

Star BUSINESS

The authorities are showing discriminatory attitude in taxing the income from provident funds of government and private officials



Story on B4

ILO calls for fast-tracking labour law reforms

REFAYET ULLAH MIRDHA

The International Labour Organisation (ILO) has urged Bangladesh to bring about much-needed reforms to the labour law as a matter of priority through further consultations in line with the country's commitment.

The latest request came after the governing body of the UN specialised agency concluded its 350th meeting at its headquarters in Geneva, according to the website of the ILO.

At the session that took place between March 4 and 14, the member states made a series of decisions on living wages and initiatives to strengthen social justice.

In line with the ILO's supervisory procedures, the members examined several country cases, including that of Venezuela, Nicaragua, and Bangladesh, noting that these situations should continue to be kept under consideration.

Speaking about Bangladesh, the ILO said its governing body took note of the report on the progress made with the implementation of the roadmap of actions and was mindful of its 2021-26 timeline for the labour sector reform as well as of the results yet to be achieved.

The ILO urged Bangladesh and the social partners to pursue their tripartite consultations in a constructive manner to bring about reforms as a matter of priority

The body noted the strong commitment made by Bangladesh to engage in further tripartite consultations to address the outstanding issues linked to Article 26, which deals with the ILO's complaint lodging procedure concerning alleged non-observance of conventions 81, 87 and 98.

Convention 81 deals with the labour inspection at industrial units, Convention 87 refers to the freedom of association and Convention 98 is related to the collective bargaining rights.

The ILO called on Bangladesh and the social partners to pursue their tripartite consultations in a constructive manner with a view to bringing about all necessary reforms as a matter of priority.

Before the beginning of the session, Bangladesh informed the ILO of the improvement achieved in the implementation of the roadmap, in line with the decision taken at the 349th session in November 2023, providing updates on four priority areas.

The government communicated the process of amending the Bangladesh

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Fruit imports surge as Ramadan pushes up demand

AT A GLANCE

- About 40% of the country's demand for fruits met locally
- The rest met through imports
- Bangladesh imports fruits mainly from South Africa, Brazil, China, Australia, India, Pakistan and Egypt

FOREX RESERVES

Stood at \$19.98b on March 20, 2024

Was \$40.7b in August 2021

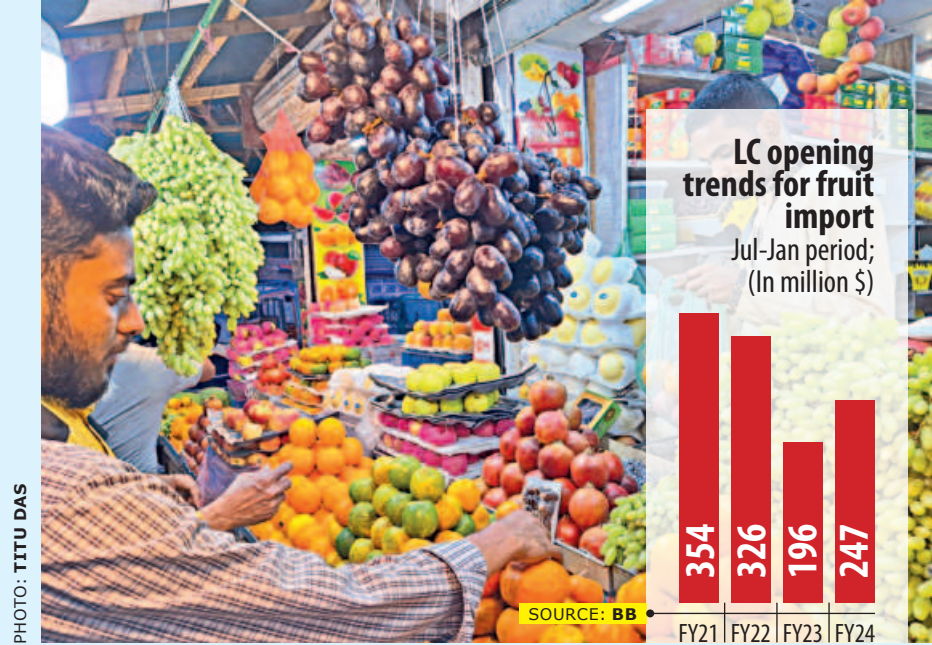


PHOTO: TITU DAS

SUKANTA HALDER

When Bangladesh's foreign currency reserves started to dwindle two years ago and the authorities moved to curb imports, fruits became one of the first victims of the restrictions since the country spent roughly \$450 million in 2021-22 to procure them.

Government agencies tightened rules on the imports of fruits, chiefly oranges, apples and grapes, in their efforts to reduce import costs and tackle a deepening dollar shortage.

For example, the National Board of Revenue (NBR) raised the regulatory duty from 3 percent to 23 percent, while the Bangladesh Bank imposed conditions that importers would have to pay a full amount of the cost in advance for the imports of fruits and other non-essential products.

The initiatives worked as the opening and settlement of letters of credit (LCs) fell in the next two years. However, the imports of nutritious items are picking up though the dollar crisis still persists.

Traders opened LCs worth \$247 million in July-January of the current fiscal year of 2023-24, up 26 percent year-on-year, central bank data showed.

The purchase from external sources was \$196.54 million in the identical seven months of the previous financial year



and \$326 million in 2021-22.

Importers say banks have become liberal in facilitating the imports since the availability of the US dollars has increased while fruit traders are eager to buy even after paying the full cost upfront.

The LC opening rate was low in 2021-22 and 2022-23 due to the impacts of Covid-19 as consumption declined

amid the health crisis. The LC opening has been relaxed in the current fiscal year, according to Serazul Islam, president of the Bangladesh Fresh Fruits Importer Association.

"Ramadan has played a major role behind the jump in the LC opening rate."

The demand for fruits goes up considerably during the fasting month compared to other times because devotees love to break fast with dates and water as well as fruits. Islam also notes that the demand for imported fruits stays high from September to January owing to a reduction in the supply of locally grown ones.

One of the key factors

that sent the fruit imports lower was a 25 percent reduction in the value of the taka against the US dollar in FY23 as the foreign currency reserves depleted due to escalating imports in comparison to inflows of the international currencies in the form of remittances and exports.

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One panjabi for two occasions

Shoppers feel pinch of higher inflation ahead of Eid and Pahela Baishakh

AKANDA MUHAMMAD JAHID and SUKANTA HALDER

Shakil Ahmed, a middle-aged private job holder, usually considers three things when choosing a panjabi ahead of Eid: price, colour, and quality.

But this time around, he has a few more things in mind.

He is planning to buy a panjabi suited not only for Eid, but also for Pahela Baishakh, another big festival in Bangladesh, which will be celebrated on April 14, around three days after Eid-ul-Fitr.

"I used to wear white or softer colours on Eid and more vibrant colours during Pahela Baishakh. But the situation is different now because of financial constraints owing to higher costs of living," he told The Daily Star at Bashundhara City shopping complex.

"Besides, Eid and Pahela Baishakh have come together. So, I want to buy only one panjabi that can be used for both occasions."

Like Ahmed, many other shoppers have similar considerations this time before buying a panjabi, which reigns supreme as the choice of attire for most men, especially since it is a traditional part of celebrations such as Eid and Pahela Baishakh.

As both occasions are nearing, panjabi shops have been drawing larger crowds over the past several days. Many sellers also said they were expecting higher panjabi sales this year as Eid and Pahela Baishakh would be celebrated around the same time.

Soumik Das, chief executive officer of Rang Bangladesh, which has 20 outlets across the country, said panjabi sales were better this year compared to last year.

Echoing Das, Shaheen Ahmed, owner of Anjans, one of the leading fashion and lifestyle brands with 23 outlets in Bangladesh, said panjabi production has increased by 10 percent this year compared to last year due to increased demand.

Ehsanul Karim, an administrative officer at a private company, said he wears panjabis casually as well, not only on special occasions.

"Usually I buy two panjabis, one ahead of Eid and another for Pahela Baishakh. But this year, I am planning to buy a single panjabi considering higher commodity prices as well as increased prices of clothes," Karim said while browsing for a panjabi in Farmgate.

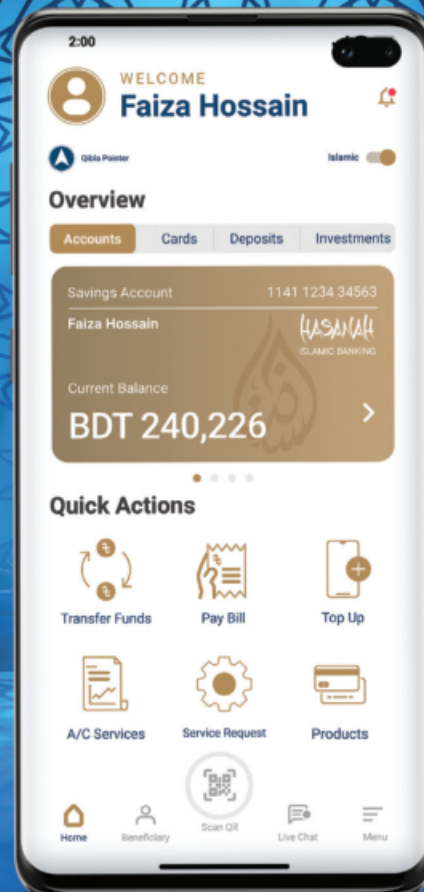
The rising price level in Bangladesh has left the middle and low-income segments in a severe cost of living crunch, with inflation hovering above 9 percent since March last year.

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