

Wary, weary Greeks take dim view

REUTERS, Athens

Subdued by three bailouts, record high unemployment and a maelstrom of taxes, Greeks were in no mood to party on Friday at news of a last-gasp deal pulling them from the brink of a financial abyss. Again.

Euro zone governments threw indebted Greece another credit lifeline worth 8.5 billion euros on Thursday, offered further clarity on a roadmap to possible debt relief and the International Monetary Fund said it might join a bailout programme after sitting on the fence for two years.

"What's the big deal? Is it going to change the real problem of more than a million unemployed Greeks?" said Maria Papadia, 42, jobless for four years.

"Do they understand the pain when you can't find a decent job for so long and your measly unemployment benefit runs out after 12 months?"

Greece's unemployment rate -- pumped up by years of austerity

demanded by the lenders -- is still running above 23 percent, with youth unemployment around 45 percent.

Taking a drubbing in opinion polls, leftist Greek Prime Minister Alexis Tsipras said the deal was a "decisive step" towards the country emerging from the debilitating crisis which has pushed more of a third of the population into poverty, and turned thousands of Greeks into economic migrants.

His finance minister, Euclid Tsakalotos, declared: "There is now light at the end of the tunnel."

A pro-government newspaper, Avgi, called it "The beginning of the end to the Greek drama," saying that the euro zone's decision forms a strong basis for Greece to leave its bailouts behind from August next year.

Greece has had their bailouts since 2010 and came close in 2015 to crashing out of the euro zone.

Centre-right Eleftheros Typos daily was less upbeat, saying the closure of the country's bailout review, which led to pension cuts and higher taxes, did not bring any substantive benefit

other than the disbursement of the next loan tranche.

"Debt relief is put off for the summer of 2018 while the country's inclusion in the ECB's quantitative easing programme was not secured," it said, referring to the European Central Bank's bond-buying scheme.

The mood on the streets of Athens on Friday was also more subdued. "I think the climate could change, not immediately though," said Dimitris Kokkotos, 57.

In a nation battered by unemployment where elderly pensioners are called to support their jobless offspring, discussion on whether, or when the country might be given relief to taper a mountain of debt reaching 180 percent of output was of secondary importance.

And the anger remains over what is widely seen as too stringent demands by lenders that have driven the country into poverty.

"I'm fed up of being fooled. Its nerve wracking," said Mary Koutra, 59. "Lenders have put us in a snake pit ... they just want slaves, not individuals displaying initiative, or dignity."



MIDAS

Md Faruque Hossain, director general of the Central Procurement Technical Unit (CPTU), and ASM Mashi-ur-Rahman, managing director of Midas, exchange the signed documents of a deal at the office of CPTU in Dhaka on June 14. Midas will provide consulting services for data collection for impact evaluation of electronic government procurement system of Bangladesh. World Bank financed the project.

Apple poaches top Sony TV executives to boost video content

REUTERS, Los Angeles

Apple Inc has hired two long-time Sony Pictures Television executives to expand the iPhone maker's push into original television programming, plunging deeper into a field crowded by Hollywood studios and online streaming services.

Jamie Erlicht and Zack Van Amburg, responsible for hit shows such as "Breaking Bad," "Better Call Saul" and "The Crown," will join Apple in newly created positions to oversee all aspects of video programming, the technology company said in a statement on Friday.

"Jamie and Zack are two of the most talented TV executives in the world and have been instrumental in making this the golden age of television," said Eddy Cue, Apple's senior vice president of Internet Software and Services.

"There is much more to come," Cue said of Apple's video effort. The new hires demonstrate a serious commitment by another deep-pocketed technology company to produce quality television shows. Erlicht and Van Amburg have served as senior Sony television executives since 2005.

But Apple did not elaborate on its strategy, leaving investors guessing how many shows it plans to distribute, how much it will spend and where the programming will be available.

The company is playing in an increasingly competitive field. Amazon.com Inc and Netflix Inc have invested billions of dollars in award-winning comedies and dramas featuring A-list Hollywood stars. And social media company Facebook Inc has signed deals with millennial-focused news and entertainment creators, including Vox and BuzzFeed, to make shows for its upcoming video service.

Align labour union laws with ILO conventions

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The ILO committee also advised that applications for union registration are acted upon expeditiously and not denied unless they fail to meet clear and objective criteria set forth in the law. The committee urged the government to continue to effectively engage in ILO technical assistance to address the recommendations.

The government must report in detail on the measures taken to implement the recommendations in the next meeting of the Committee of Experts, due to take place in November. The committee took note of the drafting of Standard Operating Procedures made by the labour ministry regarding union registration in collaboration with the ILO, the establishment of the Tripartite Consultative Council for the garment sector and the recall from the parliament of the draft EPZ Labour Act.

The Bangladesh representative in the meeting informed the ILO that the government will soon place the EPZ draft law in the parliament again for bringing the necessary amendment to conform with the ILO's Convention 87.

Youth must be prioritised more in budget

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However, the proposed budget for fiscal 2017-18 did not place enough emphasis on their proper education, skill development and employment opportunities, they added.

Only 0.3 percent of the incoming fiscal year's budget has been allocated for the ministry of youth and sports, said Ejaj Ahmad, founder and president of the Bangladesh Youth Leadership Centre.

"It is insufficient considering the fact that one-third of the country's population is youth," he said, while calling for a more youth-oriented budget.

The idea of Digital Bangladesh will not be implemented if there is a tax on internet, said Samanta Saif Kristy, a Dhaka University student. "Imposing tax on the internet will be inconvenient for our generation as many of us are interested in the e-commerce business," she added.

The new VAT law from July 1 that prescribes a flat 15 percent value-added tax on most goods and services available in the country will affect the hospitality sector directly as the expenditures will soar, said Ashfaq Asif, managing director of Tarka Restaurant.

"The restaurant scene in Bangladesh is vibrant and expanding, and many youths are investing in the food business," he added. The 15 percent VAT acts as a deterrent for aspiring restaurateurs, said Nahrin Radeyha Rafique, a student of the Institute of Business Administration.

"It will be problematic for me if I want

to open a restaurant business as everything, be it equipment and logistics, will be more expensive. As students, our income source is limited," she added.

The government should ensure good governance and strictly tackle corruption, which will help bring in more revenues and lessen the burden of tax on consumers, said Muntasim Islam, a student of East West University.

There should be higher allocation for the research sectors, said Nazmuna Nahar, a student of the Dhaka University.

The country's sizeable young demographic presents a great vessel for development, said Mahfuz Anam, editor and publisher of The Daily Star.

"Bangladesh is a country with a majority young population and the budget should reflect a proportionate resource allocation for this group." Arranging such discussions will help in drawing the attention of the leadership to the issue of youth's representation, he said, adding that the newspaper is committed to promoting youths in every way possible.

The country needs to focus more on innovation to march towards development while different line ministries dealing with young population have to come forward and work in this regard, said Nahim Razzaq, ruling Awami League lawmaker and a standing committee member of the ministry of youth and sports.

Korvi Rakshan, founder of Jaago Foundation, moderated the roundtable.

People's interests ignored in tax proposals: CPD

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"Private investment has not declined; rather it has increased but slowly."

The VAT system exists in 169 countries and it is the best system, said MA Mannan, state minister for finance and planning. "It is the least painful for people."

On recapitalisation, he said the government has taken a "calculated risk." "The banks have passed through bad times," he added.

There is need for public sector banks, said Muhammad Abdur Razzaque, chairman of the parliamentary standing committee on finance. Bangladesh is losing opportunity to reap the benefit of its demographic dividend in the absence of proper investment, said Amir Khasru Mahmud Chowdhury, a BNP leader.

"Lots of investments have been made in mega projects instead of human resources."

The governments, in general, focus more on mega projects when they do not have legality in order to show people that development is taking place, he added.

The budget did not give attention to ensuring quality, reforms and developing implementation capacities of major ministries, said Debapriya Bhattacharya, distinguished fellow of the CPD.

A public investment-driven growth has been forecasted, Khatun said.

Private investment is forecasted to rise 0.2 percentage points to 23.2 percent of GDP in fiscal 2017-18 from 23 percent in fiscal 2016-17. An additional Tk 66,000 crore will be needed to achieve the goal, according to Khatun.

GDP growth and investment have had lower than expected impact in terms of job generation in recent years, she said. Only

4.7 lakh jobs are created a year, which is less than before, according to the CPD.

The government should not collect excise duty as it already collects VAT, said Akbar Ali Khan, a former adviser to a caretaker government. "If you collect VAT, there should not be any excise duty."

He said the continuation of scope to legalise undisclosed income is immoral.

Khan, a former chairman of the NBR, said when the 15 percent VAT was imposed with the introduction of the system in 1991 it was thought that the rate would reduce with the increase in revenue collection.

The parliamentary standing committee does not have any role in budget-making although lawmakers in countries such as India do take part in the process, he said, adding that there is a lack of transparency in budget-framing. The government has been recapitalising banks since 1991. "You give them money and they suffer loss."

Citing the government's increased borrowing from various countries, Khan said the country might run into trouble in repaying the loans in the coming years.

Focus must be given on implementation and reforms to encourage private investment, said Asif Ibrahim, a former president of the Dhaka Chamber of Commerce and Industry. Several discussants called for good governance and reforms to accelerate private investment to create jobs and improve the standard of living.

Some wanted the government to ensure transparency and accountability in budget-framing and improvement in implementation capacity of the ministries and agencies.

They also demanded assurance of proper use of taxpayers' money instead of misuse.

Bus tickets online: a boon for home-goers

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One industry insider informed that a company had already sold 35,000 tickets and were yet to make available return tickets. Jami of bdttickets.com said the demand was highest for tickets to the northern regions as there were other options such as trains and airlines available for major destinations such as Chittagong and Sylhet.

He said they invested Tk 3.5 crore establishing the network and distributing computers among the ticket counters. One Kamruzzaman Sheikh, a private job holder who recently bought tickets online for his family, said the process was so easy that it would amaze those trying it for the first time. He recalled his experience last year when he had to wait five hours in a queue for tickets.

Most of the online platforms sold out within hours of making advance tickets centring Eid available on June 12-13. They will sell return tickets within a day or two. Rajib Ahmed, president of e-Commerce Association of Bangladesh, said they were content with the popularity of online ticketing.



Md Mosharraf Hossain, chairman of Paradise Group, launches the company's new ceiling fan—Paradise Wind—at a programme in Dhaka on June 15. Md Farhan Mosharraf, chairman of Paradise Electric and Electronics Industries Ltd, an enterprise of Paradise Group, was also present.

PARADISE ELECTRIC

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