion, do the anti-sexual harassment measures your factory help women to come to work every day and to stay in their jobs longer?

- Yes
- No
- I don't know

70. In your opinion, which measures would be the most helpful in reducing sexual harassment at your factory? Please rank in order of importance, with the most important first and the least important last.

- A policy against sexual harassment
- A designated staff member you can talk to if you have a problem with sexual harassment
- A complaint box
- More female guards
- A hotline
- Training of supervisors and line managers
- Anonymous complaint mechanism
- If more of the supervisors are female
- Other (please describe) \_\_\_\_\_

## Section 8: Training and Career Center

71. Since you began working at this factory, have you ever taken part in a training to help you advance in your career (help you to get promoted)?

Yes       No       I don't know

72. To what extent do you agree with this statement: skills training is helpful for my job and for getting promoted (including grade promotions)

Strongly agree, I have learned useful skills that may help me to get promoted  
 Somewhat agree, skills were somewhat useful, but I do not think they will help me to get promoted  
 Somewhat disagree, I did not use very useful skills  
 Strongly disagree, skills training is not useful, and it takes time away from my work

Any comments? \_\_\_\_\_

73. Have you ever taken a skills verification test at this factory?

Yes       No       I don't know

74. Since you started working at this factory, have you ever been promoted?

Yes       No       I don't know

75. Since you started working at this factory, have you ever gotten a raise beyond the legal requirement?

Yes       No       I don't know

76. What new skills would you like to learn while you are working at this factory?

77. Do you think that the factory management will help you to learn new skills?

Yes       No       I don't know

## Section 9: Wrap Up

78. We have discussed some important services at your factory. The services we discussed were:

- a. Paying your salary on time;
- b. Health clinic and women's health such as providing sanitary napkins, birth control, iron tablets for pregnant women, treatment for family members, kids and extended family;
- c. Providing a daycare center for workers' children;
- d. Providing a place where women workers can breastfeed their baby;
- e. Women's safety and a way to report sexual harassment including verbal abuse;
- f. Providing training program to help women workers get promoted to supervisor or manager positions.

Think about why you would decide to stay working in this factory, please rate the six services above in order of importance to you – with the most important first and the least important last.

79. Can you provide any suggestions about what the factory could do better to reduce the number of days people are absent from work and to help workers stay in their jobs longer and not quit?

*Thank you very much for taking part in this survey!*

# ANNEX III

## ADDITIONAL FACTORY PROFILE DATA

### Factory 1

**Table A.1 Employees by age and job type<sup>72</sup>**

Source: F1 Data -- as of 3 April 2019

Type of Employee	Aged 18-24		Aged 25-30		Aged 31-35		Aged > 35		Total
	#	%	#	%	#	%	#	%	#
All employees	2979	35.8	2639	31.7	1353	16.3	1354	16.3	8325
Helpers	789	70	225	20	96	8.5	17	1.7	1127
Sewing Helpers	118	14.6	205	25.3	197	24.4	289	35.7	809
Operators	1779	44.6	1466	36.8	516	12.9	228	5.7	3989
Sewing Operators	1423	44.6	1172	36.8	412	12.9	182	5.7	3189

**Table A.2 Type of Employee, by Gender<sup>73</sup>**

Source: F1 Data -- as of 1 January 2019

Type of Employee	Female		Male		Total
	Number	Percentage	Number	Percentage	Number
<b>All employees</b>	3813	45.8	4512	54.2	8325
<b>Helpers</b>	890	79	237	21	1127
Sewing Helpers	763	94.3	46	5.7	809
<b>Operators</b>	1396	35	2593	65	3989
Sewing Operators	1228	37	2093	63	3321
<b>Piece-rate workers</b>	811	35	1501	65	2312
<b>Management<sup>74</sup></b>	63	3.7	1626	96.3	1689

**Table A.3 Turnover rates in F1**

Source: F1 Data -- as of 2018

Month	Total manpower active	Monthly Separation <sup>75</sup>	Month Separation %
January	9136	612	6,7
February	9241	523	5.66
March	9753	634	6.5
April	10121	527	5.21
May	9935	433	4.36
June	9791	269	2.75
July	10189	732	7.18
August	10000	420	4.2
September	10269	737	7.18
October	10088	653	6.47
November	9874	500	5.06
December	9495	346	3.64
<b>Annual Average</b>	<b>9824</b>	<b>532</b>	<b>5.42</b>

<sup>72</sup> Note that (1) percentages show the percent within each category, i.e. the denominator is listed on the right-hand column – Total, and (2) percentages in bold and pink color show the largest percentage for each category.

<sup>73</sup> Note that (1) percentages show the percent within each category, i.e. the denominator is listed on the right-hand column – Total, and (2) percentages in bold and pink color show the largest percentage for each category.

<sup>74</sup> Management includes production supervisors, production line chiefs, production managers-in-charge, and office-based managers.

<sup>75</sup> Separation refers to contract termination.

**Table A.4 Turnover rates in F1**

Source: F1 Data -- as of 2018

Month	Total manpower active	Monthly Separation <sup>76</sup>	Month Separation %
January	9136	612	6,7
February	9241	523	5.66
March	9753	634	6.5
April	10121	527	5.21
May	9935	433	4.36
June	9791	269	2.75
July	10189	732	7.18
August	10000	420	4.2
September	10269	737	7.18
October	10088	653	6.47
November	9874	500	5.06
December	9495	346	3.64
<b>Annual Average</b>	<b>9824</b>	<b>532</b>	<b>5.42</b>

## Factory 2

**Table A.5 F2 Employees by age and job type<sup>77</sup>**

Source: F2 Data -- as of 1 January 2019

Type of Factory Employee	Aged 18-24		Aged 25-30		Aged 31-35		Aged > 35		Total
	#	%	#	%	#	%	#	%	#
<b>All Employees<sup>78</sup></b>	1161		1022		607		273		3455
<b>All Helpers</b>	244	45	192	35.4	19	14.5	28	5.1	543
Cutting Helpers	42	41.6	35	34.7	16	15.8	8	7.9	101
Sewing Helpers	121	52.6	72	31.3	28	12.2	9	3.9	230
Finishing Helpers	81	38.2	85	40.1	35	16.5	11	5.2	212
Ironing Helpers	50	33.6	49	32.9	32	21.4	18	12.1	149
<b>All Operators</b>	1220	73.4	220	13.3	126	7.6	95	5.7	1661
Cutting Operators	0	0	8	100	0	0	0	0	8
Sewing Operators	1440	75.4	275	18.3	68	4.5	28	1.8	1511
Finishing Operators	75	52.8	32	22.5	27	19	8	5.7	142
<b>Management<sup>79</sup></b>	175	48.7	85	23.7	58	16.2	41	11.4	359

**Table A.6 F2 Management positions in F2 by gender.**

Source: F2 Data -- as of 1 January 2019

Type of Factory Manager <sup>80</sup>	2017					1 January 2019				
	Female		Male		Total	Female		Male		Total
	#	%	#	%	#	#	%	#	%	#
Management <sup>81</sup>	16	5	307	95	323	10	2.8	349	97.2	359
Production Supervisors	9	5	172	95	181	10	5	191	95	201
Production Line Chiefs	1	5.6	17	94.4	18	2	10	18	90	20
Production Managers-in-Charge	6	5.5	104	94.5	110	1	0.8	121	99.2	122
Office-based Managers	2	16.7	10	83.3	12	4	25	12	75	16

<sup>80</sup> The hierarchy of management positions is listed from highest to lowest.<sup>81</sup> Management includes productive supervisors, production line chiefs, production managers-in-charge, and office-based managers. Updated data was requested from F2, but it was not possible to obtain it. Therefore, the data on management as a whole was not used for the analysis – only the data broken down by type of management position.

## Factory 3

**Table A.7 F3 Employees by age and job type<sup>82</sup>**

Source: F3 Data -- as of 1 January 2019

Type of Factory Employee	Aged 18-24		Aged 25-30		Aged 31-35		Aged > 35		Total
	#	%	#	%	#	%	#	%	#
<b>All Employees</b>	964	34	1142	40	462	16.3	276	9.7	2844
Sewing Helpers	31	23.5	68	51.5	24	18.2	9	6.8	132
Sewing Operators	524	40.6	547	42.3	171	13.2	50	3.9	1292
<b>Management<sup>83</sup></b>	16	8	66	33	55	27.5	63	31.5	200

**Table A.8 F3 Type of Employee, by Gender<sup>84</sup>**

Type of Employee	2016					1 January 2019				
	Female		Male		Total	Female		Male		Total
	#	%	#	%	#	#	%	#	%	#
<b>All employees</b>	1096	44.3	1380	55.7	2476	1205	42.4	1639	57.6	2844
Sewing Helpers	114	90.5	12	9.5	126	123	93.2	9	6.8	132
Sewing Operators	745	73	276	27	1021	839	64.9	453	35.1	1292
<b>Management<sup>85</sup></b>	23	13.9	143	86.1	166	24	12	176	88	200



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<sup>82</sup> Note that (1) percentages show the percent within each category, i.e. the denominator is listed on the right-hand column – Total, and (2) percentages in bold and pink color show the largest percentage for each category.

<sup>83</sup> Management includes production supervisors, production line chiefs, production managers-in-charge, and office-based managers.

<sup>84</sup> Note that (1) percentages show the percent within each category, i.e. the denominator is listed on the right-hand column – Total, and (2) percentages in bold and pink color show the largest percentage for each category.

<sup>85</sup> Management includes production supervisors, production line chiefs, production managers-in-charge, and office-based managers.

# ANNEX IV

## FACTORY COST OF INVESTMENT CALCULATIONS

### Factory 1

**Table A.9 Cost of Investment in F1**

Source: F1 Data

Item	Cost as reported by F1	Calculation Details <sup>86</sup>	Annual Cost in US\$
<i>Daycare Costs</i>			
Average monthly salary for all daycare staff (in total)	BDT 125,000 per month	BDT 125,000 = US\$ 1,465 US\$ 1,465 x 12 = US\$ 17,580	US\$ 17,580
Average medical treatment costs provided by the factory to the children through the daycare	BDT 5,000 per month	BDT 5,000 = US\$ 59 US\$ 59 x 12 = USD\$ 708	US\$ 708
Other costs (maintenance costs such as painting the room once a year, buying books, clothes, and towels for each child)	BDT 40,000 per year	BDT 40,000 = US\$ 469	US\$ 469
<i>Health Clinic Costs</i>			
Average monthly salary for all staff (in total)	BDT 300,000	BDT 300,000 = US\$ 3,516 US\$ 3,516 x 12 = US\$ 42,192	US\$ 42,192
Cost of medicines for one year	BDT 2,000,000 per year	BDT 2,000,000 = US\$ 23,442	US\$ 23,442
Cost of procuring sanitary napkin and iron tablets	BDT 500,000 per year	BDT 500,000 = US\$ 5,860	US\$ 5,860
Maintenance Costs	BDT 85,000 per year	85,000 BDT = US\$ 996	US\$ 996
<i>Sexual Harassment Training Costs</i>			
Opportunity Cost of Sexual Harassment Training	Number of days each training last: 0.25  Total number of workers and management who attended a sexual harassment training in 2018: 1,220  Cost of one worker's absence for one day: US\$ 149	$1,220 \times 0.25 \times 149 = \text{US\$ } 45,445$	US\$ 45,445
<b>TOTAL COST</b>			<b>US\$ 136,692</b>

<sup>86</sup> Conversion rates of BDT to USD were from Oanda online rates.

## Factory 2

**Table A.10 Cost of Investment in F2**

Source: F2 Data

Item	Cost as reported by F1	Calculation Details <sup>87</sup>	Annual Cost in US\$
<i>Daycare Costs</i>			
Average monthly salary for all staff (in total)	BDT 21,000 per month	BDT 21,000 x 12 = BDT 252,000 per year BDT 252,000 = US\$ 2,954	US\$ 2,954
Average cost of food per month	BDT 70,000 per month	BDT 70,000 x 12 = BDT 840,000 BDT 840,000 = US\$ 9,846	US\$ 9,846
Average medicine costs for one year provided by the factory to the children in the daycare	BDT 150,000 per year	BDT 150,000 = US\$ 1,758	US\$ 1,758
Cost of the Daycare Maintenance	BDT 100,000 per year	BDT 100,000 = US\$ 1,172	US\$ 1,172
<i>Health Clinic Costs</i>			
Average monthly salary for all staff (in total)	BDT 100,000 per month	BDT 100,000 x 12 = BDT 1,200,000 BDT 1,200,000 = US\$ 14,065	US\$ 14,065
Cost of medicines for one year	BDT 440,000 per year	BDT 440,000 = US\$ 5,157	US\$ 5,157
Cost of storing medical equipment in the daycare	BDT 95,000 per year	BDT 500,000 = US\$ 5,860	US\$ 1,114
<i>Transportation</i>			
Buses (including rental, petrol and driver)	BDT 1,300,000	BDT 1,300,000 = US\$ 15,237	US\$ 15,237
<i>Sexual Harassment Training Costs</i>			
Opportunity Cost of Sexual Harassment Training	<p>Number of days each training last: 0.2</p> <p>Total number of workers and management who attended the sexual harassment training in 2018: 246</p> <p>Cost of one worker's absence for one day: US\$ 160</p>	$246 \times 0.2 \times 160 = \text{US\$ } 7,872$	US\$ 7,872
<b>TOTAL COST</b>			<b>US\$ 59,175</b>

<sup>87</sup> Conversion rates of BDT to USD were from Oanda online rates.

## Factory 3

**Table A.11 Cost of Investment in F3**

Source: F3 Data

Item	Cost as reported by F1	Calculation Details <sup>88</sup>	Annual Cost in US\$
<i>Daycare Costs</i>			
Average monthly salary for all staff (in total)	BDT 30,000 per month	BDT 30,000 x 12 = BDT 360,000 per year BDT 360,000 = US\$ 4,220	US\$ 4,220
Cost of the Daycare Maintenance	BDT 60,000 per year	BDT 60,000 = US\$ 730	US\$ 703
<i>Health Clinic Costs</i>			
Average monthly salary for all staff (in total)	140,000 BDT per month	BDT 140,000 x 12 = BDT 1,680,000 BDT 1,680,000 = US\$ 19,691	US\$ 19,691
Cost of medicines for one year	BDT 440,000 per year	BDT 600,000 = US\$ 7,033	US\$ 7,033
<i>Transportation</i>			
11 buses	BDT 10,000 per bus, per month	BDT 10,000 x 11 x 12 = BDT 1,320,000 BDT 1,320,000 = US\$ 15,472	US\$ 15,472
<i>Training</i>			
Opportunity Cost of Sexual Harassment Training	Number of days each training last: 0.2 Number of employees who took the training: Staff: 490 Workers: 700 Total: 1,190 Cost of one worker's absence for one day: US\$ 108	1,190 x 0.2 x US\$ 108 = US\$ 25,704	US\$ 25,704
Opportunity Cost of Soft Skills Training	Number of days each training lasts: 6.25 Number of workers who took the training: 634 Cost of one worker's absence for one day: US\$ 108	6.25 x 634 x US\$ 108 = US\$ 427,950	US\$ 427,950
<b>TOTAL COST</b>			<b>US\$ 500,773</b>

<sup>88</sup> Conversion rates of BDT to USD were from Oanda online rates.



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