

Productivity-linked wages sought

Stat Economic Report

Bangladesh Employers Association (BEA) has called for an end to any ad-hoc wage concessions and made strong pleas for a productivity-linked wages structure to enable the country to remain competitive in the international market.

Outgoing BEA President Latifur Rahman in his address to the members of the organisation at its 40th annual general meeting at Sonargaon Hotel in the city on Tuesday further suggested that any government interventions in wages matters of public sector mills and factories should be stopped.

He pleaded for allowing full authority to the concerned public sector corporations to determine the wages of their units based on capacity to pay.

Latifur Rahman observed that the Wages and Productivity Commission should be renamed as Productivity Commission and suitable amendments should be made in its terms of reference for the purpose. "It should lay down the norms of production in major industries," he said.

Share trading falls further

Star Economic Report

Trading at Dhaka bourse declined further on Tuesday.

In volume terms transactions went down to 3,806 from Monday's 6,384. Traded issues valued Taka 2,54, 671.50 against the previous day's Taka 5,89,333.00.

Advancers dominated trading. And the Composite Index of Dhaka Stock Exchange (DSE) moved up slightly to 301.9484 points from Monday's 301.5491. Index is the broad indicator of price movements of all the listed stocks.

Transactions involved twenty-two stocks. Of them nine gained, three lost and ten remained unchanged at their previous quoted prices.

Sonali Ansh advanced Taka 2.00 to Taka 85.00.

Renwick Jaineswar, Chittagong Vegetable, Oxygen, Islam Jute, The Ibrastia, Talu Spinning, Apex Tannery and Chittagong Cement moved up within the range between taka 0.03 and Taka 1.00.

UCBL Bank, 6th ICB Mutual Fund and 5th ICB Mutual Fund declined Taka 2.00, Taka 1.24 and Taka 1.00 to Taka 129.00, Taka 64.32 and Taka 104.00 respectively.

Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange

At the close of trading on August 06, 1991.

Company	EV/ML*	Closing Rate
BANKS (Ten)		
AL Baraka Bank	100/1	800.00
AB Bank	100/5	185.00
City Bank	100/5	270.00
LFJ.C	100/5	185.00
Islami Bank	100/1	1300.00
National Bank	100/5	109.00
Papahi Bank	100/5	110.00
Rupali Bank	100/10	77.70
U.C.J.I.	100/5	131.00
Uttara Bank	100/5	214.00
INVESTMENT (Eight)		
ICB	100/5	90.00
1st ICB M.Fund	100/5	400.00
2nd ICB Fund	100/5	160.00
3rd ICB M. Fund	100/5	142.00
4th ICB M. Fund	100/10	135.00
5th ICB M. Fund	100/10	104.00
6th ICB M. Fund	100/10	64.32
ICB Unit Cert	100/10	114.00
Sales Price		109.00
Re-purchase		109.00
INSURANCE (Four)		
BIGC	100/10	112.00
Green Delta	100/10	112.50
Peoples	100/10	120.00AL
United	100/10	120.00
ENGINEERING (Nineteen)		
Altab Automobiles	100/5	200.00
Atlas Bangladesh	1050	40.00
Aziz Pipes	100/5	236.67
Bangladesh Autocars	100/5	101.00
Bangladesh Lamps	105/5	266.00
B.That Aluminium	100/10	92.00RD
Bengal Carlide	100/5	400.00
Bengal Steel	100/5	18.00
Eastern Cables	100/5	78.70
Howlader PVC	100/10	97.00
Karim Pipe	100/5	117.00
Metalex Corp.	100/5	102.00
Monno Staffers	100/5	250.00
Monno Jute	100/5	350.00
National Tubes	100/10	111.00
Paanther Steel	10/50	6.00
Quasem Drycells	10/50	8.20
Renwick Jaineswar	100/5	66.86
Singer Bangladesh	100/5	1010.09
FOOD & ALLIED (Twenty one)		
A.B. Biscuit	100/5	190.00
Alpha Tobacco	10/50	48.00
Amman Sea Food	100/5	36.00
Apex Food	100/5	340.00
Aroma Tea	100/5	55.00
Bergal	100/5	305.00
Bengal Food	100/5	148.30
B.L.T.C.	100/5	600.00
B.T.C.	10/50	47.00
Ctg. Vegetable	100/10	101.00
Dhaka Vegetable	100/5	133.76
E.L. Cerealia	100/5	700.00
Frogleg Export	10/50	6.00
Gemini Sea Food	100/10	100.00
Moderns Industries	100/5	160.00
N.T.C.	100/5	268.00
Rabeya Flour	10/100	NT
Rupam Oil	10/100	6.50AL
Tulip Dairy	100/10	92.00AL
Yousuf Flour	10/50	8.00
Zenil Bangla	10/50	5.00
FUEL & POWER (Three)		
Padma Oil Co.	10/50	40.00
Eastern Lubricant	10/50	14.00
Oxygen	10/50	51.00
JUTE (Twelve)		
Altab Jute	100/10	NT
Anamara Jute	10/50	NT
PHARMACEUTICALS & CHEMICALS (Fifteen)		
Amber Pharma	10/50	15.00
Bangla Process	100/5	51.00
Beximco Pharma	100/5	169.91
Glaxo	10/50	125.00
I.C.I.	10/50	10.00
Kohinoor Chemical	100/5	68.00
Petro Synthetic	10/50	15.75
Pfizer	100/5	110.00
Pharma Aids	100/5	160.00
Pharmaco	100/5	40.00
Progressive Plastic	110/5	45.00
Reckitt & Colman	10/50	240.00
Rahman Chemicals	100/10	35.00AL
Therapeutics	100/5	40.00
The Ibrastia	100/10	90.00
PAPER & PRINTING (Six)		
Eagle Box	10/50	14.50
Monospool	100/5	105.00
Paper Converting	100/5	113.00
Paper Processing	100/10	106.00AL
Padma Printers	10/50	50.00
Sonali Paper	10/50	55.00
SERVICE (Two)		
Bangladesh Hotel	10/50	12.00
Bd. Service	10/50	NT
TEXTILE (Eighteen)		
Alhaj Textile	10/50	NT
Arbuz Textile	100/10	NT
Ashraf Textile	10/50	30.00
Chand Textile	10/50	NT
Chand Spinning	10/50	NT
Deah Garments	100/10	67.00
Dulamsi Cotton	100/10	86.00AL
Eagle Star	10/50	33.00
GMC Ind. Corp.	10/50	13.00
Modern Dyeing	100/5	37.00
Quasem Silk	10/50	6.10
Quasem Textile	100/5	8.00
Rahim Textile	100/5	48.00
Saham Textile	100/10	77.22
S.T.M. (ORD)	100/5	17.00
Stylecraft	100/5	100.00
Swan Textile	100/5	60.00
Talu Spinning	100/10	115.00AL
MISCELLANEOUS (Fourteen)		
Apex Tannery	100/5	149.14
Arumit	10/50	NT
Bata Shoe	10/100	38.00
Beadmoo	10/100	9.00
B.S.C.	100/5	45.00
Chittagong Cement	100/5	176.33
G. Q. Ball Pen	10/50	45.00
Himadri Ltd.	10/100	NT
Milan Tannery	100/5	28.00
Mosmo Ceramic	100/5	140.00
Phoenix Leather	100/5	90.00
Savar Refractories	100/5	111.00
The Engineers	100/5	100.00
Umanara Glass	100/5	176.50
DEBENTURES (Four)		
Apex Tannery (17% 1992)	1000/1	993.00
Bengal Food (18.5% 1992)	1470/1	889.38
Bestmoo Pharma (17% 1997)	1714/1	1565.00
Quasem Silk (17% 1994)	2000/1	1580.00

** PV = Face Value ML = Market Lot NT = Not Traded, AL=Allotment Letter

FBCCI demands power supply at Peak hour

Star Economic Report

President of the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI), Alhaj Md Akram Hossain, in a statement on Tuesday demanded supply of electricity to the industries at peak hour, installation of 100 KW transformer by Power Development Board (PDB), fixation of lower power rate for special industries and cancellation of minimum charge system for the industries.

The FBCCI President also stressed the need for improving the operational efficiency of Power Development Board (PDB) and ensuring an accountable system for the sector.

He said at the present rate of 41 per cent of system loss of PDB, economic development could not be achieved. He demanded the separation of power production and distribution system.

Akram Hossain also urged the government to include representatives from the federation in the board of directors of the concerned organization for improving its efficiency.

He also urged the government to ensure regular supply of power to the rural areas for the implementation of the industrial policy.

He also demanded the cancellation of One-Point Metering System.

KOTRA trade fairs in Oct

Star Economic Report

Korea Trade Promotion Corporation will organise '91 Taegu International Textile Fair (ITEX '91) in Taegu city, about 300 km from Seoul from October 19-23, 1991, says a KOTRA press release in Dhaka on Tuesday.

KOTRA will organise Seoul International Textile Show (SITEX '91) from October 17-19.

It will also organise Osaka World Fashion Trade Fair from October 17-19. Korea Electronics Show will be held from October 17-22. All the exhibitions will be held at Korea Exhibition Centre, Seoul (KOEK).

Interested persons have been requested to contact KTC, Dhaka office or Victory Travels Limited (Tels -242389, 242397, 230916, 241471), 71, Motijheel Commercial area for further information.

High labour cost affects industrial growth

Star Economic Report

Reduction of labour cost through improved productivity should be first step to restore viability of industrial units, particularly those in the public sector, according to Bangladesh Employers Association (BEA).

The outgoing BEA president Latifur Rahman presented on

Tuesday a dismal picture how the rising labour costs and the declining labour productivity affected adversely industrial operations.

Addressing the 40th annual meeting of the Association, he noted that wages and other terms of service of economically vital establishments in the public sector increased and improved in the last ten years in "total disregard" to their capacity to pay.

"Concessions have been given through announcements at public meetings contrary to legal requirements. Such concessions have ruined the viability of many public sector units, thereby affecting long term employment prospects of the workers themselves," he said.

The BEA estimates showed that workers real wages increased by 12 per cent between 1985-86 and 1989-90. Real wage index rose from 102 in 1985-86 to 110 in 1988-89 and finally to 115 in 1989-90.

"Such a steady increase in the real wages without commensurate increase in productivity is not good for the industrialisation of the country," the outgoing BEA chief noted.

The BEA further noted that the real wages of the country as a whole increased at a lower rate than compared to that of the manufacturing workers during 1985-86 to 1989-90. Real wages index of the manufacturing sector was 109 in



STRUGGLE FOR LIVELIHOOD: A hawker selling stools, made of cottage industry, door-to-door in the city on Tuesday. — Star photo

1986-87 compared to 102 for all categories of workers. In 1989-90, manufacturing sector's wage index rose to 115 as against 110 for all categories of workers.

The workers share in the value added also steeply increased in the country, the BEA estimated. In 1970, the workers earning was 100.62 million US Dollar or 26 per cent of value-added generation in manufacturing sector. In 1986, the workers share in value added steeply increased to 399.68 million US Dollar or 32 per cent of the total value-added generation in the manufacturing sector.

This, according to BEA, showed that the workers income rose by 297 per cent during 1970-86 compared to 223 per cent increase in total value-added generated by the manufacturing sector.

About labour productivity in the manufacturing sector, the BEA noted that the productivity declined by 17 per cent between 1970 and 1986. During this period, labour productivity in Pakistan and India increased by 251 per cent and 73 per cent respectively.

In this context, the outgoing BEA president noted, Bangladesh "competes with Pakistan and India in major export markets for a number of commodities". Such a low productivity in Bangladesh vis-a-vis Pakistan and India "affects our price competitiveness compared to these two countries, he observed.

He also pointed out that the developing countries as a

group raised their gross domestic product (GDP) by five-fold between 1970 and 1980, indicating an average annual growth rate of 5.4 per cent. But the average annual GDF growth rate in Bangladesh was less than two per cent during the same period, he added.

Stressing the urgency for stepped-up efforts for industrialisation, he said nearly one-third of the country's population is unemployed and every year 2.5 million additional people are joining the labour force. "The prospects of additional employment opportunities in the agricultural sector being very negligible, it is through industrial development that employment opportunities can be created for them," the outgoing BEA president noted.

Raw Jute

August-06

Kutchi bales	White	Tossa	Meshta
FOB * Narayanganj/Daulatpur	1313	1420	1125
Varieties (Tk. per 100 Kg)	Bot. * (B) 1259	1367	1098
	Bot. (C) 1125	1206	1045
	Bot. (D) 991	1045	857

* FOB = Freight on board
* Bot. = Bottom

Pacco bales	FOB	ROB
Varieties (Ready)*	(Sight)**	
White	bale*	MT*
BW SPL	3350	555
BWA	3250	530
BWB	3100	480
BWC	2700	430
BWD	2400	380
BWE	2000	350

Banda	Tk. per	\$ per
White	bale*	MT*
BW SPL	3350	555
BWA	3250	530
BWB	3100	480
BWC	2700	430
BWD	2400	380
BWE	2000	350

White Rejection (WRSI)	FOB	ROB
Tossa Rejection (TRS)		
Habibji, Cut Ropes		
BWR	1700	290
BWH	1350	220
BTR	1800	300
BTH	1450	230
BCR	1300	230

White/Tossa	FOB	ROB
Cutting		
BWCB	1500	235
BWCA	1350	220
BTCB	1650	250
BTCB	1550	235

Meshta	FOB	ROB
Spl.	1950	355
A	1900	345
B	1800	330
C	1690	295
SPL Cuttings	1000	175
Ord. Cuttings	900	170
SMR	1125	200

* FOB ready = Narayanganj
** FOB sight = Chittagong/Mongla ports. Indicative Price at which sales may be considered for EPC registration.

The prices are exclusive of any selling commission. O.D. (Sight) non-traditional/applicable to export bills. One \$ = Tk. 36.1997/7.
* MT = Metric Ton

Exchange Rates

August - 06

SELLING AND BUYING RATES offered by Commercial Banks for Bank Cheques, (B/C) and Demand Drafts (D/D)	Buying	Selling
US Dollar	36.6226	36.1390
UK Pound Sterling	61.8352	61.0956
German Deutsche	21.0475	20.7576
Swiss Franc	6.1804	6.1025
Swedish Riksd	9.7974	9.6680
Dutch Guilders	18.6755	18.4148
Pakistan Rupee	1.4836	1.4696
Singapore Dollar (S.M.U.)	21.0911	20.8126
LIAT Dirham	10.0053	9.8732
Kuwait Dinar	Not available	
Indian Rupee	1.4048	1.3914
AMU	5.7878	5.7098

SECONDARY EXCHANGE MARKET	Buying	Selling
Wage Earners Fund/Export Performance Benefit (XPB) Fund		
US Dollar	37.19	37.24
UK Pound	62.81	62.86
Swedish Riksd	9.95	10.00</