

Read

The Daily Star
The Complete
Newspaper

The Daily Star BUSINESS

DHAKA TUESDAY, JUNE 28, 1994



BSB officials urged to work for rapid industrialisation

The installation of Bangladeshi Shilpa Bank Officers Association was held on Sunday, reports UNB.

Addressing the installation ceremony as chief guest, State Minister for Finance Mojibur Rahman called upon the officials and employees of the bank to work relentlessly for quick industrialisation of the country.

He said during the past regime a chaotic situation was prevailing in the financial sector. With the help of all concerned discipline has been restored in the sector by the present government.

The role of Shilpa Bank in rapid industrialisation is very important, he said and hoped that the BSB officials would make their allout efforts for boosting production in the industrial sector.

Presided over by President of the Association Mahiuddin Ahmed, the function was also attended by Chairman of the Board of Directors of BSB ATM Alamgir MP and Managing Director M Akmal Husain as special guests.

Call to withdraw VAT from small cosmetic, cottage industries

By Staff Correspondent

Dhaka District Small Cosmetics Manufacturers' Association (DDSCMA) at a press conference yesterday urged the government to withdraw the decision of imposing Value Added Tax (VAT) on cosmetics made by small and cottage industries.

The press conference addressed by its President Badur Rahman said imposition of VAT would destroy the small industrial sector, thereby aggravating the unemployment situation of the country.

Describing the problems of the small scale industries, Badur Rahman said although the small industries have tremendous potentiality for employing a large number of people, this sector is being deprived of various infrastructural facilities from the government.

He said the countries like Japan, Malaysia, Thailand, Taiwan, the Philippines and India have developed by encouraging the development of the small scale industries.

The press conference was attended among others by the Association's General Secretary Md Shamsuddin, Assistant General Secretary Mizanur Rahman and Treasurer Ashfaq Hossain.

DHL increases investment in Australasia

Australasia will benefit from DHL's decision to increase the company's five-year capital spending programme, says a press release.

One third of the total sum of 1.5 billion US dollars up from 1.25 billion US dollars will be invested into Asia, of which half will be spent on DHL's South eastern operations stretching from India to Australasia.

According to DHL Worldwide Express New Zealand/Pacific Islands, General Manager, Gary Edstein, DHL sees excellent growth potential in the Asian/Australasia area especially in Indonesia, Malaysia, Thailand, Vietnam, Singapore and India.

The increased investment is good news for New Zealand companies targeting a markets in these countries as they can do so knowing an efficient and substantial air express operation is in place.

Last year, DHL's turnover increased by 18 per cent to more than 3 billion US dollars. Asia-East and South East generated approximately 27 per cent of this.

DHL will invest in new gateway and customer service centers in Kuala Lumpur, Bombay, Sydney and New Delhi.

An infrastructure investment of 1 million US dollar is also planned for New Zealand during 1994 with major developments already well underway. An agreement with the Auckland Airport Authority to take over new and larger premises is now finalised and the relocation will take place June 30, 1994. The move will enable faster freight clearance and a closer liaison with customs.

Ground works have also commenced for a new airside/landside facility at Christchurch Airport.

Hard rock extraction in Sherpur causes ecological imbalance

From Our Correspondent

SHERPUR, June 27: Con-

tinuous extraction of hard rock by blasting and drilling in unscientific way is allegedly destroying the forest hills in Garo areas of Sherpur district, it is learnt from reliable sources.

Political leaders and social workers said such extraction is one of the causes of ecological imbalance.

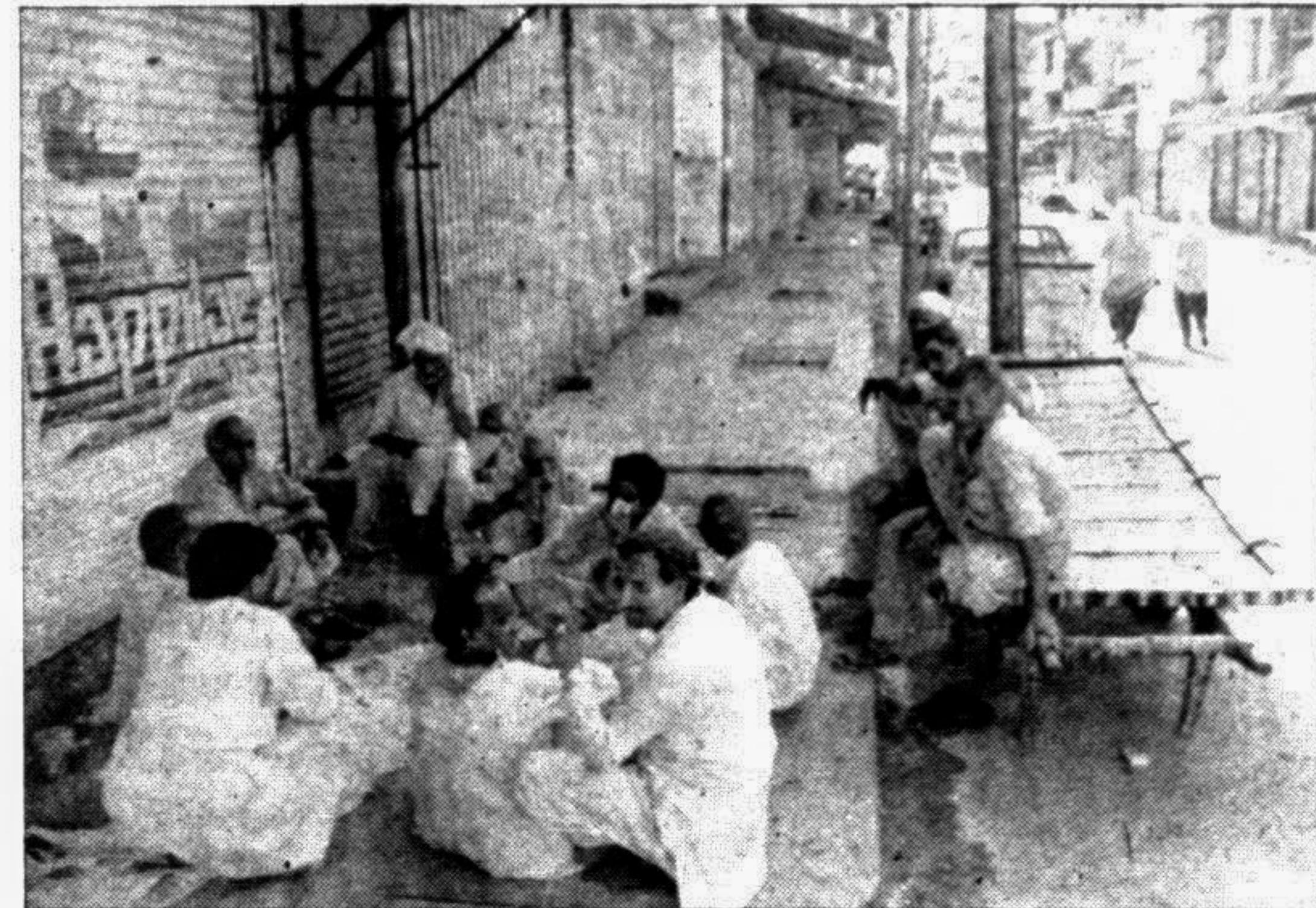
Considerable quantities of rocks, locally known as 'Boulder' are required for river bank protection, concrete and pavement works and construction of different bridges and their approaches. Besides, rocks are also used in clinker factories for making cement.

Sandstones are available abundantly in many places under Jhenaigati-Nalitabari thana of the district. These attract the unscrupulous extractors to

ready been collected by blasting with the advent of winter. Winter season usually considered to be suitable for collecting boulders and such type of various stones.

These weathered stones and boulders are being extracted by the illegal extractors with small popping blasts in each boulder and break the blasted fragments by hand to man carrying size. Besides, these boulders are mainly supplied to other parts of the country at the rate of about 4000 tons per annum.

The extractors are not only destroying forest hills and escarpment but also depriving the government of a huge amount of royalty in connivance with some forest officials, local leaders and eye-witnesses said.



Daily-wage workers play cards in front of closed shops in Rawalpindi city's usually busy market, some 20 kilometres from Islamabad on Sunday. A two-day countrywide strike was observed by the business community to protest against the taxation reforms in the government's '94-95 budget.

— AFP photo

NZ signals tough monetary conditions to combat inflation

WELLINGTON, June 27: New Zealand's Central Reserve Bank signalled tighter monetary conditions Monday by calling for higher interest rates in the face of what it says is growing inflationary pressure, reports AFP.

The bank is required by law to keep inflation within a zero to two per cent range, and in a six-monthly statement Governor Don Brash cited pressures in the economy that could push inflation towards the top of the target range over the next 18 months.

"Given the forecast outlook, the bank is comfortable with the slightly firmer interest rates seen recently, and some additional modest firming in monetary condition would reduce the risk of inflation going above two per cent," Brash said.

"A cautious tightening of monetary conditions at this stage would be reducing the

Top tobacco official denies US govt allegation

WASHINGTON, June 27: A top executive of the tobacco industry has denied government allegations of attempting to increase the nicotine level in cigarettes through the secret development of a tobacco plant containing twice the normal amount of nicotine, says a US press release.

Thomas Sandefur, Chairman of the Brown and Williamson Tobacco Corporation, told a House of Representatives subcommittee June 23 that the US Food and Drug Administration (FDA) had exaggerated the situation surrounding the development of a tobacco plant known as "Y-1".

risk of a boom-bust economic cycle, help to extend New Zealand's current robust growth.

"We are in the midst of another period of volatility in overseas financial markets," he said.

The Bank tries to take a medium-term view of financial market conditions, rather than reacting to every period of domestic volatility induced by overseas development.

"But if such impacts were prolonged or sharp, we could need to react in order to maintain price stability."

"Our forecasts indicate that, in the absence of monetary restraint, a distinctly upward trend in underlying inflation is likely to emerge within a year," the bank statement said.

The outlook for inflation presented in this statement underlines the importance of setting policy in a forward-looking manner.

The reports by The Washington Post and ABC News heightened speculation that Cedras might be preparing to flee the country. The reports cited unidentified government sources and supporters of exiled President Jean-Bertrand Aristide.

Asian currencies strengthen against US dollar over week

HONG KONG, June 27: Asian currencies strengthened against the US dollar this week as the Greenback took a beating on world markets, plunging to a record low against the yen, reports AFP.

AUSTRALIAN DOLLAR: The Australian dollar ran a roller-coaster against the US dollar during the week but closed only marginally weaker Friday, analysts said.

The local dollar fell to 73.23 US cents at the close Friday from the previous week's finish of 73.26 US cents.

"Everything is very uneasy in the financial markets at the moment," said foreign exchange dealer Mike Eastaway of the State Bank of New South Wales.

An economic report by Schroders Australia said the Australian dollar was trading in a higher range but speculative selling by US players had capped any major upward movements.

HONG KONG DOLLAR: The Hong Kong dollar finished the week at 7.7288-7.298, down slightly against last week's finish of 7.7298-7.7308.

INDONESIAN RUPIAH: The Indonesian currency closed the week's trading at 2.160, compared to the previous week's finish of 2.158 ruipiah. The ruipiah started the week at 2.159 ruipiah against the dollar on Monday.

JAPANESE YEN: The yen ended the week at a new local closing high of 100.40 against the dollar, compared with the previous week's finish of 103.55.

The Japanese currency's surge was led by the advance of European currencies against the dollar as funds shifted from the United States to Europe.

The yen, which advanced steadily Monday and Tuesday, shot up on Wednesday to a record local high of 100.35 after breaking the 100 yen to the dollar barrier for the first time on the London and New York markets.

During the week it traded as high as 59.17 cents, but fell back as a result of a weaker Australian dollar.

"The market is still quite bearish on the Kiwi, but we closed at a high for the day on the back of the Aussie having a rally in the afternoon," a dealer said.

Market sentiment for early next week was for limited gains on the New Zealand unit to around 59.30 cents on the top side, with depreciation of the currency leading up to the announcement of the budget, Thursday he said.

PHILIPPINE PESO: The Philippine peso appreciated this week from 26.925 pesos to the dollar on June 17 to 26.91 pesos to the dollar on June 24.

The constant appreciation of the peso, caused by inflows of foreign exchange into this country, have prompted exporters to demand government intervention.

The country's main business

Taiwan's economy showing signs of steady growth

TAIPEI, June 27: Taiwan's economy is showing signs of steady growth, with the government's key economic barometer flashing an encouraging 'green light' for May, a government agency said Monday, reports AFP.

The economy in May remained promising and posted a sixth consecutive green light, with the composite ratings advancing to 28 points from 26 points in April, the Council for Economic Planning and Development (CEPD) said.

The point system designed by the CEPD measures the economy based on nine major indicators: export value, stock prices, the check default rate, export orders, money supply, the industrial production index, bank lending, factory inventories and non-farming employment.

The cabinet-level CEPD also designed a light system to represent the scores.

Country's industrial growth rises to 9 pc

among others, by Wing Commodore (Retd) Hamidullah Khan MP, Mohammed Abdus Sobhan MP, Syed Monjur Hossain MP, Begum Khawaja Shamsunnahar Ahsanullah MP, President DCCI A Rob Chowdhury, representative of different chambers, chairman, Dhaka Stock Exchange, Governor Bangladesh Bank Khorsed Alam.

The meeting decided to form a Task Force headed by the Executive Chairman of the Board of Investment M Mokammel Haque and Industries Secretary, Energy Secretary and Vice Chairman of BEPZA as members.

The Task Force will make necessary recommendations for the power generation and distribution in the industrial sector and also make recommendations to provide one stop service to the investors in gas, telephone and utility services.

The meeting was attended, The Minister said this

Rural Cooperative Project disburses Tk 3cr in Rajshahi

Rural Poor Co-operative Project under Bangladesh Rural Development Board (BRDB) disbursed loans amounting to Taka three crore 38 lakh 97 thousand among 16,475 persons of 1,048 cooperative societies of the poor in 13 districts under Rajshahi division of the project area from February to May this year, reports BSS.

The members of the societies repaid a total of Taka 37 lakh 58 thousand during the period, it was informed at a monthly review meeting of project management committee of Rural Poor Co-operative Project at Rajshahi participated by all the district level officials under the project areas.

The Rural Poor Cooperative Project launched on January 1, 1993 will be continued by the government up to December 97.

Haitian central bank chief denies report on looting of \$ 500000

PORT-AU-PRINCE, June 27: The central bank president denied US news reports that army commander Lt Gen Raoul Cedras looted 500,000 dollars from the country's bank in the past week, reports AP.

Bonivert Claude said the reports by The Washington Post and ABC were "untruthful." His statement was broadcast on national TV just before midnight Saturday.

"No irregular transaction ever occurred in the Bank of the Republic of Haiti," Claude said.

Central Bank transactions are made between government and banking institutions, not individuals, he said.

Claude's statement did not address the possibility that the army, as a government institution, could have made a request for money.

The statement also overlooked the systematic looting of hundreds of millions of dollars in government funds during the 1957-86 Duvalier family dictatorship.

The reports by The Washington Post and ABC News heightened speculation that Cedras might be preparing to flee the country. The reports cited unidentified government sources and supporters of exiled President Jean-Bertrand Aristide.

GENEVA, June 27: When Muang Muang was fired from his job as a mining geologist in October 1990, he took it as a sure sign that the military regime intended to arrest him, according to a USIS release.

"They don't arrest you while you are still in service, they arrest you when you no longer belong to anybody," says Muang Muang. "We knew that was their pattern."

From the day he was dismissed, Muang Muang began sleeping each night in a different place. As he had anticipated, only a few days passed before the military went to his home to ask for him. His fears confirmed, Muang Muang, the president of Myanmar's mining union, fled across the border into Thailand. To protect his family from reprisals, he adopted the alias Muang Muang - a common Myanmar nickname that means "younger brother."

Muang Muang established the Federation of Trade Unions, in Bangkok in 1991, but was forced to move once again last December when the Thai government began clamping down on Myanmar dissidents in exile. "Because the Thai government supports the Myanmar regime, they have made it a point that we are not welcome," he asserts.

Today Muang Muang and four other Myanmar dissidents are a temporary office in Washington, DC, donated by the International Bricklayer's Union as a base from which to lobby for international sanctions against Myanmar.

"We are trying to push for the international community to help implement the 1990 election results," Muang Muang said in an interview in Geneva where he was attending the International Labour Organisation's (ILO) annual conference.

Myanmar's military regime (The State Law and Order Restoration Council-SLORC) failed to honour the results of the May 1990 elections, in which the opposition National League for Democracy won a landslide victory. Key opposition leaders were imprisoned, and 1991 Nobel Prize laureate Aung San Suu Kyi was placed under house arrest.

Muang Muang believes the "enforcement of specific sanctions that hurt the military's income" could help bring change to Myanmar. He

charges that multinational corporations - particularly in the oil industry - are helping keep the military regime afloat and thereby indirectly supporting forced labour.

Myanmar villagers are being pressganged to build the infrastructure necessary to support the industry, he asserts.

Myanmar's legal code does not prohibit forced labour, according to the State Department's 1993 Country Report on Human Rights Practices, which finds that forced labour was used in constructing the railroad line opened in 1993 to Loikaw, the capital of Myanmar's Kayah State.

The AFL-CIO's Asian-Asian American Free Labour Institute reports in a recent bulletin that oil company money earmarked for the construction of access roads is winding up in the hands of the SLORC regime, which in turn forces Myanmar into "slave labour."

The practice is "rampant" in the Myanmar countryside, according to Muang Muang. The military tells villagers they must move "for security reasons," he explained.

Unemployment is expected to fall during the next two years by more than a full percentage point to around seven per cent, the university says.

The construction, trade and service sectors will lead the charge back, according to the report by economists Larry Kimbel and Tom Lieser.

Still, the report did not find that the recovery would be strong enough to reverse long-term structural weaknesses in the golden state.

California's economic recovery begins

LOS ANGELES, June 27: California, one of the US state that the recession hit hardest, has bounced back to show signs of economic recovery and a growing job market, studies show.

The state's long-awaited economic recovery has begun," says a report by the University of California at Los Angeles.

Unemployment is expected to fall during the next two years by more than a full percentage point to around seven per cent, the university says.

The construction, trade and service sectors will lead the charge back, according to the report by economists Larry Kimbel and Tom Lieser.

The Greenback fell sharply against the baht because the dollar had weakened against other major currencies, especially the yen.