



International
Labour
Organization



ADVANCING DECENT WORK AND
INCLUSIVE INDUSTRIALIZATION
IN ETHIOPIA



▶ COVID-19 AND THE GARMENT AND TEXTILE
SECTOR IN ETHIOPIA: *WORKERS' PERSPECTIVES ON
COVID-19 RESPONSE*

June, 2020

INTRODUCTION

The world of work is being profoundly affected by the global COVID-19 virus pandemic. In addition to the threat to public health, economic and social disruptions threaten the livelihoods and well-being of millions of workers and their families. These negative economic and public health shocks are reverberating in Ethiopia, and in particular in the country's garment and textile sector.

A global collapse in demand for garments has been witnessed since the first quarter of 2020, following measures by governments to slow the spread of the pandemic. Restrictions on movement and economic activity has produced widespread retail closures and effects throughout supply chains, including prompting factory production suspensions and workforce layoffs. Cancellation of orders has left some garment manufacturers unable to pay workers as required, and unable plan with confidence for the future. A survey among Ethiopian manufacturers in April revealed the average capacity utilization rate had decreased by 30 per cent in Q1 2020 relative to the same period in 2019. Fully half of management respondents in the same survey said they expected employee layoffs in the second quarter of the year.

Ethiopia has yet to reach its expected peak of COVID-19 infections, but the pandemic has accelerated in the country. As of the first week in June, the World Health Organization stated, citing figures from national authorities in Ethiopia, that there have been over 2,000 confirmed cases of the virus in the country. Factories are on high alert with regard to efforts to prevent, contain, and address fallout from the spread of the disease. As yet, no clusters of cases have been reported in major industrial zones in the country.

The International Labour Organization and its coordinated Programme in the Ethiopia apparel and textile sector, SIRAYE, is playing an active role in ensuring the safety of individuals and the sustainability of businesses. Better Work, Vision Zero, SCORE and key ILO technical departments are actively providing comprehensive support to the industry.

The advisory and training components of the programme have continued in a virtual format, while the policy engagement with stakeholders in government, workers' organization and employers' organizations continues.

In addition to conducting a survey among selected garment factory management, interviews with workers were conducted by phone outreach in the second half of May 2020 to share and collect key information on COVID-19 and its related effects. Semi-structured interviews took place in the period May 18-31, 2020, and covered information on demographics, COVID-19 knowledge and prevention measures, and effects on economic activity and livelihoods. ILO staff and partners used previously obtained contact information for workers employed in factories participating in the SIRAYE programme, and contacted them by phone to conduct an interview lasting on average 15 minutes. A snowballing technique was used, asking interviewees to provide contact information for peer workers in the same or another garment or textile factory. In total, 433 workers participated from 25 factories, both foreign-invested and local factories. The enterprises were spread across Adama, Addis Ababa, Dukem, Hawassa and Mekele, both in and outside of key industrial zones. Within the sample, 68 interviews were with workers employed in locally owned factories, and 365 interviews were with workers in factories with foreign direct investment (FDI) producing for export. While not a random or representative sample of the entire industry, the insights gathered from these workers present useful first-hand perspective into key issues facing members of the garment and textile workforce. Moreover, it has the potential to complement existing research in the sector, including research focused on the Hawassa Industrial Park, as well as the impact assessment of the SIRAYE programme commissioned by the ILO, which will include a component of periodic phone surveys starting in the second half of the year. In this brief, the ILO presents a summary of the results from the worker outreach calls conducted in May 2020.

KEY FINDINGS

- Eighty per cent of workers say they feel safe currently at the workplace considering the COVID-19 safety measures taken, but conversations with workers suggest levels of concern may rise as the situation in Ethiopia evolves.
- Reflecting a slowdown in usual production and payment of bonuses, 59 per cent of workers surveyed said their income has been reduced in the 2-month period of March/April, relative to the immediate prior period.
- Forty-four per cent of workers have indicated they have been spending a portion of their savings to cover current living expenses.
- Workers anticipate that in order to deal with negative income shocks, they may increasingly need to migrate back to homes of origin, spend down savings, or look for alternative employment opportunities.

The SIRAYE programme will stay engaged in the effort to elicit insight and amplify the voices and concerns of workers during this time, while also supporting to stabilize the industry and support employers to provide decent jobs.

Advancing Decent Work and Inclusive Industrialization Programme (SIRAYE)

The ILO has collaborated with government, employer and workers organizations since 2019 to implement a comprehensive and coordinated programme, known as SIRAYE, to promote Decent Work and inclusive industrialization in Ethiopia.

The overarching goal of the Programme is to see improved respect of workers' rights leading to greater incomes and compensation, enhanced safety, equality, voice, and representation. The programme also aims to lift industrial productivity and competitiveness to enable a global competitive textile and garment sector; and encourage accountable and transparent government institutions.

The Programme works at national, regional and factory levels involving different ILO departments and key global programmes such as Better Work, SCORE and Vision Zero Fund(VZF) to address the key challenges to advance decent work in Ethiopia as one programme. The programme's service model is based on ensuring continuous improvement within factories to benefit the workers, factory, and the industry. The learnings from the factory level are used to inform interventions and policy dialogue at sectoral and national levels.

For more information about the programme, please visit our website, www.ilo.org/SIRAYE



Section 1: Demographic and sample information

In line with the typical profile of the workers in Ethiopia's textile and garment sector, respondents' average age is 23, and 85 per cent of the respondents were female. Fifty-nine per cent of respondents in the sample had achieved up to a 12th grade-level education. Half of workers are the main breadwinner in their family, of an average household size of three people.

The most common job held by respondents answering the phone calls were sewing machine operators (33 per cent), followed by other production and production-related roles: quality control, mechanic, cutter, helper, and finishing. Together, these six job functions make of two-thirds of the sample. Seven per cent of respondents were in supervisory roles, either as a line leader or as a general supervisor. Other respondents held yet different production roles, such as ironing or spreading.

Educational status (highest level achieved)	Frequency	Percentage
Elementary (Grade 1-8)	41	10%
High School (Grade 9-10)	167	39%
Preparatory School (Grade 11-12)	45	11%
Vocational School / Diploma Graduate	115	27%
Degree and above	60	14%
Total	428	100%

As previously stated, the employment status for many garment and textile workers in Ethiopia is likely at risk during the current period of COVID-19 disruptions. At the time of the phone calls in the second half of May, three-quarters of participating workers stated they were currently working. Ten per cent cited they were recently terminated, and another seven per cent cited recent suspensions, while yet others cited various forms of leave status.

Ninety-three per cent of workers stated that they had a permanent contract, with the remaining seven per cent affirming they had a temporary contract. The median tenure in a factory for workers in the sample was 24 months, with some workers reporting significantly longer tenure. When asked about whether they hold health insurance, over half of workers (52 per cent) answered that they had no such protection.

Current Worker Status	Frequency	Percentage
Currently working	316	76%
Have recently been terminated from work	41	10%
Currently suspended from work	27	7%
On annual leave	19	5%
On paid leave	11	3%
On 'leave without pay'	4	1%
Total	418	100%



Section 2: Awareness and practices of COVID-19

A principal goal of the SIRAYE worker phone calls in May was to ensure awareness of key facts concerning COVID-19, and of proper hygiene practices to protect and prevent the spread of the virus.

When asked straightforwardly to assess their own knowledge, a large majority express they have knowledge of the disease and preventive measures. Still, one in ten workers state they have little to no knowledge.

Do you know about the coronavirus disease COVID-19 and preventive measures?	Frequency	Percentage
Yes	393	91%
Very little	37	9%
No	3	1%
Total	433	100%

Interviewers asked respondents about how they attained updated information on COVID-19 and related issues. Respondents were asked to name all sources of information they rely on. Of those providing answers to this question, the most common response was from mass media sources, followed by receiving updates from employers, followed by through social media.

The SIRAYE programme is working with factories to provide up-to-date information on prevention and mitigation measures in ways that can be shared with workers with maximum efficacy.

How do you get up-to-date information on COVID-19	Frequency	Percentage
Mass media sources (print, radio, television)	354	87%
Receive update from my employer, while at work	241	60%
Social media	192	47%
Talking with friends or family members	143	35%
Messages through my mobile phone	3	1%
Other	6	1%
Total	405	

Workers also reported on actions taken at the workplace to protect from and prevent the spread of COVID-19. A large majority of workers report receiving PPE such as facemasks, and a similar majority say frequent handwashing has been enabled at the workplace. At the time of this survey, about two-thirds say temperature checks are performed at the workplace. Only 55 per cent say their employer enforces social distancing practices. Fewer yet report seeing disinfection practices such as cleaning work surfaces, which may be a function of this action being less visible in general than being provided with personal equipment. Workers were asked about the existence of manager-worker dialogue in making preparations for safety measures at work.

A large majority –seventy-eight per cent– affirmed that bipartite consultations took place when planning and implementing these measures. Perhaps as a result of these efforts, seventy-nine per cent of workers say they feel safe at the workplace, with the other 21 per cent claiming they do not feel safe at work given these measures. Among these workers who report feeling unsafe, follow-up questions during interviews reveal a combination of a lack of knowledge of how protect themselves, but also structural barriers that make it difficult for them to protect themselves at the workplace. Workers mentioned in particular the fact that a lack of proper distance between machines and work stations make observing social distancing difficult. Workers also mentioned the frequent rotation of workers and materials in production makes it difficult to protect themselves.

What specific measures have been taken at your work place to minimise the risk of COVID-19?	Frequency	Percentage
Provided protection equipment (face masks)	321	84%
Frequent hand washing	315	82%
Temperature measure in factory	249	65%
Enforced social distancing	211	55%
Reduced gathering	177	46%
Awareness raising	171	45%
Disinfection	136	36%
Other	6	2%
Total	383	

Despite this picture, additional comments by workers made during the phone interviews suggest the potential for growing anxiety for safety at work in the coming weeks. As infection rates in the country likely rise over the coming weeks and potentially spread in industrial park areas, workers say the lack of social distancing measures both at work and during their commute are worrying.

Workers were asked in general about measures they are taking both at and away from work to protect themselves from COVID-19 transmission. Washing hands is the most commonly cited strategy.

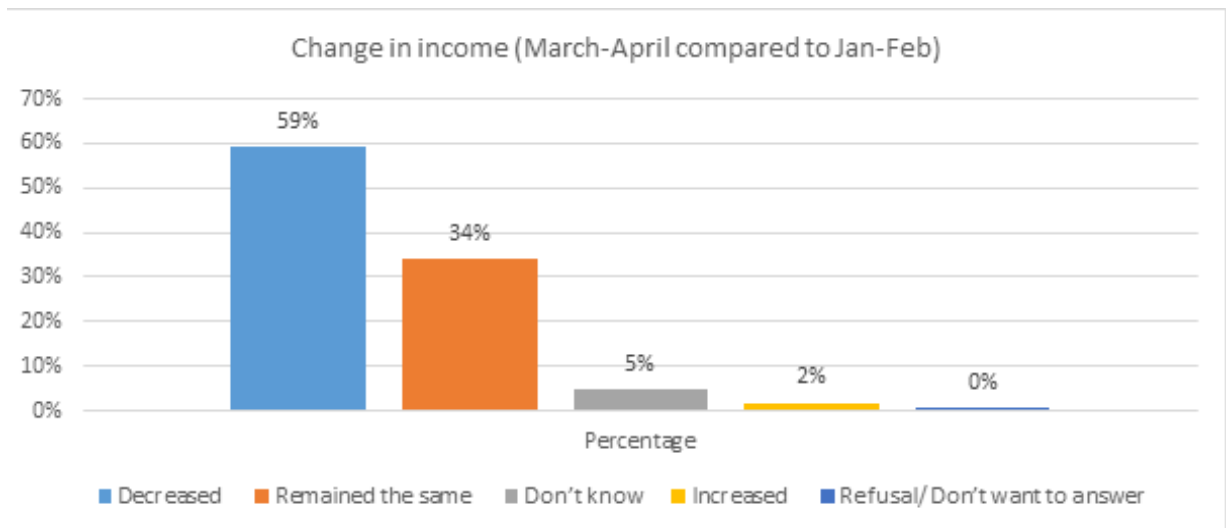
What specific personal measures are you taking regularly to protect yourself from COVID-19?	Frequency	Percentage
Washing hands more frequently than before	401	93%
Covering nose and mouth when coughing or sneezing	288	67%
Keep physical distancing (at least two meters from others)	265	61%
Avoid social gatherings	219	51%
Avoid touching eyes, nose or mouth	197	46%
Stay home	162	38%
Avoid public transport	79	18%
Using PPE such as facemask (outside of work)	14	3%
Other	7	2%
No personal measures	1	0%
Total	431	



Section 3: Economic and livelihood impact of COVID-19

The business disruptions currently witnessed in global garment supply chains have the potential for dire impact on the livelihoods of garment workers, and by extension, their families. The median monthly income of workers in the months leading up to COVID-19 production disruptions (January and February) was 1,715 Ethiopian birr (roughly 50 USD), with the mean for the sample slightly higher, at 2,065 birr (60 USD).

When asked about the trajectory of their pay in the months following, respondents were most likely to say that their income had decreased in the months of March and April, largely attributed to fewer hours worked and fewer incentives and bonuses offered at the workplace.



Income disruptions were reported differently depending on the type of factory where the worker is employed. Among workers in locally owned factories, 39 per cent reported decreased income, while the corresponding proportion for workers in factories producing for export was 63 per cent.

Fifty-two per cent of workers in local factories reported their income has stayed the same at the time of the survey, while just 30 per cent of workers in FDI factories reported the same.

What was the reason for the reduction of your income in March and April?	Frequency	Percentage
Bonuses and incentives are reduced	207	88%
Due to less hours/ days worked	36	15%
I became unemployed	20	9%
Other	17	7%
Total	235	

Despite clear income squeezes, workers may see holding on to their current job as their best economic option. When asked about acceptable measure to be taken in order to avert job loss, close to half (45 per cent) of workers said they would be willing to work fewer hours and earn less in order to keep their job.

What kind of measures are agreeable to you to avert potential job loss?	Frequency	Percentage
Working less hours and earning less	143	45%
Utilizing unused annual leave	112	35%
Working for reduced salary scale	34	11%
Leave without pay	22	7%
Other	61	19%
Total	321	100%

Workers may take a variety of strategies to cope with present or future income loss. These include searching for alternative or supplementary employment opportunities, migrating back to a different location to live with other family members, spending down savings, or borrowing money to pay for living expenses. When SIRAYE staff asked the current sample of workers which among these kinds of strategies they undertook in their own lives, using savings to pay for living expenses was commonly cited (44 per cent).

A fifth of workers relied on family members to cover expenses, or moved in with family members temporarily. Only a relatively small percentage of workers (14 per cent) claimed they had looked for a new job in the past two months, which is in line with expectations given the majority still maintain their current job, even while its income-generating potential diminishes.

In the last 60 days, have you needed to change where you live, change your job or had trouble paying your usual expense?	Frequency	Percentage
Spent saving to cover living expense	108	44%
Relied on the help of extended family members to cover living expense	51	21%
Temporarily moved/went back to my original home place	49	20%
Borrowed money to cover living expenses	41	17%
Looked for another job/earning occupation	34	14%
Permanently moved/went back to my original home place	17	7%
Found another job/earning occupation	10	4%
Violate containment measures to maintain a living	3	1%
Total	245	

Workers were then asked to look ahead to the immediate future. When asked to speculate about strategies they would take to cope with Covid-19 disruptions, an increasing number of respondents (from 20 to 32 per cent) believe they may travel back to an original home place.

A higher percentage of workers (from 14 to 28 per cent) say they expect to find another job or way to earn additional money.

In the next 2 weeks, do you expect that because of COVID-19 you will need to change where you live, change job, or have trouble paying your usual expenses?	Frequency	Percentage
Temporarily moving/travelling back to my original home place	74	32%
Spend saving to cover living expense	74	32%
Find another job/earning occupation	63	28%
Rely on the help of extended family member to cover living expenses.	32	14%
Borrow money to cover living expenses	16	7%
Permanently moving/travelling back to my original home place	13	6%
Sell assests to cover living expenses	5	2%
Violate containment measures to maintain a living	2	1%
Total	229	

The COVID-19 pandemic has exposed vulnerability within the global garment sector. As demand for apparel has fallen dramatically in the first half of 2020, businesses along different parts of the supply chain have faced threats to their viability. As the effects of lack of demand have cascaded to manufacturing firms in the supply chain, the large number of workers employed in garment assembly are beginning to feel negative effects, including in Ethiopia. As detailed in this brief, a large proportion of workers are facing reduced incomes, due to lower working hours and fewer bonuses, and are needing to dip into their savings or consider other strategies to maintain their livelihoods.

Moreover, the immediate health and safety of workers in large manufacturing facilities is likely at risk as the virus continues to spread in Ethiopia. Although workplace safety measures and awareness-raising activities are widely cited, workers in the current sample have indicated there are gaps and structural challenges in the steps taken to protect against the transmission of COVID-19 at the workplace. The ILO and its SIRAYE programme will continue to engage with all stakeholders in the sector, including directly with workers, to identify concerns and find solutions to present challenges.



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