

# Manufacturers urge govt to protect local industry

STAR BUSINESS REPORT

Local manufacturers yesterday urged the government to help increase the number of industries and reduce the import of finished goods, which can ultimately safeguard the local industry. The demand was raised when a delegation from the Bangladesh Chamber of Industries (BCI) met Industries Minister Dilip Barua at his office yesterday.

The delegation also demanded immediate steps to remove the bureaucratic hassles that new entrepreneurs face when they come to invest in any sector, and to develop a business friendly environment.



A delegation from the Bangladesh Chamber of Industries meets Dilip Barua, minister for industries, at his office in Dhaka yesterday.

"We need proper directions and support from the government for the on-going development of our local industry," said Shahedul Islam, president of BCI. "The government needs to inform all its offices and agencies to provide all out support to the entrepreneurs."

"The government needs to reduce dependency on imported products and services and further strengthen local industries, such as pharmaceuticals, essential commodities, aluminum and bakery products," he added.

He also stressed strengthening the

Bangladesh Standard Testing Institute (BSTI) for ensuring the quality of locally produced products.

Barua assured the industry people that the government would take immediate measures for the betterment of the local industry.

"We have no alternatives to industrialisation. We have to make Bangladesh modern and prosperous by 2021," he said.

"The government's attitude is also important. We have to notify our countrymen clearly whether we are to industrialise the country or make it a market place for foreign products," he said. "We are dedicated to the first

option."

The minister said the government would take every necessary step to develop the local industry, including taking immediate steps to reduce bureaucratic hazards and corruption in different sectors.

He also said the government considers formulating a new industrial policy, which would help attract both local and foreign investment, create more employment and improve the economic condition of the country.

SM Shahab Uddin, vice president, and Priti Chakraborty, director of the chamber, were also present at the meeting.

## Over 550,000 Chinese laid off by credit crisis

AFP, Beijing

More than half a million Chinese people were thrown out of work in the last three months of 2008 as the impact of the global financial crisis deepened, the government said Tuesday.

As of December 31, 8.86 million urban residents were registered as jobless, up 560,000 from the end of the third quarter, ministry of human resources spokesman Yin Chengji told a press conference.

"It shows the impact of the international financial crisis on China's employment situation," he said.

Partly as a result of the fourth-quarter jobless spike, the unemployment rate in Chinese cities rose in 2008 for the first time since 2003, according to data from the ministry.

The urban jobless rate stood at 4.2 percent at the end of last year, up from 4.0 percent from the end of 2007, Yin said.

The rise reflected an economy slowed down by the financial crisis, said Tang Min, deputy secretary of the China Development Research Foundation, a think-tank linked to the State Council, or Cabinet.

The actual size of China's jobless population may well be much bigger than the official figure because it does not include millions of migrant workers and university graduates, Tang said, according to Xinhua news agency.

"The figure looks all right, but the real situation could be much more serious," he said.

Beijing has unveiled numerous measures to maintain and create jobs.



Asian Development Bank Vice President Xiaoyu Zhao calls on Prime Minister Sheikh Hasina at her office in Dhaka yesterday. (Story on page 16)

## Minister looks to IT for price control

Khan backtracks on TCB remark

STAR BUSINESS REPORT

Commerce Minister Faruk Khan yesterday sought cooperation of IT professionals in developing a "price portal" to control the market for basic commodities efficiently.

Speaking to the leaders of Bangladesh Association of Software and Information Services (BASIS) at the Secretariat, Khan said the price portal would help people know about the market situation.

The portal will help consumers know about the quantity of products, prices, stock levels as well as supply chain, he said.

In an apparent climbdown on his previous statement on the Trading Corporation of Bangladesh (TCB), the minister said the government would reactivate the state-run corpora-

tion. "We must reactivate the TCB for a smooth functioning of the market. We are moving ahead with our plans to reactivate it," he said. Khan on January 18 said he has no plan to reactivate the TCB.

Khan promised to step up the process of establishing the software park in the city's Mohakhali area.

He said he would find out why it is taking so long to establish the software park as initiatives were taken long ago. The minister will visit the site for the proposed software park in 15 days.

Khan said he would try to open a new IT desk in Bangladesh commercial counsel offices abroad to increase the export volume of software and other IT related products.

BASIS President Habibullah N Karim said the

software developers and exporters want to raise the annual export volume of IT products to \$500 million in five years from the present \$25 million.

Karim suggested that the government make a roadmap for IT development and develop human resources focusing on e-governance and e-commerce.

In another meeting earlier in the day, the minister promised to the terry towel and linen manufacturers that all the problems in the sector will be solved.

Anisuzzaman, chairman of Bangladesh Terry Towel and Linen Manufacturers and Exporters Association, urged the government to enhance the cash incentive to 20 percent for the terry towel exporters and remove the problems in gas bill payment.

## NBR to focus on arrears

UNB, Dhaka

The National Board of Revenue (NBR) will focus on arrears and quick disposal of pending cases to cover the shortfall in revenue collections amid worldwide economic meltdown.

"More than 40 percent revenue comes from duties. We may face a setback in the collection of duties due to the worldwide economic meltdown," NBR Chairman Abdul Mazid said at a discussion meeting at the Dhaka Chamber of Commerce and Industry (DCCI) yesterday.

The NBR chief said that during the preparation of next year's budget they would give emphasis on the item-wise impact of duty structure.

"We'll be ready to reduce duty structure of a particular item if it seems to us that such reduction will help create employment in the country," he said.

DCCI President Zafar Osman said the government must have a correct policy for legalising undisclosed money from where the government could earn a substantial amount for its exchequer.



NBR Chairman Muhammad Abdul Mazid speaks at a meeting with the DCCI delegation in Dhaka yesterday. Zafar Osman, president of the Dhaka chamber, was present among others.

# Asian markets tumble as fears grow over banking sector

AFP, Hong Kong

Markets in Asia tumbled Tuesday as investors followed European stocks in a downward spiral on renewed fears for the banking sector, while Toyota announced its first sales fall in a decade.

Tokyo dived 2.31 percent, Hong Kong almost 2.9 percent and Sydney 3.1 percent, while Seoul shed more than two percent, Taipei lost 2.84 percent and Singapore 1.35 percent.

Dealers' concerns the global financial crisis has a lot further to go were borne out on Monday when Royal Bank of Scotland

announced it had lost up to 40 billion dollars last year, the biggest loss in British corporate history.

The news hit European stocks and sent the British pound plunging to a six-year low against the dollar.

The falls came despite a second multi-billion pound bank rescue package by London.

Toyota Tuesday released figures showing a four percent fall in global sales in 2008 due to slumping demand -- its first decline since 1998, according to a company spokesman.

It later announced it had

appointed Akio Toyoda -- grandson of the company's founder -- to be the new president as part of a reshuffle of top management.

The falls showed that previous optimism over the inauguration of Barack Obama as US president later Tuesday had been virtually wiped out by the reality of the state of the world economy.

Meanwhile, the European Commission forecast the EU economy will shrink nearly two percent in 2009 as a recession sends unemployment and government deficits soaring.

However, despite the grim regional news, Shanghai reversed

earlier losses and posted a 0.37 percent gain on continuing hopes for further government stimulus measures to boost the country's ailing industries.

TOKYO: Down 2.31 percent. The Nikkei-225 index dropped 191.06 points to 8,065.79. The broader Topix index of all first-section shares lost 12.70 points, or 1.55 percent, to 805.03.

The Nikkei index shed more than three percent in the morning but narrowed the losses in late trading on speculation that pension funds and other domestic investors were buying major automakers and other shares,

dealers said.

Toyota shares rose 2.31 percent to end at 3,100 yen despite its weak sales data and a report that it was considering shedding a further 3,000 temporary workers to weather the industry slump.

HONG KONG: Down 2.9 percent. The Hang Seng Index closed 380.22 points lower at 12,959.77. Turnover was 39.58 billion Hong Kong dollars (5.07 billion US).

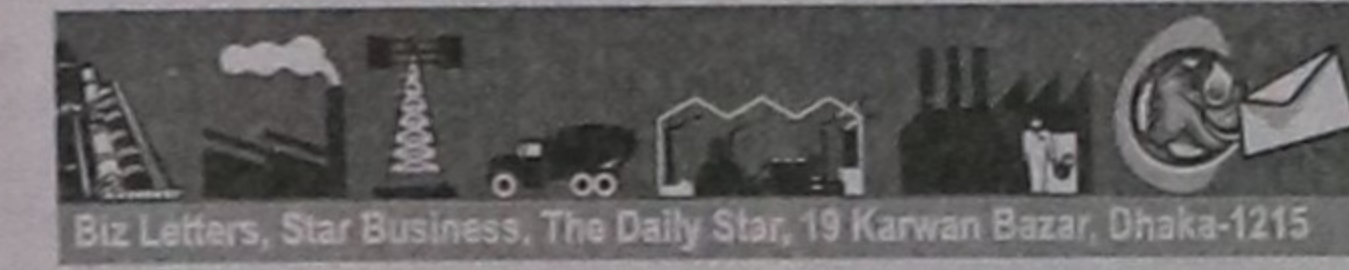
HSBC lost 7.7 percent to 57.50 dollars, adding to its six-day, 16.6 percent slump on persistent capital-raising concerns, despite a statement from the bank

Monday denying speculation it is seeking support from the British government.

Losses on the main index were narrowed by China Mobile, which bucked the downturn after it reported a strong increase in new users.

SYDNEY: Down 3.1 percent. The S&P/ASX 200 lost 112.7 points to end at 3,476.6 -- its lowest close since late November -- while the broader All Ordinaries dumped 106.0 points to end the day at 3,425.0.

MUMBAI: Down 2.45 percent. The 30-share Sensex index fell 229.02 points to 9,100.55.



## BIZ LETTERS

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Letters will only be considered if they carry the writer's full name, address and telephone number (if any).

### What hospital managers do



Every once in a while, at some point-of-patient service in the hospital, someone asks me, "What do the managers in a hospital do?"

When the question is asked, there is always a subtle suggestion that maybe management is not doing much; that the work done isn't very essential or that it doesn't relate to patient care or that it is a cost drain to the organisation.

Over many years, I've grown quite comfortable with the question; I'm not defensive about it, though often younger and less experienced managers are. When I was a young administrator, a mentor CEO told me, "The better you are doing your job as an administrator, the less people will be aware of your presence or understand the nature of your work." Today, after forty years in various management fields, I understand what he meant.

People in hospital management and administration, like people in every other job category, have very important and discrete responsibilities. While it is fair to say that managers are not involved in patient care, it would be incorrect to believe that they are not critical to quality patient care.

Managers exist to ensure that the organisation's resources, meaning time, material, people and money, are applied in a manner that enables people giving patient care to be effective in their roles. Managers ensure that the right people are in the right place at the right time, doing the right things in the right way, at the right cost.

To do this, managers do not need to know how to check

blood pressure, they do not need to assist a surgeon in the operating theater, they do not even have to know how to clean a patient room. However, they need to appreciate the importance of those things in delivering great patient care and customer service. They must understand how to 'resource' those activities.

Good managers first plan, organise, direct, coordinate and control the application of resources to facilitate others in delivering patient care. Then, they monitor that application to ensure correctness. If adjustments are required, they act accordingly. All of this should happen with the least interference to routine patient care and customer service.

So if a manager isn't standing right beside you as patients and customers are cared for, it doesn't mean they aren't working hard to make it possible for the hospital to provide high quality service.

Each participant is an important cog in a complex machine. If the cogs do not perform their specific tasks and mesh in the process with the other cogs, the machine may not be as efficient as it could be; it might not work at all. All jobs in the hospital are essential to the success of the operation. I'll admit that I might have a bias but I'd argue that the people in administration and management the people working with our overall resources are quite important. I hope you agree too.

Ed L. Hansen  
CEO, Apollo Hospitals Dhaka

### The functions of multipurpose society

Rahim is a 25-year-old businessman and lives in Dolipara, Uttara. Last year he took a Tk 30,000 loan from a multipurpose society in order to start a poultry business. His business was running smoothly and he could repay his loan amount along with high interest on time. For the last couple of months, his business has faltered and he was unable to repay his loan instalment. The people of the multipurpose society not only threatened him, but they also took all his chickens away.

This is just one of the scenarios of the activities that our multipurpose societies do against people who take loans from them and fail to pay them back. Many like Rahim have been victimised like such, falling into arrears with multipurpose societies.

It is no doubt that no one can prosper through interest. People take loans with interest during crisis times but they face severe problems when they fail to pay it back.

The role multipurpose societies play in our society is a debatable issue. They give loans at high interest rates and they surely know cruel ways of getting their money back. We are not sure whether there are any specific laws or any observing bodies in Bangladesh who observe the activities of these multipurpose societies. It has also been seen that different multipurpose societies have self-made rules and regulations.

Different multipurpose societies have different rates of interest in lending money to people. And above all, these institutes do a dangerous act of getting signatures on blank stamp papers from their clients. Most people who do not know the rules of signing on blank stamp paper, they simply go ahead and sign on the papers to get loans. Now, when someone fails to pay the loan on time, these multipurpose societies play around with these stamped papers and threaten them in every way possible.

First of all, I would request our new government to implement stringent actions against those multipurpose societies who snatch away people's money in unethical ways and of course, proper laws should be put into effect for all the multipurpose societies.

Secondly, I would request each and every individual to stay away from loans or businesses that are interest based. Interest can never make anyone prosper. Only those who take interest make money.

It is unjust to compel any person to pay back loan money, when they do not have the source. This is why Islam has totally rejected business on the basis of interest. In the Holy book of Quran, it clearly stated: "Those who eat (usury) will not stand (on the Day of Resurrection) except like the standing of a person beaten by (Satan) leading him to insanity. That is because they say: Trading is only like (usury), whereas GOD has permitted trading and forbidden (usury). So whoever receives an admonition from his Lord and stops eating (usury) shall not be punished for the past; his case is for God (to judge); but whoever returns (usury), such are the dwellers of the Fire - they will abide therein: Surah Baqarah, Verse 275".

It is time to build an interest free society and only then we will be economically strong.

Minhaj Ahmed  
Dhaka

### Over-worked workers face havoc in lives

The Japanese word 'Karoshi' means death resulting from over work. Workers are pushed beyond their limits. Hence, thousands of Japanese workers are literally working themselves to death each year. From police sources, more than 2200 Japanese committed suicide due to overwork conditions in 2007. But this figure is a fraction of total problem in Japan. Another source says 10,000 workers in the same year suffered from heart attacks or strokes, which are some times fatal, due to stress.



In May 2007, the head of a construction site in the Tochigi reign north of Tokyo, committed suicide after putting in 65 to 70 hours every week for six months.

The law in Japan sets 40 hours of work in a week. Actually this is not a problem at all. But the bad working environment, abusive bosses, tension with colleagues and a sense of professional defeat amongst workers, lead them to ill health, depression or suicide.

In Bangladesh, state owned factories that have 24 hours of running capacity, allows 48 hours of work in a week. But in the RMG sector, workers are in a vulnerable position as they are forced to hard work. They are worked to an exhausting 75 to 84 hours in a week. Though they contribute hard work, they are always ill paid. They cannot cope with their minimum requirements. They often suffer from a lack of nutrients and fall seriously ill and eventually lose their jobs. Unknowingly, they embrace severe forms of drug addiction or even commit suicide. So, we should think over the matter.

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