Industrial hub proximity increases employability

Finds BIDS study

FE REPORT

Proximity to industrial areas tends to provide more employment opportunities in the manufacturing sector, especially for female workers, bridging the gender gap, a study has found.

Participation of the women living in distant districts from industrial belts like Dhaka, Gazipur and Chattogram in the export-oriented manufacturing industries is lower, reveals the study.

Findings of the study were unveiled at a seminar "Exports and Gender Gap in Manufacturing Employment" organised by Bangladesh Institute of Development Studies (BIDS) at its auditorium in the city's Sher-e-Bangla Nagar on Wednesday.

Presided over by BIDS director general Dr Binayak Sen, the event was addressed by BIDS senior research fellow Dr Kazi Iqbal and Gonoshasthaya Kendra founder Dr Zafrullah Chowdhury, among others.

The study was conducted by Md Moniruzzaman, a PhD candidate at the Department of Economics of the University of

- Participation of women living in distant districts is lower in the manufacturing industries
- Employing more women in manufacturing sector helps maintain equity and enhance women empowerment

Melbourne in Australia.

The researcher, also an Assistant Professor at the Department of Economics of the University of Dhaka, said employing more women in manufacturing sector helps maintain equity, enhance women empowerment, and increase women's participation in household decision-making process.

The purpose of the study was to measure whether geographic proximity of a locality to surrounding export oriented factories can create higher employability for the people living nearby, he said.

Gender gap in manufacturing employment is a key obstacle to manufacturing and overall growth in lowincome countries like Bangladesh, he said, adding this research examines how export-based employment opportunity affects the gender gap in export and non-export manufacturing employment.

The proximity measure is based on road distance (between each locality and the garment factories) and is subject to endogeneity, he said.

The study shows the participation of women from south-westerns districts of Bangladesh in manufacturing sector is lower compared to the women living in the districts close to Dhaka and adjacent districts.

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Explaining the reasons behind, he said due to distance from Dhaka and crossing the river Padma, which is time and money consuming, women are less interested to come to manufacturing hubs in search of work.

However, Mr Moniruzzaman's findings were somewhat challenged by the discussants of the event.

Dr Iqbal pointed out that there might be other underlying circumstances behind women's lower participation in manufacturing sectors other than just the distance of household of a worker and industries.

He also said the study lacks connecting the lower participation of female workers in manufacturing and its relation to the country's export trade.

Besides, issues like women's education, skills, household income, living condition in cities etc were not given any importance in the study.

Meanwhile, Dr Sen said in the country's RMG sector, age is a major factor for female to work in a factory as the participation of women aged 32 and over is only 3.0 per cent because most of them do not prefer to work after getting married.

Over 80 per cent of the women working in RMG industry are unmarried while 60 per cent of the men working in the same industry are married, he said.

So it is not just the distance that holds back women from participating in manufacturing industries, there must be some other factors involved that create obstacles for them, he commented.

ahb_mcj2009@yahoo.com