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Skills Development for Migration: Challenges and Opportunities in Bangladesh

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Bangladesh at a Glance

- Bangladesh is ranked 93rd in the world in terms of its area. But ranked 8th in the world in terms of population!
- We are a nation of more than 150 million people!
- About 1000 people live per square kilometer.

Bangladesh at a Glance

- In 2011 GDP was US \$ 110 billion.
- Over the last few years GDP is growing at a rate of around 6%.
- Unemployment rate is around 5%. Huge number of people is under-employed.
- Informal sector represents about 80% of total employed.
- Agriculture accounts for 19% of the GDP but 50% of labour force.
- Industries generate 29% of GDP but employ 14% of the labour force.
- Service sector has a contribution of 52% in the GDP and has 36% of labour force.

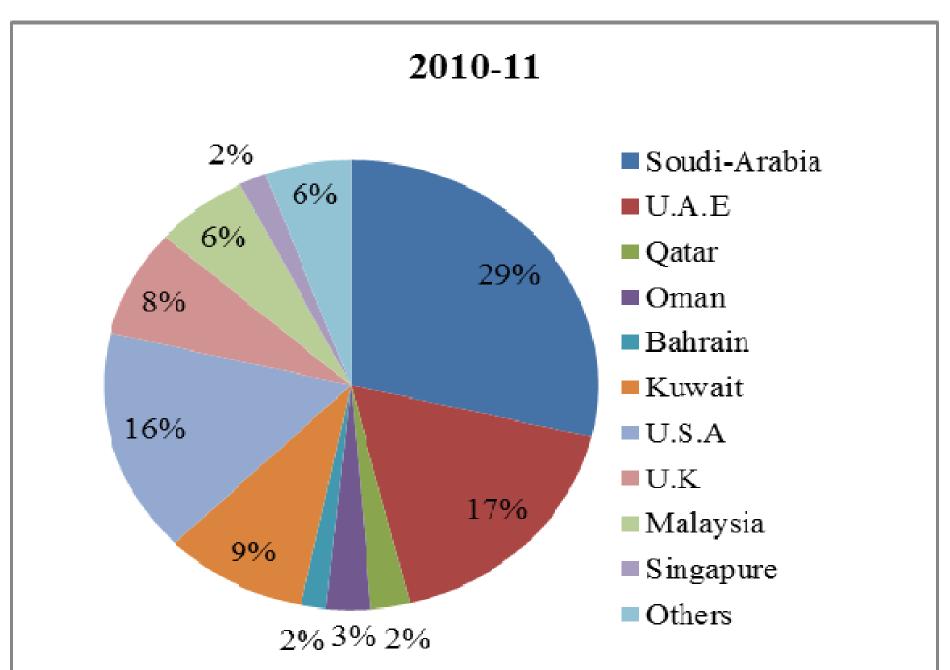
Migration

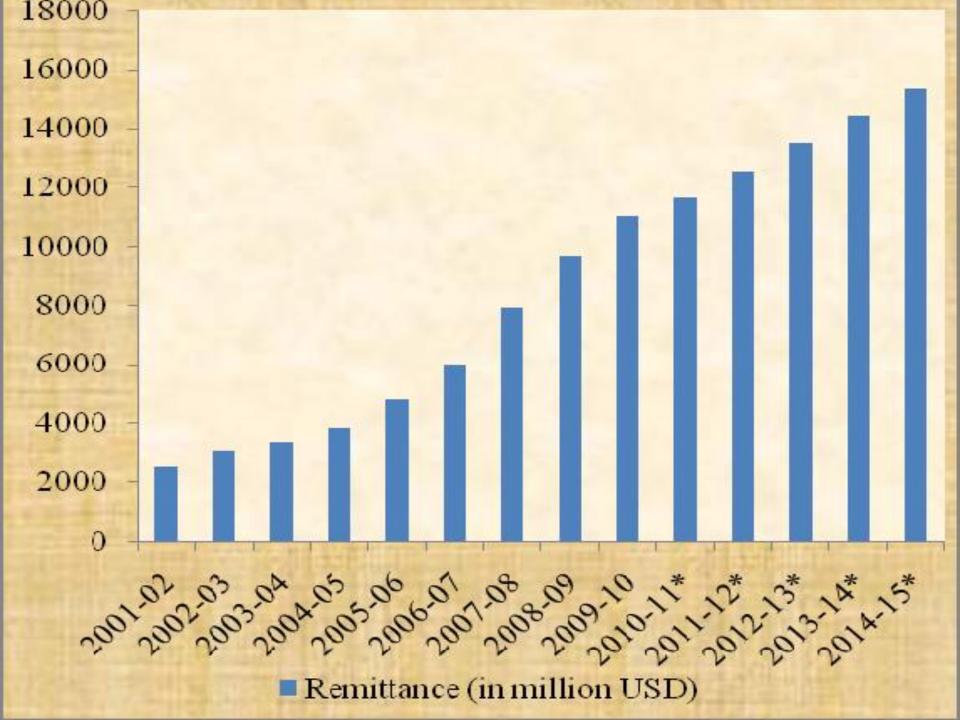
- Bangladesh is one of the biggest labour exporting countries.
- About 8 million Bangladeshi work in 143 countries in the world.
- 568,062 people migrated in 2011. Women were 5.4% of them.
- Most of the migrants are semi-skilled or less skilled.
- The average annual remittance by a typical migrant is about US\$ 816 per annum.

Migration and Remittance

- Bangladesh received remittance worth \$ 12.8 billion in last financial year, which is
 - half the total export
 - 12 times higher than the FDI and
 - six times higher than the ODA.
 - 11 percent of GDP last year.
- Bangladesh received about 44 percent of total remittances received by all LDCs in last year. The share was 31 percent in 2000.
- Remittance significantly contributed to the economy during the time when exports were affected due to financial crisis in the Eurozone and the US.

Country-wise remittance





Why skill the migrants?

- Skilling the migrant workers would achieve the following goals:
 - ensure the migrants more decent jobs
 - increase the wage that the migrant can demand in international labor markets
 - cause resultant increase in remittance per migrant,
 - protect the migrant workers from unemployment risk during a crisis and
 - after returning to the country can contribute to the economic development of Bangladesh.

Situation of TVET

- TVET is still the weakest link in the education system
- Problem with perception of TVET
- Low Investment
 - about 2% of GDP is allocated for education
 - TVET gets around 7% of education budget
- Little industry interest in collaborating with government for TVET development.

Situation of TVET

- Public TVET institutes
 - under-staffed but run double-shifts
 - courses are theory biased
 - curriculum does not respond to industry needs.
 - centralized structures and rigid procedures
- Good number of private TVET institutes but quality of teaching and learning is low.
- Employability of TVET graduates is very low.

Situation of TVET

- Some private providers run good quality courses.
- NGOs run small skills development courses primarily meant for self employment.

Skills Training for Migration

- No clear idea about specific demand of skills abroad.
- Formal TVET system is not capable of running training courses for the migrants.
- Formal systems lacks the flexibility to tailor make course curricula to suit to the expectations of skill levels and labor productivity abroad.
- Sometimes the technical capacity to provide specific skills are limited.

Skills Training for Migration

- Bureau of Manpower Employment and Training (BMET) provides some training to migrants workers when required by the government.
- Other TVET institutes are not meant for skilling migrant workers.
- Some NGOs give training to some potential migrants at a limited scale.
- Lot of small private sector initiatives for language training for the migrants

The Missing Link

High Demand for Skilled and Semiskilled workers in some countries



Adequate supply of labour willing to work at competitive low wages.

The Match-maker: Mr. Agent



The Match-maker: Mr. Agent

Industries in Singapore or Middle east



Specific tailor-made short training



Unskilled
Bangladeshi
labour willing
to work at
competitive
low wages.

The Migration Process

- Training content is specifically limited to enabling the worker to a particular job!
- Potential Migrant to pay for the training cost.
- Agent organizes the un-recognized training in informal settings.
- Assessment and certification by employers representatives.
- Those who pass the assessment get the job only after paying the agent heavily (6000-7000 USD for a job of 600 USD per month in Singapore!)

The Silver Lining



- Increased emphasis on TVET.
- National Skills Development Policy.
- National Technical and Vocational Education Framework.
- Increased donor interest in Skills Development.

The Silver Lining



- Piloting competency-based training and industry linkages.
- Introduction of market responsive short training courses in public institutes.
- Bi-lateral agreements/MOU with recipient countries.
- Establishing linkage between skill training and recruitment process of migrant workers.
- Plan to better regulate private agents and bring there 'skills training' under some quality and accountability framework.

Thank You