

State of Women's Employment in Bangladesh

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Current Events Analysis Series

Purpose of the Report

Gender equality in general and women employment in particular are pressing issues globally and in Bangladesh that merit attention from ethical, sociological, and economic perspectives. As governments, private institutions, civil society forums and individuals strive to affect changes to policies and thought processes to reduce the gender gap, we have started to observe changes in the general mind-set of how women are perceived in the workplace. The extent to which change has been affected however is not as clear or desirable as the intent behind such initiatives. This being the case, we turn our attention to the state of female employment in Bangladesh, the challenges that remain, as well as examine employment trends for women in a global context.

A Global Outlook

According to the Head of UN Women, Phumzile Mlambo-Ngcuka (pronounced poom-ZEE-leh (m)LAHM-boh NOOH-kah), gender parity and equality are far from being achieved twenty years on from the groundbreaking launch of the Beijing Platform for Action at the U.N. Women's conference in Beijing which pledged women empowerment, more human rights for women and children and advancement for women ("Gender Equality Still Decades Away"). While there has been some progress in women's health and girls' education, political empowerment for women is yet to achieve desired levels. There are less than 20 female heads of states and there is only a 22 percent representation of women lawmakers, albeit up from 11 percent two decades ago.

A recent special report by the Financial Times (FT) titled 'Women in Business' showcases interesting findings at corporate levels. While there has been some progress with regard to women representation in corporate boardrooms, this is merely at a quota level stage. In the UK for example, all the boards of the 100 largest listed companies (FTSE 100) include at least 1 woman. However, while the UK is close to achieving the target of 25% women representation in boardrooms ("All-Time UK High in Female Boardroom Members, But No Time for Complacency") there is also a debate as to whether these regulations and quotas have broadened the gap between the elite few and women in business in general. According to OECD statistics, in countries like Mexico, Greece, Canada and Netherlands, the rate of female employment is between 46, 42, 70 and 70 percent respectively. However, the representative numbers for senior managers were about half for Mexico and Greece and 18 percent and 25 percent for Netherlands and Canada respectively. The statistics for South America and the Asia Pacific are slightly more encouraging however in terms of women in senior management roles. According to Francesca Lagerberg, Global Head of Tax for Grant Thornton, this is due to the number of family businesses offering women opportunities in addition to the cultural norm of providing strong support for the main provider, regardless of gender.

However there are still 'derailers' that remain in the workplace. Women who return to work part-time spend longer than average before becoming full time unless they are micromanaged. There are also 'unintended biases' from male colleagues such as assumptions that women are unwilling to travel, work late hours or handle difficult clients, according to Ms. Milligan of Mercer.

Bangladesh Outlook

In Bangladesh, the gender gap continues to prevail particularly in the construction and agricultural sectors. While it is very encouraging to see women working as labourers in the Inland Container Depot at Kamalapur Railway Station, the men are paid 1.5 times more per day than their female counterparts for reasons such as 'men deserve a certain level of honor so they

have to be paid more' and 'a woman can carry less heavy and fewer baskets than a man' ("Work Equal, Wage Not"). According to the Bangladesh Labour Force Survey, there are 227,000 women construction workers in the industry of whom 72 percent are paid less than the male workers (2011 Bangladesh Institute of Labour Studies report). According to agriculture development activist Shykh Seraj, there is also discrimination in the agriculture sector - in which women play a vital role in Bangladesh's success in the sector - as men's wages are at least 1.5 times the women's. This is even more disconcerting considering the fact that women labourers represent 64 percent of the 2.57 crore agricultural workforce.

It should be noted that compared to the agricultural sector and the construction industry, discrimination in the workplace is not as blatant in the corporate establishments and government offices (although only one fourth of the government employees are women).

Reasons to be positive

Although Bangladesh has some way to go before it achieves the level of gender gap parity that its western counterparts (who also have quite a way to go!) have, there are reasons to be optimistic that the country is headed in the right direction. It would however be more prudent to compare Bangladesh's status to South and East Asian countries. According to the latest MasterCard Index of Women's Advancement¹, Bangladesh has made notable strides in a few categories in the last 8 years ("Bangladesh a Bright Example of Women's Employment: Study"). In the overall employment category, Bangladesh has gained more than 80 points since 1999. Between 2007 and 2015, Bangladesh gained 21.1 index points to attain a score of 102.4 in the 'regular employment' sub category, which is the second highest improvement after India. In the 'female participation in the workforce' sub category, Bangladesh placed ahead of Sri Lanka, India, the Philippines, Indonesia, Malaysia and South Korea. In the 'Capability' category, countries like New Zealand, Philippines, Vietnam, Sri Lanka and Thailand lead the way with a score of 100. Bangladesh is not too far behind though with a score of 87.6 which is higher than Korea and India

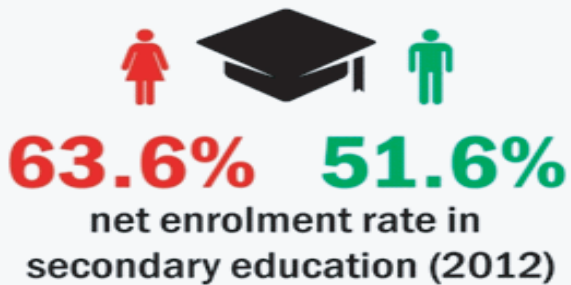
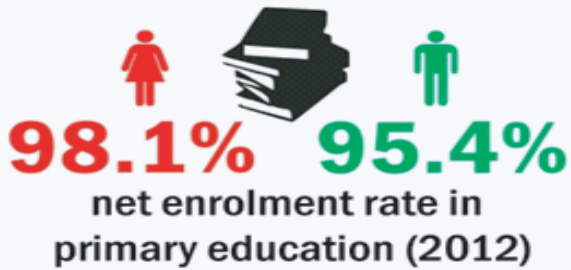
Bangladesh also fared well in the political leadership category, placed 8th ahead of Thailand, Indonesia, Malaysia, Japan, South Korea and Sri Lanka. This is supplemented by the fact that Bangladesh has the eighth lowest gender gap in political empowerment in the world which is partly due to the fact that it has had a female head of state for longer than any other country² ("Seeking Better Employment Conditions") In addition, the proportion of seats held by women in parliament doubled from 10 percent in 1990 to 20 percent in 2011³. The most progress however was made in tertiary education with Bangladesh rising 31.7 index points to 76.8 between 2007 and 2015.

¹The MasterCard Index of Women's Advancement compares gender equality across 16 countries in the Asia Pacific. A score of less than 100 indicates gender inequality in favour of males; a score of more than 100 indicates gender inequality in favour of females; while a score of exactly 100 indicates gender equality. The categories are Employment (with further sub categories of 'Workforce participation' and 'Regular employment'), Capability ('Secondary education' and 'Tertiary education') and Leadership ('Business owners', 'business leaders' and 'political leaders').

²While there are reasons to be enthusiastic over this statistic, it should be mentioned that this score was achieved due to significant weight of the indicator 'years with female head of state' in which Bangladesh scored very high. If this indicator were to be removed, Bangladesh would rank around 68 out of 136 countries - which is still an impressive feat considering its less developed status.

³According to Article 65 (3A) of the Constitution, of the 350 seats in Parliament, 50 are reserved for women. These women members are indirectly elected by political parties, and the number of total reserved seats is distributed between parties based on the proportion of seats they have in the parliament. For example, suppose the Awami League (AL) wins 210 out of the 300 seats (70 percent) and BNP wins the remaining 90 (30 percent). AL would be able to nominate 35 of its female members to represent them in Parliament. Similarly, BNP would be able to nominate 15 female members.

BANGLADESHI WOMEN MARCHING AHEAD



SOURCE: THE WORLD BANK, BANBEIS;
COMPILED BY STAR RESEARCH

Women in Bangladesh also play a crucial role in the readymade garments sector (RMG) - which accounts for more than 80 percent of total export earnings and more than 80 percent of the workforce ("Export Diversification: The Need for Different Eggs and Baskets"). The next section looks at the impact some of these RMG factories have on the livelihood of young Bangladeshi women. In the microfinance industry, where 92 percent of borrowers are women with 90 percent living in rural areas. This can arguably be connected to the high repayment rates that Grameen Bank, BRAC and others claim as women are perceived to be more responsible when it comes to taking care of the family and ensuring education for their children. This microfinance model has led to an increased sense of empowerment as evidenced by an upturn in decision making, social acceptance and political involvement; all of which have led to general welfare improvements. We also mentioned earlier that women had started working as labourers at the Kamalapur Railway Station. Although the work can be physically challenging - it involves maintaining the stabilization of the railway tracks through repairs - the women appreciate the work and have no complaints no matter how physically exhausting it is.

A study on the impact of access to factory jobs

Other promising signs are evident in a study by the University of Washington which shows that access to factory jobs can improve the lives of young Bangladeshi women by lowering the likelihood of early marriage and childbirth ("Study: Manufacturing Growth Can Benefit Bangladeshi Women Workers"). University of Washington economist Rachel Heath and co-author A. Mushfiq Mobarak of Yale School of Management studied data on school enrollment and marriage and childbirth outcomes by surveying 1,395 households in 60 Bangladeshi villages. The data examined age at marriage and at the birth of the first child for girls with greater exposure to factory jobs. The results show that the likelihood of marriage and childbirth at early ages drops sharply for girls when they gain exposure to the ready-made garments sector. Some specific findings include:

- ❖ 12-18 year old girls living near a garment factory for about 6 years were 28 percent less likely to be married
- ❖ Girls who live near a factory have 1.5 more years of education than their brothers. This is also a 50 percent increase over girls not living near a factory.
- ❖ Girls - particularly between the ages of 5 and 9 - are 7.2 percent more likely to be enrolled in school when factories open close to their village.
- ❖ One small negative effect of living near a factory is that 17-18 year old girls are slightly more likely to leave school for factory employment. However, this could also be looked at in a positive light as they are joining the labour force.

According to Heath and Mobarak, increased monitoring of conditions inside the factories can allow Bangladesh to reap the benefits of these jobs while minimizing the safety risks. The results also provide a partial explanation for accelerated gender equity in education in Bangladesh which other countries could look to emulate.

Challenges and looking forward

While the MasterCard index provides some promising statistics and reasons for optimism, there are still some areas in which Bangladesh could improve immensely. In the overall index, Bangladesh has the second-lowest score (44.6) ahead of India (44.2) but behind Sri Lanka (46.2). With all 3 countries scoring less than 50, there is much that remains to be done in order to achieve gender parity. In the business ownership (11.7) and leadership (6.2) categories, Bangladesh scored the lowest. In addition, although Bangladesh scored well in political leadership, issues remain at lower levels of government where only 0.5 percent of seats are held by women and women represent a mere 10% of government workers (ILO).

Although the government, employers and workers organizations are making quantifiable progress with the help of the ILO and several development partners, women are disproportionately affected by unemployment, underemployment and vulnerable employment compared to men. Going forward, gender-responsive labour market policies need to be implemented in order to promote more equitable employment outcomes and meaningful work for all ("A Quiet Revolution").

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