

Bangladesh

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52%

Population below international poverty line

€14

per month

National minimum wage

€208

per month

Urban living wage

38%

Agricultural workforce

13%

Agriculture share of GDP

5

very high

Risk to workers' rights

Context

Bangladesh has a population of over 163 million people,^[1] with nearly 63% of inhabitants living in rural areas.^[2] Approximately 39%^[3] of the population is employed in the agricultural sector, which accounts for nearly 13% 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 jute, non-alcoholic beverages, vegetable oil, cotton waste 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, while for garment workers, the minimum wage in Bangladesh is 8,000 Bangladeshi taka (77 EUR) per month.^[9] The garment industry is a significant contributor to the nation's economic growth.^[10] Yet, many workers in Bangladesh are employed in the informal sector where minimum wage regulations and labour laws are difficult to enforce.^[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 21,648 Bangladeshi taka (208 EUR) per month, while the estimated living wage for satellite cities surrounding Dhaka is 17,926 Bangladeshi taka (172 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 Bangladesh.

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. (2019). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=BD>
2. World Bank. (2019). <https://data.worldbank.org/indicator/SP.RUR.TOTL.ZS?locations=BD>
3. World Bank. (2019). <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=BD>
4. World Bank. (2019). <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. (2019). http://www.fao.org/faostat/en/#rankings/commodities_by_country
8. FAOSTAT. (2019). http://www.fao.org/faostat/en/#rankings/commodities_by_country_exports
9. WageIndicator Foundation. (2021). <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/Updatereport_Dhaka-and-satellite-cities-March2021.pdf