



# Labour survey of the leather, footwear and leather goods industry in Bangladesh

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*The leather sector - that is leather manufacture, leather footwear manufacture, and the leather goods industry - is perceived as one of the most important economic sectors in Bangladesh. An important feature is that the businesses in this sector are privately owned, with only a few units belonging to multinational companies. Detailed information was published as a SWOT analysis in World Leather, April 2008.*

*Based on a sample survey, this second study deals with information about employees of all categories (managerial, skilled, and unskilled). It provides detail on age, income, working hours, and training within the sector.*

## The leather manufacturing industry

### DISTRIBUTION OF EMPLOYEES BY AGE

More than 90% of the managers involved in the leather manufacturing industry are over 30 years of age. Of these personnel, 70% belong to the age category of 30-44 with the rest principally in the older group (45 or above).

In the skilled worker category, more than 90% belong to the age group of 15 – 44, and over 50% of the worker are aged above 30 years. As can be expected, most unskilled workers are aged below 30, and even a certain percentage is below 15 years of age. A negligible number of workers are female. See Panel 1.

### INCOME AND WEALTH

The average monthly income of managers is around Tk. 15,000<sup>(1)</sup>, where as skilled and unskilled workers earn about Tk.4,300 and Tk. 2,600 per month respectively. Major portions of their income come from monthly salaries. About 17% of the incomes of the managers are earned from other sources. See Panel 2.

### WORKING HOURS

Generally, the workforces work for more than 10 hours in a day in a leather-processing unit. Managers average overtime is found to be around half an hour, and workers generally work for

two extra hours in addition of their norm of about 8 hours. No significant difference has been found in between male and female workers. See Panel 3.

### TRAINING RECEIVED

With the exception of managers, an insignificant number of the sampled employees are found to be trained by their organisation for even short periods. See Panel 4.

### EDUCATION

Over 93% of the family members of the managerial class are educated, whereas the figures for skilled and unskilled workers are around 70% and 53% respectively.

## The footwear industry

### DISTRIBUTION OF EMPLOYEES BY AGE

The sample survey for footwear indicates that over 90% of the managers involved in the leather processing are above 30 years of age. Of the managerial work forces, 70% belong to the age category of 30-44, and over 20% are in older age group (45 or above).

In the skilled worker category, more than 90% of the workers belong to the age group of 15-44, and over 65% of the workers

| Panel 1    |        | Distribution of employees by age (%) |        |        |       |      |           |             |
|------------|--------|--------------------------------------|--------|--------|-------|------|-----------|-------------|
| Categories |        | < 15                                 | 15- 29 | 30- 44 | 45-59 | 60 + | (married) | (unmarried) |
| Managerial | Male   | --                                   | 8.8    | 70.0   | 18.8  | 2.5  | 83.8      | 16.3        |
|            | Female | --                                   | --     | --     | --    | --   | --        | --          |
|            | Total  | --                                   | --     | --     | --    | --   | --        | --          |
| Skilled    | Male   | --                                   | 44.7   | 48.2   | 7.1   | --   | 72.9      | 27.1        |
|            | Female | --                                   | --     | 100.0  | --    | --   | --        | --          |
|            | Total  | --                                   | 43.0   | 50.0   | 6.9   | --   | 73.3      | 26.7        |
| Unskilled  | Male   | 5.3                                  | 84.0   | 8.0    | 1.3   | 1.3  | 28.0      | 72.0        |
|            | Female | 33.3                                 | 66.7   | --     | --    | --   | 66.7      | 33.3        |
|            | Total  | 6.7                                  | 83.3   | --     | --    | --   | --        | --          |



are aged above 30 years. No significant difference can be observed between male and female workers. As can be expected, most unskilled workers are aged below 30, and all female respondents are below 15 years of age. The proportion of female workers is found to be higher in the footwear industries. See Panel 5.

#### INCOME

The average monthly income of managers is around Tk. 11,300, whereas skilled and unskilled workers earn about Tk.4,000 and Tk. 3,000 per month respectively. Only a negligible portion of incomes of the managers is earned from other sources.

Of the total income, over 12% for skilled workers, and 16%

for unskilled workers come from sources other than monthly salaries. The managers are able to save about one-third of their incomes; however, the skilled and unskilled workers can save less than 10% and 5% respectively of their monthly earnings. See Panel 6.

#### WORKING HOURS

Generally, both managers and workers in the footwear sector work for more than 10 hours in a day. Managers average overtime hour is found to be around half an hour and workers generally work for two extra hours (especially male) in addition of their norm of about 8 hours/day. The figures for the female workers are slightly lower. See Panel 7.

| Panel 2: Employees income (Tk) |                        |                        |                                           |
|--------------------------------|------------------------|------------------------|-------------------------------------------|
| Categories                     | Average monthly income | Average monthly salary | Average monthly income from other sources |
| Managerial                     | 15,075                 | 12,461                 | 2,614                                     |
| Skilled                        | 4,305                  | 3,335                  | 970                                       |
| Unskilled                      | 2,602                  | 2,380                  | 377                                       |

| Panel 3: Hours worked by the employees |        |                               |                             |                  |
|----------------------------------------|--------|-------------------------------|-----------------------------|------------------|
| Categories                             |        | Working hour per day (normal) | Actual working hour per day | Overtime per day |
| Managerial                             | Male   | 9.44                          | 8.36                        | 0.59             |
|                                        | Female | --                            | --                          | --               |
| Skilled                                | Male   | 10.61                         | 8.52                        | 2.36             |
|                                        | Female | 10.0                          | 8.0                         | 2.0              |
| Unskilled                              | Male   | 10.39                         | 8.43                        | 2.12             |
|                                        | Female | 9.67                          | 8.00                        | 1.67             |

| Panel 4: Training received by the employees |        |                     |                       |                                     |
|---------------------------------------------|--------|---------------------|-----------------------|-------------------------------------|
| Categories                                  |        | Trained employees % | Untrained employees % | Average duration of training (days) |
| Managerial                                  | male   | 2.5                 | 97.5                  | 16.0                                |
|                                             | Female | --                  | --                    | --                                  |
| Skilled                                     | Male   | --                  | --                    | --                                  |
|                                             | Female | --                  | --                    | --                                  |

| Panel 5: Distribution of employees by age (%) |        |       |        |        |       |      |           |             |
|-----------------------------------------------|--------|-------|--------|--------|-------|------|-----------|-------------|
| Categories                                    |        | < 15  | 15- 29 | 30- 44 | 45-59 | 60 + | (married) | (unmarried) |
| Managerial                                    | Male   | --    | 10.5   | 68.4   | 15.8  | 5.3  | 78.9      | 21.1        |
|                                               | Female | --    | --     | --     | --    | --   | --        | --          |
|                                               | Total  | --    | 10.5   | 68.4   | 15.8  | 5.3  | 78.9      | 21.1        |
| Skilled                                       | Male   | --    | 63.2   | 26.3   | 10.5  | --   | 68.4      | 31.6        |
|                                               | Female | --    | 71.4   | 28.6   | --    | --   | 85.7      | 14.3        |
|                                               | Total  | --    | 65.4   | 26.9   | 7.7   | --   | 73.1      | 26.9        |
| Unskilled                                     | Male   | --    | 71.4   | 21.4   | 7.1   | --   | 50.0      | 50.0        |
|                                               | Female | 100.0 | --     | --     | --    | --   | 25.0      | 75.0        |
|                                               | Total  | 22.2  | 61.1   | 16.7   | --    | --   | 55.6      | 44.4        |



#### TRAINING RECEIVED

The number of trained employees is found to be higher in the footwear sector as compared to the tannery sector. About 10% of the managerial workforces of the footwear industry sector are trained for short periods. Over 23% of the skilled labour force (*aggregate figure of male/female*) are trained by their organisations. *See Panel 8.*

#### EDUCATION

About 90% of the family members of the managerial class are educated, whereas the figures for skilled and unskilled workers are around 82% and 78% respectively.

#### The leather goods industry

##### DISTRIBUTION OF EMPLOYEES BY AGE

The sample survey indicates that all managers involved in the leather goods industry are over 30 years of age. Of the managerial work forces, 60% belong to the age category of 30-44 years and the remaining 40% are in older age group (45 -59).

In the skilled worker category, more than 50% of the workers belong to the age group of 30-44, and 50% of the workers are aged above 44 years. All unskilled workers are aged below 15. *See Panel 9.*

#### INCOME AND WEALTH

The average monthly income of manager is around Tk.14,000, whereas skilled and unskilled workers earn about Tk.6,500 and Tk.4,000 per month respectively. Major portions of their income come from monthly salaries.

Salary levels of the workers appear to be higher in the leather goods sector as compared to the tannery and footwear sectors. Only a negligible portion of incomes of the managers is earned from other sources. *See Panel 10.*

#### WORKING HOURS

Managers work for around 8 hours a day in a leather goods unit. Working hours of workers ranges from 8 to 12 hours. *See Panel 11.*

#### TRAINING RECEIVED

Of the managerial workforces of the leather goods industry, 40% are trained for an average duration of 45 days. Among the skilled workers, 16% are trained for considerably longer period of 90 days. *See Panel 12.*

#### EDUCATION

All of the family members of the managerial class are educated, whereas the figures for skilled and unskilled workers are around 70% and 60% respectively.



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| Panel 6: Employees income (Tk) |                        |                        |                                           |
|--------------------------------|------------------------|------------------------|-------------------------------------------|
| Categories                     | Average monthly income | Average monthly salary | Average monthly income from other sources |
| Managerial                     | 11,331                 | 11,258                 | 77                                        |
| Skilled                        | 4,072                  | 3,585                  | 487                                       |
| Unskilled                      | 2,870                  | 2,393                  | 477                                       |

| Panel 7: Hours worked by the employees |        |                               |                             |                  |
|----------------------------------------|--------|-------------------------------|-----------------------------|------------------|
| Categories                             |        | Working hour per day (normal) | Actual working hour per day | Overtime per day |
| Managerial                             | Male   | 10.42                         | 8.79                        | --               |
|                                        | Female | --                            | --                          | --               |
| Skilled                                | Male   | 10.74                         | 9.16                        | 0.84             |
|                                        | Female | 9.86                          | 8.0                         | 2.14             |
| Unskilled                              | Male   | 10.71                         | 9.0                         | 1.24             |
|                                        | Female | 8.50                          | 8.0                         | 0.50             |

| Panel 8: Training received by the employees |        |                     |                       |                                     |
|---------------------------------------------|--------|---------------------|-----------------------|-------------------------------------|
| Categories                                  |        | Trained employees % | Untrained employees % | Average duration of training (days) |
| Managerial                                  | Male   | 10.5                | 89.5                  | 15.50                               |
|                                             | Female | --                  | --                    | --                                  |
| Skilled                                     | Male   | 21.1                | 78.9                  | 1.33                                |
|                                             | Female | 28.6                | 71.4                  | --                                  |

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| Panel 9: Distribution of employees by age (%) |        |        |        |       |      |           |             |       |
|-----------------------------------------------|--------|--------|--------|-------|------|-----------|-------------|-------|
| Categories                                    | < 15   | 15- 29 | 30- 44 | 45-59 | 60 + | (married) | (unmarried) |       |
| Managerial                                    | Male   | --     | --     | 60.0  | 40.0 | --        | 100.0       | --    |
|                                               | Female | --     | --     | --    | --   | --        | --          | --    |
|                                               | Total  | --     | --     | 60.0  | 40.0 | --        | 100.0       | --    |
| Skilled                                       | Male   | --     | --     | 40.0  | 60.0 | --        | 80.0        | 20.0  |
|                                               | Female | --     | --     | 100.0 | --   | --        | 100.0       | --    |
|                                               | Total  | --     | --     | 50.0  | 50.0 | --        | 83.3        | 16.7  |
| Unskilled                                     | Male   | 100.0  | --     | --    | --   | --        | 66.7        | 33.3  |
|                                               | Female | 100.0  | --     | --    | --   | --        | --          | 100.0 |
|                                               | Total  | 100.0  | --     | --    | --   | --        | 50.0        | 50.0  |

| Panel 10: Employees income (Tk) |                        |                        |                                           |
|---------------------------------|------------------------|------------------------|-------------------------------------------|
| Categories                      | Average monthly income | Average monthly salary | Average monthly income from other sources |
| Managerial                      | 14,340                 | 13,900                 | 440                                       |
| Skilled                         | 6,583                  | 5,166                  | 1,417                                     |
| Unskilled                       | 4,125                  | 3,375                  | 750                                       |

| Panel 11: Hours worked by the employees |        |                               |                             |                  |
|-----------------------------------------|--------|-------------------------------|-----------------------------|------------------|
| Categories                              |        | Working hour per day (normal) | Actual working hour per day | Overtime per day |
| Managerial                              | Male   | 8.80                          | 8.0                         | 0.40             |
|                                         | Female | --                            | --                          | --               |
| Skilled                                 | Male   | 10.20                         | 8.20                        | 1.40             |
|                                         | Female | 8.00                          | 8.00                        | --               |
| Unskilled                               | Male   | 9.33                          | 8.00                        | 1.33             |
|                                         | Female | 12.00                         | 8.00                        | 4.00             |

| Panel 12: Training received by the employees |        |                     |                       |                                     |
|----------------------------------------------|--------|---------------------|-----------------------|-------------------------------------|
| Categories                                   |        | Trained employees % | Untrained employees % | Average duration of training (days) |
| Managerial                                   | Male   | 40.0                | 60.0                  | 45.0                                |
|                                              | Female | --                  | --                    |                                     |
| Skilled                                      | Male   | --                  | 100.0                 | 90.0                                |
|                                              | Female | 100.0               | --                    |                                     |

#### Analysis of data:

- Most of the managers and skilled worker employees involved in the leather sector are about 30 years of age. Most unskilled workers are aged below 30.
- About 73 per cent of leather sector employees are male. In the footwear and leather goods industries, most of the employees are female.
- Of the total employees, about 54 per cent are employed in the leather processing units, 38 per cent in the footwear

manufacturing units, and the remaining 8 per cent are in the leather goods manufacturing firms.

- Over 93 per cent of the family members of the managerial class are educated. The figures for skilled and unskilled workers are around 70 per cent and 60 per cent respectively.

#### References:

- (1) Tk - Taka : Bangladeshi Currency  
1 US Dollar = 68.40 Tkk