



# **Challenges and Lesson Learned from Creating Employment for Returnee Migrant Workers : A Case Study from Bangladesh**

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# Labour Force Scenario

**Economically Active Population**  
( Labour Force in Bangladesh (Million) (15+)

**Total: 49.5 million**

**Male: 37.3 million**

**Female: 12.1 million**

*Source : Labour Force Survey 2005-2006*

# Labour Market Context

## Employed Population

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Total:	47.4 million
Male:	36.1 million
Female:	11.3 million

# Labour Market Context

Unemployed Population (million)

Total:	2.1 million
Male:	1.2 million
Female:	0.9 million

# Female Employment by Sector

Formal Sector: 1.6 Million [LFS/2005-6]  
Informal Sector: 9.7 Million

## Legal Coverage:

Formal Sector is apparently covered by Labour Law 2006



# Informal Economy

Mostly unregulated and not covered by existing labour law and labour inspection system



## Overall Labour Market Scenario

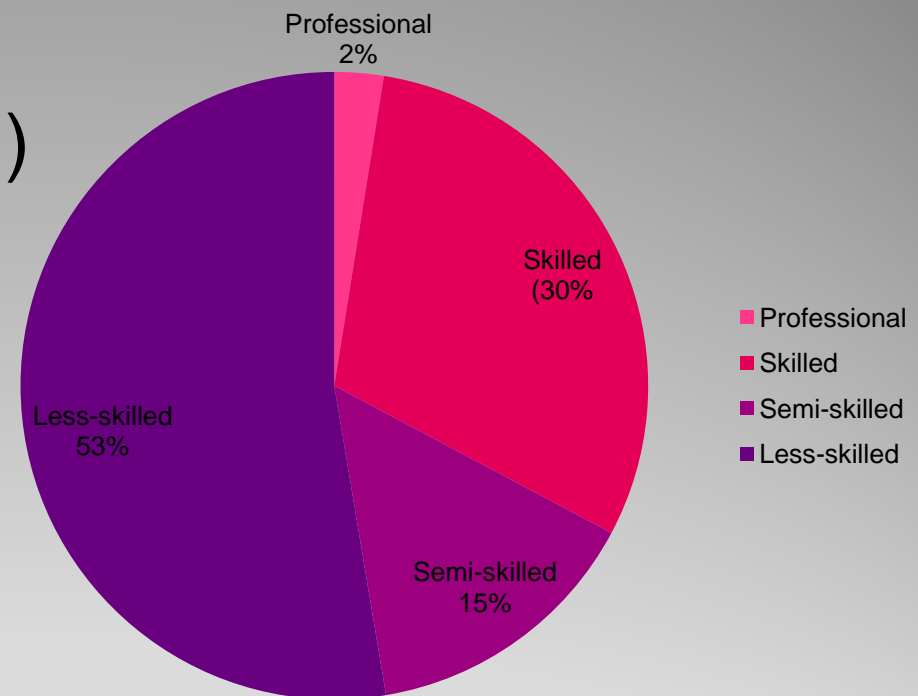
1. High rate of labour force growth
2. Low rate of unemployment and high rate of under-employment
3. Smaller share of female employment
4. Low wage rates

# Overseas Employment

- Number of Migrants

**71,14,410** ( 1975-2010 )

- Professional 2.53%
- Skilled 30.24%
- Semi-skilled 14.59%
- Less skilled 52.63%





# Female Migrants

Since 1991- February 2011

Total female migrants : 1,53,976

## Country Wise Statistics

<b>UAE</b>	<b>43000</b>
<b>Lebanon</b>	<b>41,562</b>
<b>KSA</b>	<b>31,238</b>

- Female migration covers 6.60% of total migration

## Year Wise Remittance Flow ( US \$ )

2006	5484.08
2007	6568.03
2008	9019.6
2009	10717.73
2010	9962.96

# Impact of Global Financial Crisis on Migration

- Reduced overseas employment for Bangladesh workers
- Return of Bangladeshi Migrants
- Enforcement of restrictive immigration policies in receiving countries
- Effects on Remittance Flow

## Return of Bangladeshi Migrants : Recent Scenario

- 72,000 migrants returned in 2009
- 43,503 migrants returned in 2010

Libya Crisis in  
2011( March-April )

Total number of returnee  
migrants from Libya

34,577



## **GoB Response to Returnees from Libya**

- GoB requested IOM for safe return of Bangladeshi workers living in risks
- Provided 14 dollar to each returnee in cash, a food packet and free transport from airport to nearest stations
- Signed an MoU with World Bank for soft loan

## Utilization of World Bank Loan

- Payment of air fare – 1260 dollar for carrying each migrants
- Cash Assistance \$ 715 to each returnee
- Provision for soft loan to invest in SME or overseas employment again.

## **Private Sector Response**

RMG Sector expressed willingness to employ the returnees based on their skill.

Currently 25% machines in the factories are lying idle in absence of skilled operators.

# Lesson Learned from Employment Generations

1. GoB has no specific plan for employment generation to returnee migrants
2. Newly introduced Expatriate Welfare Bank will provide business loan and also loan for overseas employment
3. NGOs and Commercial Banks are providing loan for developing SMEs



## MFI Experience from working with returnees

- MFI survey reveals following information
- 54% returnees invested remittances in entrepreneurship development, where employment created on average for 4 persons
- 78% realize that additional capital can expand their entrepreneurship

## MFI Experience from working with returnees

- 29% require requires managerial skills
- 27% requires training on technical skills
- 55% respondents are ready to pay for training program
- 22% are worried about risk factors.

# Challenges for Creating Employment Opportunity

- ❖ Deficit of Information
- ❖ Lack of Need Assessment Findings
- ❖ Utilization of Remittance in Non-productive Areas
- ❖ Inadequate Resources of MFIs
- ❖ Lack of coordination among the service providers
- ❖ Absence of Social dialogue

## Recommendations at national level

- ❑ **Establishing a national data bank on returnee migrants**
- ❑ **Institutional framework for Wage earners Welfare Fund**
- ❑ **Special SME Schemes and Job links for returnee migrants**

## Recommendations at national level

- ❑ **Strong Enforcement of regulatory mechanism**
- ❑ **Capacity building of labour Attaches in labour receiving countries**
- ❑ **Explore new market in abroad**

## **Possible involvement by IDB**

- Support to MFIs for promoting SME by returnees
- Partnership with private sector for employment creation to returnees
- Support for expanding skill development programmes having partnership with GoB, ILO and IOM.

Thank You

