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## Poverty line needs to be redefined: experts

STAR BUSINESS REPORT

Bangladesh should redefine the poverty line taking into account the changes that have taken place over time and the improvements in the standard of living, said Wahiduddin Mahmud, an eminent economist, yesterday.

He said: "Our national poverty line income should be changing over time as standard of living improves. It is a moving goal."

"So, why should we be in the same poverty line when we become a middle-income country?"

Mahmud's recommendation came at the launch of two books -- 'Aiding Resilience among the Extreme Poor in Bangladesh' and 'Extreme Poverty, Growth and Inequality in Bangladesh' -- organised by the General Economics Division of the Planning Commission at the planning ministry.

University Press Ltd Dhaka and Practical Action Publishing, Rugby published the books.

Bangladesh estimates poverty based on its own measurement tools, Mahmud said.

"If we use global estimate, the scenario would be different."

Since 1995-96, the Bangladesh Bureau of Statistics has been using a method called 'Cost of Basic Need' to measure poverty in the country. It assesses poverty and inequality by the Household Income and Expenditure Survey (HIES).

In this method, two poverty lines -- lower poverty line and upper poverty line -- are measured in three stages, according to a finance ministry document.

Currently, poverty in Bangladesh is estimated by consumption expenditure. But if it is estimated by income, the rate of poverty would be higher, Mahmud said.

At the event, MA Mannan, state minister for finance and planning, agreed with Mahmud and said the poverty line income estimate needs to be done.

"Reality must be faced so that we get the real picture," he added.

The projection that Bangladesh is nearing eradication of extreme poverty is realistic, Mahmud said.

BBS data show that in 2018 Bangladesh's poverty rate stands at 21.8 percent and extreme poverty rate at 11.3 percent, which was 23.1 percent and 12.1 percent respectively in 2017.

Inequality rising acutely

Farashuddin says

STAR BUSINESS REPORT

Inequality is increasing acutely in Bangladesh although the economy is growing at a respectable rate, said Mohammed Farashuddin, a former governor of the Bangladesh Bank.

"Equitable prosperity is a major challenge," he said while addressing a symposium organised by the United Nations Association of Bangladesh (UNAB) at Cirdap auditorium in Dhaka yesterday.

The symposium was organised on the eve of the 73rd anniversary of the United Nations.

It is said that when Gini coefficient, a measure of inequality, is above 0.5 a country remains in the danger zone owing to risks of social unrest.

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## Steps underway to boost cotton yield

Govt offers funds to farmers, aims to cut reliance on imports

### COTTON PRODUCTION



SOURCE: COTTON DEVELOPMENT BOARD

REFAYET ULLAH MIRDHA

The government targets to raise cotton yield, as the local spinners and yarn manufacturers have to spend billions of dollars to import the white fibre to produce garment items.

The Cotton Development Board (CDB) has already started providing funds to cotton farmers--Tk 15,000 per head from a fund of Tk 5 crore--to encourage more people to produce the fibre.

The board is also looking for new cotton farming lands in hilly and char areas in different districts along with the existing areas in Jashore, Rangpur, Dinajpur, Rajshahi, Gazipur and Mymensingh.

"We have a target to expand the cotton cultivation area to 55,000 hectares from 43,500 hectares now in the next five years," said Md Akhtaruzzaman, deputy director of CDB.

"We will also use hybrid seeds to double the production by this time."

Currently, yield per hectare stands at 1.5 tonnes and it would go up to 3-3.5 tonnes if hybrid seeds are used, he said.

The CDB hopes to produce 2.5 lakh bales of cotton by 2021, which would meet nearly 5-7 percent of the annual demand for the fibre in Bangladesh, the largest cotton importer in the world.

Currently, Bangladesh imports \$3 billion worth of cotton a year.

Last fiscal year, the country produced 1.65 lakh bales of cotton, which can meet less than 3 percent of the annual demand of 10 million bales. One bale equals to 282 kilograms.

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Novoair increases flights

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Novoair has announced that it would start an additional daily flight from Dhaka to three destinations -- Kolkata, Cox's Bazar and Sylhet -- from October 28.

It currently runs one flight to Kolkata, four to Cox's Bazar and one to Sylhet every day.

The airline in a statement yesterday said it would also operate daily flights to Barishal from the same day. It currently runs four flights a week to the district.

Novoair also operates daily flights from Dhaka to Chattogram, Saidpur, Jashore, and Rajshahi.

One-way fare to nearly every destination starts at Tk 2,700. The exceptions are to Chattogram (Tk 2,500), Cox's Bazar (Tk 3,900) and Kolkata.

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