



# Kibria scoffs at critics



The finance minister has a fine set of statistics to answer his critics. Yesterday, he came up again to hit back at the political opponents getting at the government while speaking to trainees on development banking.

Finance Minister Shah A M S Kibria said macroeconomic indicators showed the economy doing well and scoffed at "orchestrated" propaganda on a fictitious crisis which is harming the country's interest, reports UNB.

He hopes firmly that the sagging share market would also be vibrant soon. "I'm confident that the market will go up. This trend cannot go for long. The market must return to upward position."

The Finance Minister once again deplored the allegation of "economic crisis" saying that it was an artificially designed crisis publicised by some quarters to scare the people.

"It's a totally baseless campaign against the public interest. I'm deeply disappointed at this," he said and appealed to all to always keep in mind the country's interest while making any statement on economic matters.

The minister was addressing the inaugural function of a Training of Trainers (TOT) Course on Development Banking at a local hotel yesterday.

The six-day course has been organised jointly by Bangladesh Bank and the Islamic Development Bank (IDB). It is being participated by trainers from Bangladesh, Albania, Gambia, Iran, Kirgiz Republic, the Maldives, Malaysia, Pakistan and Indonesia.

Kibria expressed his resentment on the negative campaign on bank's liquidity crisis, supply of credit, inflation, share market, export industries and other economic issues.

## BOGRA

### Cooperative deptt doesn't have work

From A Correspondent

BOGRA, Sept 6: The officers and employees of cooperative directorate posted here are now sitting idle as the cooperative societies including Bogra central cooperative bank are facing closure.

The cooperative bank and more than five hundred Krishi Samabay Samities in the district are awaiting liquidation process due to stoppage of loan operation during the past regime.

The bank, established in 1914, has been forced to retrain its all experienced employees.

On the other hand, about one hundred officers and employees of cooperative directorate posted here are now idle and some of them, at best, are engaged in conducting only perfunctory audit of the non-functioning cooperative societies to justify their jobs, it is observed.

The experienced cooperators in the district opined that the cooperative societies should be reactivated with the flow of fund or liquidated immediately.

### Russia sends back Dutch beef

MOSCOW, Sept 6: A Russian region sent 39 metric tons (43 tons) of beef carcasses back to Holland because some lacked a certification stamp of the producer, the ITAR-Tass news agency said Monday, reports AP.

No traces of disease were found in the meat, however, according to the report, which cited local veterinary officials.

Russia has been leery of imported beef because of mad cow disease and fears that British beef, whose export is banned by the European Union, will find a market in Russia.

There were reports earlier this summer that some British beef had been illegally exported to Russia, some through Belgium.

Industrial relations basically means labour-management relations. It is the relationship which prevails in the workplace among the partners of production. This relationship is firstly between man and machine and then between man and man — that is the man who directly works for production (the labourer) and men who manage the production process (the management). When the relationship is sound the working environment is healthy, resulting improved productivity, but when the relationship is sour working environment is disturbed or polluted, thus misunderstanding or disputes arise, as a result productivity suffers.

It is this relationship which looks after the behaviour pattern of employers and workers, and settlement of differences or disputes arise therefrom.

Industrial relations, in other words, looks after matters like, raising of disputes, trade union rights, wages, hours of work, compensation, etc. It is also concerned with negotiations of industrial disputes, conciliation, strike or lockout, arbitration and lastly adjudication of those disputes in the Labour Courts.

Industrial Relations also means the set of institutions and processes through which employers and workers and their organisations establish and administer law to govern the rules of governing the rates at which labourer will be remunerated and conditions of employment. Employers and workers establish rules and procedures to govern their relations and to resolve problems arise therefrom. Workers are, therefore, capable to voice their concerns and views and can express their matters of mutual interest with a view to resolve the problems or disputes.

Industrial relations is, in other words, concerned with the rules which apply to work — why and how rules are made, as well as what they are.

The first and basic condition for establishing the parties to industrial relations is the right of workers and employers to establish and join organisations of their own choosing, within the purview of basic legal standards on the subject. The parties to industrial relations are, of course, mainly trade unions and their members and employers and their organisations.

### Industrial relations system in Bangladesh

The industrial relations system in Bangladesh is solely based

on September 17.

Kibria said the government was trying to restore discipline in the banking sector a lack of which had resulted in non-payment of huge bank loans. "Now people are realising that loans must be paid or face legal consequences."

Termining development banking a very important branch of banking, he said the country's experience is not so healthy or satisfactory in this respect.

He said the training course on development banking would help the country reach the standard of other countries through sharing of experiences.

Addressing the function, Bangladesh Bank Governor Lutfor Rahman Sarkar said development banking is a very im-

portant and timely issue for the banking institutions of the OIC countries.

Such training course will enable the participants to design, develop and implement banking programmes as well as human resource development.

The Governor said the central bank had given the first licence to an Islamic bank in 1983 and later three more banks to run according to Islamic shariah. One more bank is also going to start operation in Bangladesh soon.

AbdulKadir H Deria, officer-in-charge of the Islamic research and Training Institute of IDB, also spoke on the occasion. Deputy Governor of Bangladesh Bank M I Khan gave the vote of thanks.

## French GDP up

PARIS, Sept 6: French gross domestic product rose a provisional 1.0 per cent in the second quarter of the year from the first quarter, after a first quarter increase of 0.2 per cent, the statistics office Insee said, reports AFP.

On a seasonally adjusted basis, first quarter growth was 0.75 per cent, up from 0.5 per cent in the first quarter.

Manufacturing output rose 2.8 per cent after a 0.5 per cent rise in the first quarter, while household consumption slipped 0.1 per cent after rising 0.2 per cent in the previous quarter.



Photo shows participants of a five day training workshop on 'Profitable prawn farming' organised by Business Advisory Services Center in the city recently.

## Comilla BSCIC estate in shambles

COMILLA, Sept 6: The BSCIC industrial estate here is yet to be fully operational even 37 years after its inauguration, says UNB.

Residential areas sprang up in some parts of the industrial estate and some small industrial units, which were set up in other parts of the estate, have been somehow operating. The infrastructural facilities including roads and drains have been decaying due to lack of maintenance and care.

The BSCIC industrial estate was established in between Thakurpara and Ranir Bazar in the heart of the town in 1960. There are 136 plots on more than 54 acres of land. Most of the industrial units are of food and aluminium.

The sanctioning of plots are yet to be completed. The BSCIC authority allotted these plots afresh after cancelling the previous allotment who failed to set up industries for long and hence the industrial estate could not turn into a full-fledged one.

Besides, some 50 entrepreneurs are using the plots as their residences but actions are yet to be taken against them.

A total of 92 enterprises are operating at the estate while 12 units could not start production. Some 14 different units remained closed rendering

about 2 lakh workers jobsless. Some seven-eight units are being constructed newly and none can say when the construction of these units would be completed.

### Indonesia to pay for warplanes with commodities

JAKARTA, Sept 6: Indonesia will pay for Russian-built jet fighters and helicopters with 500 million dollars worth of commodities and other goods, the government said Thursday, reports AP.

Indonesia announced Aug 5 that it would buy 12 Sukhoi-30K jet fighters and eight Mi-17-IV helicopters, two months after it walked away from a deal to buy nine F-16 fighters from the United States in a dispute over human rights.

National Development and Planning Minister Ginandjar Kartasasmita said Indonesian and Russian officials agreed on the counter-purchase deal in Moscow on Friday.

Details of the agreement would be settled within the next eight weeks.

He said Indonesia has offered a list of 40 commodities and goods that could be used for payment, including palm oil, coffee, tea, textiles, toys, handicrafts and cement.

Banks are 'flooded' with cash, but businessmen complain getting loans from them has become a tough task these days.

The result has been the outcry from the chamber leaders that money is a problem, while problem lies somewhere else.

The banks are only displaying a "good funds management", by not using funds from short-term deposits for long-term loans, but alternatives have remained largely unexplored.

One banker suggests the government intervention can be a solution. For instance, he explains his bailout formula, the government can inject some money into the banking system to provide term loans.

"The sum could be a few hundred crore exclusively meant for term loans," says a senior banker.

In fact, the banks are learning to manage their funds better. That money from one-year deposits cannot be used to lend, for example, for a five-year term is the simple argument.

But the process of learning has become a little too painful, not for banks however. It is the government and business that are mostly paying.

## JHENIDAH

### Traders mull over smuggled medicines

From Our Correspondent

JHENIDAH, Sept 6: Smuggled Indian medicines have deluged the local markets of Jhenidah and other adjoining districts for the past few years, chemists and druggists alleged.

According to market sources, these medicines are brought into the country through different border points at Jibannagar and Darshana in Chuadanga, Benapole in Jessore and Pragpur in Kushtia districts.

Local pharmaceutical companies say they are facing trouble to sell their own products in the markets. A section of dishonest people smuggles Indian medicines into the country. These include a variety of medicines produced by Glaxo, Bayer, Tata and some other companies incorporated in India, sources said.

About two hundred unemployed youngmen are allegedly involved in the activities throughout Jhenidah, Jessore, Narail, Chuadanga, Meherpur, Kushtia, Sathkira and Bagherhat districts.

Even contraband phensidyl syrup is being brought into the country by them. Recently police recovered a huge quantity of this syrup and nabbed 30 youngmen from different parts of the area, sources said.

According to reports, a section of chemists and traders are allegedly involved in selling hospital medicines. These medicines are supplied by the government for free distribution among poor and needy patients. But these are sold by pharmacy owners in remote as well as urban areas.

The Managing Director of a national pharmaceutical company said dishonest people are selling medicines at a much lower price in the markets and this is affecting both the local and multinational companies. The government is losing crores of Taka as revenue every year, he added.

When contacted, the Superintendent of Drugs, Jessore, said they are not in a position to solve the problem as they have no sufficient manpower and office in every district right now.

# Shrimp exporters putting plants in EU order

By Govinda Shil

Shrimp processors have begun improving their plants to reach EU-prescribed standards — some of which are really difficult for them to meet — in their efforts not to let Brussels extend the temporary ban beyond November 30 when it expires.

The fisheries department has set September 15 as the deadline for the processors to upgrade the units who will then apply to it for being included on a fresh list of plants meeting EU criteria.

But the Bangladesh Frozen Foods Exporters Association wants the deadline to be extended. The exporters argue that they do not want to default this time. The fisheries officials are likely to respond positively to the plea.

According to plans so far, the officials will inspect the plants from September 16 to October 9. The final list of the up-to-the-standard plants will be sent to the ministry of fisheries and livestock on October 10.

A fisheries department official said following the submission of the new list, another EU team is expected to carry out random inspections before November 30. The team will then consider withdrawing the temporary ban if it is satisfied with the improvements.

There are at least 280 points on the EU checklist (see box for highlights), based on which the

plant owners are working. The department has sent the EU checklist to each of the plant owners, for the first time since 1995 when Brussels asked Dhaka for steps towards meeting the health rules.

Exporters say they have some reservations about some points in the manual.

Among others, they say, it is not necessary for Bangladesh plants to have facilities for testing heavy metals, radioactive elements etc. They also criticise the provision for frequent tests of anti-biotic, pro-biotic, and other growth agents because "Bangladesh does not have 'semi-intensive' or intensive farming where these agents are used."

These issues will be discussed today in a meeting with Saitish Chandra Roy, the state minister for fisheries and livestock. The meeting will also discuss possible involvement and coordination of local experts from different university labs including ones from the Agricultural University.

"Equipment for heavy metal and radioactivity tests are expensive and we need those tests often in a year," says Dr. Aftabuzzaman, secretary general of BFETA.

He said there were other places with sophisticated labs such as Bangladesh Atomic Energy Commission and the

Bangladesh Standard and Testing Institute where the tests could be done and huge expenses saved.

He also said most plants would not be able to afford these equipment.

Commercial banks will be lending the plant owners a maximum Tk 40 lakh to upgrade their factories. The money will be disbursed from September 15, according to agreement reached late last week among the central bank, commercial banks and exporters.

A Bangladesh Bank circular is yet to come however.

The EU manual which suggested nature, structures and ideal conditions of shrimp processing plants, said the regulations should be maintained and monitored properly.

The checklist also deals with such details as maintenance of processing rooms, toilets and floors, construction of basins, and quality and preservation of water and ice.

It suggests a number of microbiological and bacteriological tests, and speaks of ideal temperature for fish process and preservation, nature of cold storage, anti-insect and rodent machines.

The manual also emphasises on good working environment for the workers.

Toilets must be pucca and every nine workers will use one toilet, it says. The floor of toilet must be furnished by light colour tiles or be mosaic. Sufficient light will be there and bulbs will be covered. Toilets must have 'English' or 'Turkish' commodes.

"No iron or wooden doors are allowed for the lavatories and those need to be germ free."

There must be a flow of germ free water (with certain amount of chlorine) on a sloped construction at the entrance of the plants so that workers' feet are automatically washed and made clean.

All floors inside the plant must be well constructed and smooth so that it could be washed easily. A good ventilation system should be incorporated with the processing room.

### Highlights of EU manual

- In no circumstances, fish/shrimp could be kept on the floor.
- Sufficient space be provided in the washing room.
- Fish-grading table must be made of stainless steel.
- Proper records must be kept about when, from whom and at what temperature shrimp was bought.
- At all times temperature of the cold storage must be below four-degree Celsius.
- System to prevent rodents and vermin inside the plants.
- Head of shrimp and other wastes must be kept in covered stainless or plastic trash.
- Cooling temperature of shrimp must be minus 18 degree Celsius.
- All water used inside a plant must be drinkable.
- Ice from outside of the plant is not allowed.
- Each plant must have a registered doctor.
- Workers must have two set of aprons, gloves, masks, caps.
- Plants must have appropriate generators to maintain temperature during power failure.
- Refrigerated van with minus 18 degree Celsius must be used for shrimp shipment.

## News Analysis

# Managing your money is the key

By Toufique Imrose Khalidi

everything is fine.

The direct intervention option aside, there may others that banks and businesses are talking about. There's a long list of options that can be tried, they say.

One such is interest subsidy. For instance, for any 100 taka given to a manufacturer as term loan, the government can give an interest subsidy, may be at two per cent.

Risk hedging facility is one that can bring foreign banks into term financing. Entrepreneurs, borrowing from foreign banks, can convert foreign currency into taka, in which case the lenders should be given a forward facility at a fixed cost so that they can price their long-term loan accordingly.

And then, the banking system can activate their own mechanism. Through syndication, for example, the risk is shared among banks involved.

"Local banks' money and foreign banks' risk analysis expertise can be put together for syndication," says a top executive with a transnational. The government, in this case, has to play a facilitator in terms of encouraging such arrange-

ments.

Banks are however utilising their excess money by giving out short-term loans to government. They are making it almost at the market rate with 30-day treasury bills, a top banker says.

Thus, official claims of lower government borrowing compared to that of the previous year's do not really hold much water. The fact of the matter is direct borrowing has gone up.

The money was supposed to be lent out to traders and entrepreneurs. The reasons behind this not happening are that "effective demand" in the economy has gone down drastically and that essential commodity import has been at a very low level.

Now, one of the key tasks of the government is to create an effective demand in the economy.

One suggested way out of the stagnating atmosphere is creating this demand by increased government spending on, for example, infrastructure. Business sources say government also needs to gear up its vigil along the border to check smuggling, which has put for-

mal trade almost out of the scene.

"The situation in North Bengal is really bad," says a banker. Reports from our correspondents only add credence to the story. The banker explains: "The commodities which could be imported through formal channel are now being smuggled into the country, which means banks do not have any involvement in it."

On the other hand, businesses have not been up to the mark in terms of being business-like in their approach. Banking sources say even sanctioned loans cannot be disbursed because of poor documentation.

"An entrepreneur tells us he has purchased land when he hasn't really done it. And when he is asked to produce papers to take money, he cannot come up with one. This leads to delays in physical draw down," a banker says, citing one particular case. "May be, chambers can help in this regard."

Banks after all cannot dole out their money just for sake of using the idle money. They have to justify it.

# Between man and machine, and then man and man

By Daud-uz-Zaman Chowdhury

## A civil servant throws light on various aspects of industrial relations and dispute settlement procedures in Bangladesh

on the provisions of the Industrial Relations Ordinance 1969. It provides for, in details, procedures for dispute settlement negotiations, conciliation, arbitration and adjudication. A plant level trade union, which is elected or considered as CBA can raise a dispute in writing and place it before the management for bipartite negotiation. Similarly, the employer can also raise a dispute and place it before the CBA/trade union for bipartite negotiation. Such negotiation have to take place within ten days. If the parties reach a settlement, a memorandum of settlement is recorded in writing and signed by both the parties. When bipartite negotiation fails, any of the parties can refer the dispute to a conciliator in writing. Officers of the department of labour have been appointed by the government as conciliators. If the conciliator fails to settle the dispute within ten days the party raising the industrial dispute may serve on the other party a 21 days notice of strike/lock-out. However, the CBA before serving any such notice is required to obtain the consent of three-fourths of its members through a secret ballot specifically held for the purpose, for resorting to a strike.

Where a party serves a notice of strike/lock-out, it has to simultaneously deliver a copy thereof to the conciliator, and the conciliator, on receipt of the notice, proceeds again to conciliate

in the dispute, notwithstanding the notice of strike/lock-out. If such a notice does not conform with the provisions of the Industrial Relations Ordinance 1969, or the rules thereunder, or the constitution of the trade union concerned, the conciliator may, at his own discretion, decide not to proceed with the matter and in that case the notice of strike shall not be deemed to have been served.

In case the conciliator, on receipt of such a notice of strike/lock-out, starts conciliation of the dispute, he should call a meeting of the parties for the purpose of bringing about a settlement. Representatives of the parties are under legal obligation to attend the meetings called by the conciliator. The conciliator has the authority to call for, inspect or seize any register, document or certificate which he has reason to believe is relevant to the dispute. He also has the authority to enter the premises occupied by any establishment to which the dispute is related and require any person whom he finds in the establishment to give information relating to the dispute as is within his knowledge. He keeps records of the conciliation proceedings in a manner which he deems fit and has the authority to suggest to either party concessions or modifications in the demand which, in his opinion, are likely to promote an amicable

settlement of the dispute. If any settlement is arrived at in the course of the conciliation proceedings, he sends a report thereof to the government, together with a memorandum of settlement signed by the parties. If no settlement is arrived at within the period of the notice of strike/lockout, conciliation proceedings may be continued for a further period may be agreed upon by the parties.

If conciliation fails, the conciliator tries to persuade the parties to agree to refer the dispute to an arbitrator. If the parties agree, they make a joint request in writing for reference of the dispute to an Arbitrator agreed upon by them. The arbitrator gives his award within a period of thirty days or a further period, as may be agreed upon by the parties. The arbitrator forwards his award to the parties and to the government, and the government publishes it in the official gazette. The arbitrator's award is final and no appeal lies against it.

If no settlement is arrived at during the course of the conciliation proceedings and the parties do not agree to refer the case to an arbitrator, workers may go on strike or the employers may declare a lockout on the expiry of the period of notice, or upon issuance by the conciliator of a certificate of failure, whichever is later. The parties may, at any time, either before or after the commencement of a strike/lockout make a joint application to the Labour Court for adjudication of the dispute. However the government has also the authority to prohibit such a strike/lockout by referring the dispute forthwith to the Labour Court of adjudication. Awards of the Labour Court are binding on all the parties, unless appealed against to the Labour Appellate Tribunal, and in that case the decision on the Tribunal is final.

The extent of collective bargaining is defined under the provisions of the Industrial Relations Ordinance 1969, as all matter relating to the rights and interests of workers in the private sector are governed under the provisions of this law. In the public sector, however, matters relating to wages, including medical benefits, housing conveyance and leave benefits are determined by the Wages and Pay Commission set up by the government. Other terms and conditions like hours of work appointments and dismissals, apprenticeship, gratuity, compensation, working conditions, etc are prescribed under the provisions of various labour laws. (Chowdhury is a joint secretary at ministry of labour and manpower.)