



Industrial output soars, but where are the jobs?

Factory jobs fell to 1.20cr in 2024 from 1.21cr in 2013

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Over the past decade, more and more industries have sprung up across the country, steadily increasing production. But while output rose, factories did not open their doors to more workers.

Between 2013 and 2024, this disconnect played out clearly. Economists describe it as a case of the "jobless growth" puzzle.

In 2025, industry accounted for 34.81 percent of Bangladesh's gross domestic product (GDP), up from 27.55 percent in fiscal year (FY) 2009-10. Factory output expanded by 10 to 20 percent over the years.

Yet, the number of workers in production units fell — from 1.21 crore in 2013 to 1.20 crore in 2024.

Economists say the driving force behind this industrial growth was large-scale factories equipped with modern and automated technologies. These production lines needed fewer hands on deck.

Some of these high-performing industries, though employing relatively few workers, produced more value-added goods. That, in turn, meant a bigger share of GDP without creating more jobs.

Other factors also contributed, but experts warn that unless the country invests in workforce training, technology upgrades, and better planning, it risks missing out on the employment benefits that usually come with

TREND OF JOB CREATION IN INDUSTRY

(Number in crore)

*Provisional data



industrial growth.

"The declining trend in manufacturing jobs runs counter to expectations," said Rizwanul Islam, former special adviser at the International Labour Organization's (ILO) Geneva office. "This is a reversal in the structural transformation of employment."

He said that instead of a rising share of manufacturing jobs, there has been a fall, even as agricultural employment has increased.

Islam said this trend is disappointing because it is occurring despite growth in industrial output and exports. "It reflects a situation of jobless growth."

KAS Murshid, former director general of the Bangladesh Institute of Development Studies (BIDS), echoed similar views.

He said industrial growth is occurring, but labour demand is not keeping up.

According to him, jobs are rising in services, non-farm rural activities, and the informal economy, yet formal industry remains a barrier.

Murshid, who led the interim

government's taskforce on Economic Strategy Redesign, said the problem lies partly with automation and partly with the mismatch between labour demand and supply.

"You cannot create employment just by having a large population anymore. Unskilled labour is not in demand like before. We need semi-skilled, skilled, and technically trained people, and that is where we are falling short," he said.

The former BIDS DG said there is a severe shortage of skilled labour in the country. "We have found it in BIDS research and other studies. Although there are some projects funded by lenders and run by the government, they are not enough. Much more needs to be done."

"If we look at emerging economies worldwide, including Bangladesh, the direction is clearly toward AI-driven technology. And we are simply not ready for that."

Asked about the consequences of this "jobless growth", Murshid said, "If we want to move forward, we need policies that strengthen the supply side. Our core focus has to be on building a skilled labour force."

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Brokers call for overhaul of DSE board structure

STAR BUSINESS REPORT

Stockbrokers have called for a reduction in the number of independent directors on the board of the Dhaka Stock Exchange (DSE), arguing that many such appointees lack relevant experience and are politically biased.

On July 17, the DSE Brokers Association of Bangladesh (DBA) sent a letter in this regard to Anisuzzaman Chowdhury, special assistant to the chief adviser and chair of the committee tasked with strengthening the Bangladesh Securities and Exchange Commission (BSEC).

The letter, seen by The Daily Star, calls for a revision of the 2013 Demutualisation Scheme, which was introduced to enhance transparency and accountability at the country's stock exchanges.

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Under the scheme, the DSE board comprises 13 members: seven independent directors, four shareholder directors, one nominee from the strategic investor, and one ex-officio managing director. The chairperson must be chosen exclusively from the independent directors.

The DBA argues that this structure is unbalanced.

In the past, it says that the board chairs and independent directors were frequently appointed on political grounds, often without sufficient knowledge of the capital market.

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Private firms' foreign loans rise again

STAR BUSINESS REPORT

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Private sector's foreign loans started rising again as firms are showing interest in borrowing from the international market to benefit from the falling interest rate.

Data released by the Bangladesh Bank (BB) shows that the outstanding debt of the private sector rose to \$19.87 billion at the end of March this year, registering a 2 percent spike in the

previous three months owing to a rise in buyer's credit, a type of loan issued by an exporter to fund a purchase by an importer.

Buyer's credit obtained by local firms from their suppliers abroad stood at \$5.39 billion at the end of March this year, up 3 percent from \$5.22 billion in December 2024.

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ডিবিএইচ ফাইন্যান্স পিএলসি

কেন আপনার আমানত ডিবিএইচ-এ সুরক্ষিত?

- ডিবিএইচ মূলত গৃহঘর দিয়ে থাকে, তাই আপনার আমানতের বিনিয়োগ বুঁকি এখানে সবচেয়ে কম।
- ডিবিএইচ-এর খেলাপি খাগ কখনোই ১% অতিক্রম করেনি, যা দেশের আর্থিক খাতে সর্বনিম্ন এবং অনন্য অর্জন।
- ডিবিএইচ-এর ডিপোজিট পোর্টফলিও ৪,৮০০ কোটি টাকার বেশি।
- সাধারণ ফিল্ড ডিপোজিট ক্লিয়ের পাশাপাশি ডিবিএইচ-এ আছে ডিপিএস এবং ইসলামিক ডিপোজিটস।
- সার্বিক উৎকর্ষতার জন্য ডিবিএইচ গত ২০ বছর ধরে সর্বোচ্চ ক্রেডিট রেটিং 'ট্রিপল এ' (AAA) অর্জন করেছে, যা নির্দেশ করে আমাদের গ্রাহকদের সর্বোচ্চ আর্থিক নিরাপত্তার নিশ্চয়তা।

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