



FEMINIZATION OF SHRIMP PROCESSING INDUSTRY IN BANGLADESH: PACE OF WOMEN EMPOWERMENT AND POVERTY REDUCTION

Mohammad Nuruzzaman^{1*} and Mohammad Helal Uddin²

Abstract

Feminization of Bangladesh labor force is perceived as one of the main contributory factors to its economic growth. The shrimp processing industry utilizes a large number of female workers after the readymade garment industry. The industry has been playing an important role in foreign exchange earnings and employment generation, especially for the poor women engaging them in the post harvest processing segment of the supply chain. But the female workers suffer from gender disparities in their workplaces revealed in a recent labor force survey. Majority of them are found to be marginalized in unpleasant job at the bottom level with lower wages, deprived from righteous leaves and allowances and other benefits than their male counterparts.

This study attempted to investigate the pace of women empowerment across the shrimp supply chain analyzing gender sensitive economic indicators. The study also evaluated the potentials of poverty reduction through better compliance of existing labor rules. This presentation identified constraints and challenges to gender disparity and recommended some policy measures of women empowerment across the shrimp industry of Bangladesh.

Introduction

Feminization of shrimp processing and other agricultural sector has been remarkable trend observed recently in Bangladesh. According to a Labor Force Survey report by the World Bank in 2013, 40% of workforce were women compared to 31% in previous survey in 2005. In aquaculture & fisheries 36% of workforce are women reported in 2014 compared to 21% reported a decade back. Shrimp Industry is playing significant role in the economy through earning valuable foreign exchange, creating employment, contributing in income and nutrition, and resilience to the smallholder farmers across the coastal areas.

It is estimated about 60,000 workers are directly engaged in shrimp processing, about 70% of them are women. There are criticism that women at their workplaces are often victims of disparity and marginalization depriving righteous leaves and allowances and poor health care. To overcome this situation, factory level awareness and training programs focused to gender and social compliance launched by government and other organizations resulted better compliance, reducing discrimination and pace poverty reduction and empowering women across the shrimp sector.

Objectives

Major objectives of the study were:

- To assess the labor force and their nature of work engaged across the shrimp supply chain.
- To assess compliance level of labor laws across the formal sector of shrimp industry.
- To evaluate the economic relations of labor laws compliance benefiting the female workforce towards empowerment and poverty reduction.

Methodology

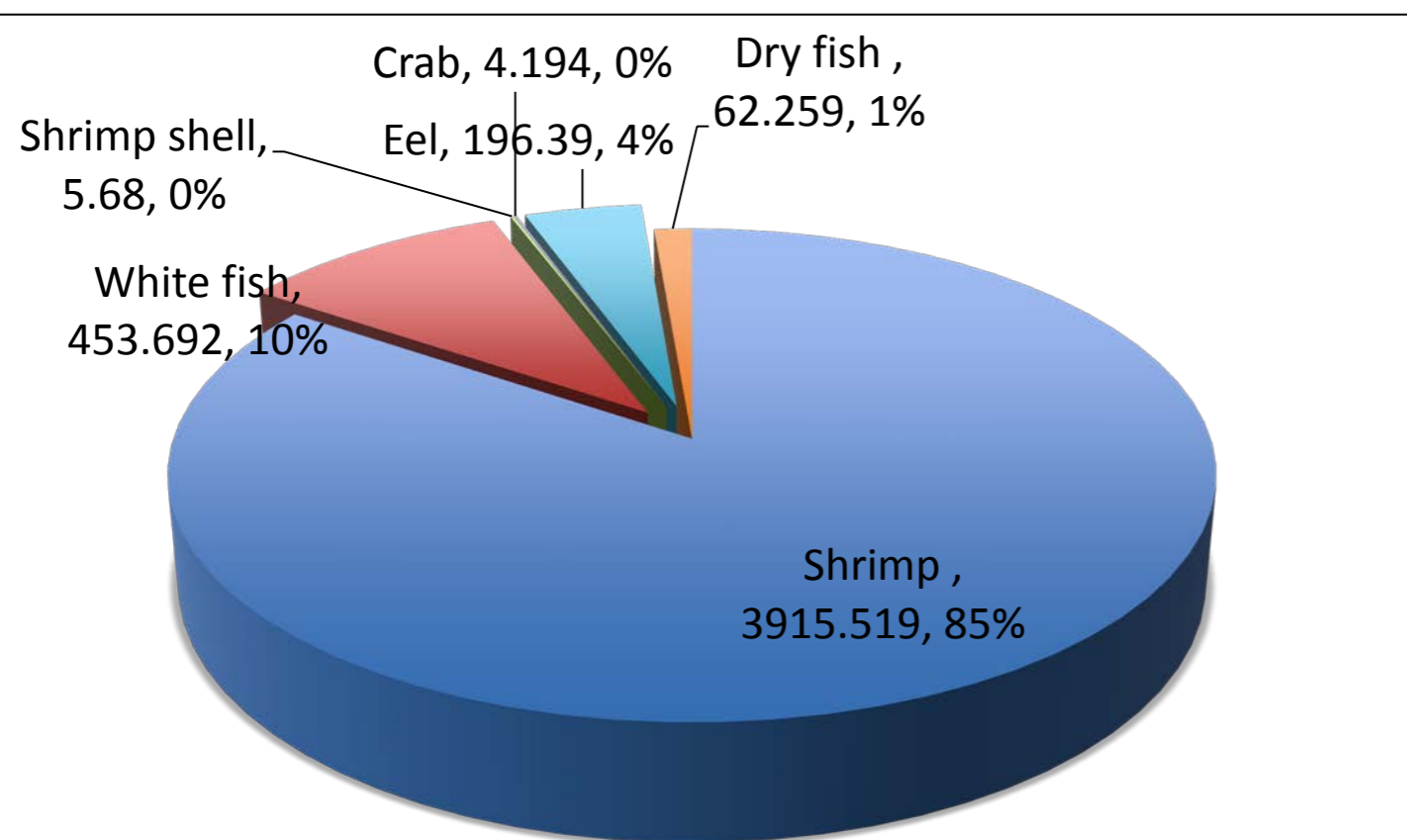
- The study utilized data on over 530 workers randomly chosen and interviewed from 40 shrimp processing factories across the six coastal districts of the country.
- In depth interview of Owners, Managers, Compliance Officer, Labor Contractors
- Key Informant Interviews across the supply chain
- FGDs at different stakeholders level
- Review of relevant literature, Government Policies, Laws and Rules

Results

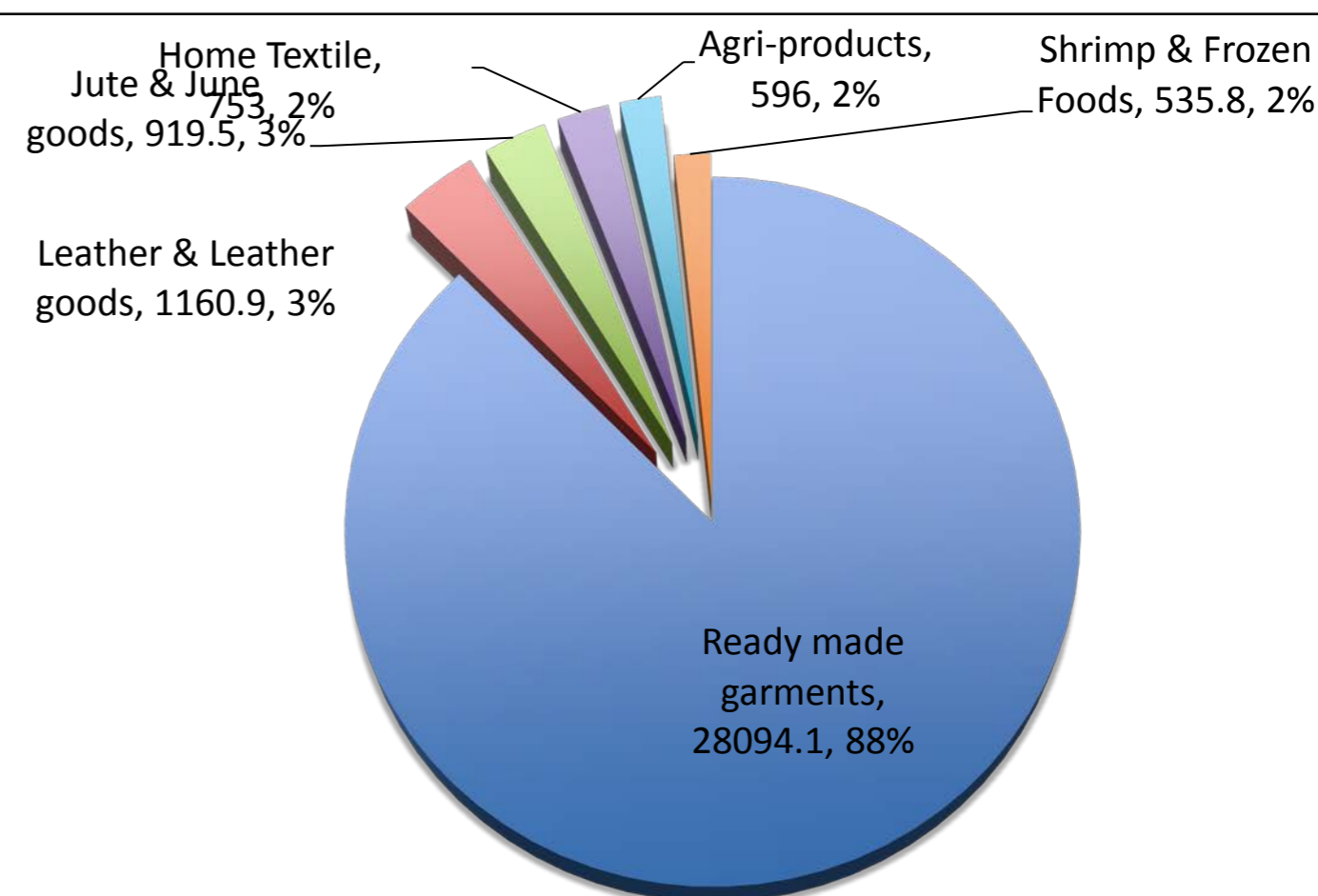
- Workers are better aware about their basic rights and entitlements and accepting the employment offers knowing the inherent shortfalls (Surplus labor market)
- Most factories have trained Labor Compliance Officer capable to run 'Labor Law Training' for their own
- Better labor compliance including Appointment Letter, ID Cards, Minimum wage and Maternity benefits
- Average monthly wage for a male and female worker found Tk 5944 (US\$ 75.5) and Tk 4291 (US\$ 54.5) respectively. Though women workers gets 72 Taka against per 100 Taka of male wage
- Leaves and overtime allowances generally under-paid
- Women workers attain 4.78 years of schooling against 8.84 year of male workers
- Shrimp factories are safe from 'building and fire' safety
- Majority of female workers reported chances of scars on hand skin and other occupational diseases from colds, moist condition and bad posture
- Workers under Labor Contractors constitute over 60-70% of processing workforce suffer most from job insecurity, occupational safety and health risks

Challenges

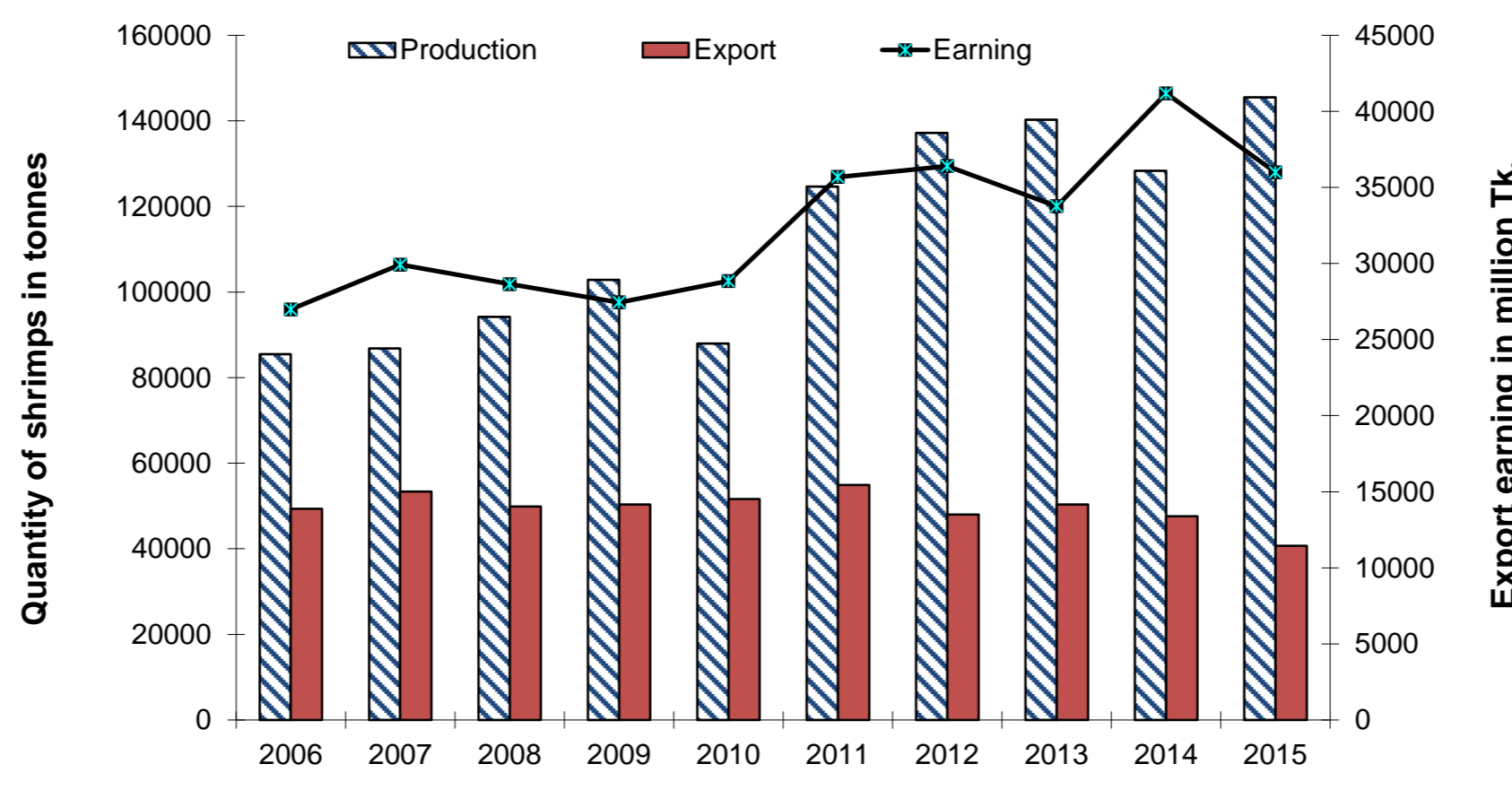
- Demand shocks and price fall in the international market
- Congestion of labor demand in processing following the scarcity of raw shrimp supply from field
- Under-utilization of installed capacity of the shrimp processing factories – higher overheads and less profit
- Low level of farm production resulting reduced supply of shrimp
- Lack of value added processing items barring creation of additional labor demand
- Frequent labor dropout in absence of labor welfare systems e.g. Provident Fund, gratuity, group insurance and profit sharing
- Contract labors are still remained beyond the enforcement of labor laws



Distribution of export earning (in Cr BDT) from shrimp and other fish & fisheries products, 2014-15



Major Export Sectors with income in million US\$, Bangladesh, 2015-16



Trend of Bangladesh Shrimp production, export and earning, 2006 - 2015



Export earning in million Tk

Recommendations

- The industry should come forward with better labor compliance to remain competitive in the international market
- The processors should invest starting their own production unit demonstrating 'good practices' on modern farming technology
- Policy change to higher cash incentive to encourage value added products (VAP) and less cash incentive to traditional items for export
- Industry should consider skill training of female workers on VAP
- Integration of processing factories with white fish, vegetable, bakery and other food items to create labor demand round the year
- Strengthening and capacity building of MOLE departments and better integration in the field level work

Acknowledgment

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Conclusions

Bangladesh needs higher ratio of female participation in the labor force to realize its vision of reaching middle income status by 2021. Development of labor market is vital for economic growth for a 'labor surplus' country like Bangladesh. Employment is one of the major indicators for measuring women empowerment and poverty reduction. Women empowerment across the workforce engaged in shrimp sector needs better compliance of labor laws with equal employment opportunity, better wage and improved health care and workplace safety.

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