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From gallop to canter

Industrial sector suffers for lack of policy support

INAM AHMED and REJAUL KARIM BYRON

Talk to any industrialist -- big or small -- and you will notice a general notion of apprehension among them. Production is falling, challenges are becoming stiffer and the going is getting difficult. As the Bangladesh Bureau of Statistics figures show, the industrial sector is running out of steam, the sunshine is receding fast. Small and medium enterprises are getting the punch more below the belt than big industries. But they are all straining at the seams. The private sector despite its high potentials for growth went from gallop to canter in absence of policy support in terms of electricity, credit, port facilities. The Quantum Index of Production (QIP) that measures industrial output shows the shredding output. The QIP rose by an

encouraging 14.06 percent in July-December 2005 over the same period a year ago. A month later in January, the growth slowed to 11.80 percent. When the QIP was measured in December it recorded a 15.90 percent year-on-year rise. In January it lost about 8 percentage points to clock only 8.53 percent. Such dips were understandable in the quota regime when the garment sector would execute their orders by December. But after the MFA phase-out, there is scope to view this drop with skepticism. The industry has higher election-year stakes ahead. The persisting, ever-growing power crisis, costlier dollar, higher interest rates, tariff anomalies and fuel price hikes has spooked entrepreneurs. Big enterprises can fight on to absorb the shock, but the small and medium industries find themselves in a dire straight.

The figures also show other alarming trends. The central bank's tight monetary policy that aims to curb rising inflation and take the load off the balance of payments shows a mixed result. As the investment climate turned less lucrative with high interest rates, import of capital machinery dipped 4 percent in July-February, indicating that future industrialisation will be affected. Many argue the import of raw materials is still high and increased by 11 percent that happened because of previous year's huge investment in textiles and pharmaceuticals. The inflation dragon could not be tamed as it increased by 0.48 percentage point in March from the month before. Obviously, many would point out that the inflation hike was not demand-driven but cost-pushed and the monetary policy actually did not take stock of the situation. The power crisis threatens to quicken the industrial downfall. The few big industries are now completely dependent on captive power generation, some of them

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BSCIC units hit hard by power crisis

MD HASAN, back from Tongi

Frequent power outages for three to four hours daily in the Bangladesh Small and Cottage Industries Corporation (BSCIC) area in Tongi near Dhaka are forcing small and medium entrepreneurs to incur

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Govt forms body for permanent solution

BSS, Dhaka

The government has formed a four-member committee to suggest measures for permanent solution to water and power crises in the city's Demra area. The committee, headed by Joint Secretary of the Local Government Division Shafiqul Islam, has been asked to submit its report in seven days, officials said. An emergency meeting convened at the residence of LGRD and Cooperatives Minister Abdul Mannan Bhuiyan yesterday decided to constitute the committee also comprising representatives from Dhaka Wasa, Desa and Desco. A coordinated monitoring cell was also formed at the meeting to keep a constant watch on the water and power supply situation in the area. The meeting asked Dhaka Wasa to intensify its activities in the area through vigilance teams.

DEMRA MOVEMENT

BNP men take control as army offers water

STAFF CORRESPONDENT

Ruling BNP activists seized the whip hand at Shanir Akhra in Demra yesterday, terrorising the Friday's demonstrators, although the locals heaved a sigh of relief as the army supplied them with water since early morning. Some stray incidents apart, Shanir Akhra and the surrounding areas yesterday turned normal and peaceful. The previous day the Dhaka suburb looked like a battlefield with police and ruling party activists locking horn with thousands of demonstrators demanding an immediate end to the acute water and power crises dogging them for long. Members of the Sangram Parishad formed by locals to spearhead the movement to realise their

demands alleged cadres of the BNP and its wings were warning them to refrain from any further agitation and also kept a close watch on them. They said some cohorts of local BNP lawmaker Salahuddin Ahmed yesterday morning also vandalised a stage they had set up to hold a press briefing and threatened them to keep away from the press. The traffic on the Dhaka-Chittagong highway was normal. The BNP men have been in control of the highway since Friday evening after a series of chases and counter chases. Meanwhile, the government yesterday formed a 4-member probe committee headed by a joint secretary, Shafiqul Islam, into the power and water crises in Demra. Additional police were deployed

in the troubled areas to prevent any further untoward incidents. During Friday's skirmishing, angry mobs vandalised and looted a CNG filling station and a warehouse of construction materials. ARMY BRINGS WATER The army, which had been forced to call back its water tankers sent to the area Friday afternoon in face of demonstrators' wrath, started distributing water in the agitating areas since the small hours yesterday. Locals in thousands carrying all sorts of water containers thronged the army tanker lorries, fearing not getting enough water. The army team is equipped with five water-purifying machines, Brigadier General Nizam Uddin told the press yesterday. SEE PAGE 15 COL 1

VOTER ROLL CONTROVERSY

All signs predict finality of list

SHAKHAWAT LITON

The possibility of ameliorating the controversy regarding the unusual rise in the number of voters on the draft voter list seems to be very little since the Election Commission (EC) has no plan to examine whether the rise in number of voters is accurate. The EC also remains silent on the issue of inclusion of 'fake voters' on the list in violation of the Electoral Roll Ordinance 1982 which empowers the EC with the power to take legal actions against those who are responsible for such inclusions. There is also no precedent for taking legal action against such violations of the ordinance. In fact the EC, according to the officials at its secretariat, is helpless in taking any legal action or to delete any fake voter from the list unless it receives specific allega-

tions. The EC has no mechanism for detecting fake voters on the list, the chief election commissioner said. So, the draft list published last Wednesday will be turned into the final list almost as it is and some new names might be enlisted. The draft voter list shows at least 1.11 crore unaccounted for voters if one goes by the Bangladesh Bureau of Statistics (BBS) census report, 2001. The EC came up with 9.13 crore voters on its draft list, but the BBS report shows the number of people 18 years and above should not exceed 8.02 crore if no death had occurred during the period and if every eligible person is enlisted. "The difference between the numbers of voters on the draft and the final lists is very little. Possibility of deleting names from the list is also very little unless any

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Hundreds gather with buckets and pitchers to collect water from an army vehicle in Demra yesterday, a day after violent clashes between police and locals demonstrating for smooth supply of water and power.

PHOTO: STAR

TERRIBLE TRAVEL

Road accidents claim 10 lives a day

Ignorance, cops-owners nexus bar justice

PINAKI ROY

It was a big bang, but of the entirely opposite kind, which blotted out a family microcosmos from existence in the twinkling of an eye. Last year, a speeding bus

crashed headlong into Abdul Kader's car, killing his daughter, son, son's wife, and the driver on the spot, sparing a badly maimed Kader to mourn the dead. "Within a moment, all happiness had gone out of my life," Kader

whispers, as speaking still causes him excruciating pain due to the broken jaw. After several months of treatment in Singapore, he returned home just two weeks ago. On that doomsday, Kader, a

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Low voltage, outage lead to city's water crisis

STAFF CORRESPONDENT

Lower-voltage electricity and frequent power cuts across the city are the main reasons for ongoing water crisis, officials of Water and Sewerage Authority (Wasa) claim. The demand for water in the city is about 290 crore litres a day while the Wasa's capacity to pump out water is around 175 crore litres a day. But the supplies often get lower as the low voltage of electricity forces the authorities to shut many of the pumps, they said. "That's why the Wasa now can supply only up to 160 crore litres a day," an official pointed out, adding that the capacity did not increase in the last one year due mainly to power crisis. Managing Director (MD) of Wasa Dr Qazi Ali Azam yesterday blamed the acute water shortage in Demra area on lack of household reservoirs and narrow roads. The Wasa has 18 pumps in Demra zone, which, he said, should be enough to ensure adequate supply of water. But they do not help, as most of the houses do not have underground water tanks to preserve the water, he noted. "In case of a shortfall in water

supplies, we usually send water lorries to meet the demand of the affected locals. But in Demra, the roads are so narrow that those lorries cannot enter many areas," the Wasa MD told The Daily Star. The water pump in Shanir Akhra has the capacity to produce 3,000 litres of water a minute. But now it can lift only 1,000 litres, a Wasa official added. Residents of Kalyanpur had also been facing severe water crisis, as the local pump could not operate in the last few months for lack of electricity supply. The Wasa managed to resume operation of the Kalyanpur pump with its own generator on May 5, the MD said. Similarly, the water pump in Mirpur 10 started working again the same day after being out of commission for several months, he added. "The Wasa has nothing to do if the authorities concerned fail to supply electricity. We simply can't do with lower voltages of electricity," an official of Wasa said, requesting anonymity. The Wasa had recently set up a pump at South Badda at a cost of Tk 60 lakh. But it could not yet begin

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Nagorik Committee holds 4th meet

The fourth meeting of the Nagorik Committee 2006 was held yesterday at the dialogue room of civil society think-tank Centre for Policy Dialogue (CPD). The committee analysed and further elaborated the list of 'citizens' aspiration'. The list will be presented at the Jessore Regional Dialogue on May 13 for review and comments of the participants, says a press release. Besides, the meeting assigned the task of drafting the six core

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Jubo Dal leader killed in 'crossfire'

STAFF CORRESPONDENT

A Jubo Dal leader was killed in 'crossfire' between Rapid Action Battalion (Rab) men and his accomplices at Sher-e-Bangla Nagar in the city yesterday. Ohidul Islam Tapan, 30, vice-president of Jatiyatabadi Jubo Dal Ward no 40 and a resident of Sher-e-Bangla Nagar Staff Quarters,

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Amrit opening today

Amrit, a Hotel Sarina restaurant, designed to offer the best finger licking Indian cuisine in the city is going to open today to give you the divine taste of more than 50 items of Indian foods at a price less than you can afford.

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