

India devalues Rupee further

BOMBAY, Sept 18: The Reserve Bank of India (RBI) Tuesday late afternoon announced a further downward revision of the Rupee by 0.29 per cent in relation to the Pound Sterling, making the British unit costlier by thirteen paise, reports PTI.

The new middle rate now works out to Rupees 45.10 per Sterling as against Rupees 44.97 in the morning.

The new buying and selling rates for spot delivery are 2.2228 and 2.2118 Sterling per Rupee 100, corresponding to Rupees 44.99 and Rupees 45.21 per Sterling respectively.

The Rupee had depreciated by 0.47 per cent in the morning and 0.24 per cent yesterday.

Japan's industrial output grows

TOKYO, Sept 18: Japan's industrial output in July grew a revised 3.2 per cent from the previous month and 2.5 per cent from a year earlier, the International Trade and Industry Ministry said Tuesday, reports AFP.

The figures marked an upward revision of the ministry's preliminary report which estimated the month to month growth rate at three per cent, reversing June's decline of 2.8 per cent and the year-on-year increase at 2.4 per cent.

In its revised report, the ministry said producer shipments grew 1.8 per cent from June and 1.7 per cent from July last year.

Producer inventories climbed 0.9 per cent from the previous month and 9.6 per cent from a year earlier, the ratio of shipments to inventories declined 2.7 per cent from June but rose 7.2 per cent from July last year.

Tokyo Stock Exchange to raise penalty

TOKYO, Sept 18: The Tokyo Stock Exchange is to fines for members violating exchange rules to 20 times the current level in a bid to deter future irregularities.

Exchange President Minoru Nagaoaka said Tuesday, reports AFP.

Nagaoaka told a news conference that the penalties would be raised from five million Yen (37,600 Dollars) to 100 million Yen (752,000 Dollars).

He added that the exchange may also consider suspending members from trading for several days if they are found to be violating rules of the exchange.

Japanese securities firms were recently found to have compensated more than one billion Dollars in losses suffered by favoured clients, and the country's four biggest brokers were fined a combined total 16 million Yen (120,000 Dollars) for breach of faith.

Toshiba develops smallest LCD

TOKYO, Sept 18: Japan's Toshiba Corp. announced Tuesday the development of the world's smallest and lightest Liquid Crystal Display (LCD) for use in notebook computers and word processors, reports AFP.

The new device which is 6.5 millimetres (a quarter of an inch) wide and weighs 320 grammes (11 ounces) is expected to promote the development of smaller and lighter computers the company said.

Toshiba estimated the size of the global LCD market to grow 30 per cent this year to around 280 billion Yen (2.1 billion Dollars) with LCD's used in computers, and word processors accounting for about a quarter of the total.

US raises pressure at GATT on European Airbus consortium

GENEVA, Sept 18: The United States increased pressure at the GATT on the European Airbus Consortium in a move which could lead to arbitration on world marketing methods, reports AFP.

At stake are shares of the world market for big-capacity airliners during the next 15 years worth a total of nearly 700 billion Dollars.

The United States, which accuses France, Germany, Britain and Spain of unfair competition through state aids for the Airbus Airliner Programme, asked the General Agreement on Tariffs and Trade (GATT) to make a last effort at conciliation with the European Community (EC) to which the Airbus members belong.

If the GATT subsidies committee is unable to reach a compromise, as seems likely, the United States, would have 30 days from the meeting on September 26

Action against Bank Indosuez in Seoul

SEOUL, Sept 18: The South Korean government Tuesday sanctioned the Seoul branch of Banque Indosuez by banning the French Bank from conducting foreign exchange transactions for one week, officials said, reports AFP.

The Finance Ministry suspended the bank's license for foreign exchange business for one week from Thursday for breaking foreign exchange regulations, the officials said.

The Office of Bank Supervision and Examination (OBSE) of the Central Bank of Korea also issued an "institutional warning" demanding the dismissal of Indosuez Branch Manager Jean Mallet for alleged irregularities, they said.

Banque Indosuez is the first foreign bank in Seoul to be banned from conducting foreign exchange transactions.

Officials said the Paris-based bank here made some 85 million Dollars in profits

through irregular foreign exchange transactions with its branches in Tokyo and Singapore amounting to about 1.2 billion Dollars, and the profit converted to local currency for loans to local firms.

Officials said other foreign banks were under investigation for similar practices.

Dollar falls in Frankfurt

FRANKFURT, Sept 18: The Dollar was sharply lower at the fixing here Tuesday afternoon, as it was set at 1.6693 German Marks, against 1.6870 Marks at the Monday fixing, reports AFP.

The Bundesbank did not intervene officially at the fixing.

The Greenback was also a big loser in Paris, where it was fixed in the early afternoon at 5.6900 French Francs, compared with 5.7420 at the Monday fixing.



A Buyer's Market: This old man makes his living from refixing worn-out hand bags for nominal charges in a market with not many buyers.

—Star photo

GATT urged to back US ban on Mexican Tuna

BRUSSELS, Sept 18: The World Trade Body GATT could set back international efforts to boost environmental protection if it strikes down a US ban on imports of Mexican Tuna, members of the European parliament said on Tuesday, reports Reuters.

The ban, imposed by the United States last October on the grounds that Mexican Tuna — fishing methods kill large numbers of dolphins, has been condemned by a dispute panel of GATT, the General Agreement on Tariffs and

Trade, as a breach of international free trade rules.

"Trade and the environment are set on a collision course," Mary Banotti, President of the European parliament's inter-party group on animal welfare, told a news conference.

Conservation groups and parliamentarians are lobbying on both sides of the Atlantic and in Japan to try to stop the dispute panel's ruling being cast in stone at a meeting of the GATT council on October 8.

Paris Club agrees to reschedule Peru's debt

LIMA (Peru), Sept 18: A group of creditor nations has agreed to reschedule 8 billion Dollars of Peru's debt because of the country's continuing problems, the government announced, reports AP.

The decision by the Paris Club of Western nations on Tuesday represents the most favourable conditions granted to a Latin American nation, the Foreign Relations Ministry said in a communique. The action makes Peru eligible for new loans, the statement said.

Economy Minister Carlos Bolona met with representatives of the Paris Club on

Monday and Tuesday in Paris and appealed for the rescheduling, the ministry said.

Bolona stressed that Peru deserved special treatment, speaking to representatives of 11 nations and the International Monetary Fund, the World Bank and the Inter-American Development Bank.

A flourishing cocaine trade, an 11-year guerrilla war and an economic crisis which generated 7,650 per cent inflation last year were among the government's problems, he said.

Workers' strike hit international flights in Finland

HELSINKI, Sept 18: A strike by Finland's Aviation Workers Union to protest a planned tax on travel stopped most international flights, but the union later said it would half the action pending talks with the government, reports AFP.

The union began the strike at 6.00 am (0300 GMT) Tuesday saying it would continue until the Finnish government abandoned its plans for the new tax.

But the union later said it would suspend the stoppage at 2.00 pm (1100 GMT) to let the government work in peace on finding a solution in the dispute.

The government in a new draft budget proposed that a 200 Markka (about 48 Dollar) tax be collected on international flights, for an estimated 800 million Markka (190 million Dollars) in added revenues.

The Aviation Workers Union has said the new tax would be a catastrophe for the travel business and would lead to mass unemployment in the sector.

Prime Minister Esko Aho condemned the unions move early Tuesday and said that no definite decision on the disputed tax had been made.

St Petersburg asks for EC food aid

BRUSSELS, Sept 18: The Soviet City of Saint Petersburg has written to the European Community (EC), asking for a large delivery of food to get it through the coming winter, the EC's Executive Commission said here Monday, reports AFP.

An EC spokesman said the Mayor of Saint Petersburg had asked for 50,000 tons of meat, 20,000 tons of butter and 15,000 tons of milk powder. The city, the second-biggest in the Soviet Union, was formerly called Leningrad.

He said the Commission was looking at the request, the first from an individual Soviet city.

It was contained in a letter co-signed by Saint Petersburg Mayor Anatoli Sobchak and the Chairman of the City's City Council, identified as K. Belajev. Sobchak distinguished himself during the failed coup in Moscow last month, by rejecting it and its leaders.

An EC delegation to the Soviet Union last week was warned that food aid organised through Moscow would not get to needy Republics.

A senior Soviet delegation is due here Thursday to press for massive food aid this winter to long the lines of a request by Soviet President Mikhail Gorbachev last week for million tons of food worth over six billion Dollars.

Officials here say the Commission has been having trouble delivering much more modest food shipments because of difficulty identifying lines of authority to guarantee the food will go where it is most needed.

French farmers burn Spanish meat

ST. BRIEUC (France), Sept 18: A group of 50 farmers halted a lorry from Spain at Guingamp in Brittany northern France early Tuesday and burned its cargo of meat farmers, Union source said, reports AFP.

The attack was a protest against the importation of foreign meat against the background of a crisis, the sources said.

The farmers angered over falling meat prices have been demanding stricter controls on meat imports.

After burning the meat shipment the protesters gathered at the local administration building and demanded to meet with a government representative.

Draft charter likely to halt depletion of trees

PARIS, Sept 18: Some 3,000 forestry experts met on Tuesday to discuss ways of halting the depletion of the World's trees with many saying any international agreement would have to be compromise between rich and poor nations, reports Reuters.

Delegates attending the opening day of the 10th world forestry congress said environmental concerns would have to be balanced by the commercial priorities of developing countries before an international agreement could be reached.

The 10-day congress is expected to result in a draft charter for signing at a UN environment and development conference in Rio De Janeiro next June.

French President Francois Mitterrand, opening the Congress, said countries in the northern hemisphere had

been guilty of ecological selfishness and the time had come for urgent action.

International solidarity can guarantee the basic needs of those populations and teach them through cooperation to manage and renew their forest resources, he said.

Developed countries supported by the UN Food and

Agriculture Organisation (FAO), fear that rich nations with their new-found environmental zeal, might take away control of their forests.

Since the last world forestry congress in Mexico in 1985, tropical rain forests have been destroyed at a rate of 17 million hectares (42 million acres) or one per cent of the total forested area each year.

FAO says the rate of depletion of the forests has increased by 80 per cent in 10 years.

The President of the European Commission, Jacques Delors told the Congress he hoped next year's Rio conference would bring a real breakthrough.

I hope the declaration on which you will work during the Congress will open the way to further tangible progress in Rio, he said.

Exports rose by 6.7 per cent from the January-July period last year to 4.956 billion Dollars.

Philippine trade deficit fell by 10.7 per cent to 2,007 billion Dollars in the first seven months of this year due to a slowdown in imports, the National Statistics Office said Tuesday, reports AFP.

The unofficial interfax agency meanwhile reported that directors of Soviet aircraft-building plants and general designers had asked that their industries be placed under the authority of the government of the Russian Federation.

This will make it possible to found corporations, concerns and other types of associations when privatisation gets under way," according to the appeal from the aviation industry directors.

About 85 per cent of the Soviet Union's aviation industry is already based in the republic of Russia.

Interfax also reported that Aeroflot, the world's largest airline, had treated a new "industrial-commercial association" to represent its interests abroad and increase the Soviet airline's competitiveness in international markets.

The association was created as the result of the merger of the Soviet central department of international air traffic and the international commercial department of civil aviation, Interfax said.

It said that Aeroflot had inaugurated its 11th new route this year, a weekly flight between the far-eastern industrial city of Khabarovsk and the South Korean capital Seoul.

In the past five years, Aeroflot's international traffic has increased by nearly 50 per cent, Interfax said. In 1990 nearly five million passengers travelled on Aeroflot.

Interfax also reported that the Soviet Union had signed an inter-governmental agreement with Uruguay for the establishment of a new air link, but did not say when it would go into effect.

New Soviet airline to compete with Aeroflot by '93

MOSCOW, Sept 18: A new Soviet airline with a fleet made up mostly of US-built Boeing passenger planes is being created to compete with Aeroflot on international routes, the official Tass news agency reported Tuesday, reports AFP.

The new long-distance carrier, named Asda, was planning to begin flights from Moscow to destinations including San Francisco and Los Angeles in the United States by June 1993, Tass said.

The majority of our aircraft will be Boeing 747's and 767's", according to Yuri Mamurov, a retired Air Force Colonel who has been appointed as General-Director of the new company.

He said Soviet-built aircraft did not have the passenger capacity and flight range the new company would need for its long-distance routes, which would include flights to the western United States via the north pole.

The US planes also consumed half the fuel and had more sophisticated instrumentation, Mamurov said.

"We have reached preliminary agreements with some foreign banks on granting us loans to purchase and rent planes," he said, adding that Asda was also planning to set up joint ventures to finance its operations. He gave no further

details.

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Canada to take legal action against strikers

OTTAWA, Sept 18: The Canadian government, arguing that the economy has suffered from a week-long public sector strike, introduced legislation yesterday ordering an end to the work stoppage despite raucous protests by 20,000 demonstrators, reports Reuters.

Opposition parties planned to block the bill's passage for several days saying that the ruling Conservatives should negotiate and not legislate.

The strike by 70,000 workers, which entered its second week on Monday, has paralysed grain shipments, caused flight delays at some airports and slowed goods moving across the border with the United States.

The government is increasingly concerned about the impact the strike is having on the Canadian economy and on individual Canadians", Treasury Board President Gilles Loiselle told reporters after introducing the bill.

The demonstrators, estimated by police at 20,000, gathered to protest against the government that is freezing their pay this year and imposing raises of three per cent in each of the next two years to cut the budget deficit.

Public service alliance of Canada President Daryl Bean told strikers to defy the legislation that would impose stiff fines on those who do not return to work.

Aussie wheat farmers look to Asia

CANBERRA, Sept 18: Trapped in a trade war between the European Community (EC) and the United States, Australian wheat farmers say their survival depends on export markets in Southeast Asia, reports AFP.

"Some people are prepared to write our industry off," Andrew Inglis, President of the Grains Council said here this week.

"That is totally unrealistic, I'm sure that with our regional advantage in some Southeast Asian markets we shall continue to survive, even in the worst scenarios."

The situation is already grim.

With the EC and the United States using export subsidies

to invade each other's markets, many of Australia's 45,000 wheat growers cannot afford to plant.

The Australian Wheat Board (AWB), which markets the crop overseas, forecasts a price of 130 Australian Dollars (101 US) a tonne for Australian standard white wheat, but Inglis said farmers need about 150 Dollars (117 US) to make a profit.

The AWB has put the 1991-92 harvest at 10.6 million tonnes, its lowest since the drought of 1982-83 and well below the average 15.5 million tonnes of the 1980s.

This will leave barely seven million tonnes for export, cutting deep into earnings which

reached 2,109 million Dollars (1,645 million US) last year.

Worse still, with interest rates among the highest in the industrialised world, few can move out of farming or into other crops.

"The industry is so depressed it is very difficult to sell farm properties," Inglis said. "A large number of farmers are being maintained on their properties by the banks."

While it is "not particularly difficult to switch from one cereal to another, most farmers are already growing a mix."

Inglis who grows field peas alongside wheat on his south Australian farm, explained that "the biggest problem with growing consecutive crops of the same family is disease."

Unemployment in East Europe likely to rise by 10 pc

PARIS, Sept 18: Unemployment in Eastern Europe, including the Soviet Union, could reach 22 million in 1992, Herbert Maier, Deputy Director General of the International Labour Organisation (ILO), said on Friday, reports Reuters.

He made the prediction in a speech at a conference on labour markets in Eastern Europe organised by the ILO and the 24-nation Organisation for Economic Cooperation and Development (OECD), a Paris-based forum for western industrialised nations.

ILO officials told a news conference after the three-day meeting that unemployment would continue to rise to Eastern Europe for some time to come. Maier said it was impossible to guess the level of Soviet unemployment now.

"In the Soviet Union, 30 per cent of workers in the state sector are surplus to requirements. In Czechoslovakia it is 20 per cent," said Ouy Standing, of the ILO's labour market research division.

"At the moment, there is no evidence that vast new job creation is taking off," he added.

Brisk buying marks Ctg tea auction

The weekly tea sale at Chittagong on Tuesday was marked by brisk buying activities as Egypt, Pakistan, Iran and internal buyers were active, market sources said on Wednesday, reports BSS.

Egypt operated more actively absorbing the bulk of the offerings with some support from Pakistan, Iran and internal market. Buyers of Iran and Poland also lent strong support for broken. The very best category suffered slightly because of lower limits held by buyers operating for the same category of tea.

Broken were again a good market, particularly the well made types which were often firm to sometimes easier. Bold types were also sold well at around last levels. Higher valued Broken, however, were generally an easier market following quality.

Fannings met with a useful demand selling often at dearer levels, especially for the well made and good flowering varieties.

Orthodox categories were again mostly withdraw due to lack of interest.

A total of 390 chests of green tea on offer met with more interest. Fine Young Hyson was sold between Tk 64/- and Tk 68/10, Young Hyson between Tk 61/50 and Tk 69/- and Hyson between Tk 66/10 and Tk 67/90 per kg.

Dust category on offer totalled 3,811 chests and met with a fair demand with considerable withdrawals. Grainy types were sold at firm rates whereas all others were generally easier. Internal buyers were the only operators.

Credit schedule extended for aman plantation

The last date for extending credit to the farmers for transplant aman cultivation has been extended till October 31, a Bangladesh Bank press release said Wednesday, reports BSS.

The farmers have been advised to contact immediately their concerned bank with agriculture loan pass book to take loan.

The last date of distribution of transplant aman was previously fixed on September 30. The extension was made so that farmers could grow aman paddy immediately after the recession of flood waters from the field.

Children in Peru's gold rush trapped in jungle hell

LABERINTO, Peru, Sept 18: Driven by poverty and a savage guerrilla war, thousands of highland Indian children are joining a gold rush in the Madre de Dios jungle in southeastern Peru, reports AP.

They are lured by shady recruiters who promise high wages. Once here, the children discover too late they are trapped in a "green hell" of dense jungle and backbreaking labour.

Often death is the only escape. Many children die from jungle diseases.

Dollar closes up in Tokyo

TOKYO, Sept 18: The Dollar closed higher at 133.95 Yen on the Tokyo foreign exchange market today, up 0.32 Yen from Tuesday's finish of 133.63 Yen, reports AFP.