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Minimum price of tea leaves set for northern region

MD QUAMRUL ISLAM RUBAIYAT, Thakurgaon

The minimum price for raw tea leaves grown in Panchagarh was fixed at Tk 18 per kilogramme (kg) on Wednesday following recent demonstrations by local farmers demanding a fair value for their produce.

Tea farmers in the district had gathered at the Sher-e-Bangla intersection of the Panchagarh-Dhaka highway last Sunday in protest of the low prices being paid by processing companies amid the ongoing harvest season.

They also alleged that the companies curtail the weight of tea being supplied by between 15 per cent and 40 per cent in order to save on purchases.

With this backdrop, Md Jahurul Islam, the deputy commissioner of Panchagarh, called all relevant stakeholders to a meeting at his office on Wednesday in order set a price for raw tea leaves. Islam presided over the meeting, dubbed the Panchagarh District Tea Leaves Price Fixation

Committee. Amirul Haque Khokon, president of the Bangladesh Small Tea Growers Association, Dr Mohammad Shameem Al Mamun, senior scientific officer of the Bangladesh Tea Board's regional office in Panchagarh, leaders of the local tea factory owners' association, various public representatives and journalists were present.

Mamun said the tea production season is considered as the period between March and December.

About 20 tea processing factory owners in Panchagarh and one each in Thakurgaon and Lalmonirhat started purchasing raw tea leaves from March 1 at prices between Tk 22 and Tk 26 per kg.

But the price dropped drastically to Tk 12-14 per kg just two months after harvesting began, pushing growers into a tight corner in the process.

Factory owners curtailed 15 to 40 per cent from the total weight of the tea leaves being supplied by farmers on various pretexts and as a result, growers were getting less than Tk 10 per kg for

their produce, which was much less than the production cost.

Finding no alternative, small tea growers took to the streets to attain fair prices and subsequently submitted a plea in this regard to the district deputy commissioner.

The price of tea leaves is usually fixed based on the average price it receives at 15 auctions but as only three auctions were held in the current season, the price of raw tea leaves was fixed at Tk 18 per kg this year considering the average rate of the 45 auctions held last year, Mamun said.

Tea growers supply leaves as per the requirements of tea factories, which cannot curtail the weight after receiving the leaves supplied by growers.

However, factory owners can curtail the weight by up to 10 per cent if the leaves are wet, he added.

Replying to a query, Mamun said that since there is no committee for fixing the price of raw tea leaves in other northern districts, the factory owners in adjacent regions will follow the same

price as Panchagarh.

Tea production in the northern region started from March with a target of producing 18 million kgs of processed tea this year. Last year, a record 14.5 million kgs of tea were produced in the northern plain lands, making it the second largest tea-producing region in the country after Sylhet.

In 2021, 1,263.37 acres of land were brought under tea cultivation in five northern districts, according to Mamun. Of the total cultivation area of Panchagarh, 8 registered and 20 unregistered tea estate owners have cultivated tea on 2,464.21 acres of land while 7,168 small and marginal growers are farming the plant on 7,283.59 acres of land. In Thakurgaon, tea was planted on 260 acres of land under a tea estate while 728 small growers have separately cultivated the plant on 1,110.30 acres. Similarly, 96 small growers have cultivated tea on 168.88 acres of land in Lalmonirhat, 40 growers on 78.37 acres in Dinajpur and 35 growers on 68.59 acres in Nilphamari.

RISE IN LIVING COSTS

Garment workers' purchasing power wears away: Sanem

STAR BUSINESS REPORT

The rising cost of living is eroding the purchasing power of garment workers even though most of them work overtime in order to make ends meet, according to the findings of a study released yesterday.

Garment workers work for more than 10 hours a day on average but even after working overtime, the cost of food and rent alone eat up most of their earnings, it said.

The study was carried out by Microfinance Opportunities in collaboration with the South Asian Network on Economic Modeling (Sanem) as a part of the latter's "Garment Worker Diaries" project.

"Even with higher income through overtime work, the purchasing power of garment workers is declining," said Bazlul Haque Khondker, chairman of Sanem, while unveiling the findings at a webinar styled, "The Lives of Garment Workers During Covid-19".

The study found that the average monthly house rent paid by each garment worker was Tk 3,500 as of March 2022, representing a 17 per cent increase over a period of two years.

Meanwhile, the price per kilogramme of rice increased by 12.5 per cent between September 2017 and January 2022.

As such, the survey results point out the worsening buying capacity of garment workers at a time when inflation is on the uptick due to food prices staying persistently high and rising non-food prices.

In April, overall inflation stood at 6.29 per cent, the highest in 18 months and up from 6.22 per cent in March, according to data from the Bangladesh Bureau of Statistics.

Khondker went on to say that the garment industry was expanding rapidly.

"Scores of orders are coming to the country and so, the industry requires more employees. However, that number of employees is not currently available," he said.

Expanding the supply capacity to meet additional demand has forced existing workers to work longer hours, he said, adding, "This is not sustainable."

Khondker said Vietnam and Indonesia conducted several studies and found that the provision of social safety net programmes increases labour productivity and firm profits.

So, the government and Bangladesh Garment Manufacturers and Exporters Association should come forward to take such initiatives for garment workers, he said.

The Garment Worker Diaries project aims to collect data on the working conditions, income, expenditure and financial tool usage by workers in the global apparel and textile supply chain.

Researchers of the study have been collecting data from about 1,300 workers in the main industrial belts such as Chattogram, Dhaka city, Gazipur, Narayanganj and Savar since April 2020.

Some 76 per cent of the workers were female, which roughly represents the composition of the labour force in the garment sector as a whole.

According to the survey, a government programme aimed at facilitating digital payment systems in the garment industry was launched in April 2020 and ran for three months, during which some 2 million accounts were opened.

Mustard oil a solution

FROM PAGE B4 in 2020, out of which palm oil import was 1.33 million tonnes and soybean oil were 0.80 million tonnes.

We also imported soybean seeds from which 0.41 million tonnes of oil were extracted locally. There were roughly 0.18 million tonnes of other types of edible oil like canola and sunflower, which were also imported.

We produced around 250,000 tonnes of indigenous oils locally. Bangladesh had to spend more than \$2 billion to import edible oil and fat. That's huge, right?

Presently, we cultivate mustard on 0.60 million hectares of land from which we produce about 0.78 million tonnes of mustard. Nearly 300,000 tonnes of oil are extracted from this quantity of seeds.

As a first step, we need to bring more land under

mustard cultivation. There are nearly 2.20 million hectares of land which remain utilised between Aman harvest and Boro cultivating time. This land can easily be brought under mustard cultivation, which is rather easy to cultivate, less costly and can be harvested in just 80 days.

We need to promote the high-yielding variety of Bina-04 and Bina-09 to maximise production. The average productivity of these two varieties is 1.60 tonnes per hectare. If we can bring 3 million hectares of land under mustard cultivation in the next five years, this will give us 4.80 million tonnes of mustard production from which we can extract 1.90 million tonnes of oil.

Gradually, in the next seven years, we need to bring around 4.75 million hectares of land under mustard cultivation to

produce 3 million tonnes of oil to meet our demand.

There is a misconception among consumers that soybean oil is better than mustard oil in terms of health and nutritional benefits. This is not true at all. Mustard oil has more thiamin, riboflavin, niacin, pantothenic acid, vitamin B6 and folate than soybean oil. It has significantly more iron, potassium, calcium, and dietary fibre.

Mustard oil has the lowest saturated fat content among edible oils. This oil comprises 12 per cent Omega-3 (Alpha-Linolenic Fatty Acid) compared to Olive oil (only 0.6 per cent).

According to the American Journal of Clinical Nutrition, mustard oil reduces heart attacks by nearly 70 per cent.

In a nutshell, the key action points are: bringing more land under mustard cultivation; introducing

high-yielding mustard varieties; promoting short-duration rice varieties in Aman to have a sufficient time for mustard cultivation; launching a comprehensive campaign to educate the consumers about the health benefits of mustard oil; and intensifying research activities to improve the quality of mustard seeds.

The agriculture ministry took a project to increase the production of oilseeds in 2017. The time has come to consider this initiative as one of the top priorities of our overall agriculture strategy.

By maximising mustard oil production, not only we will be able to save billions of valued foreign currencies, we will also be able to build a healthier nation.

The author is chairman and managing director of BASF Bangladesh Ltd. Views are personal.

Stocks

FROM PAGE B4 Prime Finance First Mutual Fund One shed the most with a 5 per cent drop while Paper Processing, ACI Formulations, Bangas Ltd, and RD Food were among the heavy losers as well.

Beximco Ltd became the most traded stock with shares worth Tk 53 crore changing hands followed by Islami Bank, Shinepukur Ceramics, JMI Hospital and Bangladesh Shipping Corporation.

The Chittagong Stock Exchange (CSE) also fell yesterday. The CASPI, the main index of the CSE, dropped 103 points, or 0.72 per cent, to close the trading session at 18,439.

Of the 288 stocks traded, 54 rose, 208 fell, and 26 did not see any price movement.

China's zero-Covid policy

FROM PAGE B4 begin to withdraw their onshore presence, the process of economic convergence may come to an end sooner than anticipated."

China's export growth slowed to single digits in April, the weakest since the onset of the pandemic, while imports barely changed as Covid-19 curbs halted factory production and slashed demand.

Authorities are expected to tread a careful policy path around Covid ahead of a key Communist Party meeting towards the end of the year.

In a sign of that caution, China last week gave up hosting rights for the Asian Cup football finals next year due to Covid concerns.



Md Arfan Ali, president and managing director of Bank Asia Ltd, receives a "Certificate of Appreciation" from Fazle Kabir, governor of Bangladesh Bank, on the central bank premises in the capital on Wednesday. PHOTO: BANK ASIA

Bank Asia awarded certificate of appreciation by BB

STAR BUSINESS

Bank Asia has been awarded a "Certificate of Appreciation" by Bangladesh Bank for its significant disbursement of stimulus loan under the special refinancing scheme of Tk 5,000 crore in agriculture sector.

Md Arfan Ali, president and

managing director of Bank Asia Ltd, received the certificate from Fazle Kabir, governor of Bangladesh Bank, on the central bank premises in the capital on Wednesday, said a press release.

The bank disbursed the loans among 3,285 farmers under the scheme during fiscal year 2020-21.



Mashrur Arefin, managing director of City Bank, delivered a welcome speech at the bank's earnings disclosure for the first quarter of 2022 yesterday. Md Mahbubur Rahman, additional managing director, gave a presentation. Investors, researchers, analysts and individuals involved in capital market activities joined the virtual programme. PHOTO: CITY BANK