

Minister takes tough line on garment indiscipline

STAR BUSINESS REPORT

Commerce Minister Faruk Khan yesterday asked garments industry owners to treat workers in line with government rules and pay worker salaries regularly.

Garment owners are not "zamindars" and cannot do whatever they like to their employees, the minister said in his address to a seminar in Dhaka. "You have to run factories under specific rules," Khan said referring to industry owners.

Garment owners "have to look after their workers' welfare and run factories as per the government policy", he said at the seminar on social compliance in the readymade garment sector. The commerce ministry and German Technical Cooperation (GTZ) co-

organised the discussion.

"RMG workers are not from a distant planet, rather, they are also human beings like you," Faruk said.

The government pledged to a number of things in its election manifesto for worker welfare, which including correction of the national labour policy and fixing of a minimum national wage, he added.

The minister said it would not be wise to take the risk of demolishing a Tk 50 crore factory by not paying wages worth Tk 50 lakh.

He, however, said only a few factory owners do not pay salaries regularly.

In line with improving the work place environment, the government plans to set up a Garments Palli outside Dhaka, which will take time, he added.

After the function, he told reporters

that the government would allow formation of labour unions in factories, but it should not be a licence to do whatever they like in the name of unionism.

Addressing the conference, Commerce Secretary Feroz Ahmed said the government is trying hard to improve all social compliance indicators in garments factories.

Garment factories cannot utilise about 20-25 percent of its capacity due to a shortage of skilled workers, the secretary said. The government has taken steps to increase worker productivity, capacity and physical condition, he added.

Mostafa Mohiuddin, additional secretary of commerce ministry, and Dr Dietrich Stotz, programme coordinator of GTZ-Progress, also spoke.



Mohammad Aminul Haque, director of Prime Bank Ltd, inaugurates the bank's 76th branch in Ishwardi recently. M Ehsanul Haque, managing director of the bank, is also seen.

Vietnam businesses urged to invest more

UNB, Dhaka

The Federation of Chambers of Commerce and Industry (FBCCI) urged the Vietnamese business community to increase investment in Bangladesh and assured them of extending all-out support.

FBCCI President Annisul Huq made the appeal to the visiting Vietnamese trade delegation at a meeting in Dhaka yesterday.

Le Doung Quang, Vietnam's vice-minister for trade and industry, is leading the Vietnamese delegation.

The FBCCI chief said Bangladesh's business community is eager to increase cooperation in trade and investment with Vietnam.

Huq pointed that the trade volume between the two countries has been fluctuating in the range of \$10-60 million over the last one decade. In fiscal 2008-09, Bangladesh's exports to Vietnam were \$24 million and imports were \$34.78 million only.

"The private sector businessmen may study possibilities for joint venture in several areas like chemical, ceramic and glass industries in Vietnam and in Bangladesh based on Vietnamese raw materials, agro equipment and machineries and also in other sectors, such as animal feeds, medicines, handicraft products and paper pulp," he said.

He said Bangladesh could provide a low cost production base in several sectors like agro-based industries, food processing and preservation, development of poultry, dairy, fisheries and livestock, light engineering industries, leather, rubber industries, textiles, gas-based industries, and infrastructure development.

To attract direct foreign investment, the Bangladesh government has offered liberal investment incentive packages to foreign investors which include among others 100 percent foreign ownership, complete legal protection, tax holidays, unrestricted repatriation of capital and profits.

"Also special export processing zones have been set up in different parts of the country."

Vietnam's vice-minister said industrial cooperation between the two countries is very limited. The reasons for this can be attributed to lack of information among the business communities, inefficient trade promotion activities, insufficient number of trade mission and delegation exchange, lack of trade fair and exhibition with participation of each other's business community.

Le Doung Quang underscored promoting investment in potential industries such as pharmaceuticals, leather, jute, agro-based industries, agricultural equipment and information technology.

Vietnamese Ambassador Nguyen Van That, delegation members and senior executive members of the FBCCI were also present at the meeting.



Muhammad Khalid Mahmud Chowdhury, lawmaker of Dinajpur-2, inaugurates the 14th ATM booth of Mercantile Bank Ltd in Dinajpur recently. AKM Shahidul Haque, managing director (current charge) of the bank, was also present.

Commercial real estate woes imperil US recovery

AFP, Washington

Even as some sectors of the US economy see a return to growth, woes in commercial real estate are deepening, raising fears that the fragile recovery could falter.

Unlike the US home market, which has shown signs of rebounding, recovery is elusive in commercial real estate, a sector which includes apartments, offices and industrial and retail

properties.

The Moody's commercial property index fell 3.0 percent in October, and remains 32.8 percent down from a year earlier and 40.3 percent lower than two years ago.

"Although prices have declined steadily over the past year, the rate of decline has slowed in recent months after falling by about 8.0 percent in both April and May," Moody's said.

According to the Mortgage Bankers Association, loans for commercial and multifamily property activity fell 5.4 percent in the third quarter from a year ago. Loan originations were off 12 percent from the second quarter.

San Francisco Federal Reserve president Janet Yellen said the prospects for the industry are "worrisome."

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"Employers were hoping that the recession would not last long and did not lay staff off in the hope of a recovery," Zdeslav Santic, an economist at Splitska Banka, told Hina news agency.

"But it's clear now that they have run out of finance and have to cut costs and fire employees."

The Croatian economy shrank by 6.5 percent in the first half of this year and latest figures on consumer spending and industrial output were not encouraging.



Share Market Retail Investors Forum members take to the streets to protest against the regulator's move to appeal against the High Court verdict on the mutual fund case. (Story on B1)

Sonali, Western Union team up over remittance

STAR BUSINESS REPORT

Sonali, the country's largest commercial bank, has teamed up with Western Union, a global money-transfer service network, to provide services through its 200 branches and is expected to extend the services through its entire 1,100 plus branches by next year.

Both the parties announced an agreement in this regard at Dhaka Sheraton hotel yesterday.

"No-one would turn down the chance of winning money and this will lead indirectly to a reduction in tax evasion," the daily Corriere della Sera newspaper said.

A similar system operates in China, and is regarded as one of the best weapons in the fight against tax avoidance, La Stampa newspaper said.

According to Mario Draghi, the governor of the Banca d'Italia, Italy's central bank, the country's unofficial economy is worth around 15 percent of GDP.

The number of unemployed in Croatia soared by almost 20 percent in the past year, speeding up in the last two months as the global economic crisis bit harder, an official report said Saturday.

The national employment agency HZZ said the number of job seekers at the end of October stood at 273,265, a rise of 19.6 percent a year.

The unemployment rate, which was 14.7 percent at the end of September, is expected to top 15 percent in updated figures.

The figures will be published by the national statistics bureau in a week's time.

This would be the highest level for some two years.

Analysts were surprised by the sharp rise of 5.4 percent during October, even following the end of the tourist season, with 14,000 more unemployed signing on.

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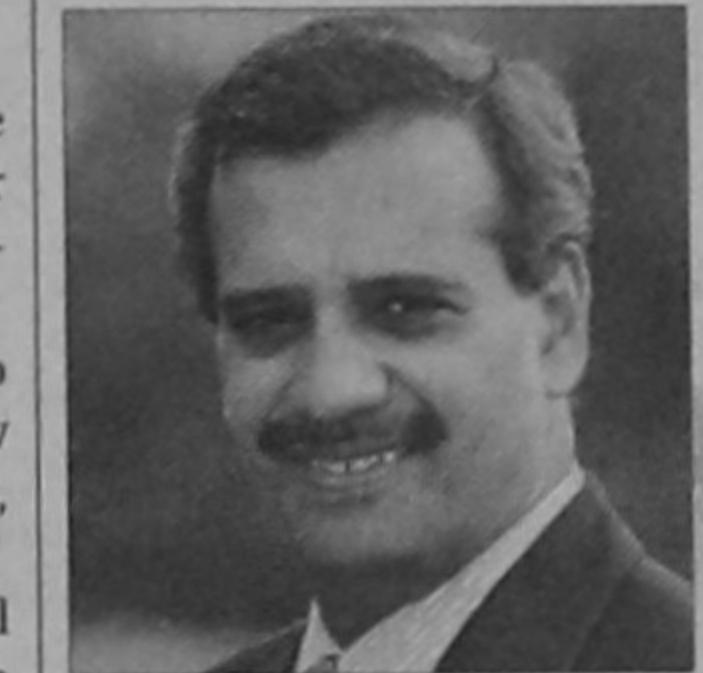
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Khondker Fazle Rashid, managing director of Dhaka Bank Ltd, poses at a foundation training programme for its new recruits at its training institute in the capital recently.

StanChart regional boss due today



STAR BUSINESS DESK

Neeraj Swaroop, regional chief executive for India and South Asia of Standard Chartered Bank, arrives in Dhaka today on a two-day official visit, said a statement.

During his visit, he will meet regulators, several external stakeholders and senior officials of the bank.

Swaroop, who joined the StanChart as chief executive officer for India in August 2005, is also the chairman of Standard Chartered Nepal Ltd.

National Asset gets asset manager licence

STAR BUSINESS DESK

National Asset Management Ltd has received approval from the stock market regulator for managing funds, including mutual fund.

The Securities and Exchange Commission handed over an asset management licence to the National Asset Management on November 11, the company said in a statement yesterday.

National Asset Management, which is the

seventh firm that received a fund management licence, is expected to introduce some mutual funds in a couple of months.

The existing paid-up capital of the company, incorporated in December 2005 as a public limited company, is Tk 5.1 crore.

The company is sponsored by a group of professionals with long experience in investment management and capital markets in the country and abroad, according to the statement.

ডিজিটাল বাংলাদেশ সামিট ২০০৯
Digital Bangladesh Summit 2009

17-22 November 2009
Bangabandhu International Conference Centre

| Digital Bangladesh Summit : Pre-Summit Sessions | | Place : Media Bazar |
|--|------------------------|---------------------|
| Sustainable Connectivity for Building Digital Bangladesh | Tuesday, November 17 | 2:30 PM |
| Legal & Regulatory Reforms for Establishing Digital Bangladesh | Wednesday, November 18 | 2:30 PM |
| Digital Education System | Thursday, November 19 | 2:30 PM |
| Knowledge Economy for Digital Bangladesh | Friday, November 20 | 3:00 PM |
| Creativity & Digital Bangladesh | Saturday, November 21 | 2:30 PM |
| Digital Parliament | Saturday, November 21 | 5:30 PM |

| Digital Bangladesh Summit : Summit Sessions | | Place : Media Bazar |
|---|---------------------|---------------------|
| Summery Presentation on Pre-Summit Sessions | Sunday, November 22 | 12:30 PM |
| Implementation Plan of National ICT Policy 2009 | Sunday, November 22 | 3:30 PM |

Registration is necessary for participation at Pre-Summit & Summit Sessions
Registration form is available at www.bcs.org.bd

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Bangladesh Computer Samity

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Ministry of Science and Information & Communication Technology

আইসিটি বিজ্ঞান এবং ব্যোবহার কাউন্সিল
ICT Business Promotion Council

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