

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	
▲ 0.62%	▲ 1.06%	\$1,815.16	\$70.10	▼ 1.10%	▼ 1.25%	▼ 1.03%	▼ 0.01%	BUY TK	83.95	98.03	114.58	12.72
6,405.04	11,147.66	(per ounce)	(per barrel)	52,553.40	27,652.74	3,111.20	3,539.12	SELL TK	84.95	101.83	118.38	13.37

Star BUSINESS

DHAKA TUESDAY JULY 20, 2021, SRABAN 5, 1428 BS • starbusiness@thedailystar.net

Wage workers in double whammy

Wage growth falls to six-year low while inflation edging up

REJAU KARIM BYRON and MD FAZLUR RAHMAN

Wage labourers in Bangladesh passed a gruelling year as their income growth dropped to a six-year low in the last fiscal year, whereas living expenses went up amid rising inflation, official figures showed.

General wage expanded by 6.12 per cent in the fiscal year of 2020-21, which is the slowest pace of growth since 2015-16, according to the Wage Rate Index (WRI) of the Bangladesh Bureau of Statistics (BBS).

The rate fell by 44 basis points to 5.97 per cent in June compared to May's 6.41 per cent.

The wage rate index is intended

to measure the movement of nominal wages of low-paid skilled and unskilled labour over time in different sectors of the economy. It is also used to measure changes in real wages.

In FY21, the wage growth expanded by 6.39 per cent in the agricultural sector, 5.51 per cent in the industrial sector, and 6.07 per cent in the service sector, all of which grew at the slowest pace in six years.

The sluggish wage growth came in a year when inflation overshot the government's target. The average inflation in FY21 was 5.56 per cent, exceeding the goal of 5.4 per cent.

Inflation spurred to 5.64 per



The deceleration in wage growth along with the rise in inflation means workers' purchasing power has dwindled in the most challenging period of their lives.

cent in June, the highest in eight months, BBS data showed. This reflected the disruptions faced by the supply chain and the rise in the cost of living.

The deceleration in wage

growth and the rise in inflation means workers' purchasing power has squeezed in the most challenging period of their lives.

Rizwanul Islam, a former special adviser for the employment

sector at the International Labour Office in Geneva, said real wages declined in 2020-21 in important sectors like manufacturing and construction.

READ MORE ON B3

RMG factories owe \$844m in wages to workers

Clean Clothes Campaign says

STAR BUSINESS REPORT

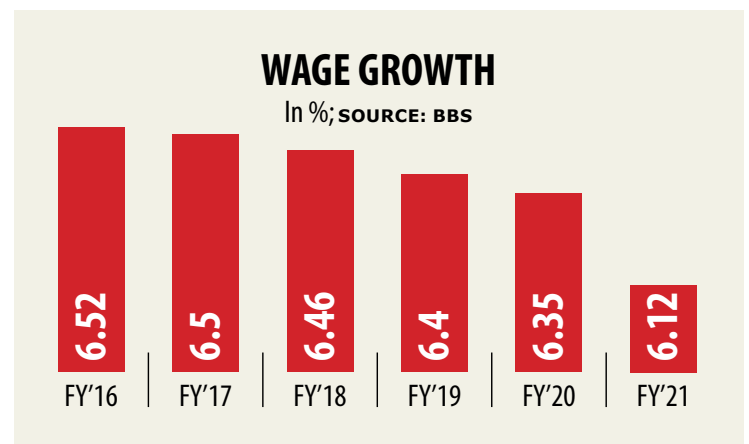
As much as \$844 million is owed in wages and severance pay to garment workers in Bangladesh since the beginning of the pandemic, a new report of the Clean Clothes Campaign (CCC) said.

The labour rights group arrived at the number by collating the findings of various organisations over the past year, including the Centre for Policy Dialogue, the International Labour Organisation, the Worker Rights Consortium, and the Mapped in Bangladesh (MiB).

"This wage gap arose from several factors affecting garment manufacturers, including brands cancelling orders and withholding payments, raw material shortages, and national lockdowns in some garment-producing countries," said the report.

The report presents CCC's latest projection of the economic toll of the Covid-19 pandemic on garment workers.

READ MORE ON B3



Stock index crosses 6,400 points for the first time

STAR BUSINESS REPORT

Dhaka stocks rose for a fourth consecutive day yesterday with the benchmark DSEX crossing the 6,400-point mark for the first time, bringing cheer to investors just before a five-day Eid holiday beginning today.

The prime index DSEX of Dhaka Stock Exchange (DSE) went up 39 points, or 0.62 per cent, to 6,405.04.

The DSEX is hovering around 6,000 points for more than one and a half months and finally it hit a new high on Sunday.

Participation of both individual and institutional investors has increased, said a stock broker.

But risks remain in the market as many stocks having subpar performance records rose abnormally in recent times, he said, adding that insurance stocks also jumped manifold.

So investors should be careful when making their investments because if they invest into stocks with good performance records they have no reason to be worried about, added the broker.

Turnover, another important indicator of the market, however, dropped 29 per cent to Tk 1,264 crore which was Tk 1,793 crore a day earlier.

As investors are travelling back to their homes in other districts to celebrate Eid, their participation was low, said Brac EPL Stock Brokerage Manager Md Rasel.

On the other hand, trade of Beximco's shares was suspended for the day as it was the date for recording names of the shareholders who are entitled to get its sukuk.

So trade of the company's shares, which remained at the top of the trading list for many days, was suspended, he said.

He hoped for the turnover to go higher after the Eid vacation.

At the DSE, 159 stocks advanced, 179 declined and 34 remained unchanged.

READ MORE ON B2

India's crackdown on cattle smuggling a boon for Bangladesh

MAHMUDUL HASAN and SUKANTA HALDER

After failing to get a desired government job, Jakaria Lenin, an English literature graduate in Tangail, set up a cattle farm about 11 months ago.

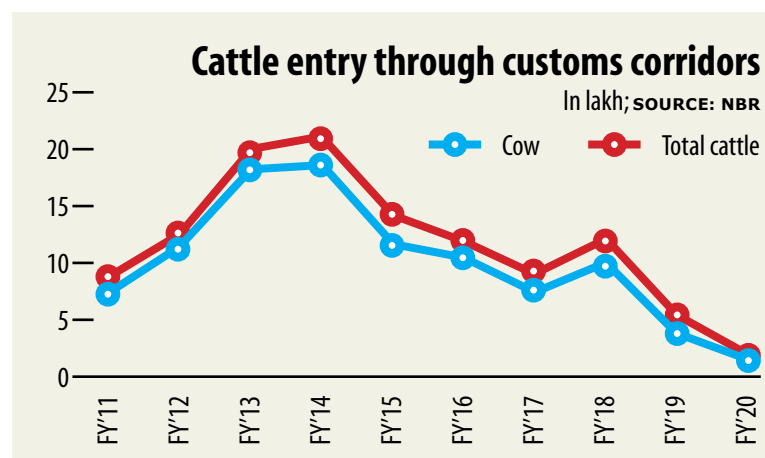
With land and financial help from his father, he brought 44 bulls and 6 cows with an investment of Tk 65 lakh.

And he had earmarked 38 bulls for sale during this year's Eid-ul-Azha celebrations. He has already sold 21 for Tk 22 lakh.

"If I can sell all 38 bulls, I will be able to make a profit of a few lakh taka," said Lenin.

India's crackdown on cattle smuggling prompted him to engage in cattle farming as the demand for the local animals has increased in recent years, said Lenin.

Cattle farming is a new phenomenon gaining ground among literate youths in the country ever since neighbouring India in 2014 clamped down on putting an end to cattle being smuggled to Bangladesh.



Farmers in a remote village selling cattle online

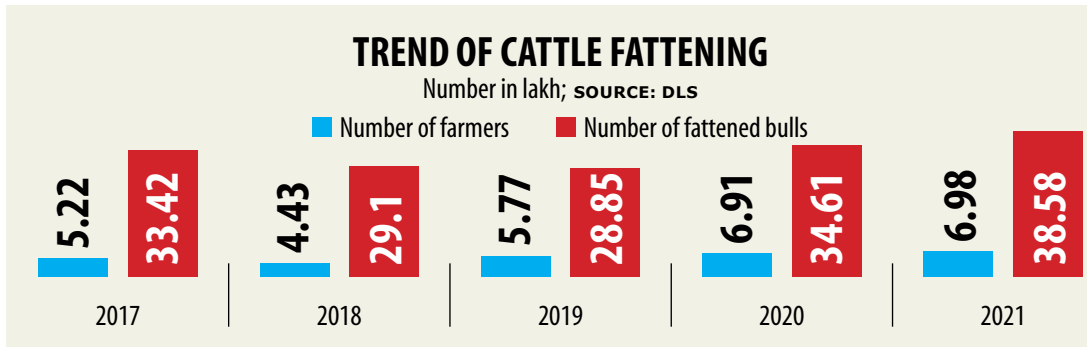
AHMED HUMAYUN KABIR TOPU, Pabna

For decades, traditional haats had been the main place for Bangladesh's farmers and traders for selling bulls ahead of Eid-ul-Azha, one of the biggest festivals for Muslims when demand for sacrificial animals surges.

That dependence has begun to reduce as digital devices and internet networks offer a window to digital marketplaces.

Nationally, online markets for cattle have mushroomed over the last couple of years to offer a respite to urban buyers from the hassle of visiting crowded cattle haats to buy sacrificial animals for Eid.

READ MORE ON B3



"This ended up making Bangladesh self sufficient in cattle rearing," Shaikh Azizur Rahman, director general at the Department of Livestock Services (DLS), told

The Daily Star. "Before, we had to rely on Indian cows during Qurbani season, but locally reared bulls met the demand the past four Eid celebrations," he added.

Prior to India's increased vigilance, a lion's share of the cattle would be raised using traditional methods by farmers in villages.

READ MORE ON B2

China company to invest \$42m in Ishwardi EPZ

STAR BUSINESS REPORT

Chinese company Vanessa Enterprise has signed a \$41.77 million deal with Bangladesh Export Processing Zones Authority (Bepza) to produce accessories for ladies' intimate garments in the Ishwardi export processing zone (EPZ) in Pabna.

As per the agreement, the company will annually produce 299.52 million pieces of bra cup and polyurethane foam, said a Bepza press release yesterday.

Bepza said the factory would employ at least 4,028 Bangladeshi nationals.

Bepza Member (Finance) Nafisa Banu and Vanessa Enterprise Managing Director Choi Chun Ho signed the agreement recently at Bepza Complex in Dhaka.



HABIBUR RAHMAN

Samar Karmakar, a blacksmith, usually requires around six staffers in the days leading up to Eid-ul-Azha to cater to increased demand for butchering tools needed for the sacrifice of cattle. This time around there are a fewer number of customers, leaving him and his three employees with little to no work. The photo was taken at Boyra Bazar in Khulna city recently.

Plug policy gaps to deepen digital inclusion: experts

STAFF CORRESPONDENT, Cg

Experts at a virtual dialogue yesterday emphasised addressing the gaps in policies to enhance digital inclusion since inadequacy in the ICT policies contributes to weak internet infrastructure in the country.

The National ICT Policy of Bangladesh does not provide clear strategies for digital inclusion in terms of ICT access, use and skills, they opined.

The Centre for Policy Dialogue (CPD) and Friedrich Ebert Stiftung (FES), Bangladesh office jointly organised the virtual dialogue on "Trade in Services in the Digital Age".

CPD Executive Director Fahmida Khatun moderated the dialogue while FES Bangladesh Office Resident Representative Felix Kolbitz delivered the introductory remarks.

Presenting a keynote speech, CPD's former senior research associate Md Kamruzzaman said the country's volume of trade in digitally delivered services (DDS) has increased eightfold from \$599 million in 2005 to \$4,005 billion in 2019.

Bangladesh's trade in the DDS as a share

of GDP fares much lower compared to neighbouring countries, he said.

Neighbouring India and Sri Lanka had featured a much larger share of digitally-delivered services trade accounting at 7.7 per cent and 3.3 per cent in their respective GDPs in 2019, he said.

Meanwhile Bangladesh's trade in the DDS was at 1.3 per cent in the same year as share of the GDP, he informed.

Mentioning that Bangladesh ranks low in digitalisation and digital trade related indicators, he cited access to internet being limited and awareness on internet not encouraging.

Internet costs are high in Bangladesh resulting in a low internet usage rate, he said, adding that cost of mobile data in the country was nearly seven times higher than that in India.

He recommended that ICT policies need to be revised through a bottom-up approach through participation of the grassroots and relevant stakeholders, including technical experts. He said women from low-income families may be provided low-cost home internet packages.

READ MORE ON B3

Asian shares extend losses on renewed virus scare, inflation woes

REUTERS, Sydney

Asian shares slipped again on Monday while perceived safe haven assets, including the yen and gold, edged higher as investor risk appetite was soured by fears of rising inflation and a relentless surge in coronavirus cases.

MSCI's broadest index of Asia-Pacific shares outside Japan fell 0.4 per cent for its second straight day of losses.

Japan's Nikkei dropped 1.3 per cent as did Australia's benchmark share index. South Korea's KOSPI was 1 per cent lower while New Zealand's shares were off 0.4 per cent.

Global economic growth is

beginning to show signs of fatigue while many countries, particularly in Asia, are struggling to curb the highly contagious Delta variant of the coronavirus and have been forced into some form of lockdown.

The spectre of elevated inflation, which the market has long feared, is also haunting investors.

Economists at Bank of America have downgraded their forecasts for US economic growth to 6.5 per cent this year, from 7 per cent previously, but maintained their 5.5 per cent forecast for next year.

"As for inflation, the bad news is its likely to remain elevated near term," they said in a note, pointing to their latest read from their proprietary inflation meter which

remains high.

"The good news is...we are likely near the peak, at least for the next few months, as base effects are less favourable and shortage pressures rotate away from goods towards services."

US Federal Reserve Chair Jerome Powell has repeatedly said any inflation fare-up is expected to be transitory, indicating monetary policy will remain supportive for some while yet.

Yet, it's taking a hard time convincing markets.

Aviva Investors, the global asset management business of Aviva plc, expects rapid growth and inflation to put some upward pressure on long-term sovereign bond yields.

"As such, we prefer to be somewhat underweight duration, mainly through US treasuries," said Michael Grady, head of investment strategy and chief economist at Aviva Investors.

"Overall, we have a neutral view on currencies." Action in the currency market was muted on Monday.

The dollar was barely changed against a basket of major currencies at 92.640.

Against the safe haven yen, the dollar was down 0.2 per cent at 109.86, edging closer to the recent one-month trough of 109.52.

The euro was mostly flat at \$1.1811.

The risk-sensitive Aussie slipped to \$0.7392, the lowest since last December during early Asian trading.

Equity performance in recent days underscored investor nerves.

For example, MSCI's all-country world index, a gauge of global shares scaled a record peak last week but finished it 0.6 per cent lower. The Dow closed down 0.9 per cent, the S&P 500 slipped 0.75 per cent, and the Nasdaq lost 0.8 per cent.

These losses came despite stronger-than-forecast US retail sales last week, which rose 0.6 per cent in June, contrary to an expected decline.

Next on investors' radar is June quarter corporate earnings with Netflix, Philip Morris, Coca Cola and Intel Corp among companies expected to report this week.

Bank of America analysts forecast an 11 per cent earnings beat, which they say would help refuel investor confidence in broader economic recovery and drive a rotation back into so-called "value" stocks, which currently trade below what they are actually worth.

Ford recalling 775,000 SUVs for steering issue

REUTERS, Washington

Ford Motor said on Friday it was recalling about 775,000 Ford Explorer SUVs worldwide for a steering issue linked to reports of six injuries in North America.

The recall covers 2013-2017 model year vehicles that may experience a seized cross-axis ball joint that could cause a fractured rear-suspension toe link, which could significantly diminish steering control, increasing the risk of a crash.

The recall covers 676,152 vehicles in North America, 59,935 in China and 38,600 elsewhere. The US vehicles are in high-rust states.

Owner notifications will begin in late August. Dealers will inspect cross-axis ball joints and replace if needed and replace the toe links with a revised part.

Ford issued two other small recalls on Friday, nearly all of them in North America. One is for about 35,000 2020-2021 Ford F-350 Super Duty vehicles with 6.7-liter



engines and single rear wheel axle for a rear-axle housing spring seat interface weld issue.

Ford is also recalling 41,000 2020-2021 Lincoln Aviator vehicles equipped with 3.0-liter gas engines because the battery cable wire harness may not be properly secured.

The issue could result in a short circuit and potential fire. Ford is not aware of any accidents, injuries or fires related to the two smaller recalls.



An investor looks at an electronic board showing stock information at a brokerage house in Beijing.

Stock index crosses 6,400 points

FROM PAGE B1

Investors are really happy now as the index is in a rising trend and they are getting profits, said stock investor Abdul Haque.

"We fear that if institutional investors leave the market suddenly, we will be impacted," he said, reminding that banks had left the market suddenly in 2010, intensifying the market crash.

If the market can run on its own rhythm, there will be no reason for tension, he hoped.

Along with the index, the DSE's market capitalisation also reached a historical high yesterday to Tk 535,185 crore.

Baraka Patenga Power topped the gainers' list, rising 10 per cent, followed by Global Insurance, Beacon

Pharmaceuticals, Central Insurance and Islami Insurance.

Stock of SAIF Powertec were traded the most, worth Tk 28 crore, followed by British American Tobacco Bangladesh, Fu-Wang Ceramic Industries, Power Grid Company and Beacon Pharmaceuticals.

Pioneer Insurance shed the most, falling 7.72 per cent, followed by Prime Finance First Mutual Fund, Zaheen Spinning Mills, Miracle Industries and Shinepukur Ceramics.

The port city bourse also rose yesterday. The CASPI, the general index of Chittagong Stock Exchange, advanced 190 points, or 1.03 per cent, to 18,569.

Among 313 stocks to witness trade, 138 advanced, 148 dropped and 27 remained unchanged.

Sudan inflation soars above 400pc as discontent grows

AFP, Khartoum

Inflation in Sudan has jumped to more than 400 percent, state media reported on Sunday amid popular discontent over rising prices after a series of IMF-backed economic reforms.

"The annual inflation reached 412.75 percent in June, compared with 378.79 percent in May," the official news agency SUNA reported, quoting a government statement.

SUNA said the latest spike in the inflation rate was because of price hikes including on food. Sudan has been going through a rocky transition since the April 2019 ouster of president Omar al-Bashir following mass protests against his rule triggered by economic hardship.

The transitional government installed in August 2019 has vowed to fix the economy which has been battered by decades of US sanctions and mismanagement under Bashir.

In recent months, Sudan scrapped diesel and petrol subsidies and carried out a managed float of the Sudanese pound to stem a rampant black market.



Sudanese residents shop at a bazaar in Khartoum.

The measures, seen by many Sudanese as harsh, were part of reforms backed by the International Monetary Fund to enable Sudan to qualify for debt relief.

On Friday the Paris Club, Sudan's biggest creditor, said it would cancel much of the debt owed to it by Sudan to help draw Khartoum back into the international fold.

That announcement came as part of a wider effort by the IMF to relieve more than \$50 billion of Sudan's debt, around 90 percent of its total, over the next few years.

Late last month, hundreds of people took to the streets in the capital and in other cities across Sudan to demand the government's resignation over the latest reforms.

India's crackdown on cattle smuggling a boon for Bangladesh

FROM PAGE B1

But now many educated youths and traditional farmers have started putting emphasis on high quality breeds through artificial insemination.

According to the DLS, which started gathering statistics on fattened bulls a couple of years ago, there were 33.42 lakh fattened bulls in the country in 2017.

It increased around 16 per cent to 38.58 lakh in 2021.

Before India's crackdown at borders to prevent smuggling of cattle, Bangladesh depended on the entry of about 20 lakh cows annually from the neighbouring country.

The clandestine business started facing curbs since 2015, leading to a gradual decline in the flow from India. Data from the National Board of Revenue (NBR) showed that the number of cattle brought over informally over the borders was 21 lakh in fiscal 2013-14.

Six years down the line, the flow dipped 90 per cent. In fiscal 2019-20, the figure was 2 lakh, down from 5.42 lakh the previous year, showed data from the NBR.

The slump fuelled prices of beef locally, only to encourage farmers to

expand to livestock rearing. "We want to thank the Indian government as it helped the local livestock industry to flourish," said Rahman.

According to the DLS, there are 6.98 cattle farmers in Bangladesh, up from 3 lakh in 2015.

"In 2009-10, Bangladesh produced about 13 lakh tonnes of meat, which increased to over 75 lakh tonne in 2019-20," he said.

He said the government went out extensively to provide training to the farmers, teaching them how to perfectly raise cattle at low expense.

"We have already attained self-sufficiency in meat production and now we are focusing on increasing milk production with high quality breeds," he added.

Bangladesh produces around over 40 lakh artificially inseminated cattle per year, he added.

Abdul Latif, a traditional cattle farmer in Kalihati upazila in Tangail, was fattening one bull and raising some six cows for milk decades ago.

"But in last the 5 to 6 years, I started fattening at least eight bulls per year as the demand for such bulls skyrocketed in recently years," said Latif.

"This year I have fattened 12 medium and large bulls targeting this Eid," he said.

Boosted by success stories in dairy farming, Shahidul Islam Razu entered the business three years back after passing out from a government college in the capital. Last year, he sold all of his 24 cattle and pocketed a profit of Tk 7-8 lakh.

This year, his Modern Dairy Farm in Keraniganj reared 60 cattle. Of them, 40 have already been sold at Tk 50 lakh.

"If all get sold, the total price will be Tk 80 lakh and profit over Tk 12 lakh," said Razu, adding that he was certain that his bulls would be sold out before Eid as many customers have shown interest in making a purchase from his farm.

However, he said making an annual profit of only Tk 15 lakh with an investment of Tk 80 lakh was not that lucrative to many. Many of the new entrepreneurs of the sector are leaving for good.

"This is because the price of feed increases every year. It is difficult to survive in this business without the government taking urgent step in reducing the price of the feed," he said.

Government of the People's Republic of Bangladesh

Local Government Engineering Department
"Technical Assistance Project for My Village-My Town"
LGED, LGED Bhaban (Level-08)
Agargaon, Sher-e-Bangla Nagar
Dhaka-1207
www.lged.gov.bd

Memo No. 46.02.0000.982.11.001.21.143 Dated: 19/07/2021

Request for Expression of Interest (EOI)

1.	Ministry/Division	Ministry of Local Government, Rural Development & Co-operatives/Local Government Division.					
2.	Agency	Local Government Engineering Department (LGED).					
3.	Procuring entity name	Project Director, Technical Assistance Project for "My Village-My Town".					
4.	Procuring entity code	N/A.					
5.	Procuring entity district	Dhaka.					
6.	Expression of Interest (EOI) for selection of Individual Consultant	Selection of Individual Consultant		Selection of Individual Consultant (National)			
7.	EOI Ref No.	Memo No. 46.02.0000.982.11.001.21.143					
8.	Ref. date	19/07/2021					
KEY INFORMATION							
9.	Procurement sub-method	Selection of Individual Consultant (National).					
FUNDING INFORMATION							
10.	Budget and source of funds	GOB.					
11.	Development partners (if applicable)	Not applicable.					
PARTICULAR INFORMATION							
12.	Project code (if applicable)	223041300					
13.	Project name	Technical Assistance Project for "My Village-My Town".					
14.	Place of EOI submission	Office of the Project Director, Greater Chattogram Rural Infrastructure Development Project-3, LGED Bhaban, Level-8, LGED HQ, Agargaon, Sher-e-Bangla Nagar, Dhaka-1207.					
15.	EOI closing date & time	Date	Time				
		08/08/2021 (In case of lockdown on this date, please submit online pdf copy and hard copy within 48 hours of withdrawal of lockdown)	2.00pm				
INFORMATION FOR APPLICANT							
16.	Brief description of assignment	Package No.	Proposed post, number & tentative duration	Minimum qualification	Minimum experience	Working station	Scope of works
		TAPP of MVM/T/S-05	Senior Rural Water Supply Specialist 1 person (8 months)	BSc in Civil Engineering, preferably Masters in Water Supply of Environmental Engineering	General & specific experience -25 years' experience in water supply & 10 years' experience in rural water supply. -Research & publication skill. -Excellent writing/reporting skills.	Dhaka. Frequent travel to anywhere in the country is expected.	Details in TOR
		TAPP of MVM/T/S-08	Land Development Specialist 1 person (8 months)	BSc/BURP in Urban & Regional Planning/ Geography/ related discipline	General & specific experience -20 years' experience in development sector & 7 years practical experience in compact housing/rural township planning or related development works. - Research & publication skill. - Excellent writing/reporting skill.	Dhaka. Frequent travel to anywhere in the country is expected.	Details in TOR
17.	Other information	<ul style="list-style-type: none"> Individual Consultant will be selected in accordance with the procedures set out in the PPR-2008. Detailed information may be collected from the undersigned office during office hour. 					
PROCURING ENTITY DETAILS							
18.	Name of official inviting EOI	Abul Monzur Md. Sadeque.					
19.	Designation of official inviting EOI	Project Director.					
20.	Address of official inviting EOI	Level-8, LGED Bhaban, Agargaon, Dhaka-1207.					
21.	Contact details of official inviting EOI	Telephone: 088-02-58155292 (Office), E-mail: monzursadeque@gmail.com , myvillage.mytown@lged.gov.bd Cell No. 01678-054300					
<ul style="list-style-type: none"> The procuring entity reserves the right to accept or reject any or all EOI. To collect the RFA, please send an email to monzursadeque@gmail.com, myvillage.mytown@lged.gov.bd. It will be duly sent to the applicant. RFA must be delivered to the address below in sealed envelope on or before 08 August 2021 within 2.00pm with clearly mention the name of post. (In case of lockdown on this date, please submit online pdf copy and then hard copy within 48 hours of withdrawal of lockdown). 							

India's forex reserve fifth largest in the world

OUR CORRESPONDENT, New Delhi

With its foreign exchange reserves hitting \$608.99 billion as on June 25, India has emerged as the fifth largest foreign exchange reserve holder in the world after China, Japan, Switzerland and Russia, parliament was told yesterday.

This was stated by the Minister of State for Finance Pankaj Chaudhary in a written reply to a question in the Lok Sabha.

The minister said India's foreign exchange reserve was at a comfortable position in terms of import cover of more than 18 months and providing a cushion against unforeseen external shocks.

The government and the Reserve Bank of India (RBI) are closely monitoring the emerging external position calibrating policies or regulations to support robust macroeconomic growth, he added.

Chaudhary said the RBI takes regular steps for diversification of forex reserves by scaling up operations in forex swap

and repo markets, acquisition of gold and exploring new markets and products while adhering to safety and liquidity standards.

The minister said a current account deficit, accompanied by increasing foreign exchange reserves reflects a surplus on the balance of payments.

In 2020-21, India's balance of payments recorded a surplus in both current account and capital account, which contributed to the increase in foreign exchange reserves during the year.

Other than exports and imports of goods and services, the overall stability of the external sector depends on other components of balance of payments, including remittances, income in the current account, the size of net capital flows and external debts.

India is comfortable in most of these external sector vulnerability indicators, the minister said.

RMG factories owe \$844m in wages to workers

FROM PAGE B1

Based on the estimated wage gaps in seven production countries, namely Bangladesh, Cambodia, India, Indonesia, Myanmar, Pakistan and Sri Lanka, the Campaign estimates that garment workers lost a combined \$11.85 billion from March 2020 through March 2021.

The estimated wage gap for the workers in Cambodia was \$343 million, for India \$1.02 billion, for Indonesia \$721 million, for Myanmar \$422 million, for Pakistan \$404 million, and for Sri Lanka \$313 million.

The first "Un(der)Paid in the Pandemic" report of the CCC estimated a wage gap of \$501 million for Bangladesh from March to May 2020. This was a period when up to 89 per cent of factories were temporarily closed.

After the initial shock of the pandemic in Bangladesh, 79 per cent of the factories that had closed down reopened with 92 per cent of their workforce, according to research of the MiB, an initiative of the Brac University's Centre for Entrepreneurship Development.

This suggests that approximately 1.2 million workers were furloughed in June 2020, said the report.

Data from the ILO Briefing Report indicates factories, on average, were operating at a significantly reduced capacity of 57 per cent of the workforce by July 2020, which corresponds to 1.89 million workers being furloughed in July last year.

According to the rules of retrenchment, the workers were given 60 per cent of their wages.

The CCC estimated the furloughed workers faced a wage gap of at least \$117 million from June to July in 2020. After July, employers were officially allowed to terminate workers.

The report cites another study by the MiB that states that 3.5 lakh garment workers lost their jobs.

MiB's database covers three-quarters of the garment industry in Bangladesh, so the number of jobs lost was extrapolated to 4.76 lakh for the whole sector.

A separate study by the Bangladesh Institute for Labour

Studies, in September 2020, estimated that around 4 lakh garment workers might have lost their jobs, said the report.

The CCC averaged the numbers and concluded that 4.38 lakh garment workers lost their jobs last year.

The MiB's survey in October 2020 found that only 3.6 per cent of factories paid the full severance owed to terminated workers, and these were small and medium-sized factories.

All large factories and 86 per cent of medium-sized factories reported withholding legally owed compensation and allowances and paying only the salary owed.

"Allowing for higher worker numbers in large factories, we estimate that 95 per cent of workers dismissed during the pandemic were not paid their legally owed severance," said the report, putting the severance pay gap at \$151 million.

The CCC also took into consideration the non-payment of wages and Eid bonuses.

The Bangladesh Industrial Police

reported 756 garment factories had not paid in June 2020, and 177 factories had not paid July wages and Eid bonuses.

"With an average of 790 workers per factory, we estimate that 7.37 lakh workers lost withheld wages of \$74.2 million," said the report.

Considering the wage gap for furloughed workers in the five months up to July 2020, the amounts owed to workers who were terminated but not paid their legal entitlements, and the widespread non-payment of wages to employed workers during the pandemic, the total estimated wage gap for workers in Bangladesh is \$844 million, the CCC said.

"Global brands, retailers and e-tailers remain responsible, under international standards and their own codes of conduct, for ensuring that workers employed in their supply chains are paid at least their legally mandated or regular wages - whichever is higher," said the report.

"They must take direct responsibility for the workers in their supply chains."

Women make up nearly a third of financial service firm boards

REUTERS, London

The proportion of women on the board at 200 of Britain's top financial firms has risen to nearly a third in the five years since the government launched an initiative to improve gender balance in the sector, a report on Monday said.

Since the launch of the HM Treasury Women in Finance Charter in March 2016, the number of women on the board at the companies had risen to 32 per cent from 23 per cent, think tank New Financial said in a review of the charter's impact.

Female representation on executive committees, meanwhile, had increased to 22 per cent from 14 per cent, it added. Based on the current rate of change, women would reach parity in the boardroom in 2029 and on executive committees in 2033. "While female representation is moving

in the right direction, there is still a long way to go," said Yasmine Chinwala, partner at New Financial and co-author of the report.

"If the industry is to maintain the pace of change in the next half decade, it will have to take on the tougher challenges."

Among them are the need to build a pipeline of female talent, ensure accountability is taken across the organisation and to develop more women in revenue-generating roles.

"Over the next five years, we need to move from talk to action, from working in isolation to working together, and move from a narrow perception of gender diversity to encompass women from every walk of life and every part of society," said Amanda Blanc, chief executive at British insurer Aviva.

Farmers in a remote village selling cattle online

FROM PAGE B1

Now, farmers have come up.

In a remote village named Haropara of northwest district Pabna, livestock farmers and traders are selling their reared cattle through online platforms in order to avoid the hassle of visiting haats or bazars in the wake of the Covid-19 pandemic outbreak and its spread.

Md Ashraf Alam, a small cattle farmer of the village under Pabna, one of the biggest dairy and livestock farming districts, is one of them.

He sold all three bulls he reared through an online platform maintained by one of his peers. They took photos and recorded videos of the bulls and posted those on YouTube and Facebook for sale.

It worked. "It provided a lot of relief from hassles. I do not need to count extra costs for transporting cattle from one haat to another," he said.

Alam is one of over 150 livestock farmers who have sold their bulls online. Until midday yesterday, they could sell nearly 3,500 bulls

out of 4,000 online.

The sales figure is insignificant when it comes to total sales of cattle nationally through haats and also through online marketplace developed and operated under the government patronage to enable people to buy animals by avoiding physical contacts and prevent spread of the contagious virus.

Until yesterday, roughly 3.50 lakh cattle were sold through online platforms at Tk 2,424 crore through the online markets tracked by the Department of Livestock Services (DLS).

Farmers of Haropara village of Pabna expected that the rest of the 500 bulls will be sold online before the Eid.

Md Shahabul Islam, a cattle trader in Pabna's Haropara, said he used to sell cattle in local haats a few years ago and often did not get the expected profits due to the hassles of cattle market.

Now, he is free of tension. "I often buy cows from local farmers and outside of the village a month before Eid-ul-Azha and go for nourishing the animal.

When I take photos and videos of the animal and upload it onto Facebook and YouTube under the name of my cattle farm, ABC Farm, including my cellphone numbers," Sahabul said.

"If the buyers like an animal they see, they contact me. If I get the expected price then I give my word on the sale. Buyers, however, send us money through banks and then I send the animal to the desired address on a vehicle," he added.

"If anybody wants to keep the cattle in my farm, then we take an extra charge of Tk 3,000 for maintenance per month," he said.

Sahabul has nine bulls in his farm. He, however, bought 10 more last week and sold at least 15 till Friday.

Md Abdul Kader, who started selling cattle of his farm online since 2017, said he has sold almost 2,000 bulls online from this village.

"Now we are expecting to sell more this year as many people are dependent on online markets owing to the alarming Covid

situation," he said.

Kader has 117 fattened cattle. Of them, he sold 110 till Friday. He said big cattle traders and industrialists were the key buyers of online markets.

Once the animals are sold, these are transported to the place opted for by buyers on trucks.

"Big traders or their representatives are coming to our village after viewing the animals at our online platform and complete deals through electronic transactions," he said.

Md Johurul Islam, acting livestock officer of Vangura upazila in Pabna, said cattle farmers and traders of Haropara village have set an example of digital marketing.

"Due to the alarming spread of coronavirus, we always request everybody to operate cattle markets following health guidelines but nobody does.

We have encouraged cattle farmers to sell on online platforms. Farmers of Haropara village have set an example through their own initiatives," he said.

Wage workers in double whammy

FROM PAGE B1

This is happening at a time when employment opportunities also declined. That implies that the incomes of a large number of low-income people have gone down, he said.

"Thus, the conclusion -- based on BBS data -- is inescapable that many are joining the ranks of the poor."

The rate of the increase in real wages has been on a downward trend for a few years, according to Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue.

He said inflation-adjusted real wages fell in all sectors except agriculture in June. The fisheries and construction sectors saw the most declines.

The wage rate in the agriculture sector grew by 6.13 per cent in June, down from 6.71 per cent a month ago. The fisheries sector's wage growth fell 53 basis points to 4.92 per cent and the construction sector's by 22 basis points to 4.31 per cent.

The broader industrial sector's wage growth was down 20 basis points to 5.59 per cent in June, and the service sector's wage growth dropped 24 basis points to 6.06 per cent.

The decline in the real wages for a major portion of the working class has negative consequences, Moazzem said. "Their savings capacity is squeezing. Jobs are relatively unavailable. There might not be any job sector growth. As a result, there will be more informality in the sector."

"As a result, food intake and nutrition will take a hit. Child labour in families may go up. Indebtedness will deepen."

Division-wise, the wage rate growth rose 12 basis points to 5.93 per cent in Dhaka in FY21 compared to a year ago and by 25 basis points to 7.05 per cent in Rajshahi.

It fell to 5.99 per cent in Chattogram, 7.27 per cent in Rangpur, 6.11 per cent in Khulna, 6.16 per cent in Barishal, and 6.01 per cent in Sylhet.

"The wage rate decline is the reflection of the real scenario," said Sayema Haque Bidisha, a professor of the economics department at the University of Dhaka.

She said the wage data represented the workers who were employed and about whom information was available.

Beyond this group of people, many people are unemployed or have lost jobs. There is another group of people who belong to the completely informal sector.

Food inflation has grown in the last several months. At the end of the fiscal year, the average food inflation rose to a three-year high of 5.73 per cent.

Prof Bidisha said the people in the urban areas had lost jobs and saw income cut. So, internal migrants were facing pressure, and even many of them returned to villages.

"Because of the declining purchasing power, food poverty among the poorest of the poor might have increased."

Bidisha, also the research director of the South Asian Network on Economic Modeling, called for expanding the operation of the open market sales of essentials to give some respite to the lower-income groups.

"Market monitoring has to be strengthened by deploying more people to keep the price stable of basic commodities and prevent their unusual price hike."

She urged the government to link the interest of the workers with the budgetary stimulus and incentive packages for industries and businesses to avoid job and wage cuts.

"The government may introduce an unemployment allowance even for a temporary period."

According to Moazzem, the main initiatives to support the workers would have to come from the government as the private sector was not in a position to invest in generating jobs.

"Government-led initiatives such as public works and social safety net schemes have to be expanded."

He called for implementing infrastructure projects in both rural and urban areas that created jobs.

Non-governmental organisations directly work with the poor people, so the government's financing for the NGO-led initiatives should be increased, he said.

"Bangladesh is now at a stage where it has to prioritise the coronavirus vaccination programme to revive economic activities."

Plug policy gaps to deepen digital inclusion: experts

FROM PAGE B1

Addressing as a panel discussant, Syed Almas Kabir, president of the Bangladesh Association of Software and Information Services (BASIS), underscored the need for developing the analytical and decision-making skills of human resources to enhance software and IT enable services.

About 22,000 IT students graduate every year in the country but they do not have the required skills, that is why they have to go through a training process for the next three to six months and then they become employable, he added.

This is the gap between the academy and industry, he said.

"We need to incorporate those training and skill development within the four-year academic curriculum," he said.

"Not all the e-commerce being practised in the country is digital service. If there is no digital payment done and if

it is a cash-on delivery, it cannot be called a digital service unless the transaction is made digitally," he said.

Ninety-five per cent of internet services depend on mobile operators while broadband internet covers only four to five per cent, he informed.

"The problem is that the services we want to provide digitally actually need high-speed broadband network," he said.

Reshmi Banga, senior economic affairs officer of the United Nations Conference on Trade and Development (UNCTAD), said cherry-picking policies or ad-hoc policies would not enable the required digital transformation.

There has to be a national comprehensive digital transformation strategy well coordinated with some at the national level as well as sectorial level policies while both demand and supply sides need to be addressed together, she said.

Agro-processors asked to ensure safe workplace

FROM PAGE B4

"After the fire incident, many weaknesses and limitations of the factory were discovered and we are taking a lesson from them so that such issues do not recur," he added.

On July 8, at least 52 workers, including child labourers, died in a devastating fire at the Hashem Foods manufacturing unit that produced fruit drinks and biscuits. The incident occurred at a time when the country's agricultural exports crossed the \$1-billion mark for the first time despite the ongoing coronavirus pandemic.

According to BAPA, locally made agro-based products are being regularly exported to more than 145 countries.



Mashreqbank, PSC (Dubai, UAE) disburses USD 25 Million in Long Term Funding to Bangla Trac's 200 MW HSD Power Plant

Mashreqbank PSC, Dubai, United Arab Emirates has disbursed long-term foreign currency funding of USD 25 million to Bangla Trac Group, one of the leading conglomerates in Bangladesh. The funding is specifically for Bangla Trac Power Unit-1 Ltd (BTPU-1), the 200 MW High Speed Diesel (HSD) fired power plant located in Daudkandi, Cumilla.

The City Bank Ltd played a key role in securing the funding, acting as the Lead Arranger and Agent Bank. Alongside the USD 25 million from Mashreqbank PSC, The City Bank has also raised local currency funding of BDT 3,240 million through syndicate arrangement from Shahjalal Islamic Bank Limited, NRB Commercial Bank Limited, The City Bank Limited, Islamic Finance & Investment Limited and IDLC Finance Limited for BTPU-1 power plant project.

Mr. Mohammad Aminul Haque, Chairman and Mr. Tarique Ekramul Haque, Managing Director of Bangla Trac Limited, which is the majority shareholder entity of BTPU-1, expressed their gratitude and thanks to The City Bank Ltd. and Mashreqbank PSC for their relentless efforts in making this deal a success and expressed intent for more such collaborations in the future. As Bangladesh's economy leaps forward, Bangla Trac Group remains committed to support the country's economic growth through our continued contribution in power and infrastructure development sector.

ABOUT BANGLA TRAC GROUP

Bangla Trac Group, is one of the leading conglomerates in the country which started its journey in 2004 with Bangla Trac Ltd, the exclusive authorized dealer of Caterpillar Inc, USA in Bangladesh. The Group has established its presence in diverse sectors like power and infrastructure development, telecommunication, information technology and restaurant and hospitality and locally represents top global brands such as Caterpillar, Burger King, Dell, HP, Nextsco, Microsoft, Acer, Oracle, CISCO, RSA, Blackbox, Panasonic, VMware and f5.

Encourage SMEs to embrace climate adaptation: ICCB

Agro-processors asked to ensure safe workplace

STAR BUSINESS DESK

The government should encourage micro, small and medium enterprises to take on appropriate climate mitigation and adaptation measures, said the International Chamber of Commerce Bangladesh (ICCB).

They should develop good practices that are flexible to innovation across nationally determined contributions, in particular for tackling the social and economic impacts of the pandemic, it said.

The chamber shared the views in its quarterly news bulletin for April-June 2021 published yesterday.

"(The) MSMEs are the foundation of the global economic system -- they make up 90 per cent of businesses worldwide, comprise an estimated 80 per cent of employment in many countries, collectively employ two billion people," it said.

"Yet, they are not a dominant voice and presence in the UNFCCC process," it said.

It also recommended creating a dedicated and recognised space inside the UNFCCC for enhanced consultation and dialogue with business and employers, inclusive of the small-scale firms.

It welcomed announcements at the US Leaders' Climate Summit and G7 meetings of increased pledges for climate change mitigation and finance for the small-scale businesses.

These pledges do not yet place the world on track to achieve committed UN Climate Change Conference (UNFCCC) Paris Agreement actions, the business organisation also said in a press release.



Small businesses are the foundation of the global economic system and comprise an estimated 80 per cent of employment in many countries.

"With global temperatures rising, along with changing weather patterns, sea-level rise, increases in droughts and floods, the world's most vulnerable populations are facing ever-increasing risks, food insecurity and have fewer chances to break out of poverty and build better lives," it said.

According to Climate Action Tracker, the sum of all the targets submitted so far would limit global warming to an estimated 2.4°C by the century's end.

This is still short of limiting global temperature rise by 2°C -- ideally 1.5°C -- by the end of the century as per the Paris Agreement. However, developed countries

had committed to jointly mobilise \$100 billion per year by 2020 in support of climate action in developing countries more than a decade ago.

But according to the UN, the \$100b target is not being met (the latest available data for 2018 is \$79b), even though climate finance is on an "upward" trajectory. So, there is still a big gap in finance.

According to the UN, the annual \$100b commitment "is a floor and not a ceiling" for climate finance.

The UN Environment Programme (UNEP) estimates that adaptation costs alone faced by just developing countries will be between \$140 billion to \$300 billion per year by

2030, and \$280 billion to \$500 billion annually by 2050.

The ICCB thinks this troubling gap should give the international community impetus to consider how to unleash and engage further action both now and over the longer term across society.

"UNFCCC COP26 in Glasgow, and over the course of the Paris Agreement five-year review cycle, governments have the unique opportunity to widen the circle of implementation for inclusive ambition, with a particular focus on countries' nationally determined contributions as a vehicle in the run-up to the next," the press release said further.

BAPA issues directives on fire safety measures

ARANDA MUHAMMAD JAHI

In light of the recent fire at the Hashem Foods factory in Narayanganj, where 52 workers tragically lost their lives, the Bangladesh Agro-Processors' Association (BAPA) has issued directives to its members regarding safety measures that could help prevent such disasters.

BAPA also urged its members to ensure that their factories are completely free of any form of child labour.

The association of agro-processors informed its 569 members across the country about the new directives through a letter issued on Saturday.

The directives include taking proper action to prevent fire incidents, widening the doors and stairs to facilitate quicker movement, and introducing evacuation drills so that workers know how to exit their facilities in a safe and orderly fashion, according to a copy of the letter obtained by The Daily Star.

In addition, BAPA urged its members to raise fire safety awareness among their workers with the help of local fire service departments.

Similarly, working with civil defence agencies could help ensure that the existing labour laws are followed, it said.

In the wake of a horrific fire incident at Hashem Foods, BAPA's executive committee held an emergency meeting on July 11, where they decided to take appropriate precautionary measures to prevent any kind of accident or loss of life in other factories.

Besides, the association is also mulling over whether to set a safety standard for the industry in order to ensure compliance, it added.

BAPA General Secretary Md Iqtadul Hoque said they are planning to initially adopt certain global safety standards, such as the regulations set by the Accord and Alliance for garment industries.

BAPA will begin working on safety compliance measures in the industry after Eid-ul-Azha

The Accord and Alliance, two foreign inspection and remediation platforms, were formed to strengthen workplace safety in the local garment sector after the collapse of Rana Plaza building in April 2013.

BAPA will begin working on safety compliance measures in the industry after Eid-ul-Azha with the help of some garment factory owners who operate agro-based factories as well.

"And although agro-products and garments are two different sectors, we will follow some common and key measures from the garments safety compliance," he added.

Hoque went on to say that the tragic fire at Hashem Foods was an eye-opener for the agro-processing industry.

"Now we understand that if we want to run factories properly while growing the industry, we have to find any weaknesses and deal with them accordingly," he told The Daily Star on Saturday.

In response to a query about the use of child labour at Hashem Foods, which is a member of BAPA, Hoque said they did not know about the issue before the fire incident.

The agro-processing sector is a comparatively new and growing sector so there is a bit of a learning curve, as evinced by the Hashem Foods incident.

READ MORE ON B3



GLOBAL BUSINESS

J&J explores putting talc liabilities into bankruptcy

REUTERS

Johnson & Johnson is exploring a plan to offload liabilities from widespread Baby Powder litigation into a newly created business that would then seek bankruptcy protection, according to seven people familiar with the matter.

During settlement discussions, one of the healthcare conglomerate's attorneys has told plaintiffs' lawyers that J&J could pursue the bankruptcy plan, which could result in lower payouts for cases that do not settle beforehand, some of the people said.

Plaintiffs' lawyers would initially be unable to stop J&J from taking such a step, though could pursue legal avenues to challenge it later.

J&J has not yet decided whether to pursue the bankruptcy plan and could ultimately abandon the idea, some of the people said.

Reuters could not determine whether J&J has retained restructuring lawyers to help the company explore the bankruptcy plan.

J&J faces legal actions from tens of thousands of plaintiffs alleging



Bottles of Johnson & Johnson baby powder line a drugstore shelf in New York.

its Baby Powder and other talc products contained asbestos and caused cancer. The plaintiffs include women suffering from ovarian cancer and others battling mesothelioma.

"Johnson & Johnson Consumer Inc. has not decided on any particular course of action

in this litigation other than to continue to defend the safety of talc and litigate these cases in the tort system, as the pending trials demonstrate," the J&J subsidiary housing the company's talc products said in a statement provided to Reuters. J&J declined further comment.

Should J&J proceed, plaintiffs who have not settled could find themselves in protracted bankruptcy proceedings with a likely much smaller company. Future payouts to plaintiffs would be dependent on how J&J decides to fund the entity housing its talc liabilities.

J&J is now considering using Texas's "divisive merger" law, which allows a company to split into at least two entities. For J&J, that could create a new entity housing talc liabilities that would then file for bankruptcy to halt litigation, some of the people said.

The maneuver is known among legal experts as a Texas two-step bankruptcy, a strategy other companies facing asbestos litigation have used in recent years.

J&J could also explore using another mechanism to effectuate the bankruptcy filing besides the Texas law, some of the people said.

A 2018 Reuters investigation found J&J knew for decades that asbestos, a known carcinogen, lurked in its Baby Powder and other cosmetic talc products.

The company stopped selling Baby Powder in the US and Canada in May 2020, in part due to what it called "misinformation" and "unfounded allegations" about the talc-based product.

J&J maintains its consumer talc products are safe and confirmed through thousands of tests to be asbestos-free.

NEWS In Brief

Indian rupee hits 3-month low



REUTERS/FILE

An India rupee note is seen in this illustration photo.

REUTERS, Mumbai

The Indian rupee dropped to its lowest level in three months on Monday, in line with other Asian currencies, as the rapid spread of the Delta variant of coronavirus threatened to derail economic recovery.

The partially-convertible rupee INR=IN ended at 74.87/88 per dollar, compared with its close of 74.56 on Friday. The currency fell 0.4 per cent on the day, its biggest single-day fall since June 17.

"The bias of risk appetite is gradually turning towards risk-off as markets evaluate the impact of a resurgence in Covid-19 cases worldwide against a backdrop of escalating inflation environment and emergence of US-China tensions," said Upasna Bharadwaj, economist at Kotak Mahindra Bank.

Stock markets and currencies in Asia saw heavy losses as some countries in the region tightened curbs to tackle a highly contagious Delta variant-fueled surge of infections that sparked a sell-off in risky assets.

Suzuki to enter electric vehicle market by 2025

REUTERS, Tokyo

Suzuki Motor Corp will enter the electric vehicle (EV) market by 2025 starting in its stronghold market India, Nikkei reported on Monday.

The automaker plans an all-electric compact model to be made available for around 1.5 million yen (\$13,626) after government subsidies are taken into account, the Nikkei said.

"We have been saying that we will enter EV and strong hybrid cars in India by 2025," a Suzuki spokesperson said, but added that the company has not announced any price or whether it will launch EVs in India first.



REUTERS/FILE

The logo of Suzuki Motor Corp is pictured at the 45th Tokyo Motor Show in Tokyo, Japan.

South Africa tourism on edge with double impact of virus, riots

AFP, Cape Town

Graced with rolling vineyards, bountiful big game, the iconic Table Mountain, endless sandy beaches and vast cultural riches, South Africa would have expected to cash in on a post-virus travel boom.

But a week of violent rioting and looting risks deterring foreign visitors and hammering hopes of recovery, the industry says, compounding losses caused by the country's mounting coronavirus toll.

Tracey Hellerle of the Umzozozo lodge near Ladysmith in KwaZulu-Natal province, which was the epicentre

of the disorder, said every visitor booked to stay during the week of the riots had cancelled. Before Covid-19, visitors from across the world -- and during the pandemic, from across the country -- would sit on poolside sun loungers overlooking the undulating plains of the Nambiti game reserve, hoping to catch a glimpse of Big Five game animals.

"We'd just started to get back into the swing of things," Hellerle said, noting that a downturn in bookings because of the pandemic had already led to layoffs. "People were just too scared to travel (and) because of the riots they closed the N3 (motorway), which had become

like a war zone and people were just too terrified to get in their vehicles to travel.

"Since the looting and riots erupted on July 9, 212 people have died, of whom 180 lost their lives in KwaZulu-Natal. Tourism fears -/Tourism is a mainstay of South Africa's economy, which was stumbling even before Covid-19 and the riots.

The industry contributed 355 billion rand (\$24.6 billion, 21 billion euros) to the economy in 2019 -- seven percent of GDP -- and employed 759,900 people, according to official statistics.

In Clarens, an idyllic tourist town nestled at the foot of the Maluti mountains that

is a popular weekend retreat five hours by car inland from Durban, guesthouse owner Heinrich Pelsler fears foreign tourists could be deterred by the unrest.

"If you look at Canadians and Americans I don't think they will come soon," he said.

Since the unrest began, Pelsler's Stonehaven cottages have hosted drivers heading away from riot-hit Durban, as well as one man on his way to the city to take food to his mother, he said. Under coronavirus restrictions, alcohol sales are banned nationwide -- a particular blow for Clarens, which is known for its microbreweries, and for the Western Cape

province which is renowned for its wineries, as well as being the end point of the prestigious Blue Train.

"It's not worth coming here if you can't sample the cheese, the wine, the beers," said Pelsler, who employs six full-time staff.

In Cape Town, capital of the Western Cape and a popular stop for cruise ships, tourist-oriented businesses say the lack of visiting liners has hurt them.

"It's been very slow. Before we had a lot of cruise passengers. We are just waiting to see if this vaccine means they can come back," said the manager of the Wild Thing Africa souvenir store in Cape Town's V&A Waterfront.