

Pass law for justice to Rana Plaza victims: rights activist

STAR BUSINESS REPORT

Worker leaders yesterday urged the government to pass a tort law enabling Rana Plaza victims to secure compensation.

A tort, in common law jurisdictions, is a civil wrong which unfairly causes someone else to suffer loss or harm resulting in legal liability for the person who commits the tortious act.

The demand came at a press conference of the Garment Sramik Oikya Parishad, a workers' association, in the capital.

The association also sought compensation of Tk 48 lakh each for the dead and missing workers as per the loss of earnings formula, which fixes compensation based on the age of victims and the national life expectancy.

Assuming the average age of the dead and missing workers to be 25 and the retirement age of 60, the compensation comes to Tk 48 lakh, said Moshrefa Mishu, president of Garment Sramik Oikya Parishad.

She also demanded filing of a murder case against the owner of Rana Plaza, medical treatment, jobs for the disabled workers and one family member of the dead

and missing workers.

The government has so far distributed Tk 22.53 crore of Tk 127 crore to the victims from the prime minister's relief fund, she said. "Has the prime minister decided to use the relief fund for political purpose instated of humanitarian reasons?"

The labour leader also came down heavily on the 29 brands that used to source from the factories housed in Rana Plaza but have refused to dole out any compensation to the victims. "The brands came to Bangladesh to source cheap clothes. So, they have liability to the workers."

She said the Bangladesh Garment Manufacturers and Exporters Association should clarify to the union leaders why the brands would not pay any compensation.

About the list of dead, missing and injured workers, which is yet to be published one year on, Mishu said: "No one has published the real list of missing, dead and injured workers one year after the tragedy. What are the government and the BGMEA doing?"

She went on to urge the government to immediately disclose the list of dead and

Toyota India workers back at work

AFP, Bangalore, India

Japanese carmaker Toyota said employees at its strike-hit complex in southern India returned to work Tuesday, ending a five-week standoff.

Unionised employees had refused to go back to their jobs at the twin plant complex near high-tech hub Bangalore following an end to an eight-day company lockout last month, amid a dispute over pay and other issues.

Toyota Kirloskar Motor Private Ltd is the Indian unit of the world's biggest carmaker.

"All the workmen have returned to work and things are returning to normal," a company spokesman said.

The union said there was still no settlement of the pay row over which the two sides have been at loggerheads for nearly a year. But the dispute has been "referred to the industrial tribunal for adjudication", Toyota Kirloskar Motor Union general secretary R. Satish told AFP.

Union members voted late Monday to "return to work in the interests of all", Satish said.

Toyota carried out limited production during the standoff using non-unionised engineers, supervisors and other workers at the plant established in 1997. But it said the dispute had sharply curtailed output at the plant, which employs some 6,400 workers. The union says 4,200 of them are union members while the remainder are on contract.

US airlines rank lowest in satisfaction

REUTERS

US airlines lag hotels and online travel agencies in customer satisfaction as travelers face increasingly cramped airplanes and poor in-flight service, a poll published on Tuesday showed.

The annual American Customer Satisfaction Index found that airlines scored 69 on a 100-point scale, compared with 75 for hotels and 77 for Internet travel agencies. Though that grade was unchanged for air carriers from the year before, only subscription TV service, social media and Internet service ranked lower among other industries tracked.

The ACSI Travel Index is based on random interviews with more than 7,400 US customers of airlines, hotels and Internet travel websites from October 2013 to March 2014. The poll is the latest of several studies in recent weeks suggesting airlines have room to improve various aspects of customer service.

An annual report from researchers at Wichita State and Embry-Riddle Aeronautical universities found that while carriers overall had fewer passenger complaints, on-time performance and mishandled baggage rates worsened in 2013 from 2012.

Another study from the US Public Interest Research Group Education Fund found that Spirit Airlines, American Airlines Group and United Continental ranked worst in terms of passenger complaints.

AB Bank reelects top brass

STAR BUSINESS DESK

M Wahidul Haque has recently been reelected as the chairman of AB Bank.

The bank also reelected Salim Ahmed as its vice chairman, the bank said in a statement yesterday.

Haque joined AB Bank board in 2007. He has been serving the bank as chairman since July 2008.

Haque has been associ-



M Wahidul Haque

ated with the tea industry since 1972. He also sits in the board of Amana Bank, the first Islamic bank in Sri Lanka, Cashlink Bangladesh Ltd and AB Investment Ltd.

Ahmed is the managing director of the Elite Group of Companies and the president of Bangladesh Paint Manufacturing Association, according to the statement.



STANCHART

Participants pose at a seminar on effective working capital management leveraging technology, organised by Standard Chartered Bank at the Westin in Dhaka recently.



IBBL

Mohammad Abdul Mannan, managing director of Islami Bank Bangladesh, unveils the bank's Hajj prepaid card at a programme in Dhaka on Sunday. The Hajj pilgrims can bear the permitted US Dollar and Saudi Riyal with the card. Md Ebrahim Bahar, president of Hajj Agencies Association of Bangladesh, was also present.



MASTERCARD

Vicky Bindra, Mastercard's president for Asia Pacific, and Ari Sarker, division president for South Asia, pose with the senior leaders of the South Asian banking industry at the MasterCard South Asia Payments Roundtable, at The Westin in Dhaka recently.



MEGHNA BANK

Mosharrif Hossain, housing and public works minister, inaugurates a branch of Meghna Bank at Agrabad, Chittagong on Saturday. HN Ashequr Rahman, chairman of Meghna Bank, was also present.



Hajj Finance appoints new MD

STAR BUSINESS DESK

Md Alauddin Al-Azad has recently joined Hajj Finance Company Ltd as managing director, the company said in a statement.

Prior to joining Hajj Finance, Al-Azad has been serving Standard Bank as deputy managing director. He began his banking career with Janata Bank in 1977.

In his 35 years of banking experience, he also served Janata Bank, Dhaka Bank and Jamuna Bank.

Azad did his MBA from IBA in 1977 and completed his banking diploma—DAIBB—from The Institute of Bankers, Bangladesh.

Garment exports show resilience

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"Global retailers are using the Rana Plaza issue as a bargaining tool to cut prices," he said, adding that the garment sector witnessed price cuts by around 6 percent over the last one year despite a rise in production costs.

Hasanat said his company registered a 14-15 percent export growth in the last one year, compared with the previous year.

The building collapse, however, certainly affected the overall export growth, the CPD executive director said.

Though the country registered around 13 percent export growth in the first nine months of the current fiscal year, the rate could have been more than 20 percent had the building collapse not occurred, he said.

Garment makers also echoed the same. "We could have grabbed more orders had there been no industrial accidents and political unrest," Islam of BGMEA said.

Global retailers cancelled orders worth around \$110 million from 57 factories housed in shared buildings in the last six months, according to Islam.

Currently, growth rates for apparel shipment are on the decline. In March, garment exports saw a 3.67 percent year-on-year growth, the lowest since November, according to Export Promotion Bureau.

"The sluggish growth is expected to continue until September as a negative image that was created globally after the building collapse is taking its toll," said Abdus Salam Murshedy, managing director of Envoy Group.

Envoy Group saw its orders drop 10-15 percent in the last one year, he said.

Exports will face another blow when Accord and Alliance, the two platforms of global retailers, will start factory inspections in full swing as many plants will have to be shut during the safety checks, he said.

Rahman of CPD said Bangladesh has immense potential to increase its apparel exports due to the quality and costs of its products. "If we can brand Bangladesh as a compliant country, many orders, especially from China, will pour in."

The government will have to fulfil the promises made after the Rana Plaza collapse, Rahman said.

Bangladesh is now the second largest garment exporter after China. The country has around 4,000 active garment factories, employing nearly 3.6 million people directly, 80 percent of whom are women, according to BGMEA.

Garment exports accounted for 79.62 percent or \$21.5 billion of the country's total overseas sales of

Novartis reshapes business

REUTERS, Zurich/London

Swiss drugmaker Novartis announced a multi-billion dollar revamp on Tuesday, swapping assets with GlaxoSmithKline and selling its animal health arm in a bid to simplify its business and increase its focus on high-margin cancer medicines. The overhaul is part of a major realignment in the global pharmaceuticals industry as it strives to cope with a clampdown in health spending by cash-strapped governments.

GP to launch fixed WiMax services

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Both the ISPs will establish their networks with the assistance of Grameenphone's infrastructure. At the same time, they will use a common brand and customer care centres but the billing systems will be different, he added.

Miazi said both Agni Systems and ADN Telecom have fixed spectrum on a 3500 Megahertz spectrum band, with 14 MHz each.

The telecom regulator had earlier approved the proposal for the tripartite initiative, he added.

Product diversity holds key to wider access to Indian markets: CPD

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Sobhan said the rest of the world is exporting \$350 billion worth of products and goods to India, where Bangladesh's share is only \$500 million.

"Countries like Vietnam are exporting significantly to India in the same trade framework Bangladesh operates in," he said.

He said Bangladesh's entrepreneurs showed sheer strength in keeping the healthy pace of exports in the face of global economic crisis and political unrest at home.

"Why was the strength not directed to the Indian market?" he asked.

The CPD said exporting more to India should help Bangladesh not only in terms of market diversification but also product diversification.

The study identified four areas -- infrastructure bottlenecks, inadequate customs and port facilities, non-tariff barriers and cumbersome export procedures -- where improvements are needed to boost Bangladesh's trade potential.

The study blamed a lack of appropriate trade-transaction friendly facilities at the customs and port points, which facilitate 90 percent trade between the two countries, for low exports to the Indian market.

The study suggested a mutual recognition agreement so all testing, certification and licensing are harmonised and standardised for both the countries and are mutually accepted.

Trade facilitation, as a cross-cutting area, will play a critically important role in enhancing Bangladesh's export opportunities in the Indian market by taking advantage

of the duty-free market access, Rahman said.

He said, to boost connectivity Bangladesh will have to work on four areas: trade connectivity, investment connectivity, transport links and people-to-people contact.

Rahman also said, as trade facilitation measures Bangladesh will have to reduce export and trade transaction cost, bring down import costs and stimulate Indian investment in Bangladesh.

Debapriya Bhattacharya, distinguished fellow of CPD, said Bangladesh does not lack knowledge and experience when it comes to exploring trade opportunities.

"Our problem lies with a lack of initiatives, steps in right direction and a lack of leadership from the government side," he said.

The economist raised question why the \$1 billion Indian credit could not be used to remove the already identified barriers that are standing in the way of boosting trade between the two countries.

Bijay Selvaraj, first secretary (commercial) at Indian high commission in Dhaka, said the two countries will have to look at a multi-modal transport system instead of relying on land ports to transport goods.

"Bangladesh also needs to look at the whole of India as its market to take trade relations further, instead of the north-eastern states where the population is only 40 million," he said.

Abdul Awal Mintoo, a former president of the Federation of Bangladesh Chambers of Commerce and Industry, said there is no alternative to diversifying products.



CHEVRON

Geoff Strong, president of Chevron Bangladesh; Khandaker Asrafal Islam, deputy director of Bangladesh Development Service Centre, and Jasimuz Zaman, advisory board member of Volunteers Association for Bangladesh, pose at the launch of a comprehensive school empowerment programme for schools and students near Chevron's three gas fields in greater Sylhet area recently.



CROWN CEMENT

Md Mukter Hossain Talukder, executive director of Crown Cement, and Arijit Chakraborti, director of PwC, sign a deal at the cement maker's head office in Gulshan, Dhaka recently. The two companies teamed up for a business process reengineering project.



TRUST BANK

Ishtiaque Ahmed Chowdhury, managing director of Trust Bank, inaugurates the commercial operations of an export-oriented food processing concern—Taiwan Food and Processing Industries Ltd—at Bhaluka, Mymensingh on Monday. Kao Wen Fu, chairman of the industry, was also present.