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Justice eludes Churihatta fire victims

Old Dhaka with its many warehouses remains a ticking time bomb

As is often seen in the wake of tragedies in Bangladesh, it seems the authorities have all but forgotten about the 71 lives lost in a warehouse fire that took place in a residential building in Chawkbazar's Churihatta area on February 20, 2019. How else would you explain the behaviour of the owners of the same building who, again, rented out its basement parking lot as a warehouse for plastic toys (a known fire hazard)? Even after three years since the tragedy, the renovated basement has no fire exits, and only four fire extinguishers. Warehouses like this continue to fly in the face of the Bangladesh Environment Conservation Rules 1997, which states that no industrial units using hazardous chemicals or goods can operate in and around a residential area.

The accused in the Churihatta fire case, including the building owners, are currently out on bail, enjoying their unearned freedom. Conversely, the families of the victims and survivors, far from getting justice, are living a life of uncertainty. Out of the 71 people who died, the families of only 21 received some compensation from the government. Others got shops to run or cleaning jobs with the DSCC. This is but a poor attempt at making up for their loss, barely enough to sustain an average family.

And what of the reported Tk 30 crore deposited into the government's national relief fund solely to help the survivors and victims' families? A collective of the families says that they have not received a penny from that fund, not even in the form of a loan. How heart-wrenching that the families of those who perished in a fire caused by the authorities' negligence should have to plead for compensations that they are entitled to.

Meanwhile, the Bangladesh Small and Cottage Industries Corporation's promise to relocate the chemical stores and plastic factories of Old Dhaka to a designated place after the Nimtoli fire—which killed at least 124 people on June 3, 2010—remains unfulfilled. At least 1,924 chemical warehouses are currently operating in the area, 98 percent of which fall under the category of "moderately risky." Their number, of course, would be much higher if we count all the residential buildings housing illegally set up warehouses like the one mentioned above.

We urge the government to speed up the pace of its warehouse relocation process. New establishments stocking hazardous materials in Old Dhaka must be prevented from being set up, while existing factories must be shuttered as soon as possible regardless of when the relocation project is completed. Most importantly, victims and survivors of previous fire tragedies must be given justice and due compensation.

Indomitable Ekushey

But have we done enough to honour the sacrifices of the martyrs?

As we observe the 70th anniversary of the historic Ekushey February, which in 1952 saw the culmination of a bloody struggle for the state recognition of Bangla language, we humbly recall the sacrifices made by the martyrs and all those who were engaged in the fight to put Bangla in its rightful place, and establish our right to talk, write and conduct official work in our mother tongue. It is a tribute to the martyrs—and a matter of pride for us—that February 21 has been recognised as the International Mother Language Day by Unesco.

But along with the joy of recognition and all the festivities comes a troubling question: Have we done enough to fulfil the dreams of our language fighters and martyrs? We often forget that Ekushey February had laid the foundation of our nationhood based on mother language. But has Bangla been given its rightful place in the country? Have other mother languages that exist here? In fact, one would not be remiss in suggesting that Bangla, as the official language of Bangladesh, has suffered from neglect at all levels. One notices with regret the lack of use of Bangla in official communications and correspondences. While no one can take issue with acquiring proficiency in a second language—which, in our case, is English—the poor treatment that Bangla is routinely accorded is a far cry from the vision we so proudly embraced in 1952.

Although the High Court Division issued a rule on February 17, 2014 for use of Bangla at all levels, offices and forums in the country—and there happens to be a Bangla Language Implementation Act, 1987—Bangla still suffers from abject neglect. Admittedly, it is a matter that neither a judicial decree nor an act of parliament can help resolve. It has to be internalised by all of us, and ingrained in our collective psyche. Only then can Bangla be fully established as a national language.

We believe that learning Bangla should be made compulsory at all levels and facilities should be provided to pursue higher education in Bangla, which—given the current condition in which Bangla books of references are few and far between—is well-nigh impossible to do. We should also not lose sight of the fact that there are a number of ethnic groups who have their own languages. They have the equal right to use their mother languages. And there can be no better tribute to the martyrs than helping them nurture their native languages.

A modern tax system can generate more resources



MACRO MIRROR

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FAHMIDA KHATUN

IN the run-up to the budget for the 2022-23 fiscal year (FY), the National Board of Revenue (NBR) has initiated discussions with various professional and business organisations—like the previous years. The finance ministry also does the same. The NBR's focus is mainly to seek fiscal proposals from the stakeholders. This is a commendable practice, which extends the opportunity to businesses and organisations to suggest not only how various sectors can get respite from tax burden, but also how to improve the revenue mobilisation by improving the collection system. It is widely discussed that despite Bangladesh's impressive growth, the domestic resource mobilisation is too poor. Unfortunately, the NBR is yet to gain any visible success in bringing all the eligible income earners under the tax net. It is hoped that, through such regular consultations between the NBR and stakeholders, a better tax system will come about in the near future.

The NBR has the most important role in creating fiscal space for the government to undertake its activities. However, the target imposed on it has remained unfulfilled in the last several years. Indeed, the targets seem to be unrealistic and beyond the NBR's capacity given its current institutional framework. One may recall that, in the budget for FY2021-22, the revenue income—which includes both tax and non-tax income—has been set to be 11.3 percent of GDP. Of the total revenue target, tax mobilisation is the highest—about 85 percent. Also, in FY22, the revenue growth target has been set at 27 percent. But the trend of revenue growth in July-October of FY22 indicates that achieving this target will require more dynamic efforts, since revenue mobilisation has to grow by 30.7 percent in the rest of the fiscal year.

Though several infrastructural projects are being financed through foreign loans, domestic resource mobilisation is crucial for achieving the government's short-, medium- and long-term objectives. With domestic resources, the government can prioritise its spending in line with policy priorities. But the constant shortfall of domestic resources creates

a real challenge for the government in fulfilling such pledges. At the current level of domestic resource mobilisation, implementing its political commitments is difficult.

As Bangladesh is set to become a developing country by 2026, higher domestic resource mobilisation will become even more important. As a developing country, we will not be eligible for foreign aid and concessional

government to eliminate such perceptions by providing hassle-free services to the citizens. The policymakers will also have to ensure that taxpayers' money is not wasted in the name of development or misappropriated through corruption. Good governance in the implementation of development projects and economic and social programmes is, therefore, key to mobilisation of higher domestic resources.



ILLUSTRATION: STAR

loans. Of course, the country's image will be enhanced and the strength of our economy will help us source funds from the global market. But that may be expensive, since we have to pay the market rates of interest for securing such loans. This could increase the debt burden on the country. As the size of the economy is expanding, the need for additional finance will continue to increase. With the current effort for tax collection, it is not possible to meet the resource requirements.

It was reported in the FY22 budget speech that the number of taxpayers in Bangladesh was only 2.5 million. In a country of more than 165 million people, this number is astonishingly low. Reasons for tax avoidance are many. Some people feel once they have a tax identification number (TIN), they are stuck forever and have to pay tax even when they have income below the threshold level. Some feel there's no point of paying tax since they don't get their expected service from the government as citizens. Some feel since they need to pay bribes at levels of the government to get their jobs done, they shouldn't have to pay additional money as tax. So, while there is a lack of awareness regarding the responsibility to pay tax as a citizen of the country, there is also a strong argument for not doing so. The onus is, hence, on the

As for the NBR, a number of specific measures should be taken to increase revenue mobilisation. One is implementing e-governance. Technology can help establish an easy tax collection procedure and increased compliance as well. It can also be used to track people's lifestyle to determine their tax rates. Often, there is a mismatch between the declared income of individuals and their expenditure patterns. This is known to the NBR. With a modern system, more human resources and higher skills, NBR's efficiency can be enhanced in this regard.

A number of reform measures proposed a few years back are yet to be completed. Among the proposed measures are the upgradation of Automated System for Customs Data (ASYCUDA), consolidation and integration of Integrated Budget and Accounting System (iBAS++), electronic return filing, electronic tax deducted at source (e-TDS), automated customs risk management, and introduction of authorised economic operator system. These measures could help bring much efficiency in tax management. As the NBR formulates revenue measures for various sectors in the national budget for FY2022-23, the operationalisation of reform measures, some of which are already on the table, should not be sidelined.

While there is a lack of awareness regarding the responsibility to pay tax as a citizen of the country, there is also a strong argument for not doing so. The onus is, hence, on the government to eliminate such perceptions by providing hassle-free services to the citizens.

What about the ethics of fashion retailers?



RMG NOTES

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MOSTAFIZ UDDIN

“UK retailers ditch unethical suppliers,” cried a recent headline in several international news outlets. Did I read that correctly? Apparently so. A new report from a major global commercial bank claims that the pandemic and an increasing focus on environment, sustainability and governance (ESG) issues are shifting business priorities among retailers in the West. The bank carried out a study on more than 300 retail decision-makers. The majority (51 percent) said sustainability was more important now than it had been two years ago, while 49 percent said the same about ethical standards.

The report highlights fashion buyers—our customers—as a key driver of the trend, with RMG retailers cancelling an average of 7.5 contracts compared to an overall average of six. The most common reasons for cancelling contracts were the use of unsustainable materials (39 percent), unfair working hours among suppliers (37 percent), and a lack of accreditation to an ethical or sustainable membership organisation (32 percent).

There are two ways of looking at these findings. Firstly, they reaffirm the belief that, as suppliers, we have to invest more heavily in environmental and social governance issues. As this report makes it clear, if we, as suppliers, are found wanting in this area, our customers will ditch us.

I accept this argument to a large degree, and there is no doubt that RMG suppliers have spent heavily to meet the

requirements of buyers in the past few years. The cost of auditing alone is quite frightening at times, and the trend for these costs is upwards. However, I do feel compelled to point out another aspect to this issue. The headline of this story was “Retailers ditch unethical suppliers.” What about the ethics of these retailers? I have to be honest: such headlines do grate on one's nerve, given the experiences of the past couple of years. When the Covid

these cases? Missing in action, it would seem.

This is not just an issue around the pandemic—the challenge of purchasing practices continues to be a huge concern for all suppliers. This is why there are so many different initiatives in this area. If the purchasing practices by brands were focused on ESG issues and were supportive of sustainability among suppliers, we wouldn't be constantly having conversations about this issue.

But we all know that this is not the case. While some fashion retailers are supportive and ethical where purchasing practices are concerned, others—some of whom are big names—continue to push the limits of what is fair, or even legal, in some instances.

The study mentioned above talked about unethical suppliers being ditched. Perhaps they deserved to be ditched. But, perhaps, there were also suppliers who simply could not afford to invest in the kind of accreditations that their buyers insisted they acquire. Or maybe the suppliers felt they had already jumped through enough hoops and felt aggrieved at being asked to pay for multiple audits, many of which checked the same thing.

As an RMG supplier, I will always beat the drum for a more sustainable industry, and I am pleased that ESG is now being discussed in our industry. There should be no place in our industry for businesses who treat their workers poorly, and the results of this survey suggest that there no longer will be, as we move forward.

At the same time, large retailers in the West surely cannot talk about the importance of ESG on the one hand, while using cowboy tactics themselves when doing business on the other. To take our industry as an example, it is only right and proper that we are all held to the same standards where ESG is concerned.

For a truly sustainable industry, with ESG at its core, we must all do our part (retailers and suppliers). We should all walk the walk, not just talk the talk.



Ethical standards in fashion is not just the suppliers' responsibility; the retailers are equally accountable.

FILE PHOTO: STAR

pandemic broke, many fashion retailers cancelled orders. Then they refused to pay for those orders, even when the orders were either complete or had already been shipped to the clients. In other cases, retailers demanded huge discounts on orders which had been completed. Suppliers were left with little choice but to agree to the discounts.

We all know that the pandemic was tough on everyone when it first broke out in 2020. Some retailers went bust, while others could barely afford to pay their bills—just like their suppliers. But there were some others who refused to pay their bills simply to protect their balance sheets. Where was the “governance” in