TAMING CORONAVIRUS RAMPAGE

Work from home – a reality today

SAZZADUL HASSAN

With the outbreak of deadly coronavirus all across the world, global companies like Google, LinkedIn, Amazon, Twitter and may others have already asked all or a portion of their employees to stay at home and operate from there.

Following the suite some of the multinationals working in Bangladesh have also taken the similar call.

Given the circumstances, this could probably be the best option a responsible company could choose to ensure safety of its staff and at the same time ensuring the business continuity.

Working from home is not a new concept. History suggests, before the Industrial Revolution, going back to the beginning of the Middle Ages in the fifth century, there were over 1,300 years of home-based work.

During those days, merchants and craftspeople created what might be described as the first home offices. These hybrid work-homes had street-facing shops or workshops, and private areas set aside for day-to-day living.

Industrial Revolution apparently pulled workers out of their homes. This was the time when big factories were set up. Large scale productions required employees to be present physically at the factories to accomplish their tasks. The concept of "office" emerged.

With the advent of internet and advancement of telecommunication technologies in the 80's "work from home" concept started regaining its momentum.

Data from the US Census shows that, there were 5.2 per cent or 8 million workers in the US working from home in 2017.

In the 90s the US Office of Personnel Management and the General Services Administration started an experiment on "work from home" following an order from President Clinton known as "flexible family-friendly work arrangements".

About 550 employees took part in that experiment.

The Government Accountability Office issued a report in 1997 showing the benefits included: reduced commuting time; lower personal costs for transportation, parking, food, and wardrobe; improvement in the quality of work life and morale; and a better balance between work and family demands.

Recent studies have supported the idea that working from home -- for the right people -- can increase productivity and decrease stress.

Research also suggests companies that encourage and support a work-from-home protocol actually save money in the long run -- an added bonus on the employer side.

A survey titled "Evaluating Attitudes about Flexible Work," revealed following: 81 per cent of the respondents agreed that an organisation offering a flexible work programme positively differentiates one company from another. 67 per cent of those surveyed noted they would be more loyal to companies that provided them with the option of flexible work. 87 per cent of employees who have ever worked remotely responded that they are just as productive, if not more when working out of the office. 56 per cent said that having a flexible work option would motivate them to work harder.

There are plenty of studies conducted to ascertain the benefits of flexible workplace.

One such study titled "Work Without Walls" conducted by Microsoft unveiled the following top benefits: better work-life balance; energy/fuel savings because of less commuting; better productivity; less distractions; and less stress for the employees as they can avoid long commute.

Although for many organisations and many countries this concept is not new, however, for us here in Bangladesh this is relatively a new way of working.

Now let's focus on what the organisations and the employees need to do in order to make "work from home" effective.

This is obvious that, not all work or tasks can be done remotely.

Therefore, for any organisation it all starts with identifying the tasks that can be done remotely.

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India eases rules to support taxpayers, businesses

PALLAB BHATTACHARYA, *from New Delhi*

India yesterday came out with a slew of economic measures to provide relief for taxpayers and businesses to aid the fight against the fast-spreading coronavirus pandemic.

Moreover, Finance Minister Nirmala Sitharaman said the government was working on an economic stimulus package and an announcement in this regard would be made soon.

The development comes as India announced a nationwide lockdown to tackle the spread of COVID-19 that has been sickened 519 people and killed 10 at the time of writing.

Nirmala Sitharaman

Sitharaman told the media that debit cardholders would be able to withdraw money from ATMs of any bank free of charge for the next three months.

Another relief measure was the extension to June 30 this year the last date for filing income tax returns for fiscal 2018-19.

In addition, the interest rate applicable for the filing of delayed income tax returns has also been reduced to 9 per cent from 12 per cent.

Tax dispute resolution under a particular scheme has been extended by three months to June 30 and those availing the scheme will not have to pay 10 per cent interest on principal amount.

The government also said companies with turnover of up to Rs 5 crore would not have to pay interest, penalty or late fee for filing of delayed returns.

It relaxed for the next two quarters the requirement for companies to conduct board meetings, something the finance minister put as "if no board meeting is held for 2019-20, it will not be considered a violation".

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Trade thru land ports comes to a halt

OUR CORRESPONDENTS

Bangladesh's trade with India through most of the land ports has come to a halt since Monday as the neighbour went into a lockdown the previous day in an effort to contain the spread of deadly coronavirus.

Twelve land ports under Bangladesh Land Port Authority wore a deserted look yesterday, as the Indian shutdown came at a time when the Bangladesh government announced a 10-day general holiday from March 26 for the same purpose.

Bangladesh earned Tk 195.44 crore in revenue in fiscal 2018-19 by exporting 1,335,930 tonnes of goods and importing 20,321,077 tonnes through the land ports, according to the port authority.

Most officials were absent yesterday at the Benapole land port, which accounts for about 60 per cent of the $6 billion bilateral trade between the two nations.

The authorities of Sonamasjid land port in Chapainawabganj closed its operations yesterday for four days, as its counterpart at Mahadipur land port of Maldah in India's West Bengal did the same.

"The Exporters and Importers Association of Mahadipur land port sent a letter on Monday afternoon, requesting us to close trade through the ports," said Harunur Rashid, general secretary of Sonamasjid Land Port Clearing and Forwarding Agents Association.

The port will open on March 28, he said.

However, the National Board of Revenue has ordered all the customs houses and customs stations to keep running with the minimum workforce for release and taxation of goods that are exported on an emergency basis or for medical purposes amid the outbreak.

In Bangladesh, the virus has so far infected 39 people, of them 4 died.

China first alerted World Health Organisation (WHO) to several cases of unusual pneumonia in Wuhan and the country announced its first death from the virus on January 11.

Later the WHO confirmed Covid-19 as pandemic that has spread to at least 177 countries and territories, killing over 17,000 people and infecting nearly 400,000, according to Johns Hopkins University.

In India, 30 states/union territories imposed a statewide lockdown on March 22, covering a total of 548 districts.

The lockdown will continue until March 31 in India, the major trade partner for Bangladesh land ports.

The virus has affected trade through Benapole land port to a great extent, according to port users.

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BTRC postpones public hearing scheduled for Mar 30

STAR BUSINESS REPORT

The telecom regulator has suspended its March 30 public hearing on the quality of telecommunication services because of the coronavirus outbreak, which has brought normal lives to a standstill.

The Bangladesh Telecommunication Regulatory Commission (BTRC) took the decision at a meeting yesterday, said Md Zakir Hossain Khan, a senior assistant director of the regulator.

The new date will be announced after the situation returns to normalcy, he said.

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NBR against VAT waiver on edible oil, sugar

The new tax structure causes only Tk 1 increase in price per litre of oil

SOHEL PARVEZ

The revenue board has opposed a commerce ministry suggestion to reduce the value-added tax (VAT) on edible oil on the grounds that the imposition of the indirect tax has little effect on the prices of key cooking ingredient.

The prices of soybean oil have increased by only Tk 1 for each litre after the indirect was levied all throughout the value chain under the new VAT law that became effective from July last year, said the National Board of Revenue (NBR) in a report submitted to the Finance Minister AHM Mustafa Kamal recently.

The NBR took the position after the Commerce Minister Tipu Munshi wrote to Kamal seeking waiver of VAT on the import, manufacturing and trading stages based on a report from the Bangladesh Trade and Tariff Commission (BTTC) in December last year.

The BTTC suggested exemption of VAT on production, distribution and trading stages to curb the price spike during the month of Ramadan, the fasting month for Muslims.

In his letter, Munishi also requested reduction in import tariff of raw sugar to keep the prices of the sweetening agent steady in the domestic market.

Also known as consumption tax, the BTTC report said VAT and advance tax (AT) in the value chain of edible oil contribute to the spike in prices of the essential edible oil.

And the incidence of the indirect tax will further increase the burden on the wallets of consumers from all walks of life seeing that the prices of of soybean and palm oils are spiralling globally.

The nation largely depends on imports to meet its consumption requirements.

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Another subsidiary of Unilever to purchase GSK Bangladesh's stake

STAR BUSINESS REPORT

Unilever Overseas Holdings is set to buy 82 per cent stakes in GlaxoSmithKline's health food and drinks business in Bangladesh instead of Unilever Nv as previously announced in 2018.

The 98.75 lakh shares would be purchased from Setfirst.

Generally, no multinational company buys another company directly. They do so on the name of their subsidiary or parent company.

"Unilever, too, is doing the same here," said Masud Khan, chairman of GSK Bangladesh.

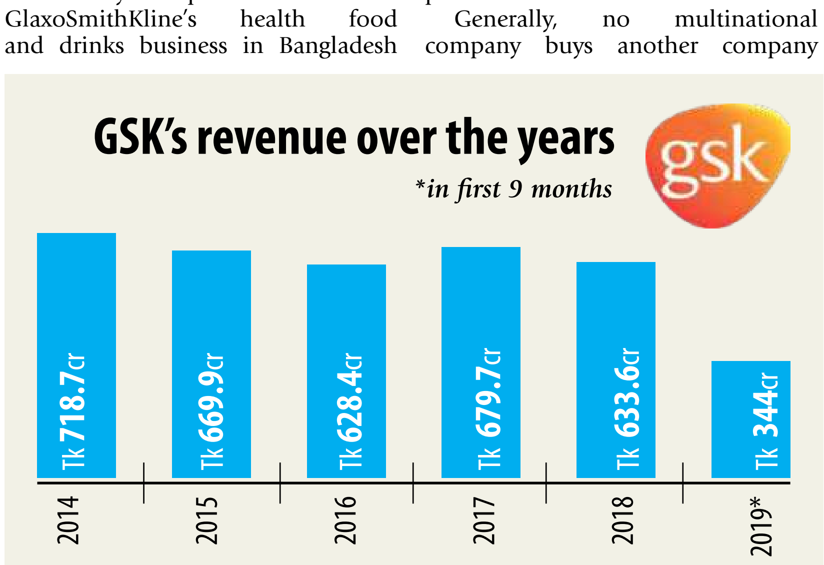
Khan hopes the share transfer will be completed soon.

Unilever is purchasing GSK's entire health food and drinks portfolio in India as well as in 20 other Asian countries for €3.3 billion (about $3.74 billion) too, after it fought off competition from rivals Nestle and Coca-Cola as part of its push to cash in on Asia's fast-growing economies.

The remaining 18 per cent shares of GSK Bangladesh are held by general investors and institutional investors.

Setfirst is getting Tk 1,660 for each share though GSK Bangladesh's shares are now trading at Tk 2,046 on the Dhaka bourse.

When the primary agreement was done in 2018, GSK's stock was trading at Tk 1,084.



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DCCI calls for emergency fund to help firms pay workers

STAR BUSINESS DESK

The Dhaka Chamber of Commerce and Industry (DCCI) has requested the Bangladesh Bank to create an emergency fund to support the businesses that are struggling to pay the salaries of their workforce due to the Coronavirus outbreak.

The leading trade body wanted the fund to be formed using the foreign exchange reserve and the interest rate to be set at 1 per cent.

The chamber made the call along with some recommendations in terms of policy measures and reforms to help the economy to recover from the COVID-19 pandemic, which has already triggered the fear of global recession.

The chamber said the Asian Development Bank (ADB) predicted earlier that Bangladesh economy may contract by 1.1 per cent of its gross domestic product with 894,930 job loss.

Bangladesh has already experienced a disruption in the supply chain of garment, leather, pharmaceutical, tourism and aviation sectors, while the small and medium enterprises have been affected, too.

The geo-economic meltdown also affected the major export destinations of Bangladesh like EU, the US, UK and Canada.

To tackle the outbreak, many EU countries and other parts of the world have enforced lockdown, which resulted in shutdown of high street retail businesses and trade network to a large extent.

In the wake of this, Bangladesh's exports to the destinations have fallen. This downward trend of cross-border trade is set to undermine both the local and export-oriented industries, the chamber said.

The garment sector alone will lose work orders worth $2 billion, while pharmaceutical, leather and agro-processing and other sectors may incur substantial losses.

Amidst this looming situation, the private sector, the lifeline of the economy, needs to be supported for the economic interest of Bangladesh, it said.

The chamber suggested that the banking regulator can waive the bank interest of the export-oriented manufacturing sectors for the next one year.

Alongside, the other promising export sectors can be brought under the scope of Export Development Fund (EDF) scheme, the chamber said in a statement yesterday.

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