

THE COX'S BAZAR PANEL SURVEY

INSIGHTS FROM THE LABOR MODULE ON WORK AND WAGES IN COX'S BAZAR



This is the third in a series of briefs to disseminate findings from different modules of the CBPS, by the Poverty and Equity GP.



WAGES



WORK

The labor market module was administered as part of the adult questionnaire of the Cox's Bazar Panel Survey to 2 randomly selected adults from every household in the sample, amounting to a total of 9,045 individuals. The module generates representative statistics for the adult (15+) population of hosts and displaced Rohingya in Cox's Bazar; and it can be further disaggregated into hosting areas with low and high exposure to the Rohingya influx, and by gender. Besides collecting information on the participation of adults in the labor force and their employment status, the module collects details on wage and non-wage employment, wage rates, sectors of employment and barriers faced in obtaining work.

HOST COMMUNITY LIVELIHOODS IN COX'S BAZAR

WITH HIGH EMPLOYMENT RATES, THE AGRICULTURAL SECTOR IS THE SINGLE LARGEST EMPLOYER FOR HOST WORKERS OVERALL, ESPECIALLY FOR HOSTS IN HIGH EXPOSURE AREAS AND FEMALE WORKERS.

Host communities have high employment rates (95.3 percent of the labor force), and livelihoods continue to be reliant on agriculture. 41 percent of hosts in high exposure (HE) areas rely on agriculture for their livelihoods, compared to 30 percent for hosts in low exposure (LE) areas. 2 out of 3 working women in HE areas report agriculture as their primary source of income.

HOST EMPLOYMENT PROFILES BY GENDER

OVER HALF OF ALL MALE HOST JOBS COME FROM THE CONSTRUCTION, TRADE AND TRANSPORT SECTORS, WHILE A MAJORITY OF FEMALE HOST WORKERS ARE EMPLOYED IN AGRICULTURE.

One in two working women in the host community are employed in agriculture. In contrast, men have a more diversified employment profile, with one-fourth working in agriculture, and half employed in construction, trade and transport jobs.

RECENTLY DISPLACED ROHINGYA

THE DISPLACED ROHINGYA HAVE LOW RATES OF PARTICIPATION IN THE LABOR FORCE, WITH THE EMPLOYED ENGAGED IN INFORMAL LIVELIHOOD ACTIVITIES, PRIMARILY IN CAMPS.

Only 33 percent of Rohingya adults participate in the labor force, with women reporting a participation rate of just 9 percent. Employment is largely informal, with men being employed in non-agricultural wage labor; and women in self-run small scale home-based activities.

WORK AND WAGES IN COX'S BAZAR



This brief uses data from the Cox's Bazar Panel Survey (CBPS) baseline survey to document key labor market characteristics of the host Bangladeshi population and the recently displaced Rohingya. Host communities report high rates of employment in both high exposure (94 percent) and low exposure areas (96 percent). Agriculture is the single largest employer, accounting for one third of all host jobs. Host men and women, however, have different employment profiles: while agriculture employs the majority of host women (54 percent), a combination of construction, trade and transport jobs account for close to half of all male employment (51 percent).

In contrast, the displaced Rohingya population report low rates of labor force participation (33 percent) and high unemployment rates (36 percent). Close to 40 percent of adult Rohingya men who are in labor force are unemployed. Informal wage employment - largely working in construction, small shops and transportation accounts for 64 percent of male Rohingya jobs. For the Rohingya women who do work, most are engaged in self-run small-scale homebased activities.

HIGH EMPLOYMENT RATES ACCOMPANIED BY A RELIANCE ON AGRICULTURE, PARTICULARLY IN HIGH EXPOSURE AREAS AND FOR HOST WOMEN

In host communities, 42 percent of adults participate in the labor force, by working or actively seeking work¹. Almost all adults participating in the labor force – 95 percent -- are employed (Table 1). Men and women living in high exposure areas have higher labor force participation, but slightly lower employment rates compared to their counterparts in low exposure areas².

Women across both types of hosting areas have lower labor participation rates than men. However, women in HE areas report 11 percentage points higher labor force participation and 3 percentage points higher unemployment than their counterparts in LE areas. Unemployment within different age groups is highest among

younger hosts aged 15-29, and in both high and low exposure areas.

Agriculture is the single largest employer in both high and low exposure areas, and it accounts for a significant share of all female jobs. 41 percent of hosts in HE areas rely on agriculture for their livelihoods, compared to 30 percent for hosts in LE areas. While HE host communities are relatively more dependent on agricultural sources of employment, this difference is largely driven by the larger proportions of HE women working in agriculture. 2 out of 3 of women in HE areas report agriculture as their primary occupation, compared to 1 in 2 women in LE areas reporting the same.

Table 1: Key labor force indicators for the host population in Cox's Bazar

	Segments	LFP (%)			Employment (as % of LFP)			Unemployment (% of LFP)		
		All	HE	LE	All	HE	LE	All	HE	LE
All	All hosts	42.1%	49.2%	39.9%	95.3%	93.8%	95.9%	4.7%	6.2%	4.1%
Gender	Male	71.1%	76.2%	69.5%	94.8%	93.3%	95.3%	5.2%	6.7%	4.7%
	Female	19.1%	27.3%	16.5%	96.7%	94.7%	97.7%	3.3%	5.3%	2.3%
Age	15-29	35.2%	41.4%	33.2%	94.0%	92.0%	94.8%	6.0%	8.0%	5.2%
	30-64	51.4%	60.4%	48.7%	96.0%	95.0%	96.4%	4.0%	5.0%	3.6%
	65+	20.2%	27.5%	17.8%	98.2%	94.7%	100%	1.8%	5.3%	0.0%

¹ Employment is defined as the share of the labor force (adults over the age of 15 who are either currently employed or not employed but actively seeking work over the past 7 days) reporting having worked at least one hour in the past 7 days or being temporarily absent from work. Similarly, unemployment rates are reported as a % of the labor force that has not worked in the past 7 days or been temporarily absent from a job but has actively looked for work in said recall period.

² To distinguish between host communities that are more or less affected by the arrival of these Rohingya, the survey's sampling strategy uses a threshold of 3-hours walking time from a campsite to define two strata for hosts: (i) Host communities with potentially high exposure to the displaced Rohingya, and (ii) Host communities with potentially low exposure.

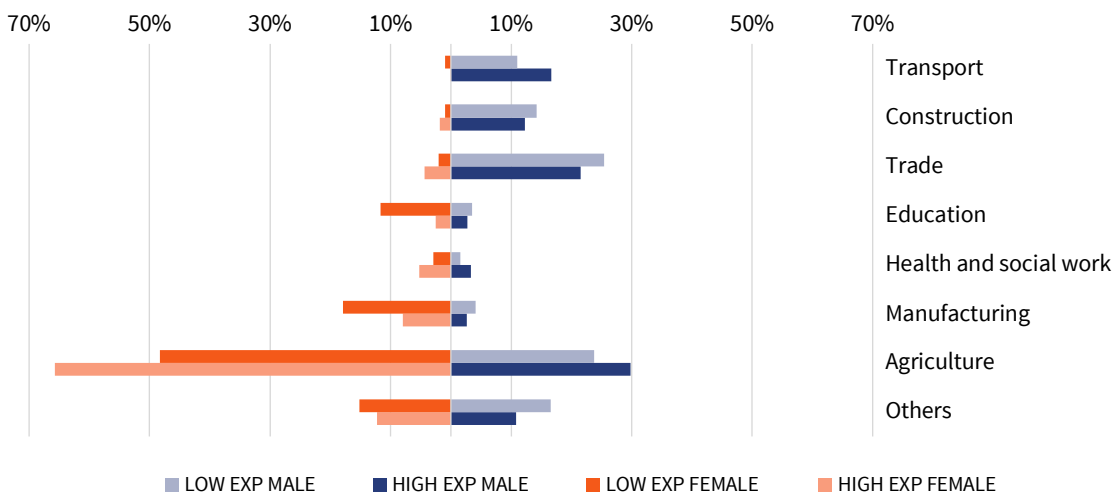
A HIGHER RELIANCE ON NON-AGRICULTURAL EMPLOYMENT DEFINES A MORE DIVERSIFIED JOBS PORTFOLIO FOR MEN, AND FOR FEMALE WORKERS IN LOW EXPOSURE AREAS

Men – in both high and low exposure areas have a higher reliance on non-agricultural sectors of employment, with the transport, trade and construction sectors accounting for half of all jobs (Figure 1). At the same time, the overall pattern of HE areas being more dependent on agriculture is also reflected in male employment, with close to a third of working men in HE communities employed in agriculture, compared to 24 percent for working men in LE communities.

While agriculture is the primary source of female employment in LE areas, a third of these women report working in manufacturing (18 percent), education (12 percent), and other self-employed

activities (9 percent). For women in HE areas, who have the least diversification in livelihoods, the top two non-agricultural employers are the manufacturing (8 percent) and the health and social work (5 percent) sectors. Jobs in health and social work, which are in part likely to be generated through Rohingya camps, employ a slightly higher proportion of high exposure women than low exposure ones; and overall, they employ more host women than men. Notably, both men and women in HE areas are more likely to report having a secondary source of employment. Overall, host workers in HE areas are 66 percent more likely to have a second job than people living in LE areas.

Figure 1: Share of employment sectors, by gender, among hosts



Source: Staff calculations based on CBPS, 2019.

WITH HIGH OVERALL RATES OF EMPLOYMENT, NON-WAGE OR SELF-EMPLOYMENT ACCOUNTS FOR A SIGNIFICANT SHARE OF HOST JOBS, PARTICULARLY FOR WOMEN

Men in host communities are almost equally reliant on wage employment (52 percent) and working on their own account, for a business, or for a business owned by another household (48 percent). On the other hand, women are more reliant on non-wage sources of income with more than 2 out of 3 women reporting that they are self-employed (Figure 2). The patterns are consistent across high and low exposure areas, with men and women in the latter being marginally more likely to be wage employees than their counterparts.

This gender disparity within wage and non-wage employment in combination with the differential sectors of employment by gender contribute to a significant wage gap between men and women in the host community (Figure 3). While

average daily wages are similar across high and low exposure areas, 414 and 409 taka per day respectively, the gender gap is high with men earning 57 percent more than women per day, largely driven by the low daily wages reported by women in low exposure areas. However, daily wages for women in HE areas (326 taka) are 28 percent higher than in LE areas (255 taka).

These wage differentials may be partly driven by higher shares of employment in NGOs (likely camp generated), and lower reliance on work performed for other households, among women in HE areas (Figure 4). To a smaller extent, men in high exposure areas also reflect the same pattern of greater access to NGO employment relative to men working in low exposure areas.

Figure 2: Share of wage and non-wage workers within host strata, by gender

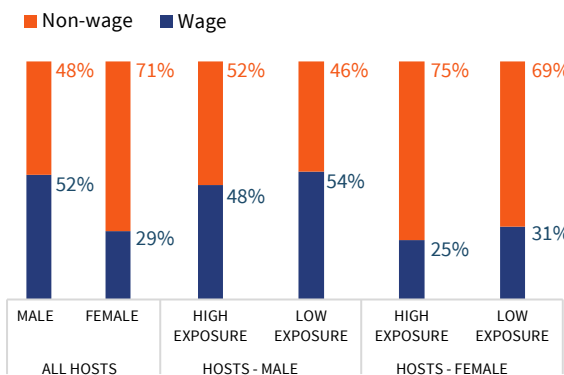


Figure 3: Average daily wages for men and women, hosts

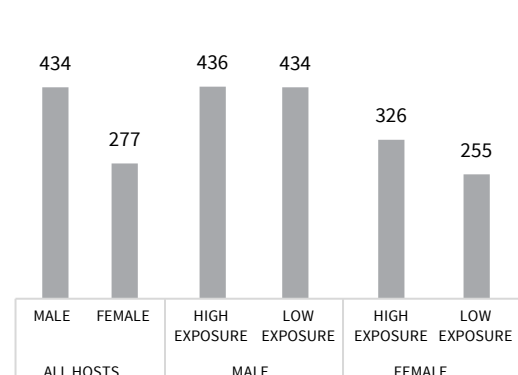
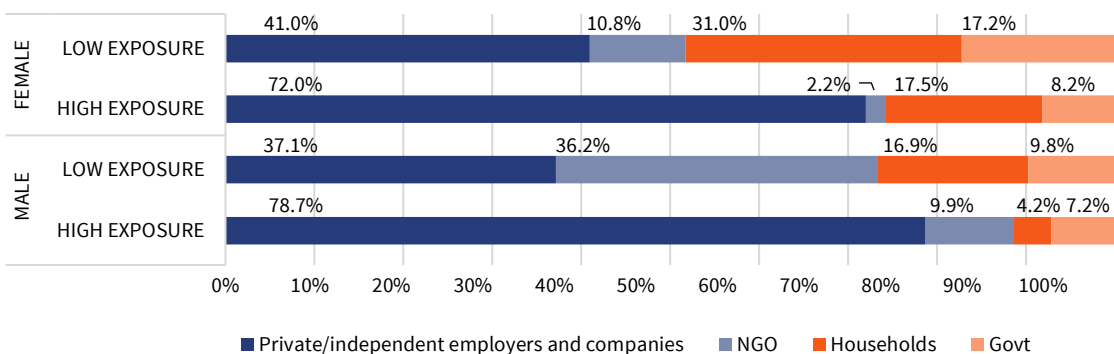


Figure 4: Share of employers among men and women, hosts



THE DISPLACED ROHINGYA: LOW RATES OF LABOR FORCE PARTICIPATION, RELIANT ON INFORMAL WORK

Two-thirds of Rohingya do not participate in the workforce, and among the third who do, 36 percent are unemployed (Table 2). Labor force participation rates are higher among men (64 percent) relative to women (9 percent), with the same patterns repeated for employment and unemployment rates.

Table 2: Key labor force indicators for the displaced Rohingya population in Cox's Bazar

	Segments	LFP	Employment (as % of LFP)	Unemployment (as % of LFP)
All	All camp residents	32.6%	64.0%	36.0%
Gender	Male	64.0%	61.6%	38.4%
	Female	8.8%	77.9%	22.1%
Age	15-29	32.5%	63.7%	36.3%
	30-64	34.9%	64.2%	35.8%
	65+	9.0%	77.5%	22.5%

ROHINGYA EMPLOYMENT IS LARGELY INFORMAL, WITH MEN AND WOMEN WORKING IN VERY DIFFERENT SECTORS

Among the few Rohingya who are employed, the majority work in informal jobs, as non-agricultural wage³ labor and informal workers for independent employers. The type of work is differentiated by gender, with men being employed in non-agricultural wage labor jobs; and women in self-run small-scale homebased activities.

Men and women are engaged in very different kinds of work. Close to one-third of working women in camps (or 2.1 percent of adult women) report working in self-run small-scale homebased activities such as kitchen gardening and rearing poultry. Another 21 percent of working women (or 1.4 percent of adult women) report working as home-based tailors or seamstresses. On the other hand, 38 percent of employed men (or 15 percent of adult men)

report working in construction activities, more specifically, as earth workers (non-government), construction workers, masons and other miscellaneous non-agricultural day laborers. An additional 15 percent of working men (or 6 percent of adult men) are running or working in small shops and enterprises inside camps. Both genders report working in health and social volunteering work, with women taking a slightly higher share of these jobs than men. While men and women working are engaged in very different occupations, men report a more diverse range of occupations (Figure 6). 76 percent of women do one of four activities only (tailor/seamstress, hens/duck rearing, gardening in homestead, or camp worker), the same proportion of men are engaged in twice the number of occupations.

³ The survey was conducted between the months of March and August, 2019 i.e. before the cash-transfer ban in camps. Therefore, wages for the Rohingya population refer to stipends received through public works programs in camps which were operational before the government ban.

Working Rohingya men are much more likely to be wage employees (79 percent) relative to women, who are more likely to be self-employed (60 percent) (Figure 7). This disparity in wage and self-employment could be explained by the fact that these men and women are engaged in very different activities. The average daily wage for camp wage employees is 288 taka. However,

there is a gender wage differential: the average daily wage employee of a female employee (192 taka) is approximately 64 percent that of a male employee (299 taka). This is likely driven by the fact that women are primarily engaged in home-based and small-scale income generating activities while men are taking on wage-based labor-intensive jobs in camps.

Figure 6: Main occupations in camps for approximately 80% of camp workers, by gender

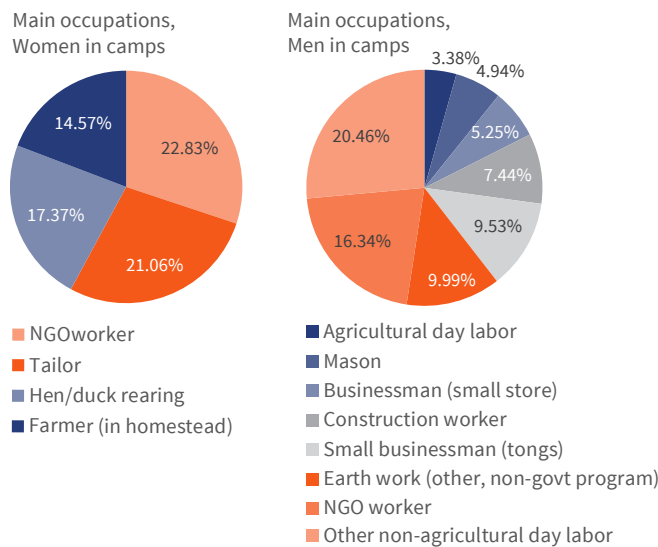
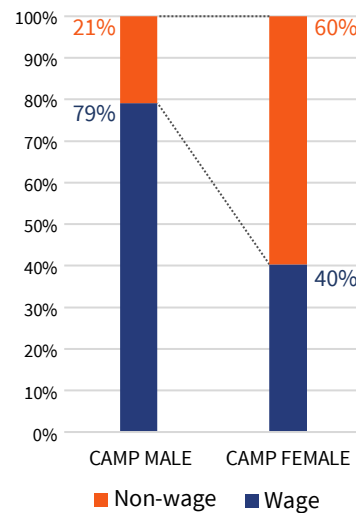


Figure 7: Share of wage and non-wage workers by gender in camps



CONCLUSION

Overall, these findings suggest the labor market for hosts in Cox’s Bazar is characterized by reliance on non-wage or self-employment and work in agriculture; and this pattern is particularly true for women and hosts in high exposure areas. Agriculture is the single largest sector of employment, and accounts for a majority of female jobs. Close to half of male jobs are in transport, trade and construction sectors. This differentiation in employment profiles by gender is accompanied by a wage gap in favor of men. Notably, host women in HE areas report higher daily wages than their counterparts in LE areas, despite a less diversified livelihoods portfolio. While the reasons for this finding need to be explored further, early evidence suggests it may be related to somewhat greater access to jobs in health and social services sectors in high exposure areas, associated with their proximity to camps. Two-thirds of recently displaced Rohingya are neither working nor looking for work. For the few who work, employment is largely informal, earning lower wages, and likely located within camps.