

Impact of Covid-19 on Decent Work

November Wage Digitization Digest- 9th Edition

The Wage Digitization Digest is a monthly desk-based intelligence report produced by Synergos that sources from English-language media spanning a monthly timeframe specified in the digest. The report covers the impact on workers during Covid-19, in garment and agricultural industries, with a focus on digital wages, gender equity, and worker wellbeing across Bangladesh, Ethiopia, Cambodia, India, Indonesia, Pakistan, and Viet Nam. As of November 15th, we no longer cover Cambodia and Viet Nam. Moving forward in our 10th edition of the digest, we will be covering agricultural value chains as well as garment, adding Kenya, Nigeria, Tanzania, and Uganda to our in-focus countries for 2021. This month's research covers news sources from Oct 28 – Nov 30, 2020.

Macro Global Trends

- 1. Economy:** Despite early signals of economic recovery in the garment sector, the second and third waves of Covid-19 across the U.S. and Europe threaten the re-instatement of garment work orders. Global forecasts predict that prices and orders will experience significant declines, particularly for work orders submitted during December and Q1 2021 ([The Daily Star](#)). As a result of the reduced and cancelled orders, many garment workers are struggling to survive and feed their families. There have been some exceptions, which illustrate positive growth such as, the recent increase in orders for export-oriented manufacturers in Vietnam, growth in palm oil exports in Indonesia, and the recent rapid expansion in India's manufacturing sector ([The Daily Star](#)).
- 2. Migrant Workers:** Due to the global economic and health crises, many migrant workers globally have been forced to return home during the pandemic and in other instances, have been stranded in their destination countries. At home, migrant workers anxiously wait for borders to re-open in search of better job opportunities due to limited prospects at home. Over the last month, as the civil conflict broke out in Tigray in Northern Ethiopia, migrant workers from different countries (such as Bangladesh, India, and Sri Lanka) working in garment factories were temporarily stranded before being evacuated by United Nations convoys ([News 1st, Dhaka Tribune](#)).
- 3. Labor Rights:** Covid-19 has exacerbated already poor working conditions within factories. During this month, one of the top stories took place in India in response to anti-worker labor codes on social security, industrial relations and occupational safety that threatens employee security. As noted in the past digest, these codes will give flexibility (without government approval) to fire workers, to close units, and reduce trade union influence in companies, which will pave the way for state-level labor reforms ([LiveMint](#)). In addition, two contentious agricultural reform bills passed in September will remove the assured minimum support price (MPS) from government regulations and farmers will be free to sell produce anywhere, including corporate buyers, instead of at government-regulated wholesale markets. These bills have ignited protests in India and globally to defend farmers' rights ([AlJazeera](#)). In Pakistan and India, there are government initiatives to provide social protections and formal benefits to informal workers for the first time ([LiveMint, Dawn](#)).
- 4. Worker Unrest:** Worker protests increased from September throughout November compared to previous reporting between June through August. Protests have become more organized, targeting unfair working conditions, practices, and policies employed by private sector companies and government, such as the #MakeAmazonPay protest in Bangladesh, demanding fair wages and union rights for workers across Amazon's supply chain ([Twitter](#)). Protests have covered issues

ranging from missed wage payments, social protections for all workers as brands continue to cancel orders and demand discounts, and unlawful retrenchments of workers. One major story that broke this month entailed a general strike in India organized by a joint committee of 10 central trade unions and dozens of independent federations and trade unions, involving over 250 million workers in agriculture and manufacturing. Demands included the withdrawal of the anti-farmer laws and anti-worker labor codes, stopping the privatization of public sector, and ending the corporatization of government-run manufacturing and service entities ([Asia Floor Alliance](#), [NewsClick](#), [New York Times](#)).

5. **Digital Payments:** The latest [Garment Worker Diaries](#) report shed light on worker preferences and behaviors related to digital payments. Some of the top findings included: More workers feel that it is easier to tell if they are being paid the correct amount in cash than in digital. Only 50% of women stated that digital wages gave them more control over their money compared to 70% of men, signaling a marked disparity in the impact of digital wage usage across men and women. However, more workers felt that being paid digitally made it easier to save (44%) vs. being paid in cash (31%). In terms of saving for future economic uncertainty, women had similar preference levels between cash and digital.
6. **Gender Equity:** Across the in-focus countries and industries during the timeframe of the digest research, there was little to no coverage of the gendered impacts of Covid-19. From the Garment Worker Diaries surveys, a gender gap persists in cash and digital preferences amongst men and women ([Garment Worker Diaries](#)).

Bangladesh

Economy: In late October, Bangladesh's Foreign Minister affirmed that the garment sector was doing well with 40% of garment export orders that were cancelled during the first pandemic wave being reinstated and over \$3 billion in exported products ([Dhaka Tribune](#)). However, manufacturers expressed renewed fear of cancelled or delayed orders from brands as cases rise across Europe and the United States; economists have warned of even bigger damage to vulnerable SMEs ([The Daily Star](#)). Prices already declined over 5% in September alone and RMG exports recorded negative growth of 8% in October ([Newage Bangladesh](#)). In response, exporters said that the figure was a warning of faltering recovery in global demand and trade for the sector ([The Daily Star](#)). Supplier associations shared that many RMG factories had enough present work orders till December or January. Brands and retailers have already placed 30% fewer work orders for the next four months starting December and are asking for lower prices or placing orders on hold, signaling difficult months ahead, particularly for SMEs. Some brands like Primark communicated they would honor orders placed despite lockdowns ([Dhaka Tribune](#)). Factory owner, Mostafiz Uddin of Denim Expert Bangladesh, has called on garment suppliers to create a safety net for workers and Daily Star has called for more stimulus packages for the garment sector ([Just Style](#), [The Daily Star](#), [The Daily Star](#), [RMG Bangladesh](#)).

Tea: Domestic tea consumption and demand have exceeded tea production, leading to calls from the Bangladesh Tea Board and the Bangladesh Tea Research Institute (BTRI), a body under the Bangladesh Tea Board, to increase small-scale tea production with farms. Tea cultivation has expanded to the Garo foothills in greater Mymensingh with the goal of expanding to 25 other districts ([Dhaka Tribune](#), [The Business Standard](#)). With a gradual decline of tea garden workers, the government is encouraging more tea cultivation as an effective tool for poverty elimination in the future ([Prothomalo](#)).

Poverty: A study found that, by May, over 30% of garment workers in Bangladesh reported that their children had gone without food, as they struggled to afford necessities due to lack of income amidst order cancellations ([Eternity](#)). BBC has published a documentary reporting on the impact of the pandemic on garment workers and factories in Bangladesh, focusing on factory owner Mostafiz Uddin and on workers who have lost their jobs amidst the pandemic. In the video, one woman shares she fears starvation more than the virus. The documentary can be accessed here ([BBC](#)).

Wage Assistance: A new study by the Centre for Policy Dialogue reveals that over 60% of the poor and low-income population who suffered income losses did not receive any support from the public and private sectors. About only 8% of Bangladesh's employed workforce have benefitted ([The Daily Star](#), [The Daily Star](#)). According to the Ministry of Finance, only 39% of the total amount for 21 government stimulus packages across all sectors had been disbursed in 6 months by 31 October ([The Daily Star](#)). The Bangladesh Bank has extended the deadline for banks and non-bank financial institutions to execute the stimulus package for cottage, micro, small and medium enterprises by another month, granting them one more month to complete loan disbursements. It has also given exporters an additional 90 days to realize their export proceeds on top of 120 days to receive sums from abroad before being classified as defaulters, affecting their eligibility for credit ([Newage Bangladesh](#), [Dhaka Tribune](#)). The Central Bank has also expanded the stimulus package to large industries for factories located in economic zones ([The Daily Star](#)).

Worker Unrest: Worker unrests increased at the end of October throughout November compared to previous digests reporting on June through August. Protests have covered issues of missed wage payments, social protections for all workers as brands continue to cancel orders and demand discounts, and unlawful retrenchments of workers ([Dhaka Tribune](#), [Business and Human Rights Resource Center](#), [Twitter](#), [Newage Bangladesh](#), [The Daily Star](#)). One renewed grievance is the case at Dragon Sweater Factory, after factory management broke the agreement they made with them. Since 11 November, workers have been protesting continuously in front of the Labor Ministry in Dhaka, demanding to be paid ([101](#)). Multiple thousands of workers have participated in individual factory protests, as well as a national protest in solidarity with the global #MakeAmazonPay protest, demanding fair wages and union rights for all Amazon supply chain workers as Amazon has yet to pay suppliers in Bangladesh for finished orders cancelled during the pandemic ([Twitter](#)). Previously supported by charities and loans that have dried up from Covid-19 economic repercussions, workers of Tazreen Fashions Limited have been protesting for over 45 days, demanding amendments to compensation laws and provision of "dignified" compensation to permanently disabled workers. Most were permanently disabled when they jumped from the upper floors of Tazreen Fashions to escape the fire that killed over 117 workers eight years ago on 24 November ([The Daily Star](#)).

Labor Rights: Under the government's "Programme to Support Safety Retrofits and Environmental Upgrades in the Bangladeshi Readymade Garments Sector Project (SREUP)," garment factory owners will get up to Tk 30 crore (USD \$3,537,618) to improve safety, health and hygiene of workers and work place environments ([Fibre2Fashion](#)). A new study commissioned by Laudes Foundation, "Transparency Assessment: Examining the transparency journey for the Bangladesh apparel sector," found that transparency continued to be a major barrier as it is interpreted differently by workers, manufacturers and brands, resulting in a lack of shared vision among stakeholders. Up to 74% of surveyed manufacturers were unaware of the meaning of transparency, not differentiating between public and private disclosure of data. Furthermore, while manufacturers acknowledge the benefits of transparency, they believe it can hurt business due to intense market competition that scrutinizes down to the # of cents. This has been exacerbated by the Covid-19 pandemic. They fear transparency could give leverage to competitors ([Ecotextile](#), [Laudes Foundation](#)).

Migrant Workers: A new study has found that nearly 40% of migrant workers' families had no income during April, May and June in the country this year. The survey, conducted by Karmojibi Nari, Manusher Jonno Foundation and UK Aid, also found that the average monthly income of migrant workers decreased from Tk 47,272 (\$557) to Tk 9,361 (\$110) after the beginning of the COVID-19 pandemic. Researchers called for job creation for migrant workers and for "easy term" loans ([The Daily Star](#)). Nearly 300,000 migrant workers have returned to Bangladesh and many see little prospect of returning to a job in their previous host countries. Meanwhile, Bangladesh government initiatives to economically reintegrate migrant workers have fallen short. The initiative to provide returnees a special loan under a Tk 200-crore (USD \$23,584,120) fund has a low response, with only 0.5% of the fund disbursed as of mid-October ([The Daily Star](#)).

Digital Payments: As of October, nearly 88% of workers received a salary and the median salary was Tk10,000 (USD \$117). In October, 56% of workers were paid digitally while 44% were paid in cash,

compared to 77% of workers paid digitally in June. 88% of overtime payments were paid in cash. One metric that has remained majority digital since May is money transfers (gifts and remittances) with 51% paid out digitally compared to 49% in cash ([Garment Worker Diaries](#)). A survey of 1,283 garment workers showed that when receiving digital payments, most workers still withdraw the payment in cash and 71% felt safe doing so, and more workers (69%) felt safe carrying the cash from the ATM to their homes. Most workers had not experienced harassment while receiving cash either from an ATM or at their factory. More workers feel that it is easier to tell if they are being paid the correct amount in cash than in digital. Only 50% of women stated that digital wages gave them more control over their money compared to 70% of men, illustrating a marked disparity in the impact of digital wage usage across men and women. However, more workers felt that being paid digitally made it easier to save (44%) vs. being paid in cash (31%). In terms of saving for future economic uncertainty, women had similar preference levels between cash and digital ([Garment Worker Diaries](#)).

At the end of October, SANEM and MFO hosted a webinar to discuss the implications of the key findings from the Garment Worker Diaries during the pandemic. For wage digitization and digital financial skills, the sector went through a massive wage digitization process in April resulting in about 25% of workers moving to digital payments, but since August that has declined as cash payments have resumed. There is a gap in perception over the control of money between implementors and the workers themselves. Overall, the Covid-19 pandemic has been a crisis that may have created opportunity to "build back better" with the positive development of wage digitization and the highlighted need of a more comprehensive social protection scheme ([Garment Worker Diaries](#)).

Cambodia

****As of 11/15, this digest will no longer report on Cambodia****

No tea or coffee news from English media from 10/27-11/20

Economy: According to the Garment Manufacturers Association in Cambodia (GMAC), orders have declined and become very volatile. Buyers are placing small orders and requesting fast delivery, making it hard for manufacturers to "plan ahead" and therefore creating uncertainty among suppliers and garment workers ([KHmer Times](#)). According to GMAC, Cambodia has exported over \$5.8 billion of garments, footwear and other textiles in the first seven months of this year, down around 3% compared to the same period last year ([KHMER Times](#)).

Jobs: The Prime Minister of Cambodia reported approximately 300,000 people have lost their jobs in the country amidst the COVID-19 pandemic, most of whom worked in the tourism and garment sectors ([The Star](#)). GMAC reports that, from its 505 members, 95 factories have closed, while 58 new factories opened. During the pandemic, garment factories in Cambodia have been receiving orders that were initially destined to factories in Myanmar, as COVID-19 surge in Myanmar. However, prices have been exceptionally low. According to GMAC, about 60,000 workers have lost their jobs due to factory closures across Cambodia ([Sourcing Journal](#)).

Migrant Workers: IOM Cambodia reports that nearly 120,000 migrant workers have returned to Cambodia, but aim to return once borders re-open due to debt and a lack of jobs in Cambodia ([IOM](#)). There have been over 500 border arrests of migrant workers crossing from Cambodia into Thailand March to October. However, Thai plantations and factories have begun requesting migrant workers amidst labor shortage; Cambodian and Thai authorities are considering allowing about 500 workers into Thailand for work. The ILO has released recommendations to reopen destination countries to Cambodian migrant workers, extend the period for workers to renew their permits, find alternatives to detaining undocumented workers, and ensure proper quarantine conditions and access social protections. In turn, local NGOs in Cambodia have urged the Thai government to reduce the cost of the work permit fee and called on the Cambodian government to invest in integrating migrants back into the local workforce ([VOD](#)). According to a World Bank report, remittances by Cambodian migrant workers in 2020 are projected to decline to \$1.4 billion because of COVID-19. If correct, this projection would make this the steepest remittances decline in recent history - steeper than the 5% reduction recorded during the 2009 global recession ([KHMER Times](#)).

Poverty: Cambodian borrowers owe an average of US\$3,800 each, as COVID-19 widens a longstanding debt crisis. Lack of enforcement also has allowed illegal lenders to offer interest rates of up to 30% over a year. Due to economic consequences of the Covid-19 pandemic, borrowers are struggling to make repayments. Human rights groups have called for the government to freeze repayments and demanded lenders return more than one million land titles held as collateral, but little has been done so far ([The Coronavirus Pandemic](#)).

Worker Unrest: Garment workers from Dignity Knitter and Eco Base in Kandal province are still camping outside their factories, six months after factories closed and laid-off over 1200 workers without paying them their wages or severance pay. According to the CCADWU union, workers want to be paid severance, seniority, compensation for lack of sufficient termination notice, the year-end bonus and final salary. The total compensation would be \$1.6 million and the court has decided to auction off the assets to pay workers their severance. Workers and unions are hoping to conclude the auction in December ([VOD](#), [RFA](#)).

Labor Rights: A group of United Nations rights rapporteurs has called for the Cambodian government to stop the "systemic detention" of activists and human rights defenders, a reference to the slew of arrests following unionist Rong Chhun's arrest ([Camboja News](#)). Informal workers in Cambodia will be able to register for their Health Equity Fund membership card from the National Social Security Fund (NSSF), giving workers access to the same treatment at state hospitals as formal workers. While Vorn Pov, president of Independent Democratic Association of Informal Economy (IDEA), welcomed this announcement, Pov made clear that the lack of accurate census of informal workers will make it difficult to put this directive into practice ([KHMER Times](#)).

Ethiopia

Due to the conflict in Tigray, there has been even less reporting than usual beyond the topic of the conflict during the month of November.

No English reported relevant news 11/21-11/25

Coffee: A survey by Technoserve and Laterite in June 2020 shares survey results from 713 households surveyed across West Guji, Jimma, and Sidama regions on the impacts of Covid-19. 57% of households have lost income as a result of Covid-19. Top concerns in order are (1) health concerns, (2) access to education, (3) access to farmer inputs, (4) access to jobs, and (5) food concerns. 70% believe they are worse off financially than they were a year ago. At least 40% of Ethiopian farmers experienced issues with transport when shopping for food and one in eight respondents reporting difficulty in accessing transport to their farms ([TechnoServe](#)).

Wage Assistance: Authorities in both the United Kingdom and Germany have established a fund that will provide subsidies to companies in Ethiopia's textile and garment manufacturing industry. This fund could save thousands of jobs in the textile and garment industry, as the wage subsidy will cover a portion of total employment costs for garment workers ([Ecotextile](#)).

Jobs: The Ethiopia's Jobs Creation Commission estimates that between 1.4 and 2.5 million jobs could be lost nationwide in the next three months if safety nets aren't put in place and that 13 textile firms have stopped operating due to low demand so far ([Fibre2Fashion](#)).

Migrant Workers: As fighting broke out in early November in Tigray in Northern Ethiopia between the Tigray People's Liberation Front and the Ethiopian National Defense Force, migrant workers from different countries (such as Bangladesh, India, and Sri Lanka) working in garment factories were temporarily stranded before being evacuated by United Nations convoys ([News 1st](#), [Dhaka Tribune](#)).

India

Economy: According to a private survey, India's factory activity in the manufacturing sector expanded at its fastest pace in over a decade in October, as demand and output continued to recover strongly from coronavirus-related disruptions. The Nikkei Manufacturing Purchasing Managers' Index, compiled by IHS Markit, rose to 58.9 in October from September's 56.8. The rise from 56.8 to 59.8 indicates strong growth while a reading at 50 indicates no change. The same survey found, however, that, despite growth figures, firms continued to cut jobs during this time ([The Daily Star](#)). Despite manufacturing growth after several hard months, the central bank warned that the country is set to enter a recession after a record economic shrinking of 23.9% between April and June. To combat potential repercussions, India's government has announced new measures to support the manufacturing sector and create jobs ([Dhaka Tribune](#)).

Migrant Workers: The majority of migrant workers in Bundelkhand are still waiting to receive Prime Minister Modi's Garib Kalyan Rozgar Abhiyan - a national employment scheme launched in June 2020 with initial funding of ₹50,000 crore (\$6.7M) for migrant workers who returned to their home states during the coronavirus-induced lockdown ([Khabarlahariya](#)). Aajeevika Bureau, a labor rights organization, conducted a telephone survey with 426 migrant workers from Udaipur, Dungarpur, Pratapgarh, Banswara and Sirohi to understand the impacts of the Covid-19 lockdown on migrant workers. The survey found that: 100% of respondents had lost their jobs, with workers being out of

work for 38 days on average during March and April; 92% of respondents said that they had cut down their daily expenses. Daily food consumption took the greatest hit; 44% of respondents did not receive any form of financial support; 57% of respondents did not have any cash in hand, while 22% only had between Rs. 100-Rs 500 (\$1-7) towards the end of the 2nd phase of lockdown; Almost 48% of respondents had to take out loans/borrowings; About 30% of respondents were yet to receive their pay for work done prior to lockdown ([Scroll.in](#)).

Poverty: According to a new survey titled "On Dangerous Grounds: Moving towards an institutionalization of inequality and exploitation", garment workers have been the hardest hit financially amidst the COVID-19 pandemic. Based on the October survey, 20% of garment workers - who normally earn 10-12,000 INR (US\$135-162) per month - report that their earnings dropped by more than Rs 2000 (US\$27) per month. The study further found that there has been a shift from salary-based employment to piece-rate work ([The New Indian Express](#)).

Tea: The government will set up over 100 high schools in tea gardens within the state, a rare investment from the government to the tea sector. Currently, no tea gardens have a high school so students have dropped out after middle school due to lack of infrastructure ([Times of India](#)). The Indian tea economy is undergoing acute transformations, with the divestment of tea companies from plantations leaving thousands of plantation workers jobless, and small tea growers struggling with a general lack of knowledge and their dependency on bought leaf factories and intermediaries. A review of the current trends in the Indian tea market and two alternative sites in Darjeeling indicate the potential of solidary enterprises and also exposes the difficulties these groups face to emancipate themselves from colonial-style tea companies ([Economic & Political Weekly](#)). Around 1,400 workers were left jobless after assembling near a factory and found a work suspension notice at Binnaguri tea estate ([Kalimpong News](#)).

Worker Unrest: Massive unrest has taken place in India in the agricultural and manufacturing sector. Individual protests around poor working conditions in factories and sudden layoffs in garment and tea have continued as well, affecting thousands of workers. Tripartite talks have taken place with little resolution ([The Hindu](#), [Kalimpong News](#), [Garment and Textile Workers' Union](#)). The major story, however, is the nationwide general strike on November 26 organized by a joint committee of 10 central trade unions in India and dozens of independent federations and trade unions, involving over 250 million workers in agriculture and manufacturing. Demands include the withdrawal of the anti-farmer laws and anti-worker labor codes, stopping the privatization of public sector, and ending the corporatization of government-run manufacturing and service entities ([Asia Floor Alliance](#), [NewsClick](#), [New York Times](#)). **See Labor rights for more info

Labor Rights: Garment workers from factories supplying Marks & Spencer, Tesco, Sainsbury's, and Ralph Lauren, are being subjected to exploitative conditions. Workers have been forced to stay overnight to complete orders, sometimes requiring them to sleep on the factory floor. Workers are scared of getting fired if they leave. While the situation has likely been exacerbated amidst the COVID-19 pandemic, Action Aid says that forced overtime, verbal abuse and poor working conditions are routine at these factories ([BBC](#)). India's government has released [draft rules for the new social security code](#) were released on November 15th with 45 days for stakeholder feedback. The rules

include that unorganized workers, gig workers, and platform workers can receive social security protection after they self-submit an application to the Aadhar platform via the government portal. “In order to be eligible for any benefit under any scheme(s) framed under the Code for any unorganised worker or any category or sub-category of unorganized worker, the appropriate Government may notify specific condition(s) for eligibility, as deemed fit” ([LiveMint](#), [IndianExpress](#)).

Referring to the previous digest, millions of farmers and manufacturing workers alike are protesting in a general strike due to a sweep of multiple labor laws passed in September 2020 that are seen as pro-business and anti-worker. For manufacturing, these anti-worker labor codes on social security, industrial relations and occupational safety threaten employee security. Once enacted, the codes will give flexibility (without government approval) for firms to fire workers, to close units, and reduce trade union influence in companies, which will pave the way for state-level labor reforms ([LiveMint](#)). For farmers, the two contentious agricultural reform bills that were passed in September are [the Farmers \(Empowerment and Protection\) Agreement on Price Assurance and Farm Services Bill, 2020](#) and [the Farming Produce Trade and Commerce \(Promotion and Facilitation\) Bill, 2020](#) ([Hindustan Times](#)). Under these laws, assured minimum support price (MPS) from government regulations will be removed and farmers will be free to sell produce anywhere, including corporate buyers, instead of at government-regulated wholesale markets. Laws will also allow farmers to enter in contracts with private companies in hopes to increase private sector investment in the sector. However, critics fear that the laws will weaken farmer bargaining power and hurt smallholder farmers that already struggle with receiving fair prices for their products. The laws give more power to large corporate to set prices, leaving farmers vulnerable to the market. Farmers are already facing a crisis with drought, failed crops, and indebtedness ([AlJazeera](#)).

Indonesia

No relevant news in English Media 10/27-10/30

Economy: Indonesia's economy is in its first recession since the Asian financial crisis, which took place over 20 years ago. Activity slumped nearly 3.5% year-on-year in July-September ([KHMER Times](#)). Despite, Covid-19, Indonesia's palm oil sector appeared to be enjoying better times, with national output rising consistently in the months of July, August and September. Exports of palm oil products in September reached \$1,871 million or up 10 percent from the previous month. China remains the top export destination for Indonesian palm oil absorbing 645,000 tons in September compared to 618,000 tons in the previous month. Exports to India that month stood at 351,000 tons or stable while to the European Union and Pakistan exports were lower than in August ([The Scribe](#)).

Labor Rights: After the new omnibus law was signed on October 31st by the President, IndustriALL reports that Indonesian Trade Union Confederation (KSPI) and Confederation of All Indonesian Workers' Union (KSPSI AGN) have filed a legal challenge on the controversial Omnibus Law at the Constitutional Court, claiming the law violates workers' rights and represents a step that will put workers at risk of modern slavery. The law that had originally been 812 pages, jumped to 1,187 pages upon signing with many inconsistencies. Unions had promised this legal filing if the Parliament passed the bill, which they did in late October ([Industrial, New York Times](#)).

Rape, abuse, and overwork are just a few of the major problems plaguing the palm oil industry in Indonesia. Despite the fact that palm oil is an ingredient and many major brand name product, workers earn less than \$2 per day. Many women detail the years of sexual harassment and, in some cases, sexual assault that they've endured on plantations. Some treatment amounts to human trafficking due to low or no pay, human rights abuses, and child labor that accompany this job ([Aljazeera](#)).

Worker Unrest: Mass protests against the omnibus bill that threatens worker protections have continued, being well organized by unions and labor activists ([Bangkok Post](#)). Representing 32 labor unions, thousands of workers from cities in West Java and East Java protested in Jakarta against the new omnibus labor law ([CTV News](#)). President Joko Widodo of Indonesia signed the divisive stimulus bill, fueling hundreds to continue protesting. The law was pitched as a jobs-creation effort, but overnight the law was expanded from 812 to 1,187 pages. Critics have decried the new law for stripping labor and environmental protections including stripping severance pay and mandatory days off for workers. Additionally, there seem to be contradictory paragraphs within the law itself ([New York Times](#)).

Poverty: Indonesia's unemployment rate has currently surged to its highest level in almost a decade. According to official figures, nearly 2.7 million workers have lost their jobs amidst the pandemic. In the manufacturing sector, the workforce had already been cut by 1.3% in August compared to the same period last year. Indonesia's Planning Minister estimates that, by the end of the year, 5.5 million people may have lost their jobs ([The Jakarta Post](#)). A global survey of garment workers conducted by the Worker Rights Consortium, in collaboration with Professor Genevieve LeBaron of the University of Sheffield, found that 77% of garment workers in Indonesia, as well as in Bangladesh, Cambodia, El Salvador, Ethiopia, Haiti, India reported that they or a member of their household have gone hungry since the beginning of the pandemic ([WorkersRights](#)).

Migrant Workers: Over 200 undocumented migrant workers from Indonesia returned from Malaysia today. Last month, on 10 October, 500 migrant workers returned. According to authorities, over 4500 migrant workers from Indonesia are still in Malaysia ([Antara News](#)).

Pakistan

No relevant news in English Media 11/21-11/25

Economy: Overall, garment manufacturers state that orders from European and US companies are yet to recover however a few exporters are operating at near-maximum capacity due to the diversion of orders from China and Bangladesh to Pakistan amidst the pandemic. However, that the second wave of COVID-19 infections is likely to change the course of recovery ([Bloomberg](#)). The regional chairman of the Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) has urged the State Bank of Pakistan to stop sending show-cause notices to exporters for not realizing their exports' proceeds amidst the coronavirus pandemic. The Association argued that the Foreign Exchange Regulations must be amended with respect to the ongoing pandemic, allowing extension in the realization period beyond six months from the date of exports shipment. PRGMEA said that

exporters are not receiving regular payments from buyers. Some have stopped paying altogether, while many are currently paying in instalments. They warned that, as a result, thousands of SMEs are likely to shut down in the next few months, which would result in hundreds of thousands of jobs lost. In addition to urging the Bank to stop notices, they called on the government to aid the textile and garment sector, as it continues to face major difficulties amidst the pandemic ([Business Recorder](#)).

Labor Rights: According to reports from media and the Clean Clothes Campaign network, a formal Memorandum of Understanding (MoU) to register home-based workers in Sindh has been signed between the Labor & HR Department of the government of Sindh and the Home-Based Women Workers Federation (HBWWF). This registration drive will enable home-based workers to avail social security benefits, marriage, death grants and have the right to unionize for collective bargaining. In the media article, Zehra Khan, from HBWWF, said that the number of home-based workers is growing as factories turn to them amidst COVID-19 lockdowns ([Dawn](#)).

Viet Nam

****As of 11/15, this digest will no longer report on Viet Nam****

No relevant news in English Media 10/27-10/30

Economy: Production and new orders for export-oriented manufacturers are beginning to increase again. Consequently, many factories are looking to hire thousands of workers. The director of Ho Chi Minh City DOLISA, said that it is estimated businesses in the city will recruit 62,000-65,000 employees ([Vietnam Labor Update #85](#)).

Unpaid Wages/Benefits: By the end of October, unpaid money owed to the Vietnam Social Security Fund totaled 21.685 trillion dong (\$935,347,779 USD), a rise of 0.5% compared to the same period last year. Enterprises have avoided paying their contributions and are taking workers' contributions amidst the economic crisis. Some companies, which have not been seriously impacted by the COVID-19 pandemic, are using the pandemic as an excuse to not pay social security contributions. The Social Security Fund has prepared 70 documents to sue enterprises for social insurance debts since the beginning of the year ([Vietnam Labor Update #83](#)).

Coffee: Coffee trading in Vietnam remained lackluster ahead of the main harvest expected from mid-November, with traders awaiting new beans coming in bulk in upcoming weeks, traders said on Thursday ([Business Recorder](#)).

Additional Recommended Reading

1. BBC, "[Bangladesh: The End of Fast Fashion?](#)," BBC Documentary. Oct 30, 2020. Web.
2. Doug Cahn, Nazneen Ahmed, "[Transparency Assessment: Examining the transparency journey for the Bangladesh apparel sector](#)," Laudes Foundation, November 2020. Pdf.
3. Government of India, "[Draft of the Code on Social Security \(Central\) Rules, 2020](#)," Ministry of Labour & Employment. Nov 17, 2020. Pdf.
4. Aayushi Kiran, "[A Critical Analysis of the three Labour Bills, 2020](#)," Latest Laws. Oct 20, 2020. Web.
5. Richard C. Paddock, Muktita Suhartono, "[Indonesia's Stimulus Plan Draws Fire from Environmentalists and Unions](#)," The New York Times. Updated Dec. 7, 2020. Web.

About the Digest

This digest is produced by the Advisory arm of [Synergos](#), which provides strategic counsel, research, and insights for socially-minded organizations. If you would like to be added to the mailing list, please contact advisory@synergos.org. All information is public and can be forwarded.

As of November 15th, we no longer cover Cambodia and Viet Nam. Moving forward in our 10th edition of the digest, we will be covering agricultural value chains as well as garment, adding Kenya, Nigeria, Tanzania, and Uganda to our in-focus countries for 2021.

This digest is commissioned by the Bill & Melinda Gates Foundation as a component of ongoing dialogue on the importance of wage digitization to accelerate financial inclusion and promote women's economic empowerment. You can learn more about responsible wage digitization by visiting: [BSR HERProject](#), [Better than Cash Alliance \(BtCA\)](#), and [Microfinance Opportunities \(MFO\)](#).

