



Debapriya Bhattacharya, convener of the Citizen's Platform for SDGs, Bangladesh, called for strengthening the relationship between owners and workers and reducing their 'psychological distance'. PHOTO: STAR/FILE

# Tea industry advances but workers left behind

Say discussants at a dialogue

## STAR BUSINESS REPORT

The tea industry in Bangladesh has made significant advancements but the tea workers still have to deal with several challenges concerning socioeconomic and human rights, and unfair wages, said speakers at a dialogue yesterday.

They have to bear substandard living circumstances, including having to do with inadequate nutrition, healthcare services and education. These workers are persistently underpaid, they said.

All stakeholders, including the entrepreneurs and the government, will need to step forward to improve the living standards of the tea workers from the perspectives of the implementation of Sustainable Development Goals in Bangladesh, they added.

The issues were discussed at a dialogue on "Why are the Tea Plantation Workers Left Behind in Bangladesh?" organised by the Citizen's Platform for SDGs, Bangladesh, Manusher Jonno Foundation and Nagorik Uddyog at BRAC Centre Inn, Dhaka.

Debapriya Bhattacharya, convener of the Citizen's Platform for SDGs, Bangladesh and a distinguished fellow

of the Centre for Policy Dialogue (CPD), said one of the guiding principles of the global agenda was that no one should be left behind.

But tea workers are one of the most "backward communities", he said.

He hopes for conditions to improve of the workers through the strengthening of the relationship between owners and workers and reduction of their "psychological distance".

Bhattacharya said the Citizen's Platform for SDGs, Bangladesh would move forward with information and recommendations obtained from this dialogue and would try to have it reflected in the national policy.

Raising wages of tea workers will not be helpful if it is not adjusted with the high increases in the prices of goods, said Khairun Akhter, president of workers' platform Cha Konya Nari Songothon.

She said only four months of maternity leave was given to expectant mothers, which was directly a discriminatory practice, there were no toilet facilities in tea gardens for women, and women often suffer from diseases for having to use unhygienic sanitary products.

Zakir Hossain, chief executive of Nagorik Uddyog, said in spite of the presence of quota privileges, the tea workers mostly fail to join the mainstream because they do not have sufficient opportunities to fulfil the admission or employment criteria.

Tuomo Poutiainen, country director of International Labour Organization Bangladesh, said, "One of the issues we really need to investigate is how the tea garden community members, along with the workers, will be able to access the right kind of, sort of protection services which is their right."

"It is important to take care of the broader holistic view of this sector," he said.

He said, "I think the government has a certain role to play, such as looking at the modernisation of the financing and addressing those challenges of looking at the working conditions and wages and productivity and, more broadly, towards community development."

Gwyn Lewis, United Nations resident coordinator in Bangladesh, said, "It is important that we look into the framework of the Sustainable Development Goals and ensure that no one is left behind."

"We should look at the development issues of tea workers from the historical marginalisation perspectives and address the structural challenges," she said.

Golam Mostafa, chief operating officer, tea estate, Ispahani Group, acknowledged that the facilities that were supposed to be provided to the tea workers were not being provided.

However, the tea gardens are surviving due to the efforts of the owners and the workers, he said.

Mustafizur Rahman, a distinguished fellow at the CPD, said not only the owners but also the state has a responsibility to protect the rights of the tea workers.

Firstly, the matter should be looked at from the point of view of overall industrialisation, he said.

He said the impact of the global climate on tea plantations and the effectiveness of related policies should be investigated. "We should work to ensure quality education (for workers' children)," he said.

The tea workers should be brought to the mainstream, and an opportunity should be created to present their demands on a larger scale ahead of the upcoming elections, he added.

## Daraz logs Tk 320cr sales in 11.11

### STAR BUSINESS REPORT

Daraz Bangladesh, the biggest online shopping platform in the country, said products worth about Tk 320 crore were sold through its flagship campaign that started on November 11, underscoring the company's solidified position in the local e-commerce market.

The campaign is a part of its parent company's, Alibaba Group's, 11.11 global shopping festival, which generated gross merchandise value (GMV) of \$84.54 billion this year.

Sales through Daraz stood at Tk 45 crore during the campaign in 2018, when the platform introduced it in Bangladesh after Alibaba took over.

A total of 60.43 lakh app users participated in the 11-day campaign with 10.10 lakh of them having made purchases this year, indicating growth of 20 per cent and 26 per cent respectively.

"Such figures not only depict the impressive growth scenario of Daraz, but also signify a major growth drive within the e-commerce industry," Daraz said in a statement.

AHM Hasinul Quddus Rusho, chief corporate affairs officer of Daraz Bangladesh, said this year's 11.11 campaign saw tremendous customer participation despite the ongoing economic challenges predominantly caused by global fallout from the Russia-Ukraine war.

"It was a joyous and festive occasion for both buyers and sellers. This year, we observed that buyers were going for necessity items, and the affordable prices offered by our sellers eased their purchase decision," he added.

## 5G to connect entire population: Jabbar

### STAR BUSINESS REPORT

The 5G (fifth generation) mobile technology is going to play a very important role in changing almost everything in Bangladesh, including industry and education, and it will connect the whole population to very high-speed internet, said Telecom Minister Mustafa Jabbar yesterday.

He said the country is moving ahead with a new vision for 2041 titled 'Smart Bangladesh'. The primary objective of the telecommunications industry is to connect the whole population of Bangladesh.

He was speaking through a virtual platform at a global forum styled "Connectivity: Innovate for Impact" organised by Chinese tech-giant Huawei.

In the forum, Huawei has signed a global commitment to join the International Telecommunication Union's Partner Connect digital alliance. This initiative will bring connectivity to about 120 million people in remote areas in more than 80 countries by 2025.

The forum explored how ICT innovation could unleash the business and social value of connectivity and drive sustainability in the era of digital economy. Liang Hua, chairman of Huawei, said connectivity will be more than just a tool for convenient communications.

"Together with digital technologies, like cloud and artificial intelligence (AI), connectivity will help bring everyone into the digital world, and provide them with access to more information and skills, better services, and wider business opportunities. This will, in turn, drive further social and economic development."

## Extensive social protection scheme needed

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Such a problem creates a panic and allows vested quarters to spread misinformation about famine and use the situation as a pretext to make abnormally high profits, he said.

"I think there is no scope for a famine in Bangladesh. We have passed the stage."

However, risks for food shortage among the marginalised communities and the groups living in the remote areas remain, he warned.

A study by the Sanem among 1,200 to 1,300 garment workers in five cities in the last several months found that the food security index fell, meaning apparel workers and their children are eating less than in the past.

The purchasing power of workers has lessened for the higher inflation, while their working hours have been squeezed for the fall in orders from international buyers.

"The high inflation and a falling real wage have created risks to food security," said Prof Raihan.

"If the risks to food security persist consistently for a longer period, a delayed intervention will

not work. Interventions will have to be immediate. I think the next two to three months are very crucial for Bangladesh to take steps in this regard."

The economist also talked about the foreign currency market, the exchange rate and the banking sector, among other issues.

The foreign currency reserves stood at \$46.4 billion at the end of 2020-21 and \$41.83 billion at the end of the last financial year. But owing to escalated import payments, it fell to \$34.4 billion recently.

"The depletion of reserves must be prevented," said Raihan.

He, however, thinks that Bangladesh is not in a very bad situation in terms of reserves. But he expressed concerns about the danger if the fall of the reserve level does not slow down.

"We have to think about how to boost reserves so that they can meet import liabilities for 8-10 months."

The taka has also lost its value sharply against the US dollar amid the shortage of the American greenback and a surge in import bills.

Prof Raihan said India has allowed

a gradual depreciation of its currency against the US dollar to avoid any sudden shock.

"But it has not been done in Bangladesh for a long time. As a result, the local currency has seen a sharp depreciation."

He added that since separate exchange rates have been fixed for importers, exporters and remitters, no one trusts them.

Raihan apprehended that economic growth and employment generations would decelerate in the current financial year due to the fall in the import of capital machinery and intermediate raw materials.

The opening of letters of credit (LCs) to import capital machinery declined 65.74 per cent year-on-year to \$606.89 million during the July to September quarter, data from the Bangladesh Bank showed.

Similarly, the opening of LCs for importing intermediate goods and industrial raw materials fell more than 14.5 per cent during the three-month period.

"If export receipts and remittance flow don't increase in the coming

days, there will be additional pressure on the economy to repay debts after a few years," said Prof Raihan.

He called for steps to stop hundi, an illegal cross-border money transfer system, and augment the flow of remittance through legal channels.

The economist said various problems have been created in the economy due to a lack of governance in the banking sector.

"Willful defaulters are so powerful that they can't be contained. Within a week after assuming office the current finance minister said that defaulted loans will not increase. But it has risen by another 30 per cent."

He said the conditions of the International Monetary Fund regarding reforming the banking and revenue sectors are nothing new.

The government is seeking \$4.5 billion from the multilateral lender.

"The government has already made promises to carry out all of the reforms. The eighth five-year plan also spelled about them. But these reforms are not possible without a strong political commitment," added Raihan.

## Deal signed with Australian firm for mining cooperation

### STAR BUSINESS REPORT

The Bangladesh Council of Scientific and Industrial Research (BCSIR) and Everlast Minerals Limited (EML), an Australian mining company, yesterday signed a memorandum of understanding (MoU) on scientific and technological cooperation.

The signing ceremony was held at the BCSIR auditorium, where Md Aftab Ali Sheikh, chairman of the BCSIR, and Paul Quin, chairman of EML, were present.

The purpose of the MoU is to explore and ensure quality testing of heavy mineral sands in various rivers and beaches of the country. It will remain in force till December 20, 2024, according to the organisers.

Besides, it will help to exchange assistance in uninterrupted use of laboratories, skilled manpower, and research equipment, they said.

Nazim Zaman, director of the Institute of Mining, Mineralogy and Metallurgy (IMMM) under the BCSIR, said they found that 2,000 tonnes of ilmenite, 400 tonnes of rutile, 600 tonnes of zircon, 3,500-4000 tonnes of magnetite, 5000-15,000 tonnes garnets and 50,000 tonnes quartz can be separated from processing 10 lakh cubic metres of sand.

"Now, Bangladesh is earning only Tk 8 crore by selling sand for construction work," he added.

Zaman then said that after getting the EML company's machinery support, Bangladesh can export the heavy minerals after meeting local demand.

At the event, Md Baharul Alam Biswas, general manager of EML, gave a brief presentation on their machinery support for mining in the country.

## BB injects \$6b into market so far

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scope to allow for depletion of the reserves further, he said.

If the central bank reduces its dollar sales, imports may decline further but the trend will not last long, he said.

Allowing a reduction of the dollar sale will depreciate the exchange rate of the taka further, but it will subsequently encourage the remitters to send their money through the banking channel, he said.

Remittances decreased 2.03 per cent year-on-year to \$719 billion in the first four months of the current fiscal year.

However, export earnings will increase if the exchange rate

depreciates further.

The exchange rate of the taka stood at Tk 105.95 for each dollar on November 22, down 23.5 per cent year-on-year.

Zahid Hussain, a former lead economist of the World Bank's Dhaka office, also opposed the BB's stance to inject hefty amounts of US dollars on a regular basis.

"The BB might have sold the dollar predicting that the ongoing global unrest may calm down in the quickest possible time," he said.

The BB should not depend on the global scenario, rather it should draw up its own policy to tackle the existing stress faced by the economy.

The market should be allowed

to determine the exchange rate of the dollar ignoring the multiple fixed exchange rates set by banks, he said.

Remittances declined substantially after banks had introduced the multiple rates, Hussain said.

Banks now pay a maximum of Tk 107 for a dollar to remitters.

A record number of migrant workers have left the country for jobs abroad this year, but remittances are now decreasing, which is unusual, he said.

The remitters might have been sending money through hundi – an illegal cross border financial transaction system – which may be playing a role in the decrease of

remittances, Hussain said.

If migrant workers get a better rate than the price offered by the hundi cartel, remittance inflow will regain its tempo, he said.

Contacted, a BB high official said the depletion of the reserves would continue until January, after which the reserves would become stable.

He said, "The government will manage foreign loans from foreign sources including several multilateral lender agencies."

There is little scope to curb the injection of dollars into the market as the funds are being supplied for the import essential commodities, he said.

## Banks thrive on fees

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Banks' revenue from the stock market has been on a downward trend in the current year, pushing the income of some banks from the stock-related business down.

The DSEX, the benchmark index of the premier bourse in Bangladesh, lost 485 points, or 6.93 per cent, between January and September, DSE data showed. It had surged 1,711 points in the identical period in 2021.

"As foreign trade rose, the income from commissions and fees rose," said MTB's Rahman.

Mutual Trust Bank witnessed the highest growth in the commission, brokerage and exchange income segment as it registered a 253 per cent year-on-year growth to generate

Tk 592 crore.

The highest income from commission, brokerage and exchange was logged by Brac Bank after it posted a 49 per cent growth to earn Tk 816 crore.

Premier Bank's income from the segment surged 145 per cent to Tk 669 crore and United Commercial Bank's revenue rose 50 per cent to Tk 666 crore.

Pubali Bank logged the highest profit among all the listed banks, netting Tk 525 crore in January-September.

Islami Bank came second with Tk 437 crore in profit.

Dutch-Bangla Bank generated Tk 399 crore in profit, Eastern Bank took home Tk 386 crore, and Brac Bank earned Tk 378 crore in profit.