Labor Situation of Bangladesh:
Impact of COVID19 on Employment

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About Bangladesh

- **Bangladesh – A "development surprise".**
- **28th largest economy by 2030**
- **Bangladesh is in 'Next 11' list after the BRICS nations**
- **Clearly the preferred next stop for the sourcing caravan**

About BEF

BEF registered in 1998 with a vision to be the leader in ensuring harmonious industrial relations and productive employment for sustainable socio economic development.

Our objective is to protect and promote the legitimate rights, and represent the views of employers on employment and related socio economic policy issues at national and international level and also to facilitate labor market need and skills development for enterprise sustainability and national economic growth

Overall Labor Market of Bangladesh

- Bangladesh is considered as a labor surplus economy
- Ranked as the 6th largest manpower exporting country.
- Average labor force participation rate is 58.2 %.
- 85.1% of the total employed persons are in informal employment, while only 14.9% are in formal employment.
- By industry, the largest proportion of the employed population was engaged in agriculture, at 40.6%, followed by 14.4% in manufacturing, and 14.25% in wholesale and retail trade.
- By main industrial sector, agriculture employed 40.6% of the employed persons, followed by service, at 39.0%, with the smallest proportion in the industry sector, at 20.4%.

Impact of COVID19 on Employment

- Why it matters???
- Employment generation has been a problem for the past decade.
- Covid-19 has put additional pressure on the labor market in Bangladesh.
- Influx of returnee migrant workers.
- Drop in global demand from the main trading partners.
- Workplace, market closures, and restrictions on mobility.
- Loss of employments

Impact of COVID19 on Employment

- Highest rate of hours lost, at 12.5 per cent
- Estimated job loss ranging 1.4–3.7 million
- Poverty arising from COVID-19 fallout

Chart ▬ People in poverty

	Total poor (million)	New poor (million)	Poverty rate (%)
SANEM	70.0	36.0	40.90%
CPD	68.4-75.7	34.4-41.7	40%-44%
PRI	58.1	24.1	34.10%

- SDG 2030: Goals and targets are in a threat.
- Long-term socio-economic impacts.
- Rise in food and non-food inflation.
- Reverse migration from urban to rural.

Countermeasures of the Government

- Lockdown, isolation, travel limitation, hazard control in workforce, and screening at airports and so forth.

- Stimulus package for RMG industries to pay the due wages.

- Stimulus package for CMSMEs.

- Policy support by the Central Bank.

- Extension of paying due bills without penalty.

- Expedited the health services for the mass population.

- Creation of employment in the health services.

- Increase of Social Safety-net Protection.

Thank you

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Questions???