

## Dimension of Women Labour Force in Bangladesh: Evidence from Nationally Representative Data

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### Abstract

This paper covers the changes in women labour force and their participation along with categorical employment status as well as main economic activities in Bangladesh. In particular, it pays attention to regional variations on female labour force. Employment, in a poor country like Bangladesh, provides the critical link between economic growth and poverty alleviation as the vast majority of the people depends on employment as their only source of livelihood. The labour market, however, is one of the most important mechanisms for transmitting the benefits of economic growth to different groups in the society. Women, being a significant part of the population, play a significant role in the economic growth of the country. This paper makes an attempt to explore the situation of women labour force to find a clear image in formulating new policies and programmes regarding women employment in Bangladesh.

**Keywords:** Labour force; Employment; Dispossession; Women Bangladesh.



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### 1. Introduction

Like elsewhere, in Bangladesh, women's labour force participation tends to increase with economic development. The involvement of women's participation in readymade garment industry and a rise in livestock rearing (linked to access micro-credit) has resulted a rapid increase employment (Rahman and Islam, 2013). Preference for female labour force participation is high in most countries while the actual participation rates below the desired level (Jaumotte, 2003). The institutional barriers along with the hurdles of patriarchal society have slowed down the desired level of progress of women (Titumir, 2013) as husband's opinion is a serious issue for young and middle-aged women (Appendini, 2010).

Women labour force participation is an important driver of growth and development. The relationship between economic development and women's labour force participation is u-shaped (Goldin, 1995). Evidences showed that women's access to employment and education opportunities reduce the likelihood of household poverty (Kabeer, 2003; Quisumbing, 2003; World Bank, 2012). Economically empowering women is essential both to realize women's rights and to achieve broader development goals such as economic growth, poverty reduction, health, education and welfare (Golla et al., 2011). The rise in the female employment, brought by garments industries has contributed significantly in changing the perception of women's role in the labour market, as well as narrowing the gender gap in employment, income, enhancing social prestige, control over income, and decision making. The rapid increase in women share in the labour market often termed as 'feminization' of the labour force (Cagatay and Ozler, 1995; Standing, 1989). This 'feminization' of the labour force in Bangladesh is unambiguous. The participation of women labour force can change the dynamics of the entire labour market bringing a sound economic growth in a developing country like Bangladesh.

In addition, women are engaged in various income generating activities in order to survive. However, in spite of an increase in the participation of women in labour market; still many of them are unemployed. In this regard, religious factors as well as cultural factors are more influential not to reach in the desired level. Besides, lower education, training and skills are also hampering the employment situation of women. It is quite evident that, unless accelerating the female engagement in the labour market, expected development of the country might not possible. Under these circumstances, special priority should be given towards the employment of women. Thus, an attempt is made in this paper to explore the situation of women labour force in Bangladesh in order to find out a clear image for formulating active policies and programmes in Bangladesh.

### 2. Data Sources and Methodologies

This paper is based on data mainly collected from Labour Force Survey (LFS) of different years published by Bangladesh Bureau of Statistics (BBS). We have used arithmetic growth model to calculate required rate of increase

or decrease. Different statistical reports, relevant research papers, books and many national and international journals have also been reviewed for conducting this study.

$$P_l = P_b (1 + ry)$$

$$\Rightarrow r = \frac{1}{y} \left( \frac{P_l}{P_b} - 1 \right)$$

Where,

$P_l$  = Value of the launch year;

$P_b$  = Value of the base year;

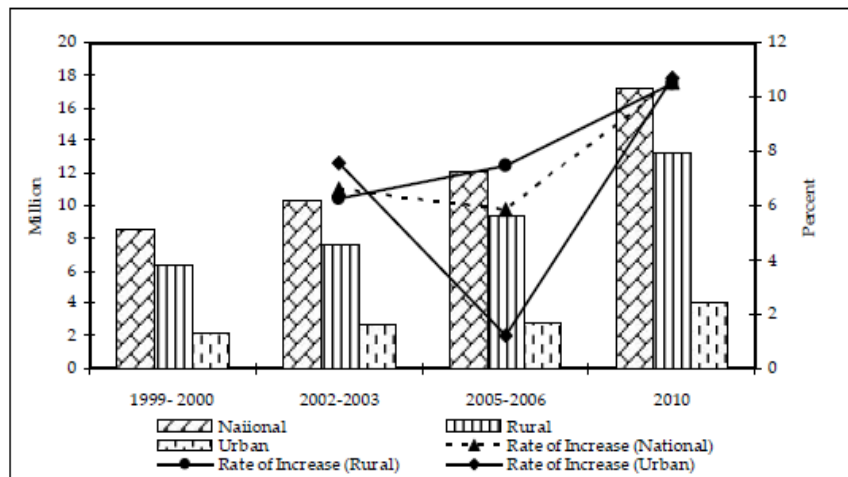
y = Number of years between the launch year and the base year;

r = Rate of growth

### 3. Women in Labour Force

Participation of women in the labour market has increased with a more accelerated rate in the recent years. In the context of growing need and decline of familial support along with the ever increasing pressures to sustain, has pushed the women especially in rural areas to engage in income generating activities. They are being engaged in various formal and informal sectors for the survival of their livelihoods. Studies showed that, there is a strong association between household poverty and women's labour force participation (Bridges *et al.*, 2011; Das, 2006; Srivastava and Srivastava, 2009). Based upon the historical track record, women participation in labour market has increased with a rate of 10.0 percent, 10.63 percent and 8.18 percent respectively at national, rural and urban area between 1999-2000 and 2010. This participation of women, however, has increased over the years but with an accelerated pace in the recent times. In Bangladesh, participation of women in labour force was 8.6 million in 1999-2000, which increased to 10.3 million in 2002-2003 with a rate of 6.59 percent. This women participation in labour force<sup>1</sup> further increased to 12.1 million in 2005-2006 from 10.3 million in 2002-2003 whereas the rate of growth slowed down (5.83 percent during the period from 2002-2003 to 2005-2006). For the next five years (between 2005-2006 and 2010), the women engagement in labour force increased rapidly and the rate of increase was 10.54 percent. This improvement of women participation in labour force is occurred mainly due to the engagement of women in the rural areas. In rural areas, participation of women in labour force increased gradually and the rate of increase was 6.25 percent, 7.46 percent and 10.48 percent between 1999-2000 and 2002-2003; 2002-2003 and 2005-2006; and 2005-2006 and 2010 respectively. On the other hand, in the urban areas, improvement in the participation of women in labour force followed an increasing and decreasing trend. More specifically, it was 7.58 percent, 1.23 percent and 10.71 percent during 1999-2000 to 2002-2003; 2002-2003 to 2005-2006 and 2005-2006 to 2010 respectively.

Figure-1. Women in labour force (in million)



Source: Authors' calculation based on Labour Force Survey (1999-2000, 2002-2003, 2005-2006 and 2010), (Bangladesh Bureau of Statistics, 2002;2004;2008;2011)

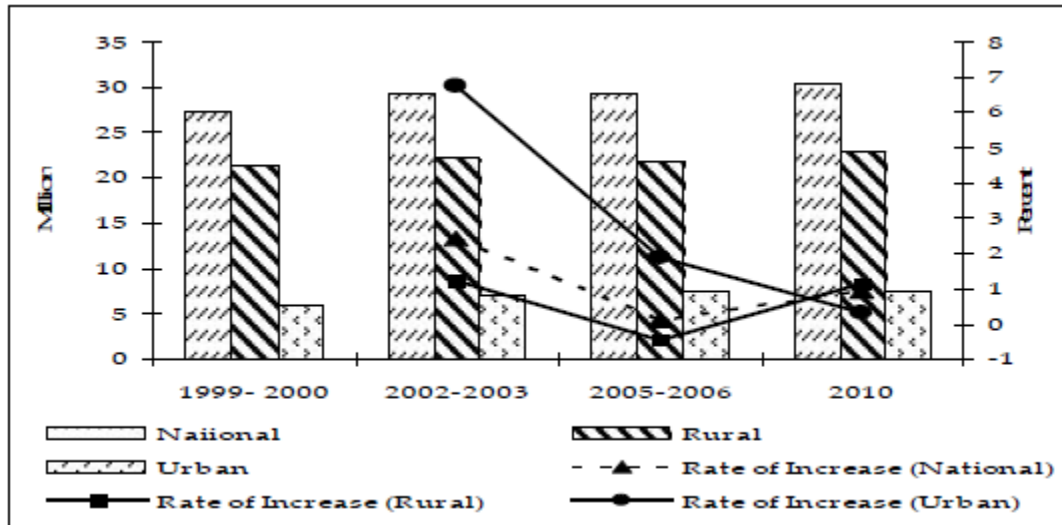
#### 3.1. Women Not In Labour Force

Women not in labour force, however, increased but this increase occurred at slower pace than before. This might be the ultimate result of the accelerated rate of participation of women in labour force in the recent years. The number of women not in labour force increased from 27.3 million in 1999-2000 to 29.3 million in 2002-2003 with a rate of 2.44 percent per year at national level and this rate had been slowing down for the next couple of years. This rate of increase was 0.11 percent and 0.94 percent from 2002-2003 to 2005-2006 and 2005-2006 to 2010 respectively. Similar results are found as well in the rural and urban areas. In the rural areas, the rate of increase was 1.25 percent, -0.45 percent and 1.14 percent during the same period. On the other hand, in the urban areas, this

<sup>1</sup> Labour force or the economically active population is defined as persons aged 15 and over, who are either employed or unemployed during the reference period of the survey (week proceeding to the day of the survey).

increment occurred at a rate of 6.78 percent, 1.88 percent and 0.33 percent respectively during the same period. Additionally, the rate of increase in women not in labour force during the last ten years (i.e. between 1999-2000 and 2010) was 1.17 percent, 0.70 percent and 2.88 percent at national, rural and urban area respectively. The variation in the rate of increase of women not in labour force in the rural and urban areas is mainly found due to the engagement of rural women in different sectors especially, in agriculture.

Figure-2. Women not in labour force (in million)

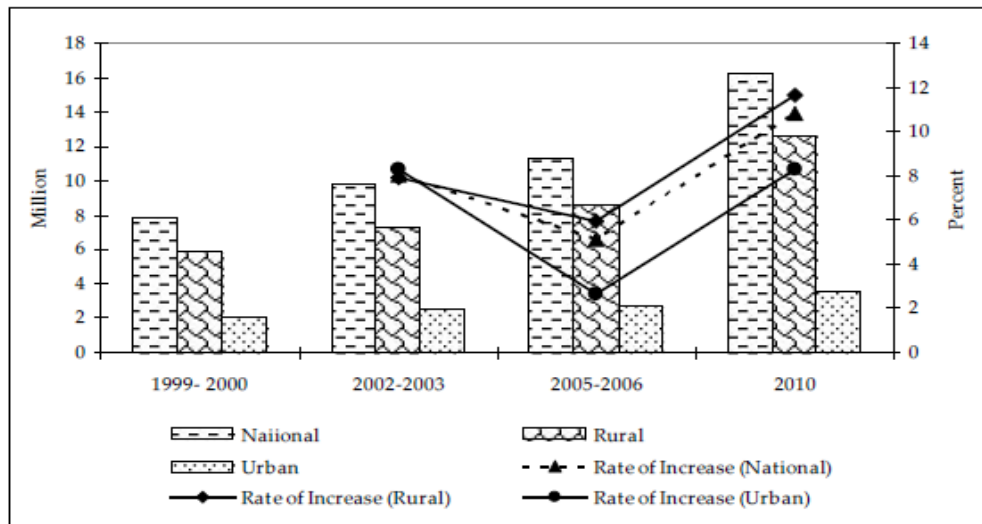


Source: Authors' calculation based on Labour Force Survey (1999-2000, 2002-2003, 2005-2006 and 2010), (Bangladesh Bureau of Statistics, 2002;2004;2008;2011)

#### 4. Employed Women

Female employment is largely poverty-driven. The association between gender and household poverty shows up instead in employment rates (Espino and Azar, 2006). Most of the increase in employment is happened with the low-productivity, low-wage, informal sector due to the relatively limited number of formal sector jobs. Both in terms of the proportion of workers as well as in terms of time, women are heavily involved in poultry raising, crop cultivation, animal husbandry, non-farm services and homestead gardening. Since, these are mostly homestead activities; it is convenient to carry them out in-between conducting domestic duties. The involvement of women in different activities are relatively full-time or nonfarm services. Due to the continuous economic pressures along with deteriorating familial supports, women are being engaged in different types of income generating activities. Under these circumstances, the number of employed<sup>2</sup> women has increased in the recent years. The number of employed women increased from 7.9 million in 1999-2000 to 16.2 million in 2010 with an annual rate of 10.51 percent at national level. On the other hand, in the rural areas, the number of employed women increased to 12.6 million in 2010 from 5.9 million in 1999-2000 with a rate of 11.36 percent per year. On the other hand, in the urban areas, this annual rate of increment was 8.0 percent during the same period. Additionally, it is observed that the number of employed women increased with a greater speed during the last five years than before at national, rural and urban areas. This is occurred mainly due to the survival issues of their lives. A quite helpful support from various income generating activities to maintain their family might be a main reason behind this increased number of female employment. The engagement of rural women in various sectors outside their home especially, in agriculture might be another reason regarding this.

<sup>2</sup> An employed person is a person who either worked for one or more hours for payment or profit or worked without payment in a family farm, enterprise or organization during the reference period or was found not working but had a job or business from which he/she was temporarily absent during the reference period.

**Figure-3.** Employed women (million)

**Source:** Authors' calculation based on Labour Force Survey (1999-2000, 2002-2003, 2005-2006 and 2010), (Bangladesh Bureau of Statistics, 2002;2004;2008;2011)

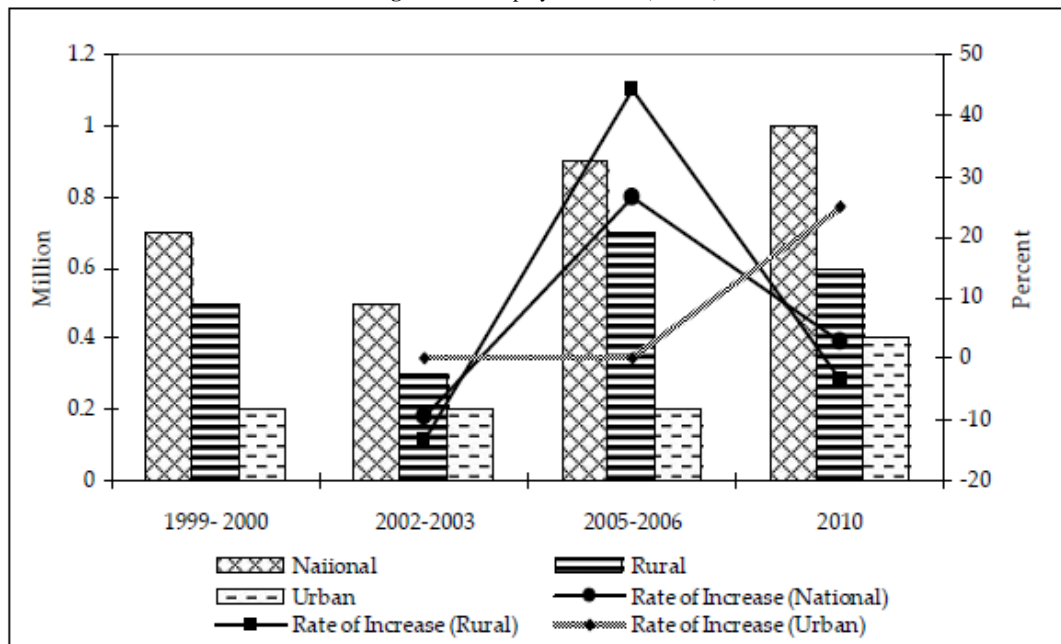
#### 4.1. Unemployed Women

The unemployment rate is lower for women, which suggests that the conventional definition is unsuitable for a country like Bangladesh. Conceptual problems might be more complicated for the women labour force. The underestimation of women unemployment might be higher as women often move out of the labour force when they become unemployed as “discouraged workers”. Moreover, the overwhelming majority of the Bangladeshi women labour force is made up of either the self-employed or unpaid family workers. These types of workers do not consider themselves unemployed even if they are without work (Myrdal, 1966). Unemployed workers do not receive any unemployment benefit in Bangladesh, and therefore, do not have any incentive to reveal their unemployed status to the interviewers.

Studies showed that, many more women than men are unemployed (ILO, 2010). Like employed women, the number of unemployed<sup>3</sup> women increased as well over the years. The number of unemployed women increased from 0.7 million in 1999-2000 to 1 million in 2010 with a rate of 4.29 percent per year at national level. On the other hand, in the rural areas, the number of unemployed population increased to 0.6 million in 2010 from 0.5 million in 1999-2000 with a rate of 2.0 percent whereas, this rate of increase in the urban areas was 10.0 percent during the same period. This higher rate of increase in unemployed women in the urban areas compared to the rural areas might squeeze the job opportunities for women in the urban areas. In the rural areas, on the other hand, women have a better opportunity to engage in agriculture sector. Moreover, lack of work experience, often exacerbated by low/no qualifications, is an obvious and often insurmountable barrier to the employment of women.

<sup>3</sup> An unemployed person is a person who was involuntarily out of gainful employment during the reference period but either:

- (a) had been actively looking for a job; or
- (b) was willing to work but not looking for work because of illness or the belief that no work was available.

**Figure-4.** Unemployed women (million)

**Source:** Authors' calculation based on Labour Force Survey (1999-2000, 2002-2003, 2005-2006 and 2010), (Bangladesh Bureau of Statistics, 2002;2004;2008;2011)

## 5. Main Economic Activity of Women

It is quite evident that, women are largely involved in the non-monetized sectors and in subsistence activities. Participation of women in the labour market has increased with the increasing poverty as well as the breakdown of the supportive kinship umbrella and also due to some demand emerged by some sectors. Over the years, women have been experiencing some major changes in the labour market, primarily in terms of the nature of jobs and opportunities. The main economic activity of a population largely varies according to their sex. More specifically, agricultural occupations include the single biggest group among the male whereas, female are involved in household works. Over the years, the situation is changing along with the main occupational status of women.

In Bangladesh, women are hardly participating in agricultural activities outside home (Abdullah and Zeidenstein, 1982; Hossain and Bayes, 2009). It is apparent that, for female, there is a decrease in household work during 2001 to 2010 (2.10 percent). On the other hand, there is an enormous increase in the percentage of female in agricultural sector (30.26 percent) followed by transport and communication sector (13.33 percent), industrial sector (11.85 percent) and business sector (6.67 percent) during the same period. Decrease in participation of female in household works and increase in other occupational sectors indicates that female are more likely to come out from their traditional works i.e. household works, other works like agriculture, industrial works, transport and communication and business due to generate their income along with their family income. Moreover, the above discussion on labour of woman mobility as well as nature of female labour force suggests that sectoral growth and supply push factors increased the participation of women from home-based to market-oriented activities. To engage the women in more productive and remunerative sectors are therefore, needed by the arrangement of training and education of female labourers.

**Table-1.** Main economic activity of women

Year	HH work	Agriculture	Industry	Transport and Communication	Business
2001	63.86	4.09	0.60	0.05	0.35
2005	52.86	13.69	1.17	0.04	0.29
2007	53.98	13.57	1.25	0.06	0.33
2008	54.69	11.96	0.98	0.06	0.39
2009	52.56	12.82	1.20	0.07	0.42
2010	51.86	15.23	1.24	0.11	0.56
<b>Rate of growth</b>	<b>-2.10</b>	<b>30.26</b>	<b>11.85</b>	<b>13.33</b>	<b>6.67</b>

**Source:** Authors' calculation based on the Report on Sample Vital Registration System, 2010, Bangladesh Bureau of Statistics (2011)

## 6. Accumulation by Dispossession

Female labour force in Bangladesh has significantly increased over the last two decades. In addition participation of women in the paid labour force has been accelerated. This rapid increase in the participation of women in labour force is often termed as feminisation of labour as accelerated by the expansion of the textile and garment industries. The ever increasing pressures to sustain, in the context of growing need and decline familial support, has pushed women to engage in income generating activities. The option for women to make choices and to claim rights to decent employments has remained elusive in the context of survival and hence has been subjected to injustice and dispossession (Titumir, 2013).



However, there is an increase in the participation of women in the labour force but most of them are in low paid worker in available informal sector jobs were the only means for their survival and driven by both pull and push factors (Gaddis and Pieters, 2012). Most of the women come from the rural areas while their financial condition induces them to enter to the low paid jobs. Basically, spatial restructuring of the production process entails shifting the production units from advanced capitalist countries to the third world countries to access the cheap labour, for the realisation of absolute surplus value. Informalisation of the production process is associated with this process which involves contractualisation of labour, reformation in labour laws and deunionization.

Sense of dispossession in rights is also visible which eventually, leads to the decline or absence of the entitlements (wages, pensions, social security benefits etc.) as well. These processes release a set of assets (in this case labour power) at a very lower cost and thus, over-accumulated capital can seize hold of it, turning it to a profitable use immediately.

Supply of labour has some fundamental impacts to establish the labour rights. When there is a higher demand for labour compared to supply, bargaining power of the workers is surely enhanced therefore, the working conditions start to improve and wages are pushed up. On the other hand, when the supply of labour exceeds the demands for labour, the workers have lower bargaining power and little alternatives. As a result, their wages remain depressed, work conditions remain poor and employers can exercise their 'taste for discrimination.' Under these circumstances, the more rapid growth of the women labour force in Bangladesh is subject to dispossession.

The employment of women from poor setting rural areas in various job sectors especially in garment industries is designed by the business elites to earn more money by exploiting the allegiant and malleable poor women who, because of their poor economic and cultural backgrounds, are unable to resist the exploitations of the rapacious employers. Most of the workers in the private manufacturing sectors do not get various non-wage benefits, enjoyed by their counterparts in the public sectors such as accommodation and transportation facilities, subsidized meals, maternity protection, medical allowances, bonuses, pension, provident fund and insurance benefits. There are other decent work deficits as well. The average compensation of the workers especially, for the women is not sufficient to maintain a minimum standard of living given the rate of inflation in the country. Delayed wage payments, long extra working hours, work discrimination, unsafe working conditions and poor work environments are there as well.

It is known that most of the female employees, working in various sectors of labour markets especially, in the garments industries are subject to the discrimination and they are far behind from the justice. In addition, they have no alternative choices as well. For example, in the garment industry of Bangladesh, occurrence of fire incidents have been persistent problems for more than a decade, where hundreds of workers specifically, female have been killed over the years. Still, this sector remains as the host of female job opportunity. Female are still working in garments industries by bearing a fear of death from fire accident. The profit drives the entire production process and the labour is exploited more and more for increasing profits. Women's softness, meekness along with allegiant nature representing the concept of 'docility' are very useful in the so-called sound industrial relations in terms of exploiting and depriving women labour from their rights. They are, however, benefited by earning money compromising with their legal rights. This situation might be seen as an accumulation by dispossession.

In the area of labour development, the revised Bangladesh Labour Law (BLL) of 2006 (BLL), an amalgamation of the previous 25 labour laws, has got some weaknesses. All the workers are not suitable to have the basic rights spelled out in the law. There are also rampant violations and non-implementation or non-enforcement of the BLL. All these, have a positive effect on the process of accumulation by dispossession.

## 7. Conclusions and Recommendations

This paper aims to highlight a striking feature of women labour in Bangladesh. The results of this paper might be useful enough in formulating effective policies and programmes along with perfect implementation of such programmes. Generally, in Bangladesh, the policy response to the employment of women has been largely related to poverty reduction or anti-poverty programmes, safety-nets, social protection initiatives, small livelihoods programmes, and micro-credit with less concentration to the manner in which this links to the macro policy framework. Issues of wage discrimination, links to the markets for rural groups of women and their scaling up have been in the public discourse, but have largely been ignored by the policies. In fact, the employment of women has been viewed from welfare or poverty reduction perspective rather than a core growth issue.

Many low-income countries in the world like Bangladesh, creation of new opportunities for wage employment for women has occurred due to the expansion of export-oriented manufacturing sector. Comparative advantage of women than the male as a docile and less skilled labour force has resulted in such expansion of job opportunities for them. Cheaper labour, coupled with trade liberalization has pulled women in labour force. Therefore, structural adjustment reform policies should be promoted. As the majority of women are engaged in agriculture or agriculture based occupations, policies are needed to address the related issues that would boost the productivity of women in the agricultural sector. Additionally, since the access of poor women in wage work is so poor, policies are required as well based on a better understanding of the manner in which large public employment programmes can benefit the women, finding the barriers to greater participation.

Moreover, Bangladesh should give the highest priority to a higher employment intensive economic growth by adopting a number of strategies like expansion of large scale manufacturing industries, rapid growth of small and medium enterprises, widening micro credit based and targeted employment generation programmes, especially for the poor in both the rural and urban areas as well as continuation and further strengthening of social safety net programmes to provide employment during lean seasons and at the time of natural disasters ;providing credit, training for self-employment and last but not least, ensuring proper work environment through the legal rights. The

government must need creativity in renewing and revising strategies and approaches, for the women employment. Therefore, provisions must be formulated for the evaluation of programmes and for understanding the impacts as well. For example, affirmative action has been given importance in policy documents, but programmatic intervention is neither adequate nor implemented with vigour. Unless state functions, a few legal or income promotion and safety net programmes for the women cannot contribute significantly towards promoting the employment of women.

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