

**Pak rupee devalued**

KARACHI (Pakistan), Mar 27: The State Bank of Pakistan adjusted the rupee to 24.9800/25.1049 against the dollar on Thursday from 24.9500/25.0748 fixed on Saturday, reports Reuters.

The bank gave no reason for the fall, but a Pakistani banker said the rupee was likely to fall to as much as 26 to the dollar up to the end of the fiscal 1991/92 in June.

The bank fixed the forward buying rate at 24.9800 for six months and 24.2306 for 12 months and the forward selling rate at 26.0417 for six months and 26.9784 for 12 months.

**Tourists spent \$ 3089m in Australia in 1991**

CANBERRA, Mar 27: Overseas visitors spent a record 3,089 million US dollar in Australia during 1991, a five per cent increase over 1990, reports Xinhua.

The figure was contained in the 1991 International Visitor Survey issued here Friday by the Bureau of Tourism Research.

Federal Tourism Minister Alan Griffiths said visitors from Asian countries and regions, including Japan, recorded the largest total expenditure of 761 million Australian dollar (563 million US dollar) during 1991.

Spending by visitors from Asian countries and regions also showed the biggest increase in 1991, 16 per cent higher than in the previous year, the survey showed.

Griffiths said here in a statement that "these figures reinforce the importance of international tourism as a major foreign exchange earner for Australia and its potential for growth over the remainder of this decade, as the number of visitors from some of our neighbouring Asian countries continues to increase."

The survey also showed that the number of international visitors to Australia last year reached a record level of 2,370,400 an increase of seven per cent than the previous year.

Griffiths said that growth in tourism and tourist spending meant more jobs for Australians.



**SAFE LIGHT SOURCE IN HAZARDOUS ATMOSPHERES:** Pay particular attention to detail and take as few risks as possible are probably two of the best pieces of advice which Wing Commander Kenneth Wallis (right) would offer a prospective flyer. He was born in 1916 and at a very early age showed his keen interest in engineering and aviation. Checking the serviceability of his world-famous autogyros is an important, life-preserving feature of his daily work, recently made easier, safer and more thorough—in the potentially highly volatile atmosphere of an aircraft hanger (where highly combustible aviation gas is present) — by the BE100UV, a unique fibre optic light source (box, foreground) for safe use in hazardous atmospheres. —LPS photo

**Indo-Taiwanese traders sign first ever deal**

TAIPEI, Mar 27: Taiwanese and Indian businessmen have signed an agreement to promote trade, the first such pact between the two sides, officials said on Thursday, reports Reuters.

The Chinese National Association of Industry and Commerce (CNAIC), a major Taiwanese business association, signed on Wednesday an agreement with the Federation of Indian Chambers of Commerce and Industry in New Delhi.

The two sides agreed to Exchange market information, assist businessmen to obtain

visas and to help each other with exhibitions, tourism and international fairs, CNAIC said.

"India's economic reforms and large population give it huge potential for our businessmen," a CNAIC official said.

The Taiwanese mission to New Delhi, which included a Vice Economics Minister and Foreign Ministry officials, agreed to discuss the possibility of the two countries exchanging unofficial representative offices. India formally recognises Taiwan's diplomatic arch-rival China.

Trade between Taiwan and

India totalled 399 million US dollar last year.

ADB loan

Earlier AFP from Manila adds: The Asian Development Bank (ADB) Thursday approved a 250 million dollar loan to upgrade India's power generation and distribution system and ease the country's electricity shortages.

The 25-year ordinary loan to the Power Finance Corp Ltd will be repaid to projects approved by state electricity boards, including transmission and distribution lines and renovation of power plants.

**Australia gets \$ 157m wool order from China**

SYDNEY, Mar 27: Australia's struggling wool industry received a boost Friday with the announcement of a 157 million Australian dollar (120 million US) order to supply partially processed wool to three Chinese mills, reports AFP.

New South Wales Agriculture Minister Ian Armstrong announced wool merchant Peter Allen had signed joint venture agreements for the supply of wool "tops" — wool processed to its first stage — for the production of yarn and worsted cloth.

The contract, to supply joint venture mills in Beijing, Sheyang and Shandong provinces, would inject some economic stability into the wool industry, he said in a statement.

"This business venture is a classic example of what can be achieved by Australian companies in processing raw material and injecting a value added component prior to export," Armstrong said.

"Australia can no longer afford the luxury of being content to export its raw materials then import the finished products back into the country."

He said the Chinese textile industry was becoming more sophisticated and was set to become a major force in the world woolen and worsted market.

**UN-Iraq oil talks drag on**

VIENNA, Mar 27: Talks between UN and Iraqi officials over conditions for a resumption of Iraqi oil exports seemed set to go on late into the night on Thursday and might not end until Saturday, diplomats said, reports Reuters.

Iraqi sources said the talks, which began in Vienna early Thursday afternoon, were in recess and would reconvene at 2000 GMT.

Diplomats said the round could last until Saturday, adding it was unlikely to result in Iraqi oil exports flowing again immediately. They added, however, that the talks might eliminate some of the obstacles which have kept the Iraqi oil off the market for the last 20 months.

The whole thing can't be resolved at these talks, said one western diplomat in Vienna.

**Singapore rejects GATT concern**

SINGAPORE, Mar 27: Singapore has rejected concerns expressed by the General Agreement on Tariffs and Trade (GATT) that the city-state's open trading regime was clouded by its low number of tariff-binding agreements, reports AFP.

The GATT secretariat said in a report on Singapore that its "predictability and stability" as an open trader was affected by the fact that it had signed agreements to keep tariffs down for only 0.5 per cent of items.

"This is not an accurate statement," Singapore envoy K Kesavapany told the GATT special council Wednesday in Geneva at the start of a two-day review on Singapore. The government distributed his remarks here Thursday night.

Kesavapany, Singapore's Permanent Representative to the United Nations in Geneva, said the level of tariff bindings was no indication of openness and the island republic slapped no duty on 96 per cent of its imports.

"We have consistently maintained an open trade and tariff regime despite the vicissitudes of the global economy and have rejected pressures for protection when the times were bad," he said. "We will continue to do so."

**Anti-dam protestors try to march on Delhi WB office: Hundred held**

NEW DELHI, Mar 27: Tribes people risking displacement from their lands by a giant dam tried to march on the World Bank offices in the Indian capital Thursday, and were arrested by police after violent scuffles, reports AFP.

More than 100 tribes people and environmental activists holding anti-World Bank banners were dragged into police buses after violent scuffles near a World War One memorial in central New Delhi, witnesses said.

The tribals from the Narmada valley in western India arrived here by train Thursday and were marching the six kilometres (3.6 miles) to the World Bank offices when hundreds of police blocked them and tore up their banners.

Protesters, who included women and elderly anti-dam activists, exchanged blows and abuse with police who outnumbered them almost five-to-one, witnesses said.

"Don't you have mothers and sisters," a woman shouted at police as she was dragged off.

"They are treating us like we are cattle," said another demonstrator.

The tribals were protesting against the huge Sardar Sarovar Project (SSP), which would submerge some 39,134 hectares (97,444 acres) of rich forest and fertile land and force some 100,000 people out of their ancestral lands.

"No one will move, the dam

will not be built," shouted the demonstrators, who gathered near a cricket ground before beginning the march. "World Bank go back."

They held aloft a portrait showing an Uncle Sam-like figure throwing dollars around while people drowned.

The SSP is a part of the 7.9-billion-dollar Narmada valley project, which calls for the construction of more than 3,000 dams, including 30 major ones, across the Narmada, river which spans three states.

The project, which environmental activists charge is a symbol of "destructive development," is partly funded by the World Bank.

**EC working on rules for investment in developing states**

BRUSSELS, Mar 27: The European Community is working on a plan for standard rules to promote investment and restructuring in developing countries, EC Commissioner for Industry Martin Bangemann said here Thursday, reports AFP.

He told a press conference that the plan aimed at extending the experience of the EC's single market, to be launched next year, to countries of Eastern Europe, Asia, Africa

and Latin America.

Bangemann said the proposals involved the development of common standards in such areas as business law, double taxation and protection of intellectual properties so that EC investments would be protected.

He said the EC's executive European Commission was planning talks with such EC industries as steel, pharmaceuticals, chemicals, transport and engineering, and with po-

tential investment recipients in the Third World.

Asked whether the EC initiative amounted to a variant to "industrial colonialism" for the benefit of Community firms, he said developing countries, would gain from increased competition and access to the lucrative EC market.

Bangemann stressed that western investors would be reluctant to invest, for example, in a Police factory unless they knew the factory's prod-

ucts could be exported freely back into the EC.

He cited energy as field where single market regulations could have their most dramatic effect, by mobilising western technology to renovate Eastern Europe's dangerous nuclear power stations.

Defending the EC against charges that it was looking for cheap labour in developing countries, he said pay levels there were related to productivity and the Community

could not prescribe pay levels. Bangemann said EC industry Ministers had given a warm welcome to the EC initiative at a meeting in Lisbon last week-end.

At the meeting, he also told the Ministers that the Commission was preparing a plan to help restructure the Community's struggling automobile industry, but without spending money on bailing out auto manufacturers.

The Commissioner is urging

a massive increase in retraining. Bangemann said the industry also needs to expand its range of cars, modernise plants and spend more on research to catch up with its Japanese competition.

French Industry Minister Dominique Strauss-Kahn warned in a communique to the Commission last week that the EC auto industry, which employs 2.5 million people, would need substantial injections of public money.

**Stock prices drop, dollar gains in Tokyo**

TOKYO, Mar 27: Stock prices dropped further in Tokyo Friday, while the US dollar gained against the Japanese yen, reports AP.

The 225-issue Nikkei Stock Average lost 248.50 points, or 1.25 per cent, ending the week at 19,636.99. Its closing level was the lowest since Feb 16 1987. When it ended trading at 19,531.52.

On Thursday, the index shed 341.29 points, or 1.69 per cent.

The Tokyo Stock Price Index of all issues listed on the market's first section fell 18.63 points, or 1.29 per cent, to 1,428.13. The TOPIX fell 2.02 points the previous day.

The Nikkei average, which fell quickly on index-linked selling by speculators until mid-morning, narrowed its losses toward the end of the morning session. But it fell back again in the afternoon when market players dumped shares of companies whose profits for the fiscal year were expected to plunge, traders said. Japan's fiscal year ends next Tuesday.

"The index's current level is not good at all, but players are starting to realize that it is going through a process of correction" following several years of unprecedented high prices, said Yoshiaki Makisima, an analyst with Sanyo Securities Co.

**Fishermen play ballads to catch killer shark!**

TOKYO, Mar 27: A killer shark has terrorized the fishing communities around Japan's southern inland sea, where no one will rest until the threat to their livelihood is eliminated, reports AFP.

Fishermen are using eight ships and every trick in the book — from playing music to stuffing divers' wetsuits with meat to use as bait — to hunt the shark that killed their colleague nearly three weeks ago in the Setonaikai, the picturesque waters between Shikoku and Honshu islands.

The first such attack in 25 years has provoked near hysteria, with more than 40 reported sightings so far leading nowhere.

"We are doing everything we can," said an official of the Ehime prefecture government, which oversees the waters — rich in abalone, sea cucumber and sea urchins — where the incident occurred.

"Now people cannot dive, construction work has been affected and who knows what will happen when the summer tourist season arrives," he said.

The fishermen, professional catchers of shellfish but unaccustomed to shark hunting, have eagerly sought advice from specialists.

One of the first methods they tried was to submerge microphones in the water and

play Japanese ballads and folk songs to lure the elusive killer.

Another method was to dangle a pig's head in the water for bait.

The fishermen also stuffed wetsuits with meat to use as bait, but this technique drew harsh criticism prompted by fears that it would increase sharks' appetite for people.

The panic began with the presumed death of Kazuta Harada, 41, who had been diving for shellfish 20 meters (66 feet) underwater in the Setonaikai on March 8.

He had shouted on an intercom, "help me, shark" and his colleagues on the surface pulled up his line, only to find his wetsuit savagely torn open at the middle.

Harada's younger brother Koji Harada, 30, had survived a shark attack late last month.

It was the first time since 1967 that a shark had killed a man in the Setonaikai, and the death had had an immense impact on local fishermen, many of them seasonal divers from elsewhere in Japan, who immediately suspended their diving expeditions.

"I know I am not supposed to dive, and I am afraid to dive," a fisherman was quoted as saying by the Tokyo Shimbun. "But I must make my living. The government is not going to compensate for my losses."

**EC will reject GATT finding on oilseeds dispute**

PARIS, Mar 27: The European Community will reject a finding by a GATT (General Agreement on Tariffs and Trade) panel in the dispute between the United States and the Community over oilseeds, EC Agriculture Commissioner Ray Macsharry said here on Thursday, reports AFP.

Macsharry, speaking to reporters during a meeting here of Agriculture Minister of the Organisation for Economic Cooperation and Development (OECD), said the panel's ruling, handed down on March 16, would be published by the GATT next Tuesday.

He said the ruling was "not acceptable" to the Community, which would formally reject it as soon as it was released.

Officials in Geneva said earlier this month the panel backed the US contention that new EC regulations for support to oilseeds producers adopted by the Community last October were still contradictory to the terms of a 1962 US-EC agreement despite changes to the system.

The EC revised its support system after an initial ruling against the EC by a GATT panel at the end of 1990.

The political problems involved were likely to be discussed outside the formal OECD session, possibly at a working dinner Thursday night, sources said.

**Tokyo finalises 40.6 billion dollar stop-gap budget**

TOKYO, Mar 27: Japan's Ministry of Finance (MOF) has finalised a 5.4 trillion yen (40.6 billion dollar) stop-gap budget to cover the first 11 days of the 1992/93 fiscal year starting April 1, the Ministry said on Friday, reports Reuters.

It has also chalked up a 11-day stop-gap fund of 116 billion yen (872 million dollar) for its loans and investment plan, which is financed by Postal Savings and Pension Funds.

The temporary budget will be neutral to economic growth because it only covers operational costs excepting social

benefits, a MOF official told reporters.

Asked whether the stop-gap budget could be of any help in propping up the stagnant economy, the official said, "it could have a reserve effect."

Under a temporary budget the government cannot start new public works projects, part of its plan to boost economic confidence in the next fiscal year.

An opposition boycott of parliamentary debate on the 1992/93 budget over political scandals has forced the government to prepare a stop-gap budget, the sixth consecutive year such a temporary measure

has had to be taken.

The bulk of the 5.4 trillion yen (40.6 billion dollar) will be covered by selling MOF financing bills through the Bank of Japan, a short-term debt owed to commercial banks, another MOF official said.

The upper house of parliament is expected to approve the 72.2 trillion yen (542 billion dollar) full budget by mid-April following a go-ahead given by the lower house earlier this month.

Member of parliament are scheduled to discuss the stop-gap budget next week and approve it by the end of this month.

**GATT talks : US, EC fail to progress on farm issues**

PARIS, Mar 27: US Agriculture Secretary Edward Madigan and Ray Macsharry, Farm Commissioner of the European Community (EC), held separate talks here Thursday on agricultural issues opposing the two sides in trade negotiations, but failed to make progress, reports AFP.

The two officials, here for a meeting of Agriculture Ministers of the Organisation for Economic Cooperation and Development (OECD), met for an hour in the offices of the US

mission to the OECD to talk about the Uruguay Round of trade talks, but Macsharry later told reporters he had "no progress" to report.

"We've gone through all of the problems that both of us have in relation to agriculture" in the multilateral trade negotiations, he said.

"They are still the same issues, under the same headlines," he said, including farm export volumes, rebalancing of farm support and protection, and the "coherence" of permit-

ted support measures included in the so-called "green box."

"We have taken the opportunity to emphasize to each other again the difficulties we have with the Dunkel text," the Irish EC official said, referring to a draft text on agriculture presented in Geneva last December 20 by Arthur Dunkel, Director General of GATT (General Agreement on Tariffs and Trade), which sponsors the stalled Uruguay Round negotiations.

**Britain's financial markets dreading April 9 polls**

LONDON, Mar 27: Britain's financial markets are dreading the April 9 election, reports AP.

Since Prime Minister John Major announced the date on March 11, the pound has come under pressure in subdued trading, and British share prices have fallen nearly five per cent in volatile dealings.

The market has two fears — that the Conservatives will lose power after 13 years to the Labour Party, or worse, that there will be no clear winner.

After three easy victories in 1979, 1983 and 1987, the Conservatives finally have been trailing in most opinion polls.

Their unpopularity has much to do with a 21-month recession that has pushed unemployment up to 9.4 per cent and led to record num-

bers of home repossessions.

"The stock market has had to get realistic about the possibility of a Labour win. Previously it was too sanguine," said Alan Yarrow, head of British equities at the London investment firm Kleinwort Benson Securities.

The foreign exchange market has a certain bias against Labour, that's why you see sterling under pressure," said Iffy Islam, a currency analyst at Barclays de Zoete Wedd.

"A hung Parliament I think would be particularly bad for the currency," he said.

A MORI poll of business executives commissioned by the Financial Times found that nine out of 10 intended to vote Conservative. The poll was based on interviews March 11-13 with 235 executives, with a

margin of error of six per cent.

The Conservatives insist that Britain is on the road to recovery. Chancellor of the Exchequer Norman Lamont predicted the economy will grow one per cent this year, after a 2.5 per cent contraction in 1991, the sharpest since the 1930s.

Since he made that prediction two weeks ago, the government has released a new round of disappointing unemployment, inflation and trade statistics which have unsettled the financial markets.

Shares also have been depressed by concerns that the weakness in the pound would block the government from winning votes by cutting its 10.5 per cent base lending rate.

Because the pound is linked

to Europe's exchange rate mechanism, the government is required to keep sterling within a six per cent band on either side of 2.95 German marks, either by adjusting interest rates or intervening in the markets.

The markets have seesawed as they have reacted to the stream of opinion polls.

Given the closeness of the contest, many investors have moved to the sidelines. Low trading volume has made the pound more volatile.

The pound has fallen to 2.8648 German marks late Tuesday from a rate of 2.8691 marks on March 10. The pound was trading at 1.7175 dollar compared with 1.7160 dollar.

The Financial Times-Stock Exchange 100-share index

rose 17.7 points, or 0.7 per cent, to close at 2,458.7 Tuesday, boosted by a Harris opinion poll that showed the Conservatives with a five-point lead over Labour.

The close was down 116.1 points, or 4.51 per cent, from its 2,574.8 close on March 10.

The absence of a clear election winner could paralyse Britain's economic and business policies, fostering the king of uncertainty in the financial markets here.

The markets would prefer a victory by the Conservatives because they have pursued free-market, pro-capitalist, anti-union, tax-cutting policies.

The Labour party has pledged to raise taxes for the rich, and investors worry that it also would take a more interventionist stance toward

**Business briefs**

**Dow Jones sharply up:** Wall Street moved up Thursday due to technical factors despite newly released economic indicators that were not encouraging for the US economy, reports AFP from New York.

The Dow Jones Index of leading industrials was up 9.48 points at 3,269.23 with some 63 million shares changing hands.

**Drought hits wheat in China:** A month of snow and rains has reled a drought in northern China, but damage already done may cause a drop in wheat output this year, Agriculture Minister Liu Zhongyi said Wednesday, reports AFP from Beijing.

"Although the rain and snow has done a lot of good, the total output of wheat may drop a little," the Minister told a news conference.

**UK returns gold to Estonia:** The British government returned 30 million pound (50 million dollar) worth of gold to Estonia on Thursday that had been frozen since World War two, the foreign office announced, reports AFP from London.

The agreement on returning the gold was signed in Tallinn, Estonia, by British Ambassador Bob Low and Estonian Deputy Foreign Minister Enn Liliments, the announcement said.