



The fire at the Hashem Foods factory in Narayanganj last year that left over 50 dead. In recent months, a total of 179 factories were inspected in Dhaka while 98 were inspected in Gazipur and 99 in Narayanganj. Inspection teams found that a good number of the industrial units had no fire safety measures.

PHOTO: STAR/FILE

Fire safety violations spotted at 979 factories in 2 months

Bangladesh Investment Development Authority started inspecting factories to gauge their compliance with the country's workplace safety regulations on November 11. Inspectors found that building codes were not up to the mark while fire safety measures, such as availability of fire hydrants, were entirely absent

JAGARAN CHAKMA

Factory inspection teams have identified fire safety infractions at around 979 units in the past two months.

In some cases, building codes were not up to the mark while fire safety measures, such as the availability of fire hydrants, were entirely absent.

The Daily Star was informed of this situation by a number of factory inspection team members.

Bangladesh Investment Development Authority (Bida) started inspecting factories to gauge their compliance with the country's workplace safety regulations on November 11.

"We found that a good number of factories have no fire safety measures," said Mohammad Nazmul Ahsan, additional deputy commissioner (revenue) of Chattogram district.

Some factories even do not comply with building regulations, which is risky considering the potential hazards.

"So, we are sending these findings and our recommendations on the inspected factories to the higher authority," he added.

However, Ahsan went on to say that a good number of factories were found to be compliant.

Monin Bhuiyan, a factory inspection team member, said they found poor fire safety measures at around 50 per cent of the factories in Gazipur, particularly in textile and spinning mills.

They also found that many dyeing units

do not even have proper effluent treatment facilities, meaning their untreated discharge was polluting the environment.

Md Shameem Bepari, additional deputy commissioner of Narayanganj district and also convener of the district's factory inspection teams, said they were finding problems, including a lack of fire safety measures and activities causing pollution.

Abhijit Chowdhury, executive member-1 of Bida, said a total of 979 factories had been inspected by 108 inspection teams in eight divisional cities and different districts as of January 11.

In Chattogram, 11 inspection teams conducted factory inspections on 479 units in different parts of the region till January 11.

A total of 179 factories were inspected in Dhaka while 98 factories were inspected in Gazipur and 99 factories in Narayanganj.

Companies in the chemical, plastic, and food processing sectors were given priority for safety inspections in the first phase of the government's move to ensure adequate infrastructure and fire safety measures at all industrial units, according to Bida sources.

Chowdhury, also central coordinator of the factory inspection committee, said it was really tough to maintain the inspection schedule managing officials from eight government agencies, including that for the environment and fire service.

According to Chowdhury, 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 the factory inspections will run for three months.

At least two factories are being inspected each day by at least one team.

Chowdhury went on to say that the inspection teams regularly send reports on their findings.

"We will later prepare a common record on a national scale for the government, which will then take an appropriate decision," he said.

From memory Chowdhury recalled that fire extinguishers were available at 95 per cent of factories but there was a lack of proper management as the cylinders were seldom refilled.

Earlier last year a fire at the Hashem Foods factory in Narayanganj left over 50 dead.

This prompted the Prime Minister's Office (PMO) to announce a 24-member committee headed by Salman F Rahman, the prime minister's adviser for private industry and investment, to help prevent such incidents.

Afterwards the PMO ordered relevant authorities to launch an inspection campaign across Bangladesh.

It appointed Bida to lead it in coordination with business associations such as the Federation of Bangladesh Chambers of Commerce and Industry and Bangladesh Garment Manufacturers and Exporters Association.

Chowdhury said a total of 46,100 factories across the country would undergo safety inspections in phases.

Devaluation of taka should be gradual

Says Meghna Group of Industries' MD Mostafa Kamal

SOHEL PARVEZ and MD ASADUZ ZAMAN

The central bank should depreciate the taka against the US dollar gradually, if necessary, in order to avoid hurting the economic recovery and stocking inflationary pressures as Bangladesh is an import-dependent country, said Mostafa Kamal, chairman and managing director of Meghna Group of Industries.

"If the depreciation is not gradual, it will have a huge impact on every sphere of the economy and life," he told The Daily Star in a phone interview.

On Sunday, the Bangladesh Bank brought about a major depreciation of the local currency to tackle pressure stemming from surging import payments and encourage remitters.

The interbank exchange rate hit Tk 86 per dollar for the first time in history, up from \$85.80 on Thursday, showed data from the central bank.

Kamal says the current interbank exchange rate is much lower than in the rate in the kerb market, where it stands at around Tk 90 per USD.

Importers used to buy US dollars for Tk 85 two months ago but it has gone past Tk 87 per USD.

Currency devaluation is preferred by exporters, but Kamal says depreciation is not a continuous solution.



"As Bangladesh is an import-based country, we have to strike a balance between the interests of importers and exporters."

According to the noted businessman, any major devaluation of the taka will raise the prices of all goods. "It has a bigger effect on food and diesel prices and transport fare."

"Policy-makers would have to find out whether the depreciation would be fast or gradual."

Kamal says that most businessmen are importers. This is also true in the garment industry.

"We have been able to manufacture some accessories, but a majority of them are still imported."

Speaking about the increased of commodity prices, he says the price of crude degummed soybean oil, or palm oil, has risen.

It used to cost \$500 to \$800 per tonne in the past. Now it costs \$1,400. The duty has also increased.

"If the price increases by Tk 0.5 because of the currency devaluation, the price of the final goods will go up as well because import duties and other costs are added," said Kamal.

He thinks it will not be a good idea to recommend curbing imports for the sake of keeping the foreign currency reserves stable as the move will rein in the growth of the economy.

Remittance flow to Bangladesh has slowed to some extent in recent months. But exports are performing well compared to the previous year.

A higher growth in the import of machinery means the economic stagnation has been over. It will generate jobs and accelerate economic activity.

"Imports have surged. Machinery imports have gone up after a lull for two years. There is no need to panic about rising machinery imports. Rather, it should be encouraged. People are returning to activities strongly."

"It is a good sign for the economy," said Kamal. He calls for looking at Turkey's situation.

The country's currency, lira, has lost at least 35 per cent of its value against US dollars. Inflation has touched a two-decade high. As a result, there is a crisis in the country.

"If the depreciation is not gradual, it will have a huge impact on every sphere of the economy and life."

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US prices hit 4-decade high in 2021

AFP, Washington

US consumer prices jumped last year at the fastest pace in four decades, the government confirmed Wednesday, underscoring the potent inflation wave that has sapped public support for President Joe Biden even as the economy recovers from the pandemic.

The seven percent increase in the Labor Department's consumer price index (CPI) over the 12 months to December was the highest since June 1982, as prices rose for an array of goods especially housing, cars and food.

Since taking office last January, Biden has presided over an economy that has expanded rapidly and seen millions of people who lost their jobs to the Covid-19 pandemic return to work.

But a collision between rebounding demand, labor shortages and global supply chain snarls – especially computer chips for cars – caused prices last year to climb upwards at an ever-faster rate.

The White House echoed the views of some economists in a tweet predicting "the rate of price increases will moderate in the months ahead as we make progress with the pandemic and other challenges."

"Still, while the data contained signs of a nearing summit, relief may not necessarily come quickly."

"The peak is close, but the speed of the coming downshift is uncertain," said Ian Shepherdson of Pantheon Macroeconomics.

For the Republican opposition, the inflation data underscored their belief that the Democratic president has mishandled the recovery.

"This trend isn't 'transitory,' and it's all happening under Democrats' one-party control," tweeted Kevin McCarthy, the top Republican in the House of Representatives.



People shop for groceries at a supermarket in Glendale, California on January 12. The 7 per cent increase in the Labour Department's consumer price index over the 12 months to December was the highest since June 1982, as prices rose for an array of goods.

PHOTO: AFP

US budget deficit falls 34pc in Oct-Dec

AFP, Washington

The US budget deficit shrank in the first three months of the fiscal year amid a surge in taxes paid by individuals and corporations, the Treasury Department said Wednesday.

As the economic recovery from the Covid-19 pandemic picked up speed, the government brought in a third more revenues compared to the same period of 2021, for a record total of just over \$1 trillion, according to the data.

That caused the deficit to narrow to \$378 billion in the October-December period, 34 per cent less than the same quarter of 2020, Treasury said.

Spending also hit a record of \$1.4 trillion in the quarter, but was only four percent higher than the comparable period a year earlier, Treasury said.