

Bangladesh

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52%

Population below international poverty line

€14

per month

National minimum wage

€213

per month

Urban living wage

37%

Agricultural workforce

12%

Agriculture share of GDP

5

very high

Risk to workers' rights

Context

Bangladesh has a population of over 169 million people,^[1] with nearly 61% of inhabitants living in rural areas.^[2] Approximately 37%^[3] of the population is employed in the agricultural sector, which accounts for nearly 12% of the nation's GDP.^[4]

Agriculture supports the majority of the population, with many smallholder households operating in the informal economy.^[5] Smallholders make up the majority of farmers in Bangladesh, a group that has a disproportionately high poverty rate compared to the national average. Bangladesh and its farmers are particularly vulnerable to climate change as most of the nation is less than 5 meters above sea level, which significantly predisposes them to flooding.^[6]

Rice is the largest commodity in production in Bangladesh, followed by potatoes, maize, sugar cane and fresh milk.^[7] In terms of export, the top commodities are soy beans cake, jute, vegetable oil, non-alcoholic beverages and potatoes.^[8]

Wages

Minimum wage

The minimum wage in Bangladesh varies by sector and skill level. The minimum wage for general workers is 1,500 Bangladeshi taka (14 EUR) per month, value implemented in 2013.^[9] The garment industry is a significant contributor to the nation's economic growth,^[10] therefore, in many regions it's common to have a minimum wage for the sector. In Dhaka, for example, it's 8,000 Bangladeshi taka (73 EUR)^[9]. Yet, many workers in Bangladesh are still employed informally and minimum wage regulations and labour laws are not always ensured.^[11]

Living Wage

The **Global Living Wage Coalition** has developed 2 Living Wage Benchmarks for urban Bangladesh based on the Anker methodology. One estimate is for Dhaka city, and the other for Dhaka's surrounding satellite cities and districts, while both focus on garment workers.

In Bangladesh, the garment industry employs over 4 million workers, an estimated 65% of whom are women.^[12] The living wage for workers living in Dhaka city is 23,254 Bangladeshi taka (213 EUR) per month, while the estimated living wage for satellite cities surrounding Dhaka is 19,255 Bangladeshi taka (176 EUR) per month. Both benchmarks are based on a family of 4 with 1.58 workers.^[13] These living wage estimates are more than twice the minimum wage designated for the garment industry in the Dhaka region, for example.

What's happening

RESOURCE

[Country study in the garment industry](#) ↗

Country study report looking at labour law and labour conditions in the garment industry in Bangladesh. Fair Wear Foundation, 2018.

RESOURCE

[The economic lives of smallholder farmers](#) ↗

An analysis of smallholder farmer incomes based on household data from nine countries. FAO, 2015.

RESOURCE

[Living Wage Benchmark, Urban Bangladesh](#) ↗

Living wage estimates for Dhaka city and for the satellite cities and districts surrounding Dhaka, in urban Bangladesh, with context on the garment industry.

RESOURCE

[Fair Wear Foundation Wage Ladder](#) ↗

The Fair Wear Foundation Wage Ladder is an easy-to-use online tool that allows the wages paid at any factory to be compared against a range of wage benchmarks.

RESOURCE

[Labour Minute Costing Calculators](#) ↗

Fair Wear's Labour Minute Costing Calculators allow brands and factories to calculate labour costs based on a transparent methodology for costing/pricing of goods.

Footnotes

1. World Bank. (2021). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=BD>
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3. World Bank. (2021). <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=BD>
4. World Bank. (2021). <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=BD>
5. CGAP. (2016). National Survey and Segmentation of Smallholder Households in Bangladesh. <https://www.cgap.org/sites/default/files/researches/documents/Working-Paper-Smallholder-National-Survey-Bangladesh-May-2017.pdf>
6. IFAD. (2018). Smallholder Agriculture Competitiveness Project (SACP). <https://webapps.ifad.org/members/eb/123/docs/EB-2018-123-R-13-Project-Design-Report.pdf>
7. FAOSTAT. (2021). http://www.fao.org/faostat/en/#rankings/commodities_by_country
8. FAOSTAT. (2021). http://www.fao.org/faostat/en/#rankings/commodities_by_country_exports
9. WageIndicator Foundation. (2023). <https://wageindicator.org/salary/minimum-wage/bangladesh>
10. Global Living Wage Coalition. (2016). https://www.globallivingwage.org/wp-content/uploads/2018/05/Dhaka_Living_Wage_Benchmark_Report.pdf
11. U.S. Department of State (2019). <https://www.state.gov/reports/2019-country-reports-on-human-rights-practices/bangladesh/>
12. U.S. Department of State. (2018). <https://www.state.gov/reports/2018-country-reports-on-human-rights-practices/bangladesh/>
13. Global Living Wage Coalition (2021). Living Wage Update: March 2021 Dhaka, Bangladesh and Satellite Cities. https://www.globallivingwage.org/wp-content/uploads/2018/06/Updaterreport_Dhaka-and-satellite-cities-March2021.pdf