

# The Daily Star

FOUNDER EDITOR  
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## Hundreds of crores taka surcharge lie idle

Why this delay in policy formulation?

THE government slapped a levy of 1 percent surcharge on the sale of mobile phones and another 1 percent surcharge on the use of mobile phones last year. The proceeds from these surcharges were supposed to be spent on health and educational purposes. And as of April this year, the treasury had collected Tk. 240 crore from these two levies. Consumers have been taxed with a surcharge on new phones that have pushed up prices which, again, hurt would-be cell phone owners. Similarly, a 1 percent surcharge has been applied for nearly three years on tobacco products on the government's intent for the purpose of spending the proceeds for 'treatment and rehabilitation of tobacco-stricken diseases'. The levy was first slapped onto consumers during fiscal 2014-2015 and more than Tk. 600 have been collected thus far but not one paisa has been spent on health services!

We are informed that the 'Health Development Surcharge Management Policy' is still in the draft phase. So our questions to the authorities are: why were these levies charged in the absence of any policy framework in the first place? Why is it that the National Board of Revenue only got down to drafting the policy a full year after the levies had already been in place, and what is now holding up its introduction so that these unspent monies can be put to use? Such lax attitudes are not helping the millions of consumers, particularly the mobile phone subscribers who have seen getting less value for their money as they top-up their phones.

The nearly Tk. 900 crore lying idle presently would go a long way in combating non-communicable diseases and control tobacco usage; and we hope something is done to expedite the release of funds so that the concerned ministry can make good use of the money for improving public health.

## Six-year-old human hauler attendant!

Thousands like him share his fate

A photograph of a young boy hanging on to a human hauler he works as an attendant of, published on the front page of this newspaper on Wednesday, shows perfectly the unfortunate plight of millions of children in our country. The boy, only six-years-old, has apparently been working as a helper for a month already. During that time, we wonder how it is that the police did not notice him, and if they did, we wonder how they could have turned a blind eye given how dangerous it is for a boy of such young age to be hanging from the hauler like this.

It should go without saying that such a hazardous job is not meant for a six-year-old child. UNICEF data, however, shows that there are more than 4.5 million children aged 5 to 14 in the workforce. Granted not all of them are exposed to such hazardous work, it still cannot be denied that the number of them working dangerous jobs is substantially large.

At such a young age, children should go to school and not have to risk injury or worse, to put bread on the table for their families. With that in mind, Bangladesh had passed a Labour Law setting the minimum legal age for employment as 14 in 2006. Enforcement, however, has been shockingly absent.

This is unacceptable and the authorities need to shake off their apathy to the plight of these young children. Law enforcers too must stop turning a blind eye to cases such as the one in question and enforce the law strictly.

# Bangladesh labour compensation laws

## Need for an upgrade

DR. ABDULLAH SHIBLI

THE recent boiler accident at Jamuna Auto Rice Mills, located in Gopalganj in Dinajpur district, which killed 18 workers and injured 10 others, has once again forced us to reflect on the value of human life and the risks that workers in factories, transportation, construction, and the service industry bear as part of their work and for which they are hardly compensated. In many jobs, if the risk of an accident or death is higher, the workers are offered higher remuneration as an incentive. However, this practice is not prevalent everywhere and in every sector. If you are a human smuggler, you take a great risk of being caught but the rewards are equally high. However, in most jobs, for example, in Bangladesh's garments industry, you are paid a decent wage but are personally liable for any health or other personal injuries. Fortunately, this dark scenario is changing and it is time for all concerned to review the legal framework, and update our labour laws to keep up with changing times and the international marketplace.

There are several issues related to workers compensation and Bangladesh needs to address some of these immediately and possibly others in the not-too-distant future. Responsibility is the primary issue and the factory owner has to be held liable. A factory owner needs to ensure work safety and set up practices to minimise the risks to an employee. But the government, as an enabler, must also own up to its role. Unsafe premises and hazardous materials must be regulated, and workers made aware of their rights and risks, through education, publicity, and institutions.

Here, I will, as an economist, also address the problem with compensation after an accident to the family of the dead and survivors. After the Dinajpur boiler accident, lawmaker and labour activist Shirin Akhter said, "It's murder, not an accident". If Ms. Akhter's statement is true, then the murderer must be identified and brought to justice. But even if the culprits are brought to the court, the due process might take a little while. In the meantime, the families of the victims need immediate as well as long-term financial support. It is reported that the families of 17 deceased and the four injured workers received Tk. 50,000 each from Bangladesh Sramik Kalyan Foundation soon after the accident. When asked about any additional payments, the Secretary of Labour was reported to have advised the families of the victims to file a case under the Fatal Accidents Act of 1855.

It is indeed a joke to expect the families of workplace accident victims to seek legal help and go to court to seek compensation for the death or injury of their loved ones. And how much can they expect even if the owner, who has been identified as the prime accused of the deadly blast, is arrested, found guilty and ultimately forced to offer any monetary damages? If past history of industrial compensation in



PHOTO: AFP

Bangladesh is any guide, each worker can expect to receive no more than Tk. 2 lakh each. This amount might cover the cost of burial for the dead, and some of the medical expenses of the survivors, but it can hardly compensate for the loss of life, pain and suffering, and the legal costs of the families concerned.

What can be done going forward? I would like to identify three important areas that need to be addressed: Worker's compensation insurance, enforcement of existing laws, and the value of life.

Many countries, including Vietnam, have set up and tightened workers' compensation regulations. In the US, workers' comp offers a no-fault system - a "grand bargain created a century ago, state by state". Workers don't sue; "employers pay insurance premiums to cover medical costs and long-term income replacement for disability." ILO Convention 121 provides rough guidelines for industrial accident compensation, and supports using the usual wage of a worker, the worker's age, and the severity of injury (or number of dependents if deceased) as factors in deciding lump sum or annual payments.

Unfortunately, establishment of workers comp guidelines is only a small step to ensure safe working conditions. I can guarantee that as Bangladesh moves towards its planned growth of industries, infrastructure, and technology, industrial accidents will not be a matter of history. And I will offer only two reasons: weak laws and abysmally low value of life.

The value of life is an economic value used to quantify the benefit of avoiding a fatality. The principle has hardly ever been used in Bangladesh to compensate for the deaths in industrial accidents but

has been successfully implemented in other countries. The amount offered to the dead in Bangladesh has varied from a few thousand takas to Tk. 2 lakh in the case of the Tongi accident last September. According to a newspaper report, "The Director of Labour (Joint Secretary) SM Ashrafuzzaman told reporters at the DMCH that families of the dead workers would get Tk. 2 lakh and the injured a maximum Tk. 1 lakh each as grants from the labour welfare fund."

In 2015, the Rana Plaza Coordination Committee announced that it would need around USD 40 million to pay in full over 5,000 awards granted through the scheme. Assuming that the next of kin of each dead worker is given twice the amount offered to an injured worker, family members of each dead worker ought to receive a little over Tk. 10 lakh. Using this figure as a benchmark, the government and civil society can set up a future compensation scheme.

Admittedly, Rana Plaza is a special case because of the international interest surrounding the catastrophic event; it nonetheless can serve as a benchmark. Obviously, compensation must be tied to the earning capacity or "income lost", but there needs to be strict laws to enforce the principle and to deter future accidents. If owners are held responsible for any accident, and accountable for damages, industrial accidents will certainly go down.

To take another approach, a survey of Bangladeshi factories supplying Marks & Spencer carried out last summer found that workers' average basic monthly pay was Tk. 6,500 and their average take-home pay, including an average two hours a day of overtime, was Tk. 8,000. Although this

amount is more than what many in the industry get, the average estimate of what workers consider is enough to live on and support their families, or a "living wage", is Tk. 15,000 a month - about twice their actual pay. Using these two as a minimum and maximum value, a worker earns Tk. 96,000 a year or needs Tk. 192,000 to support a family. One could then set up a compensation scheme based on existing pay (or alternatively the living wage) and depending on a dead worker's age, set up a lump-sum compensation or annuity program. Assuming that a worker dies at age 35 and compensation is based on the "living Wage" criteria, she is entitled to a lump sum payment of Tk. 3,840,000. It is to be noted that the retirement age is on average 55.2, while the formula to calculate compensation for each age group: (55 minus age at death multiplied by annual income).

While the numbers I have calculated might appear a little bit outside the realm of practicality for Bangladesh, it is not too far-fetched to expect that the country needs to take the issue of safety, compensation, and liability seriously in light of the fact that they are linked to SDG Goals 8 (inclusiveness and decent work), 10 (reduction of inequality) and 16 (access to justice). The Prime Minister only a few months ago reiterated these principles at the Dhaka Summit on Skills Employability and Decent Work 2016: "The employers must ensure working environment in the industries, labour rights and occupational health and safety of workers."

The writer is an economist and writes on public policy issues. His new book, *Economics and Policy in the Public Arena* will be published later this year.

## LETTERS TO THE EDITOR

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### The predictable Ramadan price hike

Muslims around the world are preparing for the upcoming month of Ramadan. Like previous years, prices of essentials has been increasing rapidly prior to the holy month. The price of rice, chickpea, locally grown garlic, onion, puffed rice, various summer fruits, pulses, spices, sugar, and oil have already been hiked by some traders. These products have now gone beyond the reach of the poor and the lower middle class. This unethical trade practice is in sharp contrast to the spirit of Ramadan. The rising price of food items appears to be the outcome of the concerned government authorities' inability to respond to the worrying trend of market manipulation. Unscrupulous traders have become habituated to increasing the prices of food items during Ramadan and continue to take advantage of the high demand of certain food items during this season, while blaming other factors for their immoral practice.

Although in the past, we have seen the government intervene by fixing the price of some essential food items, in the absence of any effective monitoring system and vigilance, unscrupulous traders increased the prices of essential food items. The Commerce Minister has stated that the supply of all food items that are widely consumed during the month of Ramadan is more than enough to meet the expected demand. We only hope that the related ministries ensure that this Ramadan is an exception and consumers are allowed a reprieve from unethical price rise of food essentials.

Zubair Khaled Huq  
On email



NAVEED MAHBUB

tempest. Finally, my friend can't take it anymore, "Dad! It's not that I wrecked YOUR father's car - I wrecked MY father's car!!"

My friend and his father gets out easy - the former with a slap on the wrist (figuratively speaking) or maybe other parts of the body (literally speaking) while the dad with a hefty bill on auto

*You have a son and you worry about that boy. You have a daughter and you have to worry about every boy on the block, because not every parent is worrying about his/her boy.*

repairs, but not without a chuckle at the quip of the son's witty remark.

Such is not quite the case with another father and son duo. The son bashes up not the dad's SUV (yes, we're talking about a dad who is considerably richer), but rather, the dad's business by

## Gold Finger

taking daddy's business 'for a ride', presumably by boasting the apparent nefarious side of it. The 'S' word - 'Smuggle'. I, the proletariat, thought this was a taboo, a matter to be ashamed of (despite the huge gains). But I guess not, it's apparently a matter to brag about. With this new definition of the word, I presume we will now see smirking faces of air travellers at Dhaka Airport Customs after 'relieving' themselves of precious excrements.

We learn, no wait, revisit another truth - the rich and the powerful have two names: for business purposes there is the certificate name and in the event of an alleged crime, the name used is "son of an influential person". But a pleasantly surprising discovery is that the latter name can have a surprisingly short shelf life when electronic, print and social media all band together. In the digital age, the pen, the transmitter and the mouse combined are mightier than the sword, the Tomahawk and the B-52 combined. And hey presto, all of a sudden it's no longer "boys will be boys", as The Untouchables become readily identifiable, trackable, arrestable, remandable, investigate-able, questionable, answerable while being quite personable. Ian Fleming's Gold Finger is pointed to The Man with the Golden... While it was a relatively

benign crime of tax evasion that busted Al Capone for his string of deadly crimes, Banani sees an allegedly deadly crime open up a can of worms of a series of not so benign crimes.

All at the cost of the honour of two young women scarred, and more so in our society, stigmatised for life. After all here is how we define rape allegorically - the fist punches the nose and the nose starts bleeding. Well, the nose was SO 'inviting' that the fist had to punch the nose. After all, the nose was asking for it. No wait, actually the fist did nothing, the nose went and punched the fist. It is the girls' fault that they were 'out late'. It is their fault that they were being good friends at being at a good friend's birthday party. It is their fault that they were allegedly forced to drink at gun point. It is their fault that they were forced to take contraceptives at gunpoint. It is their fault that they were filmed. It would have been their fault if the videos would have gone public. It is their fault that they are women...

Hey, they are available as sacrificial goats. Their 'sacrifices' trigger a string of investigations in several areas otherwise defined as 'business as usual'. The untouchables apprehended. Investigations commence into possible gold smuggling despite no gold being imported into the country for so many years. A hotel has dodged its VAT payments. A hotel is operating in a

residential area (Duh! Don't we know that it's now Gulshan/Banani/Baridhara Commercial Area, Motijheel Residential Area and perhaps one day Bandarban EPZ?). A hotel possesses/serves/sells alcohol without an alcohol permit. The hotel building violated its permit and built an extra floor. Oh wait, and the booming gold industry is sustained with 'recycled' gold - I'm sure somewhere along the line there was a reverse gold rush of everyone selling off gold like perishable milk.

Rape for us is a news item worthy, at best, to be on page 15 of the newspaper. Who cares about the post-rape father-daughter suicide or the gang rape in Dinajpur. It's just not 'sensational' enough as one taking place in the ritzy Tri-State area, aka, Green Zone, with high flyers as cast members and fancy hotels, parties, booze, dope, guns, videos and gold in the lineup. All by opening up a can of worms by worms opening up their zippers. With so much gold coming into the country illegally by way of the rectum, it was only a question of time that the wealth from this gold would one day create a rectum.

You have a son and you worry about that boy. You have a daughter and you have to worry about every boy on the block, because not every parent is worrying about his/her boy. Hey, after all, "boys will be boys" and the girls are there to carry the dirt, forever and a day...



IMAGE: PINTEREST

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