

CHAPTER THREE

PRICES, WAGES AND EMPLOYMENT

Due to the Russia-Ukraine war, the imposition of various economic sanctions on Russia by the western world and Europe, the world market system has been severely disrupted. On the other hand, there is instability in the currency market and there is a jump in commodity prices due to disruption of supply chain. According to the IMF's 'World Economic Outlook April 2023', inflation for 2023 is projected at 4.7 percent in the countries of advanced economies and 8.6 percent in the countries of emerging market and developing economies, compared to 7.3 percent and 9.8 percent in 2022 respectively. Inflation rate of Bangladesh stood at 6.15 percent in FY 2021-22, which was 5.56 percent in FY 2020-21. During FY 2022-23 (up to January 2023) inflation increased from 7.48 percent in July 2022 to 8.57 percent in January 2023. During this period, food inflation decreased from 8.19 percent in July 2022 to 7.76 percent in January 2023. At the same time, non-food inflation increased from 6.39 percent in July 2022 to 9.84 percent in January 2023. According to the last Labour Force Survey (LFS) 2022 (provisional report) conducted by BBS, the number of economically active population (above 15 years) in the country is 7.34 crore (male 4.75 crore and female 2.59 crore), out of which a labour force of 7.08 crore is engaged in a number of professions. According to the survey, total labour force employed in agricultural sector, service sector and industry sector are 45.33 percent, 37.65 percent and 17.02 percent respectively. According to the Bangladesh Wage Rate Index (Base Year 2010-11), the Nominal Wage Rate Index has increased to 202.68 points in FY 2022-23 from 118.82 points in FY 2013-14. Overseas employment and remittances from expatriates are contributing immensely to the country's economic development, by increasing employment in the country, as well as reducing unemployment, poverty alleviation and increasing foreign exchange reserves. In the FY 2021-22, a total of 9.89 lakh people and in the FY 2020-21, a total 2.80 lakh people went abroad with employment. In the FY 2021-22, expatriate workers sent a total of US\$ 21,031.70 million as remittance, which is 15.12 percent less than the previous fiscal year. In the first eight months of FY 2022-23, expatriate workers remitted a total of US\$ 14,013.40 million, which is 4.28 percent more than the previous fiscal year. To curb the substantial depletion in foreign reserves due to heightened global commodity prices and widened balance-of-payment deficit, the government has taken many proactive steps to migrants to enhance remittance inflows. The government is incentivising remittances at the rate of 2.50 percent to reduce the increased cost of sending remittances legally and to encourage remittances through legal channels and also simplifying the process of sending and receiving remittances.

Global Inflation Scenario

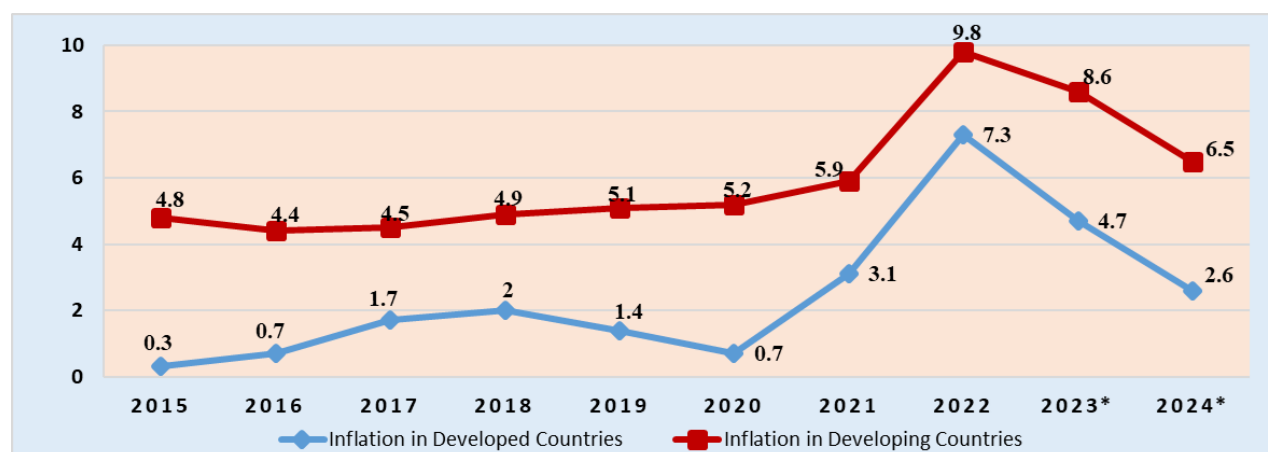
The global market system was severely disrupted by the imposition of various economic sanctions on Russia by the Western world and Europe due to the Russia-Ukraine war. On the other hand, there is instability in the currency market and there is a jump in commodity prices due to disruption of supply chain. In particular, food and

fuel price hike have a huge impact. According to the IMF's 'World Economic Outlook April 2023', inflation for 2023 is projected at 4.7 percent in developed countries and 8.6 percent in developing countries. Table 3.1 and figure 3.1 show the inflation trends of developed and developing countries from 2015 to 2022 and their projections for 2023 and 2024:

Table 3.1: Global Inflation (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023*	2024*
Inflation in Advanced Economies	0.3	0.7	1.7	2.0	1.4	0.7	3.1	7.3	4.7	2.6
Inflation in Emerging Market and Developing Economies	4.8	4.4	4.5	4.9	5.1	5.2	5.9	9.8	8.6	6.5

Source: IMF World Economic Outlook, April 2023 *Projected

Figure 3.1: Global Inflation

Source: IMF World Economic Outlook, April 2023 *Projected

Inflation Scenario in Bangladesh

The Ukraine-Russia war has led to a sharp rise in global fuel and food prices. As a result, inflation is rising. According to the IMF's World Economic Outlook report April 2023, global inflation for 2023 is projected at 7.0 percent which is 0.4 percentage point higher than

projected in last January. Consumer Price Index and inflation during FY 2010-11 to FY 2021-22 are shown in Table 3.2 and the monthly inflation rate for FY 2021-22 calculated on a point-to-point basis is presented in Table 3.3.

Table 3.2: Consumer Price Index and Inflation

(Base Year 2005-2006)

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
General index Inflation	156.59 (10.91)	170.19 (8.69)	181.73 (6.78)	195.08 (7.35)	207.58 (6.41)	219.86 (5.92)	231.82 (5.44)	245.22 (5.78)	258.65 (5.48)	273.26 (5.65)	288.44 (5.56)	306.18 (6.15)
Food index Inflation	170.48 (14.11)	183.65 (7.72)	193.24 (5.22)	209.79 (8.56)	223.80 (6.68)	234.77 (4.90)	248.90 (6.02)	266.64 (7.13)	281.33 (5.51)	296.96 (5.56)	313.86 (5.73)	332.86 (6.05)
Non-food index Inflation	138.77 (6.21)	152.94 (10.21)	166.97 (9.17)	176.23 (5.55)	186.79 (5.99)	200.66 (7.43)	209.92 (4.61)	217.76 (3.74)	229.58 (5.43)	243.00 (5.85)	255.85 (5.29)	271.98 (6.31)

Source: Bangladesh Bureau of Statistics (BBS).

Table 3.2 shows that during the last 10 years, of inflation stood highest in FY 2010-11 at 10.91

percent and lowest in FY 2016-17 at 5.44 percent. Inflation rate stood at 6.15 percent in FY 2021-

22, which was 5.56 percent in FY 2020-21. In the FY 2021-22, the rate of food inflation was 6.05 percent and non-food inflation was 6.31 percent.

Table 3.3 shows that during FY 2022-23 (up to January 2023) national inflation increased from 7.48 percent in July 2022 to 8.57 percent in January 2023. During this period, food inflation decreased from 8.19 percent in July 2022 to 7.76 percent in January 2023. At the same time, non-food inflation increased from 6.39 percent in July

2022 to 9.84 percent in January 2023. The government has taken necessary steps, for

keeping the supply chain intact and seamless, to alleviate the pressure of inflation ensuring the prices of daily necessities within the purchasing power of the people. Government approved a total of 2764 Metric ton rice (maximum 22 saling day in a month) for daily distribution through OMS from 17 October 2022 to 30 November 2022 so that people can buy daily necessities at a fair price.

Table 3.3: Monthly Rate of inflation Point to Point during FY 2022-23

(Base Year 2005-06=100)

Level	Type of Inflation	2021-22	July 2022	August 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022	January 2023
National	General	6.15	7.48	9.52	9.10	8.91	8.85	8.71	8.57
	Food	6.05	8.19	9.94	9.08	8.50	8.14	7.91	7.76
	Non-food	6.31	6.39	8.85	9.13	9.58	9.98	9.96	9.84
Rural	General	6.42	8.02	9.70	9.13	8.92	8.94	8.86	8.67
	Food	6.51	8.79	9.98	8.95	8.38	8.23	8.11	7.92
	Non-food	6.25	6.58	9.18	9.48	9.98	10.31	10.29	10.12
Urban	General	5.66	6.51	9.18	9.03	8.90	8.70	8.43	8.39
	Food	5.02	6.84	9.87	9.36	8.75	7.95	7.45	7.41
	Non-food	6.38	6.15	8.42	8.66	9.07	9.54	9.51	9.48

Source: Bangladesh Bureau of Statistics (BBS).

Wages Rate Index

Previously BBS had been constructing Wage Rate Index (WRI) using FY 1969-70 as the base year

since 1974. Meanwhile, constructing WRI using base year FY 2010-11 has been initiated. The WRI from FY 2013-14 to FY 2022-23, calculated with the new base year, is presented in Table 3.4.

Table 3.4: Wage Rate Index and Growth Rate

(Base Year 2010-11=100)

Year	Nominal Wage Rate Index				Growth Rate (Point to Point)			
	General	Agriculture	Industry	Service	General	Agriculture	Industry	Service
2013-14	118.82	118.44	119.07	120.16	5.50	5.68	4.97	5.75
2014-15	124.69	124.51	124.38	126.15	4.94	5.12	4.47	4.98
2015-16	132.81	132.48	132.02	136.03	6.52	6.41	6.16	7.86
2016-17	141.46	141.22	140.27	145.01	6.50	6.59	6.24	6.60
2017-18	150.59	150.27	149.45	154.44	6.46	6.40	6.55	6.51
2018-19	160.23	159.92	158.74	164.78	6.40	6.42	6.22	6.69
2019-20	170.39	170.28	168.24	175.33	6.35	6.48	5.99	6.41
2020-21	180.83	181.16	177.52	185.99	6.12	6.39	5.51	6.07
2021-22	191.80	192.21	187.83	199.42	6.06	6.10	5.85	6.32
2022-23*	202.68	203.03	198.60	209.40	6.91	6.84	6.98	7.15

Source: Bangladesh Bureau of Statistics (BBS). * Up to February 2023.

It is observed from the above table that Nominal Wage Rate Index (NWRI) has been increased by an average of about 6.18 percent from FY2013-14 to FY2022-23. The index for the FY 2022-23 has increased to 202.68 points from 191.80 of the previous fiscal year.

The sector-wise analysis shows that sector-based wage rate has increased on an average compared to the previous fiscal year and the growth rate is 6.84, 6.98 and 7.15 percent respectively.

Labour Force and Employment

BBS conducts the Labour Force Survey (LFS) to assess the overall situation of employment. According to the latest survey LFS 2022 published in March 2023, the number of

economically active population above 15 years is 7.34 crore. Out of this, male labour forces are 4.75 crore and female 2.59 crore. As many as 7.08 crore people are engaged in a number of professions. Based on employment in different sectors of Bangladesh economy, 45.33 percent of the employed persons are working in agriculture sector, 37.65 percent of the employed persons in service sector, 17.02 percent of the employed persons in industry sector.

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, 2010, 2013, 2015-16 and 2016-17 is shown in Table 3.5.

Table 3.5: Share of Employed Labour Force above 15 Years by Sector

Sector	LFS 1995-96	LFS 1999-00	LFS 2002-03	LFS 2005-06	LFS 2010	LFS 2013	LFS 2015-16	LFS 2016-17
Agriculture, forestry and fishery	48.85	50.77	51.69	48.10	47.30	45.10	42.70	40.62
Mining & quarrying	-	0.51	0.23	0.21	0.18	0.40	0.20	0.20
Manufacturing	10.06	9.49	9.71	10.97	12.34	16.40	14.40	14.43
Power, gas & water	0.29	0.26	0.23	0.21	0.18	0.20	0.30	0.20
Construction	2.87	2.82	3.39	3.16	4.79	3.70	5.60	5.58
Trade, hotel & restaurant	17.24	15.64	15.34	16.45	15.47	14.50	13.40	14.34
Transport, maintenance & communication	6.32	6.41	6.77	8.44	7.37	6.40	9.40	10.50
Finance, business & services	0.57	1.03	0.68	1.48	1.84	1.30	1.60	1.97
Commodities & personal services	13.80	13.07	5.64	5.49	6.26	6.20	6.20	6.08
Public administration and defense	-	-	6.32	5.49	4.24	5.80	6.20	6.08
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: BBS, Labour Force Survey, 1995-96, 1999-00, 2002-03, 2005-06, 2010, 2013, 2015-16 & 2016-17.

Overseas Employment and Remittances

Amid the challenges posed by the Covid-19 pandemic and global price hike induced from Russia-Ukraine conflict, measures taken by the government and Bangladesh Bank to control imports and increase inflows of remittances are helping to ease the country's foreign exchange reserve shrinkage. A record number of Bangladeshi nationals have been going abroad as

the post-pandemic situation rebounds. It is expected that migrants will remit more of their hard earned money through formal financial channel because of the higher exchange rate and 2.5 percent cash incentive with various facilities. To curb the substantial depletion in foreign reserves due to heightened global commodity prices and widened balance-of-payment deficit, Bangladesh government and Bangladesh Bank have taken many proactive steps to migrants to

soar remittance inflows. These measures include providing incentives for remittance senders and simplifying the process of sending and receiving remittances. During the first eight months of FY2022-23, number of emigrant workers from Bangladesh has increased significantly at the number of about 7.34 lakh workers migrated

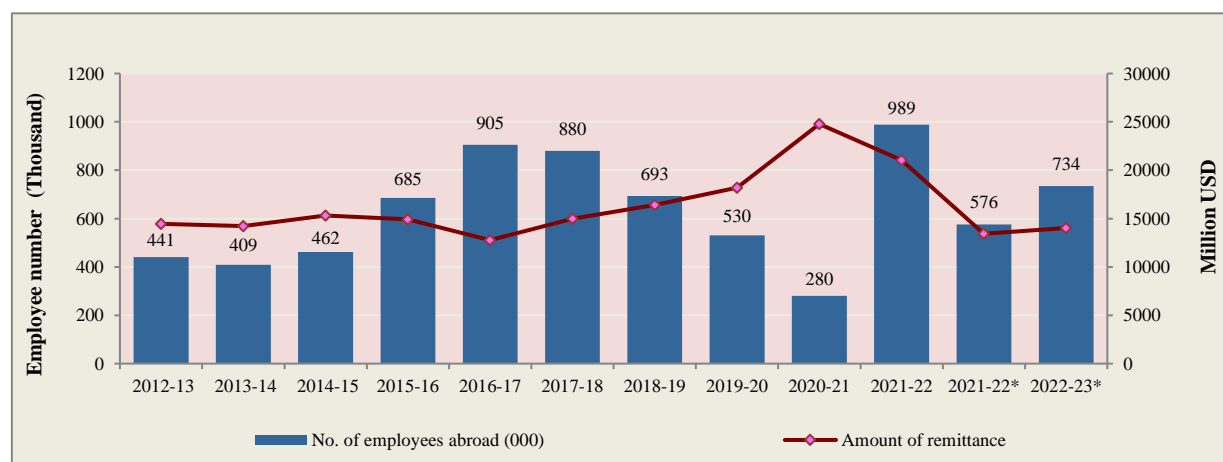
from Bangladesh. In the same time, remittance inflows showed upward trend and expanded by 4.28 percent compared to the same period of the previous fiscal year. Year-wise data of inward remittances sent by Bangladeshi expatriates is shown in Table 3.6 and Figure 3.2.

Table 3.6: Number of Expatriate Employees and Amount of Remittance

FY	No. of Employment Abroad (in thousand)	Amount of remittance			
		In Million US\$	Percentage Change %	Tk. In Crore	Percentage Change %
2012-13	441	14461.15	12.60	115646.16	13.51
2013-14	409	14228.30	-1.61	110582.37	-4.38
2014-15	462	15316.91	7.65	118982.32	7.60
2015-16	685	14931.14	-2.52	116856.72	-1.79
2016-17	905	12769.45	-14.48	101099.62	-13.48
2017-18	880	14981.69	17.32	123156.01	21.82
2018-19	693	16419.63	9.60	138007.00	12.06
2019-20	531	18205.01	10.87	154352.00	11.84
2020-21	280	24777.71	36.10	210130.6	36.14
2021-22	989	21031.68	-15.12	181580.5	-13.59
2021-22*	576	13438.53	-19.47	114890.5	-18.82
2022-23*	734	14013.39	4.28	136174.8	18.53

Source: BMET, Bangladesh Bank.* July-February.

Figure 3.2 Manpower Export and Remittance Inflow



Source: BMET, Bangladesh Bank. *July-February

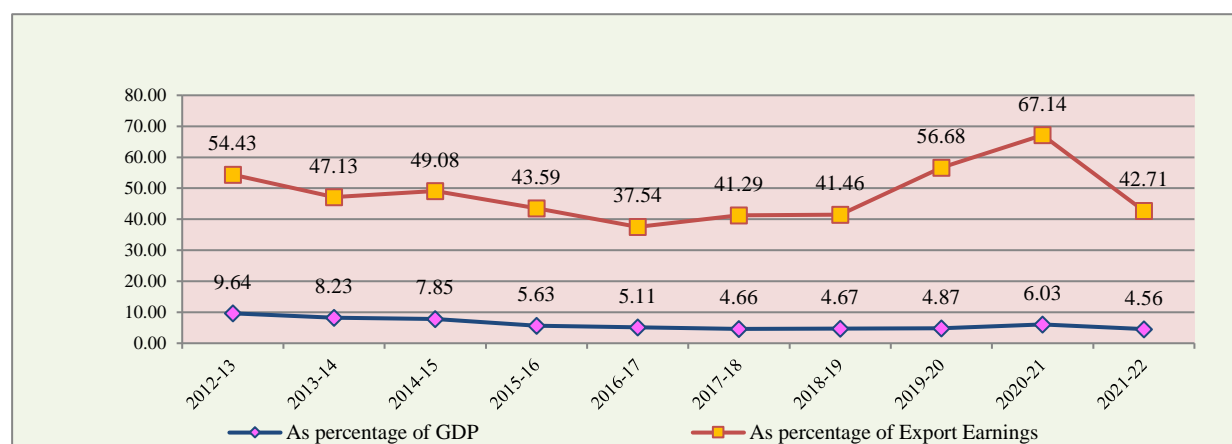
In the FY 2021-22, the ratios of remittances to GDP and remittances to export earning has decreased as compared to the previous financial year. In FY 2021-22, remittances accounted for about 4.56 percent of GDP and 42.71 percent of

total exports which was 6.03 percent of GDP and 67.14 percent of total export earnings respectively in FY 2020-21. Remittances as percent of GDP and as percent of total export earnings are shown in Table 3.7 and Figure 3.3.

Table 3.7: Remittance as Percent of GDP and Export Earnings

Indicator	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Remittances as percent of GDP	9.64	8.23	7.87	5.63	5.11	4.66	4.67	4.87	6.03	4.56
Remittances as percent of total Export Earnings	54.43	47.13	49.08	43.59	37.54	41.29	41.46	56.68	67.14	42.71

Source: Bangladesh Bank, BBS.

Figure 3.3: Remittances as percent of GDP and Export Earnings

Source: Bangladesh Bank, BBS.

Expatriates Classified by Country

The statistics of expatriates classified by skill groups is shown in Table 3.8. It is seen that the rate of skilled worker migration is satisfactory

compared to the migration of professional workers in the last few years.

Table 3.8: Number of Expatriates Classified by Country

Year	Professional	Skilled	Semi-skilled	Less-skilled	Total
2012	36084	173331	104721	293662	607798
2013	689	133754	62528	212282	409253
2014	1730	148766	70095	205093	425684
2015	1828	214328	91099	248626	555881
2016	4638	318851	119946	303706	757731
2017	4507	434344	155569	401796	1008525
2018	2673	317528	117734	283002	734181
2019	1914	304921	142536	250788	700159
2020	378	61690	9412	146189	217669
2021	824	129057	19870	467458	617209
2022	3640	252362	42771	837100	1135873

Source: Bureau of Manpower, Employment and Training, Ministry of Expatriates' Welfare and Overseas Employment

Table 3.8 and Figure 3.4 (a) and 3.4 (b) show that in 2010, the share of skilled and professional expatriates was about 23.19 percent and 0.09

percent respectively of the total manpower export, which stood at 22.22 percent and 0.32 percent in 2022.

Figure 3.4 (a) Category wise Migration: 2010

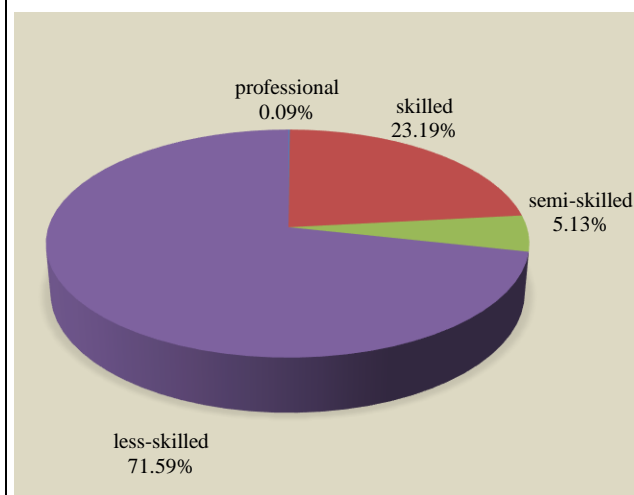
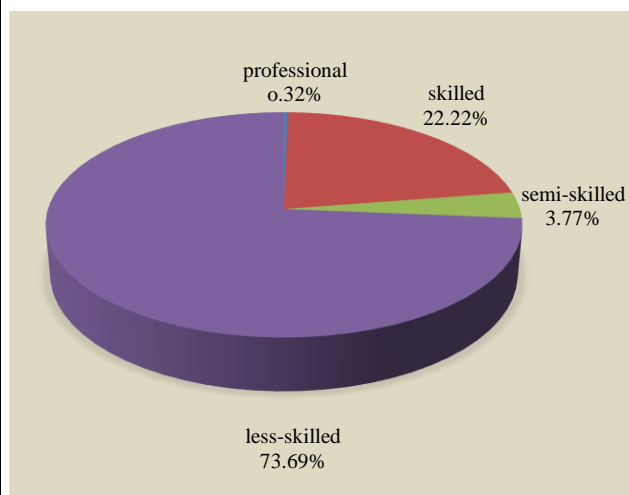


Figure 3.4 (b) Category-wise Migration:2022



Source: BMET, MoEWOE.

Country wise Manpower Export and Remittances

Due to removal of global movement restrictions for COVID-19, most of the Bangladeshi expatriates migrated to KSA followed by Oman and UAE. Total 213572 workers were migrated during 2023 (up to February 2023) according to the data of Bureau of Manpower, Employment and Training, Bangladesh (BMET). Country-wise data on migration during 2022 showed that as

many as 6,12,418 Bangladeshi workers migrated to KSA which was 53.92 percent of total migration, followed by Oman (15.81 percent), UAE (8.96 percent), Singapore (5.67 percent) and other countries (6.13 percent). The number of Bangladeshi expatriates by country duration in FY 2012-23 (up to February 2023) has shown in Table 3.9 and figure 3.6(a) and 3.6(b) have shown the number of Bangladeshi expatriates by country since 2012 and 2022.

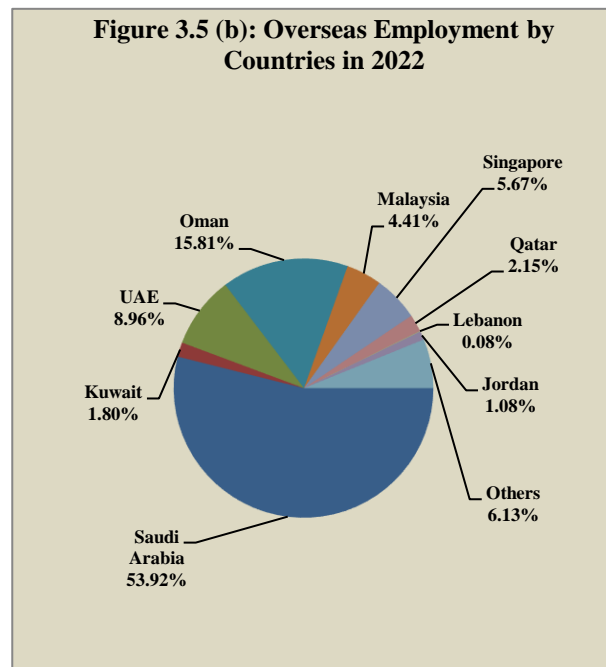
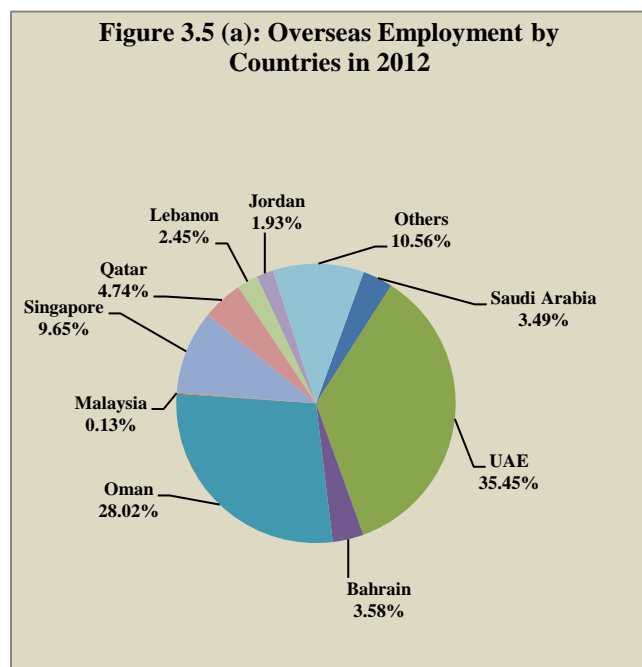
Table 3.9: Number of Expatriate Bangladeshi Workers by Country

Year	Saudi Arabia	Kuwait	UAE	Bahrain	Oman	Malaysia	Singapore	Qatar	Lebanon	Jordan	Others	Total
2012	21232	2	215452	21777	170326	804	58657	28801	14864	11726	64157	607798
2013	12654	6	14241	25155	134028	3853	60057	57584	15098	21383	65194	409253
2014	10657	3094	24232	23378	105748	5134	54750	87575	16640	20338	74138	425684
2015	58270	17472	25271	20720	129859	30483	55523	123965	19113	22093	53112	555881
2016	143913	39188	8131	72167	188247	40126	54730	120382	15095	23017	52735	757731
2017	551308	49604	4135	19318	89074	99787	40401	82012	8327	20449	44110	1008525
2018	257317	27637	3235	811	72504	175927	41393	76560	5991	9724	63082	734181
2019	399000	12299	3318	133	72654	545	49829	50292	4863	20347	86879	700159
2020	161726	1744	1082	3	21071	125	10085	3608	488	3769	13968	217669
2021	457227	1848	29202	11	55009	28	27875	11158	235	13816	20800	617209
2022	612418	20422	101775	10	179612	50090	64383	24447	858	12231	69627	1135873
2023*	85319	4851	14575	1	31925	54314	6961	4202	283	647	10494	213572

Source: Bureau of Manpower, Employment and Training.*up to February 2023.

The overseas labour market of Bangladesh is continuously changing. In last decades manpower export shows a significant change. Figure 3.5 (a) and 3.5 (b) show that in 2012, 35.45 percent of total overseas employment was in United Arab Emirates (UAE) which decreased to 8.96 percent in 2022. On the other hand, manpower exports to

Saudi Arabia in 2012 were only 3.49 percent of the total manpower exports, but in 2022 it increased to 53.92 percent. Manpower exported in Oman was 28.02 percent of total manpower export in 2012 which is declined to 15.81 percent in 2022. Manpower exports to Qatar and Singapore declined in 2022 compared to 2012.



Source: BMET, MoEWOE, Bangladesh Bank.

The lion's share of inward remittance to Bangladesh has been received from the Middle East countries. In FY2022-23 (July-February), the highest share of remittance came from the USA which was 17.8 percent of total remittances. Country-wise data on remittance inflows in FY2022-23 shows that KSA is the 2nd highest amount of remittance sender country which is 17.7

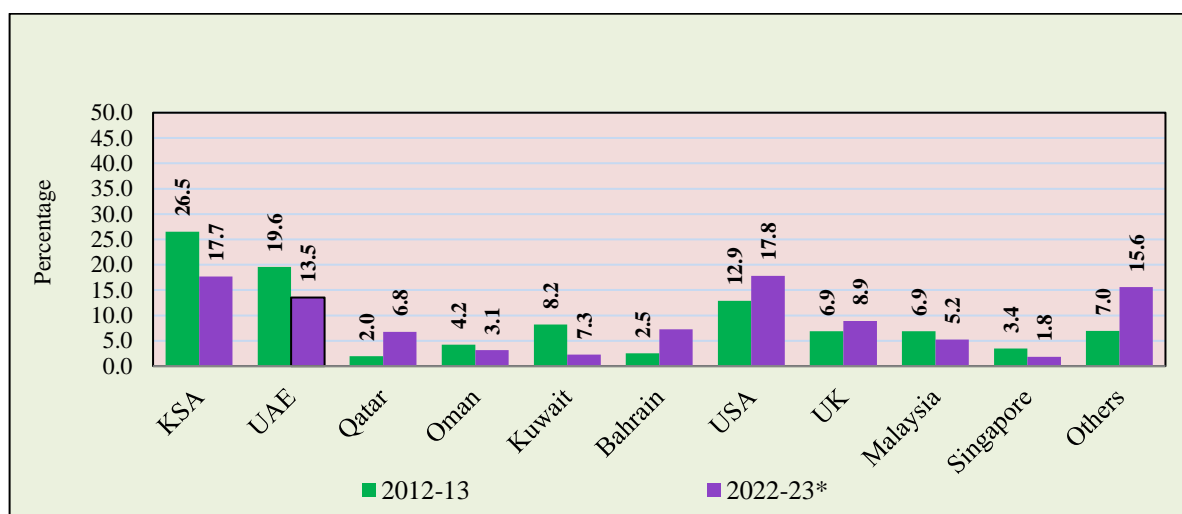
percent, followed by UAE (13.5 percent), UK (8.9 percent), Kuwait (7.3 percent) and Qatar (6.8 percent). The comparative statistics on country-wise share (percent) of inward remittances and country-wise remittances sent by Bangladeshi expatriates from FY 2012-13 to FY 2022-23 (Up to February 2023) are shown in Table 3.10 and Figure 3.6.

Table 3.10: Country-wise Remittances

(In million USD)

FY	KSA	UAE	Qatar	Oman	Kuwait	Bahrain	USA	UK	Malaysia	Singapore	Others	Total
2012-13	3831.9	2829.4	286.9	610.1	1186.9	361.7	1859.8	991.6	997.4	498.8	1006.7	14461.2
2013-14	3119.6	2684.9	257.5	701.1	1106.9	459.4	2323.3	901.2	1064.7	429.1	1180.6	14228.3
2014-15	3345.2	2823.8	310.2	915.3	1077.8	554.3	2380.2	812.3	1381.5	443.4	1272.9	15316.9
2015-16	2955.6	2711.7	435.6	909.7	1040.0	490.0	2424.3	863.3	1337.1	387.2	1376.6	14931.1
2016-17	2267.2	2093.5	576.0	897.7	1033.3	437.1	1688.9	808.2	1103.6	300.9	1563.1	12769.5
2017-18	2591.6	2430.0	844.1	958.2	1199.7	541.6	1997.5	1106.0	1107.2	330.2	1875.6	14981.7
2018-19	3110.4	2540.4	1023.9	1066.1	1463.4	470.1	1842.9	1175.6	1197.6	368.3	2160.9	16419.6
2019-20	4015.2	2472.6	1019.6	1240.5	1372.2	437.2	2403.4	1364.9	1231.3	457.4	2190.7	18205
2020-21	5721.4	2440.0	1450.2	1535.6	1886.5	577.7	3461.7	2023.6	2002.4	624.9	3053.7	24777.7
2021-22	4542.0	2071.9	1346.5	897.4	1689.6	566.6	3438.4	2039.2	1021.9	385.2	3033.1	21031.7
2021-22*	3108.8	1082.3	894.4	607.6	1092.0	363.0	2207.4	1239.2	675.8	262.5	1905.5	13438.5
2022-23*	2480.1	1896.5	948.7	438.6	1019.3	319.1	2497.2	1248.3	732.3	252.2	2181.1	14013.4

Source: BMET, MoEWOE, Bangladesh Bank. *July-February.

Figure 3.6: Comparison for percentage of Country-wise Remittance inflows in FY 2012-13 and FY 2022-23*

Source: BMET, MoEWOE, Bangladesh Bank. *up to February 2023

Steps Taken to by the government Boost up Foreign Employment and Remittances

Government has taken several necessary measures to explore new labour market and to enhance the flow of remittance. Some of the initiatives are:

a) Remittances on account of visa processing fees by resident agents through International Card:

To facilitate smooth transactions, it has been decided that international cards (debit/prepaid)

may be used for online payments of visa processing fees. In this context Authorized Dealers (ADs) may issue international cards in the name of officials designated by nominated agents ensuring the observance of the instructions of GFET.

b) Inward wage remittances by Mobile Financial Service Providers (MFSPs):

To bring wider flexibility in the case of getting remittance, licensed MFSPs will be allowed to

repatriate wage earners' remittance in association with internationally recognized online payment gateway service providers /banks/digital wallets/card schemes and/or aggregators abroad (hereinafter referred to as approved/licensed foreign payment service providers, foreign PSPs). In this context, MFSPs shall have standing arrangements with foreign PSPs to receive foreign currency in their account and equivalent Taka amount will be credited to the wage earners' MFS accounts. Subsequently foreign PSPs shall provide credit to the designated AD's nostro account. After receiving amount in Taka, wage earners' can use the MFS account from abroad to do all transactions in Taka.

c) Expansion of Labour Market

The Middle-east is the main labour market for Bangladesh. In the context of recent political turmoil in this region, the Government has taken initiatives to target other destinations in different regions of the world. MoU has been signed with Japan for sending workers in housekeeping profession. MoU has also been signed with Greece, Maldives and Brunei for sending workers. Besides, market analysis has been done through a firm for 53 potential countries.

d) Reduction of Migration cost

The main challenge in migration process in Bangladesh is high migration cost. Government is trying to keep the migration cost at minimum level. The government has fixed Country Specific Maximum migration cost for the main destination countries. The only state owned recruitment company, Bangladesh Overseas Employment and Services Ltd (BOESL) is engaged in sending workers abroad at zero or minimum migration cost. Female workers are being employed in Saudi Arabia, Qatar, Lebanon, Jordan without any migration cost. Mandatory two-month training course has been introduced for domestic female workers. Total number of

female workers sent abroad in 2022 was 1,05,466.

e) Skill Development

The demand of skilled workers is higher than that of less skilled workers. The government is very much concerned to enhance the standard of skill and strengthen the facilities of training to increase the skilled migration. At the same time, initiative has been taken to coordinate the activities of training and vocational institutions. In 2022, Bureau of Manpower, Employment and Training, imparted skill development training to 10,69,958 trainees in different trades through 6 Institutes of Marine Technology and 89 Technical Training Centers. Considering the importance of skill training, government has plan to establish Technical Training Centers at upazilla levels. A project is being implemented to establish 41 training centers at upazilla levels. Another project to establish 50 TTC's is under approval process. To improve training quality and getting international recognition, 357 instructors have been given foreign training. Training arrangements have been launched in partnership with Saudi Arabia and Hong Kong so that women workers are trained and directly got foreign employment.

f) Modernisation of Emigration Process

To reduce the fraudulent activities of the recruiting agencies and brokers, a database of migrant workers with digitized fingerprints has been established. Emigration clearance is being provided with a smart card by using database network. The hassles and deception of the outbound workers could have been reduced at the airports with their information recorded in the smart card.

g) Policy formulation for Migration Governance

To bring discipline in migration governance, the government enacted Overseas Employment and Migrant Act, 2013 and adopted Expatriates' Welfare and Overseas Employment Policy-2016.

The recruiting agencies play an important role in migration sector. To ensure their transparency and accountability, the government has introduced Overseas Employment and Migrant (Recruiting Agent Licence and Conduct), Rules, 2019 and Overseas Employment and Migrant (Recruiting Agent Classification) Rules, 2020. For the welfare of the migrant workers, mandatory insurance scheme has been adopted since 2019. The government provides 2.5 percent incentives on remittances sent in legal channel. Policy on Health Examination of Aspirant Migrant Workers (Revised), 2022 has been formulated.

h) Increase of the rate of cash incentive against wage earners' remittance through legal channel

During the COVID-19 pandemic, government and the Bangladesh Bank took several accommodative measures for simplification and encouragement of the remittance inflows through legal channels. It is expected that migrants will remit more of their hard earned money through

formal financial channel because of the higher exchange rate and 2.5 percent cash incentive with various facilities.

i) Cash assistance against remittances received by members of the armed forces from UN peacekeeping missions

The government announced 2 percent cash incentive for the first time for inward foreign remittance through banking channel which became effective from 1 July 2019. Cash incentive for inward remittances has been increased to 2.5 percent from 2 percent which became effective from 1 January, 2022. Moreover, it has been decided that the United Nations peace keeping mission officials of army/navy/air-force/police who are stayed abroad in different countries of the world would get the cash incentive against wage earners' remittance at 2.5 percent from existing 2 percent for their foreign currency to be remitted through banking channel into the country which became applicable from 1 January, 2022.

Annexure: 3.1

Steps Taken to Improve Employment Situation

Ministry of Labour and Employment plays an effective role to establish labour rights particularly fixing fair wage, ensuing safe work placed environment occupational safety and health as well as enhancing productivity and economic development through maintaining peace and stability in the industries. Besides this ministry works for enforcement of Labour Laws achieve the sustainable development goals (SDGs) such as elimination of child labour ensuring decent work environment and equal pay for equal work. Under this purview the government has undertaken some pragmatic steps in order to ensure the welfare of workers which are stated below:

(a) Regular Activities

- **Inspection:** The objective of the Department of Inspection for Factories and Establishments (DIFE) is to create an investment-friendly environment by ensuring a decent, safe and healthy workplace and establishing the workers' safety and rights. Inspection is one of the fundamental tasks of DIFE. To implement the Bangladesh Labour Law and Bangladesh Labour Rules by inspecting factories and establishments is a vital job of DIFE. In FY 2021-22, a total of 43,644 inspections were completed in the factories and establishments and a total of 32,872 inspections were completed till February of FY 2022-23. generation of employment and skilled manpower, and fixation of minimum wages. Moreover, the Ministry of Labour and Employment leads to changed situation, formulation and implementation of National Labour Policy, and amendment of labour Laws in line with

- **Complaints Received and Disposal of Complaints:** Complaints are disposed within the fastest time after receiving complaints from the workers regarding violations of Bangladesh labour law and Bangladesh labour rules in the workplace. In FY 2021-22, DIFE received a total of 3604 complaints and all the complaints were disposed of in relevant consideration. In addition, until February 2023 of FY 2022-23, DIFE received a total of 3081 complaints and a total of 2951 complaints were disposed of in relevant consideration.

- **Cases Filed at Labour Courts:** To create a decent workplace in the factories and establishments, DIFE implements Bangladesh Labour Law and Bangladesh Labour Rules. In FY 2020-21, a total of 1,421 cases were filed and of which 490 cases were disposed. In addition, total 1426 cases were filed and of which 682 cases were disposed as of February in FY 2021-22.

- **Ensuring Maternity Welfare Benefits:** According to the labour law, DIFE ensures maternity benefits for female workers in the factories and establishments. In FY 2020-21 maternal welfare benefits have been ensured for a total of 12,664 workers. For this, the amount of financial benefit provided to the workers by the employer is Tk. 47.11 crore. In FY 2022-23 maternal welfare benefits have been ensured for a total of 8075 workers till February 2023 and the amount of financial benefits provided to the workers by the employer is Tk. 49.30 crore.

- **Establishment of Child Care Centres:** To empower women and enhance women's participation in the workplace, DIFE has been playing a vital role. The Department has been working for ensuring women-friendly workplaces. Child care centres are being set up in factories and establishments under the direct supervision of DIFE. In FY 2021-22 DIFE set up 515 child care centres and a total of 219 children's rooms till February of FY 2022-23.

- **Issuance and Renewal of License:** In FY 2021-22, DIFE issued licenses to 10,568 factories and renewed 36,786 others. In addition, until February of FY 2022-23, DIFE issued licenses to 4,396 factories and renewed 26,093 others.

- **Increase Compliance Factory:** A factory considered as a compliance factory when that factory is included in the 'A' category in performing the provisions of the inspection checklist. Compliance factories comply with the occupational health and safety-related provisions of the Bangladesh labour law and Bangladesh labour rules. DIFE ensured such compliance in 1,336 factories and establishments in FY 2021-22 and in 1,068 factories and establishments until February in FY 2022-23.

- **Compensation for Deaths and other Accidents:** Except regular inspections, Inspectors also inspect an area in case of an accident at any workplace. Through inspection proper advice is given to the factory owners and find out probable causes of the accident. In addition, the Special Investigation Committee is constituted to investigate any particular accident. Necessary steps are taken reviewing the investigation report of accident. DIFE arranged to give Tk. 3.17 crore to the 180 injured and 146 dead workers or their families in FY 2021-22. In addition, until February of FY 2022-23 DIFE arranged to give Tk. 68.45 lakh to the 34 injured and 35 dead workers or their families

- **Formation of Safety Committee:** Safety committee formation activities are going on to ensure safe working conditions in the factory. DIFE formed 1107 safety committees in different

factories and establishments in the FY 2021-22. As of February 2023 in FY 2022-23, a total of 6,497 safety committees were established in different factories and establishments under the supervision of DIFE.

(b) Special Activities

- **Digital Inspection System:** The introduction of digital inspection is a major initiative to bring more transparency, accountability and dynamism in factory and establishment inspection activities. For this, an app called Labor Inspection Management Application (LIMA) has been created on 6 March 2018. It is simultaneously a mobile and website based application, through which all the important activities of the department are performed. The International Labour Organization (ILO) is providing assistance in this initiative.

- **National Occupational Health and Safety Research and Training Institute:** The construction of National Occupational Health and Safety Research and Training Institute (NOHSRTI) under Directorate of Factory and Establishment Inspection at Terkhadia, Rajshahi is at final stage with a view to carrying out training and research on occupational health and safety. Research and imparting training on occupational health and safety will be facilitated through this institute of international standard. Performing seminars, symposiums, discussion programs and various media campaigns have been planned to create awareness among all stakeholders on occupational health and safety across the country. "OSH Unit" has been formed in the institute for implementing this culture.

- **Women Development and Training:** The construction work of 2 dormitories having 960 seats in Kalurghat, Chattogram and 620 seats in Bandor Narayanganj has been completed to introduce safe secure housing facilities for female workers in garments and other industries.

- **Innovative and Digital Activities:** All the factories/establishments has to get approval for factory layout plan and factory/establishment license from the department as per Bangladesh Labor Act.

Applications for approval of factory layout plan and applications for obtaining license of factory/establishment are fully online based through Labor Inspection Management Application (LIMA) software. To deposit the license fee to any bank is not needed now. Since the launch of LIMA in 2018 till February 2023, a total of 5968 new licenses have been issued through the software, 1554 factory layout plans have been approved and 4016 licenses have been renewed. In line with Government's Digital Bangladesh campaign, the department of Labour has launched online Trade Union Registration Service and the 'Publicly Accessible Database' an online database, to make easy access of major services imparted by the department of labour. In DIFE one click reporting system, all Deputy Inspector Generals at the field levels enter the login page of the reporting system from their respective offices and complete the reporting work in the prescribed template/column based on the demand from the head office. Moreover, to make the services easier and more available to the labourers a mobile application name 'Sramiker Shastho Kotha' has been launched. Besides, hot-line service has been launched to provide quick resolution of any complain related to labour and labourers and anti-union discrimination. In addition, cash grants from Bangladesh Labour Welfare Foundation and Central Fund of Ministry of Labour and Employment are being disbursed through mobile banking to the beneficiary labours and their families.

- **Reform Activities for Labour Welfare:** In order to expand and strengthen social welfare of the workers and their family members living in 03 hilly districts of the country, improve their professional skills, establish worker's rights in the workplace including overall socio-economic development, a multi-purpose complex construction project during the period from 01 April 2017 to 30 June 2022 has been implemented at Ghaghra in Rangamati. To ensure low-cost safe and healthy accommodation and to increase the productivity for working women through social empowerment, women's labor hostels and labor welfare centers with 05-bed medical center facilities during the period from April 01, 2018 to June 2022 has been implemented at Narayanganj port and Kalur Ghat of Chittagong.