# BIPSS Commentary



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# Migrant Workers in Post-COVID Era: Bringing About Change in the Projections

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#### Introduction

The 21<sup>st</sup> century plague, COVID-19, has disrupted the world, stagnating the core functions of almost all countries of the world, including the economy and socio-cultural of communities. Over seven million have been affected in more than 200 countries around the globe. The COVID-19 pandemic is causing an unprecedented disruption to the global economy. The resultant socio-economic impact is being transmitted through different channels.

In a recent report titled 'COVID-19 Crisis Through a Migration Lens' World Bank projected how loss of jobs of migrant workers and deceleration of remittance will hit countries that depend on remittance as a major source of national income like an iceberg. The report stated that remittances inflow to South Asia are likely to decline by a large chunk of 22 percent, while globally the decline 20 percent and for low and middle income countries, by over 19 percent.

## Remittance and Migrant Workers in Bangladesh: Weighing the Scales

The COVID-19 pandemic, set loose by the novel coronavirus, also known as SARS-CoV-2, has already set a catastrophic footprint on the socio-economic fabric of Bangladesh. One of the most impactful changes is that of loss of jobs of migrant workers and decline in remittance flows. It was reported that in March 2020, the country experienced its lowest level of remittance inflow, a disquieting US\$ 1.29 billion, in the past fifteen months. Local media has reported that about 200,000 Bangladeshi migrant workers have returned between February and March of 2020, and a further 29,000 returned in the coming weeks according to Bangladeshi Foreign Ministry. An accumulate of over 10,00,000 returned home jobless since then. While the inflow of remittance is a key pillar holding up the economy of the country, it has also had adverse impact at grassroots levels as well. A large chunk of expenditure, about 85 percent, of families of overseas migrants

comes from remittances sent by their migrant labour kin; a further 60 percent of families are completely dependent on foreign remittances for living. As the global market shuts down under the pressures of the COVID 19 lockdown worldwide, the families of overseas remittance earners edge closer to the poverty line, with little to no income coming into the households. A study conducted by South Asian Network on Economic Modeling (Sanem) reveals that Bangladesh will witness about 8.7 million plunges into poverty. The non-profit organization further utilized the latest Household Income and Expenditure Survey data of the BBS and predicted a negative income shock of 25 percent will lead to over 40 percent poverty rate.

## **Cautionary Measures and Equipping for the Future**

Former interim government adviser AB Mirza Azizul Islam mentioned that considering the contribution of the migrant workers on the economy of the country, it is time now that the government considered giving financial assistance to them and their families in order to prevent them decline into poverty. As a part of short term response, it is pertinent that the government provide financial assistance so that families do not slip into poverty and so that when the global situation improves the migrant labour population does not lack either economic or non-economic affordability to depart for jobs abroad.

Apart from financial assistance, it is important to provide the labour with training in order to be able to respond to the overseas labour demands in the future in the post-Covid scenario. Many workers have claimed to have received assurance from their employers that once the global economic lockdown is over, they will get back their jobs. However, it is likely that the number of jobs will decrease and only the most skilled will be considered. Hence, it is important that the government introduces training plans with proper health precautions while the migrant labour force is home.

In the post-COVID era, it is likely that developed countries will invest more on healthcare sector, as opposed to the now higher investment in economy and infrastructure. Hence, as a result of change in dynamics of investment, it is likely that demand for labour of low-skilled jobs like in the construction sector, as day labours and odd job workers will reduce and will be replaced by increased demand for workers in the healthcare sector. Bangladesh has already successfully

exploited the pharmaceutical sector for foreign exports, and it must follow suit and invest in greater training of labour in the healthcare sector, such as nursing, healthcare technology, management, hospitality, and so on, instead of focus on just development of traditional low-skilled labour.

It must also be noted that according to international law migrant labour have the right to remain under the protection of the country they are serving at. Hence, it is recommendable that whenever the government sends migrant labour population to serve abroad in the future, it should make sure that these rights will be provided to them. Therefore, the government should pursue multilateral forums in order to assure these rights in the future, and make sure that even if the crisis arises again, the Bangladeshi migrant labour population is not subject to ousting and complete joblessness.

#### **Conclusion**

To conclude, it is important to identify the severe impact on the migrant labour population of the country. As remittance is one of the key income-generating modes of economic development of the country, it is important that the expatriate community that contributed so vastly to the economy of the country are taken care of in the short run, and trained to help generate further skills to compete in the future struggle for jobs overseas in the post-Covid era. This will not only help the households dependent on remittance at the grassroots levels, but also assist the build-up of remittance in the future in order to maintain the prosperity of the Bangladeshi economy, and continue in its path to continue to be a developing country.

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