

Many migrant workers have come home after losing their overseas jobs. The budget should reflect the need for greater employment generation.

The government needs to protect the small enterprises by relaxing the tax and VAT policies aimed towards them, so that they can yield profits by keeping their cost of production low.

According to Ifty Islam, while there should be a global crisis mitigation fund to provide some support to affected export sectors, the critical priority in the budget should be to support the "growth" enablers" that tackle the constraints to growth in areas such as infrastructure and education.

Economists believe that the government will not only have to extend support to exports but also adopt policies to increase the domestic demand base for the economy in the face of global recession.

Under these circumstances, monetary policy can play an important role in softening the impact of the global economic crisis on economic growth and employment particularly by ensuring liberal access to low-cost credit by small and medium industries, agriculture and rural non-farm sectors, MCCI says.

The government needs to protect the small enterprises by relaxing the tax and VAT policies aimed towards them, so that they can yield profits by keeping their cost of production low.

"Lack of finance is one of the major constraints -- as commercial banks are inherently sceptical of lending to the SMEs due to the high risks and monitoring costs associated with lending to them," says Ifty Islam.

The government, he adds, should compensate by using grants, perhaps in coordination with donor agencies, as a major instrument for providing financial support for a limited period of time to selected SMEs which have good potential and wide linkages."

Budget Day is just six days away. A lot of expectations -- a lot of demands from different circles -- are filling the newspaper pages. As always budget discussions take centre stage in talk-shows on television channels. The government's different agencies and departments, especially the Finance Division and National Board of Revenue, are racing against the clock to prepare for the crucial day. The Parliament started its budget session on Thursday. Finance Minister AMA Muhith was to write his budget speech abroad to give it the "undivided attention" it deserves. All eyes are set on the government in general and on Muhith in particular. A lot of buzz in the air.