

Target lower inflation

Muhith now aims for 6pc inflation next fiscal year

MD FAZLUR RAHMAN

Everyday essentials have remained expensive for the last one year due to high inflation and the government's little control over local trade cartels whereas international markets have been relatively stable for quite a long time.

The purchasing power of consumers has continued to fall, as their income has not kept pace with the rising expenditure.

Food inflation shot up due to disruption of supply caused by consecutive strikes and blockades at the beginning of this fiscal year. It went down by only 0.01 percentage point in April from 8.96 percent in March.

Non-food inflation, however, declined steadily from 7.4 percent at the onset of the current fiscal year to 5.2 percent in April this year.

On the whole stable global commodity prices coupled with moderately restrained monetary stance by the Bangladesh Bank and currency appreciation resulted in 7.5 percent inflation of food and non-food essentials in April, which was 0.5 percentage point more than the government target.

"Hopefully, the budget framework proposed [for FY 2014-15] in view of the domestic and global perspectives will support growth as well as contain inflation. People will find their aspirations reflected in it," Finance Minister AMA Muhith said in his budget speech yesterday.

The high food inflation in the recent months is largely explained by the higher rice price at the retail level.

The prices of coarse rice went up 13 percent in 2013, according to state-run Trading Corporation of Bangladesh (TCB). The prices of all other sorts of rice rose by 9-18 percent.

The prices of flour (atta), potato, powdered milk, broiler chicken and onion went up.

Consumers, however, witnessed in relief the prices of ruhi fish, sugar, farm eggs, garlic, soybean oil and lentil decline or remain unchanged, as per the data of the TCB.

Separate researches show the cost of living in Bangladesh went up by as much as 11 percent in 2013 for an increase in the prices of various essential food items, house rent and utility bills.

However, in the international market all the key commodity price indices, except for energy, declined significantly in 2013, according to the World Bank Global Economic Prospects published in April.

The government is now aiming for 6 percent inflation in FY 2014-15, though it has not achieved its goal of 7 percent in the outgoing fiscal year.

Overall inflation was 7.3 percent in FY 2009-10, 8.8 percent in 2010-11, 10.6 percent in 2011-12 and 7.7 percent in 2012-13.

Muhith expressed the hope that "the declining trend of food prices" in the neighbouring country as well as other countries will pull down the prices of food grains in Bangladesh in the coming days.

"The declining trend in food and energy prices in the international markets along with satisfactory

domestic agricultural production and supportive monetary policy would bring general inflation to around 7.0 percent by June 2014.

"The inflation will be reduced further at the end of the next fiscal year," Muhith said.

However, the target was set at a time when the prices of food items in the international markets increased by 4 percent (between January and April) putting an end to the declining trend since August 2012, said an economist of the World Bank in Dhaka.

Economists termed the inflation target very ambitious, saying containing inflation within 6.5 to 7 percent in FY15 will be a satisfactory achievement.

To achieve the target of 6 percent inflation, food inflation has to be brought down substantially, said Mustafizur Rahman, executive director of the Centre for Policy Dialogue, a local think tank.

Any substantial decrease in food inflation would depend on the performance of boro crop, the boro price and the government's procurement rate, he added.

"Inflation is expected to decline in FY15 on continued policy restraint, though higher wages and adjustments in administered prices pose upside risks," the International Monetary Fund said.

However, any rise in electricity and fuel prices will ultimately increase the prices of products whose production relies on energy, making everyday essentials dearer further.



Health not well Farmers to be unhappy

FROM PAGE 2

The per capita health spending, which is only \$27 in Bangladesh, is the lowest in the region despite high malnutrition and mortality rates.

Nearly 39 percent children under five are stunted and 35 percent underweight, while maternal mortality rate is 194 per one lakh live births.

The under-five child mortality rate is 53 per lakh, which is 43 per lakh among the infants in Bangladesh.

"The proposed health budget is frustrating. Because per capita health spending must go down if increased population, salaries for the health ministry staff and inflation are counted," said Dr Abdul Matin, a member of Bangladesh Health Rights Movement.

Despite rising health burdens caused mainly by non-communicable diseases like cancer, diabetes and hypertension, the successive governments are not paying enough attention to the health sector, which is crucial in improving the quality of human resources, he said.

"While increasing the health allocation is of utmost importance, the government must check corruption and make better utilisation of its money," Dr Matin added.

SURCHARGE ON TOBACCO

Muhith yesterday proposed to impose one percent 'Health Development Surcharge' on all imported and domestically produced tobacco products, but health experts said the idea of its utilisation was not clear.

The fund received from the surcharge would be used for treatment and rehabilitation of tobacco disease-stricken people, he said, adding that nearly 60,000 people die and 4 lakh people become crippled every year in Bangladesh due to smoking.

Dr Rashid-E-Mahbub, former president of Bangladesh Medical Association, however, posed a question: "How will the government determine who is tobacco disease-stricken?"

It would be best if the fund is set aside for cancer hospitals or used to prevent and reduce tobacco use, he said.

Strategies, said farmers faced so much of troubles in marketing vegetables, especially potato, last winter due to political turmoil.

"The authorities provided special security to the readymade garment industry for shipment, but nothing for the poor farmers," he observed.

Not only vegetables, farmers almost regularly get low prices in jute and paddy, which are major farm produces in the country.

Though the government regularly provided price incentives under food grain procurement systems, it is basically the millers or traders who benefit most out of it.

Dr Quazi Shahabuddin, former director general of Bangladesh Institute of Development Studies, suggested that more storage facilities and better transport system in the remote areas be introduced for

efficient marketing of farm produces that can help farmers get fair prices.

Rezaul Karim Siddique believes while researches on increasing farm productivity must continue, especially as climate change poses threats to agriculture production, it is time the authorities went for vigorous researches on reducing post-harvest wastage of crop, which is now 10 to 15 percent. In case of vegetables, wastage is up to 50 percent, he noted.

Din Mohammad Alam, who is a leader of Boraigram Development Society, suggests that the government establish a price commission, which would fix prices of different produces on the basis of total production cost and declare it well ahead of time.

"Then we can plan accordingly and go for production," the farmer observed.

Penalty for polluters

FROM PAGE 20

industries to set up effluent treatment plants (ETPs) at their premises and make them aware of the harmful effects of pollution, he said.

The Buriganga and other rivers around Dhaka, including the Turag, the Bangshi, the Balu and the Shitalakkhya, and the Karnaphuli in Chittagong have become highly polluted owing to a dumping of industrial and household wastes in them.

Among them, the Buriganga, the lifeline of Dhaka, is the most polluted, with zero oxygen level in its waters for nine months of a year because of toxic tannery wastes from Hazaribagh being dropped into it.

In his speech, the finance minister said the tanneries will be relocated to Savar from Hazaribagh by March 2015.

Apart from leather and dyeing, industries such as brick kilns and ship breaking also contribute to environmental pollution.

In the annual development programme of 2014-15, the government has included two major projects -- 'Water Pollution Abatement for Environment Protection in Greater Dhaka and Chittagong' and 'Introduc-

tion of Environmental Sound Management of POPs in Ship Breaking Industries' -- to protect the environment.

The government is negotiating with donors to mobilise funds and implement these projects, as stated in the budget.

To protect ecology, the government has proposed a tax holiday for non-polluting Hybrid Hoffman Kiln (HHK) brickfields.

After allocating Tk 2,555 crore to the Bangladesh Climate Change Trust Fund (BCCTF) in the last five fiscal years to implement different projects, the government has decided to reduce allocation in the proposed budget.

Without mentioning the new allocation to the BCCTF, Muhith said the government would take steps to increase the Bangladesh Climate Change Resilience Fund (BCCRF) with the assistance of development partners.

The development partners have already provided \$186.9 million in BCCRF. In the proposed budget, the government has also placed emphasis on sustainable afforestation in the coastal and char areas by allocating Tk 50 crore as block allocation.

Landlords guilty if tax dodged

FROM PAGE 2

not depositing rents in the bank accounts or for not following the process properly," said National Board of Revenue (NBR) in a clarification yesterday.

The revenue authority rolled out the idea after it had found a huge number of house owners out of the tax net.

Till April this year, the NBR identified 45,601 such home owners in the country with 30,000 in Dhaka alone.

Sajjad Zohir, professor of Economics at Brac University, however believes the measure may encourage negative practices both among the landlords and the tax officials.

He said ideally the government needs to encourage a move towards such transactions that reduces dependence on hard cash.

"Instead, we are observing that the tax collecting authority is eyeing to use that route to raise tax revenue, which regular citizens are more likely to perceive as punishment," he argued.

"Payment through banking system is obviously a positive step. But if the

government imposes the rule from the perspective of revenue generation, it is most likely to fail," he said, adding that it also will leave wider scopes for tax collectors to indulge in unfair practices.

"If we accept that there are tenants who under-report ... the house rent they pay, and there are landlords who under-report their income, why would one expect to oblige (to) the new regulation of transacting through banks?" Sajjad continued. "The proposed plan, with no cost effective measure for enforcement is likely to encourage telling more lies."

NBR officials said the amount of tax from house rents may not be significant but it may bring transparency in income statements of home owners in major cities, particularly in Dhaka, where house rents are exceptionally high and a section of landlords live solely on the income from rents.

Currently, government agencies, companies, banks, co-operatives, NGOs and educational institutions themselves deduct 5 percent tax from the payable house rents as advance tax.

No latest data is available from the NBR on the amount of advance tax collected from house rents. However, in 2010-11, taxes from this area amounted to Tk 95.81 crore, according to the NBR annual report.

Insiders said the NBR did not go for detailed study on the impact before proposing the new move.

Sajjad said the collection and the rate of compliance in the deduction of advance tax should have been reviewed before imposing the tax on individual house rents.

"Tax collector (NBR) is unlikely to achieve the goal ... Instead of bringing benefits, it will empower individual tax inspectors to exercise (their) discretionary power against weak home owners and tenants, and the move will antagonise people leading (to) further depletion of (social) values," he said.

"However, the very first step towards such an organised society may be to promote the space for registered rental agencies through which all rental transactions take place," Sajjad observed.

More burden

FROM PAGE 20

"Many people have a notion that increasing the fees does not make any difference to those who send their children to English medium schools. But most of them do not know how many middle-class families send children to these schools," he said.

According to officials at the National Board of Revenue, the VAT will not be imposed on government-approved English version schools that follow English textbooks published by the National Curriculum and Textbook Board.

The proposed budget seems to have dashed the hopes of many middle-income people for owning a house in the capital.

Over the last 10 years, Sabbir, who lives in a rented house in Mirpur, has dreamt of buying an apartment in the sprawling city. Now it will be even more difficult for him to turn the dream into reality.

This year, the government proposed increasing significantly registration fees of apartment and land in Dhaka and Chittagong. The finance minister also suggested doubling the net VAT on building construction sectors to 3 percent.

Sabbir said he expected that the government would provide a low-cost financing scheme for apartment buyers. But that didn't happen.

Sabbir and his family members usually eat out at least twice a month. It will cost them more as there will be an increase in service tax on food items served even in non air-conditioned restaurants.

LPG prices will also increase, as the government proposes raising import duty on LPG cylinders to 25 percent from 5 percent.

"I have to depend on LPG for cooking due to low pressure in gas supply," said Sabbir.

He has a plan to replace his mobile phone with a 3G enabled handset by this year. However, he has to pay more for that too. The government proposes imposing 15 percent VAT on mobile handsets at the import stage.

But Sabbir's salary remains almost the same. If all these proposals are approved, his monthly savings will fall by at least 8-10 percent, compared to that of last year.

Focus on quality

FROM PAGE 2

The rate and coverage of stipends for insolvent disabled and disabled students have been enhanced. The budget proposed to increase the number of disabled beneficiaries to 4 lakh and that of disabled students to 50,000 in FY 2014-15. Also, the National Foundation for the Disabled will be converted into a directorate immediately.

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জেলা খাদ্য নিয়ন্ত্রক, নারায়ণগঞ্জ-এর অধীনে ২০১৪-২০১৫ এবং ২০১৫-২০১৬ অর্থ বছরের জন্য নারায়ণগঞ্জ জেলার খাদ্য বিভাগীয় এক গুদাম/কেন্দ্র হতে অন্যান্য গুদাম/কেন্দ্রে নৌপথে খাদ্যশস্য/খাদ্যদ্রব্য/সামগ্রী (যথা খালি বস্তা/ডানেজ) পরিবহনের নিমিত্ত অভ্যন্তরীণ নৌ-পরিবহন টিকাদার (আইবিসিসি) নিয়োগের লক্ষ্যে দরপত্র আহ্বান করা যাচ্ছে।		
০১	মন্ত্রণালয়	খাদ্য মন্ত্রণালয়।
০২	এজেন্সি	জেলা খাদ্য নিয়ন্ত্রক, নারায়ণগঞ্জ।
০৩	সংগ্রাহক সত্তা	জেলা খাদ্য নিয়ন্ত্রক, নারায়ণগঞ্জ।
০৪	যে কাজের জন্য দরপত্র	অভ্যন্তরীণ নৌ পরিবহন টিকাদার (আইবিসিসি)।
০৫	দরপত্র বিজ্ঞপ্তি নং ও তারিখ	স্মারক নং- ১৩.০২.৬৭০০.০০৪.৪৯.০০১.১৪.৯২০, তারিখ- ০৩/০৬/২০১৪খ্রিঃ।
০৬	সংগ্রহ পদ্ধতি	উন্মুক্ত দরপত্র পদ্ধতি (OTM)।
০৭	বাজেট এবং তহবিলের উৎস	রাজস্ব বাজেট, বাংলাদেশ সরকার।
০৮	দরপত্র তফসিল বিস্তারিত শেষ তারিখ	১৯/০৬/২০১৪খ্রিঃ তারিখ বেলা ৩:৩০ ঘটিকা।
০৯	দরপত্র গ্রহণের সর্বশেষ তারিখ ও সময়	২২/০৬/২০১৪খ্রিঃ তারিখ বেলা ২:০০টা পর্যন্ত।
১০	দরপত্র গ্রহণের স্থান	জেলা খাদ্য নিয়ন্ত্রকের কার্যালয়, লাকী ভবন (৩য় তলা), ৬১/১, ভাষা সৈনিক সামুজ্জোহা সড়ক, উত্তর চাষাড়া, নারায়ণগঞ্জ-১৪০০।
১১	দরপত্র খোলার তারিখ ও সময়	২২/০৬/২০১৪খ্রিঃ তারিখ বেলা ৩:৩০ ঘটিকা।
১২	দরপত্র উন্মুক্তকরণের স্থান	জেলা খাদ্য নিয়ন্ত্রকের কার্যালয়, লাকী ভবন (৩য় তলা), ৬১/১, ভাষা সৈনিক সামুজ্জোহা সড়ক, উত্তর চাষাড়া, নারায়ণগঞ্জ-১৪০০।
১৩	প্রাক-দরপত্র সভার তারিখ ও সময়	১২/০৬/২০১৪খ্রিঃ তারিখ বেলা ৩:৩০ ঘটিকা।
১৪	প্রাক-দরপত্র সভার স্থান	জেলা খাদ্য নিয়ন্ত্রকের কার্যালয়, লাকী ভবন (৩য় তলা), ৬১/১, ভাষা সৈনিক সামুজ্জোহা সড়ক, উত্তর চাষাড়া, নারায়ণগঞ্জ-১৪০০।
১৫	দরপত্রের মেয়াদকাল	দরপত্র খোলার তারিখ হতে ১২০ (একশত বিশ) দিন।
১৬	দরপত্র বিজ্ঞপ্তিকারী দপ্তর	জেলা খাদ্য নিয়ন্ত্রকের কার্যালয়, লাকী ভবন (৩য় তলা), ৬১/১, ভাষা সৈনিক সামুজ্জোহা সড়ক, উত্তর চাষাড়া, নারায়ণগঞ্জ-১৪০০।
১৭	দরপত্রদাতার অভিজ্ঞতা	নৌপথে পরিবহন কাজে ২(দুই) বছরের বাস্তব অভিজ্ঞতা থাকতে হবে। এরপূর্বে পরিবহন কাজে খাদ্য বিভাগীয় খাদ্যশস্য পরিবহন কাজে ১(এক) বছরের ও নৌপথে সাধারণ পরিবহন কাজে ১(এক) বছরেরসহ মোট ২(দুই) বছরের অভিজ্ঞতা অথবা খাদ্য বিভাগীয় পরিবহন কাজে ২(দুই) বছরের অভিজ্ঞতা থাকতে হবে।
১৮	দরপত্র দাখিলের নিয়মাবলী	০২(দুই) খাম পদ্ধতিতে দরপত্র দাখিল করতে হবে। যোগ্যতা বিষয়ক কারিগরী প্রস্তাব সন্তোষজনক (Responsive) হলে আর্থিক প্রস্তাব খোলা হবে।
১৯	দরপত্র তফসীল মূল্য	১,০০০/- (এক হাজার) টাকা (অফেরতযোগ্য)।
২০	দরপত্র আহ্বানকারী কর্মকর্তার নাম ও পদবী	সালাহউদ্দিন আহামদ, জেলা খাদ্য নিয়ন্ত্রক, নারায়ণগঞ্জ।
২১	কাজের সময়কাল	২০১৪-২০১৫ এবং ২০১৫-২০১৬ অর্থ বছর।
২২	টেন্ডার সিকিউরিটি	১০,০০০/- (দশ হাজার) টাকা (ফেরতযোগ্য)। ব্যাংক ড্রাফট/পে-অর্ডার আকারে জমা দিতে হবে।
২৩	পারফরমেন্স সিকিউরিটি	৫০,০০০/- (পঞ্চাশ হাজার) টাকা (ফিজিক্যালি জমা দিতে হবে)।
২৪	দরপত্র আহ্বানকারী কর্মকর্তার ঠিকানা, ফোন ও ফ্যাক্স নম্বর	জেলা খাদ্য নিয়ন্ত্রকের কার্যালয়, লাকী ভবন (৩য় তলা), ৬১/১, ভাষা সৈনিক সামুজ্জোহা সড়ক, উত্তর চাষাড়া, নারায়ণগঞ্জ-১৪০০। ফোনঃ ৭৬০৪৬৫২, ফ্যাক্সঃ ৭৬০৪৭২৭৭।
২৫	এ দরপত্র পাবলিক প্রকিউরমেন্ট রেগুলেশন ২০০৮ অনুযায়ী পরিচালিত হবে এবং কোন কারণ দর্শানো ব্যতিরেকে সমগ্রাহক সত্তা এ নোটিশ বাতিল বা পরিবর্তন অথবা যে কোন বা সকল দরপত্র গ্রহণ/প্রত্যাহান/বাতিল করার ক্ষমতা সংরক্ষণ করেন।	

সালাহউদ্দিন আহামদ
জেলা খাদ্য নিয়ন্ত্রক
নারায়ণগঞ্জ
ফোনঃ ৭৬০৪৬৫২