



# Future of Work for Female Garment Workers in Bangladesh

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## About the H&M Foundation

The H&M Foundation is an independent non-profit global foundation for public good, headquartered in Stockholm, Sweden. This foundation is privately funded by the Stefan Persson family, founders and main owners of the H&M Group. Founded to accelerate the realisation of the UN Sustainable Development Goals 2030, H&M Foundation uses collaboration and innovation to co-create, fund and share solutions for the world's most urgent challenges. To help safeguard the welfare of humanity, the Foundation is catalysing the fashion industry to become planet positive and accelerating development for inclusive societies. Breakthrough innovations and findings are openly shared for anyone to adopt and scale, in order to contribute to systems change. The H&M Foundation can also provide emergency relief.

For more information, please visit: [hmfoundation.com](http://hmfoundation.com)

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## About the Collective Impact initiative for Female Garment Workers in Bangladesh

The H&M Foundation is currently running a long-term programme to prepare female garment workers in Bangladesh for a future where the textile industry is defined by automation and digitalisation, in order to safeguard their livelihoods. To this end, the Foundation is equipping and empowering female garment workers through appropriate training for new roles, undertaking broader initiatives to improve the enabling environment for female workers' career progression and employability, and co-designing holistic activities together with a diverse group of stakeholders, including local organisations, entrepreneurs, innovators, public agencies, and academia.

The Asia Foundation, a non-profit international development organisation, is playing the role of the backbone organisation to lead this initiative and coordinate the activities of all the intervention partners. The Asia Foundation has deep local expertise in good governance, women's empowerment and gender equality, inclusive economic growth, environment and climate action, as well as regional and international relations.

To learn more, please visit: [asiafoundation.org](http://asiafoundation.org)

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# Foreword

Bangladesh's ready-made garment (RMG) sector today faces an uncertain future. For years, the RMG sector has been at the forefront of Bangladesh's economic transformation, becoming a global export leader. However, its RMG success story is now under threat. In 2026 it will lose preferential trading access to key markets after it graduates from the status of a Least Developed Country (LDC). As a lasting legacy of the COVID-19 pandemic, international apparel brands are also starting to turn away from their global supply chains and look towards regional production hubs, close to their consumers. Automation and digitisation are gaining prominence and are leading to significant improvements in productivity, but at the cost of potential large-scale job losses. Over 60% of the RMG workforce may be made unemployed by 2041. Female workers, who currently dominate the sector, are most at risk and are overrepresented in poorly paid and low-skilled jobs.

The pandemic has also affected Bangladesh's overall economic outlook, amidst uncertainty about access to vaccines, new COVID-19 waves and further societal disruption. It is unclear whether Bangladesh will return to its pre-pandemic prosperity, as economic growth and employment levels remain disconcerting.

The H&M Foundation is committed to supporting the Bangladeshi RMG industry's future evolution, with the primary goal of safeguarding the livelihoods of female garment workers. In doing so, we are affirming our mission of using philanthropy to further the development of inclusive societies, safeguard human welfare, and catalyse the fashion industry to become planet positive. Core to our culture of innovation, we believe in disrupting traditional systems and creating nimble and agile solutions to the problems in front of us. The uncertainties characterising Bangladesh's female garment workers require pioneering and creative approaches by donors and implementers when designing interventions. That's why we are moving away from traditional donor relations and have started co-creating solutions that address the root causes of inequality and centre equality. This strategy aims to create systems change in the long-term and bring gender equality into the factory floor.

Scenario planning, which is still nascent in global fashion and philanthropy, is exactly the approach we need to be more effective in driving change. By stretching our thinking, data-driven scenario planning allows us to envision the multiple divergent and plausible futures in which our interventions might be operating, identify opportunities for impact, and ensure that we are appropriately prepared for these futures.

Through its Collective Impact initiative, the H&M Foundation is already utilising the results from this scenario planning exercise. We are in the process of co-designing future-sensitive holistic activities together with a diverse group of stakeholders, focused on equipping Bangladeshi female garment workers through appropriate training for new roles, and undertaking initiatives to improve the enabling environment for female workers' career progression and employability.

Ultimately, we believe that for change to truly occur, it is important that our insights are operationalised by others quickly and at scale. We, therefore, hope that you can leverage our findings to further shape the future of Bangladesh's female garment workers. We look forward to collaborating in the future.

- **Charlotte Brunnström and Fernanda Drumond, the H&M Foundation**



# INTRODUCTION

## What is the current situation for female garment workers in Bangladesh?<sup>a</sup>

Bangladesh's economy has grown by nearly 15 times since 1980<sup>1</sup>, leading to a significant reduction in the number of people living below the poverty line. An increasing proportion of Bangladesh's population now belongs to the middle class, predicted to reach 40% by 2026<sup>2</sup>.

Individuals increasingly live in urban areas<sup>3</sup>, leaving their rural hometowns and villages for metropolitan cities like Dhaka and Chattogram. This has coincided with a reduction in the number of individuals employed in agriculture, and the rising prominence of the services sector. In 2020, 28 million individuals were employed in Bangladesh's service sector, compared to 27.4 million individuals employed in agriculture<sup>4</sup>.

The RMG sector has played a critical role in Bangladesh's economic development, currently employing nearly 4 million people<sup>5</sup>, and contributing 14% to Bangladesh's GDP<sup>6</sup>. Women represent nearly 60% of the total workforce in the sector<sup>7</sup>, but experience several challenges as they navigate employment in a changing RMG industry.

The pace of automation in the RMG sector has been increasing as more factories adopt advanced production technologies, threatening the RMG workforce<sup>8</sup>. The livelihoods of female garment workers have been most vulnerable to automation, as they predominantly occupy junior and low-paid roles that are most at risk<sup>9</sup>. The share of female workers in the workforce has reduced from 90% in 1980 to 59% in 2020<sup>10</sup>.

Female workers have not always received the training they need to adapt to changing technological skill requirements of factories, and struggle to overcome existing gender-related perceptions that inhibit their advancement<sup>11</sup>. They continue to suffer from skill and educational gaps when compared to male garment workers. 29% of female workers have no or incomplete primary education, compared to only 18% of male workers<sup>12</sup>. Male workers can also operate a more diverse

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a Refer to Appendix C for a deep-dive into trends, driving forces, and events shaping Bangladesh

set of machinery, such as the overlock, flat lock, and button hole, compared to female workers. Limiting gender-related perceptions also weaken women's representation in supervisory and managerial positions in this sector. Female workers account for under 15% of supervisory roles and under 5% of managerial roles in factories, because of underlying beliefs that men can work faster and produce greater output compared to women<sup>13</sup>.

Female workers are also affected by a consistently high gender pay gap, earning 25% lower average wages per month compared to male workers. Their saving potential is limited, as they also remit 53% of their monthly income to their family members living in other places, compared to the 36% remitted by male workers<sup>14</sup>.

Workplace harassment remains a significant area of concern for female workers. Sexual violence or harassment at work is rampant in RMG factories; 80% of female garment workers in Bangladesh experienced or witnessed sexual violence or harassment at work<sup>15</sup>. Workers have collectivised in the form of trade unions, to highlight these workplace challenges to the factory management, and increase the focus on worker welfare<sup>16</sup>.

## Why scenario planning?

According to Peter Schwartz, a leading futurist, "Scenarios give us a new, shared language that deepens our conversations about the future and how we can help to shape it." Scenario planning starts by identifying forces of change in the world, and then combining these forces in different ways to create a set of rich, data-driven stories about how the future may unfold. These stories help capture what it would be like for individuals, an organisation, or a community to live in these futures. As these scenarios are hypotheses and not future predictions, they are utilised in multiple stories to showcase a range of possibilities, positive and negative, expected and surprising<sup>17, 18</sup>.

Scenario planning provides organisations a framework to proactively recognise and adapt to change over time. Organisations can use this tool to stress-test their current strategies and plans under different scenarios, refine their strategies to improve resilience, and institute mechanisms to track indicators of changing operating contexts<sup>19</sup>.

Since the underlying factors impacting female garment workers, such as the rate of automation, are uncertain and can change over the next few years, it is important to prepare for potential scenarios that might unfold in the future.

The H&M Foundation is currently running a long-term Collective Impact initiative to prepare female garment workers in Bangladesh for an increasingly automated and digital future in the RMG industry. To ensure that the interventions aimed at improving the employability of female workers are future-sensitive, a scenario planning exercise was undertaken to understand how employment scenarios for female garment workers might evolve by 2030.

## **What is the focal question?**

To understand how female garment workers will be impacted by 2030, the following focal question was identified for this scenario planning exercise:

**How are the employment outcomes for Bangladesh's female garment workers likely to evolve over the next ten years?**

In other words, what proportion of the RMG workforce will be female in 2030? How will these changes affect the livelihoods and skills of these workers in the future? How will their daily lives, working conditions, and living conditions be impacted?

# SCENARIO FRAMEWORK

## Selecting critical uncertainties

Several trends will continue to shape the landscape of Bangladesh's RMG industry over the next ten years.

For example, it is highly likely that Bangladesh will continue to transition to a digital economy, given that this is a global trend. Internet, smartphone, and social media penetration has risen rapidly in Bangladesh and will continue to do so in the years to come.

The country's RMG factories are already transitioning towards more advanced production technologies. Although the pace of this change is unclear, it is reasonably certain that garment production will become more automated in the next 10 years.

These trends will certainly impact the scenarios in which Bangladeshi female garment workers operate in 2030. However, these trends are pervasive across all scenarios and cannot be used to differentiate between potential future scenarios.

Scenarios are developed based on 'uncertainties' — trends or driving forces that are highly relevant to the focal question, but have uncertain future outcomes that cannot be controlled due to the multitude of factors or stakeholders involved. We cannot predict what these outcomes will be in the future.

We have developed the scenario framework as a 2x2-matrix diagram to provide a structured method of understanding a future where two 'critical uncertainties' evolve together. From a long-list of uncertainties developed through stakeholder consultations<sup>b</sup>, we selected two 'critical uncertainties' with the highest degree of uncertain outcomes and the greatest potential impact on female garment workers.

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b Refer to appendix A for our overall scenario planning approach

Each of the two selected ‘critical uncertainties’ is presented as an axis on the scenario framework, and has two divergent endpoints or possibilities. When combined, four distinct and plausible future employment scenarios for female garment workers in Bangladesh are created.

## Uncertainty #1: Structure of Bangladesh’s RMG sector



This critical uncertainty is a composite of the level of automation in Bangladesh’s RMG sector and the market structure of Bangladeshi suppliers.

In a world with a fragmented RMG industry using manual production, automation is limited. Less than 15% of garment manufacturing activities are automated, and production is instead largely manual and labour-intensive. The RMG market structure is dominated by smaller factories, with at least 50% of factories being small or medium-sized<sup>c</sup>.

In a consolidated and automated world, production is highly automated and capital intensive; at least 15% of garment manufacturing activities are automated. The RMG market structure is dominated by larger factories, with less than 50% of factories being small or medium-sized.

This structure of Bangladesh’s RMG sector is evidently a critical uncertainty as both the pace at which automation will occur in the RMG sector, and whether smaller factories will continue to exist in large numbers, cannot be predicted.

## Uncertainty #2: Level of youth unemployment



This critical uncertainty refers to the share of Bangladesh’s labour force aged 15-24 that is without work but available for and seeking employment.

In a world with low youth unemployment, Bangladesh’s youth unemployment rate is under 10 percent, and approximately 2.5 million jobs are created annually.

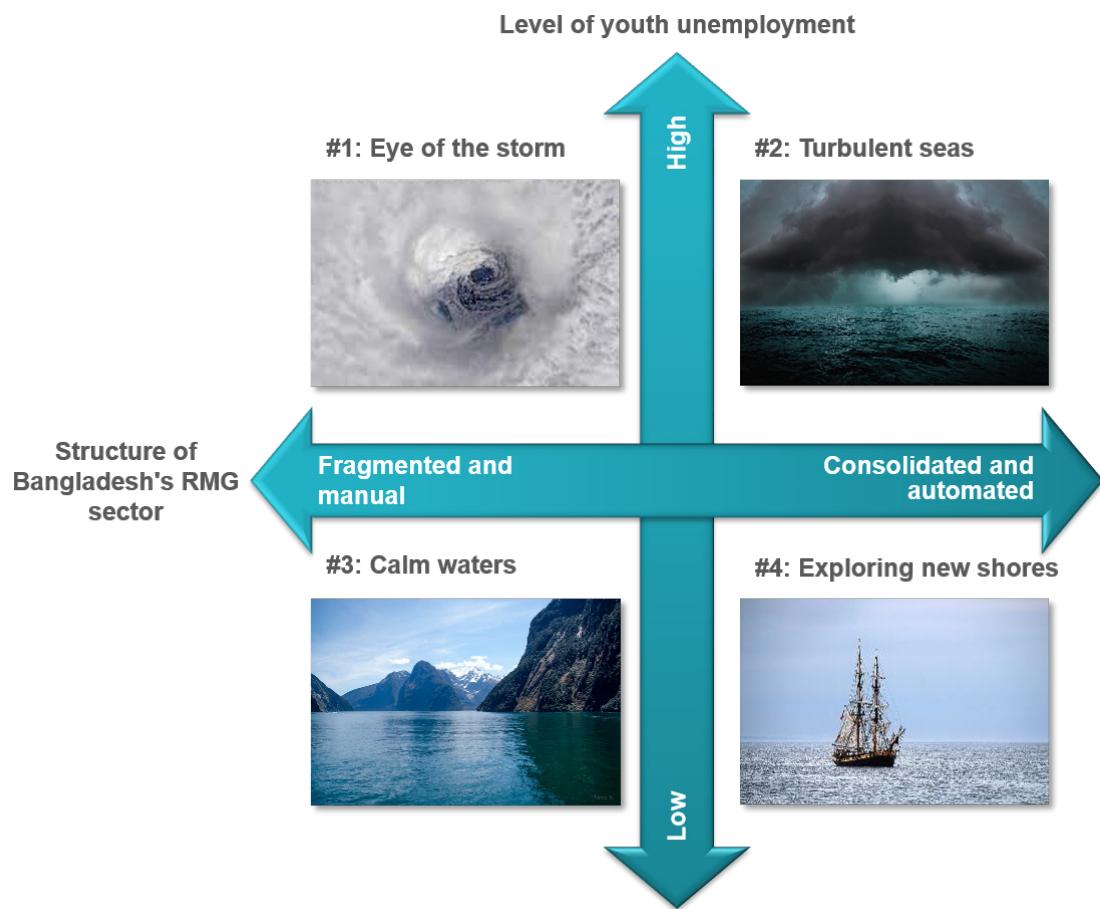
In a world with high youth unemployment, Bangladesh’s youth unemployment rate is greater than or equal to 10 per cent, and approximately 1.5 million jobs are created annually.

c Refer to appendix B for information on indicators and signposts for each uncertainty

It is currently unclear whether Bangladesh will be able to make the most of its demographic dividend, by creating enough jobs and providing its working-age population with the skills the economy requires. The outcome of this will determine whether there is low or high youth unemployment in the future.

## Scenarios for female garment workers in 2030

Once these critical uncertainties are combined on the two axes, four scenarios governing employment outcomes of Bangladeshi female garment workers are generated:



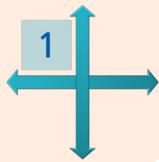
**Eye of the storm** — The RMG sector is the key employment sector in an otherwise turbulent job market. The RMG workforce is large, low-skilled, and has a high share of female workers, but cannot fully absorb the growing number of unemployed workers from other sectors. Female garment workers are continuously threatened by the broader employment uncertainty in Bangladesh's economy

**Turbulent seas** — Automation triggers mass unemployment, disproportionately affecting female garment workers, and creating widespread social unrest. Alternative livelihood opportunities do not exist for laid-off female garment workers, given their existing skill levels

**Calm waters** — Low-skilled female garment workers dominate the large RMG workforce in this future, as unemployment and social unrest remain low. Although working hours and wages remain low, trade union activity has led to marginal improvements, including improved access to gender-sensitive facilities

**Exploring new shores** — New sectors have emerged and absorbed female workers who were disproportionately affected by automation in garment factories. Female workers benefit from better conditions and improved growth opportunities in these new sectors, and the RMG industry has the flexibility to move forward without any employment pressures

# SCENARIO NARRATIVES



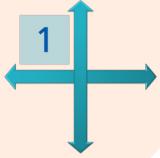
## Scenario #1: Eye of the storm

As we look back at the last decade, it is clear that Bangladesh's demographic dividend has turned into a demographic disaster. Today in 2030, most of the country's sizeable youth population has been left disenfranchised and unemployed. The COVID-19 pandemic receded in 2023, but had a disproportionate impact on lower income countries. Most higher income countries returned to normalcy quickly due to their widespread access to vaccines and a high proportion of employment in formal sectors, which enabled professionals to work remotely. Bangladesh's reality was very different.

In addition to the thousands of lives lost, a significant proportion of Bangladesh's population has fallen into extreme poverty. 90% of Bangladesh's labour force participates in informal employment; disruptions caused by lockdowns and COVID-19 containment measures led to mass unemployment, severely affecting their livelihoods and earnings. Many workers have limited savings and are not covered by insurance. Instead, they are heavily reliant on their daily wage.

Income inequality in Bangladesh has also increased — only 10% of wealth is now held by the bottom 50% of households. The rise in income inequality, coupled with a protracted Rohingya refugee crisis, has widened social fissures. Individuals are taking to the streets en-masse, protesting against the high rates of unemployment in a plea for the government to bolster job creation. Low demand for labour has led to low wage levels across sectors. Consumption has been severely affected, with many households struggling to meet their basic needs. Many individuals have abandoned Dhaka and Chattogram, and have had to move back to their rural homes, due to the lack of adequate opportunities and dwindling household incomes. Rising sea levels have affected Bangladesh's coastal areas, destroying homes and displacing many families.

Bangladesh's economy has been left fractured because of the government's inadequate response to the pandemic. Political instability and policy paralysis have halted key policies and reforms related to job creation. Limited public investments and tax incentives have been directed towards bolstering capabilities in only a few sectors. Bangladesh's weak investment climate, particularly its low ease of doing business and high interest rates, has not been conducive to the growth of new businesses.



Promising service sectors like IT and hospitality remain too nascent to generate employment. Only 1% of Bangladesh's GDP has been apportioned to education; Bangladesh lacks the vocational training infrastructure, or the national educational infrastructure, to prepare its youth for service-based professions. Government expenditure has been focused on populist measures such as providing households with cash or increasing subsidies, instead of planning for the economic future.

Bangladesh's RMG sector is a single bright spot in an otherwise turbulent context. Mass unemployment in Bangladesh has ensured wages and inflation levels stay low, maintaining Bangladesh's competitiveness in low-cost fashion apparel. To Bangladesh's advantage, global brands continue to employ a diversified sourcing strategy, rather than sourcing from regional hubs. Bangladesh, alongside China and Vietnam, remains one of the leading players in global RMG exports. The pace of automation remains slow. Labour-intensive production remains more affordable and awareness of advanced production technologies is limited. Over 5 million low-skilled garment workers are at the forefront of the sector, leading ready-made garments manufacturing by using basic sewing machines. Multiple small RMG factories operate in this fragmented sector, given that global apparel brands engage in short-term contracts with suppliers based on cost competitiveness.

While the prevalence of labour-intensive production has increased the number of jobs available for female garment workers, they continue to face significant challenges in their daily lives. Female garment workers are still restricted to low-grade roles that require limited skills, and are engaged through variable pay contracts without any social security benefits. They are typically only paid ~TK 9,000 per month, which is 25% less than what male garment workers are typically paid. Female garment workers also remit the bulk of their monthly income to family members living in rural areas, leaving them with limited savings.

Prevailing gender norms have led to limited representation of women in managerial or leadership positions, resulting in a gender pay gap. Women currently occupy less than 10% of managerial and supervisory positions in RMG factories. Factory owners and workers in the RMG sector perceive that men can work faster and deliver higher quality outputs compared to women. There are health and safety concerns about women's ability to work at night, and while they are pregnant. Additionally, female garment workers still view their primary responsibility to be tending to the family and home. They are therefore discouraged from taking on larger roles in factories, which prevents them from climbing up the ladder and occupying more senior positions.

Conditions in factories are also particularly demanding for women; they often have to work 12 hours a day, with limited breaks. They typically operate in hot and cramped conditions on floors packed with hundreds of workers, and regularly experience headaches, respiratory issues, and skin allergies. Despite being constantly at risk of occupational health hazards, these garment workers are not provided with any health insurance by employers. Factories also have inadequate gender-sensitive

facilities; toilets are not segregated by gender on every factory floor, and are insufficient for the number of workers on each floor. Similarly, menstrual hygiene management facilities are inadequate; female garment workers are unable to safely dispose of their sanitary pads. On-site childcare facilities are also frequently understaffed and are therefore not a feasible option for most female garment workers with young children.

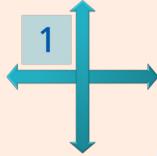
Female garment workers also report significant levels of harassment by supervisors and male colleagues. This phenomenon has become deeply entrenched in Bangladesh's RMG industry, to the extent that one in two female garment workers in Bangladesh has experienced or witnessed sexual harassment at work. Male supervisors and managers frequently resort to verbal abuse to expedite production, making these factories toxic places to work in. The mental health of female garment workers is significantly impacted as a result; female garment workers leave the RMG sector much earlier than men do, to escape this abuse.

Female garment workers are also vulnerable in their homes. High levels of youth unemployment have led to greater crime in garment worker communities including theft, vandalism, and sexual violence. Although female garment workers contribute financially to their households, they are continuously at risk of gender-based violence as their husbands are often unemployed and spend a significant amount of time at home. These workers also lack the financial literacy to participate in key household financial decisions, and therefore do not have much control over their income.

Despite these challenges, female garment workers are keen to remain in Bangladesh's RMG sector. They value the stability that their roles provide them, given the limited job opportunities available in other sectors, and appreciate how sought after their positions are.

Their experience in the sector is unlikely to change in the near future. Suppliers have limited incentive to retain female garment workers by offering them improved working conditions, due to the abundance of unemployed workers willing to work in the sector. Worker trade unions, therefore, have limited bargaining power; they are unable to raise workplace concerns to the factory management and change these circumstances. Female garment workers in Bangladesh are truly in the eye of a raging storm.





## HEADLINES WE MAY SEE IN THE FUTURE

2022-24	2025-27	2028-30
<p>Gender should not be a determining factor in RMG sector leadership positions</p> <p><b>Bangladesh's RMG sector is at crossroads over 4IR</b></p> <p><b>Bangladesh's Rohingya crisis is getting protracted</b></p> <p>Is Bangladesh over-reliant on its RMG sector?</p> <p>Bangladesh needs to address its youth vulnerabilities to achieve its demographic dividend</p>	<p><b>Bangladesh's RMG sector: the only economic hope</b></p> <p>Bangladesh RMG sector sidesteps the 4IR revolution</p> <p>Economists call for the Bangladesh government to invest in new sectors</p> <p>RMG workers tolerate poor working conditions due to lack of jobs in other sectors</p> <p>Concerns grow as rate of job creation slows further</p>	<p><b>Masses of unemployed youth march the streets</b></p> <p>Bangladesh seeks to relocate Rohingyas due to unemployment woes</p> <p><b>Bangladesh's dire need for foreign direct investment</b></p> <p><b>Lines build up outside RMG factories, as they struggle to absorb more workers</b></p> <p>RMG remains an attractive sector amidst increases in gender-based violence</p>

## WHO BENEFITS AND WHO LOSES OUT

Suppliers	WHO BENEFITS ↑	
	<b>Small and medium factories</b> Able to retain their market share due to focus on cost competition	
	<b>Bangladesh</b> Retains its competitiveness in global RMG	
	<b>Bangladesh's RMG sector</b> Signifies the main source of growth and employment in the economy	
	<b>Male workers</b> Dominate leadership positions in the sector	
Apparel sourcing destinations	<b>Workers in the formal sector</b> Still occupy their roles, which have been less affected by COVID-19	
	<b>Large factories</b> Unable to expand their market share due to short-term contracts	WHO LOSES OUT ↓
	<b>China, Vietnam</b> Face threats to their market share in global RMG	
	<b>Emerging sectors (e.g., IT)</b> Receive insufficient amount of investment from the government	
	<b>Female workers</b> Face gender-based discrimination, including harassment	
Sectors	<b>Unskilled youth and refugees</b> Face high competition for unskilled roles, given mass unemployment	
Garment workers		
Population groups		

## PROFILE OF A FEMALE GARMENT WORKER IN 2030



*Razia is a sewing machine operator, who works at a medium-scale garment manufacturing factory in Ashulia, sewing buttons onto rayon shirts produced there.*

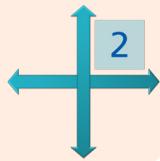
*She is married, but her husband currently resides in a village in Gazipur. He was laid off from his full-time construction job in Dhaka during the pandemic, and has struggled to find consistent work since. She lives in a shared accommodation near her factory, but often feels insecure because of the high levels of theft and violence in her neighborhood.*

*Razia is keen to make the most of her opportunity and provide for her family. She considers herself fortunate to be employed in the garment industry, since opportunities in other sectors are limited. She has been able to use her wage to support her parents with their medical expenses.*

*However, Razia struggles with the demanding working conditions in her factory. Long working hours, from 7 am to 7 pm daily, in suffocating conditions, are beginning to take a toll on her health. She is paid on a weekly basis, and often does not have much money left over once she has met her regular expenses. She faces frequent verbal abuse from her supervisor, who claims to be trying to motivate her. She even has to climb multiple flights of stairs in order to access a female restroom.*

*Her trade union is actively highlighting these issues, but does not have a significant influence over the factory's management, given that there is a line of workers vying for her role. She sees her colleagues being frequently laid-off for minor errors, and being easily replaced by the factory management.*

*She also sees no prospect of advancing in the sector and taking on more responsibility. No women in her factory currently occupy senior positions. She is not confident that she can be the first to do so. While Razia wishes for significant workplace improvements, she believes that she still has it better than most women in her community.*



## Scenario #2: Turbulent seas

Bangladesh has had a trying decade. The Covid-19 pandemic continued to wreak havoc on the country until 2027, leaving in its wake a considerable loss of human lives, stalled economic growth, lost productivity, loss of livelihoods, and widespread disruption to Bangladeshi society. Social distancing measures separated families and communities. Healthcare systems collapsed, as vaccines were not accessible to all sections of society.

A digital revolution was triggered in Bangladesh, to offset the losses and shutdowns that had inevitably characterised the pandemic years. This led to unprecedented technological innovations in communication, education, and manufacturing, which resulted in the dawn of a new era of industrial productivity. Across the board, industries adopted sophisticated production technology that could help rejuvenate heavily affected sectors. New startups driving technological innovation emerged in sectors such as agriculture and healthcare, but found it difficult to scale due to Bangladesh's weak investment climate and poor ease of doing business.

Today in 2030, Bangladesh still seems to be on the brink of disaster. Mass youth unemployment is prevalent across the country, as critical sectors are rapidly automated and workers are laid off without alternative job opportunities. Wage levels are low across sectors, contributing to low levels of inflation, as most organisations have limited hiring needs. Workers, who were once turning to Dhaka and Chattogram for employment, are now facing poverty and have been forced to return to their villages, with limited savings to meet their daily expenses. Meanwhile, a protracted refugee crisis has led to a larger influx and resettlement of Rohingyas in Bangladesh, and greater competition for unskilled jobs. Rising sea levels and extreme heatwaves have displaced hundreds of households across the country. Against a backdrop of growing economic insecurity, protests by young workers have erupted on the streets.

The government has been unable to effectively navigate the pandemic. Its policy paralysis has inhibited robust economic planning. Advancements in technology, driven by the Digital Bangladesh initiative, have not been paired with efforts to safeguard the livelihoods of thousands of workers in manufacturing, who are displaced by automation. Alternative labour-intensive employment sectors with low skill requirements, such as construction or home textiles, have not been provided with the necessary government support to sufficiently grow and absorb these workers. Government spending on education and vocational training infrastructure has also been insufficient; less than 1% of Bangladesh's GDP has been allocated for education. Bangladesh has not been able to prepare its young labour force for higher-skilled, service-based roles in its startup ecosystem.

Bangladesh's RMG sector has been at the centre of this technological disruption. Increased adoption of advanced machinery amongst Bangladeshi suppliers has overhauled the RMG sector —

only 60% of garment workers have retained their jobs. 2.5 million workers, armed with high-level multi-machine operation skills, now lead the manufacturing of ready-made garments. Government-sponsored technology expositions have significantly enhanced awareness of the different types of advanced production technologies and their utility. However, only large factories have been able to meet the costs of automation. Consequently, only a few RMG factories remain. An appreciating Taka has also reduced Bangladesh's competitiveness in global exports.

Female garment workers have been disproportionately affected by these changes, given that they predominately occupy low-grade roles that are most vulnerable to automation. After historically dominating the sector, they now only comprise 40% of the workforce.

Most female garment workers do not receive the training required to adapt to automation. Factory owners wrongly perceive that women cannot operate advanced machinery, or learn multi-machine operation skills. Female garment workers are not usually entrusted with the operation of expensive machinery, over fear of damage caused by their incorrect use. These perceptions are deeply ingrained in female garment workers too — they consider themselves less competent than male garment workers and ill-equipped to adapt to an increasingly automated world.

Although some female garment workers have been able to learn advanced multi-machine operation skills, they still experience significant challenges in their roles. They currently occupy less than 5% of supervisory and managerial roles at factories, and are paid significantly less than male garment workers. The constant threat of redundancy, coupled with an increasingly skewed gender ratio, has made RMG factories even less accessible for female workers.

Working conditions continue to impact female garment workers, despite marginal improvements. On the one hand, average wage levels are higher, and a reduction in the number of garment workers has improved the physical working conditions on once-cramped and poorly ventilated factory floors. Yet, female garment workers still work 10 hours per day. Factories continue to lack basic facilities, including women-friendly toilets, safe drinking water points, and access to menstrual hygiene products. Childcare facilities have often been shut down, given the reduced number of female garment workers. Harassment is also commonplace in these factories. Male supervisors often physically and verbally abuse their female subordinates, but face limited repercussions due to the diminishing value of female garment workers in the sector. Victims of sexual harassment are often discouraged by managers and co-workers from reporting such instances, and fear losing their jobs if they do so.

Female garment workers laid off from RMG factories face other forms of challenges within their own homes. The loss of their livelihoods has reduced their role as a key financial contributor to their households; they are unable to influence critical financial decisions. They also do not have the financial literacy to effectively manage their savings, while they wait for employment opportunities.

They often live in fear and mental anguish; high levels of youth unemployment have led to increased theft and physical assault in their rural communities. Increased amounts of time spent at home also place them at greater risk of experiencing gender-based violence from their spouses, who are often unemployed.

Even though these former garment workers are keen to gain jobs, they no longer view the sector as an attractive employment avenue. They do not believe that meaningful opportunities are available to women, and do not feel that they have access to the necessary training to adapt to the sector's advanced technological requirements. They also find the treatment of female workers to be discriminatory and do not see this changing in the near future.

Their trade unions have limited influence in safeguarding the working conditions of female garment workers, given the adequate number of skilled male workers occupying RMG roles, and an abundance of unemployed male workers who can learn these skills.

The predicament of female garment workers has no immediate solution. Alternative employment opportunities are currently limited. Held back by challenging and discriminatory circumstances, female workers are struggling to stay afloat in turbulent seas.



## HEADLINES WE MAY SEE IN THE FUTURE

2022-24	2025-27	2028-30
<p>Policy paralysis: Why Bangladesh is not attractive for new businesses</p> <p><b>Wage disputes: the thorn in Bangladesh's RMG sector</b></p> <p><b>Bangladesh's Rohingya crisis is getting protracted</b></p> <p>Skill upgradation a must to reinvent Bangladesh's RMG industry: Study</p> <p>Female RMG workers protest inaction in cases of workplace violence</p>	<p><b>Training institutes in dire need of reform and upgrade</b></p> <p>Bangladesh's RMG factories embrace 4IR and emerging technologies</p> <p>Re-migration – a move back to rural as RMG sector job losses continue</p> <p>New technology, old labour: The precarious state of unskilled labour in upgraded RMG industry</p> <p>Female garment workers and the widening pay gap</p>	<p><b>Rural Bangladesh languishes</b></p> <p>Bandh against lack of jobs turns violent in Dhaka with small scale looting</p> <p><b>RMG 2.0: A look at the new tech powering the sector</b></p> <p><b>The changed face of Bangladesh's RMG sector: now mostly dominated by men</b></p> <p>Retrenched women garment workers: Once touted nation-builders, now struggling to run their homes</p>

## WHO BENEFITS AND WHO LOSES OUT

 <b>Suppliers</b>  <b>Apparel sourcing destinations</b>  <b>Sectors</b>  <b>Garment workers</b>  <b>Population groups</b>	WHO BENEFITS 	WHO LOSES OUT 
	<b>Large factories</b> <i>Dominate the industry because of their ability to automate production</i>	<b>Small and medium factories</b> <i>Close down due to the high cost of automation</i>
	<b>China, Vietnam</b> <i>Benefit from Bangladesh's graduation from LDC</i>	<b>Bangladesh</b> <i>Marginal dip in its competitive position in global RMG</i>
	<b>Manufacturing-based sectors</b> <i>Automation has increased their overall productivity</i>	<b>Service-based sectors</b> <i>Receive insufficient support from the government</i>
	<b>Male workers</b> <i>Enjoy higher wages and improved working conditions</i>	<b>Female workers</b> <i>Face gender-based discrimination, including harassment</i>
	<b>Workers in the formal sector</b> <i>Still occupy their roles, which have been less affected by COVID-19</i>	<b>Unskilled youth and refugees</b> <i>Face high competition for unskilled roles, given mass unemployment</i>

## PROFILE OF A FEMALE GARMENT WORKER IN 2030



*Saeeda, a former garment worker, currently lives in Abhaypara, her home village. She was once a sewing machine operator at a large garment factory in Munshipara, Savar.*

*During the pandemic, her workplace changed with the introduction of complex production technology, aimed at attracting large orders and increasing production. She was required to shift from operating a basic mechanical sewing machine, to multiple machines, including an overlock, flat lock and button hole.*

*Unlike her male counterparts who were adept at using digital devices like smartphones, Saeeda struggled to keep up with automation. Workplace skill training was not offered to her; the owner of her factory did not think she was cut out for an automated world. In despair, Saeeda had approached a Technical Training Centre to improve her skills, only to find no suitable programs available for female workers.*

*Saeeda and her female colleagues were soon laid-off en-masse, with no referrals. She learnt that her male colleagues were subsequently given an unprecedented wage hike and social security benefits. While she was devastated about losing her job, she understood that factory conditions were only getting worse for her female colleagues who kept their roles. Male workers, who had little regard for the needs of female workers, were increasingly dominating her factory.*

*Saeeda feels helpless. She feels in danger at her own home and in her neighborhood. Crime is rife, and her unemployed husband is becoming increasingly abusive. The loss of her financial empowerment has caused her immense mental anguish.*

*With limited work opportunities in other sectors, she does not have any hope of escaping her current situation. She has received no help from the government to find another job. She is unsure if her skills are valued anymore in this economy and does not know how to begin to change her situation.*

## Scenario #3: Calm waters

Bangladesh in 2030 is finally experiencing a period of stability, after a tumultuous decade. Most of Bangladesh's population was vaccinated by 2023, which put an end to the COVID-19 pandemic that had taken the lives of thousands of Bangladeshis.

At the beginning of the 2020s, Bangladesh was on the cusp of an economic disaster. Initial stringent lockdown measures suspended economic activity, and took firms to the brink of bankruptcy. Employers around the country were prepared to lay off many workers as a result. Bangladeshi workers in the informal sector relied on their daily wage for survival, and confronted extreme poverty during prolonged lockdowns. In addition to losing many family and friends to the pandemic, they were not prepared to also lose their livelihoods.

However, robust planning by the government, in the form of effective policies, created the conditions for economic resilience and safeguarded key employment sectors. Capital injections restricted job losses and protected employers in the RMG, pharmaceutical, and automotive sectors. Employment hubs were launched to match unemployed youth with opportunities aligned with their skill sets, and with training programmes that prepared them for roles in desired sectors. Bangladesh's investment climate dramatically improved; low interests have attracted significant private investment. Bangladesh now ranks in the top 100 countries in the Global Ease of Doing Business rankings.

Bangladesh now holds the promise of a bright future. Economic growth has reached pre-pandemic levels of 8%. Job creation over the last five years has ensured that the country's youth has sufficient access to livelihood opportunities, even whilst Rohingya refugees continue to stream into the country and compete for unskilled roles. Workers are earning higher incomes due to the increased demand for labour, enabling them to save more and remit larger amounts to their families. Social unrest remains an issue of the past, as income inequality levels remain stable and different segments of society feel accommodated. Individuals continue to migrate from rural areas to major urban centres like Dhaka and Chattogram, to access the abundance of available low-skilled jobs, in sectors like RMG.

Bangladesh's RMG sector continues to be a leader in global apparel manufacturing. The slow adoption of advanced production machinery amongst key global RMG exporters, coupled with the limited requirements of international buyers, has allowed Bangladesh to continue focusing on labour-intensive production. A 4.5 million-strong low-skilled workforce, armed with basic sewing machines, is leading Bangladesh's RMG manufacturing efforts. Small and medium-sized factories continue to compete and dominate the sector, as international buyers source apparel based on cost competitiveness. Bangladesh's depreciating Taka has enabled these factories to stay competitive in global RMG exports, despite Bangladesh's graduation from LDC status in 2026.

However, the lives of female garment workers remain challenging, despite Bangladesh's renewed prosperity. Female garment workers continue to play a significant role in the sector, and account for 60% of the total workforce. Yet, female garment workers occupy less than 10% of supervisory and managerial roles in this sector. Instead, they largely occupy low-grade roles with unfavourable terms of employment. They are engaged through variable pay contracts, with limited wages and no social security benefits. The prevalence of a gendered wage gap is also an unfortunate reality in this sector. Female workers are typically paid around TK 9,200 per month, a wage that is 25% less than the estimated TK 11,500 paid to male workers.

The advancement of female workers in the RMG sector is limited by prevailing gender norms in Bangladeshi society. Female garment workers primarily view themselves as caregivers for their families and are not encouraged to think about upward progression in their factories. They often leave their jobs at younger ages compared to male garment workers. These workers also do not have many senior female superiors to view as role models, and therefore find it difficult to envision themselves in managerial and leadership roles. Pregnant female garment workers are typically pushed to quit their roles, as factory owners feel that frequent leave taken during their pregnancy may significantly hamper productivity. These factory owners are not held accountable for violating national labour laws and guidelines on maternity, as workers do not fully understand their right to maternity leave and benefits.

Working conditions in factories particularly affect female garment workers. Factory floors routinely cram hundreds of female workers into hot and poorly ventilated spaces, increasing their susceptibility to respiratory issues, joint pain, and mental illness. They continue to work long hours, often 10 hours a day, and are often anaemic due to poor dietary habits during their shifts.

Garment worker trade unions have made concerted efforts to improve these conditions. They have leveraged their significant bargaining power — born out of the large RMG workforce and low levels of unemployment in the economy — to influence factory owners. They have been moderately successful in their efforts, as female garment workers now benefit from improved access to female-friendly hygienic toilets, on-site childcare facilities for workers with young children, and access to menstrual hygiene management solutions, such as sanitary pad vending machines, and safe disposal facilities. Female garment workers have also been provided with improved access to financial services, in the form of introductions to digital wallets and micro-insurance schemes. Physical and verbal harassment of female garment workers remains an issue, but has reduced in magnitude due to the ongoing efforts of factory health and safety committees.

Outside of the workplace, female garment workers benefit from being financial contributors to their households, and play a role in financial decisions. Crime levels and the incidence of gender-based violence in their neighbourhoods have reduced, due to the low level of unemployment in the society.

Ultimately, female garment workers in Bangladesh are keen to remain in the RMG sector. They value the stability that their role provides them and recognise the sector's potential for growth in the coming years. They do not feel that there are other better-suited opportunities for them with their current skill sets. Although working conditions can be challenging at times, they are not disheartened by them. They remain hopeful that opportunities for female workers within the RMG sector will improve with continued efforts, and that one day they can be senior leaders and role models for other women entering the sector.

Their ongoing efforts and the industry's current trajectory have ensured that female garment workers are sailing in calm waters.



## HEADLINES WE MAY SEE IN THE FUTURE

2022-24	2025-27	2028-30
Bangladesh registers impressive economic growth figures in FY 2022- 2023	<b>Is Bangladesh's refugee crisis close to resolution?</b>	Workers continue to migrate to Dhaka and Chattogram as overpopulation concerns grow
Bangladesh's RMG exports recover after COVID-19 slowdown	Bangladesh's RMG sector resists automation	Bangladesh's demographic dividend success story
<b>RMG workers struggle with burnout due to working hours</b>	<b>BMGEA and government launch youth skilling initiatives for the RMG sector</b>	<b>Bangladesh's RMG sector: still dominated by women</b>
Female RMG workers demand for salary hikes	Concerns over welfare grow as RMG workers report harassment	<b>The skill development behind Bangladesh's robust RMG sector</b>
Can female RMG workers break the glass ceiling?	All-male CXOs is the norm in Bangladesh's RMG sector	<b>Bangladesh's surviving female RMG worker</b>

## WHO BENEFITS AND WHO LOSES OUT

Suppliers	WHO BENEFITS ↑	
	<b>Small and medium factories</b> Attract orders because of cheaper labour-intensive production	
	<b>Bangladesh</b> Retains competitiveness in global RMG exports	
	<b>Bangladesh's RMG sector</b> Small and medium factories drive demand due to cost competitiveness	
	<b>Male workers</b> Continue to dominate managerial/leadership positions	
	<b>Unskilled youth and refugees</b> Easily gain employment in unskilled roles	
Apparel sourcing destinations	WHO LOSES OUT ↓	
	<b>Large factories</b> Lose industry dominance because of emergence of several small factories	
	<b>Cambodia, Turkey</b> Unable to take Bangladesh's global RMG export share	
	<b>Not applicable</b>	
	<b>Female workers</b> Face gender-based discrimination, affecting their advancement	
	<b>Workers in the formal sector</b> Employment opportunities are largely low-skilled and informal	
Sectors		
Garment workers		
Population groups		

## PROFILE OF A FEMALE GARMENT WORKER IN 2030



*Nadira works in the finishing and packing section of a small garment manufacturing factory in Palashbari. She lives with her husband, who is a supervisor in the factory.*

*After some initial uncertainty created by the COVID-19 pandemic, her job has been unaffected. Even after crippling lockdowns, she still had a factory to return to. Currently, her daily role involves ironing cotton shirts, which supervisors will then inspect before dispatch. Her factory has not invested in automatic thread trimmers or folding machines, in order to maintain low cost overheads.*

*This job has helped Nadira contribute to her household income over the past three years, and regularly remit money to her elderly in-laws and children residing in their native village. Nadira feels a sense of abundance - she feels that her skills are in demand, and feels grateful to be a part of a thriving RMG sector. She is empowered by her ability to support her husband in making key financial decisions, such as investing in a new scooter.*

*However, her working conditions still remain challenging. Nadira works in a hot, poorly ventilated, and crowded space. She is unhappy with her wages; at the end of the month she has barely any money left to save. She also regularly works long hours, from 9 am to 7 pm daily, and is typically exhausted at the end of the day. Although she is keen to follow in her husband's footsteps and take up a supervisory role, she does not have any female role models and does not see a clear path forward.*

*Her trade union has been making an active effort to help change the conditions in her factory, for which she is grateful. She receives less frequent verbal abuse from her supervisors, and is impressed by initiatives to make the factory more gender-inclusive, such as the introduction of sanitary pad vending machines.*

*Although Nadira sometimes feels like leaving the sector, she motivates herself to continue. Undeterred by the glass ceiling at the factory, she is determined to climb up the ladder into a supervisory role, and wants to mentor junior women into higher ranks and improved prospects.*

## Scenario #4: Exploring new shores

The 2020s were a challenging decade for Bangladesh. After bringing the country to its knees, the COVID-19 pandemic finally receded by 2027. As people in higher income countries around the world quickly resumed their lives and recovered financially, Bangladesh still had a long way to go. Healthcare systems were frequently overwhelmed and lives were lost at a horrific scale, even as all spheres of life were disrupted.

Technological change occurred at a pace and scale never seen before. Innovative homegrown software and apps blossomed and helped people stay in touch, conduct business, and access education and training from the safety of their homes. Stringent lockdowns halted the operation of factories; manufacturers began to realise that they could no longer rely on their large workforce to drive production. Factory owners across the board began investing in advanced machinery that would be at the forefront of their manufacturing activities. They intended to make up for lost years and safeguard production from future COVID-19 waves. Many low-skilled workers in manual production roles feared the worst; they were convinced that an automated world would leave them limited employment opportunities.

Today in 2030, Bangladesh's unemployment levels have reached an all-time low, as workers laid-off from the manufacturing sector have been absorbed by other sectors. Digital Bangladesh has pioneered the growth of a dynamic startup ecosystem — local Bangladeshi entrepreneurs have created thousands of jobs through their startups, in sectors ranging from IT to mobile financial services. Economic growth has reached 9%, surpassing pre-pandemic levels. Bangladesh's investment climate has significantly improved; low interest rates have increased private investment. Bangladesh now ranks in the top 100 in the 'Global Ease of Doing Business' rankings. Households are benefiting from this prosperity and higher wage levels. They now have more disposable income for the consumption of non-essential items. Individuals displaced from different parts of the country, due to extreme climate events such as heatwaves, have been able to find job opportunities in Dhaka and Chattogram.

The government's effective response to the pandemic has driven Bangladesh's prosperity. To support the automation of Bangladeshi manufacturing, the government provided suppliers with access to soft loans and subsidies to help fund the purchase of advanced production machinery. Digital Bangladesh initiatives also supported job creation in Bangladesh's upcoming startup ecosystem, to ensure that workers laid off due to automation had access to alternative service-based employment opportunities. Bangladeshi entrepreneurs were provided with grants, introductions to investors, and tax incentives, to help scale their enterprises. Over 2% of Bangladesh's GDP was apportioned to education, to ensure that existing education and vocational training institutions were upgraded to sufficiently prepare workers for service-based roles. Consequently, former

manufacturing workers were able to find roles as data entry analysts, customer support agents, product designers and software developers.

Bangladesh's RMG sector looks very different in a post-pandemic world. Automation has transformed the RMG workforce; two million workers, highly skilled in advanced multi-machine operation, now drive complex garment production. International brands have formed strategic, long-term partnerships with select larger suppliers, who now dominate the market. Small and medium-sized suppliers have been forced to shut down, as they have lost business and have often not been able to meet the costs of automation. Bangladesh's transformation has safeguarded its position as a leading global RMG exporter, alongside China and Vietnam.

Although Bangladesh's RMG sector continues to remain competitive, female garment workers now play a significantly reduced role. Many have been laid off because of automation — they only account for 40% of the RMG workforce, and occupy less than 5% of the managerial and supervisory positions. Prevailing gender norms in the sector have limited their access to skilling opportunities that would equip them for advanced multi-machine operation roles. Employers wrongly assume that female garment workers might damage more expensive, advanced machinery, and therefore do not believe they have a place in an automated RMG sector.

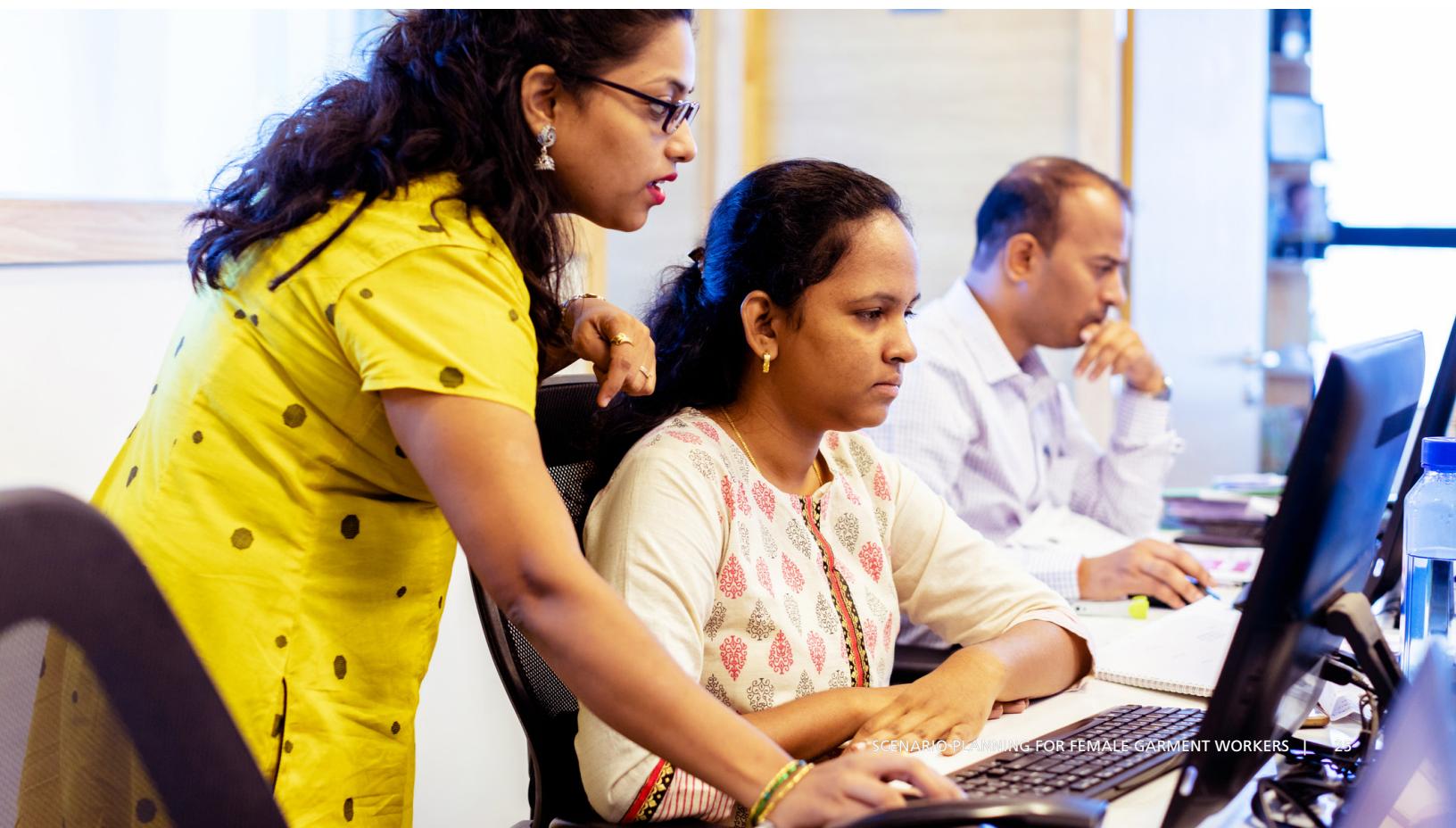
Fortunately, laid-off female garment workers have been able to access employment opportunities in other sectors. Government-sponsored reskilling programmes, hosted by vocational training centres in rural areas, have provided former female garment workers with the soft skills and technical skills training they need to access service-based roles in Bangladesh's startup ecosystem, in financial services, IT, and e-commerce. These programmes offer training in key technology, communication, and leadership skills. Former garment workers who completed these programmes have been matched with lucrative job opportunities in Dhaka and Chattogram.

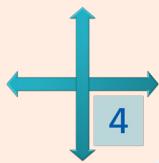
Female workers are no longer attracted to opportunities in the RMG sector, and do not believe they can break its glass ceiling. They view Bangladesh's RMG sector as an increasingly male-dominated world, and do not believe that they can change existing gender-based perceptions restricting their upward progression. They also do not believe that they can easily attain the skills required by an increasingly automated workplace. Instead, these workers are attracted to the lucrative employment opportunities in emerging sectors, driven by the Digital Bangladesh initiative.

In particular, former female garment workers who found employment opportunities in other sectors now benefit from significantly improved working conditions. Their newly acquired skills make them more competitive in the Bangladeshi labour market, and give them access to full-time employment contracts with social security benefits and high wages. They work in vastly different conditions compared to the hot and cramped factory floors that they used to occupy in RMG factories. Instead, they work an average of 7 hours a day in well-ventilated offices with supportive co-workers. They

have ready access to female-friendly toilets, healthcare services and menstrual hygiene products. Their organisations regularly conduct training sessions on financial literacy and facilitate their access to affordable financial services such as microcredit products. Former female garment workers report significantly improved levels of nutrition and a reduced incidence of mental health issues.

In their homes, female workers are empowered by their high earning potential and their ability to meaningfully contribute to the financial decision-making process. Domestic harmony and low levels of gender-based violence prevail within their homes, as their spouses are also gainfully employed. Their neighbourhoods are safe from theft and crime, due to low levels of unemployment in the broader environment. Female workers are just getting started exploring new shores.





## HEADLINES WE MAY SEE IN THE FUTURE

2022-24	2025-27	2028-30
<p>Government makes a pledge towards its youth amidst unemployment woes</p> <p><b>Bangladesh's incoming RMG technology revolution</b></p> <p><b>Bangladesh 2.0: sectors for the future</b></p> <p><b>BMGEA urges government to reskill RMG workers to face 4IR challenges</b></p> <p><b>Is Bangladesh's female RMG worker being forgotten?</b></p>	<p><b>Bangladesh's worsening climate change record</b></p> <p>Small factories continue to shut down amidst fierce competition in RMG</p> <p>As 4IR technologies take over, Bangladesh's RMG factories have a new look</p> <p>Former RMG employees return to Dhaka in search of new opportunities</p> <p>Ratio of female RMG workers in Bangladesh falls to 50%: survey</p>	<p><b>The new sectors driving Bangladesh's GDP growth</b></p> <p>Unemployment levels reach an all-time low</p> <p><b>The exclusive group of manufacturers leading the RMG industry</b></p> <p><b>RMG workers cite high satisfaction levels amid transformed working conditions: survey</b></p> <p><b>How Bangladesh retrained thousands of female workers</b></p>

## WHO BENEFITS AND WHO LOSES OUT

Suppliers	WHO BENEFITS ↑	
	<b>Large factories</b> <i>Dominate the industry because of their ability to automate production</i>	
	<b>Bangladesh</b> <i>Retains competitiveness in global RMG exports</i>	
	<b>Bangladesh's service sector</b> <i>Increased government focus on service sector job creation</i>	
	<b>Male workers</b> <i>Now dominate the RMG sector</i>	
	<b>Working-age population</b> <i>Economic opportunities are abundant for Bangladesh's labour force</i>	
Apparel sourcing destinations	WHO LOSES OUT ↓	
	<b>Small and medium factories</b> <i>Close down due to the high cost of automation</i>	
	<b>Cambodia, Turkey</b> <i>Unable to take Bangladesh's global RMG export share</i>	
	<i>Not applicable</i>	
	<b>Female workers</b> <i>Disproportionately impacted by the sector's automation</i>	
	<i>Not applicable</i>	
Sectors		
Garment workers		
Population groups		

## PROFILE OF A FEMALE GARMENT WORKER IN 2030



*Shabana used to work as a seamstress in a small garment manufacturing factory. She now works in the IT sector, and lives in a rented accommodation in the Sarkar market area.*

*In the past, she endured terrible working conditions in her RMG factory. She endured long working hours for low wages, strenuous work excessively focused on maximizing productivity, and frequent harassment by her supervisor. All of this had taken a toll on her physical and mental health.*

*The introduction of automated production technology by large factories caused major disruption. Her small factory could no longer compete for orders because of the high cost of upgrading machinery, and was forced to shut down. Other garment factories, which had already been automated, required that she learn how to operate multiple advanced machines. She was not aware about how she could learn this skill, and realized that her time as a garment worker was over.*

*Shortly after she was laid off, Shabana became aware of Bangladesh's bustling IT sector. She was introduced to a retraining program for former garment workers at a technical training center close to her home village. The curriculum first upgraded her basic digital literacy through interactive games, and then taught her specific data entry skills.*

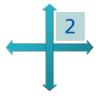
*Shabana was matched with a small IT company in Dhaka after the program, and landed a permanent, full-time job as a data entry analyst. She now works at a desk in an air-conditioned office space from 10 am to 5 pm, for a much higher salary, with health insurance. Her supervisor is a woman, who she respects and enjoys working with.*

*She is aiming to climb up the ladder at her new office, and hopes to inspire women workers to re-equip themselves for a better future in this sunrise sector.*

# IMPLICATIONS FOR STAKEHOLDERS

For each scenario, implications have been identified for policymakers in Bangladesh, workers' rights organisations, development organisations, skilling providers, RMG industry bodies, apparel buyers, and RMG suppliers:

	Scenarios			
	EYE OF THE STORM 	TURBULENT SEAS 	CALM WATERS 	EXPLORING NEW SHORES 
<b>Policymakers in Bangladesh</b> 	<ul style="list-style-type: none"> <li>Identify high potential sectors that can absorb the unemployed female garment workers</li> <li>Support job creation in identified sectors by providing emerging enterprises with tax incentives, subsidies, access to funding, and soft loans</li> <li>Enhance access to quality education and vocational training infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Support the development of social security schemes for female garment workers, including financial assistance for workers during crises, e.g., COVID-19 lockdowns</li> </ul>	<ul style="list-style-type: none"> <li>Mobilise funding, provide incubation support, and offer tax incentives for female entrepreneurs in emerging sectors</li> </ul>	
<b>Workers' rights organisations</b> 	<ul style="list-style-type: none"> <li>Organise advocacy meetings with Bangladeshi RMG suppliers, prominent international brands, and international labour rights organisations to highlight worsening conditions, including levels of harassment and working hours</li> </ul>	<ul style="list-style-type: none"> <li>Approach key industry bodies and Bangladesh's National Skills Development Council, to identify alternative employment and skilling opportunities for laid-off female garment workers</li> </ul>	<ul style="list-style-type: none"> <li>Engage with female garment workers across factories to monitor whether existing worker health and safety accords are being followed</li> </ul>	<ul style="list-style-type: none"> <li>Establish relationships with prominent employers and industry bodies in sectors female workers are absorbed into, and outline key expectations related to female participation e.g., fair representation in managerial/leadership positions</li> </ul>

Scenarios				
				
	EYE OF THE STORM	TURBULENT SEAS	CALM WATERS	EXPLORING NEW SHORES
<b>Development organisations</b>	<ul style="list-style-type: none"> <li>Support interventions that address gender-related perceptions in RMG factories, including gender sensitisation training for factory employees and managers, and perception change workshops</li> </ul>	<ul style="list-style-type: none"> <li>Support interventions that enhance the employability of unemployed garment workers, by developing upskilling/reskilling programmes focused on job-specific skills for best-fit roles in new employment sectors</li> </ul>	<ul style="list-style-type: none"> <li>Support interventions that improve the representation of female garment workers in managerial and leadership positions, e.g., community-based perception change related to women in STEM-related roles and leadership positions</li> </ul>	<ul style="list-style-type: none"> <li>Support interventions that facilitate the advancement of female workers in new employment sectors, by working with employers to create female leadership pathways for new female entrants</li> </ul>
<b>Skilling providers</b>	<ul style="list-style-type: none"> <li>Create curricula offerings targeted to micro-entrepreneurship or job-specific skills in alternative employment sectors e.g., furniture, home textiles</li> </ul>	<ul style="list-style-type: none"> <li>Partner with development organisations to develop curricula offerings targeted at alternative livelihood opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Develop soft skills training modules based on leadership skill gaps in female garment workers</li> </ul>	<ul style="list-style-type: none"> <li>Ensure female workers in the RMG sectors have equitable access to existing skilling programmes focused on multi-skill machine operations</li> </ul>
<b>RMG Industry bodies</b>	<ul style="list-style-type: none"> <li>Engage with female garment workers across members factories to identify and resolve essential workplace and worker rights issues (e.g., maternity benefits, wrongful termination)</li> </ul>	<ul style="list-style-type: none"> <li>Coordinate with industry bodies in high potential employment sectors to identify alternative employment pathways for laid-off female garment workers</li> </ul>	<ul style="list-style-type: none"> <li>Conduct visits to member factories to verify whether vital gender-related facilities are present (e.g., harassment committees, female-friendly toilets, childcare)</li> </ul>	<ul style="list-style-type: none"> <li>Capture data on member factories' proportion of leadership/managerial positions occupied by females</li> </ul>

Scenarios				
				
	EYE OF THE STORM	TURBULENT SEAS	CALM WATERS	EXPLORING NEW SHORES
<b>Apparel buyers</b> 	<ul style="list-style-type: none"> <li>Monitor working conditions in factories of selected RMG suppliers and ensure worker welfare issues are addressed (e.g., working hours), despite reduced incentives for factory owners to retain workers</li> </ul>	<ul style="list-style-type: none"> <li>Align with long term RMG supplier partners on key worker welfare norms in RMG factories, as workforces reduce in size and production becomes more capital-intensive</li> </ul>	<ul style="list-style-type: none"> <li>Hold RMG factory owners accountable on key workplace gender-related issues, including female representation in managerial and leadership positions, workplace harassment</li> </ul>	<ul style="list-style-type: none"> <li>Engage with long term RMG supplier partners on key obstacles and solutions relating to female participation in increasingly automated RMG factories</li> </ul>
<b>RMG suppliers</b> 	<ul style="list-style-type: none"> <li>Monitor and sensitise male factory leaders and managers to limit abusive managerial practices, e.g., verbal and physical harassment</li> </ul>	<ul style="list-style-type: none"> <li>Create a conducive environment for female garment workers remaining in the sector by installing gender-sensitive facilities and educating managers/ leaders on gender-based issues</li> </ul>	<ul style="list-style-type: none"> <li>Develop a pathway for high potential female garment workers to attain managerial and leadership positions in RMG factories</li> </ul>	<ul style="list-style-type: none"> <li>Support female workers in learning advanced multi-machine operation skills by facilitating access to relevant skilling programmes</li> </ul>

# CALL TO ACTION

Ultimately, it is clear from our scenario planning process that the future awaiting Bangladesh, its RMG sector, and its female garment workers, is uncertain. We cannot predict how key uncertainties, such as the level of youth unemployment and the structure of Bangladesh's RMG industry, will evolve by 2030. Yet, it is certain that there are continuing risks associated with the future. It is therefore essential that stakeholders resist the temptation to predict that one scenario is more likely to occur, and instead be open and aware of the multiple possibilities inherent to an uncertain future.

Existing interventions currently do not sufficiently prepare female garment workers for the various risks that an uncertain future brings, including the realisation of the worst-case scenario, 'Turbulent seas'. Critical intervention gaps exist, related to creating opportunities for female workers to advance in the RMG industry, preparing female workers for alternative livelihood opportunities, addressing gender norms, and improving working and living conditions.

Multiple stakeholders, including funders and implementers, can collaborate to safeguard Bangladesh's female garment workers, ensuring that future risks are accounted for, irrespective of the scenario that materialises. Successful collaboration will require stakeholders to work towards a common goal, coordinate their actions, and actively share learnings as they strive towards creating impact.

Sensing is the cornerstone of planning and pivoting for the future. In order for funders and implementers to remain nimble and agile, they must monitor key indicators and regularly track how outcomes for Bangladeshi female garment workers are evolving, modifying their interventions accordingly.

# APPENDIX

## A. Approach for scenario planning

From December 2021 to March 2022, the following activities were performed as part of this scenario planning exercise:

- 1. Background research and interviews** with apparel sourcing teams, stakeholders in the Government of Bangladesh, garment businesses, and non-profits focused on female garment workers, to identify trends and uncertainties impacting female garment workers in the next 5-10 years
- 2. Virtual scenario development workshop** with key stakeholders, to capture key uncertainties and surface initial scenarios facing female garment workers in 2030
- 3. Identification of critical uncertainties**, from the long-list of uncertainties identified in the virtual scenario development workshop
- 4. Development of a scenario framework for female garment workers in 2030**, clearly identifying four relevant, plausible and divergent scenarios, including their names, deep causes, descriptions, and end states

## B. Indicators and signposts

The following are proposed indicators and signposts of the level of youth unemployment in Bangladesh<sup>d</sup>.

Proposed indicator	Measurement			Current value	Source for tracking indicator
	Unit	Duration	Frequency		
<b>Level of unemployment</b>					
<b>Unemployment rate</b>	% of labour force	Y-o-Y	Annual	5.3% (2020)	World Bank Data
<b>Youth unemployment rate</b>	% of labour force aged 15–24	Y-o-Y	Annual	12.13% (2019)	World Bank Data
<b>Rate of job creation</b>					
<b>Total number of jobs created annually</b>	Absolute # of jobs	Y-o-Y	Annual	2.25 million (2020)	Ministry of Labour and Employment surveys
<b>Share of service sector in GDP</b>	% of GDP	Y-o-Y	Annual	53% (2019)	Bangladesh Bureau of Statistics
<b>GDP growth rate</b>	% change	Y-o-Y	Annual	3.5% (2020)	World Bank Data
<b>Level of skilling</b>					
<b>% of RMG suppliers that provide off-the-job training</b>	% of garment workers	Y-o-Y	Every 3 years	26% (2018)	Supplier surveys (e.g., CPD-RMG study)
<b>Government expenditure on education</b>	% of GDP	Y-o-Y	Annual	1.3% (2020)	World Bank Data
<b>Educational attainment (at least completed post-secondary)</b>	% of population aged 25+	Y-o-Y	Annual	22.4% (2020)	World Bank Data

d Indicators are variables that help us track the progress of critical uncertainties, and the emergence of future scenarios. Signposts assign values to each indicator by scenario, helping assess whether a particular scenario is emerging.

Proposed indicator	Value of indicator by scenario (or signpost)			
	Eye of the storm	Turbulent seas	Calm waters	Exploring new shores
<b>Level of unemployment</b>				
<b>Unemployment rate</b>	5–6%	≥ 6%	4–5%	< 4%
<b>Youth unemployment rate</b>	10–14%	≥ 15%	8–10%	< 8%
<b>Rate of job creation</b>				
<b>Total number of jobs created annually</b>	1.5–2 million jobs	< 1.5 million jobs	2–2.5 million jobs	> 2.5 million jobs
<b>Share of service sector in GDP</b>	< 50%	50–55%	50–55%	> 55%
<b>GDP growth rate</b>	3–5%	< 3%	5–8%	> 8%
<b>Level of skilling</b>				
<b>% of RMG suppliers that provide off-the-job training</b>	25–30%	25–30%	25–30%	≥ 30%
<b>Government expenditure on education</b>	1–1.5%	< 1 %	1.5–2 %	> 2 %
<b>Educational attainment (at least completed post-secondary)</b>	< 30%	< 30%	< 30%	≥ 30%

The following are proposed indicators and signposts of the structure of Bangladesh's RMG industry.

Proposed indicator	Measurement			Current value	Source for tracking indicator
	Unit	Duration	Frequency		
<b>Rate of automation</b>					
<b>Growth (%) in gross capital formation</b>	USD / BDT	Y-o-Y	Annual, starting 2022	10% (2018), 8% (2019), 2% (2020)	World Bank Data
<b>% of garment manufacturing activities that are automated</b>	% of garment manufacturing activities	Point in time	Annual	8% (2020)	Pulse Automation Survey by Shimmy Technologies
<b>Size of RMG workforce</b>	Absolute #	Point in time	Annual	4.2 million (2020)	RMG Industry: Trade Information, BGMEA
<b>Rate of consolidation</b>					
<b>% of suppliers with whom buyers have long term order commitments</b>	% of suppliers	Point in time	Every 3 years	Negligible (2021)	Supplier surveys
<b>% of total RMG exports accounted for by top 25% of factories</b>	% of total RMG exports	Point in time	Every 3 years	63% (2020)	BGMEA data
<b>% of RMG factories that are small or medium size</b>	% of RMG factories	Point in time	Every 3 years	74% (2020)	BGMEA data
<b>Export value per factory</b>	USD	Point in time	Annual	7.5 million (2019)	BGMEA data

Proposed indicator	Value of indicator by scenario (or signpost)			
	Eye of the storm	Turbulent seas	Calm waters	Exploring new shores
<b>Rate of automation</b>				
Growth (%) in gross capital formation	< 10%	10–15%	< 10%	> 15%
% of garment manufacturing activities that are automated	<10%	15–25%	10–15%	> 25%
Size of RMG workforce	> 5 million	2.5–4 million	4–5 million	< 2.5 million
<b>Rate of consolidation</b>				
% of suppliers with whom buyers have long term order commitments	<30%	≥ 30%	<30%	≥ 30%
% of total RMG exports accounted by top 25% of factories	< 63%	≥ 63%	< 63%	≥ 63%
% of RMG factories that are small or medium size	≥ 50%	< 50%	≥ 50%	< 50%
Export value per factory	≤ USD 7.5 million	> USD 7.5 million	≤ USD 7.5 million	> USD 7.5 million

## C. Trends, driving forces and events

The following are the key trends and driving forces that shape the broader ecosystem of Bangladesh. These factors, categorised as social, technological, economic, environmental and political trends, impact the larger landscape within which Bangladesh's female garment workers operate.

### SOCIAL TRENDS AND DRIVING FORCES

Increased urbanisation and congestion of metropolitan cities

**Urbanisation is increasing in Bangladesh, with 39% of the total population residing in urban areas in 2020 (compared to 24% in 2000). This has led to an increase in population density and congestion in the metropolitan cities**

Bangladesh's urban population was 24% in 2000 and 31% in 2010. Bangladesh now has eight metropolitan cities, compared to just one in 1981, which are increasingly becoming more congested as the population density increases over time<sup>20, 21</sup>.

Shift in employment from agriculture to industry and services

**The share of Bangladesh's population employed in agriculture has reduced from 2000 and stagnated since, while the share of those employed in the industry and services sectors has increased. The services sector overtook agriculture as the top employer in 2020**

The services sector employed 28 million workers in 2020, as against the 27.4 million workers employed by the agricultural sector and the 14 million workers in the industry sector in the same year<sup>22</sup>.

Rising female labour force participation rate

**Bangladesh's female labour force participation rate is significantly higher than its South Asian peers. While the proportion of women employed in agriculture declined, the proportion in the industry and services sectors rose between 2010 and 2019**

Bangladesh's female labour force participation rate has been rising since 2011 and was pegged at 36% in 2019. In the same year, neighbouring countries India, Pakistan and Sri Lanka reported 21%, 22%, and 33.5% respectively. The proportion of Bangladeshi women employed in agriculture declined from 65.8% in 2010 to 59.2% in 2019. This proportion in industry and services rose from 13% and 21.2% respectively in 2010 to 16.5% and 24.3% in 2019<sup>23, 24</sup>.

## Increasing proportion of working-age population

**Bangladesh's dependency ratio has been decreasing for decades. 68% of its population is now of working age, creating a demographic dividend. Reaping the economic benefits of the dividend will depend on the rate of job creation in the country**

Bangladesh's dependency ratio — the ratio of dependents (people younger than 15 or older than 64) to the working-age population (between 15 and 64 years) — has decreased steadily since 1980 and fell to under 50% in 2020. A key uncertainty associated with this trend is the rate of job creation — a low rate will prevent Bangladesh from leveraging this demographic dividend<sup>25</sup>.

## Growing social fissures due to the refugee crisis

**As the Rohingya crisis becomes more protracted, Bangladesh is witnessing growing social fissures. Native citizens fear competition from Rohingya refugees for the same resources and unskilled jobs**

By August 2021, Bangladesh hosted over 890,000 Rohingya refugees in its Cox's Bazar District. Almost half of the respondents of a 2019 survey of 2,881 Bangladeshi households were unhappy with the presence of Rohingya people in their communities, primarily due to fears of competition over resources and jobs and of increased crime rates. A potential implication of the crisis was a fall in average incomes of unskilled workers — the average income of daily labourers fell by 40-45% in refugee settlement areas like Cox's Bazar, Teknaf and Ukhiya<sup>26, 27</sup>.

## TECHNOLOGICAL TRENDS AND DRIVING FORCES

### Increase in internet and smartphone penetration

**In addition to smartphone adoption, internet penetration in Bangladesh has increased by around three times from 2013 to 2020. However, there are regional disparities in access to digital infrastructure like high-speed internet, due to poor infrastructure in rural areas and the lack of 4G frequency. Bangladesh's transition to a digital economy by 2030 remains uncertain**

Internet penetration as a percentage of the population in Bangladesh increased from 24% in 2013 to 69% in 2020. Smartphone adoption is also projected to increase to 62% in 2025, compared to 31% in 2017. However, the average internet speed of mobile operators in Bangladesh is the least

among the neighboring South Asian countries, with 71% of mobile internet subscribers still using 2G services in 2017. Operators face poor financial viability when attempting to build infrastructure in rural areas, while 4G frequency is lacking. The pace of Bangladesh's transformation into a digital economy by 2030 remains uncertain<sup>28, 29, 30</sup>.

#### Increased social media user base

**Active social media users in Bangladesh are increasing rapidly. Facebook remains the dominant player with ~8.5 million new users in 2021**

Active social media users increased by 46% from 2018 to 2021. Facebook has consistently remained the dominant player with 52.8 million users in 2021, compared to LinkedIn's 4.7 million users and Instagram's 4.6 million users in the same year<sup>31, 32</sup>.

#### Increased use of mobile payment services

**Access to digital banking services has increased, with mobile banking witnessing the highest growth in terms of the number of users and transaction value**

Digital banking services, including debit, credit and international cards, mobile and internet banking have increased in Bangladesh. Mobile banking witnessed the highest growth in terms of a 25% increase in registered users and a 29% increase in the transaction value from December 2019 to 2020. The transaction value of mobile financial services has increased for nearly all purposes, including in Peer to Peer (P2P) transactions, Business to Person (B2P) transactions like salary disbursements, Person-to-Business (P2B) transactions like utility bill payments, etc<sup>33, 34</sup>.

### ECONOMIC TRENDS AND DRIVING FORCES

#### High economic growth with slower job creation

**Bangladesh has continuously witnessed a high GDP growth rate, even during the COVID-19 pandemic. However, the number of new jobs grew by only 1/4th of the GDP growth rate in this period. The future rate of GDP growth and rate of youth unemployment remains uncertain**

Bangladesh witnessed consistently high GDP growth rates of 6-8% from 2014 to 2019 and maintained a relatively high GDP growth rate of 3.5% in 2020, despite the COVID-19 pandemic. However, the number of new jobs created grew by only 2.7% between 2013 and 2020. The rate of reduction in youth unemployment by 2030 remains uncertain<sup>35, 36</sup>.

## Rising contribution of the industry sector to GDP

**The share of the agriculture and services sectors in Bangladesh's GDP has been declining, while industry sector's share has been rising, driven by the manufacturing and construction sub-sectors**

The share of the agriculture and services sectors gradually declined from 18% and 56% respectively in 2011 to 13% and 53% in 2019. However, the industry sector's share increased from 26% to 34% during this period, driven by the manufacturing and construction subsectors which grew by 31% and 35%, respectively<sup>37</sup>.

## RMG continues to be the top export category

**The category of RMG has constituted the largest share of exports from Bangladesh over the years, with non-knit men's suits and knit t-shirts being the top RMG products exported in recent years**

The RMG category has constituted over 85% share of the total exports from Bangladesh over the last three years. Non-knit men's suits and knit t-shirts had an export share of 17-18% each in 2018 and 2019<sup>38, 39</sup>.

## Increase in income inequality

**Bangladesh's economic inequality has increased over the last two decades. Significant economic regional disparities exist, with the Northwestern region lagging behind the rest of Bangladesh**

The share of national income earned by the top 5% of households rose from 19% in 1991 to 28% in 2016. The Gini coefficient also increased from 0.40 to 0.48, with a value of '0' representing perfect equality and '1' representing perfect inequality. Additionally, 30.5% of the population in the Northwestern region of Rangpur and 17.6% in Mymensingh live below the poverty line<sup>40, 41</sup>.

## Increase in size of the middle class

**Bangladesh's middle-income class has been consistently increasing over the last two decades, while the low income class and poor class has been shrinking**

In 2001, Bangladesh's population almost entirely belonged to the low income and poor class (those with income between USD 2.1 and 4 per day, and under USD 2 per day, respectively). The country's middle income class (those with income between USD 4.1 and 20 per day) rose to 35% in 2015, and is projected to increase to 40% by 2026. However, only ~1% of its population is expected to belong to the high-income class (those with income greater than USD 20 per day)<sup>42</sup>.

## Increase in Bangladesh's trade deficit

**Bangladesh's trade deficit has significantly increased over the last two decades, particularly with China and India. This is due to the rising cost of imports, especially raw materials for the RMG industry**

Bangladesh's trade deficit increased from USD 2.46 billion in 2000 to USD 18.48 billion in 2020 — with significant deficits to the tune of USD 16.8 billion and USD 7.9 billion with China and India respectively in 2018. This increase was due to the rising costs of imports, especially raw materials for the RMG industry, and the increased prices of other products<sup>43, 44, 45</sup>.

## ENVIRONMENTAL TRENDS AND DRIVING FORCES

### Increasing severity of climate disasters

**Disasters have caused significant displacement of Bangladesh's population each year, with ~4.4 million people displaced in 2020. A projected 50 cm rise in sea level by 2050 may cause an additional loss of 11% of Bangladesh's land and affect 15 million people. The rate of increase in global temperatures remains uncertain**

The period when global temperatures surpass the 1.5-degree threshold cannot be predicted. The likely impact of this rise in temperature on displacement, loss of lands and livelihoods in Bangladesh is uncertain<sup>46, 47, 48</sup>.

## Increasing greenhouse gas emissions

**Greenhouse gas emissions grew by 64% from 1990 to 2016, with agriculture being the major contributor. However, per capita carbon dioxide emissions remain relatively low in comparison to neighbouring countries, including India, Pakistan, and Sri Lanka**

Bangladesh's greenhouse gas emissions grew from 88.4 million tonnes in 1990 to 144.7 million tonnes in 2016. In 2020, Bangladesh's per capita carbon dioxide emissions of 0.56 tonnes were significantly lower than India's 1.8 tonnes, and the estimated 1 tonne each emitted by Pakistan and Sri Lanka<sup>49</sup>.

## Increased amount of clean energy

**The amount of clean energy generated has increased over the last decade. However, its proportion in the total energy generated has reduced from 87% to 81% from 2011 to 2019. Hydropower constitutes the largest share of renewable energy sources, while the share of solar energy has also recently increased**

The amount of clean energy generated (including natural gas and renewables) increased from 39 terawatt-hours (TWh) in 2011 to 69 TWh in 2019. Renewables constituted 1-2% of the total energy produced. Among renewables, hydropower contributed ~70-80% to the total renewable energy generated from 2014 to 2019. The share of solar energy also increased to 32% in 2019<sup>50</sup>.

## POLITICAL TRENDS AND DRIVING FORCES

### Government push for infrastructure upgradation

**The Bangladeshi government is pushing for the upgradation of infrastructure, particularly for transportation and energy. The increase in total investments can be attributed to the public sector, even as the 8th Five-Year Plan encourages more private investments**

The Bangladeshi government is focused on recent infrastructure projects such as the Padma Bridge and Rail Link, the Rooppur Nuclear Power Plant, and the Matarbari Deep Sea Port. The increase in overall investments from 19% in 2011 to 26% in 2019 can be attributed to the public sector. However, the 8th Five Year Plan has projected that the private sector will lead infrastructure investments, after the establishment of the Free-Trade Zones and Special Economic Zones<sup>51,52,53</sup>.

## Increasing subsidy bill

**Bangladesh's subsidy bill has been rising since 2018, due to the power and energy sectors. The power subsidy is expected to touch Taka (Tk) 200 billion in 2022**

Bangladesh's subsidy bill rose from Tk 192 billion in 2018-19 to Tk 329 billion in 2020-21, due to the increasing share of the power and energy sector valued at 37%, 46% and 58% in 2018-19, 2019-20 and 2020-21 respectively. 45% of power in 2019-20 was purchased from independent power producers at a per-unit cost of Tk 8.3/KwH, which was nearly double the Tk 4.5/KwH for electricity purchased from public power plants<sup>54, 55, 56</sup>.

## Slow advance in Global Ease of Doing Business ranking

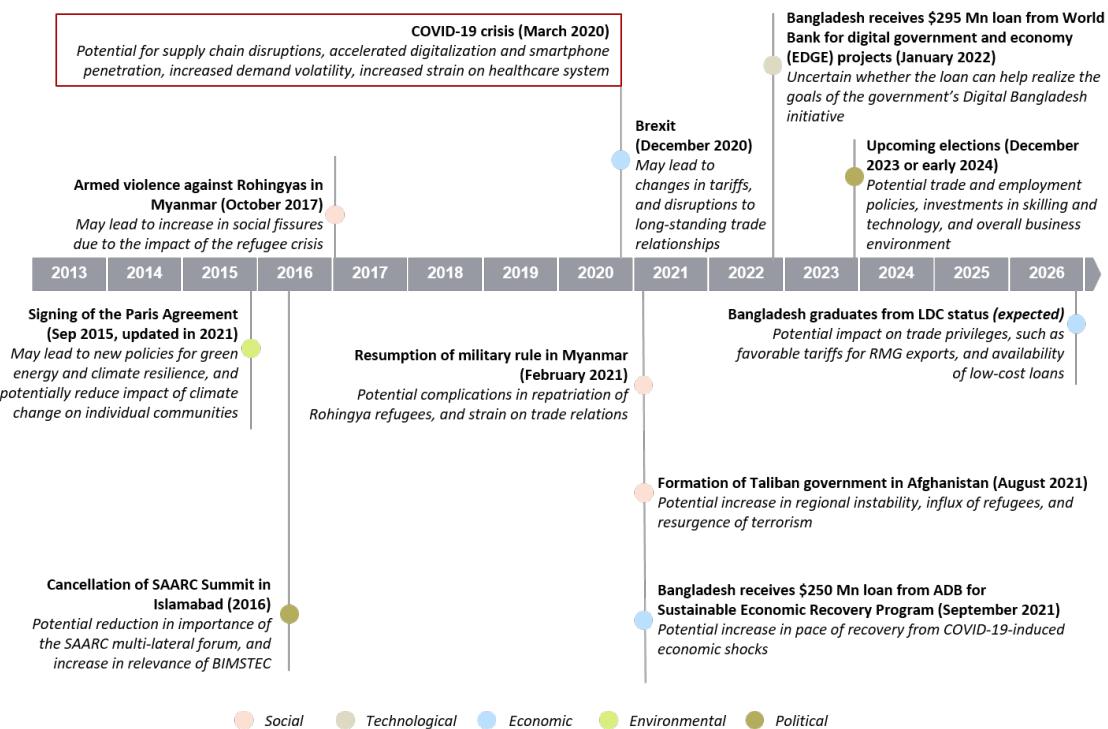
**Bangladesh advanced 8 places to a ranking of 168 out of 190, in the 'Global Ease of Doing Business' index from 2019 to 2020. However, its performance is still much lower than its neighbouring countries. With 15 reforms since 2003-04, the Bangladeshi government has taken measures towards improving the ranking. The pace and extent of improvement remains to be seen**

Bangladesh improved its rankings on parameters such as the ease of availing credit, electricity, construction permits, etc., but lagged on other parameters such as resolving insolvency and registering property. Despite measures to establish two separate courts to resolve commercial disputes within 500 days, reduce export and import costs, enhance the cargo handling capacity of ports, and improve access to credit — Bangladesh's ranking remains much lower than India's rank of 77, Bhutan's rank of 81, Sri Lanka's rank of 100 and Nepal's rank of 110. It is uncertain if Bangladesh will remain in the bottom quartile of countries, or move into the league of the top 100 countries ranked in this index<sup>57</sup>.

## EVENTS

Key events impacting the broader context of the RMG industry in Bangladesh, and the potential uncertainties created by them, have been identified and are graphically represented below.

### KEY EVENTS SHAPING THE BROADER CONTEXT OF THE RMG INDUSTRY IN BANGLADESH, FOR THE PERIOD 2013-26



The following are key trends and driving forces that currently directly impact female garment workers in Bangladesh, categorised by the composition of workforce, work environment, skills training, and attitudes and daily lives.

## COMPOSITION OF WORKFORCE TRENDS AND DRIVING FORCES

### Reducing share of female garment workers

**The share of female garment workers has been reducing over the last four decades, because of changing technological skill requirements for roles and negative gender-based perceptions that act as barriers for upskilling female workers. The future extent of reduction in the share of female workers remains uncertain**

The share of female garment workers reduced from 90% in 1980 to 59% in 2020. The increasing use of technology and digitisation in production has displaced women workers. Gender-based stereotypes contribute to the view that women cannot operate certain machines, and may damage costly equipment. Although the reducing share of female workers is a clear trend, the future extent of this reduction is uncertain<sup>58, 59, 60, 61</sup>.

### Predicted automation-induced job losses

**Over half a million jobs in the RMG and textile industries are predicted to be at risk by 2041, particularly roles occupied by female workers. However, the extent of displacement will depend on the rate of automation and upskilling efforts, which are uncertain**

A 2019 Government of Bangladesh report predicted that ~525,000 RMG and textile sector jobs may be at risk by 2041. Most of these job losses are likely to be Level 1 workers like sewing machine operators who require minimal education and can acquire skills through short, modular, and focused training interventions. Although automation will undoubtedly be more widespread in the future, the rate at which it will occur is highly uncertain, given technological advancement<sup>62</sup>.

### Consistently low female representation in managerial and supervisory positions

**Female RMG workers continue to have limited presence in supervisory and managerial positions. Both female and male RMG workers believe this is the case for various reasons, such as differences in capability and the ability to work at later hours**

ILO's 2018 survey of 260 RMG factories and 553 Bangladeshi garment workers indicated that less than 15% of various supervisory and managerial positions such as director, manager, executive officer and supervisor in the RMG industry were held by women. More than 80% of female and male workers surveyed believed that men produce greater output at a faster pace than women. 68% of respondents believed that men benefit from being able to work at night, which women cannot do because of security reasons<sup>63</sup>.

#### Early exit of female workers from the RMG industry

**Female RMG workers typically have shorter tenures and leave their roles at younger ages than men due to a range of factors, including advanced age, pregnancy and working hours**

Female garment workers leave their roles at 34.8 years, compared to men who leave at 38 years. The exit of female workers is due to various reasons such as advanced age, pregnancy and lack of maternity benefits, to avoid influencing their children to join the industry in the future, long working hours, societal pressures, and the lack of job security<sup>64</sup>.

### WORK ENVIRONMENT TRENDS AND DRIVING FORCES

#### Workers satisfied with job roles, but workplace harassment continues

**Female RMG workers report being largely satisfied with their roles, more so than male RMG workers. Payment timeliness is a big driver of job satisfaction for both male and female workers. However, workplace sexual harassment remains a major issue for female workers**

ILO's 2018 survey of Bangladeshi RMG factory workers found that out of 361 respondents, 84.5% of male workers and 87% of female workers were satisfied with their current jobs. Other drivers of satisfaction included receiving a festival bonus, regular weekly leaves and receiving minimum wages as per government policies. Workplace sexual harassment, however, remains a significant and under-reported challenge for female workers. An ActionAid research study uncovered that 80% of female garment workers in Bangladesh experienced or witnessed sexual violence or harassment at work. It is unclear to what extent worker welfare standards and labour rights will evolve in the future, in order to address this issue<sup>65, 66</sup>.

## Increased focus on worker welfare

**A series of accidents due to unsafe conditions in RMG factories, like the Rana Plaza collapse, led to the implementation of key workplace welfare measures, including health and safety facilities like emergency exits and permanent doctors/nurses**

The National Tripartite Plan of Action on Fire Safety and Structural Integrity was developed in 2013. Additional measures were also put in place such as regular mass inspections for electrical, fire and structural safety, the closure of critically unsafe factories, and occupational safety and health training for factory employers and workers. Worker safety measures also improved, through the provision of emergency exits, firefighting equipment, protective gear, medical support, etc. Buyers have also committed to several welfare measures related to wage management, discrimination, diversity and equality, working hours, and freedom of association<sup>67, 68, 69, 70</sup>.

## Increase in unionisation of garment workers

**593 RMG sector trade unions were registered in Bangladesh between 2010 and 2020. These have had a discernible impact on their members' working conditions, through improved collective bargaining power, the formation of sexual harassment committees, and compensation payouts for unfair job losses**

Trade unionism and increased cooperation have led to fewer strikes and clashes with the police. Women-led unions have ensured the representation of women members in factories' sexual harassment committees, and adherence to the Bangladesh Labour Act for the provision of compensation in the face of unfair job losses<sup>71, 72, 73</sup>.

## SKILLS TRAINING TRENDS AND DRIVING FORCES

### Continuing skill and educational gaps between female and male garment workers

**Male RMG workers continue to be more educated and competent at operating a more diverse set of machinery, when compared to female RMG workers. The future extent of these educational and skill gaps between male and female workers remains uncertain**

ILO's 2018 survey results indicated the prevalence of educational and skill gaps between male and female garment workers. 25% of male respondents studied beyond the primary level of education, compared to only 12% of female respondents. 16% of male workers and only 2% of

female workers surveyed could use a manual knitting machine. 36% of male workers and 14% of female workers could use a feed of the arm machine. The extent to which these gaps could widen in the future is unclear, given the significantly uncertain state of the broader industry<sup>74, 75</sup>.

#### Persistent absence of hiring through job search platforms

**Both male and female workers continue to rely on social, community, and family networks to obtain roles in the RMG sector, instead of formalized job search platforms**

ILO's 2018 survey results indicated that 66% of male workers and 72% of female workers surveyed relied on networks to obtain roles, while only 10-11% of the workers were hired after seeing a job advertised at a factory<sup>76</sup>.

### ATTITUDES AND DAILY LIVES TRENDS AND DRIVING FORCES

#### Continuing preference for cash over digital wages

**Digital wage disbursement makes it easier for male RMG workers to save more money. However, it reduces the control and privacy that married female RMG workers have over their income and savings, by exposing their wages to their husbands**

As per a 2019 focus group discussion with 70 RMG factory workers, 54% of male participants and 43% of female participants felt that being paid digitally helped them save more money. The majority of married female participants felt that digital wage disbursement lowered their ability to save money for personal expenses, and potentially increased cases of domestic violence and marital problems<sup>77, 78</sup>.

#### Limited smartphone usage

**Male RMG workers showcase more smartphone usage and ownership compared to female RMG workers. Female RMG workers often only use them for phone calls and messaging, since they have very limited time available after working in the factory**

A 2021 UNCDF survey of 233 RMG factory workers indicated that ~70% of male garment workers used smartphones, compared to ~41% of female workers. Almost all male workers own the smartphone they used, compared to only 61% of female workers<sup>79</sup>.

High gender pay gap and female workers' reduced ability to save

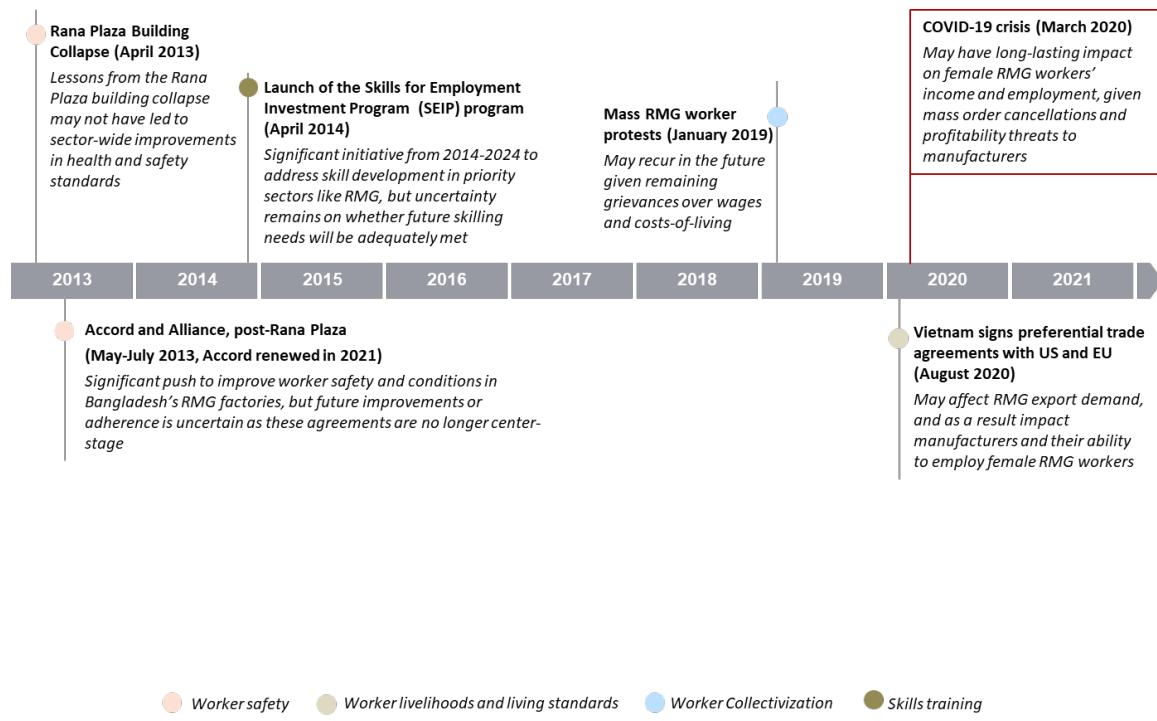
**Female RMG workers earn 25% lower monthly average income and spend more on remittances than male RMG workers. Therefore, they have lower savings both in absolute terms and as a proportion of income**

Female garment workers earn a monthly average income of Tk 9,208 and tend to spend 53% of their monthly income on remittances, compared to male workers who remit 36% of their monthly incomes. Female workers can save only 10% of their monthly income compared to the 13% saved by male workers<sup>80</sup>.

## EVENTS

Key events impacting female garment workers in Bangladesh, and the potential uncertainties created by them, have been graphically represented below.

### KEY EVENTS IMPACTING FEMALE GARMENT WORKERS IN BANGLADESH, FOR THE PERIOD 2013-21



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# NOTES

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