

Worker database for Ashulia factories by Aug 30: BGMEA

STAR BUSINESS REPORT

The country's apex trade body for garment manufacturers yesterday instructed its member factories in Ashulia to prepare a biometric database of their workers within three months.

"We have been trying to make a central workers' database for a long time now. You [garment owners] have to do it now," said M Atiqul Islam, president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

"I repeat, it is a must. Otherwise, the BGMEA will not provide any service to your factory," he said, while setting a deadline of August 30 for the Ashulia-based factories. The BGMEA has around 300 registered factories in Ashulia.

Islam's comments came at the inauguration of a training programme for the mid-level management of factories, IT personnel and human resource professionals, at the BGMEA Bhaban yesterday.

The database will be prepared in association with Tiger IT and Systech Digital Ltd by taking finger prints of workers, and will cost a factory owner around Tk 4-5 lakh.

"It is a wonderful system of record-keeping. Once the worker registers, he/she will be given a unique ID, which will be valid at all BGMEA factories."

He said there is no exact data at present of the number of skilled, semi-skilled and unskilled workers employed in the industry.

"Even we do not know how many women workers are there in the industry. We felt that preparing a database has become obligatory -- for the country's best interests."

BGMEA will gradually extend the scheme to Mirpur, Narayanganj and Chittagong soon, he added.

Rajiuddin Ahmed Raju, minister for labour and employment, welcomed the initiative as it will help in prompt identification of missing workers.

"The government could not calculate the exact number of workers who were missing after the Tazreen fire and Rana Plaza collapse due to the absence of a central database. Now, we would be able to, with just one click."

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FOCUS BANGLA

Workers shout slogans demanding an increase in their wages at Ha-Meem Group in the industrial belt of Ashulia yesterday.

Labour unrest halts Ha-Meem

STAR BUSINESS REPORT

Ha-Meem Group, a leading garment maker, and several other factories in Ashulia suspended operations yesterday after workers clashed with police, leaving 30 people injured.

At least 7,000 workers of Ha-Meem and other factories began demonstrating at Narasinghapur around 8am, demanding a hike in salaries, said Mohammad Moniruzzaman, deputy director of Industrial Police.

Police clubbed the workers and fired rubber bullets and teargas shells to control the situation, he said. Traffic on the Dhaka-Tangail highway came to a halt.

"We have suspended production due to labour unrest," said AK Azad, managing director of Ha-Meem Group.

"Although I have accepted almost

all the demands of the workers, unrest is still continuing," he said. The company has already increased the attendance bonus to Tk 350 from Tk 300 previously, he added.

Although the government announced a new wage board for the workers last week, they are still demanding a salary hike, he said. "We will follow whatever decision the wage board gives us."

It will take more months to increase their salaries according to the new wage board, Azad added.

The workers are also demanding payment for the three days (May 13-15) when all Ashulia-based factories remained closed following labour unrest, Azad said.

Workers cannot demand payment for the days when the factories were closed on the basis of 'no work no

pay', Abdus Salam Murshedy, former president of Bangladesh Garment Manufacturers and Exporters Association.

"The problems in the Ashulia garment factories are deepening by the day, although everybody is trying to solve them," he said. He said two other factories -- Medlar and Gilden Shahriar Fabrics -- have been closed for some days now.

A delegation of BGMEA will hold a meeting with Labour and Employment Minister Rajiudin Ahmed Raju on Monday to find a solution, Murshedy told The Daily Star.

Meanwhile, the Narayanganj unit of Textile Garments Workers Federation formed a human chain in front of Narayanganj Press Club for an hour from 11am demanding a safer workplace.

Tea workers go on strike today

STAR BUSINESS REPORT

Tea garden workers have called an indefinite strike from today, demanding a pay hike and other benefits.

"We will launch the strike to realise our 20-point demand," said Ram Bhajan Kairi, general secretary of Bangladesh Cha Sramik Union, a platform of tea workers.

The Sylhet region will join the strike today and the Chittagong region from May 25, Kairi said.

However, another faction of the union said they will go on another spell of indefinite strike from Thursday to realise the same demands.

"We have a plan to stop work on May 23. But the government has agreed to talk to us and set up a meeting for May 22," said Bijoy Bunargi, convenor of the faction of the union.

Owners' representatives also confirmed the strike that is set to begin on Thursday.

Since 2011, the trade union has been demanding a hike in wages to Tk 120 a day from Tk 55 now.

As the owners seem the least bit interested in increasing workers' benefits, both the factions made an announcement on May 1 to initiate a strike from May 23.

The workers have called the strike at a time when the tea plucking season is set to begin in full swing, garden owners said.

"Wages have already increased by Tk 7 to Tk 62 in line with their demands," said a manager of a tea garden in Sylhet district.

He said the owners are in a dilemma with two factions of the trade union.

"They (owners) cannot sit with the trade union leaders for negotiations as there are two factions who have gone to court to settle disputes between them," the manager said.

Bikash Kumar Singha, assistant manager of a Finlay Tea garden in Srimangal, said, "Workers' wages have been increased to Tk 62 a day and their total benefits stand at more than Tk 90 including rations and medical allowances."

There are 154 tea gardens in Bangladesh, 80 percent of which are located in the Sylhet region, employing nearly one lakh workers.

Danish, Norwegian firms seek partnership

STAR BUSINESS DESK

A delegation of the officials of 17 Danish companies and three Norwegian companies is scheduled to come to Bangladesh on May 27 on a five-day visit to form partnerships with local companies.

The embassies of Denmark and Norway will host a Nordic trade delegation on green growth and clean technology and will organise a matchmaking session on May 28.

The session will be organised so that the Nordic and Bangladeshi companies can have one-to-one meetings and discuss potential business opportunities between them, the two embassies said in a joint statement yesterday.

The Danish companies have expertise in renewable energy, energy efficient cooling systems and air filtrations while some are looking for partners in water/water treatments.

The three participants from Norway are Agrinos AS, A-Aqua AS Norsk Biogass AS with expertise in renewable energy, water and sanitation and agriculture.

"The embassies are, right now, contacting the local companies to set up meeting for the Nordic companies," according to the statement.

Banks' profit falls on higher default loans

SARWAR A CHOWDHURY

Most listed commercial banks showed a declining trend in their earnings during the January-March period this year due to a rise in their default loans.

Five banks suffered a net loss, while 21 posted a fall in their net profit during the quarter, compared to the same period last year.

The net profit of the rest four banks, out of the 30 listed ones, marked a rise, according to the banks' half-yearly disclosures made public recently.

Non-performing loans (NPL), resulting in higher provisioning, and tight provisioning rules are the main reasons behind the decline both in their operating and net profit, bankers said.

The impact of loan defaults, which shot up last year following a series of banking scams, continued this year too, the bankers said.

A sluggish stockmarket, which has been going through volatility since the

price debacle in early 2011, also swelled provisioning of banks having investment in stocks, they said.

Helal Ahmed Chowdhury, managing director of Pubali Bank, blamed the fall in banks' net profit on a huge amount of provisioning.

"Besides, the banking business also slowed in the first quarter due to political instability," he said.

"The spillover impact of the banking scams continued this year too," he added.

However, the situation may improve in the days ahead as remittance inflow and the rate of LC opening are on an upward curve, Chowdhury said.

Syed Mahbubur Rahman, managing director of BRAC Bank, said business activities in the banking sector, including the LC opening rate, fell in the first quarter.

"Also, higher provisioning caused a drop in banks' net profit," he said.

BRAC Bank was one of the four banks that saw growth in net profit.

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Factory banned by Wal-Mart still makes Wrangler shirts

REUTERS, Gazipur

A Bangladesh factory where Wal-Mart Stores Inc and Inditex SA inspectors spotted cracks in the wall this month is still making Wrangler shirts for the world's largest apparel maker, US-based VF Corp.

VF confirmed on Saturday it was still using Liz Apparels to make its clothing following an inspection ordered by the factory owner, Nassa Group, on May 12. VF, whose other clothing brands include North Face, Timberland and Nautica,

said its philosophy was to "stay and improve" working conditions.

"We are in daily contact with the facility and VF's leadership is closely monitoring the status in this facility and others in our Bangladesh supply chain," the company said in a statement to Reuters.

VF's continued relationship with Liz Apparels stands in stark contrast to the approach by some of the world's best-known retailers, who immediately severed ties with the same factory.

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H&M mulling production in S America, Africa: CEO

AFP, Stockholm

Swedish fashion giant H&M is considering starting production in South America and Africa, chief executive Karl-Johan Persson told the Financial Times in an interview published on Monday. "When that part of the world is growing, which it is, it becomes even more interesting to look at production in South America or Central America. So, we are exploring that opportunity... We're looking at (Africa) as well."

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