

Baseline Assessment of Skills and Employment of Indigenous and Tribal Peoples in Bangladesh

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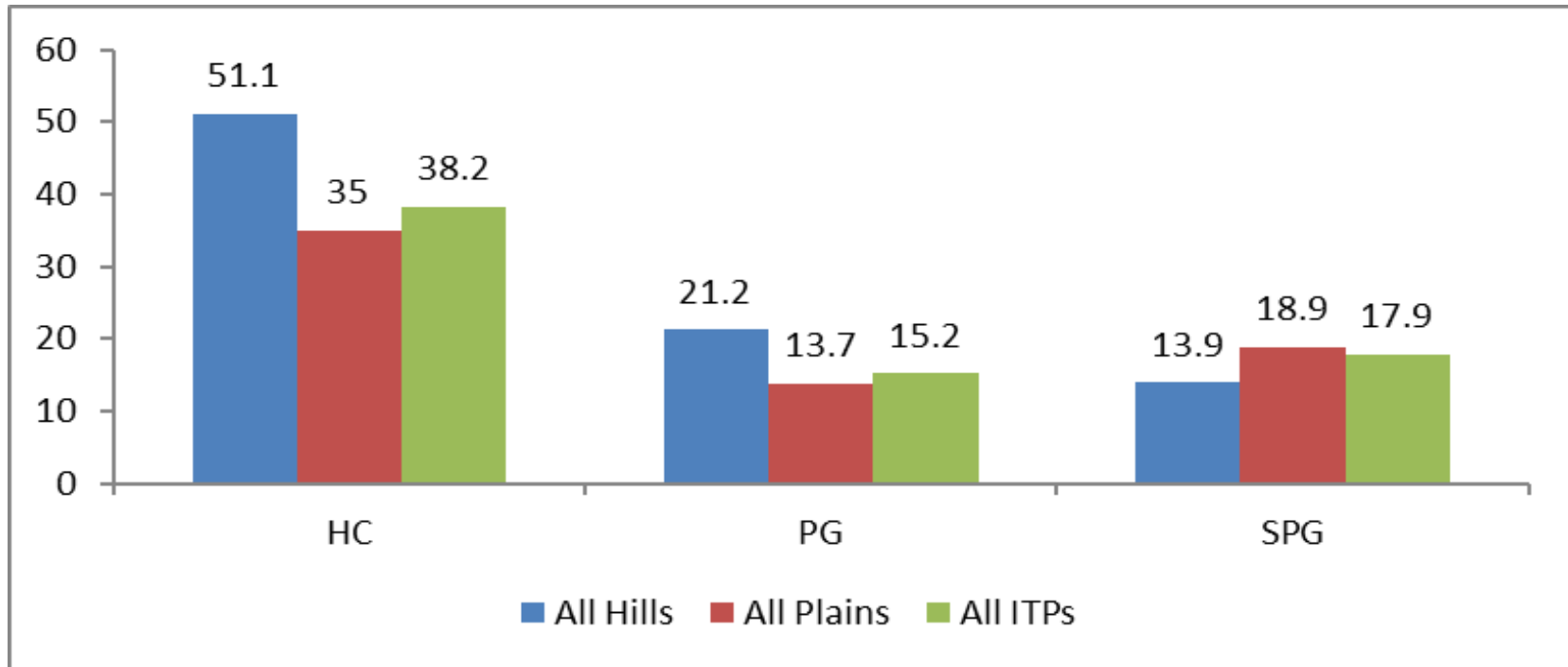
Objectives/Sampling

- The objective of the proposed study is to assess the **socio-economic conditions, skills and employment situations** of indigenous and tribal peoples (ITPs) in Bangladesh
- The total size of the sample is 10,000 of which 2,000 were drawn from the Hills and the rest from the Plains. Population and Housing Census of 2011 data was used for sampling.
- Probability proportionate to size (PPS) technique was used to determine the size of the sample at the village, union, upazila and district levels
- Combines qualitative and quantitative methods.

Key features of the study

- Large sample
- Compares findings with rest of Bangladesh population
- More is known about ITPs in the Hills than in the Plains
- Makes estimates of key labour market variables and skills for the ITPs

Poverty



- Poverty is higher among the ITPs (38.2 as against 26.4, HIES 2016)
- Income distribution is skewed more in the Hills (Gini .45 as against .38)

Other socio-economic conditions without numbers!

- Poor housing conditions
- Insecure land
- Higher open defecation
- Up to primary level education, then declines
- Limited access to water
- Limited migration opportunities, particularly international migration

Labour force participation rate (LFPR)

- Labour Force Participation Rate (LFPR) of the ITPs is 62.76% with 65.05% in Plains and 53.88% in Hills compared to national rural LFPR of 57.3%
- LFPR for males is much higher (76%,) than that of females (53.95%) in plain area. In the hilly area also it is much higher (66.6%) for males than for females (41.1%).
- LFPR for male ITPs is lower and female higher than corresponding rural national figures. The rural male/female LFPR is 81.6%/33.7

Economically inactive population

- Economically inactive ITP population accounts for **37.24% of total working age population compared to national rural 41.3%** with 46.12% in hilly and 34.95% in plain area reflecting **greater activity rate among ITPs than nationally.**
- Economic inactivity rate is much **larger among female ITPs** than among the males.

Unemployment rate

- ITP unemployment rate is **0.37%** with 0.28% in plain and 0.78% in hilly area **compared to national rural 4.13%**.
- Unemployment rate is **higher for tertiary graduates (2.04%) than for those with no education (0.11%)** indicating positive relationship of education with unemployment.

Underemployment

- Only 8.45% of employed ITPs were underemployed (working less than 35 hrs. weekly & looking for additional hours of work) with 7.77% male and 9.43% female.
- Underemployment rate is much higher in plain (9.58%).
- Across occupations, agricultural day labour has largest share of underemployment (14.12%).
- Across industries, underemployment is most prominent in agriculture (10.88%).

Employment by occupation

- Majority of the ITPs (48.25%) are employed as agricultural day labourers with 54.99% in Plains and 16.46% in Hills. Self-employment in agriculture is 21.42% with 46.43% in Hills and 16.12% in the Plains. Self-employment in non-agriculture is 6.7% with 12.63% in the Hills and 5.45% in the Plains.

Employment by industry

- Largest portion of ITPs are employed in **agriculture (71.85%)** with 73.05% in plain and 66.18% in hilly area compared to **national rural 55.3% reflecting preponderance of ITP employment in traditional primary sector.**
- Share of manufacturing in ITP employment is 10.44% with almost equal share of hilly and plain area.
- **Manufacturing employment is more prominent among females (11.67%)** with 14.25% in hilly and 11.16% in plain area.

Employment by education level

- ITPs without education account for largest share of employment (54.09%) followed by those with primary education (33.81%), secondary education (6.46%), higher secondary education (3.43%) and tertiary education (2.21%) reflecting that education has little or no correspondence to job market.

Formal and informal employment

- Informal employment among ITPs accounts for **89.84%** compared to national rural **87.5%** with negligible variation between hilly and plain area.
- Informality of employment is slightly higher among women.
- In formal employment, service sector accounts for largest share (41.08%) followed by manufacturing (35.04%).

Wage level of the ITPs

- Average monthly wage of the ITPs amounts to BDT 2,159 with BDT 2,455 for males and BDT 1,697 for females compared to national rural BDT 10,545 with BDT 10,576 for males and BDT 10,379 for females.

Skills level of ITP employed population

- Skills level of ITP employed population is extremely poor. While largest segment of them (43.01%) have no minimum level of skills [No skills required to carry out simple tasks], a large segment of them (37.49%) have very limited level of skills [Limited skills required to carry out simple tasks].
- Skills shortage is much more pronounced among ITPs in hilly area where overwhelming proportion of them (73.13%) have no minimum level of skills. On the other hand, ITPs in plain land have much higher proportion of skilled workers at all levels indicating much greater employment potential of plain land ITPs.

Vocational trainings received by ITPs

- ITPs who received vocational training accounts for only **2.64%** with 2.79% male and 2.5% female **compared to national rural average 2.7%** with 3.6% male and 1.8% female.
- Among trainings received by ITPs, **agriculture predominates (13.71%) followed by RMG (13.59%), computer (11.89%), livestock (11.17%), poultry (7.77%) & driving (7.28%).**
- Overall 40.55% of ITPs (41.69% male and 39.43% female) are averse to training.
- Among trainings in demand, poultry figures (13.18%) most prominently. Next in importance are agriculture and crop production (9.89%), computer (7.27%), RMG (6.57%), driving, motor mechanic (3.73%), craftsmanship and handicrafts (3.28%).

Overall Summary

The major dilemma of the ITP population is that half of them are poor despite almost all of them being employed. This means they are involved primarily in low skill, low productive economic activities such as agricultural labouring, petty trading and farming. Their human capital is mostly frozen at the primary level with a strong aversion to training and development of skill. Differentiation and polarization on various dimensions exist between and within the ITP communities.

Overall Summary (continued)

A vibrant rural Bangladesh economy characterized by declining share of the agricultural sector, rising non-farm economy, increasing inflow of remittances, growth of infrastructure and market has not benefited a large part of the ITP population.