

# Understanding the pain of the victims

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**W**ITH a death toll of 1,135 and more than 2,500 left injured, the Rana Plaza collapse is the worst industrial accident in the world's history.

In the wake of the tragedy, the bereaved families and survivors, some of them disabled permanently, face destitution and further anguish over fears of a future in poverty. One year after the collapse, how are some of the most affected doing?

During the months of March and April 2014, a multidisciplinary research team from Brac conducted a study to find out the present conditions of the survivors who received rehabilitation assistance from Brac.

With 26 survivors taking part, the study shed light on their arduous recovery process and the tragedy's continuing impact even after one year.

For the study, data was collected on the socioeconomic status of the survivors, their physical and mental condition, demographic information, assistance received from other sources, the treatments they sought in the last one year and their future goals and aspirations.

The survivors faced continued vulnerabilities in their lives in spite of the assistance due to poverty, disempowerment, trauma and disability. They perceive themselves as burdens to their families and society.

During the interviews, some of the survivors spoke in similar tones of distress: "What will I do with this life now? It would have been better if I just died that day."

Even though much was promised as compensation, money has not reached their hands or when it did, it was inadequate.

As revealed through the research, the survivors mentioned that they are no longer receiving the free treatment they were once promised.

They continue to deal with the trauma and are sometimes faced with the stigma surrounding disability.

Physical disability, still misunderstood as a deformity by many in Bangladesh, is a problem particularly for girls. Many face an uncertain future, fearful of their inability to fulfil the traditional roles of a wife or a mother.

Ayesha's story makes it clear that disability has a profound gendered aspect. Women with disabilities find themselves



doubly oppressed in an able-bodied, male-dominated world, and poverty only intensifies this.

Ayesha aged 25 had come to Dhaka from Magura with her husband. She earned enough to afford her life in Dhaka and sent the rest to her in-laws back in Magura.

Having suffered a severe fracture in her backbone, she received a brace from Brac Limb and Brace Centre (BLBC), which has somewhat eased her movements, though she still suffers from the pain.

More than the pain, Ayesha suffers from a constant fear about her future. She can no longer take care of her five-year-old daughter, and her in-laws are not very understanding of her psychological and physical condition.

She also worries that her husband may not remain supportive of her in the future. Even though she has received training on tailoring, Ayesha does not see

herself being able to work.

Ayesha's story drives home the point that the disempowerment faced by the Rana Plaza survivors, in every aspect of their lives, is far from over.

Continued livelihood support is essential, especially for the disabled survivors.

Most of these survivors whom the researchers talked to once had earnings ranging from Tk 6,000-10,000 which helped them take care of their expenses and support their families back in their villages.

The loss of employment has been a major disempowering factor at the individual level. Despite their critical physical conditions, most of the survivors want to work in order to take care of their families, bear medical expenses and children's education.

Many look ahead to a future where they can own a small business, like a poultry farm or a shop.

The younger female survivors expressed their desire start afresh; one 16-year-old respondent realised that an education would help her achieve her goal of independence.

Of the 26 survivors in this insightful qualitative study, 11 are amputees who received prosthetic and monetary support from Brac.

The recovery process is a slow one, given the severity of their injuries and mental anxiety. The need for regular counselling for these survivors is an immediate and essential one.

Conscious that no amount of livelihood or healthcare support can truly replace what bereaved families and injured survivors have lost, Brac strives to still support the most affected.

Through the BLBC, Brac provided prosthetic support to 12 survivors and braces to 29 survivors with severe spinal injuries.

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# Survivors struggle a year after factory collapse

THE FINANCIAL TIMES

**A** year ago, Akhter Lucky, 25, was a Bangladeshi stay-at-home mother while her husband, Ashraf Islam, 30, earned about \$58 a month as a line manager in a garment factory. That ended on April 24, when Rana Plaza -- the multi-storey building housing Islam's factory -- collapsed, with about 3,600 garment workers making clothes for western brands inside.

Today, Lucky herself goes out to work, earning \$77 a month making clothes for brands like Gap, Zara and Tommy Hilfiger, while neighbours care for her four-year-old son.

Islam -- who was dragged from the Rana Plaza wreckage, but has no memory of the disaster or days that followed -- stays at home, wrestling with migraines and nausea.

"It's difficult to support us all as I also have to cook and look after my son," Lucky says. Conditions at her new workplace owned by the Standard Group, one of Bangladesh's largest manufacturers -- whose buyers support new western initiatives to improve factory safety, are better than at Rana Plaza, but, she says: "I am constantly afraid."

More than 1,100 people, many their families' sole breadwinners, were killed at Rana Plaza, one of the most lethal industrial accidents in history. But most of the 2,400 survivors -- many of whom were trapped in wreckage, surrounded by corpses before they were rescued -- also suffered crippling physical injuries and emotional trauma, impairing their ability to work.

A year later, most families of the dead and injured remain under severe financial strain, with just a fraction of the surviving workers back in paid employment.

"They are having so much difficulty buying food, paying rent, paying debt, or even going back to doctors," said Farah Kabir, Bangladesh country director of the charity ActionAid, which is monitoring survivors. "A lot of them are still traumatised. Unless you were there on that day, you can't understand what a nightmare it was."

In the aftermath of the catastrophe, some western brands -- under fire for using Bangladeshi companies that ordered workers back into a doomed building even after large cracks appeared -- publicly promised to help the victims.

Today, however, the Rana Plaza Arrangement -- a groundbreaking multi-donor trust fund set up with International Labour Organisation participation -- has just a fraction of an estimated \$40m required to compensate victims for medical expenses and lost wages, in line with international standards.

Just half of the western companies that patronised factories in Rana Plaza -- including Walmart, Inditex, Kik, Loblax and Mango -- have donated, and critics argue their contributions, mostly ranging from \$500,000 to \$1m per company, are too small.

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# Bourses seek tax waiver for 5 years

STAR BUSINESS REPORT

**T**HE twin bourses yesterday placed a set of recommendations to the government, including tax exemption for them for at least five years, to facilitate a smooth transition of the demutualised exchanges.

It would take around seven years to complete the bourses' business plans as per the demutualisation scheme, which was approved by the stockmarket regulator in September last year.

Before demutualisation, the stock exchanges were non-profit cooperative organisations owned by the exchange members, and no corporate tax was applicable to them.

But now, the bourses have become profit oriented companies owned by shareholders, and will have to pay corporate taxes.

The corporate tax waiver for another five years would help the stock exchanges complete the demutualisation processes successfully, bourse officials said, while placing their demands with the National Board of Revenue at the tax collector's office in Dhaka.

The stock exchanges proposed to increase the ceiling of tax-free dividend income from the existing Tk 10,000 to Tk 50,000.

As all the listed companies pay taxes on their profits, taxing the dividends creates double taxation. The bourses recommended withdrawal of tax on dividends to avoid such double taxation.

The Dhaka and Chittagong stock exchanges also called for reducing tax at source for TREC (trading right entitlement certificate) holders to 0.015 percent from the existing 0.05 percent.

The bourses recommended launching a new scheme that would allow 50 percent rebate instead of the existing 15 percent on income tax for investors with outlays of up to Tk 1 lakh in the market. The scheme would have to have a lock-in period of three years.

They demanded a reduction in the corporate tax rate for banks, insurance companies and financial institutions to 32.5 percent for listed entities and to 37.5 percent for non-listed entities from 42.5 percent at present.

The stock exchanges urged the government to keep capital gains from long-term investments tax free in the next fiscal year in a bid to encourage institutional investors to park funds in the markets.

The bourses also proposed a tax waiver on capital gains made by any institution whose investment in stocks exceeds three years.

The provision will attract an inflow of investments in the secondary market, which has been facing a severe liquidity crisis for a long time amid high volatility, the bourses said in the budget proposals.

The proposal also offered a 7.5 percent capital gain tax for holding shares for 1-2 years and 5 percent for 2-3 years.

Presently, the companies and firms that are considered major institutional investors pay 10 percent tax on capital gains.

The bourse also recommended revising the corporate tax in three slabs for small and medium firms -- zero percent for companies that will make profit up to Tk 1 lakh, 17.5 percent for up to Tk 5 lakh and 37.5 percent for above Tk 5 lakh.

They also urged the government to allocate Tk 5,000 crore for the stockmarket in the upcoming budget to stabilise the market, which is suffering from high volatility since the price debacle in early 2011.

# ADN, Agni launch WiMax services with GP

STAR BUSINESS REPORT

**L**EADING internet service providers—ADN Telecom and Agni Systems—yesterday teamed up with Grameenphone and launched fixed WiMax services in Dhaka and Chittagong.

ADN and Agni will use the mobile operator's network to provide high-speed wireless internet service to the customers while GP's marketing and distribution channel will be used to market the product. GP will also provide the customer service.

This is a new business model for Bangladesh, but it has already been used in other countries, Asif Mahmood, chairman and managing director of ADN Telecom, said at the launch at the Westin Dhaka hotel.

He said both the internet service providers have developed their network after investing handsome amounts using Grameenphone's infrastructure.

The service will currently be available in Dhaka and Chittagong and will be expanded in Sylhet city later, he said. "We have already chosen some sites in Sylhet but could not use those as transmission lines were not available."

ADN and Agni signed separate agreements with Grameenphone, he said.

Both the ISPs will use their own spectrum to provide the service separately, said Mohammad Abdus Salam, managing director



Officials of ADN Telecom, Agni Systems and Grameenphone attend the launch of WiMax service at the Westin Dhaka hotel yesterday.

of Agni Systems.

The heavy internet users of the operator will get an option to choose the new service to be used at their home or offices, said Mahmud Hossain, chief corporate affairs officer of Grameenphone.

Customers will use the WiMax service for

comparatively big screens such as laptops, which will supplement the 3G service.

Initially, the customers will be able to use unlimited internet at up to 1Mbps speed starting at Tk 4,232 while economy packs like 512Kbps 3GB pack will cost Tk 550.

Each WiMax device is priced at Tk 2,450.

# Diversify exports, trade partners for better growth: PRI

STAR BUSINESS REPORT

**B**ANGLADESH needs to exploit the opportunities created by cross-border production networks to produce and export intermediate goods that could be assembled elsewhere, policy analysts said yesterday.

"Around 98 percent of Bangladesh's exports are final consumer products with little or no intermediate goods. Trade and domestic policies have an anti-intermediate goods bias," said Zaidi Sattar, chairman of Policy Research Institute of Bangladesh (PRI).

This needs to change as trade in intermediate goods is the fastest component of global trade, Sattar added.

He spoke at a seminar on trade and investment for higher eco-

nomical growth, organised by PRI at its office in Dhaka.

"All policies leading to anti-export biases need to be corrected with a view to make export driven growth strategy work better with a much broader export base."

The National Board of Revenue must adopt a strategy to lower average nominal protection rates (NPRs) by 2-3 percentage points every year until 2021, largely by reducing NPR on import-substitute consumer goods, he said.

The NPR is the percentage tariff imposed on a product as it enters the country.

Bangladesh is giving protection to finish goods, but protection is essential for intermediate goods, he said. A high level of protection for a long period creates inefficiency and undermines competi-

tiveness over the long-term, he said.

Bangladesh needs a liberalised investment policy, which offers scope for international firms to have unlimited stake in local firms, he said. "Trade openness not only stimulates market competition but also creates access to global markets."

Joint ventures with established players within the global value chain will allow the diffusion of technology, which ultimately boosts the export potential of the local firm, he added.

Despite Bangladesh exports worth \$27 billion being sent to over 150 nations in 2012-13, 80 percent of exports went to the US and Canada in North America, the 27 member countries of the European Union, and Japan, he said.

Next significant markets include BRICS (Brazil, Russia, India, China and South Africa), Australia, and South Korea, which would be foremost in the list of fastest growing RMG markets for Bangladesh that has a market size of \$23 trillion, he said.

Target these markets for future growth and employment creation, he said.

"The spectacular success of the RMG industry has not been replicated. A major reason for this is the existence of anti-export biases in non-RMG export production."

"To replicate the RMG success in other labour-intensive production, the facility of duty-free imported inputs must be provided even to firms that export part of their total production," he said.

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# Tofail seeks envoys' support for Rana Plaza compensation

STAR BUSINESS REPORT

Commerce Minister Tofail Ahmed has sought support of foreign envoys to realise compensation from major global retailers for the victims of Rana Plaza collapse.

"After the tragic incident, many retailers committed to provide assistance to the victims and the distressed families. But none, except three or four, fulfilled their commitment," he said.

So the envoys, especially those from North America and Europe, should come forward to help these people, the minister said.

He spoke at a photo exhibition at the residence of Canadian High Commissioner Heather Cruden in Dhaka on Tuesday.

The Canadian high commission arranged the exhibition on the life and struggle of garment workers in Bangladesh on the eve of the first anniversary of Rana Plaza collapse, in association with the British high commission and the Netherlands embassy in Dhaka.

Canada is committed to support Bangladesh's efforts to improve working condition in the garment industry, Cruden said.

Last year, Bangladesh took a number of initiatives, including a national tripartite action plan on fire safety for the garment sector and amendment to the labour law, she said.

But many of the tripartite action plans have been partially implemented, Cruden said, adding that the government has failed to appoint required number of factory inspectors.