Diagnostic Study

Workfare Programmes and Skill Development Evidence and Policy Implications

Background

The Government of Bangladesh (GoB) has been implementing Social Security Programmes since its independence. The WorkFare schemes provide access to temporary employment and skills development through the financing of public investment projects intensive in the use of unskilled labour. Literature review and international experiences suggest that effective Workfare schemes have been successful in the creation of sustainable employment but the impact of WF schemes on the job market, i.e., matching the demand for workers trained by WF by the labour market or private sector has not been examined yet.

Research Objectives

- Examine whether SSP workfare programmes contribute to increasing skills of the beneficiaries (upward movement along the 'skill ladder');
- Assess whether and to what extent the private sector experiencing a shortage of semi-skilled labour; and
- Suggest policy avenues for the government to improve SSP WF programmes supportive of skill development of workfare beneficiaries, and thus help address shortage of skilled labour force.

Methodological approaches

- Desk research for literature review
- KII s with GOB, Private Sector and selected beneficiaries of WF programmes.

Research Findings

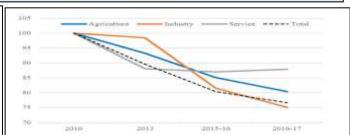
Bangladesh's major WF schemes are implemented to alleviate rural poverty among day labourers by providing temporary work during slack periods when little agricultural work is available or right after natural disasters. The following table shows the WF programmes and its budget.

Category	Criteria	Name of the Scheme	Rev. Budget 2018-19 (Tk. million)	Budget 2019- 20 (Tk. million)
1	Services through Direct Recruitment from	Employment Generation Programme for the Poorest (EGPP) Food for Work (FFW)	16,500 9,647	16,500 12,041
	the Intended Beneficiaries	3) Work for Money (WFM) 4) National Service 5) Test Relief (TR)-Cash 6) Grameen Infrastructure Development	7,200 6,696 13,900 20,817	7,500 6,819 15,300 41,255
2	Miscellaneous Schemes that Create Temporary Jobs during	Haor Area Infrastructure and Livelihood (HAIL) Coastal Climate Resilient Infrastructure Improvement	750 1,900	8,677 1,555
	Implementation	Rural Settlement Construction for Improvement of Rural Livelihood	-	-
3	Skill Development and Training	Vulnerable Group Development (VGD)	16,565	16,989
		 Programme for Ensuring Employment for the Ultra Poor in Northern area 	233	187
		 Skill and Employment Investment Programme 	3,940	4,332
		Skills for Employment and Productivity	150	-
		 Income Generating Activities (IGA) for Women at Upazila Level 	930	907
		 Increase Productivity and Opportunity for Employment for Women (SWAPNO) 	270	430
		 Skill and Employment Programme in Bangladesh 	392	3,715
		Skill and Training Enhancement Women's Skill Based Training for Livelihood	4,560 68	68
		 Integrated Rural Employment Support Project for the Poor Women 	-	-

Challenges of Job Market and the Role of WF Programmes

The trend of national statistics on employment reveals three distinctive challenges.

- **1.**First, that the number of total employed persons has been increasing over time including employment of both males and females mainly due to increased pact of mechanisation in agriculture.
- 2. The female unemployment has been fluctuating and remaining significantly higher than that of their male counterpart and the national average which can be termed as feminisation of unemployment despite the fact that RMGs and many WF programmes are either exclusive retained for or mostly occupied by women.
- **3.** Relatively less requirement of labour in economic activities, which indicates increased mechanisation and automation of all sectors since Bangladesh has experienced very low total factor productivity in the recent periods. calculations reveal that the requirement of number of workers to produce per unit of real GDP of all sectors has been declining rapidly.



The above analysis implies that there is a dire need for temporary absorption of unemployed labour force through the wider coverage of the existing WF schemes and/or introduction of new training schemes to address frictional unemployment due to increased capital-intensity and automation of all sectors.

The workfare programmes seem to remain traditional in nature and their aggregate coverage has been increasing marginally. The schemes mainly target rural populations who are mostly unemployed in the slack period and/or interested to receive vocational training for self- and wage-employment. However, the programmes do not necessarily take into account the dynamics and evolving challenges in the labour market emanating from ever-increasing technology-orientation and couple global economic recessions over the last ten years that lead to lower labour demand and joblessness.

Analysis and Findings of KIIs

Most of the people participated in EGPP and VGD programme. The participation rate of these two schemes was highest compared to other WF schemes. However, people participated the EGPP multiple times comparing other SSN programmes, which implies that the respondents are somewhat recurrently dependent on EGPP scheme for their livelihoods during the lean period. TR is another scheme that has created dependence among poor unemployed people of the surveyed areas. It is, perhaps, mainly due to overwhelming immobility among jobless rural people and unwillingness to look for jobs in other cities and job hubs. Another likely reason is the lack of sufficient and appropriate skill development through WF schemes that would drive them to migrate for jobs in urban areas

Three major aspects of the WF schemes implemented in the surveyed upazilas reveal the following.

First, majority of the WF participants did not receive any training. Some participants who received training have become financially solvent and a very few of them could invest from their savings in economically viable business through which they achieved successes.

Second, most of the participants did not get any training which help them get off-farm jobs and dominate in the private job market through notable quality and skills even though they are mostly young.

Third, training convert unskilled workers into semi-skilled ones. But most of them do not become skilled workers for manufacturing and service sectors in city centres and employment hubs.

Recommendations

- The beneficiaries in a good number of mega WF programmes, such as EGPP, FFW, WFM, etc. undergo a process called "learning-by-doing". Therefore, they remain mostly unskilled workers even after participating in the big WF schemes for multiple times. Explicit skill development components should be included in these programmes.
- VGD, a big WF programme, along with other medium and small schemes, provide technical and vocational training to their participants. The survey results, interviews and case studies reveal that most of the big and medium WF schemes which have explicit training components do not provide the quality of training up to the satisfaction and requirement of the recipients. Quality of the training of the WF schemes should be improved substantially. Trade courses should be designed through detailed modules, vetted by national experts, and accompanied by modern and appropriate instruments as well as adequate length of training.

- All the big WF programmes do not produce good results in terms of effects on getting jobs at home and abroad, increasing income, developing their existing enterprises, and investing in new business. There are exceptions, such as HAIL and SWAPNO, which were medium to small in terms of budgetary allocation and are provided in a few districts. Other programmes are to be redesigned to match HAIL and SWAPNO to emulate these programmes' success.
- Most of the training components under WF schemes are traditional in nature, which include agriculture and crop, livestock, etc. Opportunities will open up if the beneficiaries get trained in areas such as computer, web design and freelancing.
- The National Service Programme implemented by the Department of Youth Development in selected districts has been engaging young males and females with education of HSC and above. But to match the skill required in the private sector, a variety of rigorous online and offline technical, ICT, etc. trainings are required.
- There is a number of training in different WF schemes, effort to develop skill ladder is currently absent. All the programmes get their beneficiaries as unskilled or at low-skill level. A good amount of the national budget is spent on these programmes and the fund could be used for further training. Additional higher level technical and professional training can be provided based on their capacity and interest. Technical Training Centers (TTCs) of Bureau of Manpower, Employment and Training (BMET) located at district level conduct many other irregular short-term skill upgradation courses. Highly interested and motivated young WF participants can be linked up with the TTCs for courses chosen by the WF participants themselves.
- The survey respondents opined that greater collaboration between public training facilities under the WF schemes and private training agencies would produce better results in developing skilled work force as per the requirement of the job market. The government agencies can come across modern equipment, adopt technical know-how and learn simulations and experience from the qualified trainers from the private sector through this kind of collaboration, while private sector can use the space and physical facilities as well as administrative capacity of the government. In that case, facilitating greater collaboration between public and private (business chambers and private training institutions along with NGOs that provide training) for better skills training