

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

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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



STAR/FILE
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.

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RMG factories owe \$844m in wages to workers

Clean Clothes Campaign says

STAR BUSINESS REPORT

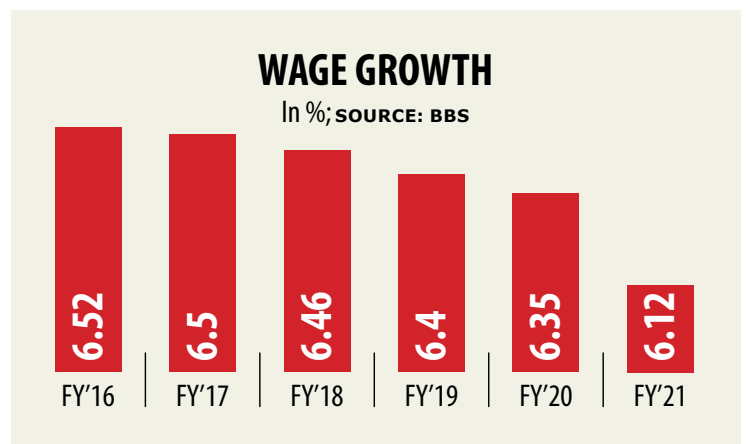
As much as \$844 million is owed in wages and severance pay to garment workers in Bangladesh since the beginning of the pandemic, a new report of the Clean Clothes Campaign (CCC) said.

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.

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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.

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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.

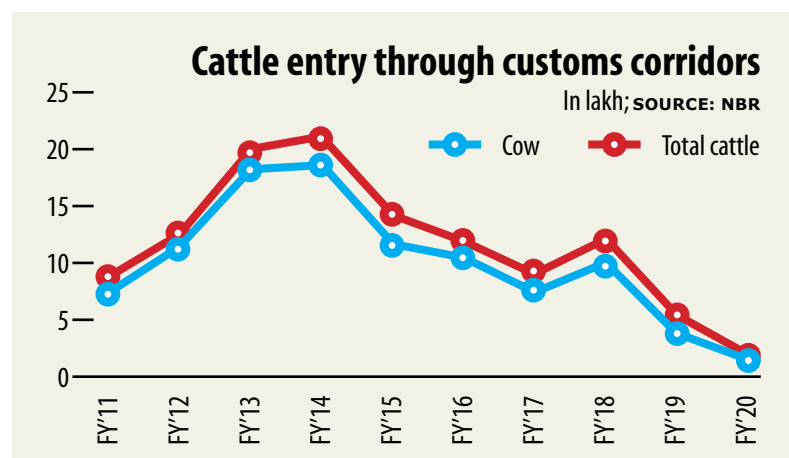
With land and financial help from his father, he brought 44 bulls and 6 cows with an investment of Tk 65 lakh.

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

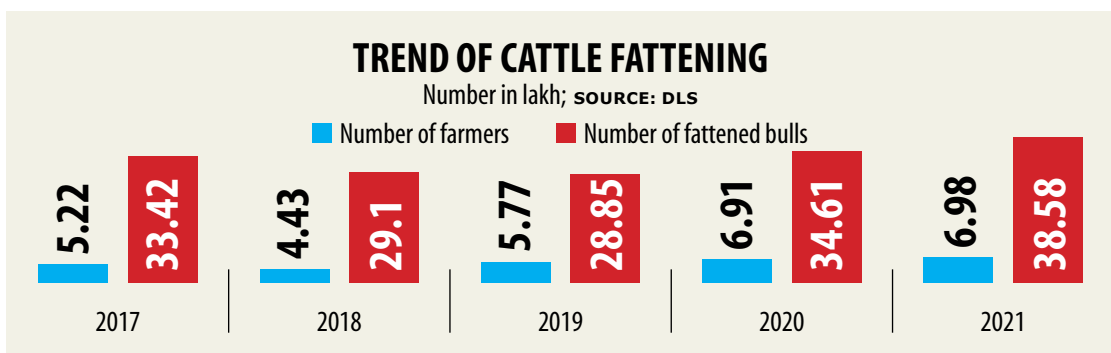
AHMED HUMAYUN KABIR TOPU, Pabna

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.

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"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.

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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.

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