

Gender Based Urban-Rural Unemployment Status in Bangladesh

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Abstract: Unemployment is a severe problem for economic development. Bangladesh is suffering a lot on unemployment issue. The present study is conducted to explore the current unemployment scenario in Bangladesh based on education level by different age groups, genders and areas. The study is mainly based on secondary data which wastaken from various publications, government and other organizations from home and aboard. It is observed that unemployment at rural areas is much severe than urban areas and same is situation for both male and female people in rural and urban areas. The age category showed that rural unemployment situation at different age groups is also far behind from urban age groups. Overall, rural based educated people were more unemployed (2.63%) whereas urban based educated people were less unemployed (1.64%). The study also offers some recommendations for improving employment condition in rural areas.

Keywords: Unemployment; Urban; Rural.

1. INTRODUCTION

Bangladesh is a land having an area of 147,570 square kilometres area with a huge population of approximately 154.1 million (BBS 2013). This is predominantly an alluvial land where people get crops easily for their livelihood and as a result their physical and mental set up is not conducive to working hard. Another characteristic of this land is that it is situated in the sub tropical region where fertility of the people is higher. So people here multiply within very short time. These are some of the traditional characteristics of our people. Bangladesh is beset with numerous serious problems and unemployment is one of those. The country's unemployment scenario is very alarming as 2.6 million, of the total estimated workforce of 60.7 million, remain unemployed posing a threat to the economy and causing a national concern (BBS 2013). This unfortunate situation has resulted from the lack of adequate employment opportunities at home and the country's failure to avail itself of the opportunity for securing their jobs abroad as most of them are unskilled. In the present day world, manpower is considered everywhere as precious national assets, but it is disappointing that we are unable to utilize properly our human resources.

The total labor force of the country is 60.7 million of which 70 percent is male (42.5 million) and the rest 30 percent is female equivalent 18.2 million (BBS 2013). Most of the female labour source is employed in household work which is not included in counting GDP (Gross Domestic Product). The rate of unemployed is 4.3 percent. Number of day labour is 10.6 million, unpaid family helpers are 11.8 million, and rate of underemployment is 20.3 percent (LFS 2013). The labour force employed in agriculture suffers from disguised unemployment and underemployment. The youth and educated labour force of the country mostly suffers from unemployment and underemployment. The economy of Bangladesh expands 5.8 percent yearly but the labour force is increasing average 9.5 percent during the period 2003-2013. A total of 15.1 million new jobs created but 20.1 million new labours entered in to the labour force (World Bank-2014). The unemployed were 1.3 million in 1995 which has been increased by 100% and stood at 2.6 million in 2013(BBS 2013).

Bangladesh is a poor country with limited resources and naturally unable to meet the basic needs of the people. It is not difficult to understand that these huge jobless people are passing days in dire hardship and contributing to the social instability. They are considered as a burden not only themselves and their families alone, but also on the nation which is deprived of their services. Being mainly a primary commodity producing country with lesser area of land and lesser working opportunity along with the above mentioned characteristics of the people,

unemployment problem has been a logical consequence. But in the present day competitive world unemployment problem has created tension among the people. So it has now become a great social evil in the country.

The International Labour organization (ILO) reports that the rate of growth of unemployment in Bangladesh was 1.9 percent in the decade of the nineties. But the growth in unemployment currently is 3.7 percent (WB 2012). The ILO figures also show Bangladesh in the twelfth position among the top twenty countries in the world where unemployment is rising. The way the rate of unemployment is increasing. It is feared that at this rate unemployment would soar to some 60 million by 2016. According to another estimate every year some 2.7 million young persons are becoming eligible for jobs whereas only about 0.7 million of them are getting employment. This leaves 2.0 million and above people unemployed each year even though Bangladesh has managed to maintain a GDP growth rate of 5% and above during the last five years.

Key statistics regarding actual unemployment in Bangladesh published by various agencies have given varied reports. The labor force survey report published by bureau of statistic's allegedly under reports unemployment and underemployment statistics due to fear of public's backlash. Report of NGOs can be questioned due to their limited capacity to assess the overall situation of entire Bangladesh, not to mention their general intent. But the study of various reports will give us some idea of the intensity of the situation. A report published by the Asian development banks (2010) regarding development and educated unemployed in south Asia states that withdrawal of the public sector from the labor market did not result in a large expansion in the private sector as was expected. The expectation that the retreat of the public sector from the job market would be filled by job creating activities of the private sector and civil society did not materialize. Whatever employment had occurred within the private sector was mostly in the semi-skilled or low skilled areas. Thus very little employment was generated for the educated (ADB, 2010).

In one of the recruitment processes of a local bank for the post of Management Trainee 9000 people applied for 40 posts. Other banks and multinational face similar numbers when they opt for recruitment. Another recruitment process of primary teachers for the post of assistant Head Master 9 lakh and 50 thousand people have applied for 25 thousand posts. Education has positive influence on employment. Moreover a comparison of data in urban areas in 2003 and 2013 reveals that the increase of SSC and above education is higher in the later year. This indicates a movement of the economy to more knowledge based activities. At the same time it can be noted that the number of other education levels and SSC in rural areas on a comparative basis did not increase or even slightly decreased.

2. DEFINITION OF THE CONCEPTS

Unemployment

The international standard definition of unemployment is based on the following three criteria, which should be satisfied simultaneously; 'with work', 'currently available for work' and 'seeking work' (ILO Report 2013).

The 'unemployed' comprise all persons older than a specified age who during the reference period were;

- a) Without work –not in paid employment nor self-employed;
- b) Currently available for work – available for paid employment or self- employment during the reference period (one week); and
- c) Seeking work–had taken specific steps in a specified reference period (one month) to seek paid employment or self-employment.

Technically speaking unemployment is defined as a state of affairs when there are a large number of able-bodied persons of working age who are willing to work but cannot find work at the current wage levels. Unemployment has two aspects - Rural and Urban. Rural unemployment problem is seasonal. Urban unemployment problems are either industrial or educational. These terms may be further grouped in to voluntary and involuntary unemployment, frictional unemployment, technological unemployment, seasonal unemployment, disguised unemployment, structural unemployment, cyclical unemployment etc. Structural unemployment occurs when the labor market no longer requires a particular skill as in the case of printing newspaper; new technology and new materiles replace older working habits. Among these involuntary, disguised, seasonal and technological unemployment are found in Bangladesh. Involuntary unemployment means the people who want to get a job at a given wage but do not get job. Disguised unemployment refers to a situation where too many people are engaged in various sectors, particularly in agriculture.

A common characteristic of the over populated underdeveloped countries is that a large, majority of the population draw their livelihood from agriculture. Our population is increasing rapidly but our industrialization is developing slowly. By technological unemployment we mean that in a growing economy technique of production are constantly changing with the result that people are likely to lose their jobs when these are replaced by newer and more efficient techniques. For example if different banks and offices are computerized many people working there will become unemployed.

Our unemployed youths are totally influenced by the effect of unemployment. Thousands of graduates and post graduates are passing out colleges and universities but they are not eligible for public jobs. This situation prevails in unorganized sectors in rural agriculture and urban areas are equally alarming. The unemployed people and their families live a very miserable life. So the bad effects have grown cynical day by day but very little attraction to them. Their pent up frustration gets outlets through the destructive politics of students, campus violence, wide spread drug addiction, seduction, looting, rapes, murders, sabotages, generation clash and various other social crimes.

Rural

A **rural area** is a geographic area that is located outside towns and cities. The U.S. Department of Health and Human Services defines the word "rural" as encompassing "...all population, housing, and territory not included within an urban area. Whatever is not urban is considered rural."

Canadian Organization for Economic Co-operation and Development defines a "predominantly rural region" as having more than 50% of the population living in rural communities where a "rural community" has a population density less than 150 people per square kilometer.

According to the Planning Commission of India, a town with a maximum population of 15,000 is considered rural in nature. In these areas the panchayat takes all the decisions. There are five people in the panchayat. The National Sample Survey Organization (NSSO) defines 'rural' as follows:

- An area with a population density of up to 400 per square kilometer,
- Villages with clear surveyed boundaries but no municipal board,
- Minimum of 75% of male working population involved in agriculture and allied activities.

Urban

The word urban relating to a town or city. It refers to characteristic of a human settlement with high population density and infrastructure of built environment. Urban areas are created through urbanization and are categorized by urban morphology as cities, towns, conurbations or suburbs. In urbanism, the term contrasts to rural areas such as villages and hamlets and in urban sociology or urban anthropology it contrasts with natural environment. The creation of early predecessors of urban areas during the urban revolution led to the creation of human civilization with modern urban planning, which along with other human activities such as exploitation of natural resources leads to human impact on the environment.

According to IBGE (Brazilian Institute of Geography and Statistics) urban areas already concentrate 84.35% of the population, while the Southeast region remains the most populated one, with over 80 million inhabitants. According to Statistics Canada, an urban area in Canada is an area with a population of at least 1,000 people where the density is no fewer than 400 persons per square kilometer. If two or more urban areas are within 2 km (1.2 mi) of each other by road, they are merged into a single urban area, provided they do not cross census metropolitan area or census agglomeration boundaries.

3. OBJECTIVES OF THE STUDY

The main objective of the present study is to review the unemployment status of Bangladesh. However, the specific objectives of the study are as follows:

1. To identify gender based unemployment rate by age group and by level of education.
2. To make a comparison between urban and rural unemployment.
3. To make a comparison among different decades rate of unemployment.
4. To know the inherent problems of unemployment in Bangladesh.
5. To make some recommendations to overcome the problems of unemployment in Bangladesh.

4. REVIEW OF RELATED LITERATURE

Unemployment is a crucial issue not only in Bangladesh but also all over the world. The present section attempts to review some of the important literatures relevant to the study. Previous research works are summarized and significant articles of various scholars in the area under study are reviewed. This creates a background for the progress of the present study. OECD (2008) in their study entitled “Youth labour market transitions in OECD countries” argued that the problem of teenage unemployment arises from a shortage of jobs. Blanchflower and Freeman (2000) identified one basic pattern in the job market for young workers: the disproportionately large response of youth employment or unemployment to changes in overall unemployment. They argued that the sensitivity of youth employment and unemployment to the overall rate of unemployment dominates sizeable demographic and structural changes favorable to youth in determining how youths face in the job market. The study does not cover the area and age groups. Couch and Placzek (2010) using administrative data on mass layoffs that took place in connection between 1993 and 2004, find that workers have 12 percent lower earnings six years after a mass layoff. An advantage of their study is that they evaluate earnings losses during “normal times” when the unemployment rate was not elevated. Couch and Placzek claim that their analysis helps reconcile the large earnings losses found in administrative datasets during periods of high unemployment with the smaller losses observed in non-administrative data. Beale and Nethercott (1987) in their study on “The health of industrial employees four years after compulsory redundancy” found that the long-term unemployed are at a particular disadvantage trying to find work. The effects of unemployment appear to depend a lot on how long the person has been unemployed. People's morale sinks as the duration of unemployment rises. Long-term unemployment is especially harmful. Unemployment while young, especially of long duration, causes permanent scars rather than temporary blemishes. For the young a spell of unemployment does not end with that spell; it raises the probability of being unemployed in later years and has a wage penalty. These effects are much larger than for older people.

Ozturk & Akhtar (2009) took a comprehensive approach to unemployment by using VAR of “Variance Decomposition and Impulse response function analysis”. They were interested in studying interrelationship among Foreign Direct investment, Export, Gross Domestic Product and unemployment in Turkey for the period of 2000-2007. They found only two counteracting vectors in the system, showing long run relationship. They concluded that foreign direct investment did not lead to reduce unemployment in Turkey. GDP is positively affected by variations in exports but is insignificant. So they did not find any evidence of export led growth in Turkey. Again, Variations in GDP was not attached with reduction of unemployment. Kupets (2005) studied determinants of unemployment in Ukraine between 1997 & 2003. He used Ukrainian Longitudinal Monitoring Survey 2003, to investigate an individual conditional probability about leaving unemployed to employ. Effects of unemployment benefits on unemployment were not confirmed.

Again, Multivariate analysis suggested that long term unemployment reduction policies should focus more on less educated & older workers and residents of rural areas. Chang (2006) applied VAR method of variance decomposition and impulse response function analysis for studying relationship among economic growth, trade foreign direct investment (FDI) and unemployment in Taiwan. The result showed that export and economic growth effect FDI inflow positively however export expansion has negative impact on FDI outflow. Study confirmed no relationship between FDI and unemployment where as negative relationship between unemployment and economic growth was obvious and confirmed. Though a lot of work has been done on relationship between unemployment and other set of macroeconomic variables but less attention is paid to determinants of unemployment i.e. the major determinants of unemployment. This paper proceeds to employ simple econometrics technique of regression analysis for analyzing determinants of unemployment based on evidence from Bangladesh economy.

5. METHODOLOGY OF THE STUDY

The study is fully based on secondary data collected from different sources like Bangladesh Economic Survey, Bangladesh Economic Review, Statistical Year Book-2013, Bangladesh Journal of political Economic, Labor force Survey-2013, Relevant Journals, Annual Report of Bangladesh Bank. Data have also been collected from various newspaper, related research studies, publications, Government documents, media documents and internet. The study covers the period of 2003-2013. Data have been presented in tabular and graphical forms and discussed accordingly. In analyzing data linear trend analysis has been utilized. In the present study it has been tried to identify the gender based unemployment rate by age group and by level of education as well as compare the unemployment rates at different levels. Furthermore it would seek out the inherent problems of unemployment in Bangladesh. Finally it will provide some suggestions and policy implications for reducing unemployment problem.

6. ANALYSIS AND FINDINGS

The study implies a lack of employment opportunity to utilize school education or a decline of the returns to education due to deterioration of quality. Study also reveals that unemployment rate in Bangladesh is much higher among the people who have passed secondary school certificate (SSC) and higher secondary certificate (HSC). It is clear that the unemployment rate in HSC & Equivalent education level is much higher than the unemployment rates of other education level.

TABLE 1. Unemployed population aged 15 and above, by education level, sex and area

(In, 000)

Educational Qualification	Rural			Urban			Bangladesh		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
None	163	185	348	9	53	62	172	238	410
Primary	156	141	296	61	102	163	216	243	459
SSC	295	208	503	162	154	316	457	362	819
HSC	157	173	330	131	176	307	288	349	637
Tertiary	65	46	111	74	69	144	140	115	255
Others	3	2	5	1	0	1	4	2	7
Total	840	754	1594	437	555	993	1277	1309	2587

Source: Labor Force Survey Report, 2013 (BBS).

The table-1 reflects the distribution of the unemployed in terms of their education level. The survey found an estimated 2.6 million unemployed persons aged 15 and above. Of those who were unemployed in 2013, about 459 thousands had completed primary school, 819 thousands had finished secondary school, 637 thousands had finished higher secondary school, 255 thousands had graduated from university and 7 thousands persons had other forms of education.

6.1 Unemployment Rate

The unemployment rate signals to some extent the underutilization of the labour supply. It announces the inability of an economy to generate employment for those persons who want to work but are not doing so, even though they are available for employment and activity seeking work. It is thus seen as an indicator of the efficiency and effectiveness of an economy to absorb its labour force and of the performance of the labour market. The unemployment rate is defined as the percentage of unemployed persons in the labour force.

Table 2. Unemployment rate aged 15 and above, by education level, sex and area during the period of 2013.

Educational Qualification	Rural			Urban			Bangladesh		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
None	1.27	1.44	2.71	0.07	0.41	0.48	1.34	1.85	3.20
Primary	0.91	0.82	1.74	0.35	0.60	0.96	1.28	1.42	2.70
SSC	1.59	1.11	2.70	0.87	0.82	1.69	2.45	1.94	4.40
HSC	1.94	2.14	4.10	1.62	2.18	3.80	3.58	4.32	7.90
Tertiary	1.70	1.20	2.91	1.94	1.81	3.79	3.68	3.02	6.70
Others	1.07	0.71	1.78	0.35	0.00	0.35	1.43	0.72	2.50
Total	1.39	1.24	2.63	0.72	0.92	1.64	2.10	2.16	4.30

Source: Labour Force Survey Report 2013 (BBS).

The table-2 shows that the unemployment rate is highest in higher secondary (7.9 percent) level, followed by Tertiary (6.7percent) level. For the less educated (primary, none and others) group, the unemployment rate is less than the national average (4.3 percent).The unemployment rate is lowest in others (2.5 percent) level.

The female unemployment rate (2.14 and 2.18 percent) in rural and urban areas at higher secondary level is quite higher than that of male counterpart (1.94 and 1.62 percent) respectively. One of the main reasons of female high unemployment is that enterprenurs are reluctant to appoint female educated person in various sectors. It also reveals that after every level of education the unemployment rate is increasing. But rates are somewhat acceptable in case of SSC, Tertiary and others level. If we observe the entire table and figure, we will find that rural female unemployment rate in each level of education is the highest. Survey results also indicate that unemployment rate for rural (2.63 percent) is higher than that of urban (1.64 percent) areas.

Figure 1 illustrates that unemployment rate is highest in Higher secondary (7.9 percent) level, followed by Tertiary (6.7 percent) level. For the less educated (primary, none and others) group, the unemployment rate is less than the national average (4.3 percent). The figure shows that the lowest unemployment rate is others level (2.5 percent).

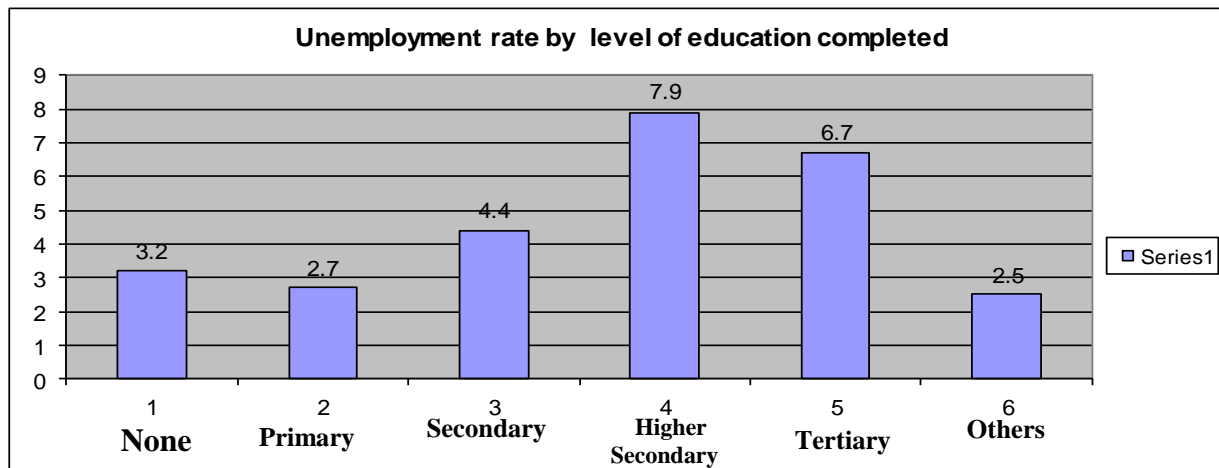


Fig.1. Unemployment rate by level of education completed

TABLE 3. Unemployed population aged 15 and above, by age group, sex and area

(In, 000)

Age group	Rural			Urban			Bangladesh		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
15-24	519	415	934	203	129	332	722	544	1266
25-34	205	212	416	170	371	541	375	583	958
35-44	54	90	144	38	41	79	92	131	223
45-54	29	27	56	13	13	26	42	40	82
55-64	21	9	30	12	2	14	33	11	44
65+519	11	2	13	0	0	0	11	2	13
Total	840	754	1594	436	556	992	1275	1311	2587

Source: Labour Force Survey Report 2013(BBS).

The survey found an estimated 2.6 million unemployed persons aged 15 and above. Of them, 1.27 million are youth, aged 15-24 years (48.9 percent) and 1.32 million are adults, aged 25-64 (51.1 percent). Very few older persons (13 thousands or 0.01 percent) are considered as unemployed.

The table 3 expresses the absolute number of unemployed males (1.28 million) is smaller than the female counterparts (1.31 million). There were far more unemployed persons in rural areas (1.59 million) than in urban areas (0.99 million).

TABLE 4. Unemployment rate aged 15 and above, by age group, sex and area.

Age Group	Rural			Urban			Bangladesh		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
15-24	1.19	0.96	2.15	1.19	0.76	1.95	1.19	0.90	2.09
25-34	0.47	0.49	0.96	1.00	2.16	3.16	0.61	0.97	1.58
35-44	0.12	0.20	0.32	0.22	0.23	0.45	0.15	0.21	0.36
45-54	0.06	0.06	0.12	0.07	0.08	0.15	0.07	0.07	0.14
55-64	0.04	0.02	0.06	0.07	0.01	0.08	0.05	0.02	0.07
65+	0.02	0.004	0.02	00	00	00	0.02	0.003	0.02
Total	2.75	5.75	3.70	3.64	10.90	5.80	2.10	2.16	4.30

Source: Labour Force Survey Report 2013(BBS).

The table 4 exhibits the unemployment rate signals to some extent the underutilization of the labour supply. It conveys the inability of an economy to generate employment for those persons who want to work but are not doing so, even though

they are available for employment and activity seeking work. It is thus seen as an indicator of the efficiency and effectiveness of an economy to absorb its labour force and of the performance of the labour market. The unemployment rate is defined as the percentage of unemployed persons in the labour force.

The overall estimated unemployment rate (defined as the unemployed as a percentage of the labour force) for 2013 was 4.3 percent (table 5). The highest unemployment rate was found among those aged 15-24 years (2.09 percent), followed by those aged 25-34 years (1.58 percent). Table 5 also includes an unemployment rate by sex, locality and age group. In both rural and urban areas, female unemployment rate (5.75 and 10.90 percent) was quite higher than that of male counterpart (2.75 and 3.64 percent) respectively. Survey results also indicate that unemployment rate for rural (3.70 percent) is much less than that of urban (5.80 percent) areas.

TABLE 5. Unemployment rate on age groups over all Bangladesh.

Area	Bangladesh		
	Male	Female	Total
Rural	2.75	5.75	3.70
Urban	3.64	10.90	5.80
Bangladesh	2.10	2.16	4.30

Source: Labor Force Survey Report 2013(BBS).

The table 5 shows the total unemployment rate rural, urban, male, and female of Bangladesh. The unemployment rate an indicator of the efficiency and effectiveness of an economy to absorb its labour force and of the performance of the labour market.

Figure 2 illustrates that the female unemployment rate was highest (10.90 percent) in urban areas. In rural areas the female unemployment rate was highest (5.75 percent), on the other hand the male unemployment rate was 2.75%. Nationally the unemployment rate was (4.3 percent), among there male unemployment rate was (2.1 percent) and female unemployment rate was (2.16 percent) which was highest. The figure indicate that rural, urban and nationally the female unemployment rate was higher than that of male counterpart.

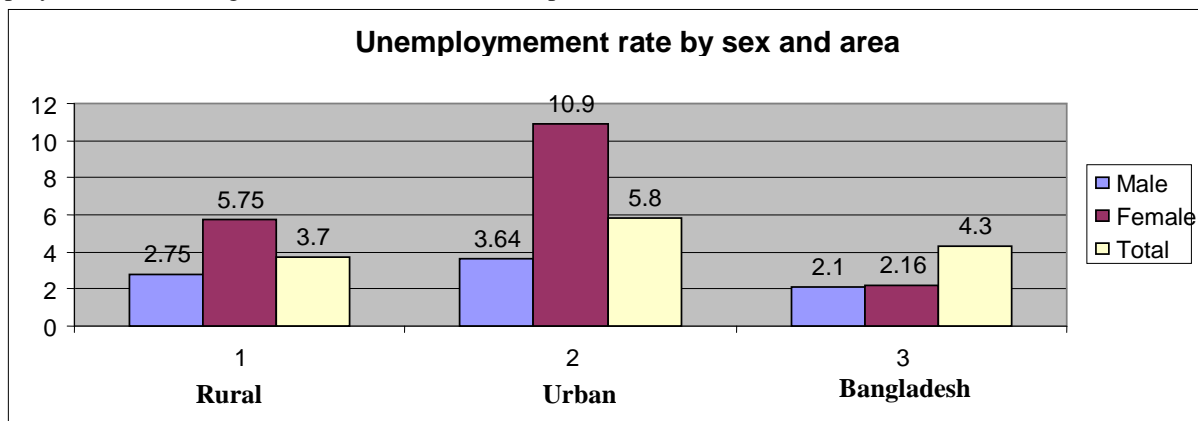


Fig. 2. Unemployment rate aged 15 and above, by age group, sex and area completed

TABLE 6. Trends of unemployment rate

Year	Bangladesh		
	Male	Female	Total
2002-03	4.2	4.9	4.3
2005-06	3.4	7.0	4.3
2010	4.1	5.8	4.5
2013	3.0	7.3	4.3

Source: Various rounds of Labour force survey conducted by BB

The table 6 implies that the unemployment rate in 2002-03 was 4.3 percent which stood at 4.3 percent in 2013. The female unemployment rate was 4.9 percent in 2002-03 which stood at 7.3 percent in 2013. The male unemployment rate was 4.2 percent in 2002-03 which stood at 3.0 percent in 2013. The table 6 indicates that the male unemployment rate is decreasing

on the other hand the female unemployment rate is increasing. From the year 2002-03 to 2013 trends of unemployment rate is stable. The trends of unemployment rate by sex for various years are provided in the table below.

Figure 3 explains that the female unemployment rate is increasing. The figure refers to the male unemployment rate is decreasing on the other hand the female unemployment rate is increasing. Unemployment rate for females is increasing over time, whereas there is a decreasing trend found for the male. 2005-2006 male unemployment rates has decreased compared to the period of 2002-03 and in the year 2013 male unemployment rate has decreased compared to the period of 2010 and same decade the female unemployment rate is increasing. It has been observed that in aggregate level of the unemployment rate decreased in 2013 compared to that of 2010 but female unemployment rate is increasing gradually.

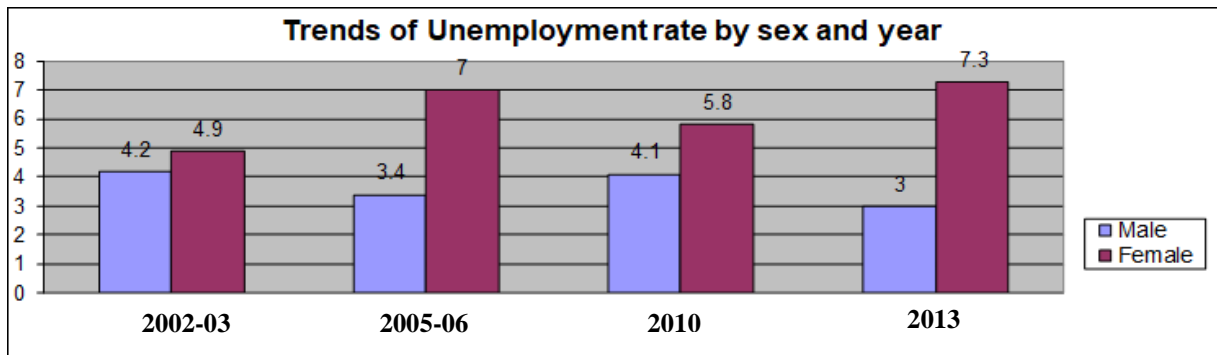


Fig. 3. Trends of unemployment rate by sex and year completed.

TABLE 7. Labor force and unemployment situation of Bangladesh

Sl.No.	Year	Labou Force	Employed	Unemployed
01	1995-96	36.1	34.8	1.3
02	1999-00	40.7	39.0	1.8
03	2002-03	46.3	44.3	2.0
04	2005-06	49.5	47.4	2.1
05	2010	56.7	54.1	2.6
06	2013	60.7	58.1	2.6

Source: Labour Force Survey Report 2013(BBS).

The table 7 shows that Bangladesh is a labor surplus country with a population of 154.1 million (BBS 2013). In 1995-1996 population was 122.1 million and labour force was 36.1 million while percentage of labour force in total population was 29.56 percent. With the increase of population share of labour force in total population increased and stood at 38.3% and labour force increased to 60.7 in 2013 while population was 154.1 million.

It can be seen from the table 7 and figure 4 that the percentage of labour force had been increased by 57% from 1995-96 to 2013. It is observed that since 1995-96 to 2013 average annual growth of labour force was 2.06%. During the same period 1.37 million labours added with labour force.

The figure 4 express, in 1995-96 employed labour force was 34.8 milion which increased to 58.1 million in 2013. During the period 23.30 million additional employments were created. From 1995 to 2013 avarage annual growth of employed was 1.28 million and from 1999 to 2013 total 15.1 million new jobs were created.

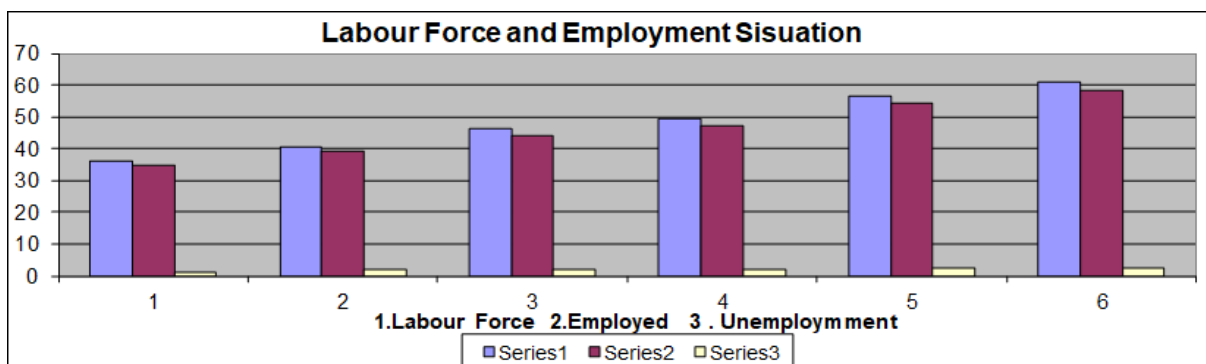


Fig. 4. Labor force and employment situation (in million)

TABLE 8. Unemployment and underemployment situation

Sl. No	Year	Rate of employment	Rate of Unemployment	Labour Force Growth rate
01	1995-96	1.9	2.5	2.2
02	1999-20	2.9	4.3	3.0
03	2002-03	4.3	4.3	4.3
04	2005-06	2.3	4.3	2.3
05	2010	3.1	4.5	3.2
06	2013	3.2	4.3	3.5

Source: Various rounds of Labour force survey conducted by BBS

The table 8 bring out the underemployment increase from 16.6 percent to 20.3 percent during 2000-2013. During this period 20.1 million new labours joined the labour force. The rate of employment is 3.2 percent but the growth rate of labour force is more than the rate of employment. From the table 8 and figure 5 it can be seen that in 1995-1996 the rate of unemployment was 2.5 percent and in 1999-2000 the rate increased to 4.3 percent. In 2010 the rate of employment increased but the rate of unemployment was also increased and stood at 4.5 percent .The lowest rate of unemployment was 2.5 percent in 1995-1996 but it increased to 4.3 percent in 2013. (Table 8 and figure 5)

It can be seen from the table 8 & figure 5 that the labour force growth rate is higher than the rate of employment and the rate of unemployment is higher than the rate of employment .It is also observed from the figure 5 that except 2002-2003 the rate of unemployment is always higher than the rate of employment.

**Fig. 5. Unemployment and Underemployment Situation completed**

7. RECOMMENDATIONS

In order to create more employment opportunities and to solve the unemployment problems, some suggestions and policy recommendations are as follows:

- Foreign investment is inevitable for reducing unemployment problem of Bangladesh. Stable political condition is prerequisite for that type of investment. We should develop a political calm environment where foreign investment frequently comes. Many Asian developing countries are the bright example.
- Industrialization is the most important factor for solving unemployment problem. Huge numbers of large and small industries have been closed. As a result unemployment has increased instead of decreasing. For solving unemployment problem the Government must have to restart the mills and factories which are remain closed.
- After political settlement the first and foremost thing for Bangladesh is to build up new industry to remove the unemployment problem. To intensify the overall industrialization our Ambassadors who are employed in different countries specially Japan, Korea, Middle-East, EU, Malaysia, and Singapore can help the government to adopt strong effective, active and successful policy.

- We should pay attention strongly to vocational and technical education. Government can make a big contribution towards reducing unemployment by also building and operating a large number of training institutions and training the jobless ones there for employment in home and abroad.
- We have to keep pace with modern science and technology. Students should have Knowledge about computer. For this reason computer education may be introduced from the school level as a compulsory subject. Under this situation huge number of computers will be needed for each school, but you may introduce first in the divisional areas then across the country.
- Language efficiency is another important factor for getting job. Every year thousand of students are coming out from colleges and universities but they are not able to speak in English. Necessity of learning English is unquestionable. To develop their language efficiency, the govt. should introduce language course from the school level as a compulsory subject so that the student can make themselves from their boyhood. This language course might be completed by using several steps. It will be started from ssc level and continue up to honours level. Step by step they will learn spoken English and build up their career.
- Present Government wants to build up a digital Bangladesh by 2021. For achieving the objective of building a digital Bangladesh and to remain competitive in the world market, there is the need to increase the allocation to science and technology across the country.
- The scope and coverage of the Equity Entrepreneurship Fund (EEF) should be extended beyond agriculture and IT-enabled services (ITES) to cover other potential areas like electronics, light engineering.
- Financial institution can also be persuaded through appropriate policy measures to extend loans on easy terms and conditions to overseas job seekers whom they would be able to pay back on taking up employment abroad. Furthermore private manpower agents do also need to work with integrity and efficiency so much increase the prospects for gainful foreign employment by a greater number of Bangladeshis.
- Educated unemployment is a great problem in Bangladesh. An educated unemployment is a victim of double loss. At the time of study he is to expend money for his studies and he loses income during studies when he earns. The government bears a portion of education expenses. So unemployment is a huge wastage of resources. Therefore, manpower planning is essential for Bangladesh.
- The quality of the higher educated in Bangladesh is now a burning question. People think that the quality of higher education in the private universities is not up to the mark or below the standard. Employers are unwilling to recruit the products of private universities. It is the responsibilities of the government to maintain quality education. The government should take necessary steps to maintain standard of degrees.
- There is discrepancy in recruitment policy and rules among the different organizations regarding gender, educational qualification and recruitment process. A uniform equal employment opportunity should be ensured by the government. To this end laws may be passed.
- Age of entry in jobs in Bangladesh is also discriminatory. For the general jobs seeker age is fixed at 30 years. Due to the increase of service of the service holders for 2 or 3 years employment in government and semi government organization was stagnant. The young job seekers are deprived of their due share because of increase in service age. The age of entry level may be fixed at 32 years.
- The higher education of Bangladesh is expanding without any consideration of employment. The government should be careful in establishing new universities. The universities should not be the factories of producing unemployment.
- In the government and semi-government organization different quotas system are prevailing. All sorts of quotas should be rearranged for the greatest interest of the nation. Due to the quotas the meritorious job seekers are deprived of their due share and the nation is also deprived of their services.
- Private sectors are the open field for exploitation of labours. They pay the wages of labour according to their suit will. They impose iron law of wages in determining wages. They do not follow any rules and regulations. The government should come forward and take necessary actions to prevent exploitation and establish justice.

- There is no employment policy and service rules consisting rights and privileges in the private sectors. A national employment policy should be framed by the government.
- There are no exhaustive remedies for unemployment problem nonetheless solving unemployment is a continuous process. So we should take utmost effort to develop our condition through proper plan. It is robustly that further study should be carried out using different sets of variables and appropriate mathematical models to express the unemployment scenario in Bangladesh.

8. CONCLUSION

Bangladesh is a labour surplus country. Most of our labour force is employed in agriculture (47.3 percent) where the labours suffer from disguised unemployment and underemployment. Any further increase of employment in agriculture future lowers the productivity of labour. Scarcity of land has limitation for future absorption of labour in agriculture. Educational institutions become the factories of producing huge number of unemployed people. So should be careful to establish new educational institutions specially universities. Steps should be taken to proper manpower planning. Export of manpower at present is suffering from various problems because our manpower are not properly trained up. We should make entrepreneurship where could many labour employed and unemployment would be reduced. We have 60.7 million active populations which 58.1 million is employed and 2.6 million is unemployed (according to BBS, 2013). If we want to give them employment, they have to well train up and unemployment would be reduced. The policy framework needs to promote an employment friendly environment, encourage labor-intensive restructuring in both formal and informal sectors, facilitate the skill development of the labor force, and bring about appropriate change in labor market policies. In addition the policy must seek to fulfill the aspiration to the people in their working lives including opportunities, incomes, rights, voice, and recognition. The unemployment reduction strategy country would be sustainable, if it is consistent with a well-articulated employment strategy that creates productive and decent employment opportunities so that workers of every level of skill, education, and training can get remunerative employment which helps us reduce our unemployment problem.

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