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Digest 4

COVID 19 Impact on low income population **Migrant Male Workers**

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A rapid survey on occupational groups

COVID 19 Impact on low income population

Digest 4: Migrant Male Workers

Background

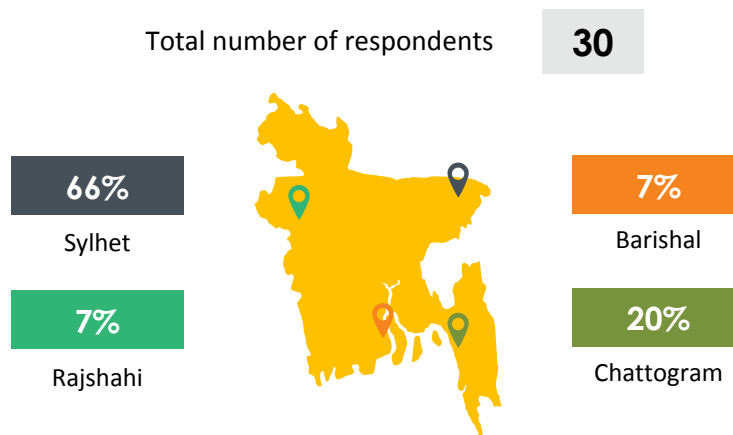
Innovision Consulting is undertaking primary research on low income occupational groups to assess the impact of COVID 19 on their livelihood. We expect that our analysis will provide useful insights to policy makers and relevant private, NGO, civil society stakeholders to safe guard the livelihood of these people with

appropriate interventions. These digests provide in-depth insights on how the income and expenditure patterns of low-income population are shifting as a result of shut down, how the households are coping and what measures should be undertaken to support them.

Characteristics of respondents

Total people interviewed were 30. Among them 66% were from Sylhet Division, 20% from Chittagong Division, 7% each from Barisal and Rajshahi Divisions. All the respondents were male.

Average age of the respondents is 28. 70% of the respondents are married while the rest 30% are unmarried. People who are married have 1.5 children on average.



Migration duration and costs

- The respondents are working outside of Bangladesh for 5.33 years on average. During the migration, they had to spend BDT 482,633 on average as migration cost.
- 33.33% of the respondents needed to sell their fixed assets to manage the

migration expenses. 53.33% had to arrange a loan to manage migration expenses, the average loan amount is BDT 216,875. 94% of the respondents already repaid their loans.

Occupation of migrants

- They work in a variety of professions, but the leading ones are salesman (20%), construction worker (17%) and hotel boy (13%).
- Before leaving Bangladesh 43% were students, 13% were drivers, 10% were in service, 7% were engaged in farming, as day labourers or in business while 13% were unemployed.

Earning, expenses and savings

- 53% of the respondents are the only earning member in the family, while the rest 47% have one or more additional earning members.
- While abroad, they were earning BDT 59,533 per month on average and sending BDT 44,500 per month to families in Bangladesh. The average spending thus stands at BDT 15,033 (because most of them get accommodation and transport facility from their employers). The migrant workers remit 75% of their income back home.
- Their monthly household income is BDT 71,267 (this includes the money sent by the migrant workers), while the monthly household expense is BDT 35,500. This is around 62% of the total household income. The rest is saved and/or invested in purchasing land and other agricultural assets (livestock, ponds etc.), construction of home and buildings etc.
- The migrants have assets in the form of agricultural land (70%), ponds (47%), livestock (13%), building (7%) and fallow land (7%).
- 80% of them have savings and the accumulated savings amount is BDT 504,591. The savings is after the repayment of loan and investment made by the households.
- Only 30% of the respondents have outstanding loans and average loan amount is BDT 138,889.

Return of migrants in Bangladesh



73%

Returned because of the Covid-19 situation during the period February-March 2020.

- All the respondents came in Bangladesh during the period February-March 2020, and 73% of them came back because of the Covid-19 situation.
- 33% contacted their employer after returning while 67% did not contact their employers. Just 7% contacted government agencies and 93% did not get in touch with any government agency.



93%

respondents want to go back to the countries again where they were working before Covid-19 outbreak.

- 93% of the respondents want to go back to the countries again where they were working before Covid-19 outbreak. Average cost for migrating again will be BDT 77,692 and 77% will be able to manage this amount from their savings. Others will sell assets or avail loan to manage the money.

Migrants' economic activities in the country

- Only 27% of the respondents are engaged in some economic activities in the country, while 57% responded that they will not engage in economic activities in the country. The rest 16% will consider engaging in economic activities in the country if the migration takes time.
- People who do not want to engage in any economic activity in the country will manage household expenses from their savings.
- People who got engaged are involved in business, farming or working as Pathao driver, and earning BDT 10,625 per month on average.

Vulnerability situation of migrants

- 53% respondents think that they can support their household expenses for over a year, another 17% will be able to support their family between 7-12 months. Only 3% respondent will be able to support their family for less than a month.
- 13% thinks the household income has already been affected, while 67% thinks the income will be affected in the near future. 20% thinks the household income will not be affected because of the Covid-19 situation.
- 75% will use their savings, sell assets and take loans to maintain household expenses, while the rest 25% will cut down expenses. They will cut the entertainment and clothing related expenses.

The key takeaways are:

- It is possible that the families of the migrant workers can cope longer with income depression arising from COVID 19.
- However, longer term unemployment can erode their savings which would constrain their ability to migrate once the situation is normal.
- Most of the surveyed workers are not planning to rehabilitate locally; this could have an impact on their accumulated savings; measures can be taken to utilize the skills of the returnee migrant workers once the COVID lock down is withdrawn and till the workers are able to return their respective work places.
- This report does not cover female migrant workers who might have a completely different scenario than that presented in this report.
- Relief efforts should be targeted to vulnerable migrant workers who do not have savings, who are yet to pay back their loans used for migration and who do not have food stocked at home.

We checked the validity of information in this rapid survey with available literature on different matrix, occupation, income, amount sent to families, assets, savings etc. (Wadood S N Hossain A (2017). Microeconomic Impact of Remittances on Household Welfare: Evidences from Bangladesh, Business and Economic Horizons, 13(1), 10-29, <http://dx.doi.org/10.15208/beh.2017.02>, IOM (2010). Migration Remittances and Assets in Bangladesh: Considerations about their Intersection and Development Policy Recommendations and Bangladesh Bureau of Statistics 2016). We found the findings of this rapid survey is consistent with the literature with larger scale sample survey.

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