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Taka strong against dollar

Low demand for dollar in the dull interbank trading strengthened Taka against the US currency yesterday, dealers said, reports BSS.

The commercial banks quoted Taka in the range between 40.1500 and 40.1600 against the Saturday's 40.1550 and 40.1680.

The dealers said the market would pick from today (Monday) with the opening of international market which was closed on weekly holidays.

The call money rate was steady at 1.5 to two per cent as there was low demand for funds. The demand is most likely to increase in the next week as the central bank yesterday held the auction of its monthly 91-day bill for a total amount of Taka 366 crore.

Job seekers demonstrate in Paris

PARIS, May 29: More than 10,000 people, the unemployed, the homeless and those working on their behalf, demonstrated Saturday to culminate a long march by about 150 unemployed across the country, reports AP.

Shouting that they are "fed up with unemployment" and demanding "another logic to create jobs," the demonstrators marched from the Bastille to the nearby Republic square.

**Hotel workers in
Bermuda back
to work**

HAMILTON, May 29: Striking hotel workers returned to work on Saturday after Bermuda's supreme court declared their walkout illegal, reports AP.

About 3,000 to 4,000 tourists, mostly Americans, had been affected by the two-day walkout, which led to limited room service, rooms that went uncleared and difficulty finding transportation, since taxis did not cross picket lines.

About 1,500 bellboys, restaurant staff, maids and other workers began picketing outside 10 hotels starting early Friday. That night, the supreme court issued its injunction.

A union meeting Saturday ended with the decision to comply with the injunction.

**UAE move to
streamline
jewellery trade**

ABU DHABI, May 29: The United Arab Emirates (UAE) is bringing in new regulations to streamline its thriving jewellery trade and stamps out forgery, dealers said yesterday, reports AFP.

Violation of the new law, to take effect on June 1, can carry a prison term of up to three years and a fine of 20,000 dirhams (5,450 dollars).

It stipulates that all pieces of gold, platinum, silver and gems must carry stamps showing their carat and purity levels. Foreign stamps will be accepted only from countries which treat the UAE on a reciprocal basis.

Imports of all kinds of jewellery will be tested by local authorities before they are allowed to go on sale, under the law.

Commodity market:

Prices of gold, silver, sugar, tea higher while oil, rubber lower

LONDON, May 29: Commodity prices acted as if on a roller-coaster this week, soaring at the beginning of the week on speculative buying before slumping later as traders took profits, reports AFP.

Coffee was the most dramatic example, as prices reached their highest point for seven years on Tuesday, before plunging 300 dollars per tonne in two days as speculators could not sell fast enough.

Cocoa followed the same path, rising to its highest level since 1988, before plummeting. Sugar, again, trod the same road but rose at the end of the week as India announced it was to import 850,000 tonnes to cover a shortage.

The base metals, particularly copper and nickel, also climbed the mountain at the beginning of the week, reaching respectively 16-month and 19-month highs, aided by physical tightness in copper and threats of a strike in nickel.

The precious metals followed the rule with silver again courted by US investment funds for the first time in two months.

Oil was one of the few items

to escape the speculative fever, but analysts said prices predicted the movement with rises last week.

GOLD: Higher than lower. The price of gold climbed to over 387 dollars per ounce — a closing high since the end of March.

With a slight delay, the London market followed New York, where prices rose sharply last Friday. Gold also lifted as commodities across the board soared.

The continued weakness of the dollar provoked investors into speculation in the precious metals market, where prices remained at a high level for a good part of the week, reaching 338.15 dollars per ounce on Wednesday.

Gold finished the week lower as commodity prices ebbed generally.

Elsewhere, the quarterly report from the World Gold Council showed positive results for the first quarter with strong demand from Asia and higher prices compared to the same period a year earlier.

SILVER: Sharply higher then lower. Exactly two months after US investment funds raided the market, silver

was again pushed higher on a new wave of speculation, with prices rising to 5.09 dollars per ounce.

But, like the other commodities, silver then fell back, despite analysts estimate that a deficit in world production should boost prices.

PLATINUM: Higher than lower. Like the other precious metals, platinum rose sharply higher at the beginning of the week to levels not seen since shortly before the South African elections, at around 407.5 dollars per ounce.

Prices then gradually diminished, falling to below the 400 dollar mark on Friday after the wave of speculation had passed. Even in Tokyo, the trading capital of the world, the market was also disappointed by the lack of significant drawdowns in LME warehouse stocks following a series of producer cutbacks announced earlier this year.

Western traders said high Russian aluminium sales were also depressing world prices. Russia and other producing countries have agreed to cut output to curb oversupply. Russia by an annual 500,000 tonnes over the next two years.

NICKEL: Higher. Midweek, nickel soared to a 19-month closing high, since September 1992, at 6,760 dollars per tonne before falling towards 2,250 dollars per tonne.

LEAD: Stable. The price of lead ended the week little changed from the previous

Friday close at 495 dollars per tonne, but rose higher mid-week in line with soaring copper and nickel prices.

ZINC: Higher then lower. Zinc rose 10 dollars early in the week to breach the 1,000 dollar per tonne level, from the Friday close, but fell lower later in the week to end at around 970 dollars per tonne.

ALUMINIUM: Stable then lower. The price of aluminium moved little during most of the week, but dropped lower to around 1,351 dollars per tonne at the end of the week on lower copper, traders said.

Prices then dropped lower, remaining around 1,000 pounds per tonne — a level that copper has not fallen through for five months.

SUGAR: Sharply higher then lower. The price of white sugar climbed at the beginning of the week, influenced by a speculative wave which flooded the coffee and cocoa markets, pushing prices up. Sugar prices reached their highest levels since March.

The rise was magnified as news that the Cuban harvest had suffered from massive rains. Once the speculative wave was over, prices were lower.

The firmness of prices was attributable to a persistent

shortage in white sugar in European ports. Dealers said the situation was unlikely to improve before the autumn.

VEGETABLE OILS: Lower. The price of nearly all the vegetable oils fell on the Rotterdam market in a week shortened by the Pentecost holiday on Monday.

The price of soya fell, as the sharp rises on the Chicago market had little influence on the Rotterdam market. Brazilian production is predicted to reach a new record at 25.08 million tonnes in 1993-1994 (October-September), according to official figures.

OL: Lower. Oil prices did not benefit from rises in the commodities. The price of Brent North Sea oil fell during the week, from 16.50 dollars per barrel at the beginning of the week to almost 16 dollars before lifting slightly on Friday.

The market generally believes that the supply of North Sea oil is relatively plentiful. British production rose a further one per cent during the month to around 2.45 million barrels per day, the Royal Bank of Scotland said.

RUBBER: Lower. Rubber

prices declined as an increase in rubber supplies appeared on the Indonesian and Malaysian markets, said Andrew Trevett, a trader with Lewis and Peat.

The wintering period, during which the latex from the trees runs slower, is now over and the production has picked up in South-East Asia, he said.

In addition, European demand is slightly depressed as it is every year at this time, the rubber now bought in Asia will arrive in Europe in July, when most of the factories are shut for the annual holidays.

GRAINS: Firm. The price of wheat remained firm on the London market, little affected by see-saw trading on the Chicago market, which is the world's main market for

grains. A wave of speculative buying and fears of a drought in US production zones pushed prices generally higher across the Atlantic.

TEA: Higher. The average price of tea lifted above 120 pence per kilo from 119 pence the previous week, with strong demand for specialty teas from east Africa whose prices rose by between four and eight pence per kilo.

The price of top quality tea rose to 160 pence a kilo from 155, while medium quality tea lifted to 118 pence from 112 pence per kilo, while low quality tea was at 85 pence from 78 pence per kilo.

The highest auction price was recorded by a Rwandan tea at 295 pence per kilo, as the civil war threatens a considerable cut in production.

COTTON: Higher. Prices lifted to around 0.86 dollars per tonne from 0.85 the previous week on renewed fears over a cut in the Chinese harvest and with generally higher prices of commodities.

A parasitical worm which hit the Chinese harvest last year, threatens to strike again, the Chinese Deputy Minister of Agriculture said, encouraging producers to do everything possible to fight it and improve production.

WOOL: Stable. The reference price of Australian wool on the Bradford market remained stable at around 4.26 pounds per kilo — the highest level since December 1992, thanks to continued strong demand and poor supply of Australian wool on the market.

1.6m workers join country's labour market every year

Around 1.6 million workers are joining the country's present labour force — about 52 million — every year.

Experts told UNB yesterday the supply of efficient and competitive industrial labour is necessary for the success of the country's strategy of encouraging labour-intensive manufacture exports, they said.

As the experiences of high-performing East Asian economies demonstrate, the experts noted, motivated workers with the requisite training and skills are key to determining an economy's capacity to grow, compete, assimilate new technologies and adapt to an open economic environment.

Effective demand for both unskilled and skilled men and women in the workforce depends on sound macro economic, technological and strategic policy choices.

The interaction between supply and demand depends on well functioning, flexible labour market that efficiently allocates labour to emerging economic opportunities, links real wages to productivity, allows and encourages firms to restructure to remain competitive, fosters labour-manage-

ment cooperation, sends appropriate signals about skill needs to workers, and strikes a balance between employment generation and job security.

World Bank criticises that excessive government intervention has prevented Bangladesh's labour markets from playing this role. Public wages policies and minimum wages regulations have allowed wages to increase faster than productivity, resulting in serious loss of international competitiveness for public and private firms.

Over the past two decades, says the donor, government's all-pervasive role in the labour market has bred an excessive politicization of labour relations, and a deep distrust between labour and management.

The experts opine that there had been no concerted effort in the country to understand and use the political economy of successful reforms in the context of labour markets.

Trade unions in the country have come to rely on general strikes and countrywide agitations to pressure the government, because they have not had recourse to more conventional channels of direct indus-

trial negotiations with employers. As a result, Bangladesh suffers from a poor image of industrial relations, thereby discouraging domestic and foreign investment, and hampering private sector development.

The total labour force was estimated in 1989 at 50.7 million people, and is growing at around 3 per cent annually.

The sectoral distribution of this workforce was as follows: agriculture was the largest employer (64 per cent), then trade and services (15 per cent), manufacturing (14 per cent), construction and transport (4 per cent) and other (2 per cent).

Bangladesh labour market is dominated by informal sector. Of the total labour force, 45.8 per cent were classified as unpaid family workers, 29.6 per cent self-employed, 15.1 per cent casual workers, and only 9.5 per cent had regular full-time wage employment.

Hence, roughly 90 per cent of the country's labourers are working in the informal sector, or are hired as day-workers by formal sector firms.

The government is the largest single employer in the formal sector. The civil service

JS body on tourism reviews Biman's activities

The 27th meeting of the parliamentary standing committee on the Ministry of Civil Aviation and Tourism was held Saturday at the Jatiya Sangsad with State Minister for Civil Aviation and Tourism Abdul Mannan in the chair, reports BSS.

The meeting reviewed the activities of Bangladesh Biman. Bangladesh Parjatan Corporation and Civil Aviation Authority of Bangladesh and gave suggestions for their smooth functioning and overall development. The accepted proposals of earlier meetings of the committee were discussed. The meeting was informed that out of 28 proposals so far 19 have been implemented and the rest were under implementation.

The meeting also discussed matters relating to progress of construction works of four boarding bridges at Zia International Airport by Civil Aviation Authority of Bangladesh.

It was informed that the work is going on in full swing and so far 85 per cent of work have been completed. It is hoped that the construction of boarding bridges would be completed by 31 August next.

The meeting was further informed that the formalities to procure two mid-haul aircrafts to strengthen the Biman fleet is nearing completion.

3 sectors may achieve 95pc ADP target

More than 95 per cent of the current Annual Development Programme (ADP) targets in power, energy and mineral resources sector will be achieved, reports UNB.

It was stated at a high-level review meeting on the progress in ADP, implementation in the sector in the current fiscal year held in the city yesterday with Energy and Mineral Resources Minister Dr Khandker Mosharraf Hossain in the chair.

A total of Tk 1236.6 crore, including Tk 715.94 crore project aid and Tk 521.05 crore local currency component, in power sector and Tk 621.13 crore, including Tk 339 crore project aid and Tk 281.6 crore local currency component, in natural resources sector were allocated in the revised ADP this year.

The meeting was also informed that in natural resources sector, Bangladesh Petroleum Corporation (BPC) achieved 99 per cent of its target while Petrobangla 77 per cent. In power sector, Dhaka Electricity Supply Authority (DESA) achieved 83.73 per cent of the target. Rural Electrification Board 71 per cent and Power Development Board (PDB) achieved more than 60 per cent of its target.

The Energy Minister informed that the formalities to procure two mid-haul aircrafts to strengthen the Biman fleet is nearing completion.

expressed satisfaction over the progress achieved.

Energy Secretary M Faizal Razzak, PDB Chairman Kazi Golam Rahman, DESA Chairman Amanur Rahman and BPC Chairman M Fazlul Huq were present, among others.

Plea to refix new tariff on import of polyethylene

Polypropylene Cap Manufacturers Association has urged the authorities to reconsider the new 60 per cent tariff imposed on the import of polyethylene sheet used for pharmaceutical packaging, reports UNB.

The association said polyethylene sheet is used as washer with the PP cap of the bottles of life-saving medicines and is of "food grade" quality which cannot be considered as plastic sheet.

The National Board of Revenue has recently ordered that it should be considered as plain plastic sheet and its tariff value be fixed at 30.25 US dollars per kg.

Already, the association said, 60 per cent tariff was being paid on invoice value.

The fresh duty raised the tariff to 120 per cent on invoice value of the item.

FAO urges precautionary fisheries management

The UN Food and Agriculture Organisation (FAO) has reported that most of the world's major fisheries are over-exploited, says a press release.

The latest figures for marine fishing showed the catch for 1992 was 82.5 million tons, still well below the 1989 peak of 86.5 million tons. This sounds an alarm, according to the press release.

Improvements in fishing technology have enabled large subsidized fishing fleets from industrialized nations to seriously deplete once abundant commercially valuable species first in the North Atlantic and North Pacific and then in the tropics, FAO said. It identified some of the most popular fish among the hundreds of depleted stocks as Atlantic cod, red hake, haddock, Alaska pollock, bluefin tuna as well as some tropical squid, shrimp and sea breams. Roughly 60 per cent of all stocks for which FAO has information are fully overexploited or depleted.

Unless industrial fishing fleets are controlled through national and international regulation, FAO warns that disastrous social and economic consequences await the entire industry, including food shortages in the coastal communities of developing countries where seafood provides the major source of dietary protein and minerals as well as jobs. Currently about 50 per cent of fish catch off Africa is taken by distant water fleets, which usually pay a fee to fish there.

With the major northern fisheries in serious decline since the 1960s, industrialized fleets often supported by government subsidies, trawl waters far from home usually under fishing agreements, but creating a serious threat to the resources and to fragile eco-

systems in traditional fishing societies.

This trend can be reversed, say FAO experts, but only if there is a change in the way marine fishing is managed and reduced in fleet sizes.

FAO is urging a "precautionary approach to fisheries management" which would abandon the current management approach aimed at the highest possible catch irrespective of its composition and value. In its place, FAO recommends reducing fleet sizes and catch targets and adopting safer biological thresholds that are more likely to sustain fish stocks given the high level of uncertainty that exists about the state of marine resources.

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