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DHAKA WEDNESDAY, OCTOBER 16, 1996

## Tk 3220cr goods exported in two months

CHITTAGONG, Oct 15: Bangladesh exported goods worth Tk 3220 crore during the first two months of the current financial year (1996-97) against Tk 2879 crore of the corresponding months of the last financial year, reports BSS.

Director of Export Promotion Bureau (EPB), Chittagong, Abdul Majid Bhuiyan told this at a seminar on SAARC Preferential Trading Arrangement (SAPTA), held at EPB office here Monday.

The seminar was also addressed by Deputy Director, EPB, Head Office, Wasuddin Ahmed. More than 25 representatives of public and private organisations, banks and export firms attended the seminar.

Abdul Majid Bhuiyan said that export target for the current financial year had been fixed at Tk 18,396 crore. He said that collective efforts for boosting exports were more effective and beneficial and SAPTA came into being on April 11, 1993 in order to achieve that objective.

SAPTA accord effective since December, 1995 provides tax exemption facilities 226 exportable items of the SAARC member countries, he said, adding SAARC countries can increase their exports among themselves.

## Withdrawal of VAT on retail sales of sanitary-ware demanded

Sanitary-ware merchants here yesterday demanded withdrawal of value added tax (VAT) on retail sales and suggested that all duties and taxes be levied at the import points, reports UNB.

Bangladesh Sanitary-ware Merchants Association General Secretary MA Taher told a news conference that the recently imposed VAT on the retail sales of ceramic tiles and bath-tub material had created some anomalies.

While importing such products, the importers pay 45 per cent VAT, 10 per cent supplementary tax, 2.5 per cent advanced income tax and 2.5 per cent licence fee, he said.

"So imposition of VAT again on retail sales of ceramic tiles and bath-tub materials is not logical," he said, adding that they are ready to pay VAT on retail sales, but that should be collected at the entry points.

Taher pointed out that the apartment builders, who are the main consumers of ceramic tiles and bath-tub materials, are now importing on their own and remained outside the retail VAT-net.

If these "builder-consumers" are allowed to remain outside the retail VAT-net, all the builders would be interested in importing on their own, forcing the merchants to close their business, he said.

If the VAT is collected on the import points, the builders of apartments would also be brought under the retail VAT-net, ending the present anomaly, the merchant leader said.

# Commodity prices spiral, consumers suffer

By Morshed Ali Khan

City dwellers are experiencing a steady rise in prices of some essentials such as lentils, sugar, vegetables, flour, bread and eggs while prices of most qualities of rice have fallen over the last one month.

**RICE:** Farmers will pay the price.

Price of thick IRRI rice has gone up slightly from Taka 8.04 per kg in September to Taka 8.57 until yesterday at Badamtali and Babubazar rice wholesale markets — the country's largest rice wholesale market. At the retailers, thick quality IRRI is being sold at Taka 10 per kg.

Other rice prices have fallen over the last one month and traders at different markets of the city attribute the rice price falls to factors ranging from over-importing to good harvest in the country. In the case of price rise of thick IRRI, traders attributed the price hike to government's decision to purchase it for its bufferstock.

Haji Md Shahjalal, General Secretary of the Badamtali-Babubazar Rice Wholesalers Association, said that since the next harvest would come up in a little over a month's time, the farmers all over the country have started selling their stocks of rice from the last harvest.

"Moreover a lot of people have imported huge amount of rice," Shahjalal said explaining that the waiving of sale tax on rice few months ago has also inspired many newcomers in the rice import business.

Remember, our border is almost open and in India they always have surplus production of rice," he said.

Shahjalal and other traders in Babubazar and Badamtali speculated that the prices of rice would remain unchanged for another six months. They added that this low price would greatly affect the farmers of the country who paid high price for all agri-inputs for producing rice.

In the wholesale market, a kg of *Katari Bhog* was selling yesterday at prices between Taka 24.15 and 25.72 depending on quality. *Nazir Shahil* was selling at Taka 14.47, *Parti* at Taka 10.72 and *Sharna* (Indian) at Taka 10.72 per kg.

In the retail market of New Market, the best quality *Katari Bhog* was priced yesterday at Taka 28.50, *Parti* at Taka 12.50 while *Sharna* at Taka 13 per kg.

**PULSES:** Massive hoarding...

"Massive hoarding of different pulses have shot the prices up," said Kowser Ahmed. "Just

make an announcement that the government is considering to waive taxes on pulses, I can guarantee that the prices will fall within six hours", the General Secretary of the Dhaka City Pulse Traders' Association was giving his views on the recent price hikes of different pulses.

Another trader at Dal Patti of Maulavibazar in the city, the largest pulse wholesale market in the country with more than 150 shops, blamed the government policy as regards import of pulses. "You see, small traders do not get any help from the government to import. It is the big moneyed importers who dominate the import market," he said adding that unless the banks provide adequate facilities for the small traders to import, the prices of pulse would always be unpredictable.

Other traders said that the pulse market in the country was controlled by traders across the border in India. "Nepalese pulse is bought up by these traders who are influential enough to stop flow of smuggling into Bangladesh for any period," said Salam Miah, "at this blockade period our prices swell and they choose the proper time to open up the border."

This also happens when we import from Syria and Australia. Just before the arrival of imported goods, the market gets flooded with ghost pulses. So the genuine importers suffer as the prices fall. This also prompts the importer to hoard the goods in the hope of a better price," he said.

The traders also emphasised on importing wholegrain pulses instead of processed and crushed ones for stabilising the pulses' prices. "This would not only reduce prices but also revive the dying crushing mills of the country," said Kader Molla, a trader.

At the wholesale market, however, the prices of different pulses were yesterday recorded as follows: At least four qualities of *Musur Dal* are sold in the market. The wholesale prices range from Taka 30 and 47 per kg depending on the quality. Retailers prices of the same *Musur* were between Taka 32 and 50 per kg in the kitchen markets.

**Booter Dal** in the wholesale market was priced between Taka 18.75 and 32 per kg. Again the lentil has several qualities available in the market. The price in the kitchen market of the same pulse was between Taka 26 and 36.

Round *Dubli* (the one used

bring goods on a truck from the nearest northern district," he said.

In the wholesale market of Kawran Bazar, a kg of onion was being sold at Taka 12 while in the retail shop onion's asking price was Taka 15 per kg. Average quality ginger in the wholesale cost Taka 10 per kg, the retailer's asking price was between Taka 16 and 18 per kg.

Green chillies at wholesale cost Taka 28 per kg while retailers sold it between Taka 35 and 40 per kg.

Aubergine cost between Taka 12 and 18 per kg in the wholesale while the retailers price stood between Taka 20 and 22 per kg.

Cucumber was sold for Taka four per kg in the wholesale while the retailers in the



Scene at a city market shows adequate stocks, but prices are prohibitive. — Star photo

there cost Taka 42. But in the city's grocery shops, the prices of eggs were little higher than at the kitchen markets.

**CHICKEN:** Taka 80 per kg? That's theft...

A buyer entered a poultry shop in Mohammapur and asked for the price of a kg of live farm chicken. When the shopkeeper replied *ashi taka*, "that's instant reaction was," "that is called theft..."

"You see, poultryfeed is nowhere available, the hatcheries do not have enough supply so we had to increase the price of live chicken by Taka 10 per kg within the last two months," replied the shopowner.

A medium size free range chicken in the city kitchen markets cost between Taka 60 and 80.

The prices of fish has been the same for a long time, we have no problem. There is plenty of fishes in the market," said Lakhani, a fish trader in

## Committee on sick industries soon

An 'appropriate' committee will be constituted to address the issue of sick industries, a staggering problem of the country's economy, reports UNB.

The decision was taken at a meeting between Finance Minister Shah AMS Kibria and a delegation of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and other trade organisations yesterday.

Meeting sources said the committee would be constituted shortly with representation from the government, banking sector and the chambers and trade bodies.

The delegation, led by FBCCI President Salman F Rahman, apprised the minister of the problems pertaining to the sick industries badly affecting the national economy.

The finance minister gave them a patient hearing and assured that the government was aware of the problems regarding the sick industries, which are not less than 1500 in number.

Kibria said all efforts would be made to tackle the issue so that the sick units could be rehabilitated in the greater interest of the national economy.

## 2-day workshop on stock begins tomorrow in Sylhet

Investors Forum Sylhet Bangladesh has organised a two-day workshop on 'What is stock exchange and how to invest in stock market' from October 17 to 18 at Sylhet Press Club, reports BSS.

The workshop will be conducted by the Securities and Exchange Commission.

Foreign Minister Abdus Samad Azad will attend the concluding session as the chief guest and will distribute the certificate among the participants. The programme will be presided by MS Shekil Chowdhury, Chairman, Investors Forum Sylhet.

## Jobs under int'l organisations

Some International Organisations have invited applications for filling up certain vacancies at their disposal, says a PID hand out.

Name of the organisations alongwith the post titles and last date for receipt of the application by the head offices of the concerned organisations are below:

Post under United Nations: Coordinator (D-1) for Bangkok-31 October.

Post under UNESCO: Regional Adviser for SHS (P-5) for Bangkok-17 December.

Post under World Intellectual Property Organisation: Senior Legal Officer (P-4) for Geneva-12 November.

Post under World Meteorological Organisation: Director (D-2) for Geneva-15 November.

Post under International Atomic Energy Agency: Safeguards Data Evaluator (P-3) for Vienna-3 January '97; Section Head (P-5) for Vienna-3 January '97; Documentation Specialist (P-4) for Vienna-3 January '97.

Further details of the posts and procedures of applications will be available with the Ministry of Establishment, Divisional Commissioners, Deputy Commissioners and District Labour and Manpower offices.

## Unemployment in China could hit 'historic' high by 2000

BEIJING, Oct 15: China's unemployment level is set to hit an "historic" high by 2000 unless officials at all levels take action, a Chinese state council member has warned, says AFP.

Chen Junsheng said "if we do not adopt more effective measures, the total of urban jobless people and rural surplus labour will hit a historic record by 2000," the China Daily reported on Monday.

In the next five years, urban unemployment could reach 54 million, while surplus rural labour could hit 214 million, the report said. Of China's working population of 600 million, 400 million are rural residents.

Chen acknowledged that rural-urban migration was a necessity but said local governments should try to create new jobs near farmers' home villages.

"It is not in keeping with the rules of a socialist market economy to restrict the reasonable flow of rural surplus labour," he said, adding that local governments should be responsible for organising surplus labourers to move "in an orderly manner" to cities.

As millions of peasants have been drawn to greater opportunities in China's cities, the central government has become increasingly concerned about its ability to control the human flood. Jobless transients in urban areas have been linked to rising crime, among other urban problems.

## BIBM seminar Improved bank inspection stressed

Participants at a seminar here yesterday suggested that suitable policies be formulated to improve the audit and inspection system in banks, reports UNB.

The seminar on "Restructuring Audit and Inspection in Banks" discussed the current position of audit and inspection in banks and identified the deficiencies of the present system.

Bangladesh Institute of Bank Management (BIBM) organised the seminar, where participants observed that the banks do not give proper importance to audit and inspection.

The speakers said the importance and necessity of audit and inspection in banks have been increasing day by day with the expansion of branches, diversification of banking activities and introduction of new dimension in the banking arena.

Financial sector reforms activities have also expanded the importance and necessity of audit and inspection in our

## MCCI for reducing government control on economy

MCCI President Samson H Chowdhury yesterday said deregulation and privatisation still remained a vital factor for maximising the growth rate and called for reducing government control on the economy.

"The government must see the economy less as something to control and more as something to stimulate," he told UNB, stressing deregulation and privatisation as a step for making the economy competitive.

"As a philosophy, the government must be convinced that true competition lowers costs to the public, eliminates scope for excess profit and increases economic efficiency," Chowdhury noted.

Pointing at the annual development programme, the Metropolitan Chamber of Commerce and Industry (MCCI) chief said successful implementation of ADP could create useful complementarities at the micro level and support effective demand in the economy.

The government, therefore, has an additional responsibility to make up the shortfall in some vital sectors like energy, in addition to quickly ensuring a good mix of implementation of big and small projects under the current ADP, he said.

Referring to poor infrastructural facility, Chowdhury said the infrastructure sector showed an alarming position while a serious power shortage loomed large over the economy.

A quantum jump in the installed capacity through public and private investments will remain a pipe-dream unless a determined team with full involvement of the trade and industry starts working to sort out the problem, he said.

## FBCCI election Candidates vow to lure foreign investment

By Staff Correspondent

Shafiqul Islam

M A Kamal

Md Amin Laskar

The businessmen and the dignity of the FBCCI," said Alhaj Kazi Shafiqul Islam a candidate for the post.

Stressing the need for a sound private sector in the country, he said as the apex chamber body FBCCI can play an active role in expanding and strengthening the private sector business and industries.

Explaining his panel's main commitment in this election, he said he would implement the compulsory membership of all associations in the federation and would bargain with the government to exempt the VAT from all kinds of retail and whole selling.

M A Kamal, another prospective candidate for vice-

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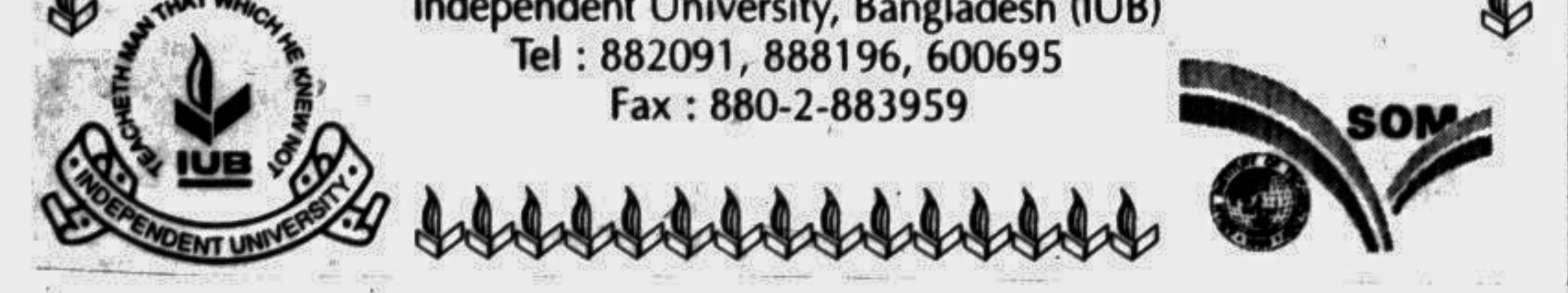
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**FBCCI election**

## Candidates vow to lure foreign investment

By Staff Correspondent



Shafiqul Islam

the small and medium industries in the past.

All three vice-presidential candidates in tomorrow's election to the executive committee of the Federation of Chamber of Commerce and Industry (FBCCI) vowed to work for development of the small and medium sector industries and bring more foreign investment in the country, if elected.

Talking to The Daily Star they observed that the FBCCI can play a vital role to boost the industrial sector.

They also pledged to keep the FBCCI the apex chamber body of the country out of all sort of political influences.

"If I am elected, I shall work my best to uphold the interest of



M A Kamal

the businessmen and the dignity of the FBCCI," said Alhaj Kazi Shafiqul Islam a candidate for the post.

Stressing the need for a sound private sector in the country, he said as the apex chamber body FBCCI can play an active role in expanding and strengthening the private sector business and industries.

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M A Kamal, another prospective candidate for vice-



Md Amin Laskar

To boost the industry and business sector, infrastructural development in power, gas, aviation and telecommunication is a must, he pointed out.

If he is elected he will establish internet system to provide all kinds of business development in international arena, business related statistics and data, he said.

Amin Laskar, the president of Bangladesh Milk and Dairy Products Association was two term member of the FBCCI executive committee.

He called upon the government to improve the law and order situation in the country to create a congenial atmosphere for increasing investment.