

# A desperate plea for justice

## Rape victims are further victimised by power and money

It is disconcerting to learn of a mother who held an hourlong sit-in in Bogura's Satmatha area on Saturday, demanding justice for the alleged rape of her teenage daughter last year. How hopeless must she have felt about the prospect of justice before publicly revealing that her daughter had been raped – in a culture where such admissions can result in further humiliation of the victim? Why did she have to resort to such means to get the attention of the authorities?

According to a report, the accused was a tenant at the victim's house and had raped her several times. He apparently had videos of the rape on his phone and threatened to release them if she did not comply with his wishes. This is the allegation made by her mother who, importantly, also accused a high-ranking police officer of destroying the evidence (by deleting the video) to protect the accused. She demanded that his name be added in the charge sheet.

While only after the case has been tried and a verdict reached will we know for sure whether the accused is guilty, it must be acknowledged that in the majority of rape cases, bringing the criminals to book is an uphill task. This is especially so when the accused are connected to power. The role of police or investigating officers in such cases is crucial. Therefore, the allegation of destroying evidence in Bogura deserves scrutiny, and the possibility of departmental investigations being partial cannot be ruled out either. With the suspect now out on bail – and the police officer transferred to another district – the mother's desperate plea for help is thus not surprising.

Her protests hit particularly home considering how widespread the culture of sexual assault has become, with at least 353 women/girls being raped in the first six months of this year alone, according to an estimate. One of the major factors behind this is the poor rate of conviction (in only 3 percent of all rape cases). Most rapists and assaulters have a sense of impunity because they believe there are many loopholes in the legal system that can be circumvented. Corruption among members of law enforcement has been the greatest deterrent in ensuring justice for victims who do not have money or connections.

We, therefore, urge the authorities to ensure a fair investigation of both the rape case and the complaint against the police officer. The state must protect the victim and her family from any repercussion. A mother should not have to protest in the streets to get justice for the rape of her child.

# Must Dhaka be worst in everything?

## Its being slowest among all cities should serve as a wake-up call

It is disheartening to learn of a study by the US-based National Bureau of Economic Research that has ranked Dhaka as the slowest city in the world. This "accolade" is yet another testament to the city's failure overall – among the worst globally in terms of pollution, air quality, road safety, liveability, and now speed of vehicular movement. We cannot help but wonder why, despite transportation being one of the sectors that attracted massive government financing, Dhaka is still "excelling" in all the wrong areas, and why the investments in Dhaka are still focused on easy and visible solutions disregarding core issues of development.

The US study found that Dhaka is not only the slowest overall, but also ranks second slowest in uncongested speed. This means that even with minimal traffic load, movement remains generally slow. Dhaka does not have a coordinated or technologically aided traffic regulation system in place. Its authorities have largely failed to enforce traffic rules, and find a solution for how vehicles of different speeds and pedestrians can move through this densely populated area. Roads are flooded even after moderate rainfall, bringing the entire city to a standstill. Political processions, VIP movements and simultaneous construction/development works in multiple areas frequently combine to block major roads, even during peak hours.

The study underscores that the worst-ranked cities have failed to accommodate the rapid rise in population. Being the centre of almost all administrative and economic activities, as well as the hub of education, employment, and basic amenities, Dhaka has naturally seen a surge in its own population. Experts, therefore, have repeatedly pointed out that without comprehensive efforts to decentralise Dhaka, its conditions will not be improved. Unfortunately, we have yet to see any visible efforts in that regard.

In this connection, one may recall that a recent study by the Centre for Policy Dialogue (CPD) has revealed that, on average, 23 minutes are lost per hour due to traffic jams in the city. This not only wastes productive hours; it is also a major contributor to increased fuel consumption, carbon emission, air pollution, temperature rise and deterioration in public health. Internationally, this state has brought nothing but disgrace for Bangladesh, and likely has detrimental effects on our tourism aspirations and even chances of attracting foreign investments.

Therefore, we urge the authorities to acknowledge the dire condition of Dhaka, understand the complexity of its developmental issues, and look beyond extravagant, visible solutions to make this city liveable for the residents.

New Message

To

Subject

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# Why are private employees' savings being taxed?



Kallol Mustafa is an engineer and writer who focuses on power, energy, environment and development economics.

KALLOL MUSTAFA

The government is committed to increasing tax revenue by 0.5 percent to 0.7 percent of GDP annually under the \$4.7 billion IMF loan programme over three years. Perhaps in a desperate bid to boost tax collection, the government has imposed a 27.5 percent corporate tax on income from private provident funds – a critical social security vehicle for private sector employees – from this fiscal year. To note, provident funds of government employees have been exempted from this tax.

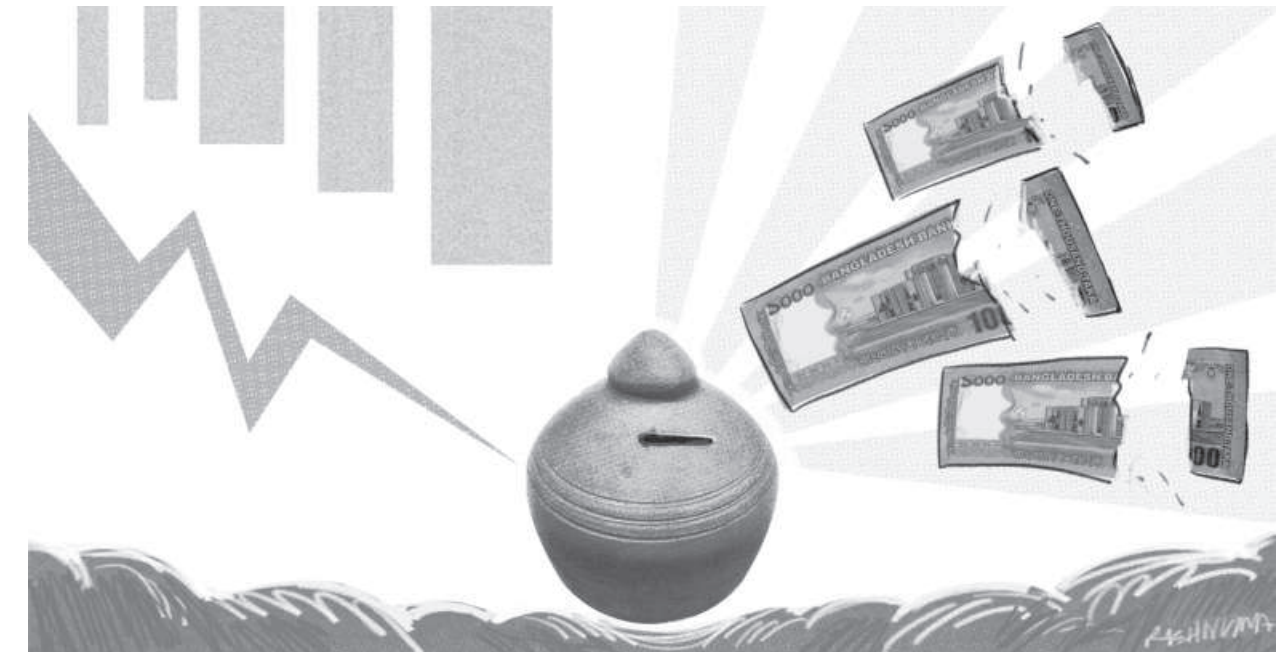
Unlike public sector retirees, private sector employees do not get pensions. So, throughout their working years, they deposit some money in a provident fund each month from their salary. The private employer also contributes an equal sum to the fund. The money accumulated in the provident fund is usually invested in order to increase its size, so that it can serve as social security for private sector employees after retirement.

In the previous Income tax Ordinance, 1984, provident fund trusts were not required to submit their tax returns, and income generated by a provident fund (PF) trust as a separate legal entity was not taxable. But, as section 166(2) of the newly introduced Income Tax Act 2023 has only exempted government provident and pension funds from submitting tax returns, a private PF trust will have to submit a tax return under the new act. Plus, as reported by *The Business Standard*, the tax rate on such a fund has been set to be the same as a company's corporate tax rate (that is, 30 percent). This can be reduced to 27.5 percent if certain conditions are fulfilled. Either way, the government is now able to take away 27.5 percent to 30 percent annually from the modest savings of private sector employees.

Moreover, taxing gratuity funds may also indirectly affect private sector employees as the increase in tax will increase gratuity fund expenditure for private companies, thereby discouraging many companies from setting up gratuity funds at all.

Before this, although the provident funds and gratuity funds in both

public and private sectors did not have to pay income tax directly, since 2016, a tax of 5 to 10 percent has been paid on profits of funds depending on the type of investment. As the new income tax law imposes a corporate tax of at least 27.5 percent on the income of private trusts and funds, the retirement benefits of private sector employees will decrease significantly. In the past, if an employee of a private company deposited Tk 5,000 into the provident fund each month – and the



VISUAL: REHNUMA PROSHOON

company also contributed Tk 5,000 – that translated to Tk 10,000 a month and Tk 1,20,000 annually. And if the fund was deposited in a bank with 10 percent interest, then the interest income was Tk 12,000 per year while Tk 1,200 was deducted as source tax on this income, at the rate of 10 percent. With the new 27.5 percent tax, the government is to take Tk 3,300. That is, the private sector employee will now lose an additional Tk 2,100 per year of his/her retirement benefits.

The question is: how reasonable is the imposition of corporate tax on the income of social security funds

like provident funds? After all, the beneficiary of this provident fund is an ordinary private employee, not a corporate organisation. Moreover, imposing tax on private PF trusts while exempting government funds is plainly discriminatory and against the fundamental principle of our constitution, which gives the state the responsibility to ensure equality of opportunity for all citizens and equitable distribution of wealth among citizens. Not only that, the government pays a 13 percent interest for the provident fund of government employees, which is the highest interest rate in the market.

Public sector employees are already ahead of private sector employees in terms of social security due to government pension benefits. And due to employer participation being non-compulsory, even the newly introduced universal pension scheme

is not equal to the pension structure of government employees. Thus, only taxing private provident funds will further exacerbate this disparity.

Additionally, our tax revenue collection is not up to mark compared to the size of the economy. Bangladesh's current tax-to-GDP ratio stands at 7.9 percent, miles behind the ideal benchmark of 15 percent. But what is the reason behind such a low tax-GDP ratio? Is it because the common people pay less taxes? Or is the government unable (or unwilling) to collect enough taxes from the super-rich? Data show that most

# Not reducing carbon emissions will result in devastation



RMG NOTES

Mostafiz Uddin is the managing director of Denim Expert Limited. He is also the founder and CEO of Bangladesh Denim Expo and Bangladesh Apparel Exchange (BAE).

MOSTAFIZ UDDIN

In the battle against climate change, setting and achieving carbon emission reduction targets has become critical. These targets, often established on both national and international levels, aim to curb the release of greenhouse gases into the atmosphere, thereby mitigating the adverse effects of climate change. However, we have witnessed instances where these targets are missed or aren't met with the required urgency.

In my own industry of textiles and fashion, we are seeing more and more examples of companies missing their own emissions targets. Often, this is because fashion retailers can curb their own emissions but struggle to reduce emissions at Tier 3 – that is, the emissions of their suppliers.

Yet, the potential consequences of missing carbon emissions reduction targets do not bear thinking about. There are environmental, economic, social, and geopolitical ramifications to continuing on a business-as-usual path.

One of the most immediate and alarming consequences of missing carbon emissions reduction targets is the continued rise in global temperatures. Greenhouse gases, primarily carbon dioxide (CO2), trap heat in the Earth's atmosphere, causing the planet to warm up. When reduction targets are not met, the

concentration of these gases continues to increase, leading to more severe and frequent heat waves, rising sea levels, and disruptions to ecosystems. This can result in the loss of biodiversity, harm to agricultural production, and the exacerbation of extreme weather events.

The melting of polar ice caps is also a direct consequence of rising global temperatures. When targets are missed, the Arctic and Antarctic ice sheets continue to shrink at an accelerated rate. This contributes to rising sea levels, threatening coastal communities and low-lying islands. Furthermore, the release of freshwater from melting ice caps can disrupt ocean currents, impacting weather patterns and marine ecosystems globally.

Carbon emissions not only affect the atmosphere but also have dire consequences for the oceans. When excess CO2 is absorbed by seawater, it reacts with water molecules to form carbonic acid, resulting in ocean acidification. This harms marine life, particularly organisms with calcium carbonate shells and skeletons, such as corals, shellfish, and some species of plankton. Ocean acidification disrupts food chains and can lead to the collapse of vital fisheries, endangering the livelihoods of millions of people who depend on marine life.

Missing carbon emissions reduction targets amplifies the likelihood and severity of climate-related disasters. More frequent and intense hurricanes, droughts, floods, and wildfires may become the norm as the planet warms. These events cause widespread destruction of infrastructure, loss of lives, and displacement of communities. The economic toll of such disasters can be staggering, straining resources and recovery efforts.

Climate change-related damages, including property damage, crop losses, and healthcare expenses, place a significant burden on governments, insurance companies, and individuals. Furthermore, industries reliant on fossil fuels may face increased regulation, higher operational costs, and potential stranded assets as the world shifts towards cleaner energy sources. In the long run, failing to address climate change can lead to reduced economic growth and job opportunities.

But the consequences of missed carbon emissions reduction targets are not limited to the environment and the economy; they also deeply affect society. Vulnerable communities, often those with fewer resources and less resilience, are disproportionately impacted by climate change. These communities may experience more significant health risks, food and water shortages, and displacement due to extreme weather events.

The global nature of climate change and the interconnectedness of nations make it a significant geopolitical issue. When countries fail to meet their carbon emissions reduction targets, tensions may arise, especially when the effects of climate change spill across borders.

taxes collected by the government come from the pockets of common people, through indirect taxes such as customs duties and VAT. In developed countries, 70-80 percent of the total tax revenue is collected via direct taxes. But in Bangladesh, at least 65 to 67 percent of tax is collected from average citizens through indirect taxes.

According to the Center for Policy Dialogue, if the government stopped the rich from evading taxes, it could collect an additional Tk 55,800 crore to Tk 292,500 crore annually, which is eight times the amount allocated to the social security programme and two times the allocation for the health sector. But instead, the government is increasing the tax burden of the common people. Even direct taxation is heavier on the general population than on the rich, and the latest example of this is the imposition of the 27.50 percent tax on the income of

private provident funds.

A progressive tax involves a tax rate that increases as taxable income increases. It imposes a lower tax rate on low-income earners and a higher tax rate on those with a higher income. The income tax system in Bangladesh is already regressive. But the imposition of corporate tax on the income of private provident funds will make the tax system even more regressive and further increase inequality. Such a discriminatory tax on private sector employees' life savings should be abolished urgently.

Those in Asia and parts of the Global South, where the impacts of climate change are very real, are understandably frustrated at the high costs they are paying for the rampant economic growth of wealthier nations.

Ecosystems provide a wide range of services, from purifying air and water to pollinating crops and regulating climate. Failing to reduce carbon emissions can disrupt these essential ecosystem functions. For example, deforestation driven by climate change can reduce the availability of clean drinking water, while the decline of pollinators can harm food production. The loss of ecosystem services not only affects the natural world but also compromises human well-being.

Climate change impacts agriculture in multiple ways, including changing weather patterns, increased pests and diseases, and reduced water availability. When carbon emissions reduction targets are missed, these challenges become more pronounced, jeopardising global food security. Crop yields may decline, leading to food shortages and higher prices.

In textile supply chains, we have seen the impact of climate change in some cotton-growing countries, as well as the negative effects of severe droughts in wool-growing countries such as Australia, in recent years.

Perhaps the most concerning consequence of missing reduction targets is the potential for irreversible changes in the Earth's climate system. Once certain thresholds are crossed, such as the complete collapse of ice sheets or the release of vast amounts of methane from thawing permafrost, the impacts of climate change may become self-perpetuating and beyond human control.