

# STAR BUSINESS

DHAKA FRIDAY SEPTEMBER 2, 2016, BHADRA 18, 1423 BS

আপনার সংসার গুছিয়ে দিচ্ছি আমরা

এসআইবিএল ইসলামিক কনজুমার ফাইন্যান্স

আপনার সংসার সোজানোর আসবাবপত্র, শিফা সামগ্রী, ইলেক্ট্রনিক ও অন্যান্য জোগানপত্র কেনার সুন্দর সমাধান দিচ্ছি আমরা।

\* ফ্রি অনলাইন সেবা  
যে কোন প্রয়োজনে ০৯৬৯২০০৯২২



## 8pc growth needed to create more jobs: study

STAR BUSINESS REPORT

Bangladesh needs 8 percent economic growth annually to absorb the surplus labour in the economy in the next 15 years, said a new study by the Asian Development Bank yesterday.

"While manufacturing will continue to be the engine of growth and a major source of productive employment, the manufacturing base will need to diversify, and the sector will have to grow about 12-15 percent over the next 15 years," the study said.

More labour-intensive sectors, including garment, will have to continue to grow. Agriculture should also diversify to create more productive employment. The policy regime has to be neutral for non-garment industries with the same growth potential, according to the study.

The construction sector also has great potential for employment, although in recent years the sector has shown some degree of instability.

The study also suggested improving labour productivity and increasing the real wages.

"Quality of employment needs to improve in other respects like in terms of contract, social protection and workplace safety," said the report: Bangladesh Employment Diagnostic Study -- Looking Beyond Garments.

Rizwanul Islam, lead research consultant of the study, presented the findings at a seminar at Hotel Radisson in Dhaka. The International Labour Organisation and ADB jointly conducted the study.

Using data from the 2013 Labour Force Survey, the study found that unemployment rates for workers at all education levels except for those who never attended school have declined since 2010.

The analysis shows the gap in earnings between education levels has been narrowing, with the exception of secondary education,

### EMPLOYED PERSONS IN SELECTED SECTORS

INDUSTRY/SECTOR	NUMBER OF EMPLOYED, 2013	SHARE OF MALE WORKERS	SHARE OF UNSKILLED WORKERS	SHARE OF INFORMAL WORKERS
ECONOMY (ALL INDUSTRIES)	58,072,936	71%	92%	87%
AGRICULTURE	26,189,986	66%	100%	98%
PHARMACEUTICALS	79,042	87%	22%	85%
LEATHER	90,696	76%	99%	89%
ELECTRONICS	13,854	89%	62%	85%
INFORMATION TECHNOLOGY	79,723	88%	63%	70%
TOURISM (HOTELS AND RESTAURANTS)	871,081	86%	95%	91%

SOURCE: CALCULATIONS USING DATA FROM BANGLADESH BUREAU OF STATISTICS 2015. LABOUR FORCE SURVEY 2013

where graduates continue to earn increasingly more than those with only primary education.

In addition, greater access to education for women leads to their finding better jobs, while their rising employment in the garment sector has been associated with reductions in poverty, the study said.

The participation of children in economic activities, especially the family-run ones such as agriculture and other informal sector activities, is age-old in developing countries like Bangladesh.

However, a variety of factors, such as a decline in acute poverty, higher enrolment in primary education and a strong campaign against the practice, has led to a gradual decline in the phenomenon.

While Bangladesh has successfully created manufacturing jobs, particularly in textiles and

garments, it has been unable to create a large pool of jobs in industries outside the garment sector.

Jobs in the service sector are, for the most part, informal, particularly in wholesale and retail trade.

Nonetheless, some areas of manufacturing as well as some promising service sectors such as information technology, software, machinery repair and tourism have the potential to grow further if the right incentives are set, according to the study.

Jobs in agriculture for the most part continue to be informal and not very productive, yet Bangladesh has the opportunity to invest more in agricultural value chains, which would help to bring farmers to market and raise their incomes.

READ MORE ON B3

## Tackle energy constraints to boost growth: ADB

STAR BUSINESS REPORT

An insufficient supply of reliable energy, a lack of economic diversification and uncertain property rights are three critical constraints that might stop the country from achieving inclusive and sustainable growth in the future, according to a new study.

"If policies are designed to urgently tackle these constraints, Bangladesh will be free to harness its full potential for even more inclusive and sustainable growth," said the Asian Development Bank yesterday.

The report -- Bangladesh: Consolidating Export-led Growth -- was launched at a programme at Radisson Hotel in Dhaka. The study uses economic diagnostic tools to identify critical constraints to growth and sets out policy recommendations to help

### ADB'S RECIPE FOR INCLUSIVE GROWTH

- Promote private investment in electricity generation and energy exploration
- Push harder for developing South Asian regional electricity market
- Rely less on one export-oriented low-cost manufacturing sector
- Put greater focus on technical education
- Attract quality investment
- Adopt national pension system

tackle them.

The report said the lack of reliable electricity supplies and the impending shortage of natural gas are major binding constraints to economic growth. Unless the energy supply gap can be narrowed across the country, economic growth will not match its potential.

A combination of highly subsidised fuel and electricity prices for consumers, coupled with difficulties for the private sector to enter the electricity and oil and gas industries, has led to inadequate supplies. The impact on aggregate economic activity is already palpable.

The study recommended reduction of subsidies for electricity and fuel and suggested programmes that promote energy conservation and energy efficiency.

READ MORE ON B3

## Tax fair in Nov: NBR

SOHEL PARVEZ

The National Board of Revenue will organise this year's tax fair in November instead of this month, said Md Abdur Razzaque, a member of tax administration at the NBR.

The weeklong fair will start on November 1 at the under-construction headquarters of the NBR at Agargaon in Dhaka.

The deadline for filing income tax returns is November 30, which the NBR will observe as Tax Day. At the show, people get tax-related assistance as well as acknowl-

edgement receipts for return submissions.

Since the beginning of the fair in 2010, its popularity has been rising. Last year, taxpayers' crowd at the annual event broke all past records.

The NBR logged in Tk 2,035 crore in collections in 2015, up about 21.5 percent year-on-year. Some 1.61 lakh returns were filed at the event, up from 1.49 lakh in the previous year.

The number of service recipients surged to 7.57 lakh, the highest ever.

READ MORE ON B3

## New agency starts journey to boost investment

BIDA has been formed by merging Board of Investment and Privatisation Commission

STAR BUSINESS REPORT

Bangladesh Investment Development Authority started its journey yesterday, in a bid to liven up the country's stagnant investment scenario.

The new body was formed by merging the Board of Investment and the Privatisation Commission, as per the Bangladesh Investment Development Authority Act 2016 passed in parliament in July.

Kazi Aminul Islam, former secretary to the Prime Minister's Office, will serve as the executive chairman of BIDA. SA Samad, executive chairman of BoI, and Molla Waheeduzzaman, chairman of Privatisation Commission, have already left their positions.

A 17-member governing board will be formed for BIDA and the board will be headed by the prime minister; the finance minister would act as the vice chairman and concerned ministers members.

Besides, there would be a six-member executive committee. The BIDA executive chairman would be the chief executive officer, who will also be a member of its governing board.

BIDA will conduct registration of the industrial units to be set up in the private sector; there will be foreign trade liaison branch offices as well.

Meanwhile, investment proposals under Bangladesh Export Processing Zones Authority, Bangladesh Economic Zones Authority, private

EPZ, Bangladesh Small and Cottage Industries Corporation, and hi-tech parks will remain outside BIDA's purview.

The BIDA can privatise loss-making state-owned enterprises worth up to Tk 100 crore, but if the value is more it will be sent to the cabinet committee on economic affairs for approval.

A cabinet division official said the government wants to ensure more efficient utilisation of unused lands and industries under the public sector.

BIDA will determine import settlement, issue no-objection certificates, and declare a certain area as industrial zone through gazette notification.

READ MORE ON B3

## Bangladesh to be a 'growth outperformer' in 2016-25

London-based BMI Research picks Bangladesh along with five others

STAR BUSINESS REPORT

Bangladesh has been picked up as a growth outperformer for the next decade riding on low commodity prices, demographic dividend and expected measures aimed at improving the business environment.

London-based BMI Research has picked six countries -- Bangladesh, Ethiopia, India, Mexico, Pakistan and the Philippines -- that will be growth performers in 2016-2025.

The countries "will rapidly climb the GDP country rankings between now and 2025," it said.

The six countries are expected to gain an average of 6.5 places each in global GDP rankings by 2025, with Ethiopia (+12) and Bangladesh (+11) making the most gains, said BMI Research, which is owned by the Fitch Group.

Bangladesh is the 47th largest economy in the world in terms of gross

domestic product, according to the World Bank's 2015 ranking.

The BMI analysis said three factors will be the key to growth.

"Economic growth will be strongest in net commodity importers that have positive demographic trends and economic reform momentum."

With regards to commodities, net commodity importers will benefit from generally lower commodity prices over 2016-2025 compared to 2006-2011, particularly for oil.

Bangladesh relies heavily on imports for oil.

BMI Research said commodity exporters will underperform in the absence of other growth drivers, while reformers will outperform, helping set apart otherwise similarly structured emerging markets.

Developed markets will stagnate and generally lose ground to emerging markets in the GDP rankings, it said.

READ MORE ON B3

## Banglalink seeks new number series 010

MUHAMMAD ZAHIDUL ISLAM

Banglalink has applied for an additional number series -- 010 -- for its new connections, as it has already used up 80 percent of its existing capacity in the 019 series.

In a letter to the telecom regulator, Banglalink, the second largest operator, said its two main competitors in the market have already received two number series, which gives them a competitive advantage from a marketing perspective.

After several requests from Grameenphone, Bangladesh Telecommunication Regulatory Commission on August 28 decided to allow the market leader to use a new number series, 013, as its existing 017 prefix is almost full.

READ MORE ON B3

EBL Consumer Banking



BUY FRIDGE & REFRIGERATOR ON ZIP



BUY NOW PAY LATER

ACI Electronics

LG BUTTERFLY

bestelectronics

M. K. Electronics

TRANSCOM DIGITAL

NTOL-HLOY

Electro Mart Limited

RAHIMAFROOZ

Sapphire Electronics Ltd

RANGS INDUSTRIES LTD.

Hayes & Haier

UNITECH Air Conditioners

DIGITAL AVENUE

WALTON

buy on zip & get additional discount




SINGER MORE BRANDS • MORE CHOICE

Extra 5% additional discount beside regular offer on BEKO brand

Conditions Apply

16230

eb.com.bd myeb

THE ASIAN BANKER EXCELLENCE IN RETAIL FINANCIAL SERVICES INTERNATIONAL AWARDS 2014-16 BEST RETAIL BANK, BANGLADESH

WINNER IFC Global Award 2014

Ba3 ratings by Moody's



Eastern Bank Ltd. Simple Math®