

1,687  
New cases in 24hrs



8,05,980  
Total cases



12,724  
Deaths



7,46,035  
Recoveries



3,709,078  
Deaths



172,558,589  
Total cases



172,558,589  
Total cases

## Big push for mega projects

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And yet, the projects, for which thousands of crores were diverted over the past decade, are behind on their schedule.

If the uncertainty over their funding or complexities over their designs were solved, unforeseen events like the Gulshan café attack or the global coronavirus pandemic upended their flight path and led to cost escalations.

Work for almost all the projects was on recess for months last year as the coronavirus reined in the normal way of being. Just as work on the projects were taxing for take-off, on came the second wave of coronavirus cases.

And yet, the authorities are hopeful that some of the projects would be ready in fiscal 2021-22. If not in the fiscal year, it would be in the next calendar year.

Of them, the most-anticipated is the Padma multipurpose bridge project, which started in January 2009 with the view to linking the southwestern part of Bangladesh to the capital.

It has missed several deadlines but is likely to be ready for use in June next year -- at last, at thrice the original cost.

However, the mid-2022 inauguration is resting on another fast-track project: the Padma bridge rail link.

Under the project, a 169km rail line is being constructed from Dhaka to Jashore via the under-construction Padma bridge at the cost of Tk 39,246 crore.

## Govt to buy less despite low

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its food depot.

The internal food procurement was a massive failure last year, resulting in a hike in rice prices.

In the last budget, the government targeted to procure 25.06 lakh metric tons of food grains from the internal market for the current year.

It could, however, only procure 14.04 lakh metric tons. At one stage, the stock of rice in government food depots came down to 3.10 lakh metric tons.

After failing to procure rice from the local market, the government did not have enough food grain stock to manipulate the food market and control prices, which caused a significant hike in food prices, experts said.

An internal report of the agriculture ministry showed the price of rice increased from Tk 13 to Tk 14.

The government's procurement drive is currently ongoing.

From April 28 to May 7, the government so far procured 1.16 lakh metric tons of paddy and only 2.65 lakh metric tons of rice and 63 thousand metric tons of wheat under the current procurement scheme.

In his speech, the minister said the capacity of food storage has increased over the years.

Since coming to power in 2009, the government set a target to increase the food grain storage capacity at the government level to 27 lakh metric tons. So far, the government has a storage capacity of 21 lakh metric tons.

**LOW INCREASE OF FOOD BUDGET**

## Not a budget to deal

FROM PAGE 4

has been prepared based on the poor projections and it doesn't properly specify how the targets can be reached.

The government has kept aside Tk 10,000 crore for the coronavirus vaccination programme, but the amount is inadequate, she said.

The allocation for health remains unchanged at 0.83 percent of the GDP in the coming fiscal year, she said, adding that there is a requirement of ample allocation for the health sector amid the pandemic.

"We observed that the implementation of the budgetary allocation in the health sector was the lowest this fiscal [2020-2021] year," she said.

She added that the spending for the

## Business as usual

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the government would fulfil its revenue target given that the budget implementation rate has been low for the past 10 years.

Selim Raihan, an economics professor at the University of Dhaka, said the proposed budget does not match the government's Covid-19 strategy as there was a clear gap between reality and the plan.

Sayema Haque Bidisha, another economics professor at the University of Dhaka, said no big allocation or reform of any new strategy or direction has been taken to address the new challenges.

Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry, said the budget's size shows that the government's commitment to meet the needs of the country's people was not unrealistic under the current circumstances.

Rizwan Rahman, president of the Dhaka Chamber of Commerce and Industry (DCCI), said the government has accepted some of the DCCI proposals.

Kazi Iqbal, director of research at the Bangladesh Institute of Development Studies (BIDS), said when speaking to people directly involved with the budget, it was clear that there was no room for too much innovation under the current situation.

Mahtab Uddin, an economics lecturer at the University of Dhaka, said, "Taxes on technological products have risen and there was a need to increase the budget for education. But that didn't happen."

Abul Kasem Khan, chairman

The portion that goes via the Padma bridge must be laid out before the long-cherished structure is ready for the public, and as per project officials, it would be.

The Padma bridge will get Tk 3,500 crore and the rail link Tk 3,823 crore in the next fiscal year.

The Dhaka Mass Rapid Transit Line-6 or MRT-6, the country's first metro rail system that is being built at a cost of Tk 21,985 crore, may be ready for use next year.

Although the deadline of the project is June 2024, the authority had a plan to run a portion of the metro rail from December this year. As of April, 63.3 percent of the project has been completed.

The deadline for the Chattogram-Cox's Bazar rail line is June next year. As of April, 59 percent of the work has been completed and project officials are hopeful of a 2022 completion or an early 2023.

A unit of the Rampal coal-fired power plant, another fast-track project, is likely to come into operation within next fiscal year, while the other three projects would take two to four years to come into operation.

But everything depends on how quickly the government can return the country to normalcy, which, in turn, rests on how quickly the virus is contained and how soon the government can scale up the vaccination programme.

In the proposed budget, the

government has just increased only Tk 266 crore for agriculture, food security, fisheries and livestock for the next fiscal. The ministry-wise allocation of the food ministry has decreased to Tk 5,310 crore from Tk 6,814 crore.

Asked about the reduction of allocation, Dr Mosammat Nazmanara Khanum, secretary to the food ministry, said, "May be the overall allocation for the food sector has come down but allocation for procurement and distribution of food has increased."

Mohammed Asaduzzaman, former director, Bangladesh Institute of Development BIDS said the government did not treat the agriculture, food and fisheries and livestock sector with priority, as it increased only Tk 266 crore for this sector.

The government allocated Tk 24,948 crore for agriculture, food security and fisheries and livestock in the next fiscal year. The allocation for the current fiscal was Tk 24,682.

He added that the government provided Tk 41.3 crore subsidy for 2.06 crore farmers, which means a farmer received only Tk 200 as incentive.

"What will a farmer do with a Tk 200 incentive? Crops of many farmers were damaged due to natural calamities, but there is nothing for them in this budget," he said.

"The government has been constructing many food go-downs and silos to increase storage capacity. But what is the use if the government fails to procure food?"

health sector should increase in order to reform the sector.

"The government should start the reform programme in the health sector immediately and we have not seen any such initiative in the last one year."

The budgetary allocation for the social safety net programme has increased a bit, she said.

The government projected a 6.1 percent GDP growth for the concluding fiscal year, but this was too high given the state of the major economic indicators.

But the government projected a 7.2 percent GDP growth for the coming fiscal. "The targeted growth is not a materialistic one, and achieving it will not be possible."

of Business Initiative Leading Development (BUILD), considers the proposed budget to be business friendly as the government reduced corporate tax by 2.5 per cent.

According to a press release, AmCham President Syed Ershad Ahmed said the recommendations they put forward to the government have mostly been reflected on the budget.

Nihad Kabir, president of the Metropolitan Chamber of Commerce and Industry, said she did not expect the government to provide so many tax exemptions in the coming budget.

The Institute of Chartered Accountants of Bangladesh (ICAB) believes that the National Board of Revenue's joint venture with ICAB in implementing the Document Verification System (DVS) will help the country achieve its revenue target, according to ICAB president Mahmudul Hassan Khusru.

Zakaria Shahid, general secretary of Bangladesh Mobile Phone Importers Association, said the provision to increase taxes on imported smartphones would help foster the local mobile industry.

In its statement, BUILD said that the budget seems good in terms of the overall situation while promoting the "Made in Bangladesh" concept would not only help business diversify their portfolios, but also facilitate the country's graduation from the UN's least developed grouping.

Mahbubul Alam, president of the Chittagong Chamber of Commerce and Industry, said reducing corporate tax to the benefit of domestic industries would boost the economy.

## Pandemic eats away

FROM PAGE 4

the coming fiscal, up from Tk 95,574 crore in the 2020-2021.

This plan will bring around 14.27 lakh more elderly citizens, widows, and people with disabilities under the SSNPs.

A survey by the Power and Participation Research Centre and the Brac Institute of Governance and Development revealed that the pandemic's economic shock pushed 2.45 crore people into poverty even before the second wave of the pandemic.

It is quite obvious that the proposed additional allocation for the SSNPs will not make a major impact on the lives of the new poor.

In 2020 and 2021, the government twice provided Tk 2,500 in direct cash support to each of 35 lakh poor people. But there is no such plan this time.

Aktarujjaman Khan, president of the Bangladesh Hotel, Restaurant, Sweetmeat, and Bakery Workers' Union, said that the proposed budget would bring no good to the people in the informal sector.

"Many of us have been struggling to buy food amid the pandemic, and the

crisis will further deepen in absence of budgetary measures," he said.

Mustafizur Rahman, a distinguished fellow at the Centre for Policy Dialogue, said the previous cash support initiatives were inadequate in terms of the fund and the number of beneficiaries.

The government's proposed budget should have aimed to provide cash support to reach out to more workers in the informal sector.

According to the Bangladesh Bureau of Statistics, there are 6.08 crore employed labourers in the country and 85.1 percent of them work in the informal sector.

The majority of the new poor are in the informal sector which was hit hard by the pandemic, Mustafizur said.

Moreover, there is no database of informal workers, which creates a challenge in detecting the urban poor who have been largely deprived of government assistance, he said.

The allocation for the SSNPs in the proposed budget is inadequate and funds for the retired government employees have been included under the programmes.

The government allocated

## Yawning digital gap glossed over

FROM PAGE 4

secondary students.

"There is a severe digital divide between urban and rural students. In our country, many things remain in slogans only. But we could not see the implementation," Founder-director of Institute of Educational Development of Brac University Prof Manzoor Ahmed said.

He added that an increased education budget this year is badly needed to face the threats that the Covid-19 pandemic poses to the education sector.

Finance Minister AHM Mustafa Kamal allocated a total of Tk 71,951 crore to the education sector for the 2020-21 fiscal -- Tk 26,311 crore for the primary and mass education ministry, Tk 36,486 crore for secondary and higher education division and Tk 9,154 crore for technical and madrasa education division.

The amount makes up 11.91 percent of the total outlay and its share in the GDP stands at 2.08 percent.

In the current budget, the allocation for the education sector is Tk 66,400 crore, which makes up 11.69 percent of the total outlay and its share in the GDP stands at 2.09 percent, according to budget documents.

Kamal in his budget speech at parliament yesterday said since the onset of the pandemic, the government has taken various steps to keep students involved in academic activities.

To maintain the continuity of the course curriculum, classes on important subjects have been launched through Bangladesh Television and teaching activities have been continuing online, and through Bangladesh Betar and Community Radio.

"We will give the highest priority to ensure the continuity in teaching activities by restoring normalcy in the academic environment," he told parliament.

Kamal said the government will give priority to launching the "internship programme" in both public and private sectors ensure that new graduates can easily get jobs in their respective fields.

The finance minister proposed the budget at a time when many students from rural and poor families are not able to access the distance learning adopted by schools due to the pandemic, said academics.

Nazmul Haider, head teacher of

Dharmapasha Govt Primary School in Sunamganj, said in class 5 there are 80 students but only 14 were able to attend online classes.

Parents of the other students do not have the capability to buy smartphones. Moreover, teachers were not equipped or trained to take online classes.

"In the budget, the government should properly address these matters," he said.

Only 44 percent of the children aged between five and 11 in rural areas have a TV at home. In urban areas, it is 75 percent, according to the government's Covid-19 Response Plan for Education Sector, prepared in May 2020.

In the richest and poorest quintiles, just six percent and 90 percent of children have a TV at home, it said.

Similarly, only three percent of children in rural areas and close to none from the poorest quintile have a computer at home, it said.

Only 30 percent of children aged five to 11 in rural areas have internet access and just seven percent in the poorest wealth quintile -- generally through mobile phones.

Ninety-two percent of that age group in the poorest quintile do have a mobile phone at home, but these are generally low-cost feature phones, which may have internet connectivity but with limited capabilities, according to the Covid-19 Response Plan.

A report in March this year of Groupe Special Mobile Association, which represents mobile operators worldwide, said 41 percent of mobile phone users had smartphones in Bangladesh.

"Reaching children in rural areas and especially the poorest household requires special consideration and alternative delivery mechanisms," says the response plan.

It added that when schools reopen, children from remote areas and disadvantaged children -- including those from households which cannot afford such modern and costly facilities -- will find themselves even further behind their peers.

Prof Siddiqur Rahman, a former director of the Institute of Education and Research at Dhaka University said rural students also lag behind their urban counterparts in public exams, and the Covid-19 pandemic will

## Reintegration neglected

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after returning empty-handed.

However, the proposed national budget for the fiscal year 2021-2022, which was placed in Parliament yesterday, did not bring any good news for the returnees' reintegration. Instead, it prioritised incentives to boost remittance.

In his budget speech, Finance Minister AHM Mustafa Kamal proposed to continue the cash incentive against inward remittance at the rate of two percent in the next fiscal year.

"In addition, special package programmes will be initiated by concerned banks to increase the flow of remittance through banking channels," the minister said.

The two percent incentive was declared in the budget in the 2019-2020 fiscal year.

Grassroots migrant rights organisation Ovivashi Karmi Unnayan Program (Okup) had been demanding that the government allocate 10 percent of the total remittance sent by migrant workers annually for their "development, protection and welfare" in the 2021-22 national budget.

Talking with The Daily Star, Okup Chairperson Shakirul Islam yesterday said while the government had allocated incentives for returnee reintegration in the outgoing fiscal year, there has been "nothing more outside this".

Yet, to make existing reintegration support effective, what is required is setting up "reintegration centres" at each of the district employment and

manpower offices across the country, Shakirul said.

"A [returnee] migrant worker does not know how to develop a business plan," Shakirul said, adding that the type of services, projects or programmes that are required to transform such worker's business plans into reality have so far been absent in the country.

He added the reintegration centres can provide returnee migrants with counselling based on what they have achieved abroad, be it specialised skills or the amount of savings s/he has to invest.

According to Probashi Kalyan Desk, set up at Hazrat Shahjalal International Airport by the expatriates' welfare ministry, around 4.43 lakh migrant workers returned home between April 1, 2020 and June 2 this year amid the coronavirus pandemic.

In the outgoing fiscal year, the government had announced a budget allocation of Tk 500 crore and the expatriates' welfare ministry announced a separate Tk 200 crore for returnee reintegration through loan disbursement.

As of May 31, Tk 215 crore has been disbursed under the combined Tk 700 crore package by the Probashi Kalyan Bank, said a top official of the bank, requesting anonymity as he was not authorised to comment.

Remittance sent by migrant workers is considered a key pillar for the country's economic progress. Last year, migrant workers remitted home around \$21.7 billion, as per Bureau of Manpower, Employment and Training data.

Tk 23,000 crore for the retired government employees for this fiscal year, which is 24 percent of the total SSNPs fund.

The allocation for the retired employees should not be considered SSNPs, Mustafizur said.

Referring to a 2016 BBS household survey, Nazneen Ahmed, senior research fellow at the Bangladesh Institute of Development Studies, said the previous allocations for the SSNPs were inadequate, considering the number of poor people.

There were around 3.70 crore poor people before the pandemic and the number has increased profoundly, she said.

"It will be difficult for us to regain our achievement in reducing poverty, because the government has not clearly mentioned anything on how to address the issue," Nazneen said.

The government also should have rolled out a special stimulus package to mitigate the crisis facing the micro enterprises, she said.

Many unemployed people would have got back their jobs, had the micro enterprises rebounded their businesses, she said.

The government allocated

## Wholesale scope

FROM PAGE 2

People were able to declare undisclosed cash, bank deposits, savings certificates, shares, bonds or any other securities by paying 10 percent in taxes.

They were also allowed to invest in the capital market by paying tax at a rate of 10 percent on the value of the investment for at least a year and show the investments in their tax returns.

A record Tk 14,459.40 crore of undisclosed assets were legalised in the first 10 months till April of the outgoing fiscal year 2020-21, according to National Board of Revenue (NBR).

A total of 10,404 people paid Tk 1,445.94 crore in taxes to legalise assets during that period.

Of the total legalised assets, a major portion worth Tk 11,663.80 crore was legalised by paying taxes for undeclared fixed deposit receipts (FDRs), savings certificates, cash and others.

Undisclosed home properties worth Tk 2,513.20 crore were also legalised through tax paying.

While the rest Tk 282.40 crore was made legal through both investments in the share market and taxes.

In the previous 15 years till 2019-20, undeclared income worth Tk 14,595.43 crore was legalised through a scope given by the government.

Experts have been opposing offering such tax treatment terming it injustice to the honest taxpayers, who have to pay higher tax while black money holders are given only 10 percent tax rate.

The special tax treatment has been given since independence.

An undisclosed income of about Tk 30,824 crore was disclosed and an amount of about Tk 3,900 crore was collected from 1971 to 2021, according to data.

The amount of disclosure of undisclosed income was Tk 2.25 crore from 1971 to 1975, Tk 50.76 crore from 1976 to 1980, Tk 45.89 crore from 1981 to 1990, Tk 150.79 crore from 1991 to 1996, Tk 950.41 crore from 1997 to 2000, Tk 827.74 crore from 2001 to 2006, Tk 1682.99 crore from 2007 to 2009, Tk 1805.01 crore from 2009 to 2013, Tk 11,107.43 crore from 2013 to 2020.

## No cushion

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unemployment and income loss due to the pandemic."

When Soyeb Islam Shadhin, who works as a production manager for film sets, was unemployed for most of last year, he had to turn to his extended family for loans to survive.

He gets between Tk 1,200-2,000 for each day of shooting and lives in a one-bedroom apartment in Uttarkhan which he shares with his cousin.

"I had to spend months with no work and since I get paid per gig, I had no income coming in. But I had to stay in Dhaka instead of going back to my family in Naogaon in case I get work... and this is where work is," he said.

Last April, Centre for Policy Dialogue found that the stimulus package reached only 8 percent of the country's total employed population during the crisis period. This year too, the rural youth were targeted with microloans for setting up businesses, but there was nothing for professionals like Shadhin.

An expanded health insurance programme was rolled out this year with over 80,000 families receiving an insurance coverage of Tk 50,000 per year -- but that too is only for people living below the poverty line.

Having to seek treatment for Covid-19 remains one of the common financial burdens incurred by many middle-class families. Earlier in the year, a study by Health Economics Unit (HEU) of the Health Ministry and the Department of Economics of Dhaka University found that the average out-of-pocket expenditure for healthcare can go up to Tk 5.09 lakh per head in private hospitals.

"One of the biggest problems we saw last year was the eviction of tenants who were unable to pay rent, and so this year we were demanding a tax exemption on small flats and loans," said Mohammed Komol Gazi, who represents an informal association known as Bharatiya Oikyo Parishad. "But there is nothing like that."

Even though the proposed budget announced the construction of around 70,000 new flats in Purbachal and Uttara-18 "to solve the housing problem in the Dhaka metropolitan area", the dream of those from the middle class to have a home of their own still remains as elusive as ever.

But even if there is no home in sight, home appliances for the dream home are going to be cheaper, with local production of washing machines, microwave ovens, electric ovens, blenders, juicers, mixers, grinders, electric kettles, rice cookers, multi cookers and pressure cookers all being exempted from Value Added Tax.

## Nigeria state in talks to free 136 abducted children

AFP, Kano

A Nigerian state government said it was negotiating with gunmen who seized 136 children from an Islamic seminary at the weekend, the latest in a string of mass kidnappings in the country.

Criminal gangs have often targeted schools in remote areas, where pupils live in dormitories with little security protection, before hauling their victims into nearby forests to negotiate ransoms.