Evidence-based e-government policies for advancing governmental service delivery and accountability in support of the Sustainable Development Goals

A Joint Project of
- United Nations Department of Economic and Social Affairs (UNDESA), and
- Access to Information Programme (a2i), Government of the People's Republic of Bangladesh

Decent Work, Employment, and Economic Growth in Bangladesh

A Concept Note

Foreword

This concept note is prepared as part of an ongoing action-oriented project entitled ‘Evidence-based e-government policies for advancing governmental service delivery and accountability in support of the Sustainable Development Goals (SDGs).’

It is a joint initiative of the United Nations Department of Economic and Social Affairs (UNDESA) and the Access to Information (a2i) Programme at the ICT Division, Government of the People's Republic of Bangladesh. The broader goal of the project is to identify how people, processes, tools, and techniques related to information communication technology (ICT) can support the implementation of the Sustainable Development Goals (SDGs) by concerned ministries and agencies in Bangladesh, including through identifying data and policy gaps. The project team has identified decent work and economic growth, amongst others, as a priority area for Bangladesh.

This concept note is prepared on the basis of data collected from five sources: (a) desk research on open source materials such as published reports and review of SDG Tracker data; (b) consultations with the Ministry of Labour and Employment (MoLE), the lead ministry in Bangladesh for implementing SDG 4.4.1; (c) SDG Action Plan of the lead ministry MoLE; (d) field visit to Kishoreganj district; and (e) review of the proceedings of a national capacity development workshop held in Dhaka in 2018.

This concept note has six parts as stated below:

1. Background
2. Issues and Priorities
3. Measuring progress with available data
4. Lead agencies and actors
5. Data collection and data gaps

1 For the UN system, the project code is DA 1617B-Bangladesh.
2 The field visit was conducted on 5-6 June 2018. During the field trip, the project team met concerned stakeholders at the District Employment and Manpower Office (DEMO), a agency that facilitates the process of international labour migration from Bangladesh. DEMO operates under the authority of Bureau of Manpower, Employment and Training, a lead institution under the Ministry of Expatriates’ Welfare and Overseas Employment, Government of Bangladesh.
3 The second national capacity development workshop on ‘Building Institutional Capacity for E-Government Data Analysis and Evidence-based Decision-Making to Support Sustainable Development Goals’ was jointly organized by UN DESA and a2i on 26-27 June 2018.
1. Background

Since independence in 1971, Bangladesh has experienced significant economic progresses. It now has a high proportion of people in the working age groups. Each year more than 1 million jobs were added in the country during the last decade (2000-2010). Women’s participation in the workforce has also increased, especially in the ready made garment industry. Despite that poverty rate is high and unemployment remains a problem, especially in the rural areas. Wage gaps also persist between men and women. There is a variation in the participation of workforce in various sectors. Agriculture accounts for the largest sector (42.6%), followed by service sector (36.9%), and industry (20.5%).

The frequency of payment from employment activities also vary. The labour force survey finds that out of a total 23.6 million paid employees, 55.1 per cent were paid on a monthly basis, 35.1 per cent on a daily basis, 8.3 per cent on weekly basis, and 1.6 per cent on other basis. Wage gaps between men and women is higher in certain professional categories, especially in skilled agriculture, forestry, fisheries, and elementary works.

Table 1. SDG Target and Indicators related to Decent Work, Unemployment, and Economic Growth

<table>
<thead>
<tr>
<th>SDG 8</th>
<th>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target 8.5</td>
<td>By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</td>
</tr>
<tr>
<td>Indicator 8.5.1</td>
<td>Average hourly earnings of female and male employees, by occupation, age and persons with disabilities.</td>
</tr>
<tr>
<td>Indicator 8.5.2</td>
<td>Unemployment rate, by sex, age and persons with disabilities.</td>
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</table>

Against this background, Bangladesh Government is committed to implementing SDG 8 that focuses on inclusive and sustainable economic growth, full and productive employment and decent work for all. Table 1 shows the relevant SDG target and indicator for the purpose of this concept note.

2. Issues and priorities

According to the 7th Five Year Plan (2016-2020), Bangladesh prioritizes moving from an agro-based economy to a manufacturing and service sectors based economy. With abundant supply of productive

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7 BBS, Report on QLSF, p. 85.
8 BBS, Report on QLSF, p. 86.
labour, the government encourages labour-intensive manufacturing and outmigration of Bangladeshi workers especially in the Middle East.\(^9\) With regard to wage income, the government identifies several issues and priorities: increase in agricultural wage, narrowing gender gap in agricultural wage, reducing spatial wage differential, increasing foreign remittance inflow, and expansion of microcredit and SME loans. With regard to employment expansion, the 7\(^{th}\) Five Year Plan projects that between 2015 and 2020, nearly 13 million jobs will be created—10 million at home and 2 million abroad. During the same time only 12 million people is projected to join the workforce, resulting in an excess one million job created in the country.\(^10\)

The structural transformation in the economy—moving from an agro-based to a manufacturing economy—is expected to have the twin effects of employment expansion and improved wages. First, the large majority of the labour force in the country is still concentrated in the agriculture sector and agricultural workers tend to come from the poorest segment of the society. However, agricultural wages have increased from 2010 to 2014. Increased productivity and increased real wage in this sector are of top priority for the government.\(^11\) Second, with increased participation of women in the workforce, the absolute wage gaps continue but the relative wage gaps are narrowing. Third, the wage difference between the most poverty-stricken district Rangpur has significantly reduced from 30 per cent in 2010 to 17 per cent in 2014 indicating progress in nation-wide poverty reduction. Fourth, foreign remittances sent by expatriate Bangladeshi workers increased from 11 billion USD in 2010 to 15 billion USD, and women now constitute 17 per cent of the migrant workers from Bangladesh. Fifth, the government has introduced policies and programs for increased distribution of microcredit and an expansion of small and medium enterprises (SME). Women now constitute 91% of microcredit loans and 15% SME loans.\(^12\)

In its first version of the SDG Action Plan, the lead agency for SDG 8.5.1 and 8.5.2, the Ministry of Labour and Employment (MoLE), identified six ongoing projects to achieve the 7\(^{th}\) Five Year Plan goals (Appendix 1). MoLE is implementing the largest project, NARI, which aims at poverty reduction in northern Bangladesh. The rest of the projects are implemented by the Ministry of Youth and Sports, and aimed at training for employment and self-employment opportunities, and capacity building for youth development facilities.\(^13\) The Action Plan also notes the importance of aligning national skills development policy and domestic migration policy with the SDG Target 8.5.

### 3. Measuring progress with available data

The Quarterly Labour Force Survey (QLSF) 2015-2016, published by Bangladesh Bureau of Statistics, provides baseline data for measuring progress on 8.51 and 8.5.2. Although the global SDG data requires hourly income, QLSF data shows monthly income. Although disaggregated data for age,

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\(^10\) Ministry of Planning, 7\(^{th}\) Five Year Plan, p. 48.

\(^11\) Ministry of Planning, 7\(^{th}\) Five Year Plan, p. 8.

\(^12\) Ministry of Planning, 7\(^{th}\) Five Year Plan, p. 10.

gender, and profession are available, gaps exist in the availability of data by disabilities. Figures 1 and 2 show relevant data for measuring progress on SDG 8.5.1. Further data are not available to compare how much Bangladesh has progressed toward achieving the target. Data for persons with disability are currently not available. The BBS plans to generate such data from the next round of QLSF.

Figure 1: Average Monthly Income in Bangladesh, 2015-2016


Figure 2: Gender Gap in Average Monthly Income in Bangladesh, 2015-2016


Figure 3: Unemployment Rate in Bangladesh, 2015-2030

4. Lead agencies and actors

The Ministry of Labour and Employment (MoLE) is the lead agency responsible for implementing SDG 8.5.1. It aims to reduce poverty and unemployment through the creation of productive employment and human resource development and the maintenance of industrial relations between workers and employers.

Since poverty alleviation and the expansion of employment opportunities fall into the jurisdiction of several other government agencies and ministries, the Bangladesh Government has designated a number ministries as ‘associate ministries’ for SDG 8.5. The list includes Legislative and Parliamentary Affairs Division of Ministry of Law, Justice, and Parliamentary Affairs, Ministry of Expatriates Welfare and Overseas Employment, Financial Institutions Division of Ministry of Finance, Bangladesh Bank, Ministry of Foreign Affairs, Ministry of Industries, Ministries of Social Work, Ministry of Women and Children's Affairs, Ministry of Youth and Sports, Ministry of Education, and the Statistics and Informatics Division, Bangladesh Bureau of Statistics. The Ministry of Social Welfare is responsible for addressing the needs of disabilities.

Although MoLE is lead ministry for implementing SDG 8.5.1, it is dependent on peer ministries for achieving its goal. For instance, the Ministry of Finance has the mandate to determine the wage across various sectors, and the Ministry of Expatriates’ Welfare and Overseas Employment is responsible for overseeing technical and vocational training provided by the Technical Training Centers. The National Skills Development Council, which is now located at the Prime Minister’s Office, has a role to play in promoting skilled human resources for productive employment.

The Government creates the Minimum Wage Board (MWB) which determines the wage for the readymade garment workers. MWB represents three types of stakeholders—workers, employers, and the government. The minimum wages for the RMG sector workers were set in 2006, 2010, and
2013. In 2018, the government set up a new MWB to revise the minimum wage for the RMG sector workers.

5. Data collection and data gaps

The Statistics and Informatics Division (SID) of Bangladesh Bureau of Statistics (BBS) is responsible for collection of data related to 8.5.1 and 8.5.2. As stated before, the Report on Quarterly Labour Force Survey (QLFS), published by the BBS, provides updated data on average monthly income.

Disaggregated data for persons with disabilities are not available. It is not clear how frequently BBS will collect data related to earning from employment to monitor progresses by indicator 8.5.1. As for indicator 8.5.2, currently unemployment data for the age group 15-24 is only available for the base year and the projected (milestone) years. Unemployment data for other age groups are partially available.

6. Implementation Strategy: Recommended Actions

Concerned stakeholders consulted for this joint project recommend the following actions to implement the SDG 8.5.1 and 8.5.2:

I. **Identify data gaps**, especially those related to hourly wage, and disaggregation by gender, age group, and persons with disability.

II. **Assist lead agency—the Ministry of Labour and Employment— and BBS to development plans and strategies** for systematic collection, analysis, publication, and visualization of data related to SDG indicators 8.5.1 and 8.5.2.

III. **Promote inter-agency collaboration** between the Ministries of Labour and Employment and other associate ministries.

IV. **Conceptualize and implement one ICT-enabled application and service** to support the implementation of SDG 8.5.1 and 8.5.2. Among the ongoing projects, NARI (Northern Areas Reduction of Poverty Initiative) currently uses some ICT tools. Other projects such as the construction of a youth center and the overall outcomes of IT training facilities and various jobs and enterprise development skills and loan programs at the district-level Youth Development Centers should be brought under a management information system (MIS) for close monitoring the Department of Youth Development, which operate under the Ministry of Youth and Sports. In the absence of an MIS, lead and associate

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14 This was proposed by senior officials from the Ministry of Labour and Employment and delegates from other concerned ministries and agencies who attending the second national capacity development workshop on 'Building Institutional Capacity for E-Government Data Analysis and Evidence-based Decision-Making to Support Sustainable Development Goals' was jointly organized by UN DESA and a2i on 26-27 June 2018.
ministries lack access to readily available administrative data on wage and employment from the field level offices.15

V. Conceptualize and develop policy, in consultation with various stakeholders, to introduce a management information system for the close monitoring of progress for the implementation of SDG 8.5.1 and 8.5.2

Appendix 1: Ongoing Projects for Achieving 7th FYP by Ministry of Labour and Employment and the Ministry of Youth and Sports

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<thead>
<tr>
<th>Title of Project</th>
<th>Duration</th>
<th>Estimated Cost (BDT Million)</th>
</tr>
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<tbody>
<tr>
<td>Northern Areas Reduction of Poverty Initiative (NARI)</td>
<td>Jan. 2011 - Dec. 2018</td>
<td>32434.00</td>
</tr>
<tr>
<td>Strengthening Training Programmes at Upazila level for</td>
<td>Jan. 2012 - Dec. 2017</td>
<td>1058.00</td>
</tr>
<tr>
<td>Creation of Employment and Self-employment Opportunities</td>
<td></td>
<td></td>
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<tr>
<td>through Comprehensive Technology (IMPACT) 2nd Phase</td>
<td></td>
<td></td>
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<tr>
<td>Young Centre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology Empowerment Centre on Wheels for Underprivileged</td>
<td>Jan. 2015- Dec. 2019</td>
<td>200.00</td>
</tr>
<tr>
<td>Rural Young People of Bangladesh</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enhancing Capacity of the Department of Youth Development</td>
<td>July 2016-June 2019</td>
<td>175.99</td>
</tr>
<tr>
<td>for Training in Information Technology in 64 Districts.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Note: These projects were listed in the first draft of the SDG Action Plan for 8.5.1 and 8.5.2. A revised action plan of the Ministry of Labour and Employment, dated 26 January 2018, mentions only the NARI Project and adds two other projects—one on insurance scheme for workers and the other on harmonious industrial relations in the readymade garment industry.

15 This lack of digitized data availability is more of a problem for the Department of Youth Development and its district level offices. However, the Bureau of Manpower, Employment and Training manages a real time data sharing platform that allows it to generate, analyze, and visualize data for international labour migration from Bangladesh.
Note on authors and correspondence: This concept note is the product of a team work carried out by Wai Min, Ramiz Uddin, ASM Ali Ashraf, Ronan Gomes, Tito Chakma, and Sadia Afrose Shampa. ASM Ali Ashraf produced the first draft with substantial inputs from Wai Min and Tito Chakma. The authors acknowledge inputs from the Ministry of Labour and Employment, Government of the Peoples Republic of Bangladesh for useful comments on an earlier version. Inquiries regarding the content of this concept note can be directed to: kwok@un.org, ramizuddin@a2i.pmo.gov.bd, aliashraf79@gmail.com.