

Millions of Bangladesh garment workers still face unsafe conditions: study

REUTERS, New Delhi

Bangladesh has far more factories engaged in the global garment business than stated by its industry and millions of people working in them are exposed to unsafe conditions, a U.S.-based study said on Thursday.

Bangladesh's \$25 billion garment industry has been in the throes of a safety overhaul since the 2013 collapse of a complex, the Rana Plaza, in which more than 1,100 people were killed.

Thousands of factories have been undergoing inspections and dozens shuttered over safety concerns.

But at many functioning factories, employees fall outside the purview of those improvements, New York University's Stern Center for Business and Human Rights said in a study.

The authors determined more than 7,000 factories in Bangladesh are producing goods for the global fashion business, nearly double the 3,600 exporting factories that the Bangladesh Garment Manufacturers and Exporters Association

says operates.

Many of those are small- and medium-sized factories whose workers indirectly produce goods for foreign brands through larger factories, they found.

"Though global brands assert they have strict policies against subcontracting, in reality, millions of workers and thousands of smaller factories are producing their goods," said Sarah Labowitz, co-director of the Stern Center for Business and Human Rights, in a statement.

"Working in these factories is often highly risky," she said.

The president of the Bangladesh industry association, Siddiqur Rahman, told Reuters he did not agree with the finding that there were 7,000 factories in Bangladesh producing for the global market.

"Buyers don't place orders in non-compliant factories," he said, referring to factories that do not follow industry safety requirements. "Subcontracting factories don't exist," Rahman said.

Among the global brands that source from the country are H&M, Gap Inc, Levi Strauss & Co and Marks & Spencer.

Three-day tourism fair starts in Ctg

STAR BUSINESS DESK

The government is working to boost the tourism sector by improving connectivity with Chittagong, Cox's Bazar and hill districts, Rashed Khan Menon, civil aviation and tourism minister, said yesterday.

Eighteen percent work on Cox's Bazar Inter-national Airport has been completed, and the runway at Shah Amanat International Airport in Chittagong will also be extended, he said.

Menon spoke at the inauguration of a three-day international tourism fair -- Chittagong Travel Mart 2015 -- at the Peninsula hotel in the port city.

The private sector can boost tourism by properly packaging religion, eco-tourism and community-based products, he said.

Some 19 exhibitors from home and abroad, including airlines, tour operators, hotels, resorts, amusement parks and related service providers are displaying products and services at 25 stalls at the fair organised by the Bangladesh Monitor, a travel publication, and supported by Tourism Malaysia and US Bangla Airlines.

The fair, ending tomorrow, offers special discounts on air tickets,



BANGLADESH MONITOR

Rashed Khan Menon, civil aviation and tourism minister, opens a three-day international tourism fair-- Chittagong Travel Mart 2015--at the Peninsula Chittagong hotel yesterday. Mahbul Alam, president of Chittagong Chamber of Commerce and Industry; Kazi Wahidul Alam, editor of Bangladesh Monitor; and Mustafa Tahseen Arshad, managing director of the Peninsula Chittagong, were also present.

hotel rooms, tour packages and other products and services, between 10:30am and 8pm.

There should be some properly authorised entities in Chittagong

and Industry. Kazi Wahidul Alam, editor of the Bangladesh Monitor, and Mustafa Tahseen Arshad, managing director of the Peninsula Chittagong, also spoke.



BERGER

Rupali Chowdhury, managing director of Berger Paints Bangladesh, opens the 13th sales depot of the company in Ghatura, Brahmanbaria on Monday. Mohsin Habib Chowdhury, senior general manager for sales and marketing, was also present.



AB BANK

Khandker Mosharraf Hossain, local government, rural development and cooperatives minister, opens the 100th branch of AB Bank in Faridpur yesterday. Shamim Ahmed Chaudhury, managing director of the bank, was also present.

New top officials for body of publicly listed companies



Muhammed Aziz Khan

Anis A Khan

STAR BUSINESS DESK

Muhammed Aziz Khan and Anis A Khan have recently been elected as the president and vice president of Bangladesh Association of Publicly Listed Companies for 2016-17, the association said in a statement yesterday.

Aziz Khan is the chairman of Summit Power while Anis A Khan is the managing director and chief executive of Mutual Trust Bank, according to the statement.

The association is the apex body of companies listed with the stock exchanges of Bangladesh.

New AMD for NCC Bank

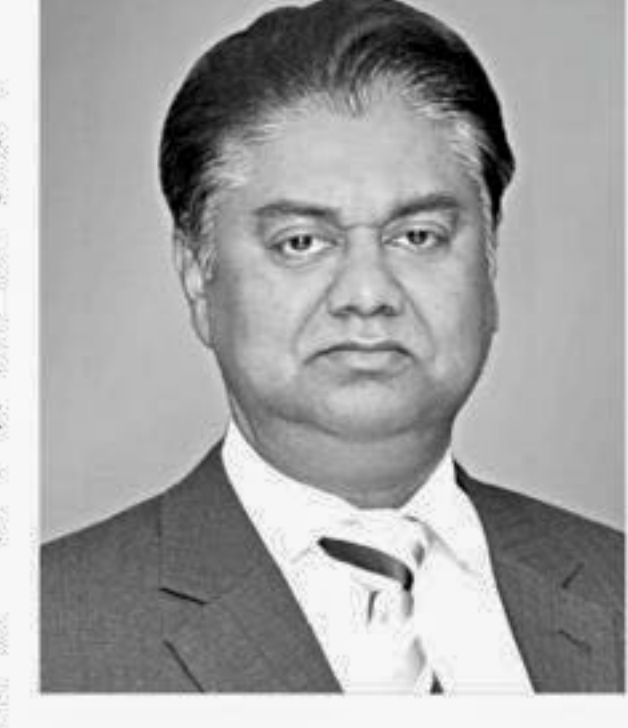
STAR BUSINESS DESK

Mosleh Uddin Ahmed has recently joined NCC Bank as additional managing director.

Ahmed was the additional managing director and head of business of Jamuna Bank prior to the new appointment, NCC Bank said in a statement yesterday.

He has more than two decades of banking experience, as he has also worked with City Bank, State Bank of India and Prime Bank.

An electrical engineer, Ahmed also did an MBA from the Institute of Business Administration of Dhaka University, according to the statement.



British insurance giant eyes Bangladesh

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There are 32 life insurance companies in Bangladesh. Yet, insurance penetration remains one of the lowest in the world, with just 0.7 percent of gross domestic product.

Insurance penetration, measured as a percentage of premiums to a country's GDP, is nearly 3.5 percent in India.

The average insurance penetration stands at 6.2 percent globally, according to Zurich-based reinsurer Swiss Re. The lone foreign insurer in Bangladesh, MetLife Alico, has been operating here since 1952. LIC is now all set to enter the market early next year. Last year, two Japanese insurers had shown interest, but later backtracked due to more exacting conditions for foreign companies looking to enter the market through joint ventures with local partners.

Local entrepreneurs need a minimum of Tk 30 crore to form a life insurance company, while the amount is at least Tk 100 crore for a joint venture company, according to IDRA rules. IDRA wants the insurance firms to own at least 50 percent of the total paid-up capital of Tk 100 crore in a joint venture company. But Japanese firms had wanted to have less than 50 percent stakes, according to IDRA officials.

Stocks break losing streak

STAR BUSINESS REPORT

Stocks closed marginally higher yesterday, after breaking a seven-day losing streak, mainly due to a buying pressure at the beginning of the session.

DSEX, the benchmark index of Dhaka Stock Exchange, rose 6.9 points or 0.15 percent, finishing the last day of the week at 4,520.87 points.

The benchmark index showed a few ups and downs throughout the day, LankaBangla Securities said in its regular analysis.

The market finally inched up a bit signalling a possibility that it may bounce back, the stockbroker said.

IDLC Investments, a merchant bank, said sellers came out to be dominant during the late hours, creating ample supply on large caps that wiped out the early gains in the index.

Turnover, another important indicator of the market, however, dropped 11.72 percent to Tk 286.59 crore, with 6.95 crore shares and mutual fund units changing hands on the DSE.

Investor participation was still uninspired, indicating that investors were not convinced about the direction of the market in the coming days, according to LankaBangla Securities.

Of the traded issues, 140 advanced, 131 declined, and 48 closed unchanged on the premier bourse.

Beximco Pharma dominated the turnover chart with 22.56 lakh shares worth Tk 19.26 crore changing hands, followed by Quasem Drycells, Square Pharma, Lafarge Surma Cement and Regent Textile Mills.

Among the major sectors, banking increased 0.62 percent in market capitalisation, followed by food and

allied that rose 0.21 percent, engineering 0.14 percent and telecom 0.1 percent.

Conversely, cement and mutual fund sectors declined 1.23 percent and 1.06 percent respectively.

Apex Spinning and Knitting Mills was the day's best performer with 9.93 percent in gains, while Tallu Spinning was the worst loser, shedding 14.72 percent.

Chittagong stocks, however, fell slightly yesterday with the bourse's benchmark index, CSCX, declining 7.48 points or 0.08 percent to finish the day at 8,399.16 points.

Losers beat gainers as 113 declined and 88 advanced, while 38 finished unchanged on the Chittagong Stock Exchange.

The port city bourse traded 70.32 lakh shares and mutual fund units worth Tk 21.54 crore in turnover.

No separate pay scale for central and state bankers: Muhith

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"But the reality is that the employees of Bangladesh Bank and state banks have not got the separate pay scale. What is more disappointing is that amenities for them were trimmed," Rahman said.

Under the new pay scale, cadres under Bangladesh Civil Service will get the eighth grade when they start, whereas the new entrants at the banks will get the ninth grade.

Employees at the BB and state banks have long been demanding a pay scale for them, saying there is significant salary gap between the government-run banks and private

banks. Besides, in many countries bankers get a separate pay structure.

The present government in its previous term formed a committee for introducing a separate pay scale for the employees of the central bank and state banks. The Pay and Services Commission led by Mohammed Farashuddin, a former central bank governor, also recommended a different pay scale for bankers.

The Cabinet, while approving the new pay structure for civil servants and members of the armed forces in September, also gave its nod to a separate pay for bankers.

But the government had to retreat

after other sections of the public sectors such as teachers at universities and colleges also demanded separate pay scales for them, said a senior official of the finance ministry.

The new pay structure will be backdated from July 1 this year.

In the highest grade, the basic salary will rise 95 percent to Tk 78,000 (fixed) and in the lowest grade 101 percent to Tk 8,250. There are 20 grades.

The government will require an additional Tk 19,107 crore to implement the new pay scale this fiscal year, and another Tk 27,418 crore next fiscal year for paying the new bonuses and increments.



CROWN CEMENT

Mohammed Jahangir Alam, chairman of MI Cement Factory, owner of the Crown Cement, presides over the 21st annual general meeting of the company on the factory premises in Munshiganj on Tuesday. Md Khairuddin Molla, managing director, was also present. The company announced 25 percent cash dividends for the year to June 30, 2015.



JAMUNA BANK

Karim Uddin Varosha, a former member of parliament, opens the 100th branch of Jamuna Bank at Pirgachha in Rangpur yesterday. Md Sirajul Islam Varosha, chairman of the bank, and Shafiqul Alam, managing director, were also present.

EU eases rules for shrimp exports from Bangladesh

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"We are happy that they have put faith in us. This will improve our image," Hossain said, adding that the prices of shrimps and the overall exports would rise after this EU notice.

Over the last one year, shrimp growers and processors have been suffering from losses owing to sluggish global demand for the country's black tiger shrimps amid ample supply of the vannamei variety.

Between July and November, shrimp exports from Bangladesh slumped 25 percent year-on-year to \$206 million, according to data from the Export Promotion Bureau.