

CHAPTER 3

PRICES, WAGES AND EMPLOYMENT

[Prices, wages and employment are the three most important indicators for an economy. Price level is explained by the Consumer Price Index (CPI). According to CPI, the inflation rate in FY 2013-14 was 7.35 percent at the national level, which was 6.78 percent in FY 2012-13. During this period, the non-food inflation declined to 5.55 percent. To contain inflation, the Government has taken a wide range of measures which include ensuring smooth supply of food items. According to the latest survey conducted by BBS, the number of economically active population above 15 years in the country is 5.67 crore, out of which, a labour force of 5.41 crore (male 3.79 crore and female 1.62 crore) is engaged in a number of professions. Agriculture still remains the highest source of employment that absorbs 47.33 percent of the workforce. According to the Wages Rate Index, nominal wage rate has been on the rise. A sizeable number of Bangladeshi labour force is employed abroad, of which a total of 4,09,000 Bangladeshi workers went abroad for employment during FY 2013-14. The remittances of the expatriate workers stood at US\$ 14,228.30 million in FY 2013-14. Of the total expatriate workers, more than 70 percent are employed in the Middle East. The recent political turmoil in this region has become a matter of concern for Bangladesh. In order to ensure unhindered export of manpower, BOESL has been strengthened. In addition the Government has stepped up efforts to explore labour market in other countries as well. In order to ensure smooth inflow of remittances, the Government has taken a number of measures which include among others expansion of labour market, exporting manpower through G to G, establishment of Probashi Kalyan Bank, modernisation of emigration process, formation of Wage Earners Welfare Board in the Bureau of Manpower Employment and Training.]

Consumer Price Index and Inflation

Bangladesh Bureau of Statistics (BBS) computes National Consumer Price Index (CPI) using food and non-food commodities basket and services consumed by the consumers in their day-to-day life. In order to construct the price index, the commodity and weight of the index basket from the Household Income and Expenditure Survey (HIES) 2005-06 have been used. All rural and urban price indices were compiled using the lists of consumer goods of rural and urban households based on the survey. And finally, the national price index is computed by taking into account the weighted average of consumption expenditures of the two areas. All indices are shown separately in food and non-food groups which are again divided into a number of sub groups. Consumer Price Index and inflation during FY 2007-08 to FY 2013-14 are shown in Tables 3.1.

Table 3.1: Consumer Price Index and Inflation

Base year 2005-2006

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
General index	122.84	132.17	141.18	156.59	170.19	181.73	195.08
Inflation	(12.30)	(7.60)	(6.82)	(10.91)	(8.69)	(6.78)	(7.35)
Food index	130.36	140.61	149.40	170.48	183.65	193.24	209.79
Inflation	(17.78)	(7.91)	(6.25)	(14.11)	(7.72)	(5.22)	(8.56)
Non-food index	113.27	121.36	130.66	138.77	152.94	166.97	176.23
Inflation	(6.35)	(7.14)	(7.66)	(6.21)	(10.21)	(9.17)	(5.55)

Source: Bangladesh Bureau of Statistics

Figure 3.1: Rate of Inflation National

The rate of inflation in FY 2013-14 rose to 7.35 percent which was 6.78 percent in the previous fiscal year. From the above table and graph, it is observed that there has been a decreasing trend of inflation from FY 2007-08 to FY 2009-10. In FY 2010-11, the rate of inflation went up but in FY 2011-12 it started moving downward and continued declining in FY 2012-13. The rate of inflation in FY 2013-14 again moved up at 7.35 percent. During FY 2013-14, non-food inflation was lower than food inflation.

The rate of inflation at the national level in July, 2013 was 7.85 percent on a point-to-point basis. The present Government has taken a number of initiatives to lower the price level and to keep the prices of essential commodities such as rice, edible oil, pulse etc. stable. As a result, the rate of inflation decreased to 6.97 percent in June, 2014. During this period, non-food inflation declined to 5.45 percent in June, 2014 from 7.75 percent in June, 2013 showing a sharp decrease. The monthly rate of inflation during FY 2013-14 calculated on a point-to-point basis is presented in Table 3.2.

Table 3.2: Monthly Rate of inflation Point to point during FY 2013-14
(Base Year 2005-2006=100)

		2013-14												
		July'13	Aug'13	Sep'13	Oct'13	Nov'13	Dec'13	Jan'14	Feb'14	Mar'14	Apr'14	May'14	June'14	Average
National	General	7.85	7.39	7.13	7.03	7.15	7.35	7.50	7.44	7.48	7.46	7.48	6.97	7.35
	Food	8.14	8.09	7.93	8.38	8.55	9.05	8.81	8.84	8.96	8.95	9.09	8.00	8.56
	Non-food	7.40	6.35	5.94	5.02	5.08	4.88	5.53	5.37	5.26	5.23	5.16	5.45	5.55
Rural	General	7.43	6.90	6.77	6.78	6.92	7.92	7.24	7.17	7.98	7.19	7.27	6.73	7.07
	Food	7.52	7.50	7.43	7.86	8.06	8.63	8.39	8.42	9.98	8.52	8.72	7.64	8.11
	Non-food	7.27	5.83	5.59	4.84	4.88	4.69	5.17	4.92	5.88	4.81	4.71	5.12	5.21
Urban	General	8.64	8.34	7.82	7.52	7.58	7.58	7.97	7.97	7.21	7.96	7.92	7.42	7.89
	Food	9.65	9.52	9.11	9.64	9.67	9.89	9.80	9.84	8.53	9.99	9.98	8.87	9.67
	Non-food	7.59	7.08	6.44	5.28	5.35	5.13	6.04	5.99	4.83	5.83	5.79	5.91	6.01

Source: Bangladesh Bureau of Statistics

Wages Rate Index

Bangladesh Bureau of Statistics has constructed a Wage Rate Index (WRI) using 1969-70 as the base year. The WRI from FY 2001-02 to FY 2012-13 is presented in Table 3.3. It has been observed from the table that the nominal wage rate index kept on rising from FY 2004-05 to FY 2008-09. During FY 2001-02 to FY 2003-04 and in FY 2009-10 the nominal wage rate was fluctuating. Besides, nominal wage rate was on the rise during FY 2010-11 to FY 2012-13. And in FY 2012-13 the nominal WRI rose by 14.73 percent compared to that of the previous fiscal year. During FY 2012-13 the wage rate index of agriculture, fisheries and manufacturing sectors also increased by 21.44 percent, 16.08 percent and 10.48 percent respectively. Compared to these sectors, the wage rate indices of agriculture sector are much higher and have been the highest during the recent times. It is to be noted that, in FY 2012-13, the wage rate indices of agriculture sector increased by 21.44 percent.

Table 3.3: Rate of Increase in Wages
Base year 1969-70=100

Fiscal Year	Nominal Wage Rate Index					CPI for Industrial Labour National	Real Wage Rate Index General
	General	Agriculture	Fisheries	Manufacturing	Construction		
2001-02	2637 (5.95)	2262 (5.65)	2411 (5.19)	3035 (7.17)	2444 (3.74)	2024 (1.25)	130 (4.00)
2002-03	2926 (10.96)	2443 (8.00)	2563 (6.30)	3501 (15.35)	2624 (7.36)	2068 (2.17)	141 (8.46)
2003-04	3111 (6.31)	2582 (5.69)	2775 (8.28)	3765 (7.55)	2669 (1.69)	2129 (2.95)	146 (3.55)

Fiscal Year	Nominal Wage Rate Index					CPI for Industrial Labour National	Real Wage Rate Index General
	General	Agriculture	Fisheries	Manufacturing	Construction		
2004-05	3293 (5.85)	2719 (5.31)	2957 (6.55)	4015 (6.64)	2758 (3.33)	2216 (4.08)	149 (2.05)
2005-06	3507 (6.50)	2926 (7.61)	3133 (5.95)	4293 (6.92)	2889 (4.75)	2351 (6.09)	149 (0.00)
2006-07	3779 (7.76)	3156 (7.69)	3332 (6.35)	4636 (7.99)	3135 (8.52)	2524 (7.36)	150 (0.67)
2007-08	4227 (11.85)	3524 (11.66)	3669 (10.11)	5197 (12.10)	3549 (13.20)	2740 (8.56)	154 (2.67)
2008-09	5026 (18.90)	4274 (21.28)	4236 (15.45)	6128 (17.91)	4311 (21.47)	2885 (5.30)	174 (12.92)
2009-10	5562 (10.67)	4985 (16.65)	4821 (14)	6620 (13.95)	4756 (10.31)	----	----
2010-11	5782 (6.27)	5326 (10.87)	5043 (6.69)	6778 (3.96)	4983 (7.55)	----	----
2011-12	6469 (11.88)	6134 (15.17)	5187 (2.86)	7221 (6.54)	6583 (32.10)	----	----
2012-13	7422 (14.73)	7448 (21.44)	6021 (16.08)	7978 (10.48)	7684 (16.73)	----	----

Source: BBS

Note: BBS has not published the consumer price index of industrial labour after FY 2005-06. Figures for FY 2006-07 to FY 2008-09 have been calculated by using the trend analysis of the ratio of CPI and Industrial CPI of FY 2005-06 and before.

Labour Force and Employment

In order to assess the overall situation of employment, Bangladesh Bureau of Statistics (BBS) conducts the Labour Force Survey (LFS). According to the latest survey of BBS titled 'Labour Force Survey 2010', the number of economically active population above 15 years is 5.67 crore. Out of this, as many as 5.41 crore people (male 3.79 crore and female 1.62 crore) are engaged in a number of professions, the highest 47.33 percent still being in agriculture. According to the Labour Force Survey, 2005-06, the total labour force of over 15 years of age was 4.74 crore (male 3.61 crore and female 1.13 crore) with agriculture being the highest 48.10 percent source of employment. Between the two survey periods, the number of agricultural workers decreased by nearly 1 percent. According to LFS 2010, it is observed that 40.7 percent (25.5 percent in agriculture and 15.2 percent in others of labour force) is engaged in self-employment while it was 41.98 percent in FY 2005-06. It may be noted that during the two survey periods, the number of self-employed labour force decreased by 1.32 percent. The survey indicated that 19.6 percent of labour force was daily labourers and 21.8 percent unpaid family workers, which was 18.14 percent and 21.73 percent respectively according to the previous survey. The latest survey also indicated that 14.60 percent of the labour force was engaged as full time employees implying a decrease by 2.46 percent. The share of employed labour force above 15 years by different sectors of the economy according to the Labour Force Surveys 1995-96, 1999-00, 2002-03, 2005-06 and 2010 is shown in Table 3.4.

Table 3.4: 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.

Steps Taken to Improve Employment Situation

Important steps undertaken by the Government in the light of ‘Vision 2021’ to transform the country into middle income economy by 2021 through poverty alleviation, maintaining robust growth, elimination of child labour, re-fixation of minimum wage, review and amendment of national labour policy etc. are stated below:

(a) Maintaining Peaceful Environment in the Garment Sector and Ensuring Compliance with the Safety Standard

- A Crisis Management Core Committee has been formed to ensure compliance with the labour safety standard;
- Under the Core Committee as many as 8 Regional Crisis Prevention Committees Dhaka-2, Gazipur-2, Narayanganj-3 and Narsingdi-1 have been formed to mitigate the crisis and other inconveniences;
- A Committee named Social Compliance Forum for RMG has been formed at the initiatives of the Ministry of Labour and Employment and the Ministry of Commerce with a view to upgrading the non-compliant garments factories into compliant factories;

(b) Skill Development and Training

- With a view to bringing about socio-economic development through skill development the Government has established 26 Technical Training Centre (TTC) in 26 districts through 4 projects with an estimated cost of TK.325.77 crore.

- Training is being provided to the representatives of owners and workers and labour administration on industrial relations in 4 Industrial Relationship Institutes (IRI) located in Dhaka, Chittagong, Rajshahi and Khulna;
- These training centers are providing technical training to about 25 thousand individuals in 19 trades conducting 826 training courses to turn them into skilled and competent manpower suited for employment both at home and abroad;
- It is to be noted that a 36 member 'National Skill Development Council' has been formed to upgrade the existing skill base of both public and private sector human resources to a higher level;
- On September 8, 2011 the National Skill Development Policy 2011 has been approved.

(c) Eradication of Hazardous Child Labour

Ministry of Labour and Employment has taken a number of initiatives on the eradication of hazardous Child Labour from formal as well as informal industry sectors. Included among them are-

- Providing microcredit to the parents of child labourers for creating employment opportunities;
- Implementing a programme titled 'Urban Informal Economy (UIE)' towards elimination of worst forms of child labour in Bangladesh';

(d) Women Development and Training

The Ministry of Labour and Employment has taken various measures for women development and training. These include among others:

- To run 30 Labour Welfare Centre and 4 Industrial Institute in the country for providing training, primary health care, family welfare and recreational facilities to the workers;
- To provide opportunities to female child labour engaged in hazardous work for becoming skilled workers by offering non-formal education and skill development training through a project titled 'Elimination of Child Labour from Hazardous Works of Bangladesh';
- To create job opportunities for 14,400 women workers in garment sector for 5 northern district namely Lalmonirhat, Rangpur, Kurigram, Nilphamari and Gaibandha through a project titled 'Northern Area Poverty Reduction Initiative Project (NARI)' to be implemented for 5 years with an estimated cost of TK. 326.27 crore.

(e) Different Reform Activities for Labour Welfare

The Ministry of Labour and Employment has undertaken various measures for ensuring the welfare of workers. These include among others:

- Minimum wages has been declared for 33 out of 42 industrial sectors. The declaration of minimum wages in the remaining 10 industrial sectors is under way;
- The minimum wage structure for RMG sector has been declared by fixing Tk. 3,000 as minimum wages. As a result the average wages of the workers have been increased by 82 percent;
- ‘National Occupational Health and Safety Policy-2013’ has been promulgated.
- ‘National Labour Policy-2012’ has been approved.
- The retirement age of the workers has been enhanced from 57 to 60;
- Bangladesh Labour Law, 2006 has been amended to make it time-befitting and labour-friendly. The Bangladesh Labour Amendment law, 2013 has been passed by the Parliament;
- Bangladesh ‘Labour Welfare Foundation Amendment Act, 2013’ has been approved by the Parliament;
- The draft rules of ‘Private Sector Road Transport Workers Welfare Fund Act, 2005’ have been finalised;
- The draft of Domestic Worker Protection and Welfare Policy, 2010 has been prepared by the Ministry of Labour and Employment with a view to recognising the work of large workforce engaged in housekeeping to ensure their welfare and protection according to the ILO Convention;
- A draft National Health and Safety Policy has been prepared by National Industrial Health and Safety Council;
- A project has been taken up to construct a 10-storied hostel building in three industrial areas like *Chashara*, *Tejgong* and *Tongi* to create residential facilities for the female workers.

Overseas Employment and Remittances

Remittance sent by the Bangladeshi expatriates make significant contribution towards accelerating economic development of the country, such as addressing unemployment problems, poverty reduction and increasing foreign exchange reserve. A sizeable portion of Bangladeshi labour force is employed in the Middle-East and many other countries of the world. The manpower export has been increasing in the recent years. About 4.9 lakh workers went abroad in quest of jobs in FY 2013-14, which was 7.48 percent lower than the previous year. Bangladesh earned remittances of US\$ 14,228 million in FY 2013-14 which was 1.61 percent lower than remittance inflows of US\$ 14,461.15 million in FY 2012-13. Year-wise data of inward remittances sent by Bangladeshi expatriates is shown in Table 3.5 and Figure 3.2.

Table 3.5: Number of Expatriate Employees and Amount of Remittance

FY	No of employment abroad 000	Amount of remittance			
		In million US\$	Percentage change %	Tk. In Crore	Percentage change %
2002-03	251	3061.97	22.45	17719.58	23.31
2003-04	277	3371.97	10.12	19872.39	12.15
2004-05	250	3848.29	14.13	23646.97	18.99
2005-06	291	4801.88	24.78	32274.60	36.49
2006-07	564	5978.47	24.50	41298.50	27.96
2007-08	981	7914.78	32.39	54293.24	31.47
2008-09	650	9689.16	22.42	66674.87	22.81
2009-10	427	10987.40	13.40	76109.60	14.15
2010-11	439	11650.32	6.03	82992.89	9.04
2011-12	691	12843.40	10.24	101882.78	22.76
2012-13	441	14461.15	12.60	115646.16	13.51
2013-14	409	14228.30	-1.61	110582.37	-4.38

Source: Bureau of Manpower, Employment & Training and Bangladesh Bank.

Note: % change over the previous year

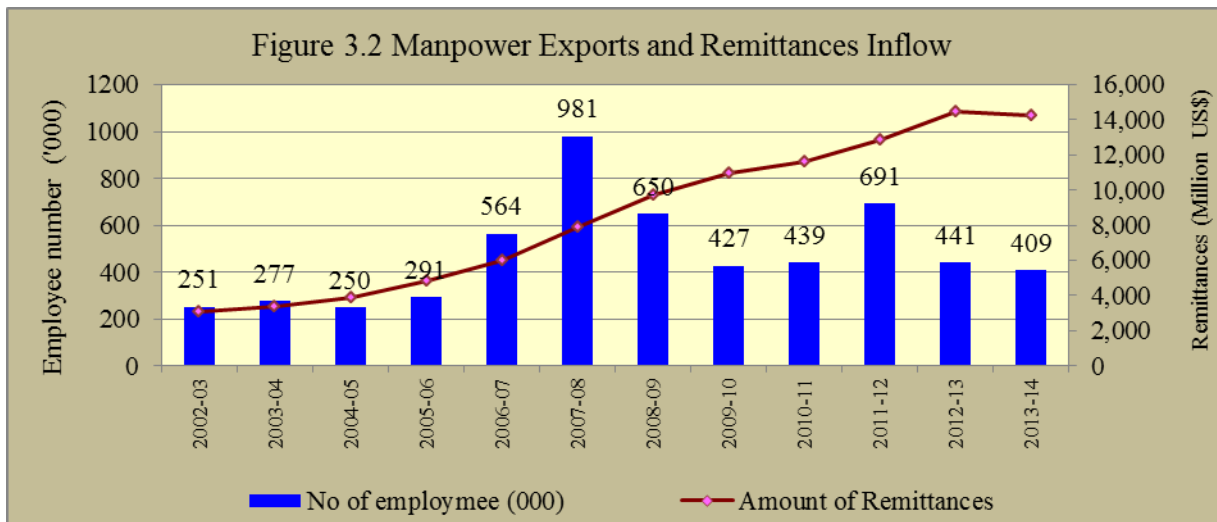


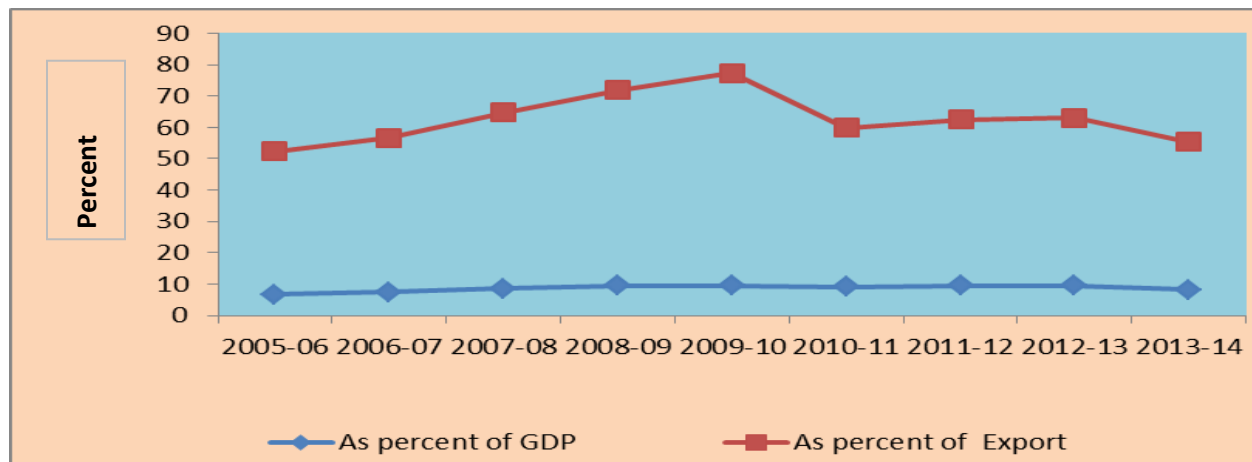
Table 3.5 and Figure 3.2 show that in the recent past, there is an upward trend in both the number of manpower export and the amount of inward remittances except the number of expatriate employments for the last two consecutive fiscal years.

The ratios of remittances to GDP and export earning show a mixed trend. The remittance sent by Bangladeshi expatriates was 6.7 percent and 45.6 percent of the country's GDP and total export earnings respectively during FY 2005-06. Over time remittances sent by Bangladeshi expatriates substantially increased and in FY 2013-14 it stood at 8.2 percent of GDP and 47.1 percent of total export earnings. Remittances as percent of GDP and as percent of total export earnings are shown in Table 3.6 and Figure 3.3.

Table 3.6: Remittance as Percent of GDP and Export Earnings

FY	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
As percent of GDP	6.7	7.5	8.6	9.5	9.5	9.1	9.6	9.6	8.2
As percent of Export	45.6	49.1	56.1	62.3	67.8	50.8	52.8	53.5	47.1

Source:* Bangladesh Bank, BBS and EPB

Figure 3.3: Remittance as Percent of GDP and Export Earnings

Expatriates Classified by Skill

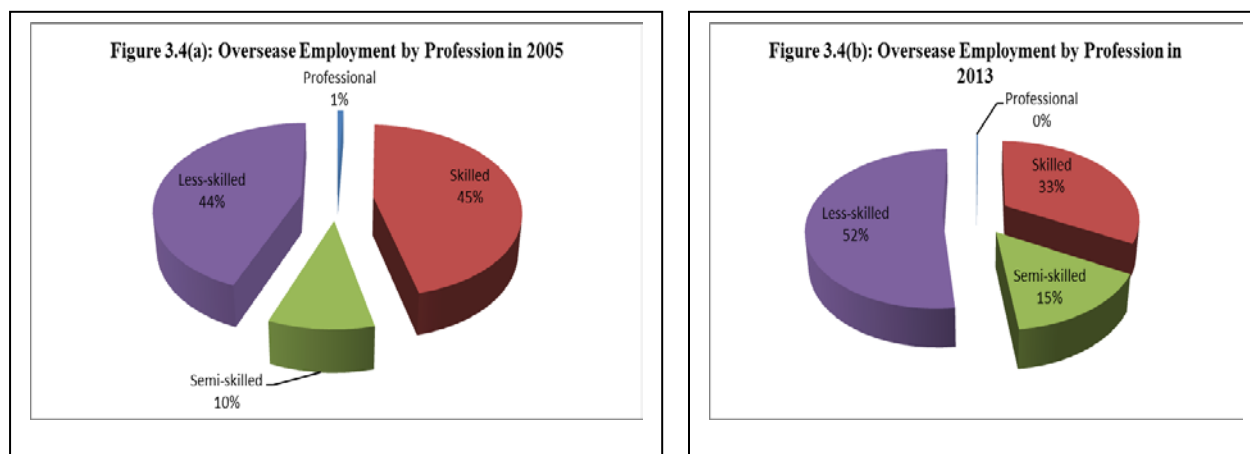
Analysing the statistics of the BMET, it is observed that more than 50 percent of overseas workers who went abroad in the last year are less-skilled. The number of expatriates classified by skill is shown in Table 3.7. From the table, it is observed that the share of professional workers has decreased significantly. However, the shares of skilled and semi-skilled workers are at the satisfactory level.

Table 3.7: Number of Expatriates Classified by Skill

Calendar Year	Professional	Skilled	Semi-skilled	Less-skilled	Total
2005	1945	116393	24546	112556	255440
2006	925	115468	33965	231158	381516
2007	676	165338	183673	482922	832609
2008	1864	281450	132825	458916	875055
2009	1426	134265	74604	255070	475278
2010	387	90621	12469	287225	390702
2011	1192	229149	28729	308992	568062
2012	812	209368	20498	377120	607798
2013	689	133754	62528	212282	409253

Source: Bureau of Manpower, Employment and Training.

There is a significant change in the structure of expatriates classified by skill during the last few years. In 2005 the share of skilled expatriates was 45 percent. However, in 2013 it came down to 33 percent. Likewise, the share of less-skilled workers increased to 52 percent in 2013 from 44 percent in 2005. Comparison of overseas employment by profession between 2005 and 2013 is presented below in Figure 3.4(a) and 3.4(b):



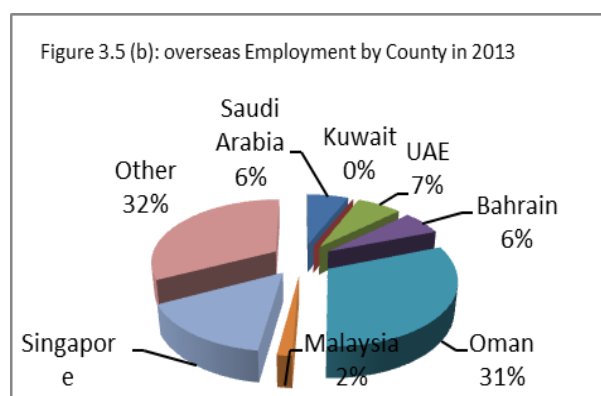
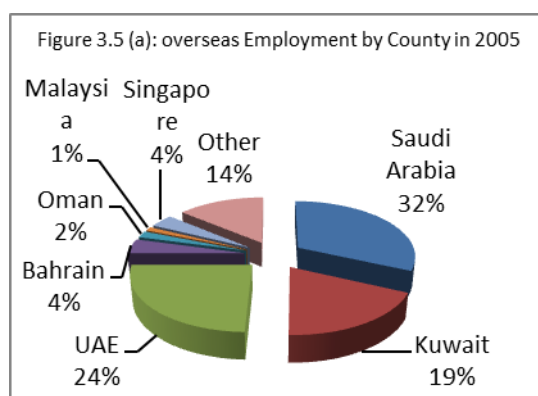
Country wise Manpower Export and Remittances

It has been observed that most of the expatriates are working in Saudi Arabia, UAE, Kuwait, Oman, Malaysia and Singapore. Besides, Bangladeshi expatriates have been working in Bahrain, Qatar, Jordan, Lebanon, South Korea, Brunei, Mauritius, UK, Ireland, Italy and other countries. Analysing the data of manpower export since 2005 to 2013, it is observed that more than 70 percent of total expatriates went to different countries of the Middle East. The number of expatriate Bangladeshis by country since 2005 is shown in Table 3.8 and Figure 3.5(a) and 3.5(b).

Table 3.8 Number of Expatriate Bangladeshi Workers by Country

Calendar Year	Saudi Arabia	Kuwait	UAE	Bahrain	Oman	Malaysia	Singapore	Other	Total
2005	80425	47029	61978	10716	4827	2911	9651	35165	252702
2006	109513	35775	130204	16355	8082	20469	20139	40979	351516
2007	204112	4212	226392	16433	17478	273201	38324	68188	832609
2008	132124	319	419355	13182	52896	131762	56851	68836	875055
2009	14666	10	258348	28426	41704	12402	39581	80141	475278
2010	7069	48	203308	21824	42641	919	39053	75840	390702
2011	15039	29	282739	13996	135265	742	48667	19038	568062
2012	21232	2	215452	21777	170326	804	58657	119548	677098
2013	12654	-	13699	12275	62612	3203	30775	64671	208340

Source: Bureau of Manpower, Employment and Training.



During FY 2013-14, in line with past trend the highest amount of remittance 21.92 percent came from Saudi Arabia followed by the United Arab Emirates 18.87 percent, Kuwait 7.78 percent and Malaysia 7.48 percent. Among the Western and European countries, the United States of America secured the first position 16.33 percent followed by the United Kingdom 6.33 percent. Amount of country wise remittance sent by Bangladeshi expatriates from FY 2004-05 to FY 2013-14 is shown in Table 3.9.

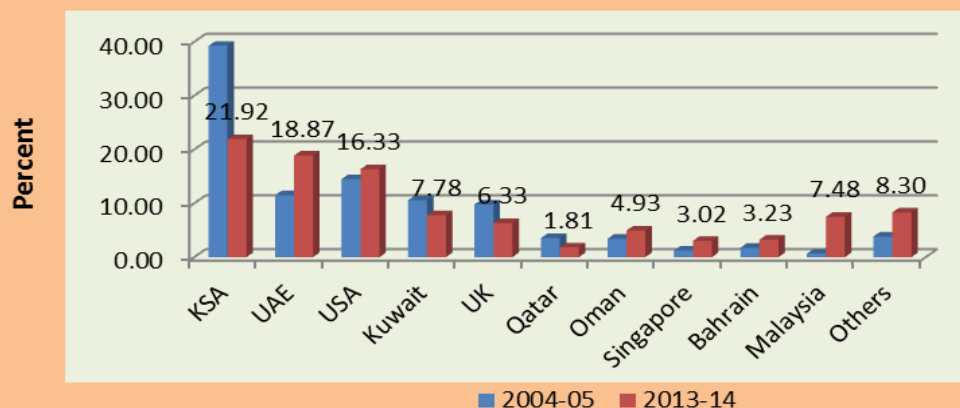
Table 3.9: Country wise Remittances

In million US\$											
FY	KSA	UAE	USA	Kuwait	UK	Qatar	Oman	Singapore	Bahrain	Malaysia	Others
2004-05	1510.46	442.24	557.31	406.8	375.77	136.41	131.32	47.69	67.18	25.51	147.6
2005-06	1696.96	561.44	760.69	494.39	555.71	175.64	165.25	64.84	67.33	20.82	238.81
2006-07	1734.7	804.84	930.33	680.7	886.9	233.17	196.47	80.24	79.96	11.84	339.32
2007-08	2324.23	1135.14	1380.08	863.73	896.13	289.79	220.64	130.11	138.2	92.44	444.29
2008-09	2859.09	1754.92	1575.22	970.75	789.65	343.36	290.06	165.13	157.45	282.2	501.43
2009-10	3427.05	1890.31	1451.89	1019.18	827.51	360.11	349.08	193.46	170.14	587.09	711.58
2010-11	3290	2002.6	1848.51	1075.8	889.6	319.4	334.3	202.3	185.93	703.7	798.16
2011-12	3684.37	2404.78	1498.45	1190.13	987.45	335.25	400.93	311.47	298.47	847.49	884.61
2012-13	3829.5	2829.4	1859.8	1186.9	991.6	286.9	610.1	498.8	361.7	997.4	1009.1
2013-14	3118.9	2684.9	2323.3	1106.9	901.3	257.5	701.1	429.1	459.4	1064.7	1181.3

Source: Bangladesh Bank.

The comparative position of country-wise remittances inflow between financial years FY 2004-05 and FY 2013-14 has been shown in Figure 3.6.

Figure 3.6: Comparison of Country-wise Remittances inflow between FY 2004-05 and FY 2013-14 (in Million US\$ and Percent)



It is evident from Figure 3.6 that despite significant decline in the share of remittances, the highest amount of remittance is still coming from Saudi Arabia. In FY 2004-05, about 39.25 percent of the total remittances was received from Saudi Arabia which declined to 21.92 percent in FY 2013-14. On the other hand, during the same period, share of remittance from the UAE increased to 18.87 percent in FY 2013-14 from 11.49 percent in FY 2004-05. Remittance inflows from Malaysia, Oman and Singapore grew significantly over the same period.

Steps Taken to Boost up Foreign Employment and Remittances

The middle-east is one of the principal destinations of manpower export from Bangladesh. Recent political turmoil in this region is posing risk for manpower export from Bangladesh. In this context the Government has been exploring new destination of manpower export in other regions of the world. Moreover, with a view to ensuring unhindered export of manpower, BOESL has been strengthened. In addition, the Government has taken various steps to encourage remittance inflow through legal channel and to ensure its quick disbursement to the recipients. Some of the steps that have already been taken by the Government to enhance the inflow of remittance and to explore new labour markets are given below:

- Exporting Manpower through G-to-G;
- Establishing *Probashi Kalyan* Bank;
- Formation of Wage Earners Welfare Board in the Bureau of Manpower, Employment and Training;
- Modernisation of Emigration Process;
- A new act titled 'Expatriate Employment and Emigration Act-2013' has been formulated with a view to reducing emigration cost and ensuring transparency and accountability of legal recruiting agency.
- Approval mechanism of drawing arrangements of Bangladeshi Banks with the foreign exchange houses has been simplified to expedite remittance flow and distribution

network. By this time, installation of 850 drawing arrangements with 320 foreign exchange houses of 39 Banks of Bangladesh has been approved;

- Formulating policy for establishing exchange house of Bangladeshi banks and approval process of exchange house inception has been made simpler. Meanwhile, As many as 16 local banks have been given approval to establish their respective 44 exchange houses abroad for collecting remittances and their onward transmission to the country;
- 27 micro-finance institutions have been given approval to operate in the remittances distribution field;
- Approval has been accorded to several banks to distribute remittance through the outlets of mobile phone operators recently to extend the network of remittance distribution;
- Investment by the Bangladeshi remitters will get the same facilities as are allowed to the foreign direct investors.
- Remittances Delivery Infrastructure Development is going on under Remittances and Payment Partnership Project (RPP)