

# DOWN TO EARTH

## Housing Problem Acute In City

By A. S. M. Nurunnabi

With the rapid growth of population in the Dhaka city, the housing problem here is getting acute. In fact, it is one of the major problems of city life.

According to a recent survey, ordinary city dwellers and those of limited means spend 74 per cent of their income for renting some sort of shelter for themselves. The World Bank, in a recent report, has mentioned the problem as a very critical one. According to it, construction of additional 12 lakh units will be necessary in the city by the turn of the century. It has been further reported by the World Bank that for most of the city dwellers of limited means, finding any kind of residential arrangement will remain a chimera.

There is, of course, nothing new with these pessimistic prospects of the housing situation in the city. A lot of discus-

sions have already taken place in this respect in relevant quarters. Yet no satisfactory solution could be found to the problems either in the housing or in the rent sectors.

During the last one decade and a half, rents of houses have increased by leaps and bounds, even for smaller houses. In this respect, no rule or regulation appears to have been followed. Here the effectiveness of law does not appear to be in evidence. In most cases, the will of the houseowners rules supreme, and the tenants have no alternative but to acquiesce in their dictates.

On their side, the houseowners, as ground for rent increase, take the plea of increase in cost of building materials as well as the hike in municipal taxes. There may be some substance in the stand taken by them. But it is essentially a business deal

in which there is no scope for humane or benevolent attitude. The situation will continue to remain desperate as at present, so long as the increase in city population continues to exert pressure on the limited housing facility. The position would have naturally eased if, in relation to city population, there were a substantial increase in the number of new flats or housing units, which would have placed the houseowners at a disadvantage in the bargaining game. Since that position is a far cry in the existing circumstances, it is no use blaming the houseowners alone for the problem that has arisen.

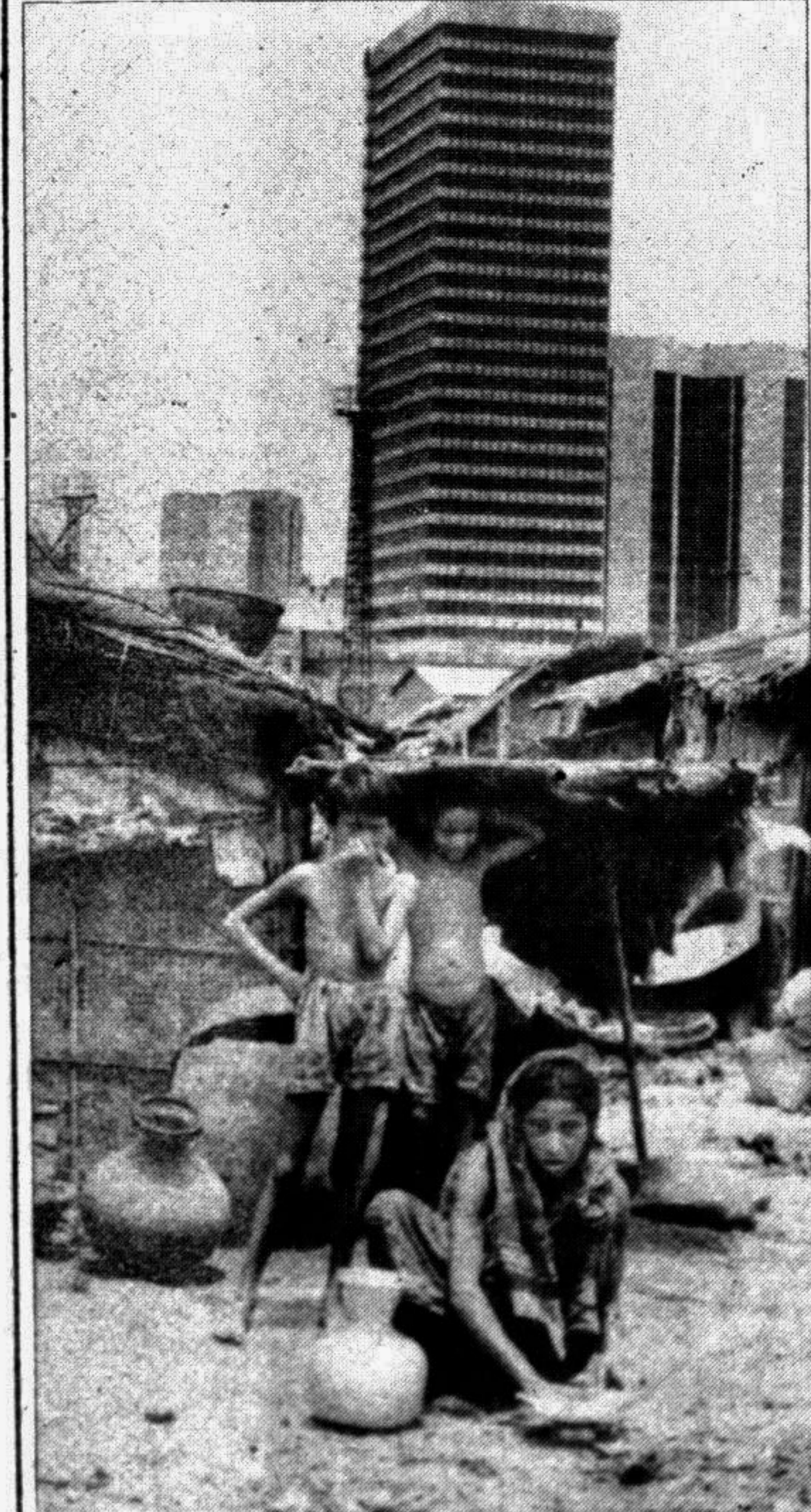
No housing scheme of the government appears to be in execution at present. In the private sector, the housing shortage has been compounded by the suspension of loans for some years by the House Building Finance Corporation. Lately there has been a rise in the construction of multi-storied apartment buildings in the city. But these are mainly for people with high income brackets. Thus in the present situation, ordinary people with limited means find no relief from housing shortage.

Recently the House Building Finance Corporation has resumed granting of loans to private parties for construction of new houses. Though a very welcome step, this will, however, not result in any substantial increase in the availability of housing units for rent.

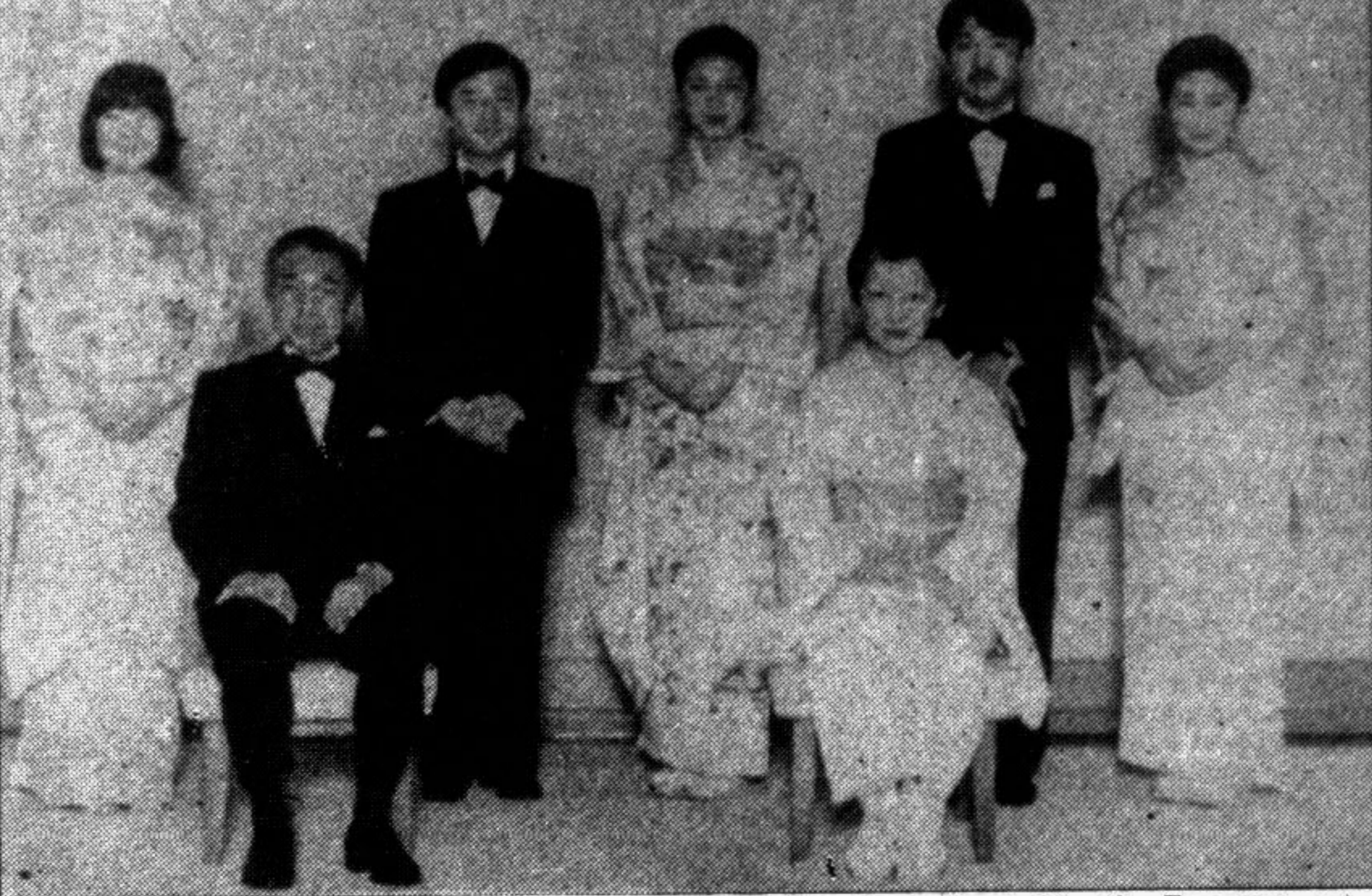
In view of the extremely acute situation, observers stress the need for adoption of more low-cost housing schemes both in the public and private sectors as well as for development of real estates in the suburbs of the city on easy terms and for provision of liberal house-building loans by commercial banks. It is learnt that in Sri Lanka, notable success was achieved in implementation of low-cost housing schemes for common people. Sri Lanka's example may be profitably looked into.

It is observed that on many important roads in the city, man-hole covers made of cast-iron are missing. The open man-holes are potential death traps for unwary pedestrians. It has been seen that cast-iron covers have always attracted pilferage. This is an old problem. The WASA and City Corporation authorities should, therefore, have devised some alternative means to tackle the problem. A common alternative adopted is to place concrete slabs as covers.

Whatever method is adopted to discourage such pilferage, it is urgent that action be taken for replacement of the missing covers without any further delay in the interest of safety of pedestrian traffic.



A SURREALISTIC CONTRAST: Slums in the shadows of some city skyscrapers. —Star photo



Members of the Japanese Imperial family pose prior to a dinner hosted by the Emperor and Empress yesterday at the Imperial Palace to celebrate the marriage of the Crown Prince (L-R) Princess Nori, Emperor Akihito (sitting), Crown Prince Naruhito, Crown Princess Masako, Empress Michiko (sitting), Prince Akishino and his wife Princess Kiko. —AFP photo

## Flood situation in Sylhet worsens

From Our Correspondents

SYLHET, June 11: The overall flood situation has worsened in the district today with inundation of new areas.

The direct road communications with the capital and other places have again been snapped as Kourangi Bridge on Dhaka-Sylhet highway went under water.

All the rivers including the Surma and Kushiya are flowing above the danger-level at all points.

The army in the district have been kept alert, said an official Friday night.

All the eleven thanas of the district have been affected. The badly affected thanas are Zakiganj, Gowainghat, Kanaighat, Fenchuganj, Beanbazar, and Balaganj.

Flood waters are rushing through at least 80 points of the Surma and Kushiya dykes in Zakiganj, Kanaighat, Fenchuganj and Beanbazar thanas. Sheola ferry services on the Sylhet-Beanbazar road have been suspended this afternoon.

Meanwhile, three persons drowned in Zakiganj and

Fenchuganj thanas today. A country boat with 30 to 35 persons capsized in Gazukata haor of Beanbazar thana in the afternoon while 8 of them are still missing.

Our Moulvibazar Correspondent adds: The flood situation in the district is improving as the waters in the rivers Monu and Dhalai have started receding. The two rivers, however, are still flowing above the danger level of many points.

According to the district control room the flood has claimed two lives—one at Kulaura and another at Kamalgonj. Flood waters have inundated 600 Square mile areas in 52, out of 66 unions of six thanas affecting about seven lakh people.

UNB adds from Pabna: About 15,000 people of 12 villages in two thanas of Pabna district have become marooned due to rise of water level in river Jamuna during the last 24 hours, officials said Friday.

Some 100 families were rendered homeless in these villages as continuous erosion of the Jamuna grabbed their homestead in last 24 hours.

## 6 killed in separate incidents in city

By Staff Correspondent

At least six people were killed in separate incidents in the city Friday.

Of the dead, two were electrocuted, two committed suicide and the rest were killed in road accidents.

Ismat, a rickshawpuller, got tangled with a live power cable and died at his residence at Nazimuddin Road in the city Friday.

At Savar, Aminul, a factory worker, was electrocuted at his working place in the Export Processing Zone Wednesday afternoon.

Meanwhile, a young man of 30 committed suicide after failing to meet medical expenses.

Sajal, a jaundice patient, choked himself to death with a towel at Babupura slum in the city Wednesday noon.

In another incident, a housewife reportedly took insecticide to kill herself at Uttara.

An unidentified young man, travelling in an autorickshaw, was killed near Chairmanbari, Banani when a speeding bus hit his vehicle.

Another unidentified old man was crushed under the wheels of a private car near the Sabujbag overbridge.

All the bodies were sent to the Dhaka Medical College Hospital morgue for autopsy.

Meanwhile, two young men were injured when a cocktail exploded near them at Shyamoli in the city.

Mahfuzur Rahman and Munim went to Shyamoli to visit their friend when they met the accident.

## Dhaka Chamber

From Page 1 Col 3

facilities as tax rebate and financial incentives required for revitalising the industrial sector, suggested by the Chamber, had not been reflected in the budget.

Mentioning particularly the ready-made garments sector, the chamber observed that the facilities provided in this important sector in neighbouring countries had not been made available in our country. It asked the government to consider the extension of the facilities before the finalisation of the budget.

The DCCI pointed out that the new budget did not propose anything for rehabilitation of the sick industries. It stated that although at present 65 per cent of the industries were sick there was no allocation for their rehabilitation, adding that in the last year's budget there was an allocation of Tk 100 crore for sick industries.

The chamber expressed the view that unless proper measures were adopted for rehabilitation of sick industries, it will not only affect the domestic market but also fail to attract foreign investment.

The DCCI further said that it had always advocated subsidy for agriculture and cited examples of the USA and some countries of the European Community where there are provisions for agricultural subsidy. It stated that, subsidy in the agricultural sector is vital in a country like Bangladesh where it contributes 40 per cent to the GDP.

The DCCI said that it had proposed for a reduction in the

percentage of VAT and also for its simplification in its accounts procedure.

If these are taken into consideration, only then our Finance Minister's expectation of higher revenues from VAT will be realised," it stated.

The chamber felt encouraged by the announcement of private investment in areas like telecommunication and power. It, however, suggested that the mechanisms of private sector involvement should be clearly manifested.

The DCCI expressed its optimism over the announcement related to the formation of a committee to resolve tariff anomalies. The chamber expected that this should be implemented quickly with the Trade Promotion Organisation (TPO) and chambers for the greater national interest.

The chamber appreciated sanctioning the highest allocation to the education sector and termed it as "farsightedness of the government in developing human resources."

The DCCI strongly endorsed the proposal of the Finance Minister for stating that 33 per cent of the development budget would be financed from internal resources and expressed the hope that "such endeavours will reduce dependence on foreign sources."

## Iranian diplomat killed in Sarajevo

SARAJEVO, June 11: An Iranian diplomat was killed by sniper fire while travelling outside Sarajevo, the UN High Commissioner for Refugees said today, reports AFP.

## Royal wedding celebrated

TOKYO, June 11: Japan's Emperor Akihito, Empress Michiko and some 80 other royal family members held a banquet at the imperial palace here today to celebrate Crown Prince Naruhito's wedding, officials said, reports AFP.

Naruhito, first in line to the chrysanthemum throne, married Masako Owada, a former career diplomat, in a ceremony at the imperial palace on Wednesday.

## DSE happy over raised ceiling on income tax

By Staff Correspondent

The Dhaka Stock Exchange yesterday described the new budget "as a true reflection of a liberal and market economy being effectively pursued by the government."

Termining the budget proposals as "pragmatic and prudent" it stated that the most redeeming aspect of the budget was that there has virtually been no new tax proposal on essentials.

The DSE hailed the raising of the personal income tax exemption ceilings and termed the measure as a positive response to public consensus.

"This will increase savings and thereby increase the investment flow in the capital market," it observed.

The Dhaka Stock Exchange statement, however, regretted that reduction of corporate tax on companies listed with the Stock Exchange has not been considered. "Desired incentive for companies to convert to public limited companies has thus not been provided," it commented.

The DSE said that the entrepreneurs will still be inclined to remain debt-oriented rather than equity-oriented, which it said has been one of the major causes for scarcity of securities in the capital market. It also stated that interest on national savings certificates have not been reduced. As a result, the DSE felt that discriminatory situation would prevail between public and private sector investment opportunities.

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## Prices unchanged

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tags. Had the VAT charges been increased, they would not have waited for a second to raise their prices."

Shopowners admitted that the withdrawal of VAT in the new budget would not be reflected on such products as butter, ghee, whey, curd and poultry items straightaway.

A fruit wholesaler in Badamtoli, Niyamat Hossain, commenting on the budget, said, "Customs duty on fruits have been increased but presently we are not concerned. Import of fruits remains suspended during June-July. We will worry about the new customs duty in August."

A government official, shopping yesterday, at the New Market, said: "It is good that the government had not imposed new taxes for increasing revenue collection, but in general, the budget was nothing revolutionary."

He said: "The budget proposed to enhance the turnover limit from Tk 5 lakh to Tk 7.5 lakh for the small productive units so that these units feel encouraged and pay a turnover tax at the rate of 2 per cent."

However, the government official felt that this would create scope for corruption as many of the well-established units would try to show their yearly turnover below the new limit.

## The Midnight File

### Presidential polls in Nigeria today

ABUJA, June 11: Nigeria's presidential election will go ahead as planned tomorrow in spite of a court ban, the government appointed National Electoral Commission (NEC) said today. Its decision came after the High Court in the Nigerian capital Abuja issued an order postponing the voting, which is the latest stage in the Nigerian juntas tightly monitored transition back to civilian rule, reports AFP.

### Pope John Paul invited to visit Sarajevo

VATICAN CITY, June 11: Bosnian President Slija Izetbegovic today invited Pope John Paul to visit Sarajevo because it had become "the world capital of sufferings." Izetbegovic met the 73-year-old Polish pontiff and Italy's prime minister at the start of a European tour aimed at getting the international community to allow Bosnia's embattled Muslims to buy arms, reports Reuter.

## MCCI reaction

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at increasing revenue contribution to 33 per cent of ADP, emphasis on social sector programmes such as poverty alleviation, education, health and family planning as 'welcome measures.'

The Metropolitan Chamber mentioned that the tenor of the Finance Minister's budget speech showed that "the country has successfully traversed the difficult stabilisation phases and is now in a position to consolidate the process of growth, development and re-structuring." It also expressed optimism that the budget "can be a harbinger of the country's progress towards a dynamic and vibrant economy."

The Chamber, however, held the view that there was no logical justification for different rates of taxation between industrial and financial sectors.

The MCCI expressed the hope that the Finance Minister's commitment about exchange rate convertibility needed to be implemented as early as possible.

The Chamber felt that as regards indirect taxes, general thrust seems to be that higher tariff protection will not be available on locally manufactured finished goods though some cost disadvantages may be eliminated from lowering of import duties. "Tariff should not be used as a weapon for collection of more revenue," it felt.

It, however, held the view that the lowering of taxes and targeting collection of higher revenue "is both commendable and challenging."

The Metropolitan Chamber

### Jamuna

From Page 1 Col 7

the four tenders submitted for the work in February last was 365 million US dollars.

Being advised by the WB, the government has recently decided to lift restrictions on use of the country's river routes by the contractors of the Jamuna Bridge Project and to open special accounts in any foreign bank located in Dhaka for paying the bills.

The government has also assured the contractors of steady supply of boulders and stones from India and Nepal for the project. Communications Minister Col (Retd) Oli Ahmed in his recent visit to India, confirmed supply of stones from India, the sources said, adding that re-tender for the river training works will be received by the Jamuna Bridge Authority on June 30.

A sum of Taka 9 crore 91 lakh had been spent until April this year against the allocation of Taka 12 crore for fiscal year 1992-93 in connection with the preparatory work of the project.

The progress in works during the year was, however, estimated at 53.50 per cent against 60.15 per cent expenditure from the allocated money.

### Hun Sen

From Page 1 Col 7

From the province of FUNCINPEC activists and their allies, the party of former Prime Minister Son Sann.

Though the party was founded by Sihanouk, it is now run by his son, Prince Norodom Ranariddh, who has opposed his father's attempt to form a coalition with ruling Cambodian Peoples' Party Prime Minister Hun Sen.

Svay Rieng was one of the provinces Hun Sen said were seceding from the rest of Cambodia following the election result.

Another report adds: Thirty newly elected Cambodian Peoples' Party (CPP) members of the Constituent Assembly have resigned, some in protest over the election outcome. UN officials in Phnom Penh said today.

The list of the elected candidates officially announced late Friday by the UN transitional authority in Cambodia (UNTAC) did not include Prince Norodom Chakrapong or National Security Minister Sin Song, who were said to be leading a secessionist movement in eastern Cambodia.

Both men won their seats in last month's UN-organized elections, but UN officials confirmed the two men resigned in protest after the opposition FUNCINPEC Party was declared the winner.

stated that the budget speech emphasised better performance of export industries and also an increase in exports. It involves improvement of competitiveness of the country's export products through suitable incentives. It cited the example of the reduction of tariff from 75 per cent to 7.5 per cent for uncut diamond, gold and silver as "a bold step to encourage the export-oriented ornaments industry." The Chamber said that "such should be the quality of incentives in other areas so as to direct business investment toward export industries."

The statement, signed by the acting president of the Metropolitan Chamber of Commerce and Industry Azizur Rahman, also stated that the tax exemption for 'golden handshake' for getting rid of surplus manpower provided for the public sector should, in all fairness, be extended to the private sector.

### AL on budget

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ment itself had admitted to the World Bank that only a 4 per cent growth was achieved.

The AL termed "as completely unrealistic" the Finance Minister's claim that inflation was below 3 per cent. It was also critical of the claim about the foreign currency reserve — equal to 7 months' import bill — and said this is a glaring example of the government's failure in utilising foreign aid for development.

Referring to the proposal for mobilising Tk 1000 crore as revenue without imposing new taxes, the meeting said as a matter of fact, the government would realise the money by imposing taxes through administrative orders (SROs).

It criticised the new budget, saying that it has not only withdrawn subsidies from agricultural inputs, including fertiliser and seeds, but also planned to realise subsidy from farmers by means of selling diesel at higher price.

About the poverty alleviation plan proposed in the new budget, the resolution said the Finance Minister did not spell out programmes for spending Tk 1481 crore earmarked for this sector.

Criticising the proposed tax on import of books, the resolution said the step will reduce the scope for acquiring knowledge and higher education.

### Jatiya Party

The Jatiya Party (JP) has decided to discuss different aspects of the proposed budget before making its official position on the issue public.

Mizanur Rahman Chowdhury, acting chairman of the JP, told this correspondent last night that the JP would hold a press conference soon to give its reaction on the budget.

He, however, expressed his personal reactions over the issue saying, "It was surprising that the Finance Minister was claiming the budget to be a surplus one without proposing fresh taxes."

"Then where does the extra money come from to implement a larger volume of the Annual Development Programme (ADP) compared to the previous fiscal?" Mizan Chowdhury wondered.

### Somalia

From Page 1 Col 7

ing the bloodbath in which UN troops say they were ambushed, but UN officials here say there is little doubt that General Aideed was responsible.

"If they attack somebody, it will be the general public they attack," a defiant Aideed told a news conference at his villa here.

"We have no military forces in the city," he said as UN helicopter gunships hovered over nearby rooftops.

The United States has flown sophisticated gunship aircraft capable of surgical strike attacks into the region.

Aideed, a 58-year-old former ambassador to India, said to have been tortured while a political prisoner under the regime of ousted dictator Mohammed Said Barre, claimed that he had turned over his weapons to the foreign peacekeeping forces here, now numbering more than 18,000.

## Saifur on budget

From Page 1 Col 3

the share market must be on the right track to attract foreign investment.

"Participatory process of government is very essential for development," Rahman said. "We are strengthening the local government structure for grass-roots participation in development programmes."

He said investments have been increased in the education and health sectors on a priority basis, which indicates the government's development direction.

He mentioned that about Taka 3000 crore has been earmarked in the education sector. Stating that female education was one of the priorities of the government he said Taka 150 crore has been set aside for scholarships to girls only to encourage their education.

Saifur Rahman also mentioned that the food-for-education programme under which parents will get food for sending their children to school.

He said this would start from July this year, for which one lakh tons of foodgrain would be supplied to the poor families to stop the incidence of drop-outs.

He claimed that the government had attached great importance to poverty alleviation by providing Taka 1650 crore both directly and indirectly.

Rahman reiterated that the government alone cannot ensure total development of the country and that the private sector must rise to the challenge.

"We will create a supportive environment for the private sector," he assured, "but at the

same time, government would protect the interests of the commonmen and no rent-seeking would be allowed."

He also said a rise in the GDP through increased investments is needed and stressed the need for taking up an effective population policy to sustain the development.

When questioned about the projected increase in revenue earnings, the Finance Minister said the performance of the economy in the passing year was bright, showing increased imports and investments.

He said if political stability prevails, the coming year would also see increased level of economic activities resulting in increased revenue earnings.

Saifur Rahman promised that no new items would come under value added tax (VAT) and also, if stability prevails, there would be no SROs (statutory Revenue Order) in the middle of the fiscal year to raise taxes.

## Rocket attack on Kabul: 5 killed

ISLAMABAD, June 11: Renegade Afghan fighters fired several volleys of rockets into Kabul today, killing five people and injuring 16, state-run Kabul Radio said, reports Reuter.

At least five rockets fired from positions in the south-western suburbs of Kabul hit residential areas, the radio monitored in Islamabad, quoted military sources as saying.

Afghan government troops clashed with fighters of the Shiite Hezb-I Wahdat group on Thursday.

"We are now taking up programmes to build godowns, extend credits and improve the transport system to overcome the structural problem. Moreover, crop diversification programmes are also being undertaken."

On the prospects of food exports, the Finance Minister said markets were being tapped.

"But we cannot still be sure that we are in a self-sufficient situation unless another year or two pass," he cautioned.

## Tk 336 cr realised from defaulters

By Staff Correspondent

Finance Minister M Saifur Rahman yesterday said the government had realised about Tk 336 crore from 100 defaulting bank loanees till June 10.

The Finance Minister was addressing the post-budget press briefing at the Jatiya Sangsad Bhaban in the afternoon.

He said, "We had drawn up a list of 100 defaulters who owe about Tk 800 crore to the national exchequer. We aimed at realising half of that amount this year, the drive having started at the beginning of the current fiscal year."

"However, we attained 84 per cent of the target," the Finance Minister said.

"Our success is not so bad considering the social situation of the country," Rahman added.

## Farmers can buy

From Page 1 Col 5

policy would be pursued because big traders usually elbow out the small farmers.

"If the farmers get fertiliser directly from the factory, it would reduce their production costs drastically," he said.

About the low prices of crops, Rahman blamed it on a "structural problem."

"We suddenly harvested a bumper crop from a situation of chronic deficiency for which we were not prepared," the Finance Minister said.

"We are now taking up programmes to build godowns, extend credits and improve the transport system to overcome the structural problem. Moreover, crop diversification programmes are also being undertaken."