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SOURCE: AFP (As of Friday)

News in Brief

Tourism bill passed

BSS, Sangsad Bhaban

The Bangladesh Protected Tourism Area and Special Tourism Zone Bill 2010 was passed in parliament yesterday.

Civil Aviation and Tourism Minister GM Quader proposed for the passage of the bill.

Earlier on Tuesday, the minister introduced the bill with a proposal to declare such areas as tourism protected areas through gazette notifications.

The bill proposed special tourism zones and control and run the areas under initiatives of the government or non-government and autonomous organisations, statutory bodies or individuals.

According to the bill, a proposal has also been made for undertaking investment activities for constructing and developing special tourist centres under public-private partnership.

The bill also proposed punishment for the violators of rules.

The minister said it has been placed in the House with an aim to protect the areas, which have tourism potentialities by checking unplanned activities in the areas.

"The main objective of the bill is to build necessary infrastructure and create amusement and service-oriented facilities for setting up special tourist zone."

Dubai opens new airport with first cargo flights

REUTERS, Dubai

Dubai opened what is planned to become the world's largest airport on Sunday, starting with cargo operators, making the emirate a two-airport city, as it aspires to build itself into a global logistics hub.

Dubai Airports, the company overseeing airport projects in the emirate, said in a statement Dubai World Central-A1 Maktoum International (DWC) started with three cargo flights operated by Rus Aviation, Skyline and Aerospace Consortium, with 13 other freight carriers signed up.

Phase one of DWC includes one runway capable of handling Airbus A380 superjumbos, 64 remote stands, one cargo terminal with capacity for 250,000 tonnes of cargo annually and a passenger terminal building capable of handling 5 million passengers a year.

When completed, the airport will have five runways, up to four terminal buildings and the capacity for 12 million tonnes of freight and 160 million passengers a year.



AMRAN HOSSAIN

A lone security guard is on duty in front of shuttered shops at Baitul Mukarram market in Dhaka during yesterday's hartal. The dawn-to-dusk shutdown called by the main opposition stalled business. Most stock investors stayed indoors and took part in trading by phone, pushing up the benchmark index of Dhaka Stock Exchange.

Farm sector sees exit of workers

SOHEL PARVEZ

Agriculture, often called the employer of last resort, sees a less turnout of workers, as other productive sectors absorb the new entrants to the labour market.

In the three years to 2009, six lakh workers switched from farm to non-farm sector, although an additional 36 lakh joined various economic activities in the same period, according to data from the government statistical agency.

The share of the farm sector in the labour force dropped to 43.6 percent in 2009 from 48.1 percent in 2006, although the number of total workers marked a rise.

In the same period, the share of non-farm sector, including manufacturing and services, rose to 56.4 percent.

Economists said the decline in jobs in agriculture and the rise in share of the non-agriculture sector mean that the workforce is shifting from less productive to more productive sector, indicating a sign of faster economic growth.

"It demonstrates the strength of the economy rather than weakness," said Mahabub Hossain, an

economist, who follows agriculture closely.

For years, according to Hossain, the farm sector has been seen as the last resort for many people who fail to get jobs in the non-farm sector.

"They (excess workers) usually join agriculture after failing to get jobs in the non-farm sector, creating a pressure of surplus labourers. But these surplus workers are now shifting to industry and services sectors," said Hossain, executive director of Brac, a leading nongovernmental organisation.

Analysts said activities in the industry and services sectors are growing on the back of more than 5 percent annual average growth of the economy in the last one decade.

Bangladesh Bureau of Statistics data shows the farm sector has begun to trim the surplus labourers since 2003 -- both in terms of absolute number and in its proportionate share.

At the same time, the workforce in the manufacturing and services sectors such as construction and real estate, trade, hotel and restaurant, transport and communication, finance and business, has

increased.

The manufacturing sector has been at the helm, and now employs 13.52 percent of the total employed population at 5.1 crore, up from 9.7 percent or 4.43 crore in 2003.

A rise in both small and large industries has led the growth in employment.

Between 2002 and 2006, the number of industrial establishments rose by 23.67 percent to 34,710. The services sector activities have also grown since the beginning of the decade.

By contrast, the share of agriculture in the GDP (gross domestic product) declined.

"If these two sectors (manufacturing and services) grow faster, surplus labourers in agriculture will decline. But it does not necessarily mean that it will hurt farm productivity," says Hossain, also former director general of Bangladesh Institute of Development Studies (BIDS).

"Machine is substituting manual labour in agriculture, keeping productivity unhurt."

Now land preparation and irrigation are almost mechanised, which has led to a decline in labour intensity in the farm sector, said

BIDS Research Director Rushidan Islam Rahman.

Other reasons include increased scope for different jobs due to an expansion of road infrastructure in remote areas and internal and external migration for jobs, the analysts said.

Rushidan said the attitude of younger generation also led to a fall in the number of employed persons in agriculture.

"They have attained some sort of schooling. Some of them want to work in the non-farm sector. They don't want to go back to the crop sector activities."

The decline in the labour force in agriculture has also tightened the rural agriculture labour market, leading to a rise in wages of the workers.

But the economists said the decline in dependence for jobs on agriculture shows people are joining more productive sectors that will help accelerate the growth.

"It depends on which types of activities these people are joining. If they are engaged in more productive activities, it's good for the economy," Rushidan added.

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Dhaka-Colombo direct flights in August

SOHEL PARVEZ

Sri Lanka's state-owned budget carrier Mihin Lanka Airlines is expected to launch direct flights between Dhaka and Colombo in August to cut travel time.

Insiders said the introduction of direct flights on the Dhaka-Colombo route would reduce travel time to around three hours from more than 10 hours at present. Passengers now travel between Bangladesh and Sri Lanka via connecting flights.

The carrier is likely to fly twice a week on Dhaka-Colombo-Dhaka route.

"It (Mihin Lanka Airlines) wants to start direct flights service between Dhaka and Colombo sometime in August," Kazi Zahurul Qyym, director of Wings Aviation Ltd, general sales agent (GSA) of Mihin Lanka Airlines in Bangladesh, told The Daily Star.

Qyym said the airline has already got permission of Bangladesh's civil aviation authority to commence flights.

Mihin Lanka is the first Lankan carrier that will come to Bangladesh six years after Sri Lankan Airlines suspended its flights to Dhaka.

In July 2008, Bangladesh's private airline Best Air--presently grounded on financial crunch-- began direct flights on the route. The airline suspended flights in a couple of months after launching operation.

Except for the months when Best Air operated on the route, almost 5,000 Bangladeshi and Sri Lankans had to travel between the two countries via Singapore, Thailand, Malaysia and India.

Transit flights also push up the costs of travels for passengers, the aviation industry said.

"Now it takes more than 10 hours to reach my country because we have to fly via connecting routes," said HMTD Herath, minister at the High Commission of Sri Lanka in Dhaka.

He said the introduction of a direct air link would cut travelling time to nearly three hours.

At present, more than 20 local and foreign airlines are operating in Bangladesh skies to carry mainly migrant workers, students, business travellers and tourists.

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A plight: Account maintenance fee

SAJJADUR RAHMAN

A bank manager gave a hawker a pay order of Tk 350 against newspaper bills. When the hawker went to the bank to withdraw the cash he found Tk 115 less. Shocked, the hawker came to know that the bank deducted the money in account maintenance fee.

An unexpected controversy over the account maintenance charge has emerged following the central bank's specification of account maintenance fee, first imposed in December last year and revised in May this year.

This time thousands of small depositors with the state-owned banks that earlier did not take any fee for an account are charging all depositors.

"The latest Bangladesh Bank decision is frustrating as it is against the interest of the small depositors," said Shamsuddin Khaled, a depositor of a state-owned bank in a district town. "It is not acceptable."

Small depositors came to know that the banks are cutting account maintenance fees as their financial year is ending on June 30.

The revised circular said the banks will charge nothing up to an average monthly balance of Tk 5,000, while Tk 100 plus 15 percent VAT will be imposed half-yearly for a balance between Tk 5,001 and Tk 25,000. And Tk 300 plus 15 percent VAT (value added tax) will be charged half-yearly for more than Tk 25,000.

In addition to the fee, an account holder has to pay excise duty and source tax in case of interests accrued from the savings.

Lakhs of small savers with the state-owned banks such as Sonali, Janata, Agrani, Rupali and Krishi are becoming the victims of the Bangladesh Bank's latest decision on account maintenance fee. According to the depositors, these banks did not charge anything for an account before the BB circular. Now the small depositors are even losing their principal amount.

The depositors said the decision acts against the spirit of the current governor, Dr Atiur Rahman, who is trying hard to reach bank services to the rural customers.

Bangladesh Bank governor said he would revise the decision to charge account maintenance fee to protect the interests of small depositors

However, the governor has said he might review the decision. Khaled, a joint district judge, said account maintenance fee should be waived up to the average balance of Tk 25,000 for all savers.

A senior Bangladesh Bank official also admitted that small savers are being affected with the latest account maintenance fee.

"The banks that did not charge for an account before could maintain it considering the interests of small depositors," said Abu Hena Mohammad Razeen Hasan, executive director of Bangladesh Bank.

Atiur also told The Daily Star that he would revise the decision if necessary to protect the interests of small depositors.

"We'll review the decision."

The BB issued the circular to specify account maintenance fee following different banks' wishful imposition of charges -- up to Tk 500 plus 15 percent VAT on half-yearly basis. Some banks also impose a fee if an account holder's balance falls below a certain amount set by them.

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