



THE IGNORED GENERATION

Exploring the dynamics of youth employment in Bangladesh

Fahmida Khatun
Syed Yusuf Saadat

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Fahmida Khatun

Executive Director, CPD

Syed Yusuf Saadat

Research Associate, CPD

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House - 6/2 (7th & 8th floors), Block - F
Kazi Nazrul Islam Road, Lalmatia Housing Estate
Dhaka - 1207, Bangladesh
Telephone: (+88 02) 9141703, 9141734, 9126402
Fax: (+88 02) 48110414
E-mail: info@cpd.org.bd & coordinator@bdplatform4sdgs.net
Website: www.cpd.org.bd & www.bdplatform4sdgs.net

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Centre for Policy Dialogue (CPD), established in 1993, is a civil society initiative to advance the cause of a participatory, inclusive and accountable development process in Bangladesh. Key area of CPD's activism is to conduct policy research and organise multi-stakeholder dialogues to address developmental policy issues that are critical to national, regional and global interests. CPD's research areas include – macroeconomic performance analysis, resource mobilisation and fiscal policies, inclusive growth and labour issues, trade, regional cooperation and global integration, investment promotion, infrastructure and enterprise development, agriculture, climate change and environment, gender, human development and social protection, Sustainable Development Goals (SDGs) and governance and institution. CPD-led two ongoing global initiatives are LDC IV Monitor and Southern Voice on Post-MDG International Development Goals. For more details, please see: www.cpd.org.bd



Citizen's Platform for SDGs, Bangladesh

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Citizen's Platform for SDGs, Bangladesh is a civil society initiative, taken at the national front, to contribute to the implementation of globally adopted 2030 Agenda for Sustainable Development. The Platform was formally launched in June 2016, at the initiative of a group of individuals; the objective has been to track the delivery of the Sustainable Development Goals (SDGs) in Bangladesh and enhance accountability in its implementation process. The concept of the Platform was inspired by the participatory and multi-stakeholder approach promoted as a vital element for success in the attainment of all the SDGs. The Platform currently includes nearly 90 Partner organisations working on SDG issues across the country. For more details, please see: www.bdplatform4sdgs.net



Friedrich-Ebert-Stiftung (FES) in Bangladesh aims at facilitating inclusive dialogues on social justice with a focus on labour rights, sustainable development and international cooperation. In keeping with the organisation's global mission, and in close collaboration with national partners, FES in Bangladesh furthermore promotes trust-building and constructive working relations between social partners. FES also facilitates policy dialogues promoting progressive ideas on socioeconomic development and supports distinguished scholars from the country to advocate for these ideas at a global platform. FES and its partners furthermore aim to facilitate debates and discourses on the tertiary education reforms, as well as youth engagement in driving changes. For more details, please see: www.fes-bangladesh.org

PREFACE

The world today has more young people than ever before. As economic development is picking up pace in most regions, infant mortality rates are falling faster than fertility rates. Consequently, many countries are witnessing a rise in their youth population. With unprecedented number of young people entering the labour market, gainful employing of the youth has become one of the foremost development challenges of our time. According to the International Labour Organization (ILO), about 71 million young people globally were unemployed in 2017, while about 22 per cent of all youth were not in employment, education or training. Such high levels of underutilisation of labour not only represent missed opportunities for the economy, but also potential risks for society.

The 2030 Agenda for Sustainable Development recognises the urgent need to create decent work for the youth in order to alleviate poverty and accelerate economic growth. A number of targets under various Sustainable Development Goals (SDGs) directly address issues that are pertinent to youth employment as well as their literacy and skills development. It is evident that the indomitable spirit of youth must be harnessed in the quest of accomplishing the ambitious goal of transforming our world.

With a large youth population, Bangladesh faces the challenges of harvesting the benefits of a demographic dividend. However, in recent years, the labour market of Bangladesh has been struggling to absorb the increasing number of young job-seekers. This disconcerting trend remains a fault line in Bangladesh's prospect of graduating from the least developed country (LDC) category with a momentum. In this context, this study, undertaken by the Centre for Policy Dialogue (CPD), provides an insightful exposure of the causes of youth unemployment in the country. It constitutes an analysis of the latest available empirical evidence. Sincere thanks are due to the authors who have invested their scholarship, time and efforts in preparing this report.

Citizen's Platform for SDGs, Bangladesh is pleased to be associated with production of this important study, and is happy to make it available to a wider audience. The report published during the 'Youth Conference 2018 – Bangladesh and Agenda 2030: Aspirations of the Youth' will indeed provide much substance for discussion forums during and after the Conference. It is also hoped that the evidence-based analyses put forward in this study on Bangladesh youth will greatly benefit the policymakers and the development activists to fine-tune their strategic and programmatic approach in relevant areas.

Dhaka
October, 2018

Debapriya Bhattacharya, PhD
Distinguished Fellow, CPD
and
Convenor, Citizen's Platform for SDGs, Bangladesh

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The authors also express their deep appreciation to 17 organisations for helping CPD researchers through taking efforts to conduct the FGDs among a diverse group of young population from various socioeconomic and cultural backgrounds in 10 districts of Bangladesh. These organisations are: ActionAid Bangladesh; Association for Rural Cooperation (ARCO); Avijan; Bandhu Social Welfare Society; Bangladesh Legal Aid and Services Trust (BLAST); BRAC; Centre for Disability in Development (CDD); Eco-Social Development Organization (ESDO); Gram Bikash Shohayak Shangstha (GBSS); HEKS/EPER; Human Rights and Environmental Action Development (HEAD); Kapaeng Foundation; Nagorik Uddyog; Oxfam in Bangladesh; RDRS Bangladesh; Transparency International Bangladesh (TIB); and the World Vision Bangladesh. These organisations have dedicated their time with extreme enthusiasm to help the research team of CPD for preparing a high-quality and useful report on an issue which presents a challenge for Bangladesh.

In this connection, we would like to particularly thank *Dr Debapriya Bhattacharya*, Distinguished Fellow, CPD and Convenor, Citizen's Platform for SDGs, Bangladesh; *Professor Mustafizur Rahman*, Distinguished Fellow, CPD and Core Group Member of the Citizen's Platform for SDGs, Bangladesh; and *Ms Anisatul Fatema Yousuf*, Director, Dialogue and Communication, CPD and Coordinator of the Citizen's Platform for SDGs, Bangladesh for their commitment in taking initiatives to highlight the aspirations and challenges of the youth in Bangladesh. The authors have also received support from CPD's Research Division, and would like to thank *Dr Khondaker Golam Moazzem*, Research Director, CPD. Research support received from *Mr Suman Biswas*, former Research Associate, CPD is gratefully acknowledged.

CPD's publication unit has played an important role in bringing out this report. We would like to recognise the significant contributions of *Mr Avra Bhattacharjee*, Joint Director, Dialogue and Outreach, CPD for graphic works; and *Ms Nazmatun Noor*, Publication Officer in coordination of the publication process.

Finally, our sincere thanks to *Professor Rehman Sobhan*, Chairman, CPD for inspiring us to pursue the theme of the report.

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October, 2018

Fahmida Khatun, PhD
Executive Director, CPD
and
Syed Yusuf Saadat
Research Associate, CPD

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ACRONYMS

BBS	Bangladesh Bureau of Statistics
CPD	Centre for Policy Dialogue
DYD	Department of Youth Development
FGD	Focus Group Discussion
GoB	Government of Bangladesh
ICT	Information and Communication Technology
ILO	International Labour Organization
LDC	Least Developed Country
LFS	Labour Force Survey
MJF	Manusher Jonno Foundation
NEET	Not in Education, Employment or Training
NGO	Non-Government Organisation
NYP	National Youth Policy
SDGs	Sustainable Development Goals
TVET	Technical and Vocational Education and Training

1. Introduction

Employment generation for the youth is a major policy challenge around the world. According to the Global Employment Trends for Youth 2017 of the International Labour Organization (ILO), 70.9 million young people were unemployed across the world (ILO, 2017). In least developed and developing countries, the problem of youth unemployment is exacerbated by poverty and inequality. Competition from a rapidly growing labour force is also very high in these countries, as the economies cannot create enough jobs. Due to poor labour market policies and inadequate social safety net programmes, the youth have no choice but to rely on support from families. However, families themselves may often have limited resource to support them. Thus, in many cases, youth may end up with jobs in the low-paid informal labour market.

The challenge of youth unemployment is also evident in Bangladesh. The Labour Force Survey (LFS) 2016-17 of the Bangladesh Bureau of Statistics (BBS) reveals that, while the national unemployment rate is 4.2 per cent, youth unemployment rate is as high as 10.6 per cent. The share of unemployed youth in total unemployment is 79.6 per cent. More strikingly, unemployment rate among youth having a tertiary level education is 13.4 per cent (BBS, 2018). The LFS 2016-17 also indicates that unemployment is highest among youths having secondary level education (28 per cent). Moreover, 29.8 per cent youth are not in education, employment or training (NEET). This suggests that, in Bangladesh, education is not empowering youth with the right set of skills to be employable in the economy. Such high unemployment among the young population implies that Bangladesh is not being able to benefit from ‘demographic dividend’ – a concept that implies that as the share of working-age population increases, there will be a fall in the dependency ratio.

As Bangladesh is moving towards becoming a developing country, aspires to become a developed country by 2041, and is also committed to implement the Sustainable Development Goals (SDGs) by 2030, it is an imperative for the government to ensure a decent income to its citizens through generating employment opportunities for them. This task is at the heart of the ethos of ‘Leave No One Behind’ of the SDGs (UN, 2015). Achievement of a number of SDGs such as SDG 1 (No Poverty), SDG 2 (Zero Hunger), SDG 3 (Good Health and Well-Being), SDG 4 (Quality Education), SDG 5 (Gender Equality), and SDG 8 (Decent Work and Economic Growth) are dependent on employment generation for the youth.

In view of high youth unemployment and the commitment of the Government of Bangladesh (GoB) to fulfil the SDGs, this study has been undertaken to discern the factors that contribute to youth unemployment in the current economic and social context of Bangladesh, and how to overcome the problem. In doing so, the study also provides an overview of trends in youth unemployment in Bangladesh.

Existing studies on the labour market dynamics in Bangladesh mostly focus on identifying the reasons for participation in various sectors of the economy. A few studies attempted to estimate returns to education. The current study fills in the research gap in the area of youth unemployment and its causes, by undertaking a systematic investigation into the determinants of youth unemployment and youth labour underutilisation in Bangladesh. The uniqueness of this study lies also on consideration of the youth NEET for both qualitative analysis through focus group discussions (FGDs) and quantitative analysis through econometric exercise.

This study uses the definition of ‘youth’ provided by the Department of Youth Development (DYD) of the Ministry of Youth and Sports; that is, people in the age group of 18 to 35 years are the youth (Department of Youth Development, 2016). Henceforth, the term ‘youth’ in this study will include persons within this age group. As this study reviews various policies on youth employment and development, and makes a set of policy recommendations based on the findings of the research, it makes sense to follow the DYD definition of youth.

The remainder of this report is structured as follows: Section 2 provides an overview of the current state of youth unemployment in Bangladesh. Section 3 presents key results of the study based on econometric analysis. Section 4 gives a summary of discussions regarding youth unemployment. Section 5 reviews some of the major policy measures taken by the GoB to deal with youth unemployment. Section 6 concludes this report with some closing remarks and recommendations.

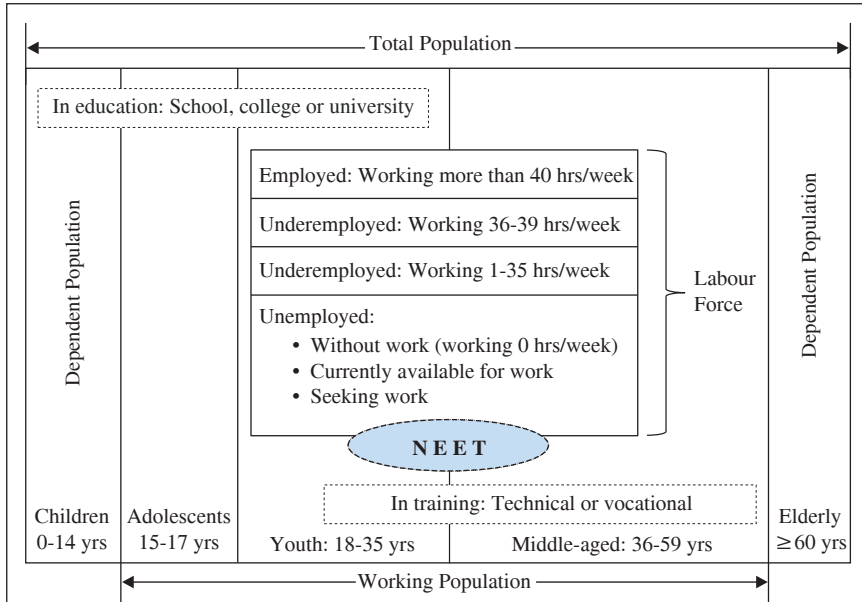
2. Overview of Youth Unemployment and NEET

The overall situation as regards youth unemployment can be understood through assessment of the labour force participation pattern of youth. Between 2015-16 and 2016-17, a total of 1,296,000 jobs were created in Bangladesh, of which 420,000 jobs went to male workers and 876,000 jobs went to female workers (BBS, 2018). Despite the increase in employment, the jobs created were not adequate to meet the market demand. Around 1.4 million people entered the country’s labour force during the period 2015-16 and 2016-17 (BBS, 2018). This implies that Bangladesh should explore external markets for employment, since the domestic labour market may not be able to accommodate all the new entrants.

2.1 Definitional Issues

The narrow definition of unemployment used by the BBS portrays a disproportionately small unemployed population. According to the Bureau, the working population is defined as the number of people who fall within the working age of 15 to 59 years. Within the working population category, the labour force consists of employed, underemployed, or unemployed people. Individuals are classified as employed, if they work for at least 40 hours per week, either in paid employment or in self-employment. Those who work for less than 40 hours per week are classified as underemployed. Individuals are only classified as

Diagram 1: Schematic Diagram of the Bangladesh Labour Market



Source: Authors' illustration.

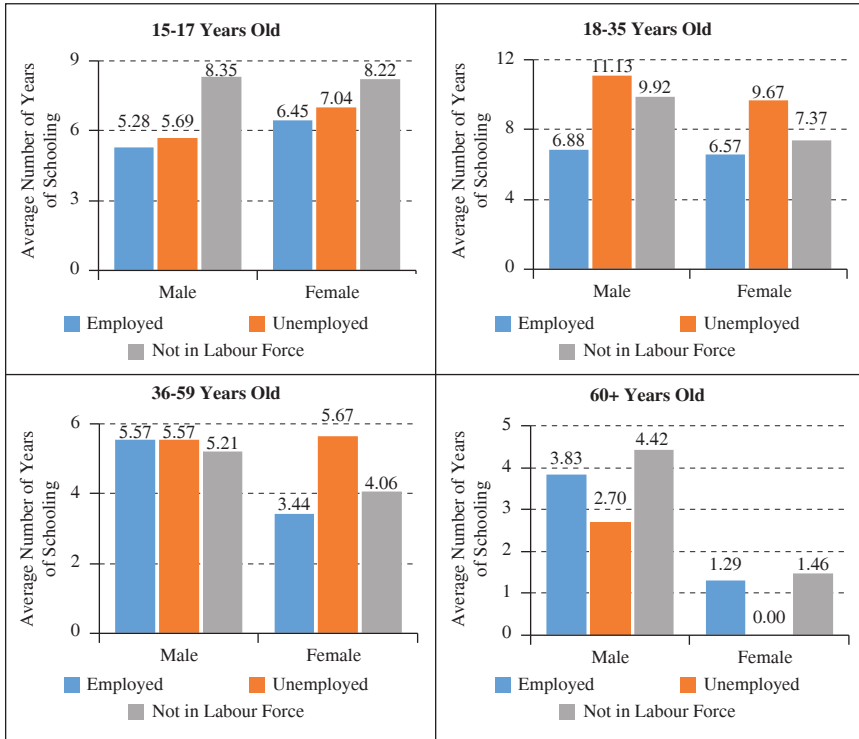
unemployed, if they are not working for even one hour per week, but are currently available for work, and are actively looking for work. These conditions are very stringent, and few people fulfil all three criteria simultaneously. For example, informal sector workers, who represented an estimated 89 per cent of all workers of Bangladesh in 2010 (ADB, 2012), usually do not spend extended periods of time in looking for jobs. In addition, youths give up the arduous task of searching for jobs after their repeated failures in securing a job year after year. Moreover, many women who may actually want to work often do not actively seek jobs due to fear of social stigma.

A more appropriate measure of the level of economic inactivity of youth is the NEET indicator. Therefore, in order to adequately understand the extent and magnitude of youth unemployment, it is useful to investigate the youth NEET scenario. According to an ILO report, the youth NEET rate in Bangladesh is 16.2 per cent higher than the global average youth NEET rate of 21.8 per cent, and 9.4 per cent higher than the South Asian regional average youth NEET rate of 28.6 per cent (ILO, 2017). These findings are particularly disconcerting given that at the present juncture in Bangladesh's development path, the country could have benefitted from its demographic dividend. A schematic diagram of Bangladesh's labour market is presented in the Diagram 1.

2.2 Labour Force Participation

Ironically, in Bangladesh, there is a positive relationship between education and unemployment (BBS, 2018), that is, the higher the level of education, the greater

Figure 1: Average Number of Years of Schooling, by Labour Force Status, Gender and Age Group

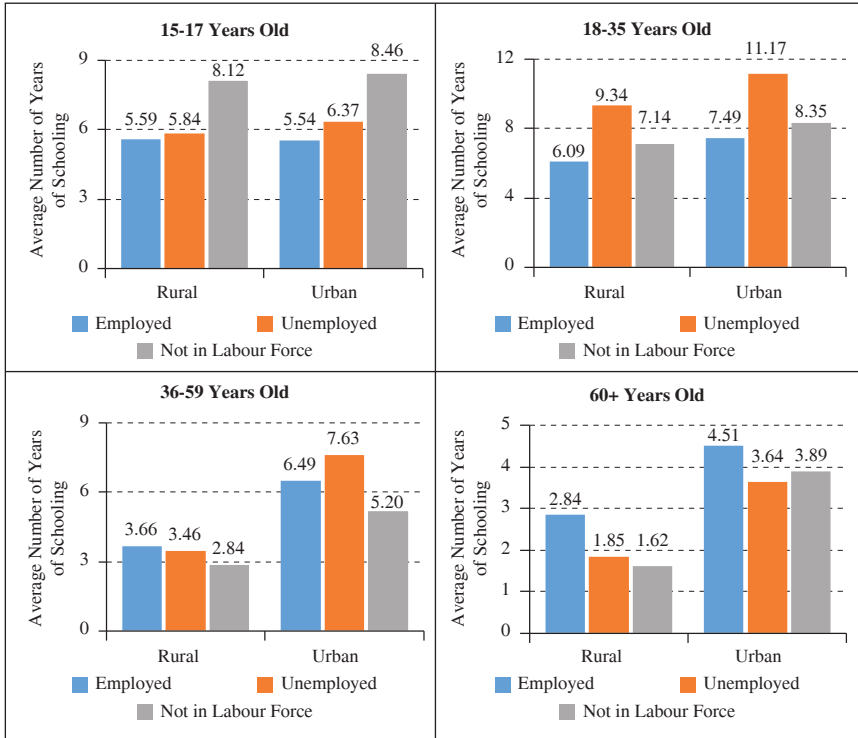


Source: BBS (2018).

the likelihood of being unemployed. Figure 1 shows that the average number of years of schooling for unemployed male youth was 11.13 years, compared to 6.88 years for employed male youth. Similarly, the average number of years of schooling for unemployed female youth was 9.67 years, compared to 6.57 years for employed female youth. Overall, in most cases, the average number of years of schooling was higher for unemployed individuals compared to employed individuals across all age groups for both genders.

A disaggregation of years of schooling by labour force status (that is, employed, unemployed and not in labour force) and geographic regions shows that the average number of years of schooling was higher in urban areas compared to rural areas for individuals from every labour force status and age groups (Figure 2). Additionally, in most cases, the average number of years of schooling was higher for unemployed individuals compared to employed individuals across all age groups for both rural and urban areas.

Figure 2: Average Number of Years of Schooling, by Labour Force Status, Region and Age Group



Source: BBS (2018).

2.3 Education and NEET

The positive link between higher education and unemployment could be explained by the nature of the nexus between education enrolment, education quality and employment. If education enrolment increases, but education quality does not, then the labour market will get flooded with a large number of poorly educated youth. This is the most likely scenario of the labour market in Bangladesh.

Indeed, National School Assessment 2015 shows that average scores for Bangla and Mathematics in Grade 3 and Grade 5 have dropped in 2015 compared to 2013 (MoPME, 2017). This may be due to low teacher-student ratio and lack of qualified teachers. Research has shown that in Grade 8, only 35 per cent students in Bangladesh were competent in mathematics (World Bank, 2013). In 2017, Bangladesh was ranked 107th out of 137 countries in terms of quality of math and science education, where rank 1 indicates the best quality and rank 137 indicates the worst quality (WEF, 2017). In 2016, the teacher to student ratio in technical and vocational educational institutes was 1:27 (BANBEIS, 2017),

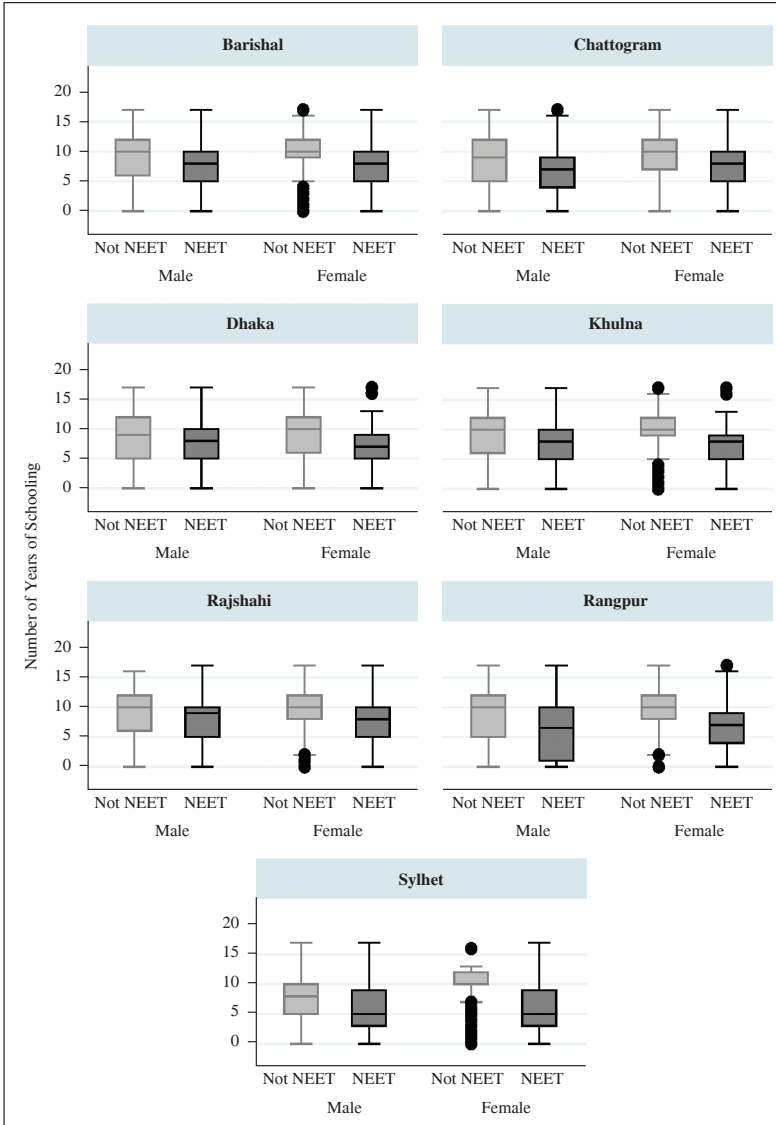
which was short of the corresponding target of 1:12 set out in the National Education Policy 2010 (Ministry of Education, 2010). Inadequate budget is also one of the foremost constraints facing Technical and Vocational Education and Training (TVET). Almost 40 per cent of the TVET institutions reported that lack of apparatus, laboratories and trained teachers are major challenges that limit their capacity to impart quality education (BBS, 2016).

The other underlying reason behind the positive relationship between higher education and unemployment may be the following. If the marginal learning from each additional year of education is zero, then employers will be indifferent between hiring less educated and more educated workers. However, since workers that are more educated usually claim higher wages than less educated workers do, employers will tend to prefer less educated workers for employment since they have the same level of skills, but will work for less wages (Rahman, 2014). This means that if the quality of education cannot ensure sufficiently high marginal level of learning with each additional year of education, then workers that are more educated, will be less employable than the less educated workers.

In terms of the median number of schooling years, youth NEET have lower median schooling years than that of youth not NEET individuals for all geographic divisions and for both genders (Figure 3). Interestingly, for almost every geographic division, there was a greater amount of variation in the distribution of educational attainment for male youth compared to female youth. Furthermore, the median number of years of schooling for female youth was lower than that of male youth, for all geographic divisions.

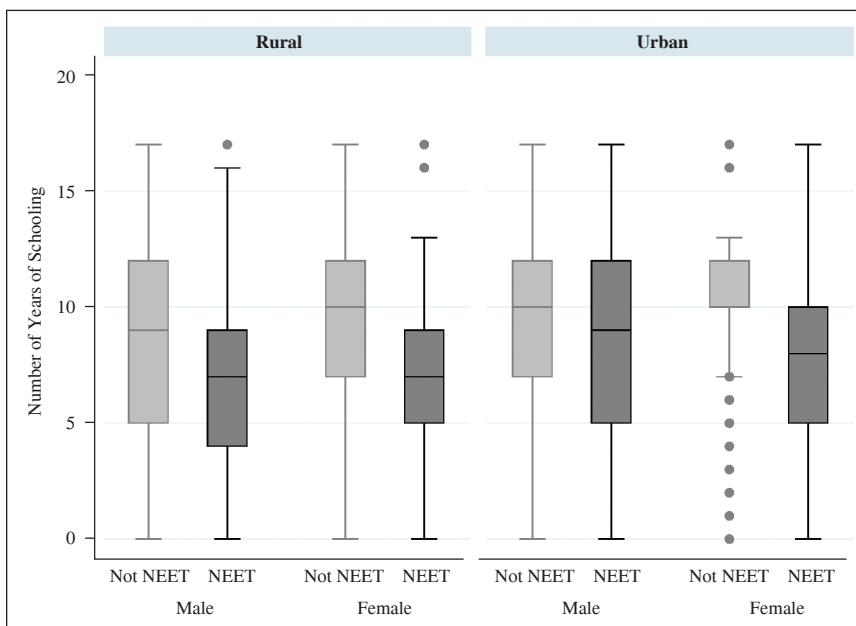
A similar pattern was observed when data for education was disaggregated by the type of place of birth. The median number of years of schooling for youth NEET individuals was found to be lower than that of not NEET youth individuals for both genders, regardless of whether they were born in rural or urban areas (Figure 4). Again, it was also seen that the variation in distribution of educational attainment for female youth NEET was lower than that of male youth NEET. Additionally, Figure 4 shows that the median number of years of schooling for both gender is higher in urban areas compared to rural areas, irrespective of their NEET status. This shows that significant inequality in terms of access to education between urban and rural areas, as uncovered by previous research (Rahman, 2009), still persists today.

Figure 3: Number of Years of Schooling, by Division, Youth NEET Status and Gender



Source: BBS (2018).

Figure 4: Number of Years of Schooling, by Type of Place of Birth, Youth NEET Status and Gender



Source: BBS (2018).

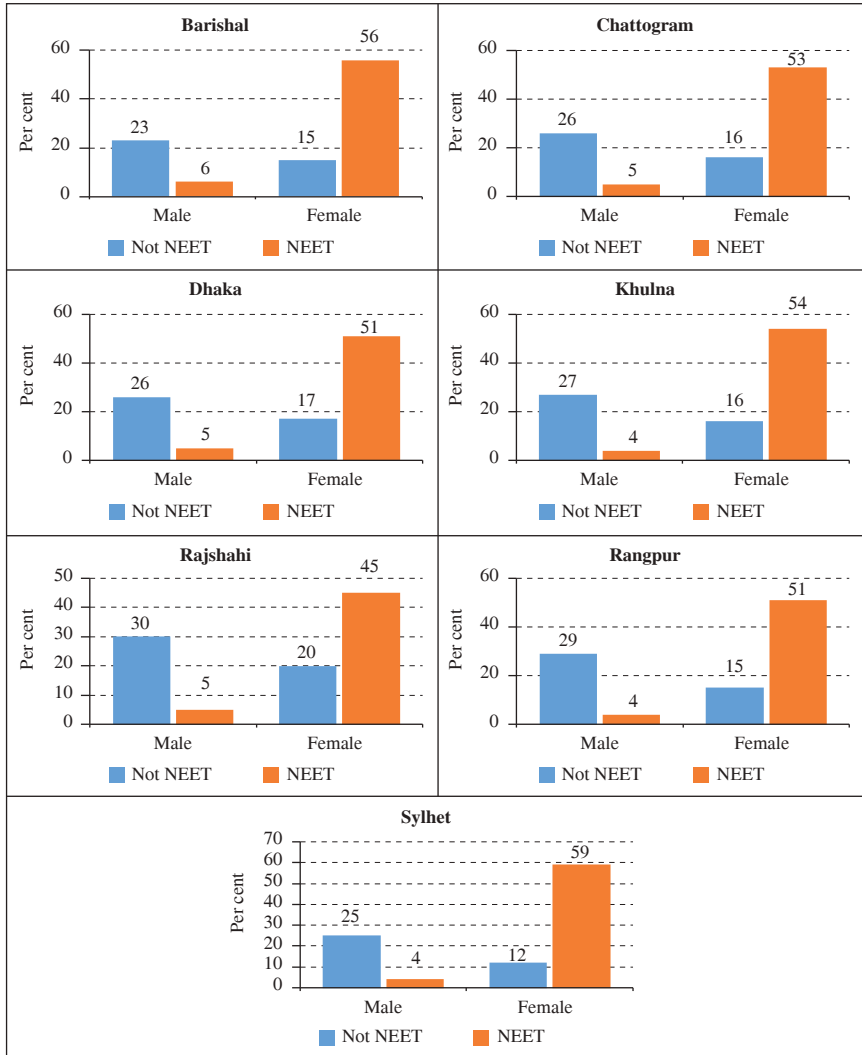
2.4 Gender Differences in NEET

The percentage share of female youth NEET is found to be substantially higher than that of male youth NEET for all geographic divisions of Bangladesh, when the youth NEET individuals are disaggregated by geographic regions and gender (Figure 5). Additionally, all geographic divisions of the country exhibit similar percentages of youth NEET for both genders.

The time which is spent on household tasks could have been utilised in employment, education or training. Keeping this in mind, data for the time spent in doing household chores were analysed by geographical division, youth NEET status and gender. Not surprisingly, it was uncovered that, on average, female youth spent significantly higher number of hours per week in doing household activities compared to male youth, regardless of geographic division and NEET status (Figure 6).

Overall, women comprise of 92 per cent of youth NEET and 85 per cent of all NEET (BBS, 2018). This is an indication of the fact that conventional gender roles in Bangladesh dictate that women should be primarily responsible for household work and childcare. As a result, many young women in Bangladesh who may want to work, are held back due to gender-specific roles, social bindings and cultural norms. According to the Time

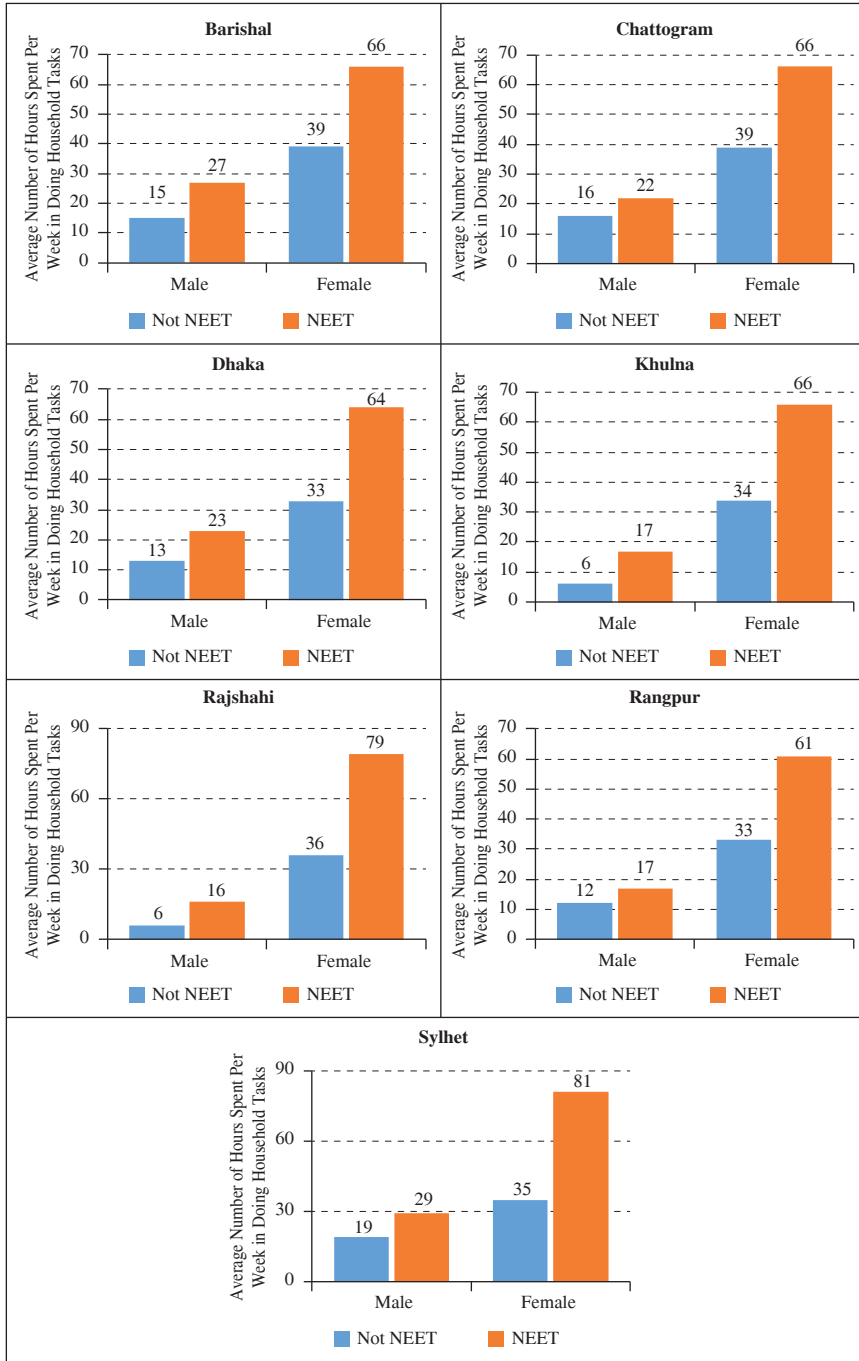
Figure 5: Percentage of Youth NEET by Division and Gender



Source: BBS (2018).

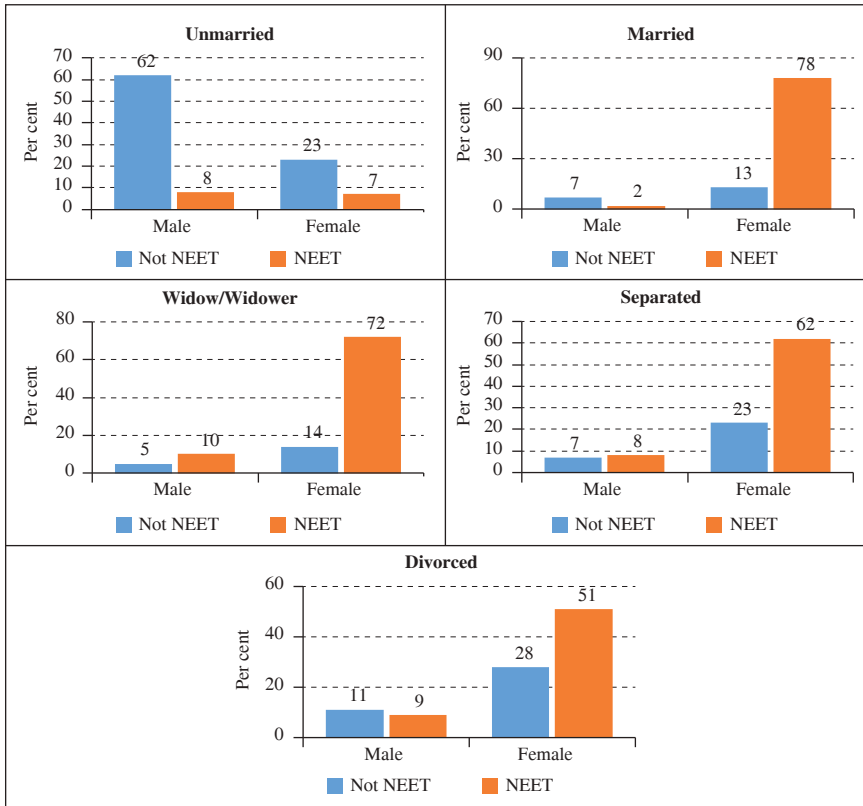
Use Pilot Survey 2012 of BBS, employed females, aged 15 and above, spent 3.6 hours per day doing household works, and unemployed females, aged 15 and above, spent 6.2 hours per day doing household works (BBS, 2013). In a study conducted by the Centre for Policy Dialogue (CPD) and the Manusher Jonno Foundation (MJF), it was found that in Bangladesh, females aged 15 years and above spend 7.7 hours per day on average doing unpaid houseworks (Khatun et al., 2015). Of the 8,320 women who were surveyed in the study, 75.19 per cent said that they were willing to get involved in paid work (Khatun et al., 2015). In a study based on the LFS 2015-16 data of 36,006 married women, it was found

Figure 6: Average Number of Hours Spent Per Week Doing Household Tasks, by Division, Youth NEET Status and Gender



Source: BBS (2018).

Figure 7: Percentage of Youth NEET by Gender and Marital Status



Source: BBS (2018).

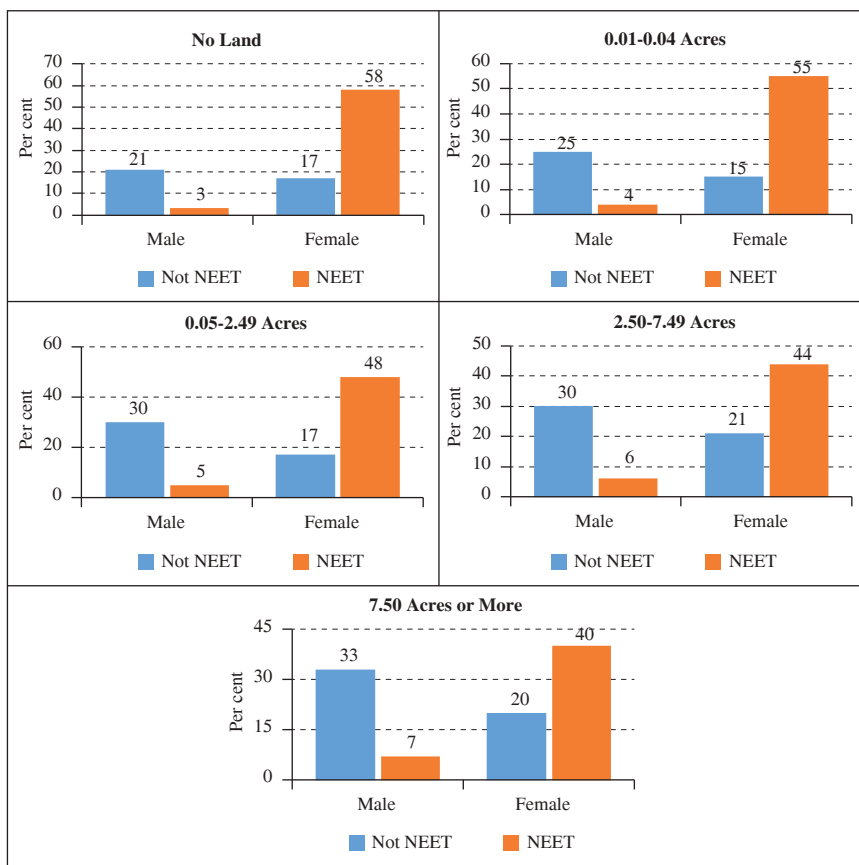
that each additional young child aged less than six years old decreased the probability of women’s labour force participation by 7.93 per cent (Begum and Saadat, 2018).

There was a higher percentage of unmarried male youth NEET compared to married male youth NEET. This seems logical since married youth NEET will have difficulty in maintaining a family without a job, if they do not have any other sources of income. Alternatively, there was a lower percentage of unmarried female youth NEET compared to married female youth NEET (Figure 7). This could be because female youth, often times stop pursuing education and training or they may simply not look for employment after marriage. On the other hand, unmarried female youth may still be in education or training.

2.5 Land Ownership and NEET

Ownership of agricultural land is an indicator of wealth, and may influence the NEET status of youth. Analysis of the LFS 2016-17 data reveals that, a lower percentage of

Figure 8: Percentage of Youth NEET by Gender and Land Owned



Source: BBS (2018).

female youth who belonged to households that owned more land, were NEET. On the other hand, a higher percentage of male youth who belonged to higher land-owning households were NEET (Figure 8). This implies that youth from land-rich families may not either require jobs, or have the qualifications for obtaining jobs, or may be engaged in agricultural activities.

3. Key Results of Econometric Analysis

Econometric analysis for this study is based on the cross-sectional data collected by the BBS as part of its LFS 2016-17 (BBS, 2018). Key findings of this exercise can be summarised as follows:

Years of schooling and experience increase probability of NEET status. On average, each additional year of schooling increases the probability of entering NEET status by

1.16 per cent for male youth and 1.07 per cent for female youth, provided all other factors are held constant. Each additional year of potential labour market experience increases the likelihood of entering NEET status by 1.7 per cent for male youth and 1.86 per cent for female youth.

Housework influences NEET status. Housework is twice as influential in deciding the NEET status for female youth, compared to that of male youth. On average, each additional hour spent doing household tasks increases the chances of entering NEET status by 0.16 per cent for female youth, but only 0.08 per cent for male youth.

Land ownership negatively impacts female NEET status. Ownership of land is found to have a negative and statistically significant relationship with female youth NEET status. Moreover, this relationship gets stronger with higher amount of land owned by the household. This means that female youth from wealthy households were less likely to enter NEET status compared to female youth from poor households. On the other hand, the ownership of land was not found to have any statistically significant effect on the NEET status of male youth in most cases.

Children reduce probability of male NEET. Young children in the household reduced the chances of male youth of being in NEET status, and increased the chances of female youth entering the NEET status. This finding is consistent with the traditional gender roles entrenched in Bangladeshi society, whereby men are designated as breadwinners and women are assigned as caregivers.

Location influences NEET status. Female youth born in urban areas had a lower probability of entering NEET status than female youth born in rural areas. On the other hand, male youth born in urban areas and male youth born in rural areas had equal probability of entering the NEET status.

4. Summary of Focus Group Discussions

For conducting the FGDs, this study has used purposive sampling strategy. Participants of the FGDs were selected based on the following criteria: (i) aged between 18-35 years; (ii) not in education; (iii) not in employment; (iv) not in training; and (v) did not participate as a respondent in the LFS 2016-17 conducted by the BBS. Annex Table 1 outlines the sampling strategy matrix of the FGDs conducted as part of this study. Participants of FGDs cited a variety of reasons for their own unemployment status, and recommended a number of suggestions to resolve the problem of youth unemployment in Bangladesh.

Inadequate job opportunity: Most FGD participants felt that the number of job opportunities were not enough to employ all the eligible workers. This is in line with the empirical evidence discussed in Section 2 of this report, which indicated the inadequacy of the number of jobs created compared to the number of entrants into the labour market.

Poor quality of education and skills mismatch: The poor quality of education and skills mismatch that were pointed out in several studies, have also been echoed in the opinions of the FGD participants. Due to such limitations, Bangladeshi youth find it difficult to make school-to-work transitions. Inadequate communications skills and language barrier were also cited as factors for not getting jobs.

Limited opportunity to be entrepreneurs: Problems faced by aspiring young entrepreneurs, such as difficulty in obtaining finance, getting permission and license, and availing infrastructural facilities have been confirmed by the FGD participants. Many youth are also not aware of the opportunities available to new entrepreneurs.

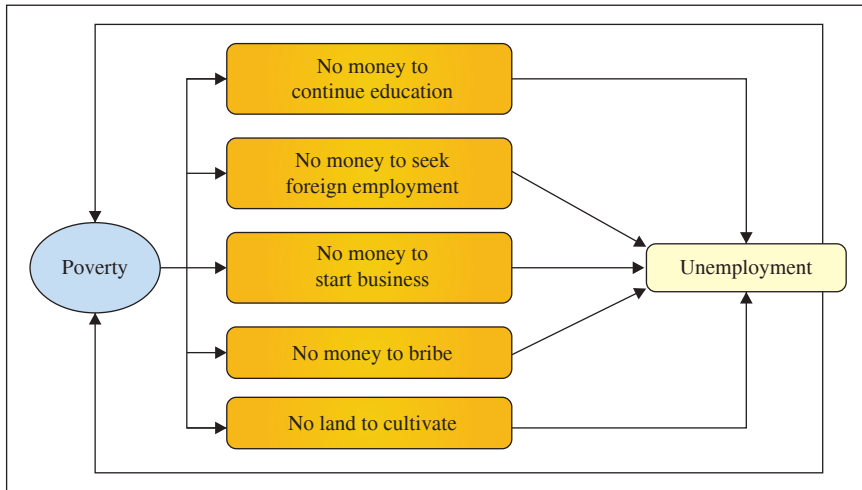
Difficulties for female job-seekers: Many families of female youth are unwilling to allow them to work outside home. Young females have also pointed out that they are not seeking employment overseas, since they fear for their own safety. They are well aware of harassment and torture of Bangladeshi migrant workers by the foreign employers in the Middle Eastern countries. Poor working environment in many organisations within the country also demotivates many women from seeking employment.

Lack of access to computers and internet: Some FGD participants told that they do not have access to computers. They believe that computer skills could improve their chances of getting a job. This finding resonates with the data from the ICT (information and communication technology) use and access survey 2013 of BBS, which revealed that only 5.7 per cent households in Bangladesh owned a computer (BBS, 2015). Some FGD participants linked their unemployment status to the lack of information on job opportunities. They feel that access to computers and internet can help them to search jobs, since many job vacancies are posted online nowadays.

Reduced employment prospects due to bribery and corruption: A large number of participants feel that corruption acts as an insurmountable barrier in their quest for getting a job. Thus, they perceive that they could not get a job because of their inability to pay bribes. Many have voiced their concerns regarding lack of transparency and presence of unfair lobbying in the job recruitment process.

Resource constraint inhibiting education and income opportunity: Lack of money was cited as a limiting factor, which stopped some participants to continue their education, seek employment overseas, or start their own business. Many rural youth mentioned that they lack income opportunity due to lack of cultivable land. Thus, the FGD findings indicate to the emergence of a multidimensional vicious cycle of poverty, which is contributing to inequality. A simple illustration is presented in Diagram 2 – those who are landless and too poor to afford education, foreign employment, entrepreneurship or bribes, are in a vicious cycle of poverty, which they cannot escape without positive intervention of the government.

Diagram 2: New Vicious Cycle of Poverty



Source: Authors' illustration.

Unreasonable experience requirements: Several FGD participants said that fresh graduates from universities do not have the necessary work experience for many jobs that are available in the market. Therefore, young entrants in the labour market are often at a disproportionately disadvantageous situation compared to the relatively older incumbents.

Discrimination against minority groups: FGD participants from various minority groups pointed out that discrimination in job recruitment was a reason behind their unemployment. They also mentioned that existing social prejudices prevented them from continuing their education, and hence, reduced their chances of getting a job.

Mental health and drug addiction: The issue of mental health and drug addiction was also discussed as possible factors that are responsible for the large number of youth NEET in Bangladesh. Some FGD participants admitted that they were unemployed simply because of their own laziness and reluctance to seek a job. This is a shocking finding and a wake-up call to consider the problem of fatigue and inactivity among the youth more seriously.

Waiting for government jobs: Government jobs are highly regarded by the FGD participants because of the facilities and security of jobs. So a few of the FGD participants are in NEET as they are waiting to get an opportunity for a government job someday.

With regard to the solutions for youth unemployment, a plethora of recommendations were offered by the FGD participants. Each individual proposed a recommendation, which was intrinsically linked to the reasons for their own unemployment. Their recommendations are reflected in the concluding section of this report.

5. Review of Policies for Youth

The GoB formulated its first National Youth Policy (NYP) in 2003. In its latest NYP 2017, the GoB emphasises that empowerment and development of youth are necessary steps for achieving equality, human dignity and social justice (Ministry of Youth and Sports, 2017). A number of objectives outlined in the NYP 2017 are closely related to youth unemployment. These include: creating congenial conditions for the youth to achieve their inherent potential; developing youth into a human resource; ensuring quality education, health and security for the youth; providing youth with employment and choice of profession according to their ability; and promoting economic and innovative enterprises by the youth. Additionally, unemployed youth are recognised as the first category of youth, for whom the government intends to undertake special measures (Ministry of Youth and Sports, 2017).

In order to get an overall impression of the major issues explored in the NYP 2017, this research has analysed the text of the NYP 2017. This text analysis reveals some of the most frequently used words in the NYP 2017, indicating the recurring themes in the document. Some of the most frequently used words in the NYP 2017 are shown in a word-cloud below. Interestingly, the word ‘employment’ did not appear among the most frequently words used in the NYP 2017.



In general, the policy measures mentioned in the NYP 2017 are well intentioned. For example, the decision to teach ICT in the regular curriculum or the measures to bring all youth under banking and insurance are clearly steps in the right direction. Certain policies in the NYP 2017, such as the need to discourage youth from overindulgence in junk food, and warn them about the addictive nature of social media are quite modern and farsighted. These are undoubtedly some of the major threats that the young people are facing today, and acknowledgement of these issues within a formal policy framework is a laudable step.

However, the NYP 2017 has some fundamental flaws. In essence, the NYP 2017 is a policy document, which is neither grounded on data, nor can it be evaluated through data. Thus, the NYP 2017 often makes bold declarations, which are not based on ground realities. More importantly, no measurable indicators or goals are outlined in the NYP 2017. Thus, when the NYP will be reviewed after five years, as is planned (Ministry of Youth and Sports, 2017), there will be no scope for an objective evaluation of the implementation status of the policy.

In sum, the NYP 2017, which is still a draft, only lists a set of objectives under various themes without any concrete targets and implementation plan. As a result, this policy cannot provide any outlook for the youth of the country.

6. Conclusions and Recommendations

The findings of this study suggest that years of schooling, years of potential labour market experience, and hours spent doing household tasks – all increase the probability of a young person entering NEET status. The results also indicate that the presence of young children in the household increases probability of entering NEET status for female youth, but decrease the probability of entering NEET status for male youth. Geographical location has an influence on female youth NEET status. Urban female youth were found to be less likely to enter NEET status than rural female youth. The study also indicates that household activities have a strong influence on participation in the labour market, especially for females. Discussions with youth NEET through FGDs revealed that skills gap, lack of resources and opportunities, and prevalence of corruption were the major reasons for them to remain unemployed.

It is hoped that a better understanding of the causes of youth unemployment will help policymakers towards adopting corrective measures to enhance the efficiency of the labour market. Based on the findings of this research, the following recommendations are made to address the issue of youth unemployment in Bangladesh.

Improved education system

Clearly, the existing education system is inadequate to cater to the demand of the labour market. Therefore, a reform in the whole education system is necessary, so that education

can build analytical competence and critical thinking capability among students. The curriculum at educational institutes has to teach language and presentation skills for improving communication ability of the educated youth. The public sector educational institutions should receive more investments, so that higher number of students from low-income families can have the opportunity to receive quality education. More resources are also required to attract qualified teachers. Government efforts will have to be complemented by private sector initiatives in case of providing better learning opportunities.

Availability of technology and internet

In this day and age, the knowledge ecosystem is dominated by information technology where creativity and innovation play key roles. Thus, access to computers and broadband internet should be increased, particularly in the rural areas. Programming and coding should be introduced into mainstream education system in order to increase the probability of securing jobs in the rapidly modernising manufacturing and services sectors where there is a shortage of high-quality human resources.

Skills development through technical and vocational training

The opportunity for employment can be increased through technical and vocational education. Both the government and the private sector will have to allocate more resources for increasing the number of technical and vocational training centres across the country. The private sector should also impart training for skills development for their existing employees, at free-of-cost, on a regular basis.

Fair opportunity for all in the job market

Qualified candidates should be given equal opportunity in getting a job. Nepotism, discrimination and prejudices against minority groups, and bribery and corruption in case of recruitment have to be eliminated through strong government policies and strict implementation of those. Employment should be based on meritocracy, and requirements for job experience at the entry level should be reduced for giving young applicants a fair chance in the job market.

Access to information at national, regional and local levels

A large number of job-seekers do not have information on job opportunities in various sectors. Job opportunities and vacancies should be announced through various types of media, including newspapers, local radio, noticeboards, websites and social media. There should be more information centres in the remotest parts of the country. Job-seekers should also be guided through career counselling services.

Self-employment through entrepreneurship

Given the size of the job market of the country, the youth should be encouraged to be entrepreneurs right from their school days. Children at schools should be exposed to creative business ideas and taught skills to start and manage a business. Aspiring young entrepreneurs should be provided with financial support through access to credit from financial institutions and incentives from the government. Moreover, bureaucratic complexities and red tape should be reduced to improve the ease of doing business for the new and young entrepreneurs. They should also have the opportunity to receive mentorship from experienced and successful entrepreneurs.

Students-to-employers connection

Interaction between students and employers can guide the future job-seekers regarding the skills which are in demand in the emerging job market. Educational institutions can also align their curriculum with the market needs based on the feedback from the employers, so that students are better prepared for the job market. This can also help the employers who are suffering from shortage of skilled human resources.

Career counselling from an early stage

All educational institutions should have career counsellors to guide students towards their future career path from a very early age and help them find internships, prepare job applications, and engage in entrepreneurship. The youth should be well-informed about all types of opportunities available in the market when they want to make a transition from education to employment. An exposure to the available jobs and the requirements will help them prepare for their careers.

Enabling environment for female youth

Favourable conditions need to be created for female youth to be engaged in the labour market and entrepreneurship. They should have wider opportunities for training and vocational education. The government, the private sector and other employers have to ensure their safety at all levels. Measures such as safe transportation, secured accommodation, and reliable and affordable daycare centres for children will encourage them to participate in the labour market. Gender stereotyping and prejudices in providing them finance for entrepreneurship should be eradicated.

Employment opportunities abroad

New job opportunities outside Bangladesh should be explored both in the existing and new markets. Cost of migration should be reduced, so that youth from landless and poor

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families can get opportunities to take up jobs as migrant workers. The government, the private sector, and the non-government organisations (NGOs) have to work together to improve their skills, provide information on opportunities, and ensure their safety in recruiting countries. The returnee migrants should be reintegrated into the economy through self-employment opportunities.

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Annex Table 1: FGD Sampling Strategy Matrix

No.	Organisation	FGD Location	Target Group of FGD Participants	Number of FGD Participants			
				Male	Female	Third Gender	Total
1.	Association for Rural Cooperation (ARCO)	Naogaon	Plain land Adivasi youth	6	5	-	11
2.	Avijan	Dhaka	Youth from ethnic minority	7	9	-	16
3.	Bandhu Social Welfare Society	Mymensingh	Feminine male and transgender youth	8	-	6	14
4.	Bandhu Social Welfare Society	Khulna	Gender diverse population	14	-	-	14
5.	Bangladesh Legal Aid and Services Trust (BLAST)	Dhaka	Poor urban youth	4	9	-	13
6.	Bangladesh Legal Aid and Services Trust (BLAST)	Dhaka	Poor urban youth	2	10	-	12
7.	BRAC	Dhaka	Youth living in slum	3	5	-	8
8.	BRAC	Dhaka	Youth living in slum	3	5	-	8
9.	Centre for Disability in Development (CDD)	Narsingdi	Disabled youth	5	10	-	15
10.	Eco-Social Development Organization (ESDO)	Thakurgaon	Discouraged youth, youth addicted to drugs, youth from Dalit community	6	4	-	10
11.	Gram Bikash Shohayak Shangstha (GBSS)	Narsingdi	Able and differently able youth	6	3	-	9

(Annex Table 1 contd.)

(Annex Table 1 contd.)

No.	Organisation	FGD Location	Target Group of FGD Participants	Number of FGD Participants			
				Male	Female	Third Gender	Total
12.	Gram Bikash Shohayak Shangstha (GBSS)	Dhaka	Mixed group unemployed youth	4	4	-	8
13.	Human Rights and Environmental Action Development (HEAD)	Satkhira	Underprivileged youth	9	6	-	15
14.	Kapaeeng Foundation	Chattogram	Indigenous youth	7	3	-	10
15.	Nagorik Uddyog	Dhaka	Youth from linguistic minority	5	5	-	10
16.	Oxfam in Bangladesh	Rangpur	Educated, uneducated and unemployed youth	6	4	-	10
17.	Oxfam in Bangladesh	Dinajpur	Educated, uneducated and unemployed youth	6	4	-	10
18.	RDRS Bangladesh	Rangpur	Various youth population	5	5	-	10
19.	Transparency International Bangladesh (TIB)	Dhaka	Various youth population	6	3	-	9
20.	World Vision Bangladesh	Khulna	Discouraged youth	5	5	-	10
21.	World Vision Bangladesh	Satkhira	Unemployed youth	9	6	-	15
Total				126	105	6	237

Source: Authors' compilation.

Bangladesh's young workforce is one of its greatest strengths. However, a large number of young people in Bangladesh cannot take part in the mainstream economic activities, as they do not find jobs. The high growth of the economy has not been able to generate enough jobs for the youth, a major section of whom are educated. Thus, Bangladesh is being deprived of the contribution of this large energetic workforce who could have provided demographic dividend to the economy.

This report provides a systematic exploration of the nature and causes of youth unemployment in Bangladesh. The quantitative and qualitative analysis of this report is based on the official Labour Force Survey data and focus group discussions. The study delves into the reasons of both male and female youth unemployment, and presents a set of recommendations.

It is hoped that the findings of this study will be useful for the policymakers, the private sector, the non-government organisations, the rights-based grassroots-level organisations and broader stakeholders in the country.

Centre for Policy Dialogue (CPD)

House - 6/2 (7th & 8th floors), Block - F
Kazi Nazrul Islam Road, Lalmatia Housing Estate
Dhaka - 1207, Bangladesh
Telephone: (+88 02) 9141734, 9141703 & 9126402
Fax: (+88 02) 48110414
E-mail: info@cpd.org.bd



www.bdplatform4sdgs.net



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