

Highlights



In Bangladesh, 29.8 per cent youth were not in education, employment or training in 2017.



Average number of years of schooling was higher for unemployed individuals compared to employed individuals, and for urban areas compared to rural areas.



Between 2015-16 and 2016-17, around 1.3 million jobs were created, while 1.4 million people entered the labour market. 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.



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Harnessing Demographic Dividend *Dynamics of Youth Labour in Bangladesh*

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What Do We Know about Youth Labour?

Young population is the most important resource that can contribute to accelerated economic and social development of a country. If engaged in economic activities of the country in a well-coordinated manner, they can be a formidable force in taking the country forward. On the contrary, if not addressed, youth unemployment can become a threat to social, economic and political stability of a country. Youth unemployment can result in demoralisation, depreciation in human capital and social exclusion (Freeman and Wise, 1982). Unemployed youth may gradually lose their skills and become mentally frustrated or socially alienated (Freeman and Wise, 1982). Youth unemployment is associated with malnutrition and loss of self-confidence, which may lead to depression. Additionally, youth unemployment may instigate stress and strife within families. Prolonged periods of unemployment can be psychologically debilitating and increase chances of future unemployment or wage penalty (Bell and Blanchflower, 2009). Crime rates are found to be positively related to youth unemployment (Fougère et al., 2009).

More than 33 per cent of Bangladesh's total population represents youth who are aged between 18-35 years (Ministry of Youth and Sports, 2017). Thus Bangladesh is uniquely positioned to benefit from demographic dividend – a situation when the dependency ratio is low due to the large working-age population. However, this potential remains mostly untapped since a large section of the young population is outside the labour market, and thus cannot contribute to the economy.

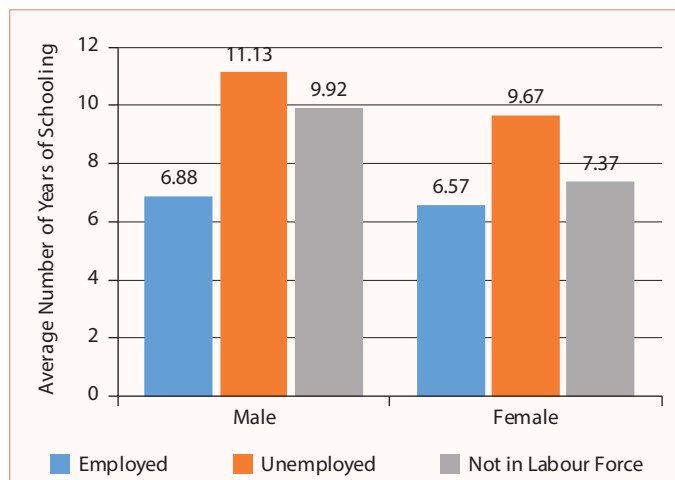
The Labour Force Survey (LFS) 2016-17 of the Bangladesh Bureau of Statistics (BBS) reveals that, while the national unemployment rate is 4.2 per cent, youth unemployment rate is as high as 10.6 per cent. The share of unemployed youth in total unemployment is 79.6 per cent. Moreover, 29.8 per cent of youth is not in education, employment or training (NEET).

Is There Any Obvious Trend?

An assessment of the labour force participation pattern of youth in Bangladesh indicates that 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). During the same time, around 1.4 million people entered the country's labour force (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.

Education seems to be of no help in solving the problem in any way. Ironically, in Bangladesh, there is a positive relationship between education and unemployment (BBS, 2018); that is, the higher the level of education, the greater the likelihood of being unemployed. The 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 the

Figure 1: Education of Youth, by Labour Force Status and Gender

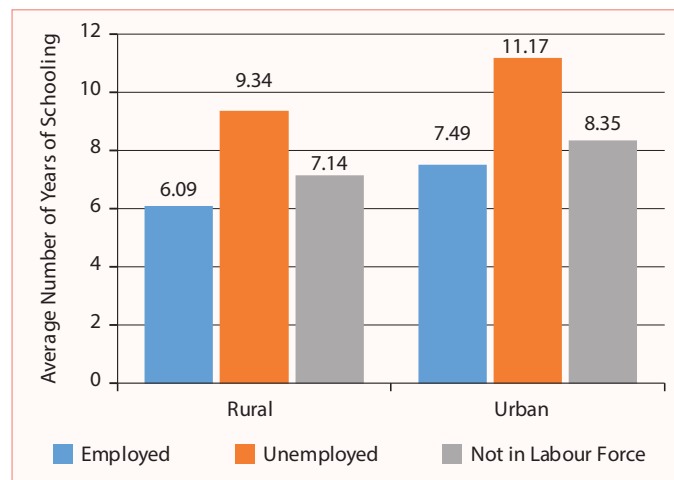


Source: BBS (2018).

secondary level education (28 per cent). Further disaggregation of youth labour force and education reveals that the average number of years of schooling was higher for unemployed individuals compared to employed individuals, across all age groups and for both genders (Figure 1).

Urban youth receives more education than rural youth in terms of the number of years of schooling. A disaggregation of years of schooling by labour force status (that is, employed, unemployed and not in labour force) and geographic region shows that the average number of years of schooling was higher in urban areas

Figure 2: Education of Youth, by Labour Force Status and Location



Source: BBS (2018).

compared to rural areas for individuals from every labour force status (Figure 2).

What Does the Policy Say?

The Government of Bangladesh (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 youth to achieve their inherent potential; developing youth into 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 enterprise by 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).

Figure 3: Word-Cloud of Few of the Most Frequently Used Words in the National Youth Policy 2017



Source: Authors' illustration based on analysis of the text of National Youth Policy 2017 (Ministry of Youth and Sports, 2017).

In order to get an overall impression of the major issues explored in the NYP 2017, the text of the NYP 2017 was analysed. This analysis reveals some of the most frequently used words in the NYP 2017, and indicates the recurring themes in the NYP 2017. A word-cloud of some of the most frequently used words in the NYP 2017 is shown in Figure 3. Interestingly, the word 'employment' is not among the most frequent words used in the NYP 2017.

The NYP 2017 describes eight priority areas for youth development. These are: empowerment; health and recreation; good governance; sustainable development; equitable development; building a healthy society; globalisation; and survey and research. Most of these priority areas have one or more policies that are related to youth unemployment, given the central nature of the issue in the realm of youth affairs. In general, the policy measures mentioned in the NYP 2017 are

well-intentioned. For example, the decision to teach information and communication technologies (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 are surprisingly modern and far-sighted. For example, NYP 2017 mentions the need to discourage youth from overindulgence in junk food, and warn youth about the addictive nature of social media. These are undoubtedly some of the major threats facing the young people in this day and age, and Bangladesh has been one of the first countries to acknowledge the need to embody these issues within a formal policy framework.

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 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.

Under the empowerment priority area, the NYP 2017 mentions that classwork at school needs to be strengthened and monitored, in order to prevent after-school private tuition and coaching. However, simply improving the effectiveness of classwork at school will not put an end to private tuition and coaching. There are deep-rooted deficiencies within the formal schooling system of Bangladesh which have caused the genesis and proliferation of private tuition and coaching. These include, but are not limited to, low pay for school teachers, poor management of schools, and insufficient number of assessments of students at school. Additionally, there are a host of other factors that drive the demand and supply of private tuition and coaching, a full discussion of which is beyond the scope of this study. Nevertheless, private tuition and coaching have created a de facto shadow education system which is a threat to the formal schooling system in the country. Therefore, clearly a lot more needs to be done in order to tackle this problem, apart from merely making school classrooms more effective.

Another notable policy measure in the NYP 2017 which is related to education and empowerment, mentions that students will be made proficient in foreign languages, in addition to proficiency in Bengali. Although no particular foreign language is mentioned, it is assumed that the NYP 2017 is implying proficiency in English, which is the lingua franca of the world. This is a much-needed policy, which will enable the youth of Bangladesh to circumvent the language barrier, and pursue their academic and professional goals, both within the country and abroad. However, the national education curriculum of Bangladesh is not in line with this objective. Therefore, business as usual practices cannot accomplish the ambition of English language proficiency of the youth. A complete overhaul of textbooks, syllabus and teachers' capacity is required. Certain education policies in the NYP 2017 appear to be incomplete as well. For example, the NYP 2017 does not mention how invention and innovation will be encouraged; which life skills will be taught to students; and what are the most recent technologies that will be applied in education. Therefore, further elaboration is needed to make these policies more concrete and effective.

Under the employment and entrepreneurship priority area, the NYP 2017 mentions a number of ambitious goals. It is mentioned that a national strategy on youth employment will be formulated, and that

the government will assist in establishing links between skilled young workers and prospective employers. It is evident, that a national strategy on youth employment is urgently required for Bangladesh, if its economy hopes to capitalise on the country's demographic dividend. However, progress in this matter seems to be painstakingly slow. On the other hand, bridging the gap between skilled young workers and prospective employers is a monumental task. Recruitment practices in many organisations in Bangladesh are not transparent. Additionally, a perpetual blame-game persists between young workers and their prospective employers, whereby each party blames the other for the skills gap prevalent in the economy. Therefore, linking workers and employers in Bangladesh may be easier said than done.

In essence, the NYP 2017, which is still a draft, only lists a set of objectives under various themes without any concrete targets and implementation plan. This policy has to be strengthened by way of incorporating a clear outlook for the youth and spelling out concrete guidelines for youth development.

How to Engage Youth in the Labour Market

The following measures should be taken to address the issue of youth unemployment in Bangladesh:

- (i) **Improve the education system:** A reform in the whole education system is necessary to build analytical competence and critical thinking capability among the students. The curriculum at educational institutes must include language and presentation skills for improving communication ability of the educated youth.
- (ii) **Increase availability of technology and internet:** Access to computers and broadband internet should be increased, particularly in rural areas. Programming and coding should be introduced into the mainstream education system in order to increase the potential of securing jobs in the rapidly modernising manufacturing and services sectors.
- (iii) **Develop skills through technical and vocational training:** Both the government and private sector have to allocate more resources for increasing the number of technical and vocational training centres across the country.
- (iv) **Ensure fair opportunity for all in the job market:** All unfair means in the recruitment process should be eliminated through implementation of strict government policies. Employment should be based on meritocracy, and requirements for job experience at the entry-level should be reduced.
- (v) **Enhance access to information at national, divisional and local levels:** Job opportunities and vacancies should be announced through various types of media, including newspapers, local radio, notice boards, websites and social media. Job-seekers should also be guided through career counselling services.
- (vi) **Facilitate self-employment through entrepreneurship:** 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 barriers should be reduced to improve the ease of doing business.

- (vii) **Bridge communication gap between students and employers:** Interaction between students and employers can guide future job-seekers regarding the skills which are in demand in the emerging job market. Educational institutions should align their curriculum with the market needs on the basis of the feedback from the employers.
- (viii) **Provide 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.
- (ix) **Create enabling environment for female youth:** Favourable conditions need to be created for female youth to be engaged in the labour market and entrepreneurship. Measures such as safe transportation, secured accommodation, and reliable and affordable day-care centres for children will have to be put in place by the government, private sector and other employers.
- (x) **Seek employment opportunities abroad:** Both the government and private sector have to explore new job opportunities outside the country. They have to work together to improve workers' skills, provide information on opportunities, and ensure their safety in recruiting countries. Cost of migration should be reduced for the poor youth to avail employment abroad.

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