AL rally on August 21, 2004 in the

Many arrested suspects of that

attack, who confessed to being

members of now banned Islamist

militant organisation Harkatul

Jihad al Islami Bangladesh, also

confessed that the premeditated

parliament building premises,

exempted Hasina yesterday from

appearing in person before the courts in the barge-mounted

power plant graft and Niko graft

Hasina on Sunday evening, Judge

Firoz Alam of Special Court 1

passed the order of exemption at

10:05am yesterday in the power

plant graft case while Judge Amar

Kumar Roy of the Special Court 2

passed an identical order at

scam case, on grounds of her ill-

According to the court orders,

Hasina's counsels will represent

ings. The prosecution side during

the hearings did not oppose the

of Hasina's counsels, said now

there is no legal bar on Hasina's

going abroad. She will be able to fly

out of the country within a day or

two 'for treatment of her injured

the cases will be delivered in her

absence, he said the trial proceed-

ings will continue, but Hasina will

have to appear before the courts

when they will ask her for state-

Prosecution lawyers expressed

Later in the day, Dhaka

their hope that the AL president

will return home after recovering

Divisional Special Judge Golam

Mortuza Majumdar and a magis-

trate of the Chief Metropolitan

Magistrate (CMM) Court, upon

separate petitions, passed similar

orders exempting Hasina from

personal appearance during court

proceedings in Mig-29 warplane

purchase scam case and in another

extortion case filed by a business-

petitions saying that their client

was earlier granted bail in the MiG-

29 purchase scam case and her

Hasina's lawyers submitted the

man named Noor Ali.

from her ailments to stand trials.

absence of Hasina, he added.

ear and faltering eyesight'.

Barrister Shafique Ahmed, one

defence petitions.

her during both the case proceed-

Upon a petition filed by Sheikh

Two special courts, set up on the

attack was to kill Sheikh Hasina.

Borrowing bothers economists | Hasina may hop



duty on raw materials and interme-

measures in the next fiscal year.

budget, which is unusual, he said.

ing the present situation the govern-

ment's priorities in the proposed

budget are basically short-term.

"Priority on food security and agri-

in the right direction,

in agriculture sector to ensure food

Commenting on the continua-

non of fertiliser and diesel subsidies,

he said, "The success of the subsi-

distribution of the subsidy for farm-

gave priority to the power sector.

how the government initiatives are

welcomed the government for

(EC) secretariat ordinance to estab-

lish an independent secretariat for

the EC, voter's list ordinance to

prepare electoral roll with photo-

graphs and money laundering pre-

government has finally imple-

mented the long-awaited constitu-

judiciary from the executive and

formed the Supreme Judicial

Commission to ensure the appoint-

ment of neutral and competent

Besides, the government has

approved the national identity and

registration authority ordinance and

the anti-terrorism ordinance, he

The Anti-Corruption

Commission has been reconstituted

and the commission has already

earned great reputation at home and

created a positive image abroad for

He also mentioned the formation

its activities, Mirza Aziz said.

y tional obligation of separating the

The finance adviser said the

MSYEDUZZAMAN

FROM PAGE 1

diary goods.

Bangladesh.

down, he added.

Syeduzzaman said.

security.

ers'benefit."

added.

FROM PAGE 16

vention ordinance.

judges.

Quazi Kholiquzzaman



Asaduzzaman



Zaid Bakht

December.

ing the budget.

investments.

culture"

minimize the deficit.

ASADUZZAMAN



Mustafizur Rahman

Quazi Kholiquzzaman, president of

(BEA), supported the proposed

However, he has doubt about the

priority allocation to agriculture,

execution of proposed develop-

ment budget. He said the budget

2008-09 will be executed by both

present government and an elected

government, scheduled to take

charge through elections in

the political arena may affect bud-

get execution," he said.

"But the present uncertainty in

He said how the government

adjusts the Tk 30,500-crore deficit

In this case, if the government

He expressed his doubt about

would be a big issue in implement-

intends to go for high bank borrow

ing, it may affect private sector

getting money from donors to

Asaduzzaman, research director of

Bangladesh Institute o.

budget "one quite friendly to agri-

Development Studies, termed the

"It is quite friendly to agriculture.

He said there are some good

ideas like income-tax exemption for

people having only agricultural

income. It would encourage people

He said the adviser raised the

issue of increasing the prices of

petroleum and fertiliser but did not

mention anything whether the

prices of these essential items for

increased the allocation for cash

subsidy in diesel keeping in mind

the prices of fuels to be increased,

he said. "In such case, the number of

beneficiaries eligible for cash sub-

posed budget) fine under such

critical economic situation," he

said, underscoring the successful

Citizen charter

sions in the Charter for its redress,

ministries and important govern-

ment organisations have been

instructed to open their own

website for the benefit of clients

and stakeholders. "A large number

of ministries and offices have

Citizen Service programme, all

types of government forms used in

ministries and departments have

been posted in the website

He said that the draft of the

Right to Information Ordinance

2008 has been published for public

Tk 300cr fund

management training and research

centre, which will conduct

research on river erosion, flood,

Mirza Aziz said that under the E-

The finance adviser said all the

implementation of the offers.

"But on the whole, it is (pro-

"I think the government has

agriculture would be raised.

sidy may not increase."

to concentrate on farming, he

But how far the subsidies proposed

here go with the provisions of WTO

rules needs to be closely examined,

education and agro-research.

borrow huge amount to meet the

They welcomed the government for deficit. giving priority to agriculture for food security, increasing allocation for social safety-net programmes,

continuing to subsidise fuel, fertiment of fund, he said. liser and food, and reducing import

Centre for Policy Dialogue (CPD) Terming the proposed budget "ambitious", former finance minister M Syeduzzaman said it is the largest budget in the history of social inequality, and income gen The budget also shows a new

According to him, the 6.5 percent trend with the revenue size three times larger than the development The annual development programme's (ADP) size also came He said, however, that consider-

He expressed concern over the private sector investments. culture with short-term measures is

He said the time has come to take long-term and mid-term measures

"As per my calculation, the government will have to borrow between Tk 30,000 crore and Tk 35,000 crore from the banking sector to meet the budget deficit. If dies depends on several things and the government borrows from staterun banks, then inflation may be we have to see the mechanism of hiked. On the other hand, if the government borrows from private commercial banks, then there will He said the finance adviser also be a chance for increase in interest "Let us see in the next six months

going to be implemented to increase power generation," he

The former finance minister Doubting the achievability of finance adviser's high revenue concentrating on education and target, he said the revenue target health, reduction in import duty, incentive for housing, and SME and

ICT sectors. "The incentives should help the private sector's growth," he added. Talking about macro-economic aspects, he said the total deficit of Tk 30,000 crore is less than the ADP size and the government will have to

QUAZIKHOLIQUZZAMAN

He said 57 percent of the total Bangladesh Economic Association ADP will be funded by project aid disbursement. The success of the ADP will depend on faster disburse-

Slashing the inflation rate to nine percent from existing double-digit rate will depend on several things, Terming the proposed budget the "largest one" in the country's he said adding that wage increase, subsidy for fuel and food may raise history, they said it predicts that the government is going for short-term the inflation rate.

MUSTAFIZUR RAHMAN

Executive Director Mustafizur Rahman found some positive initiatives in the proposed budget including poverty alleviation, reduction of erating programmes.

GDP projection is "modest". He, however, said the budget needs coordination with the Poverty Reduction Strategy Paper (PRSP). PRSP projected 6.7 percent GDP growth in the upcoming year.

government's possible huge bank borrowing saying it could hamper **ZAID BAKHT**

Economist Zaid Bakht said borrowing from the banking sector to cover the budget deficit will be a major risk for the government.

rate," he said.

Borrowing from the banks will also have a negative impact on macro-economy, said Zaid Bakht, also research director of Bangladesh Institute of Development Studies.

should be downsized.

He, however, said increased allocation for social safety-net programmes, proposed duty cut on raw materials and intermediary goods, continuation of subsidising food, fuel and fertiliser are the right choices in the proposed budget.

The AL chief, who has been detained since July 16 last year in a special jail set up on the parliament building premises in the capital, might be released anytime today after completion of necessary formalities including signing of different legal papers, reliable sources

But none of the sources could provide any confirmed schedule for Hasina's departure. Even her son Sajeeb Wazed Joy, who lives in the US, could not provide any con-

firmed itinerary. Talking to The Daily Star over the phone from the US he said, "We aren't yet confirmed actually on what date she is coming here. But we

are eagerly waiting for her." Meanwhile, all other necessary preparations have already been completed by the government, jail authorities, Hasina's family, and her party for her departure, which might pave the way for AL to join the ongoing dialogues with the caretaker government, and to participate in the upcoming parliamen-

In the meantime, Dhanmondi police handed over Hasina's passport to her counsels following court order. The passport was seized following her arrest. Her counsels Advocate Qamrul Islam and Barrister Fazle Noor Taposh received the passport, with valid US and UK visas on it, from the Officerin-charge of Dhanmondi Police Station Syed Mohshenul Haque around 4:05pm yesterday.

"The jail authorities have completed all necessary preparations. We will release her immediately after getting the court order, Deputy Inspector General (DIG) of Prisons Maj Shamsul Haider Siddique told reporters after he had met the AL president in the special jail between 12:45pm and 2:00pm vesterday

The DIG Prisons however said the government will ensure her security prior to her departure as she is a VVIP detainee.

AL had long been demanding unconditional release of its chief as a precondition for sitting in the ongoing politico-electoral talks between the government and political parties, and for contesting in the upcoming election. The government unofficially began hectic negotiations with Hasina early last month to bring her party to the table, according to the sources.

The sources said the AL chief wants to visit her Sudha Sadan residence and Bangabandhu Memorial Museum, both in Dhanmondi, before leaving the country. She is in the habit of visiting Bangabandhu Memorial Museum quite often for paying tribute to her father since the museum houses a large mural portrait of him as a memorial. She also visits Bangabandhu's grave at Tungipara in Gopalganj whenever any important event happens or approaches, or when she feels an arrest might be imminent, accord ing to her family and party col-

A negotiation between the authorities concerned and the AL president is going on regarding fulfilling her wishes before departure, but the government has so far been reluctant to allow her to go to those two places on security

and spend some time there with her younger sister Sheikh Rehana, then she will fly off to Canada to spend a few days with her daughter Saima Wazed Putul, and later she will go to the US 'for treatment'

Finance sector

Bangladesh Telegraph and

The government is also pruning the public-sector workforce, with 19,272 employees already proceeding on voluntary retirement, Mirza

Tk 1,219cr

FROM PAGE 16 Mirza Aziz said that 15 regional passport offices, 17 deputy comentrusted with the task of receiving and processing the passport appli-

their passports. He hoped that in a very short time, it would be possible to process passport applications in all the districts of the country.

Legalise money

FROM PAGE 16 Bangladesh Chambers of Commerce and Industry, have been a strong proponent of the facility

man of Board of Trustees of Transparency International Bangladesh, said the government has allowed this amnesty considering its revenue necessity.

"Real taxpayers are being punished as the facility is being extended every year," Prof Ahmed told The Daily Star.

It is however unclear how the government would differentiate between illegal and legal income of an individual, he observed.

Health sector

FROM PAGE 16 percent of the total allocation of the national budget. The allocation for the sector was Tk 4,784 crore in FY 2006-07 and Tk 4,240 crore in FY 2005-06.

Supplementary duty of 60 percent will be imposed on the raw materials for manufacturing of cigarettes and 20 percent on the papers used in producing packaging materials of cigarettes, considering its harmful effect on public health.

Manufacturing of scented tobacco (Jarda) and burnt tobacco (Gul) will be brought under the purview of VAT, irrespective of their

structure of cigarettes, tariff value of handmade cigarettes (bidi) and applicable supplementary duty has also been made. The existing 25 percent customs 10:35am the same day in the Niko duty will be reduced to seven percent

on inhaler actuator, used as medicaments with the supplementary duty on it abolished. The recent withdrawal of customs

duty and VAT on import of drugs used for treatment of Thalassaemia would remain in force in the next FY. Besides, the government will

continue implementing the seven year (2003-2019) Health, Nutrition and Population Sector Programme (HNPSP) at an estimated outlay of Tk 32,450 crore.

When asked whether verdicts in The government is also revising the National Health Policy, rules related to medical waste management, private medicare laws and the Essential Drugs List. ments. Charges can be framed in

It has also put emphasis on increased involvement of private initiative in the health sector. Implementation of a programme is underway to outsource the management of 342 community clinics and 130 Union Health and Family Welfare Centres and Hospitals to the private

The experts, however, apprehended that the increased amount will have little effect on people's health as bulk of the allocation would be exhausted in paying salary, allowances and other purposes. At the same time, outsourcing of

the management of community clinics and hospitals would benefit people less as they have to pay user fees, the experts said adding that rather it could be incorporated with the local government after adopting measures to ensure its accountabil-

Microbuses FROM PAGE 16

In a bid to prevent imports of new vehicles in the guise of reconditioned vehicles, the adviser proposed that to be eligible as a reconditioned car, cars should have a time gap of 365 days between registration and deregistration and the car should run at least 1,000km

before shipment. He also proposed reducing dealer's commission to 20 percent from 30 percent "alongside the readjustment of year-wise depreciation rates as 5, 10, 20 and 30 percent respectively".

He proposed that taxis imported under a special concessionary rate and having completed running eight years as taxis be allowed to be converted into a normal vehicle and get registered accordingly on payment of 20 percent of the duties and taxes

exempted at the time of import. About the new supplementary duty on luxury vehicles, President of Bangladesh Reconditioned Vehicles Importers and Dealers Association (Barvida) Abdul Haque said the government decision would affect the business interest of people who want to import luxury vehicle for business pur-

According to the new supplementary duty, he claimed, "A car between 1,500cc and 2,350cc will come under 60 percent supplementary duty (SD), vehicles between 2,351cc and 3,500cc under 100 percent SD, vehicles between 3,501cc and 4,550cc under 250 percent SD and vehicles over 4,551cc will be under 350 percent SD.

There was no supplementary duty on microbuses till the 2007 budget, the Barvida president said adding that the government should not impose any supplementary duty on these vehicles as they are used for common purposes.

Sidr children

FROM PAGE 16 of their close relatives," Finance Adviser Mirza Azizul Islam said in his budget speech yesterday.

The cyclone Sidr that hit the southwestern part of Bangladesh on November 15 last year was one of the 10 fiercest cyclones in the country's history. Currently, about five lakh pri-

mary school-going children in three monga-affected districts are being provided with nutritionfortified food under the school feeding programme. This programme will further be expanded to another 10 districts of six divisions in the next fiscal year.

In order to take away childlabourers from risky work environment, 30,000 such children have been brought under non-formal education programme by giving incentives to their parents with micro-credit, the finance adviser

Political parties reject

budget will not resolve the present crises as it does not reflect the reality. It won't even help reduce poverty." He feared further price increase of essentials as the budget does not offer any remedies to the situation.

"The programmes and projects proposed under this budget will burden the next elected government that will find it almost impossible to implement the programmes," he told reporters at a press briefing at the Dhanmondi office of the party chief.

The AL will announce its formal reaction on the budget on Wednesday, Ali Ashraf said adding that the present government has failed to implement all the agendas it took on in the last budget including reducing inflation, A proposal for raising the price ensuring food security, reducing income discrimination and unemployment. Khandaker Delwar Hossain, the

secretary general of BNP, rejected the proposed budget while speaking with reporters at his NAM flat. "The caretaker government does not have the constitutional right to place a budget. It has no right to impose an out-ofparliament tax."

"The entire nation is disappointed. So we don't want to make any comment on the budget," said Delwar.

Meanwhile, Maj (retd) Hafiz, the acting secretary general of the dissident faction of BNP, termed the proposed budget realistic. "The finance adviser has tried to face the reality, but an unelected government can't do something that an elected government can," he told reporters at his Banani residence.

Ali Ahsan Muhammad Mojahid, secretary general of Jamat-e-Islami, said the present government is an unelected government and according to the constitution, the announcement of budget is not under its jurisdiction.

Workers Party President Rashed Khan Menon said the government has already failed to resolve the people's present crises and "It (government) has placed a huge budget without consulting politicians although the budget will

Irrigation subsidy FROM PAGE 1

plans for increased production of all kinds of crops, the advisermentioned. Referring to the losses in poultry industry due to bird flu, he proposed duty exemption for this industry.

Facilities like tax holiday and duty exemption for import of equipment, medicine and vaccines have been extended for development of livestock sub-sector. To encourage people in farming,

Miza Aziz proposed that persons having only agricultural income shall not be subject to payment of taxes for anincomeofuptoTk200,000. "The tax free income limit will be Tk

215,000 for women and people exceeding 70 years of age, who have only agriculturalincome," he said. The finance adviser also recommended extending the current tax

exemption period by three years from 1 July this year for income from farms engaged in fisheries, poultry, cattle breeding, dairy, mushroom cultivation and silkworm production. Tax exemption has also been pro-

posed for income from seed production, marketing of locally produced seeds and cultivation of flowers and plants.

Mirza Aziz recommended reducing customs duty on equipment used in agriculture sector such as irrigation pump, diesel engine and tractor to three percent from various existing

He also proposed waiving all duties and taxes on items like poultry feed, cattle feed and fish feed.

Meanwhile, Asaduzzaman research director of Bangladesh Institute of Development Studies, described the proposed budget as 'quitefriendly to agriculture.' "It is quite friendly to agriculture.

But how far the subsidies proposed here are consistent with the provisions of WTO rules need to be closely examined,"he said. The proposed budget contains some good ideas like income tax

exemption for persons having only agricultural income, and these would encourage people to concentrate on farming, Asaduzzaman said. "On the whole, it is (proposed

budget) fine in such a critical economic situation," he said, stressing successful implementation of the offers.

laxhonourup FROM PAGE 1 his budget speech yesterday.

In the budget for the coming

fiscal year, the caretaker government has proposed continuing the existing limits for tax-free income and tax rates and the income slab of Tk1,50,000 for individuals. However, the finance adviser proposed tax reduction for women

and senior taxpayers aged over 70, raising their tax-free income limit to Tk 1,65,000. He also proposed revising the tax rate for listed public trading compa-

nies from 30 percent to 27.5 percent and for unlisted companies from 40 percent to 37.5 percent. He proposed keeping unchanged

the 45 percent rate for banks, insurance and financial institutions and mobile phone operators. For corporate taxpayers the

budget proposed imposing income tax on dividend income in accordance with the applicable sched uled rates for companies instead of the existing 15 percent. The government also proposed

withdrawing section 16CC of the Income Tax Ordinance, according to which all companies, irrespective of profit or loss, have to pay a minimum tax on the basis of their turnover. Mirza Aziz said this is "clearly in breach of the fundamental principles of Income Tax".

The finance adviser proposed raising the tax-free income limit for persons having only agricultural income to Tk50,000 from Tk40,000.

This will ensure that persons having only agricultural income shall not be subject to payment of taxes for an income of up to Tk 2.00,000 and this tax-free income limit would be Tk 2,15,000 for female tax-payers and elderly people exceeding70 years of age who have only agricultural income.

have to be implemented by a political

He however welcomed the proposal of forming a pay commission for government employees. This measure will not help the general people unless incomes of the working class and employees in the private sector are increased, he observed.

Terming the proposed budget 'traditional', Mujahidul Islam Selim, general secretary of Communist Party of Bangladesh (CPB), said the government has failed to implement all the agendas mentioned in the last year's

There are uncertainties about the implementation of the proposed poorfriendly steps like gender sensitivity, subsidy on agriculture, recovering khas lands and administrative reforms, he

budged has frustrated the lower income group as there is no proposal to introduce the rationing system.

effective proposal to reduce the prices of essentials," the party said in a press Democratic Left Alliance leaders including Moshrefa Mishu,

Khalequzzaman and Tipu Biswas in a joint statement said prices of essentials and power will increase as a result of the proposed budget.

of civil servants and allocated 20 percent dearness allowance for them. But the private companies like the one he was serving have yet to take any steps like that.

Rahman became gloomy as fragments of tomorrows' images began to haunt him.

With no mood left to watch the state-run BTV, he started surfing the channels. But it reminded him of extra cost as the government would increase supplementary duty from 15 percent to 35 percent for the satellite channel distributors.

paper, and of what not. But the new budget could not bring him any

His son, an English medium school student, asked him to buy some new books as the academic session is going to start next month. It came as more discomfort for Rahman, who just heard the finance

Since last January, he was think-English medium school to a Bangla

medium one due to high expenses. Now he was determined to do it in the next session, as the government

romotelocal culture and values. Rahman asked his domestic help to shut the door and went outside just to

While riding the bike, he tried to figure out how much his family expenses shot up in last six months. In addition to the essentials from the kitchen markets, the house rent increased by Tk 800 three months ago. Fares of rickshaw, bus, CNG-run threewheelers and taxicab -- all increased

together in a clearly visible frown as he turned towards the food and meal At restaurants, each parata earlier

was sold at Tk 3 and now the price rose to Tk 5 per piece. One packet of biscuits He stopped at a roadside vendor to

aromatic chewing tobacco. This time he was not surprised to hear that the seller was asking Tk 6 for a cigarette he

Within an hour of proposing extra and cigarettes have increased.

"The price of cigarettes may be doubled," the trader tried to assure

Puffing the cigarette, he promised this was his last one; otherwise he extra per month.

the new budget. "Don't be so happy," the station

staff told him, reminding him of a possible increase any moment as the price of fuel is shooting up in the inter-

Iwo top army

Abdul Mobin, who was appointed as PSO on June 2, will continue in his current position.

According to a highly placed source Aminul Karim has also been appointed Commandant of the National Defence College (NDC).

Lt Gen Masud Uddin Chowdhury was placed at the Ministry of Foreign Affairs for his ambassadorial appointment abroad. Lt Gen Masud was transferred to

NDC as Commandant on June 2, but his service was placed under the Foreign Ministry on June 8.

36 killed

rebels. Weli Oya is also known as Manalaaru. The ministry said seven soldiers were killed and one went missing in

injured. It added that heavy fighting was continuing as the army contin-"Base One Four" is apparently

where LTTE leader Velupillai Prabhakaran is based.

of the Regulatory Reforms Commission to modernise and ordinance has been published on reform the existing rules and regulagovernment website. tions of the public sector.

convert them into model high

schools," Mirza Aziz mentioned. The caretaker government education for the fiscal year 2008-

II) with an outlay of Tk 1,800 crore is sities. its quality.

"In FY 2008-09, as many as 33 lakh newly literate persons will be imparted job-oriented training to In the next fiscal year, I propose to help retain their level of literacy and to raise their living standards,"

In efforts to bring accountability

services and mitigate harassments and sufferings of their clients, said the finance adviser. He said all ministries and imporbeen instructed to launch their own

clients and stakeholders. tries/ departments have been posted on the websites," the draft of the right to information

Stipends proposed

"The disparity that exists in the quality of education between the urban and rural areas is widening. In order to reduce this gap, steps have been taken to establish model 2009. high schools in those upazilas where there are no government schools. A selection process is underway to select 63 schools to

yesterday proposed Tk 5700 cr for primary and mass education and Tk 6296 cr for secondary and higher The finance adviser said the six- Private Universities Ordinance, year Second Primary Education

Development Programme (PEDP-

being implemented to widen primary education and to enhance "Around 55 lakh students are education system with internareceiving stipends annually. All these steps have helped to achieve a 50:50 ratio of male and female students at government primary

schools," the adviser pointed out.

No new initiative FROM PAGE 16 Mirza Aziz said in his televised budget speech. On the issue of land reform, Mirza In the event of any problem Aziz said efforts are underway to faced by the client, there are provi-

he said.

already done so."

www.forms.gov.bd.

opinion.

ordinances and regulations in a bid to bring the much-needed reforms in the land administration. and transparency in public administration, all government departments and autonomous bodies have prepared their citizens' charters and they are displaying the charters in their offices to improve the quality of

update all existing land related laws,

tant government organisations have

websites for the benefit of their offices have already done so. Under the E-Citizen Service programme, all government forms used in minis-

"A large number of ministries/

finance adviser said adding that the

he said adding that the ongoing

programme will continue to bring

down the current student-teacher

ratio of 55:1 to 46:1 and increase the

rate of enrolment to 90 per cent by

only around 2-3 per cent of total

students at secondary and higher

secondary levels receive technical

vocational education at various

levels is being introduced to equip

our youth force with technical and

The adviser said that the gov-

ernment has recently approved the

2008 to uphold the quality of edu-

cation in public and private univer-

Accreditation Council will also be

formed to compare our higher

tional standards to determine the

standing of our public and private

"In the current fiscal year, we

have allocated Tk 10 cr to carry out

research in areas of physical, math-

ematical and biological sciences.

allocate Tk 15 cr to this end," Mirza

universities," he said.

Aziz pointed out.

"Under this Ordinance, an

"In line with national goals,

and vocational education.

vocational skills," he said.

The finance adviser also said

cyclone, earthquake and fireaccidents. Steps have also been taken to

prepare a national disaster management plan, the adviser added. He put emphasis on afforestation and added the government has set a goal to increase the country's forest coverage from present 17-20 percent. As much as 4,557 hectares of forest land has been recovered from encroachers since the caretaker government came to

power, he noted. 20pc DA

FROM PAGE 1 He also proposed 20 percent dear ness allowance to the government employees and pensioners effective from July 2008, with an aim to lessen the sufferings of the people with fixed incomes.

"The fixed-income group people are facing hardships due to high inflation arising from the abnormal price-spikes in both international and domestic markets in recent times," Mirza Aziz said in his televised budget speech, adding that the existing salary structure of the lowpaid government employees is not consistent with the cost of living. In the case of pensioners, the

amount of dearness allowance would be determined on the basis of their un-commuted pension, the finance adviser said. "The government has also decided to provide full festival allow-

ance to the pensioners similar to that of incumbent government employees," he said in his budget speech for 2008-09 fiscal year. The first Pay Commission was formed in 1972. Afterwards, four

other Pay Commissions were formed

in 1976, 1984, 1989 and 1996.

roeconomic performance. "The government, however, through its all out efforts aimed at agricultural rehabilitation and intro-

FROM PAGE 16

grounds, the sources added. Hasina will first go to London

Talking to The Daily Star, Hasina's US-educated son Sajeeb Wazed Joy said he has already completed all necessary formalities for admitting his mother to the hospital where she had received treatment for her hearing problem which had been inflicted on her by

a gruesome grenade attack on an

FROM PAGE 16 them into a single public limited company. Similarly, Biman and

Telephone Board are also to become public limited companies.

missioner's offices, 17 Trust Bank booths and the head post offices across the country have been cations to remove the hassles of the people in getting and renewing

Prof Muzaffer Ahmad, chair-

Bangladesh Bank is pursuing a production-oriented and marketfriendly monetary policy. It is hoped that with the current

of 2008, the average inflation would come down to 9.0 percent in the upcoming fiscal year, the adviser

personal attendance should be Metropolitan Magistrate Abdullah Al Mamun passed the order in the other case upon a petition submitted by Haisna's lawyer Advocate Quamrul Islam. Govt sets 6.5pc

FY 2008-09 assuming that there would be no major natural disaster," hesaid The adviser said he had already mentioned that various external and internal shocks have caused a negative influence on the country's mac-

duction of a range of programmes to boost business and investment has been able to minimise the negative impact," he said. Mirza Aziz said the boro produc-

tion is expected to exceed 1.75 crore tonnes this year. The total investment for the fiscal year 2007-08 is estimated at 24.2 percent of GDP, which is slightly less than that of fiscal year 2006-2007. Although private sector investment registered a slight increase by 0.2 percent of GDP, the public sector

investment has fallen by 0.4 percent.

meanwhile, increased by one per-

cent of GDP reaching to 29.5 percent

of GDP. Hence, the expectation that

"The Gross National Savings,

Bangladesh will achieve 7-8 percent growth in the medium term is highly probable," Mirza Aziz added.

Food inflation "We have to bear in mind that there exists a high inflationary trend across the world, including our neighbour-

ing countries," Mirza Aziz said in his

budget speech yesterday.

percent in March 2008.

July 2007 and remained at 11.6 percent in December the same year. Mirza Aziz, however, said inflation rate is witnessing a slump in recent months. According to the latest Bureau of

Bangladesh Statistics data, point-to-

point inflation rate came down to

7.66 percent in April from 10.06

Inflation reached double digits in

The adviser said the government has been taking both short- and medium-term measures to curb inflation. He said: "Short-term measures included 'Dal-Bhat Programme' of BDR, open market sale of food grains at subsidised price, withdrawal of customs duty on the import of food grains and edible oil, increasing the amount of food grain imports, lower-

ing of interest rate against import

credit of food grains, regular moni-

toring of markets, and fixation of

maximum retail price for edible oil."

He said medium-term measures include increase of production and distribution of food grains through creation of wholesale markets in various places including Dhaka, adding that initiatives have been taken to introduce Consumers Rights Protection Ordinance. To contain inflation, he said the

bumper harvest coupled with the forecast of increased global food grain production by the second half

government."

budget.

Jatiya Party (JP) said the proposed

"The budget does not reflect the people's expectations as there are no

FROM PAGE 1

This year the prices of rice and other grocery items have shot up, and so have other expenses including house rent, rickshaw fares, children's tuition fees, prices of books,

He switched off the television and intended to go out.

adviser announcing 25 percent customs duty instead of 10 percent on pictorial books and drawing ing of transferring his son from

was going to impose new taxes on imported books mostly used for students of English medium schools to

have an aimless ride on his motorcycle.

during this time Rahman's eyebrows knitted

was Tk 10, and now it cost Tk 14, while the price of one kilogram beef rose to aroundTk200 fromTk180. buy cigarettes and betel leaf with

bought at Tk4 in the morning. duty on raw tobacco, prices of betel leaf

would have to count about Tk 1,000 Finally, he stopped for refuelling and tried to comfort himself that at least the price of fuel did not increase in

national market.

FROM PAGE 16

The NDC post fell vacant after

FROM PAGE 16 the LITE's strategic "Base One Four" despite heavy resistance from the

the clashes. Nineteen soldiers were ued to enter rebel-held territory.