

Employment and Unemployment situation in Bangladesh: A dismal picture of Development.

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Introduction:

Employment is the main source of earning income and livelihood for most of the people of Bangladesh. Employment and poverty are closely related with each other. Poverty reduces with the augmentation in employment. Employment creates earning capacity and ensures workers entitlement on goods and services. Employment greatly depends on investment. Investment is the most vital factor for economic growth and development. Investment generates employment. Creation of employment opportunities is important for poverty alleviation and sustainable development. Employment not only helps the unemployed but also his/her family members to meet basic necessities of life. Their expenditures create multiplier effects on the economy. Unemployment and poverty are two great problems in Bangladesh. If sufficient jobs are not generated unemployment problem will create many complex social and political problems. If sufficient employment opportunities are not created present declining rate of poverty may further revert back. One third of the households in Bangladesh still live below the upper poverty line and 17 per cent live in extreme poverty (HES-2010). Agriculture is still the dominating sector of the economy where 47.3 per cent of labour force is engaged (LFS-2010).

The total labour force of the country is 56.7 million of which 69.6 percent is male (39.5 million) and the rest 30.4 percent is female (17.2 million). Most of the female labour force employed in household work which is not included in counting GDP. The rate of unemployment is 4.5 per cent. Number of day labour is 10.6 million, unpaid family helpers are 11.8 million, and rate of under employment is 20.3 per cent. The labour force employed in agriculture suffers from disguised unemployment and under employment.

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The youth and educated labour force of the country mostly suffers from unemployment and under employment. The economy of Bangladesh expands 5.8 per cent yearly but the labour force was increased by 4.6 per cent during the period 2000 to 2010. A total of 15.1 million new jobs were created but 20.1 million new labours entered in to the labour force (World Bank-2012). The unemployment was 1.3 million in 1995 which has been increased by 100% and stood at 2.6 million in 2010. If the unpaid family helper takes in to account unemployment stood at 8 million in 2010 which may be more than 10 million at present. The above facts indicate the dismal picture of growth and development of Bangladesh.

1. Objectives of the paper:

- The general objective of the paper is to assess present employment and unemployment situation of Bangladesh.
- To find out effects of globalization and environmental degradation on employment.
- To find out causes of slow growth of employment in the country.
- To suggest measures to increase employment opportunities and to reduce discrepancies in service related matters.

2. Methodology and data sources

The study is an analytical research. Data are collected form secondary sources, primarily data are not collected. Sources of data are different published reports, books and journals. In the study simply statistical tables and graphs are used. Data collected from different concerned organizations.

3. Labour Force and Employment Situation of Bangladesh

Bangladesh is a labour surplus country with a population of 156 million. In 1995-1996 population was 122.1 million and labour force was 36.1 million while percentage of labour force in total population was 29.56 percent. With the increase of population share of labour force in total population increased and stood at 38.3% and labour force increased to 56.7 million in 2010 while population was 147.7 million. It can be seen from the table-1 & figure-1 that percentage of labour force had been increased by 57% from 1995-96 to 2010. It is

observed that since 1995-96 to 2010 average annual growth of labour force was 2.06%. During the same period 1.37 million labour added with labour force.

Table 1

Labour Force and Employment Situation (Million)

Sl.No.	Year	Labour Force	Employed	Unemployed
01	1995-96	36.1	34.8	1.3
02	1999-00	40.7	39.0	1.8
03	2002-03	46.3	44.3	2.0
04	2005-06	49.5	47.4	2.1
05	2010	56.7	54.1	2.6

Source: BBS, Labour Force Surveys,

* Rate of Employment & Labour Force Growth Rate for 2009, From 6th Five Years Plane.

Figure-1

Labour Force and Employment Situation (Million)



In 1995-96 employed labour force was 34.8 million which increased to 54.1 million in 2010. During the period 19.3 million additional employment was created. From 1995 to 2010 average annual growth of employed was 1.28 million and from 1999 to 2010 total 15.1 million new jobs were created.

4. Labour force participation.

Rate of labour force participation in 1974 was 43.8 percent which stood at 59.3 per cent in 2010. It was 15.0 per cent higher than labour force participation of the year 1974. Labour force participation rate is increasing and in 2010 it increased to 59.3 percent. The increase in labour force is mostly due to increase of female labour which increased from 4.1 percent to 36 percent from the year 1974 to 2010. Male labour participation rate fluctuated during the period (table2)

Table 2

Labour Force Participation Rate by Gender (%)

Period	Labour Force Participation	Male	Female
1974	43.8	80.4	4.1
1981	44.3	-	4.3
1984	43.9	78.5	8.0
1985	43.9	78.2	8.2
1986	46.5	81.4	9.9
1989	47.0	-	-
1991	48.8	-	-
1996	52.0	87.0	15.8
2000	54.9	84.0	23.9
2003	57.3	87.4	26.1
2006	58.5	86.8	29.2
2010	59.3	82.5	36.0

Source: Bangladesh Bureau of Statistics, Labour Force Surveys

Due to expansion of female education female employment increased. Self-employment in non-agricultural activities increased due to micro credit of NGOs where females are the main borrowers.

5. Employment by Gender and by locality

During a decade from 2000 to 2010 the number of male employment increased from 31.1 million to 37.9 million i.e. an average annual increment of .68 million. The number of total employment was 39 million which stood at 54.1 million, which means 15.1 million additional employments. Female employment increased from 7.9 million in 2000 to 16.2 million in 2010, implying an annual growth of .83 million and total 8.3 million. The rural employment is more than 3 times than in urban area. Rural employment was 30.3 million in 2000 which stood at 41.7 million in 2010 (Table 3 and Figure -2).

Table 3

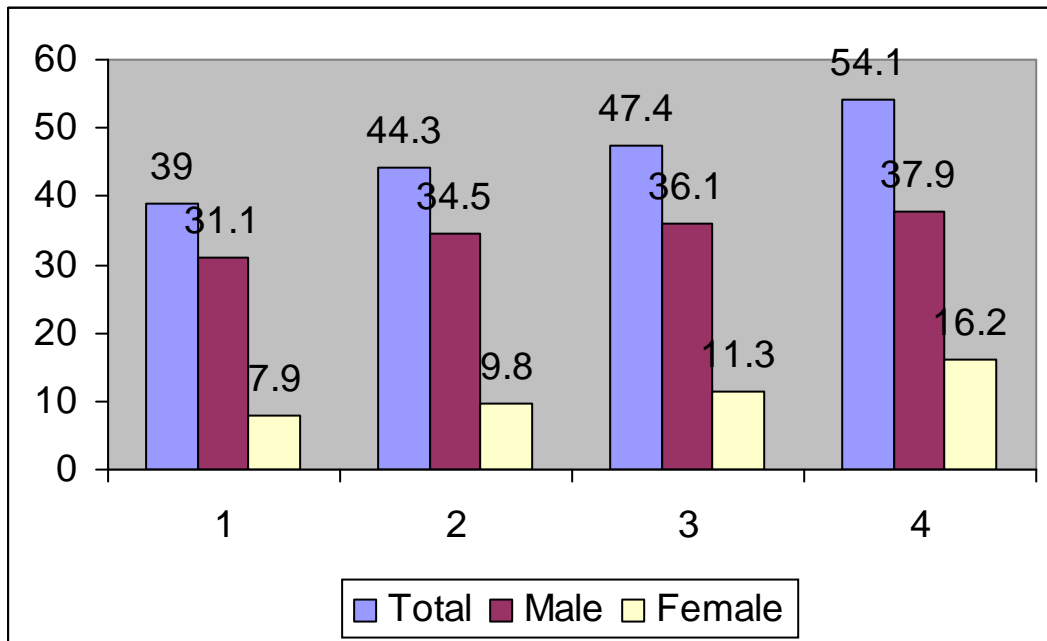
Employment of Labour Force by Gender & by Location of Residence (Million)

Sl. No.	Year	By Sex			By Locality		
		Total	Male	Female	Total	Rural	Urban
01	2000	39.0	31.1	7.9	39.0	30.3	8.7
02	2002-03	44.3	34.5	9.8	44.3	33.6	10.7
03	2005-06	47.4	36.1	11.3	47.4	36.1	11.3
04	2010	54.1	37.9	16.2	54.1	41.7	12.4

Source: BBS, Labour Force Surveys,

Figure-2

Employment of Labour Force by Gender



It is seen from the table-3 & that rural employed had been increased from 30.3 million in 2000 to 41.7 million in 2010. In the urban areas employment of labour force increased at the rate of 4.25 per cent which is higher than rural areas (37.87 percent). Due to urbanization, rural-urban migration has increased largely but still rural economy is the main source of employment generation. Nonfarm activities in rural areas have increased at higher rate. As a result employment in rural areas have increased from 30.3 million to 41.7 million during the period.

The labour force in Bangladesh has expanded rapidly over the last two decades. The total labour force was 63.8 million (including temporary migrants abroad) in 2010 compared with 43.7 million in 2000. The vast majority (87 percent) of the total employed labour, particularly female are engaged in informal activities. Of the total female employed labour force 92 per cent was employed in informal sector, compared to 85 per cent male labour. Self employed workers constituted (22 million) the largest group accounting 41 per cent of total working labour in 2010, followed by unpaid family helpers 22 percent (11 million). More than 60 percent female labour worked as unpaid family workers in 2010. Percentage

of employed population declined from 44.2 percent in 2000 to 44 percent in 2010 (WB-2012).

6. Share of Employed Labour Force (Above 15 years) by Sector

It is evident from the appendix table-2 that agriculture sector is still the highest source of employment. In the year 2010, 47.33 percent of labour force was employed in agricultural sector. Between the Labour Force Surveys of 2005-2006 and 2010 the number of agricultural workers decreased by 0.77 percent (below one percent). In 2010, 15.47 percent of labour force is employed in trade, hotel and restaurant which is the second highest sector of employment. Employment in manufacturing is increasing at a very slow rate. In 1995-96 its share in employment was 10.06 percent and in 2010 it stood at 12.34 percent. The share of transport and communication was 7.37 percent and construction was 4.79 percent.

7. Unemployment and Under Employment Situation:

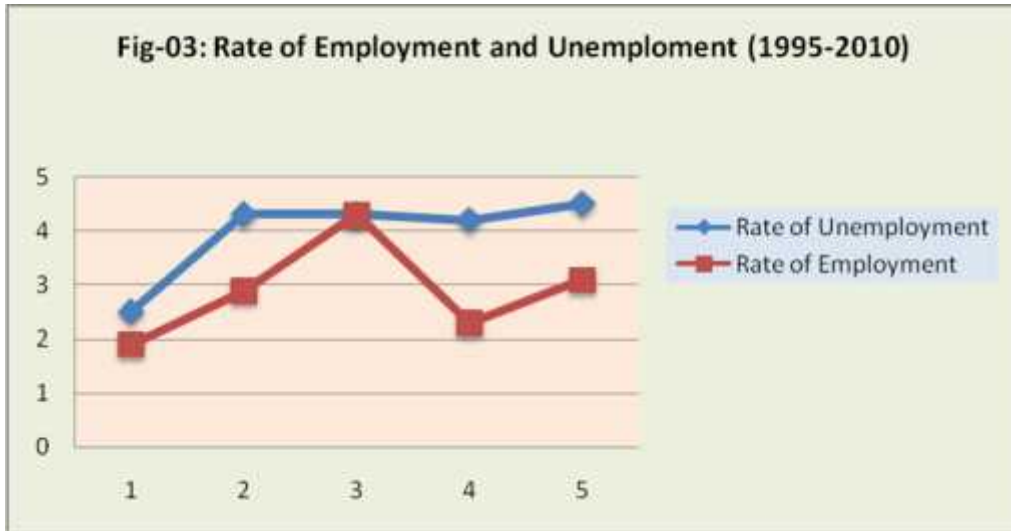
Under employment increased from 16.6 percent to 20.3 percent during 2000 to 2010. During this period 20.1 million new labour joined the labour force. The rate of employment is 3.1 percent but the growth rate of labour force is more than the rate of employment. From the figure 3 and 4 it can be seen that in 1995-1996 the rate of unemployment was 2.5 percent and in 1999-2000 the rate increased to 4.3 percent but from 2005-2006 the rate declined. In 2010 the rate of employment increased but the rate of unemployment was also increased and stood at 4.5 percent. The rate of unemployment was 2.5 percent in 1995-1996 but it increased to 4.5 percent in 2010. (Table:4 & figure 3)

Table-4
Rates of Employment and unemployment (1995-2010)

Sl.NO	Year	Rate of Employment	Rate of Unemployment	Labour Force Growth Rate
01	1995-96	1.9	2.5	2.2
02	1999-20	2.9	4.3	3.0
03	2002-03	4.3	4.3	4.3
04	2005-06	2.3	4.2	2.3
05	2010	3.1	4.5	3.2

Source: BBS, Labour Force Surveys,

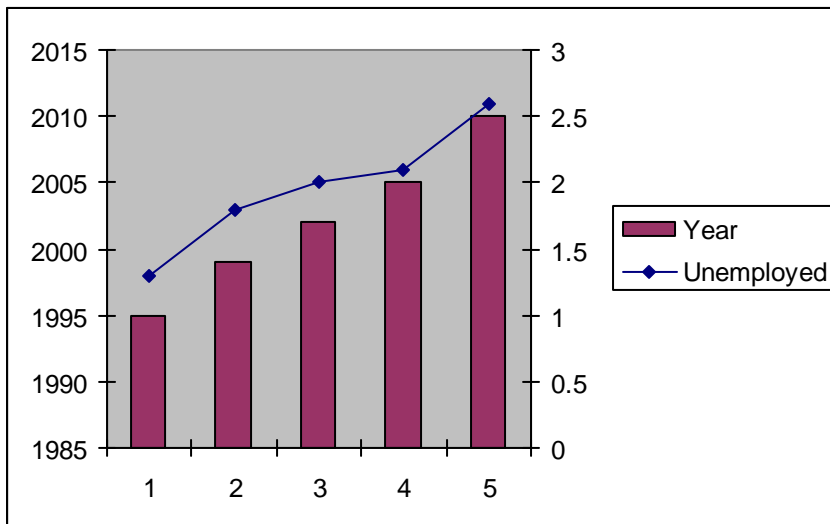
- Rate of Employment & Labour Force Growth Rate for 2009, From 6th Five Years Plane.



It can be seen from table 4 & Figure 3 that labour force growth rate is higher than the rate of employment and the rate of unemployment is higher than the rate of employment. It is also observed from figure 3 that except 2002-2003 the rate of unemployment is always higher than the rate of employment.

Figure-4

Situation of unemployment (1995-2010 in million)



It can be seen from Table-1 and Figure 4 that in 1995-96 unemployed was 1.3 million which increased to 1.8 million in 1999-2000. In 2005 & 06 unemployed was 2.1 million which stood at 2.6 million in 2010 which means 0.5 million additional unemployed. The trend of unemployment is rising.

Educated unemployment is a problem in Bangladesh. The percentage of educated unemployment in Bangladesh is more than that of India. The percentage of educated unemployment in Bangladesh is 14 percent and in India it is 11 percent. In Vietnam it is 5 percent only (6th five year plan)

Table-5 shows unemployed persons aged 15 years and above by level of education and unemployment.

Table-5

Unemployed Person aged 15 years and over by level of education and unemployment

Sl. No.	Level of Education	Total (000)	Unemployment Rate
1.	Class I – V	491	3.79
2.	Class VI – VIII	419	5.18
3.	Class IX – X	364	7.16
4.	SSC/Equivalent	258	7.33
5.	HSC/Equivalent	288	13.74
6.	Masters/Equivalent	84	10.25
7.	Engineering/Medical	15	14.27

Source: Labour force survey-2010 (P-76-77)(Table No.5.3)

It is observed from the table no. 5 that the highest unemployment rate was for those with educational level engineering or medical (14.27%) followed by HSC (13.74%) and Master degree (10.25%).

Unemployment rate as per definition of ILO is 4.5% but including the unpaid family labour the unemployment rate stands at 14.16%. This rate is 6.63% for male and 31.49% for female (LFS-2010).

The under employment rate for aged 15 years and over by economic category at national level is 20.31% and for urban area 12.40% and for rural area 22.67% (LPS-2010). In the agriculture sector there is seasonal unemployment which is a common feature of Bangladesh agriculture. In the agricultural sector due to structural change and introduction

of modern cultivation disguised unemployment has increased where marginal productivity of labour tends to be negative or near to zero. Change in pattern of crop cultivation reduces employment opportunities of agricultural labour. Educated unemployment is a great problem in the country. Every year 3.5 lac students pass out holding degree and master degree from the colleges and universities (23.10.14 The Daily Prothom Alo)

8. Globalization and Employment.

Globalization is a process of expansion of free trade, transformation and diffusion of knowledge, increasing mobility of labour, increasing competition in the global market. The forces and actors behind globalization process are Multinational Corporations, World Bank, International Monetary Fund and World Trade Organization. World Trade created a foundation of integrating of all economics.

Due to globalization the countries of the world have become boarderless. The whole world has become free for multinational corporations to invest anywhere in the world, in the name of FDI. The giant multinational companies now determine demand for goods and services and consumption pattern of the world people. The economy of Bangladesh is integrated with the world economy significantly which is a part of globalization process for more than two decades. The economy of Bangladesh started to integrate with the global economy since 1990s. In the 20th century Bangladesh was able to make herself free from depending on foreign assistance and started to become a trade dependent nation. Due to global economic changes Bangladesh economy has also undergone a massive change. The structural change of the economy shifts the employment pattern of the country.

Due to globalization capital intensive production technology is imported and used in different sectors of economy. Professor Anu Mohammad said that- due to trade liberalization many of our textile, vegetable-oil, paper, pesticides, rubber and foot wear industries were shutdown and as a result number of jobless people increased. Among 2000 sick industries about 200 industries were shutdown for direct impact of trade liberalization (Ahmed-2007). After phase out MFA and quota from 2004, Bangladesh had to face keen competition with China, India, Pakistan, Korea and Hong Kong. Bangladesh is a signatory of Trade Related Intellectual Property Rights of Agreement of WTO. A few multinational corporations enjoy the benefit of this agreement. They control our pesticides and

pharmaceutical production of the country. They occupy our telecommutation and other important services sector. Due to effects of market economy government industries were privatized or declared lay off. The jute mills of Bangladesh have been destroyed and thousands of people lost jobs and became unemployed. Only in Adamjee Jute Mill a total of 40,000 workers lost their jobs. City of industry Khulna became lifeless due to shutdown of the jute mills.

Once Bangladesh was famous for hand loom industry but after the introduction of market economy hand looms started to shutdown. At present 5.70 lack weavers of 38% hand looms become unemployed due to introduction of power loom (BER-2013).

The cottage industries in rural areas have been destroyed. Gold smith, black smith, porter etc. left their professions due to loss of market of their products. The local industries have been destroyed due to uneven competition from the multinationals. We have a large population but the market is under the control of multinationals due to trade openness or import liberalization and FDI. .

Globalization has some positive effects on employment. International labour migration is a significant feature of globalization. Due to globalization international migration has become increasingly important factor. Globalization makes room for millions and millions of unemployed workers to be employed in different parts of the world. Bangladesh is a labour surplus country. From 2004-2005 manpower export of Bangladesh is increasing year after year. Since 1976 a large number of Bangladeshi migrant workers have migrated to Middle East countries and East Asian countries.

9. Environmental degradation and Employment in agriculture

Structural change of Bangladesh agriculture has taken place very slowly. Mechanical devices such as tractors, power tillers etc. reduced the use of animal power and human labour. All these factors reduce employment opportunities in rural sector. Rural Bangladesh was full of much common properties like ponds, open water fields, canals and rivers, grass land and gardens. The poor people could enjoy the above common properties like other public goods and could create self employment. Due to degradation and destruction of environmental goods employment opportunities are reduced. Over and above the cultivation of HYV

requires pesticides and chemical fertilizer which degrade land fertility and create water pollution. Once open field-water was an abundant source of fish. But due to scarcity of water flood plain water fish resources decreased. Use of Pesticides and chemicals are added fuel to fire the problems & reduce employment opportunity of the rural poor. Employment in livestock sector reduced due to mechanization in crop cultivation. This sub-sector is labour intensive and provides employment for 20% of population but mechanization reduces the use of livestock in farming. Now the rural households do not rear livestock due to lack of feeds and lack of time. Animal power is now useless and costly to use. We are losing cow dung as a manure and fuel for cooking, milk as delicious drink, nutritious meat and raw materials for leather industries. As a result many people who were engaged in livestock rearing became unemployed. In some cases mechanization helps to increase employment opportunities. For HYV and hybrid seeds, irrigation is essential and boro rice is more labour intensive than transplanted in Amon. Aus is labour intensive but the cultivation area of Aus is very limited. Robi crops were also important source of employment for rural woman and it was feeds for livestock and domestic birds. After introduction of HYV, cultivation of robi crops decreased.

Employment and poverty greatly depend on natural resources especially on water resources. Water is essential for agriculture and its productivity. Bangladesh is deprived of her due share of water of the Ganges Employment related to water resources such as fishing, boats, fishing traps and boats making have been reduced to a great extent. Due to scarcity of surface water agriculture productivity hampers in different region of Bangladesh. Environmental degradation and ecological imbalance are mainly for the adverse effect of Farakka Barrage.

10. Increase of employment since 2000 to 2010

It is evident from table 6 that majority of the working labour force are employed in the agriculture sector and it is increasing. From 2005 to 2010 about 3 million increased in this sector. It is seen from the table 6 that in 1999-2000 employment in manufacturing sector was 3.7 million.

Table 6

Employment by Major Industry, 1999-2000 to 2010 (In million)

Sector	1999–2000	2002–03	2005–06	2010
Agriculture	19.80	22.90	22.80	25.70
Mining & quarrying	0.20	0.10	0.10	0.10
Manufacturing	3.70	4.30	5.20	6.70
Electricity, gas & water	0.10	0.10	0.10	0.10
Construction	1.10	1.50	1.50	2.60
Trade, hotel & restaurant	6.10	6.70	7.80	8.40
Transport, maintenance & communication	2.50	3.00	4.00	4.00
Finance, business & services	0.40	0.30	0.70	10.00
Public administration and defense	-	2.4	2.6	2.3
Commodities & personal services	5.10	2.70	2.60	3.40
Total	39.00	44.30	47.40	54.10

Source: BBS Labour Force Surveys 1992 to 2010.

From 2005-2006 it was 5.2 million and stood at 6.7 million in the year 2010. In the construction industry 73.3 percent employment has been increased from 2005-2006 to 2010. In the year 2010 number of employed in this sector stood at 2.60 million which was more than double of the year 1999-2000. Employment in trade, hotel and restaurant increased by 7.6 percent from 2005-2006 to 2010 and stood at 8.4 million. The participation of labour force increased in a great extent in the finance and business service. In the year 1995 where 0.57 million people were engaged in this sector it increased to 10 million in the year 2010. This sector is now also the second highest employment sector after agriculture.

11. Employment by Broad Sectors:

The growth dimension is largely provided by modern manufacturing and service sector. The transformation of a peasant agrarian economy to an organized manufacturing and service economy also provide the employment opportunity for absorbing growing labour force into productive and good jobs. The nature of the shifts of main sectors are shown in the appendix table no.3 It is observed from table 3 that over the three decades the share of the industry sector to GDP increased gradually and continued to increase. In 2012-2013 it stood at 31.19 percent from 17.31 percent of the year 1980-81. The share of agriculture to GDP decreases and stood at 19.42 percent only. The share of GDP in service sector is increasing gradually and stood at 49.45 percent in 2012-2013. (Appendix table-3) The average labour productivity has increased since 1971 but from a very low base. The average labour productivity in Bangladesh is low in comparison to other countries. It is US\$ 125 in Bangladesh. The average labour productivity in India is US\$ 206, US\$339 in China, US\$ 232 in Sri Lanka, US\$335 in Indonesia and US\$136 in Vietnam (6th five year) plan. In the 1970s and 1980s manufacturing sector's performance was constrained by the dominance of poor performing nationalized enterprises, in ward looking trade policies and inadequate private industrial investment due to poor incentives. Bangladesh has made progress in specializing in labour intensive manufacturing (e.g. R.M.G and foot wear) where its comparative advantage lies. The share of manufacturing in total employment remains virtually stagnant around 8% until the 1990s. This share began to rise slowly and the job creation effect of the RMG sector began. As a result the employment share has now grown to 12 percent (6th five year plan). The service sector has performed relatively better than agriculture and manufacturing and has been most important contribution to growing acceleration in Bangladesh. The trade policy of Bangladesh shifted to free trade or openness. Trade barriers removed to integrate with global economy. Hundreds of industries closed down in the initial stage of free trade regime . Now the labour intensive RMG sector has become most important manufacturing industries and our export composition have changed. RMG takes the place of primary agricultural product and jute goods. RMG sector now contribute about 80% of export earnings. The ability of manufacturing sector to create jobs has been sharply weaker than its growth and export performance.

Table-7

Shift in the structure of Employment (In million)

Broad sector	1999-2000	2002-2003	2005-2006	2010
Agriculture	19.8 (50.76)	22.9 (51.69)	22.8 (48.10)	25.7 (47.50)
Manufacturing	3.7 (9.48)	4.3 (9.71)	5.2 (10.97)	6.7 (12.38)
Services	15.5 (39.75)	17.1 (38.60)	19.4 (40.93)	21.7 (40.12)
Total	39.00(100)	44.3(100)	47.4(100)	54.1(100)

Source: 6th five years planning and BBS-Labour forces Survey-2010

Figure in parentheses indicates percentage.

Figure -5

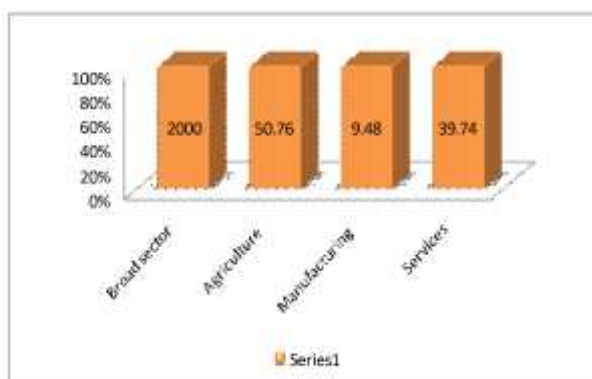
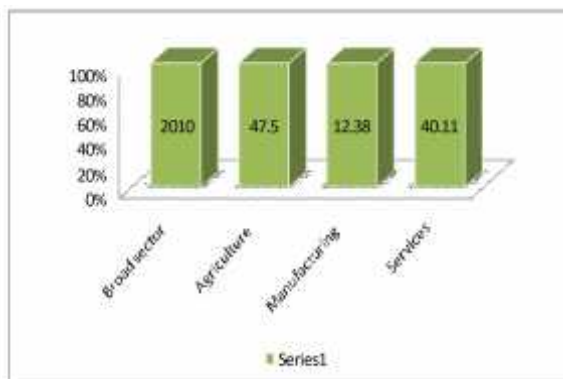


figure-6



It is seen from the (table7 and figures 5 & 6) that in 1999-2000 employment in manufacturing was 3.7 million which increased by 6.7 million in the year 2010. In the same period employment in service sector was 15.5 million that increased to 21.7 million in the year 2010. In manufacturing sector 12.38 percent, agriculture 47.50 percent and in service sector 40 percent labour force were employed in the year 2010.

The 6th five year plan states that only 22 percent of the employed labour force is engaged in the formal sector. Thus some 11 percent of employed labour is in manufacturing and another 11 percent in is on organized services. The remaining 78 percent is still engaged in informal activities. The responsiveness of employment of growth in manufacturing is low. Between 1981 and 2010 value added in manufacturing grew by 6.4 percent annually

whereas employment increased by 3.9 percent. The weak progress in transforming the labour market is an indication of major weakness in the Bangladesh development strategy (6th five year plane).

12. Present employment situation

Investment in the industrial sector generates large number of managerial, technical, supervisory and skilled-unskilled job opportunities. In the year 2001 actual FDI inflow to Bangladesh was 354 million US dollar which stood at 1136 million US dollar in the year 2011. In 2001 total investment projects registered with BOI were 1,05,400 crore taka which increased to 8,78,932 crore taka in 2011-12 (BER – 2012). But employment creation in industries gives a gloomy picture. Number of employment is very low due to adaption of capital intensive technology.

Table:8
Employment in industries and over seas employment
2001-2013

Sl.No	Year	No. of jobs Projected	No. of migration workers	Total employment
01	2001-02	373625	188465	582521
02	2002-03	273754	225256	499010
03	2003-04	319516	254140	573706
04	2004-05	425232	272458	698190
05	2005-06	428529	252702	671231
06	2006-07	458478	381516	839994
07	2007-08	410744	832609	1243353
08	2008-09	308037	875055	1183092
09	2009-10	330663	475278	805941
10	2010-11	503662	340702	844364

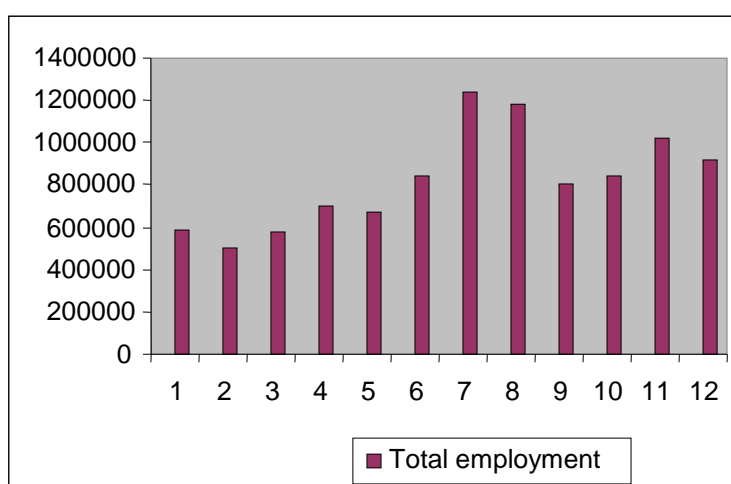
11	2011-12	451114	568062	1019176
12	2012-13	309000	607798	916798
Total=		4659348	5325091	9984419

Source BOI registered industries from BER 2014

Migrant workers BMET-2013

Figure-7

Employment in industries and over seas employment



It can be seen from (table no.8 & figure 7) that employment in industries from 2001-2002 to 2012-2013 were 4659348. In the same period 5325091 workers migrate to foreign countries for employment. Average annual employment in industrial sector was 388279 and average annual migrant workers were 443757. Employment in industries and over seas employment together constitute annual average employment of 8320334 workers. Job creation for 8320334 people per year is not at all satisfactory. During the period form 2011-2013 total 6.3 million new jobs were cretated of whcih 4.8 million in domestic economy and 1.5 million overseas (Ahmed-2014).

For attracting foreign investment Export Processing Zones (EPZ) are established in the country. The cumulative investment in EPZ up to June 2013 stood at US \$ 3001.74 million and number of industries are 426 with employment of 3,82,230 persons only, 64 percent of

them are female. (BER–2014). Political turmoil of Bangladesh in the end of 2013 causes heavy losses to the economy. FDI have increased but private investment is in a stagnant position. Employment opportunities are not created as was estimated.

Agriculture is still the dominating sector of the economy where 47.3% labour force engaged though its contribution to GDP is only 19%. Employment in Agricultural sector is increasing. The labour force engaged in agricultural suffers from disguised unemployment and underemployment. The problem of youth and educated labour force of the country are acute.

For creation of new jobs it is essential to increase investment in industrial sector. 15.1 million new jobs were created with an additional employment of 2.9 million in agricultural during the period from 2005 to 2010 which means out of 15.1 million jobs 20% was in agriculture. Employment in agriculture further means additional laour force contributing nothing to total production. From 2011 to 2013 total number of labour force stands at 63 million (56.7 in 2010+6.3 in 2011-2013, based on annual additional labour force 2.1 million) million. In the said period 6.3 million new jobs or employment opportunities were created and employed labour force stood at 60.4 million (54.1 million in 2010 employed labour force+6.3 million new employed labour forces in 2011-2013). So additional employment stands at (63 minus 60.4) 2.6 million which means unemployment situation did not improve. Number of unemployment remains the same.

Average productivity of labour in agriculture is very low. We should transfer people from low productivity activities to higher productivity jobs. Bangladesh is a capital scarce country due low level of saving and investment private investment is in a stagnant position. FDI is in increasing tendency in the recent years. Foreign investors invest on chemical, textile & in service sector. Employment opportunities have not increased as we needs. They invest in capital intensive production technology. The mobile companies have employed only 13,000 persons as full time employees though they invest millions and millions of dollar. Local national investment is discouraged though local investment is more labour intensive. Local industries are suffering from market constrain. Without nationalitic feeling demand for local goods will not be created. So reducing unemployment through industrial development is a dream. To increase over seas employment is a good measure to reduce unemployment.

13. Employment in RMG sector

In the year 2000 total employed labour force was 39.0 million and in 2010 it stood at 54.1 million. In the same period employed female labour force was 7.9 million and 16.2 million respectively. Employment of female labour force has been increased by 105% i.e. more than double from 2000 to 2010 (Labor Force Survey 2010).

The share of woman employed in agriculture is now 41 percent and 28.1 percent in manufacturing. 90 percent of the workers in garments are female. In 2010 about 35 percent of the employed woman worked in non-agriculture sector of which more than a one third is engaged in RMG sector (WB-2012).

In 2000-01 number of garment industry was 3480 which increased to 5150 in 2010-11. In the same period employment in this sector was 1.5 million which increased to 3.6 million (BBS 2012).

14. Over seas Employment:

International migration reduces poverty and provides employment and it is the second main source (after RMG sector) of foreign exchange earning for Bangladesh. The total number of exported workers of Bangladesh is 8.7 million and the volume of remittance inflow to Bangladesh stood at 116566 million US dollar since 1976 to 2013. In the year 2012-2013, volume of remittance was 14461 million which is more than eleven percent of the country's GDP and about 53% of our export earning. (BER 2013 and Ahmed 2014). Bangladesh has become as one of the largest remittance receiving countries of the world (World Bank 2012).. Bangladesh is the 8th largest remittance receiving country in the world (BBS-SUR-2013)

Due to global economic change export of manpower is increasing day by day. In 1976 only 6087 workers were exported to a few countries (10 to 15 countries). At present our labour market is expanded spread to 159 countries of the world. (BER 2013 Major destination countries of Bangladeshi migrant's workers are Saudi Arab, UAE, Malaysia, U.K, U.S.A Oman, Kuwait, Singapore, Qatar and Bahrain.

Our professional and skilled migrant workers destination countries are mainly the U.K, U.S.A, Australia, Germany, Japan and Italy. From 2011 export of manpower is decreasing due to deterioration of bilateral relation ship with some Middle East countries and G to G agreement with Malaysia.

Table-9

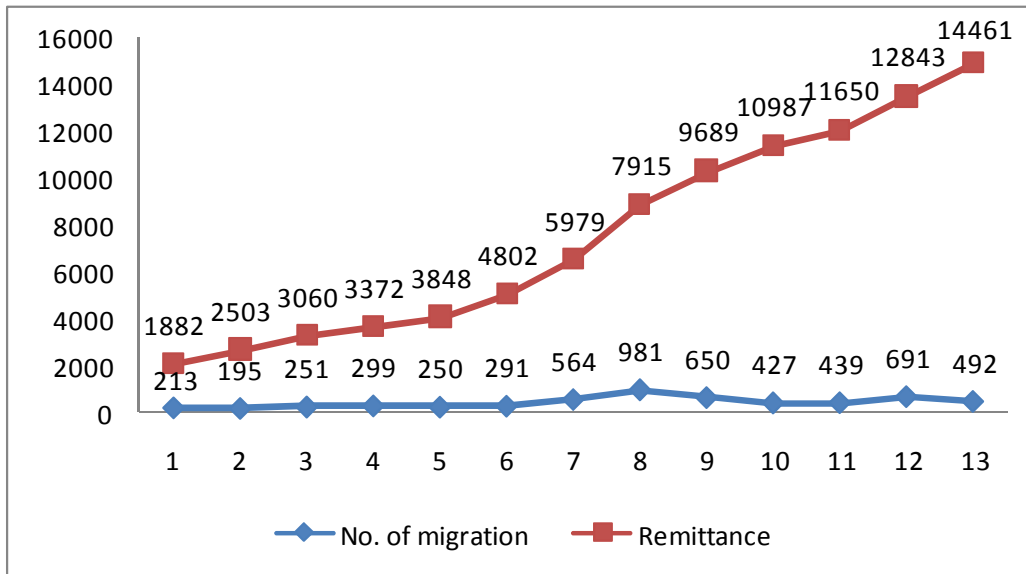
Trends of migration and remittances since 2000-2001 to 2012

Year	No. of migration	Percent change	Remittance	Percent change
2000	213	-14.1	1882	-3.4
2001	195	-54.9	2503	32.9
2002	251	28.7	3060	22.2
2003	299	19.12	3372	10.2
2004	250	-16.3	3848	14.1
2005	291	16.4	4802	24.8
2006	564	93.8	5979	24.5
2007	981	73.9	7915	34.4
2008	650	-33.7	9689	21.9
2009	427	-34.3	10987	13.4
2010	439	2.8	11650	6.0
2011	691	54.4	12843	10.2
2012	492	28.7	14461	12.6

Source: Bangladesh Economic Review-2012-13

Figure-8

Trends of migration and remittances since 2000-2001 to 2012



The export of manpower to Saudi Arabia was 73 percent in 2001 it has decreased to 2 percent in 2013. The share of migrant to Malaysia stands at 0.13 percent and in Kuwait it was zero percent. From 2000 to 2008 migration was increased and after that it was decreasing (BER-2013). If the decreasing trend continues the economy may face financial crisis (Table-9, Figure-8).

Bangladesh exports manpower to forge in countries and earns huge volume of remittance. But volume of remittance is very low in comparison to number of migrant. From 1976 to 2013 our stock of migrants stood at 8.7 million but their wage level is very low. Our migrants skill level is very low. Less skilled consists of 53 percent and semiskilled 14 percent, skilled 31 percent and professional 2 percent (From 1976 to 2013) BMET 2013. Remittance per migrant is only US \$ 1672 which is 3 times above in India, more than 4 times in China and above 13 times above in Belgium. (WB 2012) Most migrant workers engaged in temporary jobs. Their jobs are contractual basis. Female migration is low which is 6.48 percent only. Siddiqui (2012) female migrant workers may be increased if proper steps are taken.

The growth of migration is fluctuating. Political unrest in the Middle East countries, Gulf war, American invasion in Iraq and civil war in Libya and political violence in Egypt, Syria, Lebanon are responsible for fluctuation in migration.

Since 1976 Saudi Arabia, Kuwait and Oman are the major destination countries for Bangladeshi migrant workers. Export of manpower to those countries fluctuated from time to time. Economic condition, bilateral relationship and employment policy of those countries are the causes of fluctuation.

Suggestion:

In order to create more employment opportunities and to solve the problems related to services, the following measures are suggested:

1. Educated unemployment is a great problem in Bangladesh. An educated unemployed is a victim of double loss. At the time of study he is to expend money for his studies and he lost income during studies when he could earn. The government bears a portion of educational expenses. So unemployment is a huge wastage of resources. Therefore, manpower planning is essential for Bangladesh.
2. The quality of the higher educated in Bangladesh is now a burning question. People think that the quality of higher education in the private universities is not up to the mark or below the standard. Employers are unwilling to recruit the products of private Universities. It is the responsibilities of the government to maintain quality education. The government should take necessary steps to maintain standard of degrees.
3. There is discrepancy in recruitment policy & rules among the different organizations regarding gender, educational qualification & recruitment process. A uniform equal employment opportunity should be ensured by the government. To this end laws may be passed.
4. Age of entry in jobs in Bangladesh is also discriminatory. For the general job seeker age is fixed at 30 years. Due to the increase of service age of the service holders for 2 or 3 years employment in government and semi government organization was

stagnant. The young job seekers are deprived of their due share because of increase in service age. The age of entry level may be fixed at 32 years.

5. The higher education of Bangladesh is expanding without any consideration of employment. The government should be careful in establishing new universities. The universities should not be the factories of producing unemployment.
6. In the government and semi-government organizations different quotas system are prevailing. All sorts of quotas should be rearranged for the greatest interest of the nation. Due to quotas the meritorious job seekers are deprived of their due share and the nation is also deprived of their service.
7. Private sectors are the open field for exploitation of labors. They pay the wages of labour according to their suit will. They impose iron law of wages in determining wages. They do not follow any rules and regulations. The government should come forward and take necessary actions to prevent exploitation and to establish justice.
8. There is no employment policy and service rules consisting rights and privileges in the private sectors. A national employment policy should be framed by the government.
9. To create employment opportunities more industries should be set up but investment climate of the country is not favorable. Necessary steps should be taken to improve investment climate of the country.
10. Rate of interest in the country is very much high in the country. So cost of investment is also high. Rate of interest should be fixed as minimum as possible.
11. Political unrest and hartal is a common thing in the country. Political unrest should be minimized to create favorable investment climate.
12. The present trend of growth of industries is capital intensive nature. In order to create more jobs labour intensive production technology should be adopted.
13. There is discrimination regarding investment opportunities between local private investors and foreign investors. Discrimination between local private investors and foreign investors should be reduced.

14. Technical education has direct relationship with employment. More technical job oriented education system should be introduced .
15. Technical education centers are to be set up for the people who want to go to foreign countries for employment.
16. At present near about 5 lac workers migrate to foreign countries annually. So the migration process is to be simple and short.
17. Labour productivity in Bangladesh is very low level in comparison to other Asian Countries. In China it was US\$ 339, Indonesia US\$ 335, Srilanka US\$ 232, India US\$ 208, Vietnam US\$ 136 but in Bangladesh it is only US\$ 125. So good jobs should be created where labour productivity will be high.
18. Unnecessary harassment by the dalals and manpower recruiting agencies should be stopped by passing laws.
19. Natural resources such as water, forest should be kept free from degradation. Leasing Rivers, canals and common properties should be kept for common use so that poor people have free access to those public properties where they will be able to create self employment.
20. Micro credit is a source of self employment but the rate of interest charged by the NGO's is very high (30% - 35%). Interest rate of NGO's should be re-fixed at a minimum level.
21. Migrant workers' remittances play a vital role in the economy of Bangladesh. The volume of remittance was 14461 US million dollars in 2013 which was 11.45% of our GDP. But 84% of remittance is used for consumption purposes. Measures may be taken to increase savings and investment. Remittance may increase self-employment and investment in joint venture industries.
22. Recruitment process of government job is too much length and time consuming. The Bangladesh Public Service Commission is over loaded. Several Public Service Commissions may be established under certain jurisdiction.

23. To find out the cause of failure of G to G argument with Malaysia and measures should be taken to improve the situation.
24. Steps should be taken to improve bilateral relationship with Saudi Arabia, UEA and Kuwait to increase manpower exportation in those countries.
25. To solve the problem of unemployment development of local industries is a vital factor. Necessary measures should be taken to protect local industries.
26. To increase overseas employment exploration of new labor markets is very important. To this ends measures should be taken urgently.

14. Conclusion:

Most of our labour force is employed in agriculture where the labours suffer from disguised unemployment and under employment. Any further increase of employment in agriculture further lowers the productivity of labour. Scarcity of land has limitation for further absorption of labour in agriculture.

Educational institutions become the factories of producing huge number of unemployed people. So we should careful to establish new educational intuitions specially universities. Steps should be taken to proper manpower planning. Export of manpower at present is suffering from various problems. But we should remember that international labour migration is the largest source of our productive employment. Labour migration reduces unemployment and their remittance reduces poverty directly. Remittance is the single largest source of foreign exchange earning in Bangladesh. So necessary measures should be taken to increase manpower exportation and to increase remittances. Employment is related to livelihood. It is a basic right of all citizens. It is the duty of the state to create gainful employment for every citizen. All the citizens of the state are equal in the eye of law. Equal pay for equal works is also a justice. In Bangladesh there are disparities of wages between male and female, between government and private and among private and private. So necessary laws are to be passed to eliminate discrepancies in employment, recruitments, wages and other rights and privileges. National level employment policy may be formed with a view to proper use of human resources. A service rule is a safe guard for employees. A uniform service rule for all services irrespective of govt. and non-govt. organizations may be introduced for the greater interest of the large number of labour force.

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Appendix

Table 01

Projected Pattern of Employment in the SFYP (Million)

Sector	FY10	FY11	FY12	FY13	FY14	FY15
Agriculture	23.2	23.0	22.8	22.6	22.3	22.0
Manufacturing	6.1	6.7	7.44	8.0	8.7	9.7
Construction	1.9	2.1	2.3	2.5	2.7	2.9
Services	21.2	22.3	23.2	24.6	25.8	27.0
Total employment	52.4	54.1	55.8	57.6	59.5	61.6
Employment Growth (%)	4.0	3.2	3.1	3.3	3.2	3.2
Additional Employment		1.7	1.7	1.8	1.9	1.9
Unemployment Rate (%)	4.0	4.1	4.0	4.0	4.0	3.7
Labour Force	54.5	56.2	58.0	59.9	61.8	63.7

Source: SFYP Projections

Tabel-02

3. Share of Employed Labour Force (Above 15 years) by Sector

Sector	1995–96	1999–00	2002–03	2005– 06	2010
Agriculture, forestry and fishery	48.85	50.77	51.69	48.10	47.33
Mining & quarrying	–	0.51	0.23	0.21	0.18
Manufacturing	10.06	9.49	9.71	10.97	12.34
Power, gas & water	0.29	0.26	0.23	0.21	0.18
Construction	2.87	2.82	3.39	3.16	4.79
Trade, hotel & restaurant	17.24	15.64	15.34	16.45	15.47
Transport, maintenance & communication	6.32	6.41	6.77	8.44	7.37
Finance, business & services	0.57	1.03	0.68	1.48	1.84
Commodities & personal services	13.79	13.08	5.64	5.49	6.26
Public administration and defence	–	–	6.32	5.49	4.24
Total	100.00	100.00	100.00	100.00	100.00

Source: Labour Force Survey (LFS), 1995-96, 1999-00, 2002-03, 2005-06 & 2010 BBS.

Note: According to Labour Force Survey 2002-03, 2005-06 & 2010, population above 15 years of age has been counted as labour force, but in the previous surveys the criterion for counting labour force was population above 10 years.

Table: 3

Sectoral share of GDP at constant price (percent)

	1980-81	1990-91	2000-2001	2012-2013
Agriculture	33.07	29.23	25.03	19.42
Industry	17.31	24.04	26.20	31.19
Service	49.62	49.73	48.77	49.45
Total	100	100	100	100

Source: Bangladesh Economic Review-2013