

13 honoured as agri important persons

STAR BUSINESS REPORT

The government honoured 13 persons with the status of Agricultural Important Person (AIP) for their outstanding contribution to the farm sector in Bangladesh yesterday.

Muhammad Abdur Razzaque, minister for agriculture, handed over the AIP cards to the recipients at the Osmani Memorial Auditorium in Dhaka.

Four of the recipients were given the status in the “agricultural innovation varieties or technology” category. They are Lutful Hasan of Bangladesh Agricultural University, Ataus Sopan Malik, managing director of AR Malik Seeds, Syed Abdul Matin of Future Organic, and Alimus Sadat Chowdhury of Alim Industries.

Six were honoured under the agricultural production or commercial farm establishment and agro-processing industry category.

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FOREX CRISIS

Toyota, Suzuki to partially shut Pakistan output

REUTERS, Karachi, Pakistan

Pakistan's two leading car assemblers, Toyota and Suzuki, plan partial plant shutdowns next month due to unavailability of raw material amid import restrictions and exchange rate volatility, officials at both companies said on Wednesday.

The government in recent weeks has attempted to curb imports in the face of fast depleting foreign reserves, a declining currency and a widening current account deficit, because of which the rupee has lost over 20 per cent of its value this year.

The move has had a cascading effect on industries that rely on imports to complete finished goods as they say the central bank has delayed the clearance of letters of credit with banks facing a shortage of dollars.

“There will be 10 working days next month, only if central bank allows us to open letter of credit based on the quota they promised,” said Ali Asghar Jamali, chief executive at Indus Motor which assembles Toyota vehicles in Pakistan.



Poor logistics services in the country are holding back Bangladesh's export earnings as shipments are often slowed by the lack of required facilities. With this backdrop, speakers at an AmCham discussion called for the development of the relevant infrastructure such as ports and roads.

PHOTO: STAR/ FILE

Better logistics may boost exports by 20pc: experts

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Bangladesh is missing out on at least 20 per cent of its export potential due to poor logistics and clearance services in the country's ports and highways, according to various experts.

“Bangladesh fetched \$52 billion from exports in the previous fiscal year but it would be possible to earn at least \$63 billion if the logistics services were improved,” said Masrur Reaz, chairman of the Policy Exchange, a private research firm.

For instance, the current cost of hiring trailer trucks for transporting goods in the country is \$0.12 per kilometre but the rate is \$0.6 in Indonesia and about \$0.2 in India, he added while referring to a recent study by the World Bank.

Reaz was speaking at a discussion on “Logistics Sector of Bangladesh-Opportunities and Concerns”, organised by the American Chamber of Commerce in Bangladesh (AmCham) at Sheraton Dhaka Banani hotel in the capital. He then said if the time taken to secure clearance for goods at local ports is shortened by a day, overall exports would increase by 7.4 per cent.

Moreover, if domestic logistics facilities, such as roads and warehouses, are improved and inland container depots (ICD) are set up in industry dense areas like

Dhaka, Narayanganj, Gazipur and Chattogram, exports could grow by another 7.4 per cent.

Currently, the average speed of goods-laden trucks plying the Dhaka-Chattogram highway, which handles 95 per cent of the movement of export and import goods, is 19 kilometres per hour.

“But if the average speed can be increased to 40 kilometres per hour, it would boost exports by some 3.5 per cent,” Reaz said.

Bangladesh is lagging behind in the global logistics index as the country ranks 100th among 140

“So, efficiency in logistics is very important to remain competitive in the global supply chain in the post-graduation period,” he said.

AmCham President Syed Ershad Ahmed said estimated employment in the logistics and transport sectors is around 5 million collectively, including more than 1,100 freight forwarders, 5,000 carrying and forwarding agents and several thousand workers in different services, such as port handling, and air, ocean, road, rail and

the country's logistics industry is highly progressive.

However, some key challenges like policy development and implementation, infrastructure development, process improvement, and increasing management efficiency need to be addressed.

And although inland connectivity through railways and waterways has high potential, it remains underutilised.

“So, the relevant government authorities must set up strategies to bolster transportation and logistics networks to satisfy the increasing demand and export development,” he said.

Bangladesh also needs pragmatic and effective policies and a comprehensive national strategy to improve logistics performance in the country, Ahmed added.

Kabir Ahmed, president of the Bangladesh Freight Forwarders Association (BAFFA), said the standards and services of the domestic logistics sector has improved a lot over the years as many entrepreneurs invested to this end.

This benefitted the country as a whole as it is not necessary to hire foreign logistics companies to cater to the needs of domestic businesses.

The BAFFA president also said local exporters faced a lot

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Do longer working hours raise productivity?

SANJEEDAH AKHTER BHUIYAN

Among the population of around 168.1 million in Bangladesh, 90 million are the inexpensive labour force. Some 60 million work in agricultural jobs and 30 per cent work in non-agricultural jobs. But do the labour force get the benefits in the areas of working hours, salary, leave, health policies and condition of employment they are supposed to receive as per labour laws?

According to the 2006 Labour Act of Bangladesh, the working hour for all levels of employees and workers should be eight hours per day plus up to two hours of overtime work. The weekly working time is limited to 48 hours and the overtime may lift it to 60 hours. The International Labour Organisation (ILO) has also suggested keeping normal working hours to eight hours per day and 48 hours per week in general.

In Bangladesh, employees and workers have to work on their weekends too. They do this extra hour job because no one wants to lose their job and some want a promotion.

OVERWORKING AROUND THE WORLD

According to a joint report of the World Health Organisation and the ILO in 2021, 488 million

Companies have to constantly revolve their management eco-system as per the demand of the situation. They have to create a benchmark of work time by analysing how long it takes in the same industry in general

people worldwide have long working hours. The shocking fact is that more than 745,000 people died in 2016 from heart diseases and stroke stemming from working more than 55 hours per week, showing how alarming it is for health to work for a long time.

The report shows that overworking increases the risk of cardiovascular diseases and stroke and affects mental health. Sometimes, it compels employees to lead an unhealthy lifestyle in response to the stress. As a result, they become sick, which results in productivity loss.

Overworking also creates an imbalance between the personal and work life of employees.

Research conducted by Hindawi has found a significant and positive relationship between working hours and a greater work-life imbalance. It is also recommended by Hindawi to revise labour laws to enhance work-life flexibility and avert excessive working hours.

When an employee can't give time to his/her family, there will be tension among the family members, especially with the spouse. As a result, it will add extra pressure and stress, which results in productivity loss due to a lack of proper concentration on the work at hand.

According to Lancet, a journal, many countries in South Asia have the longest working hours compared to the rest of the world.

Japan has a legal term “karoshi” which means death by overwork. This indicates how common overworking is.

Overworking is more common in low-income and middle-income countries compared to high-income countries, according to the findings of the ILO.

One of the management practices should be changed. This relates to working hours. Some organisations think that it has purchased the time of employees since they are paying for it. In reality, no one can purchase anyone's time. Rather, they

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Global growth headed down as inflation surges

REUTERS, Bengaluru

The global economy is mired in a serious slowdown, with some key economies at high risk of recession and only sparse meaningful cooling in inflation likely over the coming year, according to Reuters polls of hundreds of economists worldwide.

Most central banks are only part-way through a still-urgent cycle of interest rate rises as many policymakers make up for a collective error in judgment last year thinking supply chain-related inflation pressures would not last.

That carries with it another risk - central banks moving too quickly without taking time to assess damage from the fastest interest rate rises in more than a generation following over a decade of near-zero rates.

Despite their aggressive response - in some cases, the most in several decades - inflation has yet to ease in most of the near-50 economies covered in the June 27-July 25 Reuters surveys of more than 500 forecasters around the world.

The US Federal Reserve, due to hike rates by another 75 basis points later on Wednesday, is a case in point. US inflation, now at a four-decade high of 9.1 per cent, is not expected to cool to the Fed's 2 per cent target until at least 2024.

Galloping inflation has wrought an acute cost of living crisis in much of the world, pushing up recession risks.

There is already a median 40 per cent chance of recession happening in the world's largest economy over

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Price tags are seen as a woman shops at a local market in Nice, France. Despite aggressive response from central banks, inflation has yet to ease in most major global economies.

PHOTO: REUTERS/FILE

Russia cuts gas flows further

REUTERS, Berlin/Frankfurt

Russia delivered less gas to Europe on Wednesday in a further escalation of an energy stand-off between Moscow and the European Union that will make it harder, and costlier, for the bloc to fill up storage ahead of the winter.

The cut in supplies, flagged by Gazprom earlier this week, has reduced the capacity of Nord Stream 1 pipeline - the major delivery route to Europe for Russian gas - to a mere fifth of its total capacity.

A day earlier, EU countries approved a weakened emergency plan to curb gas demand after striking compromise deals to limit cuts for some countries, hoping lower consumption will ease the impact in case Moscow stops supplies altogether.

The plan highlights fears that countries will be unable to meet goals to refill storage and keep citizens warm during winter.