



Gender Considerations in Migration and Remittances in Bangladesh

Marceline White, Sarah Gammage, Tania Sharmin, Rita Afsar

This research brief summarizes the findings from a larger report, "Gender Considerations in Migration and Remittances in Bangladesh," prepared by the Greater Access to Trade Expansion (GATE) Project. The research provides an overview of the gender-differentiated issues regarding migration and remittances, the importance of remittances for Bangladesh, and policy/program recommendations to promote gender-sensitive migration that support Bangladeshi men and women laborers as well as their families.

GENDER AND MIGRATION: AN OVERVIEW

Historically, migration has been a livelihood strategy of last resort for many individuals and households throughout the world. Yet, increasingly the combined pressures of underemployment, economic stagnation, conflict, persecution, and environmental disaster compel millions to migrate. The global flow of migrants has more than doubled since the 1970s, rising to almost 191 million in 2005 (IOM 2005). By 2005, remittances surpassed US\$ 170 billion, rivaling development aid received by many countries (IOM 2005).

Migration affects individuals and households, separating families and changing economic opportunities for those who migrate and those who stay behind. Much of the economic analysis of migration fails to distinguish or explore any gendered patterns in migration and, with few exceptions, tends to concentrate largely on the experience of male migrants. It is clear, however, that like most processes, migration is uniquely gendered. Gender plays a dominant role in determining who migrates and when, under what circumstances, and with what resources.*

In actuality, women now make up more than 50 percent of migrants globally (Ramirez, et al 2005). Although men and women may be equally likely to migrate, studies find that women frequently remit a higher proportion of their wages in transfers and gifts to their home countries than men and they do so at a significantly higher rate (Curran and Saguy 2001). Other recent studies suggest that women remit more monies to distant family members than men do and remit more than men over time. Finally, studies suggest that women remit more money than men when the monies are spent on basic needs such as food or clothing and less than men when remittances are expended for business purposes or to repay loans.

FINDINGS

- **Data Limitations.** Data on migration in Bangladesh are poor. The Bureau of Manpower, Employment and Training (BMET), the department within the Ministry of Labor that is responsible for tracking overseas employment, collects data on the number of Bangladeshis working abroad. Although the Bureau keeps gender-disaggregated statistics on temporary migrants, the data are not available in published sources (e.g., the Bureau of Statistics' reports).
- **Prevalence and Magnitude of Migrant Remittances.** In Bangladesh, a labor-surplus country, individuals from both poor and middle-class families have used migration (both long and short-term) as an economic strategy to improve their own lives and those of their families. Migration has kept the unemployment rate virtually unchanged since the 1980s, even though the growth rate of the labor force is nearly double that of population growth. Migrants' remittances are an important source of foreign exchange earnings for Bangladesh. In 2004-2005 remittances contributed 44 percent of export receipts (Al Hassan 2006). In comparison, foreign aid was only 39

* See for example Katz, Elizabeth. "Individual, Household and Community-Level Determinants of Migration in Ecuador," 1988 ; Crummet Maria. "Rural Women and Migration in Latin America" 1987. Contract NO. GEW-I-00-02-02-00018-00, Task Order 2

percent of remittances. In 2006-07, remittances increased by 25 percent over the previous year, rising to nearly \$6 billion. (Ministry of Finance 2007)

- **Restrictions on Women's Migration.** Traditionally, Bangladeshi women have been less likely to migrate than men. This reluctance may be due to a combination of socio-cultural norms concerning women's mobility, government regulations that restrict female migration out of a desire to protect women from abusive situations, as well as the costs and risks associated with migration. Over the last decade, the Government of Bangladesh (GOB) has espoused different approaches towards female migration. In 1991, the government lifted the ban on unskilled women's migration, but then re-imposed it in 1998 on the grounds that the restriction was the best way to protect women from labor rights violations. The effect of the GOB's bans has been to slow women's labor migration but not to stem it altogether. Many women continue to migrate for employment, but the process remains undocumented since the Bangladesh government has banned unskilled female migration. The ban was partially lifted in 2002 by allowing the migration of female domestic workers under certain conditions; through a notification in 2005, the government then relaxed those conditions.
- **Characteristics of Women Migrants.** A 2005 INSTRAW study noted that more than 75 percent of female migrant workers were under the age of 30, with rural migrants slightly younger than urban ones. Fifty percent of female migrants were married, while 16 percent were unmarried, 25 percent divorced/deserted, and 9 percent widowed. Female migrants are more likely to be unmarried, divorced, or widowed compared with the national population. With regard to education and skills, more than half the rural female migrants were illiterate, while 37 percent of urban female migrants were illiterate. Most illiterate women were employed as domestic workers. Other migrant workers found employment in garment factories in the host countries. Women migrants tend to be concentrated in a few receiving countries, while male migrants are more dispersed. Network theory—the idea that women will migrate where other women from their village reside—is one reason for this geographic concentration. The fact that in 61 percent of villages surveyed, all female migrants went to a single destination supports this theory.
- **Terms and Conditions of Work.** Working conditions are hard, hours are long, and employers retain substantial control over the migrants (Daily Star 2005). Many workers, both men and women, report experiencing both verbal and physical abuse. In the Middle East, domestic workers are exempt from most national labor laws. Although Bangladeshi Missions abroad have a role to play in safeguarding the rights of workers, many women migrants are unaware of the existence of a mission in the country in which they were working. Migrants earn disproportionately lower wages than native born workers and women earn lower wages than men. Despite the tenuous nature of their employment, the ILO (2003) reports that both men and women working in Kuwait remit a significant portion of their earnings home. The ILO survey documents that men and women send as much as 73 percent of their basic wages home as remittances.[†] In addition, the report emphasizes that Bangladeshi domestic servants in the Gulf States frequently receive the lowest remuneration.[‡]
- **Remittance Channels.** More than 80 percent of the migrant women used official channels to send money either by check or wire transfer (INSTRAW 2005). At least 32 percent also used informal channels (friends or other carriers), which is lower than the percent of men who rely upon informal channels. Men are more likely to rely on friends or on the *hundi* system—a loose network of traders who settle transfers among themselves. The process of sending remittances to Bangladesh is neither easy nor inexpensive. Many banks and money transfer services charge a flat fee that is more expensive the smaller the amount sent. More stringent controls on remittance flows due to concerns about the funds flowing to illicit activities or terrorists have increased the costs of formally transmitting monies. To gain access to the growing market for remittances, three private commercial banks, in 2006, entered into an agreement with Western Union to facilitate speedy and accountable income transfers.
- **Composition of Remittance Uses.** On the receiving end, families spend approximately 56 percent of remittances on consumption, health care, and/or education expenses. More than 18 percent of remittances go toward repaying debt incurred to finance migration. Nearly 70 percent of families were able to repay their loans

[†] Basic wages exclude living expenses, bonuses, housing and health-care expenditures.

[‡] International Labour Organisation "Gender and Migration in Arab States: The Case of Domestic Workers," 2003.

despite the high interest rates. Investment in economic ventures was low—constituting between 1 and 5 percent of remittance use.

- **Government Promotion of Savings Instruments.** To promote remittances put toward income generating ventures, the GOB has developed a number of new savings instruments to attract remittances and encourage their use for local development initiatives (in some cases replacing or leveraging government spending). Such instruments include non-resident foreign currency deposits where migrants can deposit funds; US dollar three year bonds; as well as tax holidays and exemptions for non-resident Bangladeshis.

KEY BANGLADESH STAKEHOLDER INITIATIVES

A number of donor, NGO, and Government programs are working to support gender-sensitive programs for men and women migrant workers from Bangladesh. The matrix below provides a summary of major stakeholder initiatives.

Organization	Type of Org	Focus/Mandate	Issue	Activities
Research and Migratory Movements RRMU	University	<ul style="list-style-type: none"> • Research/ Advocacy 	<ul style="list-style-type: none"> • Safe migration 	<ul style="list-style-type: none"> • Awareness campaigns on safe migration/anti-trafficking
Bangladesh Institute for Development Studies	Public Research Institute	<ul style="list-style-type: none"> • Research 	<ul style="list-style-type: none"> • Migration, remittances, and development 	<ul style="list-style-type: none"> • Research and dissemination through seminars and conferences
International Organization on Migration	Development partner	<ul style="list-style-type: none"> • Research/ Advocacy 	<ul style="list-style-type: none"> • Safe migration • Remittances • Migrant health • Skills training • Capacity building (e.g., government officials training) 	<ul style="list-style-type: none"> • Booklets on destination countries • How to channel remittances • Migration health services • Training of government officials to address challenges • Collaborating with government in repatriation of migrants • Arranging regional dialogue to address violence and health issues
Welfare Association of Returnee Bangladeshi Employees (WARBE)	NGO	<ul style="list-style-type: none"> • Advocacy/ Programs 	<ul style="list-style-type: none"> • Safe migration • Reintegration • Livelihoods • Migrant savings • Safe migration • Gender-sensitive migration 	<ul style="list-style-type: none"> • Awareness raising • Pre-departure briefings • Skills building • Livelihood training • Train on savings and investment • Advocacy on gender and migration
Bangladesh Ovbashi Mohila Shramik Association	NGO	<ul style="list-style-type: none"> • Networking with both returnee and potential women migrants for safe migration and reintegration 	<ul style="list-style-type: none"> • Safe migration • Reintegration • Livelihoods • Migrant forum 	<ul style="list-style-type: none"> • Information dissemination and awareness raising for safe migration • Pre-departure briefing • Skills development training and counseling • Credit and support for livelihood • Networking to form migrants' forum
Bangladesh National Women's Lawyer Association	NGO	<ul style="list-style-type: none"> • Basic needs • Legal intervention • Shelter 	<ul style="list-style-type: none"> • Anti-trafficking and victims of trafficking 	<ul style="list-style-type: none"> • Basic needs • Shelter for trafficked women • Schooling • Advocacy
United Nations Development Fund for Women	Development Partner	<ul style="list-style-type: none"> • Training, research and collaboration with government 	<ul style="list-style-type: none"> • Gender equality and safe migration issues 	<ul style="list-style-type: none"> • Developing code of conduct for treating migrant labor with Ministry of Women's and Children's Affairs and Ministry of Foreign Affairs
Asian Development Bank	Donor	<ul style="list-style-type: none"> • Research 	<ul style="list-style-type: none"> • Improving remittance flows 	<ul style="list-style-type: none"> • Study and dissemination
DFID	Donor	<ul style="list-style-type: none"> • Research/ programs 	<ul style="list-style-type: none"> • Improving remittance flows 	<ul style="list-style-type: none"> • Develop faster and cheaper remittance services • Challenge fund to stimulate

				<ul style="list-style-type: none"> development of new services Inform consumers about remittance products
Bureau of Manpower Employment and Training (BMET)	Government entity (under Ministry of Expatriates Welfare and Overseas Employment)	<ul style="list-style-type: none"> Regulating recruiting agencies Research/ programs 	<ul style="list-style-type: none"> Training Registering recruiting agencies and migrants Maintaining migrants database Educate migrants' children 	<ul style="list-style-type: none"> Workforce training One-stop service center Low-cost housing Pre-departure briefing

Source: Authors' interviews October 2006-June 2007.

CONCLUSION

Migration precipitates changes in household structure, the age of household heads, the portfolio of income, the acquisition of debt, and the disposition of household resources. It also has the potential to change decision-making authority within the household. Such changes in the home and host country have particular importance for designing programs and projects intended to foster the productive use of remittances; encouraging the investment of collective remittances in social projects such as schools and small public infrastructure; and, banking the un-banked—particularly women who may disproportionately receive remittances but who have had little exposure to banks and financial agencies. Literature on gender and migration also indicates that the monies women remit tend to be spent on basic needs rather than longer-term investment; women are often more willing to give to meet these basic needs rather than business ventures. To develop effective programs, development practitioners must understand the gendered dynamics of migration, both within households in the home and abroad in host countries. They must design projects that reflect the needs, abilities, and interests of those who remain behind.

Both women and men leave Bangladesh in search of greater economic opportunities abroad. Because of the lack of sex-disaggregated data and information about women's experiences, policymakers currently have a more fulsome picture of the experience of male migrants than female migrants. Women, as well as men, leave their families to work abroad, send monies back, and gain both positive and negative experiences during their tenure in a receiving country.

POLICY RECOMENDATIONS

Below is a policy action matrix describing some key constraints for migrants and effective transmission of remittances, along with some ideas of how to overcome the impediments.

Policy Action Matrix for Gender-Sensitive Migration and Remittance Programs in Bangladesh

Constraints	Actions	Activities	Indicators	Responsible Agencies
Lack of data	Collect sex-disaggregated data of migrants and remitters	<ul style="list-style-type: none"> Train migration organizations to advocate for sex-disaggregated data Train government officials on collection and analysis of sex-disaggregated data Provide hardware and software support to computerize migrant database 	<ul style="list-style-type: none"> Data disaggregated by sex Publication of sex-disaggregated statistics Number and rank of officials trained on sex-disaggregated data 	<ul style="list-style-type: none"> USAID through training NGOs Bangladesh Overseas Employment and Services, Ltd. BMET BBS, Bangladesh Bank
Lack of know-how for gender-related analyses	Build cadre of policy makers who can analyze data effectively, hold focus groups, and ask meaningful questions	<ul style="list-style-type: none"> Training of academics, students Set up course(s) at universities Train analysts throughout the government policy offices 	<ul style="list-style-type: none"> Number trained Courses created Number trained 	<ul style="list-style-type: none"> GOB Universities Donors NGOs
Government policies that impede female migration	<p>Promote effective implementation of the Overseas Employment Act, 2006</p> <p>Mainstream migration with country's development agenda</p>	<ul style="list-style-type: none"> Train NGOs and build the capacity of government department, including government officials, for the implementation of the new law Conduct a communications 	<ul style="list-style-type: none"> Number of media hits on this issue Number of NGOs and others engaged in this advocacy Regular research and monitoring of 	<ul style="list-style-type: none"> USAID through programs Other donor agencies All relevant ministries and departments

Constraints	Actions	Activities	Indicators	Responsible Agencies
		<p>campaign about the importance of women's migration</p> <ul style="list-style-type: none"> • Change the mindset of government and other stakeholders about the importance of women's migration 	<p>overseas labor market demand</p>	<p>involved in the migration process</p> <ul style="list-style-type: none"> • NGOs • Research institutions and overseas diplomatic mission
High level of bureaucracy/lack of coordination among ministries/frequent transfer	<p>Develop interagency coordination on migration - involve the Ministry of Labor, Women's Ministry, and others</p> <p>Reduce bureaucracy and introduce more migrant-friendly environment</p> <p>Develop a cadre of trained and committed officers for migration management</p>	<ul style="list-style-type: none"> • Develop one-stop migration hub for meeting with migration officers, gathering information, securing visas • Use e-governance tools to increase efficiency and reduce lines of hierarchy • Ensure a minimum stay period • Introduce some kind of reward system or incentives for better performing officers • Create hotline for help with migration 	<ul style="list-style-type: none"> • Reduction in time from applying for migration to having documents completed, disaggregated by sex of the migrant • Number of calls logged and successful responses to hotline, disaggregated by sex of caller • Performance indicators 	<ul style="list-style-type: none"> • GOBT
Little protection for migrant workers in receiving countries	<p>Develop cooperative agreements with receiving countries</p> <p>Work with receiving countries to improve their labor laws</p>	<ul style="list-style-type: none"> • Facilitate stakeholder dialogue with receiving countries regarding opportunities and challenges in cooperative agreements • Provide fast-track sourcing and incentives to countries with better labor laws for migrants • Use South Asian Association for Regional Cooperation (SAARC) and other cooperative fora to advance these ideas 	<ul style="list-style-type: none"> • Number of cooperative agreements forged • Number of laws changed in receiving countries 	<ul style="list-style-type: none"> • GOB • USAID support to policy development • IOM
Lack of information about individual rights-access to justice	<p>Inform migrants about their rights</p>	<ul style="list-style-type: none"> • Pre-departure training for migrants about their rights – as part of one-stop hub • Hold trainings in districts with high female migration specifically (as well as those with high out male migration). Use gender-specific messaging since male and female migrants work in different sectors • Take actions to keep women from being isolated 	<ul style="list-style-type: none"> • Number of migrants who take part in pre-departure training, disaggregated by sex • Number of migrants that report satisfaction with training, disaggregated by sex • Number of trainings held in locations with high female or male migration, number of participants, disaggregated by sex 	<ul style="list-style-type: none"> • USAID support to trainings • GOB • IOM
Lack of training for better jobs abroad and/or for work upon return	<p>Conduct vocational training for women prior to departure and upon their return</p>	<ul style="list-style-type: none"> • Train women similar to how the Sri Lankan Government does • Develop pilot training project in locations with high female migration 	<ul style="list-style-type: none"> • Number of women trained in vocational skills • Survey about the usefulness of such training 	<ul style="list-style-type: none"> • NGOS • GOB • USAID through its programs
High transaction costs of remittances	<p>Reduce transaction costs of remittances and</p>	<ul style="list-style-type: none"> • Create new financial instruments for remittances 	<ul style="list-style-type: none"> • Reduced costs and time of remitting, 	<ul style="list-style-type: none"> • DFID • GOB

Constraints	Actions	Activities	Indicators	Responsible Agencies
	simplify bureaucratic procedure for sending remittances through a formal channel	<ul style="list-style-type: none"> • Repeal laws so that micro-finance institutions (MFIs) can process remittances • Work with Grameen Bank to train women in rural areas to process remittances – based on the “phone lady” model • Simplify banking formalities 	<ul style="list-style-type: none"> • disaggregated by sex of migrant • Increased use of formal remittance channels • Repeal of law so that MFIs can process remittances • Number of women trained to process remittances in rural areas 	<ul style="list-style-type: none"> • USAID through pilot program • Grameen Bank • NGOs
Non-productive use of remittances	Increase productive investments	<ul style="list-style-type: none"> • Train migrant and her/his family on savings • Train women who are sending a family member abroad on how to invest productively, as women are less likely to spend remittances on business ventures • Create incentives to save—portion of remittance taken and put in savings automatically, etc. • Work with Bangladesh diaspora to invest in developmental of their communities (e.g. the Ghanaian poultry project) • Discuss formation of diapsora hometown associations (HTAs) with migrants who are departing for higher-level, long-term jobs • Look at formation of women-only HTAs 	<ul style="list-style-type: none"> • Increase in savings among families of migrants, disaggregated by sex of head of household • Number of women trained to invest remittances productively • Number of hometown associations (HTAs) that make productive investments in their communities • Formation of women-only HTAs 	<ul style="list-style-type: none"> • GOB • DFID • USAID • Bangladeshi diaspora organizations

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ABOUT THE GREATER ACCESS TO TRADE EXPANSION (GATE) PROJECT

The GATE Project is a five-year (September 2004-September 2009) USAID Task Order (TO), funded by the Office of Women in Development (WID) implemented by Development & Training Services, Inc. (dTS). GATE works with seven USAID Missions to better integrate gender considerations into economic growth and trade-related programs in order to help expand areas of opportunity and mitigate the adverse effects of economic and trade expansion for poor women and men. The full report was produced for USAID/Bangladesh by the GATE Project. The full report was prepared by the Centre for Policy Dialogue (CPD) in Bangladesh and Commissioned by Development & Training Services, Inc. (dTS).

To receive the full report or obtain information on other gender and trade-related research, please email GATEProject@onlinedts.com or call 703-465-9388.