







# Tk 3,200cr stimulus for the poor announced

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STIMULUS PACKAGES FOR LOW-INCOME PEOPLE					
 <b>PACKAGE DETAILS</b>	 Cash for day labourers, road and river transport workers, small traders (1,724,470 beneficiaries)	 Open market sale (OMS) programmes at 813 centres from 25 July to 7 August for urban dwellers	 Special allocations for deputy commissioners to respond to 333 helpline calls	 Financing rural job creation programmes by PKSF, Palli Sanchay Bank, Karmasangsthan Bank (Addition to the previous TK3,200 CRORE allocation)	 Paying wages, allowances of tourism workers through banks
<b>FORM OF AID</b>	TK2,500 per person	20,000 tonnes of rice, 14,000 tonnes of flour	Food	Loan at 4% interest	Loan as working capital at 4% interest
<b>ALLOCATION (IN CRORE TAKA)</b>	450	150	100	450	1,000
					<b>TOTAL</b> <b>TK3,200 CRORE</b>

The Prime Minister's Office has announced five incentive packages of Tk3,200 crore for low-income people affected by the Covid-19 restrictions.

Of the amount, Tk2,200 crore will come from the government coffers.

Besides, a Tk1,000 crore fund has been set up to provide loans for the tourism sector and the government will subsidise the interest.

Day labourers, road and river transport workers, and small traders will get Tk2,500 in cash aid each.

Moreover, during the two-week lockdown after Eid-ul-Adha, low-priced rice and flour will be distributed among the urban poor through open market sale (OMS) programmes.

There are allocations to create jobs for returnee migrants and those who moved to villages after losing jobs.

Food aid will be distributed among those seeking assistance calling the 333 helpline.

Most of the tourism businesses, the sector hit hardest by Covid-19, remained closed after the deadly virus broke out in the country in March last year.

The government earlier announced a Tk1.24 lakh crore package, but the tourism sector did not receive any assistance then.

Finance ministry officials say the government decided to announce the new packages apprehending that the second wave of the pandemic will linger.

Sectors that had not received any assistance at all in the last one year have been included in the new packages, they added.

Day labourers, transport workers, and small traders did not receive the Tk2,500 cash aid before.

Now, Tk450 crore will be distributed among 1,724,470 beneficiaries in these sectors.

It was decided that assistance would be provided for transport workers before last year's Eid-ul-Fitr.

But it could not be implemented eventually due to delays in getting beneficiaries' lists from the road transport and bridges ministry as well as the shipping ministry.

The Bangladesh Bureau of Statistics (BBS) says there are around 32 lakh road and river transport workers.

Of them, about 2.37 lakh (7.4%) will get cash aid.

The 2017 BBS Labour Force Survey says there are 83.32 lakh day labourers in the country. This group constitutes 34.5% of the country's 2.42 crore members of the wage-earning labour force.

Last year's BBS Wholesale and Retail Trade Survey says 1.39 lakh employees work in 25 lakh stores across the country.

Bangladesh Shop Owners' Association President Md Helal Uddin hailed the move to provide assistance to small businesses.

He said the number of affected small traders is very high.

Transparency should be maintained while drawing up the list of beneficiaries as 50,445 of the affected traders will be given aid, he said.

He said he would talk to the prime minister's principal secretary on Wednesday (today) to ensure that aid reaches the traders who truly deserve it.

"I will request him to prioritise street hawkers in urban areas, including those selling tea, biscuits, and vegetables," he added.

The government previously did not announce any assistance for the two crore people, including returnee migrants and those losing work both in formal and informal sectors, who slipped below the poverty line during the pandemic.

Now, Tk1,500 crore will be distributed through Palli Sanchay Bank, Karmasangsthan Bank, and Palli Karma-Sahayak Foundation (PKSF) to create jobs for them in villages.

After allocating Tk2,000 crore in the last fiscal year's budget for creating rural employment, the finance ministry disbursed an additional Tk1,200 crore in this sector.

Policy Research Institute's Executive Director Ahsan H Mansur also lauded the new packages.

He told The Business Standard these beneficiaries were not covered by the previous packages.

They badly needed assistance, he said.

But he pointed out that no assistance had yet been announced for those losing their jobs in the pandemic and falling below the poverty line.

The government should have given at least Tk2,000 to them each for six months so that they could look for jobs in the meantime, he added.

As part of distributing rice and flour among the urban poor after Eid-ul-Adha, special OMS programmes will be run at 813 centres across the country.

A total of 34,000 tonnes of rice and flour will be distributed at a cost of Tk150 crore.

Rice is sold at Tk30 per kg, and flour at Tk17 per kg, a substantially lower price than the current market rate, under the food ministry's OMS programmes.

The ministry's Additional Secretary Khaja Abdul Hannan told The Business Standard the prices of rice and flour to be sold under the special OMS schemes had not been set yet.

He said the prices would be set after receiving detailed instructions from the Prime Minister's Office.

Policy Research Institute's Mansur said the high rice prices in the market are beyond the general people's reach.

He said OMS allocations should have been higher.

It would have been better to extend the benefits to more people even by increasing rice and flour prices a bit under the OMS programmes, he added.

Those who have been affected by the pandemic but are reluctant to queue for relief will get food assistance by calling the 333 helpline.

To this end, Tk100 crore has been allocated to the deputy commissioners.

Md Enamur Rahman, state minister for disaster management and relief, said the government had already delivered food to two lakh families who had called the 333 helpline seeking assistance.


Earlier last year, the prime minister announced 23 stimulus packages of Tk124,053 crore to help revive the economy affected by Covid-19.

When the first wave hit the country, she provided Tk2,500 in cash aid to 36.5 lakh poor families each across the country.

In the second phase of providing assistance after the second wave struck this year, she again distributed Tk2,500 to some 36.5 lakh families each.


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