

Staff Reporter Finance Minister AMA Muhith on Tuesday hoped that the recommendations of the new Pay and Services Commission for the government employees would be effective from July 2015 based on the report of the Commission. "I hope that recommendations of the Pay and Services Commission for the government employees will be effective from July next year," he said after a mission of the International Monetary Fund (IMF), led by Rodrigo Cubero, met him at his secretariat office. Muhith also said that the Commission would submit its report before the government by December this year. He said that if the report is plain or simple, then there would be not much delay in implementing it. But, if there is a need to make some reforms, then it would take some time. "In that case, it is not possible now to say whether it would be feasible to implement the new pay structure from the current fiscal year." On November 24 last year, the government formed the 17-member Pay and Services Commission, headed by former Bangladesh Bank Governor Dr Farashuddin, to assess some 1.3 million public servants' salaries and other benefits. About budget support from the World Bank, the Finance Minister informed that discussion is going on with the Washington-based lending agency for getting \$ 500 million budget support for the next fiscal year (FY 16). "We hope that final decision regarding this will be taken by this year," he said, adding that the main condition of getting the support would be Local Government Reforms. About the outcomes of the meeting with IMF, Muhith said that during the meeting, the IMF Mission suggested the government to extend the tenure of its Extended Credit Facility (ECF) without making any new allocation. The Finance Minister, however, said that the government would not opt for the extension rather it might seek IMF support for any new program. The three-year ECF arrangement of IMF for Bangladesh was approved by its Executive Board on April 11, 2012 for a total amount equivalent to SDR 639.96 million (about US\$986 million), or 120 percent of quota.