

Factory inspection begins this month

STAR BUSINESS REPORT

Companies in the chemical, plastic, and food processing sectors will be given priority when safety inspections get underway in the first phase of the government's move to ensure adequate infrastructure and fire safety measures at all industrial units.

The Bangladesh Investment Development Authority (Bida) will begin inspecting factories to gauge their compliance with the country's workplace safety regulations by the end of the month.

Bida will hold a day-long training session today for inspection committee members to brief them on the official process to be followed.

"It is not a drive, rather it is about creating

awareness on workplace safety hazards. The inspection will not harass anyone," said Abhijit Chowdhury, executive member-1 of Bida.

According to the executive member, around 5,000 factories will be inspected in the first phase in Dhaka, Chattogram, Narayanganj, and Gazipur, where one third of the country's factories are located. The first phase of factory inspection will be run for three months.

He said 27 inspection teams consisting of 12 members each will visit the factories and hold discussions with the owners.

Chowdhury said they have set 100 questions to find out the weakness regarding infrastructure, fire safety and overall compliance.

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The construction of the country's first metro rail, a fast-track project of the government, is going on in full swing. The rail may open to the public partially by December next year and fully by June 2024.

PHOTO: STAR

ADP spending hits four-year high

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Public expenditure through the Annual Development Programme (ADP) increased and touched a four-year high in the first quarter of the current fiscal year as the pace of project execution by large ministries has accelerated.

Government agencies spent Tk 19,559 crore in the July-September period, which was 8.26 per cent of the total allocation of Tk 2.36 lakh crore for the whole year.

Ministries and divisions were able to implement 8.06 per cent of the total development expenditure in the same period a year ago, shows data from the Implementation Monitoring and Evaluation Division (IMED).

Increased implementation pace of fast-track projects, which had previously been in the slow lane for reasons including the coronavirus pandemic, contributed to the higher development expenditure.

The industries ministry spent the highest

percentage of funds allocated for development schemes. The pace of implementation by the health services division slowed in the July-September period.

The health ministry, which has come under an increased scrutiny over the last one and a half years to protect lives by combating the pandemic, could spend only 2.33 per cent of the total fund of Tk 13,000 crore in the first quarter of 2021-22.

The health services division got the fifth highest allocation out of the total ADP outlay this fiscal year. It managed to spend 4.3 per cent of the total allocation in the same time last fiscal year, as per IMED data.

The implementation performance of the power division and the road transport and highways division also deteriorated in July to September compared to the same period a year ago. The power division, which accounts for 11.85 per cent of the total ADP fund, spent 8.93 per cent of its allocation.

The road transport and highways division accounted for 11.84 per cent of the total ADP, and its total spending was 8.72 per cent of the overall allocation, according to data.

The financial progress regarding ADP implementation by the industries ministry was 19.89 per cent in the July-September period.

Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue, says implementation historically remains low in the first quarter of a fiscal year for some traditional bottlenecks such as the delayed release of funds by the finance ministry.

"It appears that traditional challenges remained unchanged as improvement is not significant," he said. According to the economist, the implementation of projects under the ADP brings a positive effect on the linkage sectors.

"As such, activities increased in those sectors, putting a positive impact on jobs. It also contributes to the government's revenue collection."



AT A GLANCE

BIDA to lead inspection programme

Chemical, plastic, food processing factories to be inspected first

Inspection starts in the last week this month

About 5,000 factories will be inspected in first phase

27 teams will be engaged

First phase inspection areas: Dhaka, Chattogram, Narayanganj, Gazipur

GLOBAL BUSINESS

China's GDP growth hits 1-year low

Power crunch, bottlenecks choke output

REUTERS, Beijing

China's economy grew at the slowest pace in a year in the third quarter, hurt by power shortages, supply bottlenecks and sporadic Covid-19 outbreaks and raising heat on policymakers amid rising jitters over the property sector.

Data released on Monday showed gross domestic product (GDP) grew 4.9 per cent in July-September from a earlier, the weakest pace since the third quarter of 2020 and slowing from 7.9 per cent in the second quarter.

That marked a further deceleration from the 18.3 per cent expansion in the first quarter, when the year-on-year growth rate was heavily flattered by the very low comparison seen during the Covid-induced slump of early 2020.

"The domestic economic recovery is still unstable and uneven," said National Bureau of Statistics (NBS) spokesperson Fu Linghui at a briefing in Beijing on Monday.

A Reuters poll of analysts had expected GDP to rise 5.2 per cent in the third quarter.

On a quarterly basis, growth eased to 0.2 per cent in July-September from a downwardly revised 1.2 per cent in the second quarter, the data showed.

The world's second-largest economy has rebounded from the pandemic but the recovery is losing steam, weighed by faltering factory activity, persistently soft consumption and a slowing property sector as policy curbs bite.

"In response to the ugly growth numbers we expect in coming months, we think policymakers will take more steps to shore up growth, including ensuring ample liquidity in the interbank market, accelerating infrastructure development and relaxing some aspects of overall credit and real estate policies," said Louis Kuijs, head of Asia economics at Oxford Economics.

Global worries about a possible spillover of



AFP/FILE

People are seen working on a Chinese power grid in Wuxi, Jiangsu province, on September 27.

credit risk from China's property sector into the broader economy have also intensified as major developer China Evergrande Group wrestles with more than \$300 billion of debt.

Chinese leaders, fearful that a persistent property bubble could undermine the country's long-term ascent, are likely to maintain tough curbs on the sector even as the economy slows, but could soften some tactics as needed, policy sources and analysts said.

Premier Li Keqiang said on Thursday that China has ample tools to cope with economic challenges despite slowing growth, and that the government is confident of achieving full-year development goals. China's economy is

expected to grow 8 per cent this year, central bank governor Yi Gang said on Sunday.

Analysts polled by Reuters expected the PBOC to keep banks' reserve requirement ratio (RRR) unchanged in the fourth quarter, before delivering another 50-basis points cut in the first quarter of 2022.

September industrial output rose 3.1 per cent from a year earlier, missing expectations, down from August's 5.3 per cent, and marking the slowest growth since March 2020, during the first wave of the pandemic. But consumption showed signs of an improvement, with retail sales growing 4.4 per cent in September, faster than the 2.5 per cent in August.

Tight US job market triggers strikes for more pay

REUTERS

Thousands of workers remain on strike across the United States demanding higher pay and better conditions despite Hollywood make-up artists and camera operators reaching a deal over the weekend to avoid a walkout, and the tight job market has only emboldened them.

Kevin Bradshaw is an employee at Kellogg Co's cereal plant in Memphis, Tennessee, where most of North America's Frosted Flakes are made.

He feels anything but great about cuts to healthcare coverage, retirement benefits and vacation time that union officials say the company is pushing for from about 1,400 workers on strike since October 5 at plants in Michigan, Nebraska, Pennsylvania and Tennessee.

"Enough is enough," said Bradshaw, vice president of Bakery, Confectionary, Tobacco Workers and Grain Millers International Union Local 252C at the Memphis plant.

"We can't afford to keep giving away things to a company that financially has made record-breaking returns."

Some 60,000 behind-the-scenes workers on movies and TV shows on Saturday avoided joining the Kellogg strikers, but the near-walkout was the latest demonstration of force by union members who say they are fed up with meager or no raises and other givebacks.

Kellogg officials could not be reached for comment but have said the company's compensation is among the industry's best.

Labor activists complain that while many of their members were deemed essential during the Covid-19 crisis, that has not been reflected in how they are treated by employers.

With an administration in the White House that they see as sympathetic and a job market that saw a record number of Americans quitting in August, unions are

ready to test companies' resolve.

So far, at least 176 strikes have been launched this year, including 17 in October, according to Cornell University's Labor Action Tracker.

"Workers are on strike for a better deal and a better life," Liz Shuler, president of the AFL-CIO, the nation's biggest labor federation, said last week at a SABEW journalism conference.

"The pandemic really did lay bare the inequities of our system and working people are refusing to return to crappy jobs that put their health at risk," she added, noting that the term #Striketober was trending on Twitter.

Despite some setbacks, including a failed organizing drive earlier this year at an Amazon.com facility outside Birmingham, Alabama, union leaders feel the stars are aligned for them to make gains.

"We have entered a new era in labor relations," said Harley Shaiken, professor emeritus of labor at the University of California Berkeley.

"Workers feel they're in the driver's seat and there's plenty of lost ground to make up."

"What we're seeing is a fight to return or at least stay in the middle class," he said. Union membership has been declining steadily in recent decades, falling to under 11 per cent of employed Americans in 2020 from 20 per cent in 1983, according to the US Bureau of Labor Statistics.

However, 68 per cent of Americans now approve of unions, the highest proportion since 1965, according to a Gallup poll in August, and that rate climbs to almost 78 per cent for those aged 18 to 29.

Helping fuel the hopes of union leaders is the widespread view among organizers that President Joe Biden is the most pro-union president in modern times.

In April, the Democrat created a task force to promote labor organizing.

Apple may unveil new Macs with more powerful chips

REUTERS

Analysts expect Apple Inc to unveil new Mac laptop computers with more powerful processor chips at an event that will be streamed later Monday.

Bloomberg has previously reported that Apple plans to release two new MacBook Pro models with 14-inch and 16-inch screens.

The Cupertino, California-based company introduced some new laptop models last year that for the first time used its "Apple Silicon" chips, which it said would be phased into the company's desktop and laptop lineup over the course of two years.

Before Monday, Apple's most powerful laptops still relied on chips from Intel Corp.

The company has already placed a first generation in-house-designed M1 chip into some MacBooks as well as its Mac Mini and iMac desktop machines, but the new larger MacBook Pro models are expected to feature a second, more powerful generation of the company's chip.

The new chip, along with a general rise in laptop sales as employees and students stocked up on tech hardware to work and learn from home, prompted a boom in Mac sales during the pandemic.

Revenue rose 11 per cent to \$28.6 billion in Apple's fiscal 2020, even as iPhone revenue declined 3 per cent.

The expected MacBook Pro introduction comes weeks after Apple overhauled its iPhone, Apple Watch and iPad lineup.

US supply chain woes to stretch into 2022: Biden admin

AFP, Washington

The US transportation secretary on Sunday warned that America's supply chain woes including clogged ports will drag into next year, potentially cramping the upcoming holiday shopping season in the world's largest economy.

Pete Buttigieg did the rounds on US political talk shows to stress that President Joe Biden's administration was doing everything it could to alleviate congestion at the country's overloaded ports, railways and roads, and that the government will "re-evaluate all of our options" to relieve the bottlenecks.

But "a lot of the challenges that we have been experiencing this year will continue into next year," the transport chief and former presidential candidate told CNN's "State of the Union" show.

Buttigieg added that the supply side crunch was being exacerbated by extraordinary pent-up demand in the United States.

"Demand is off the charts, retail sales are through the roof," he said, and the country's transportation and shipping infrastructure has been unable to keep up.



REUTERS/FILE

Healthcare workers take part in a strike to protest working conditions in hospitals amid the coronavirus disease, at Mercy Hospital in Buffalo, New York on October 4.