

**468MT of wheat
for 285 projects
in Jessore**

JESSORE, Aug 6: Four hundred sixty eight metric tons of wheat have been allocated by the government for the implementation of 285 projects in eight thanas of Jessore district including Jessore Poursava during the current fiscal year, reports BSS.

This was disclosed at the monthly relief coordination committee meeting held today at the conference room of Deputy Commissioner's office with Post and Telecommunications Minister Tariqul Islam in the chair.

The projects include the repairing of educational and religious institutions, earth work reconstruction of kutcha road and three plantation.

The meeting was attended, among others, by parliament members Rowshan Ali, Tayabur Rahman, Moulana Shakawat Hossain, Deputy Commissioner of Jessore and Police Super, Thana Nirbahi Officers and Project Implementation Officer.

**Dollar falls in
New York**

NEW YORK, Aug 6: The dollar fell against the other major currencies, except the yen, Friday after better-than-expected jobless figures, reports AFP.

Gold lost 10 cents from its Thursday closing price and was trading at \$377.40 an ounce.

The dollar was trading at 1.5832 German marks from 1.5879 Thursday and 100.45 yen from 100.37.

In London, the greenback was trading at 1.5845 German marks and 100.25 yen following publication of the July unemployment rate showing a slight rise from 6.0 per cent in June to 6.1 per cent in July.

The dollar lost ground against European currencies and was trading at 5.4120 French francs against 5.4360 Thursday, at 1.3344 Swiss francs against 1.3409 and at 0.6491 pound sterling against 0.6513 Thursday.

The greenback rose to 1.5930 German marks at the opening of the money market after the latest figures showed that 259,000 new jobs were created last month while analysts forecasted 215,000 new jobs, a trader with a European bank here said.

Traders on the bond market immediately reacted by dumping ahead of an anticipated rise in interest rates that could be decided at the August 16 meeting of the open market of the Federal Reserve.

The average interest rate on 30-year benchmark treasury bonds climbed to 7.51 per cent against 7.40 per cent Thursday.

The dollar was expected to remain weak during Friday's trading session in line with the bond market which it has followed in the past weeks, the trader said.

The greenback was expected to float against the German mark in the 1.5750 and 1.5925 range.

**Tanker rates
improve**

LONDON, Aug 6: Tanker rates generally improved during the past week, and the situation in Nigeria continued to exert a considerable influence, London Brokers E A Gibson said in their weekly report on Friday, reports AFP.

The disruption of supplies of crude oil from Nigeria at a time when the North Sea is incapable of increasing production (owing to maintenance shutdowns), coupled with a hike in crude oil prices, should persuade buyers to start rebuilding their inventories for the winter before prices go any higher," they said.

Increased demand should enable shipowners to seek higher freight rates.

Although slightly fewer fixtures were concluded out of the Middle East Gulf, owners were able to build on last week's gains.

"We estimate that a total of 76 very and ultra large crude carriers (VLCC and ULCC, over 200,000 tonnes) will be available in the Middle East Gulf within the next 30 days, amounting to 22.5 million deadweight tonnes and we, therefore, predict that the balance (between supply and demand) will remain in owners' favour," Gibson said.

The worsening situation in Nigeria resulted in very few fixtures being reported from West Africa, where there is a surplus of tonnage and signs of weakening rates. Rates slipped in the Mediterranean, but the Caribbean market remained stable.

Record tea output worldwide affects Bangladesh

A record production in the world's tea growing regions has pushed tea prices to one of the lowest in recent years, creating a serious crisis for Bangladesh's tea sector, reports UNB.

Average price in the country's lone auction market in Chittagong slumped to Taka 41 per kilo last week from the season's first auction price of Taka 51 in March — a 20 per cent drop.

Planters and brokers, quoting production and trends in the world's major tea markets, have cautioned a persisting depression in prices in coming months.

The Tea Board assessment has put Bangladesh's average production cost at Taka 46 a kilo, forcing the producers to bear the brunt of a widening gap between price and production cost.

"It's a critical situation for the country's tea sector, already burdened with an extremely low productivity of both fields and labour," said Laila Rahman Kabir, Chairperson of Bangladesh Cha Sangsad, the association of tea planters.

The situation may not change even if Russia, which remained absent in last two auctions, enters the bidding this week, brokers forecast.

Bangladesh type of tea — strong liquoring and low flavoured — which is also grown in Assam, Duars, Cachar, South India, lower Sri Lanka, Indonesia and Malawi, had a surplus yield this year. As a result, producers are offering tea at very cheap and competitive prices.

South India alone has produced an additional 15 million kilograms, resulting in price

drop by about 11 Rupees per kg in last couple of months. Although the low price has reportedly forced many planters to withhold production there, it lured buyers.

Prices in other auction markets — London, Colombo, Goughati, Malawi, Indonesia — are reportedly similar. Calcutta auction, which usually sells Assam, Duars and Darjeeling tea, saw a price drop by about nine rupees in recent months.

Poland, till last season, had been maintaining strong presence in the Chittagong auction but now tends to switch to South India.

The East European buyers are currently operating at a very low price level.

Poland, Russia, Pakistan and Jordan are the major buyers of tea from Bangladesh, which produces on average 50 million kgs of tea a year. An esti-

mated 30 million kgs are for export.

Steady presence of Pakistan "bazar buyers" is restraining the price in Chittagong auction from further slump. But top Pakistan blenders like Lipton and Brooke Bond have been totally absent this season.

Making her observation on the situation Laila Kabir warned that the price level of Bangladesh type of tea has little chance to rise significantly in coming years with an increasing global production vis-a-vis a more or less stagnant consumption pattern.

The country's export earnings from tea — both in volume and foreign exchange — dropped from 41.14 million US dollar (32.79 million kgs) in 1992-93 to 38.18 million US dollar (27.41 million kgs) in 1993-94.

"We can expect that average

auction price will remain in the range of Taka 43 in next few years," said Kabir, a leading planter in the country.

To her, survival of the local tea sector depends on cutting high production cost by radical improvement in its staggering low yield, resulting from overwhelming old plants — age 40-50 years and above.

She said many gardens which had obtained low-interest development finance under the British-funded Tea Rehabilitation Project had partially replaced their old plants with better quality young ones and they were getting up to 2030 kg per hectare. But the rehabilitation project ended in 1985.

Replacement of the old plants is a long-term investment and requires government patronage with low-interest bank credit, Kabir said. Return

from investment in new plantation usually cannot come before 10 years, she said and pointed out that most planters cannot afford investment at 12 per cent interest now being offered to the sector.

"One cannot predict the fate of the Bangladesh tea sector in the next decade if it fails to radically improve its yield and cut cost of production," Kabir said.

Frustrated by the Finance Ministry's "lack of comprehension" about the demand for preferential credit for plantation, the Cha Sangsad is now looking for funding support from foreign donors.

Planters have also serious complaints about the authorities' continued inaction on rationalising "discriminatory" tariff for gas and electricity that further burdened the tea sector.

**Country's economy
lauded in Canada**

The Speaker of the legislative assembly of Alberta of Canada lauded the economic progress of Bangladesh under the present government, reports UNB.

"It is likely that Bangladesh could emerge as a major power in the upcoming economic forces in South-East Asia," Speaker Stan Schumaker expressed the optimism at a dinner party hosted by him Friday night in honour of Bangladesh Energy and Mineral Resources Minister Dr Khan-daker Mosharrar Hossain.

The present trend of economic progress indicates a new dimension in the future of Bangladesh, the Speaker told the gathering, according to a message received here from Calgary in Canada Saturday.

The Speaker appreciated the initiative of launching free market economy of the present government and said the existing bond of friendship between the two countries would be further strengthened through the active participation of the private sectors.

Reciprocating the feeling Dr Mosharrar emphasised the need for foreign private sector

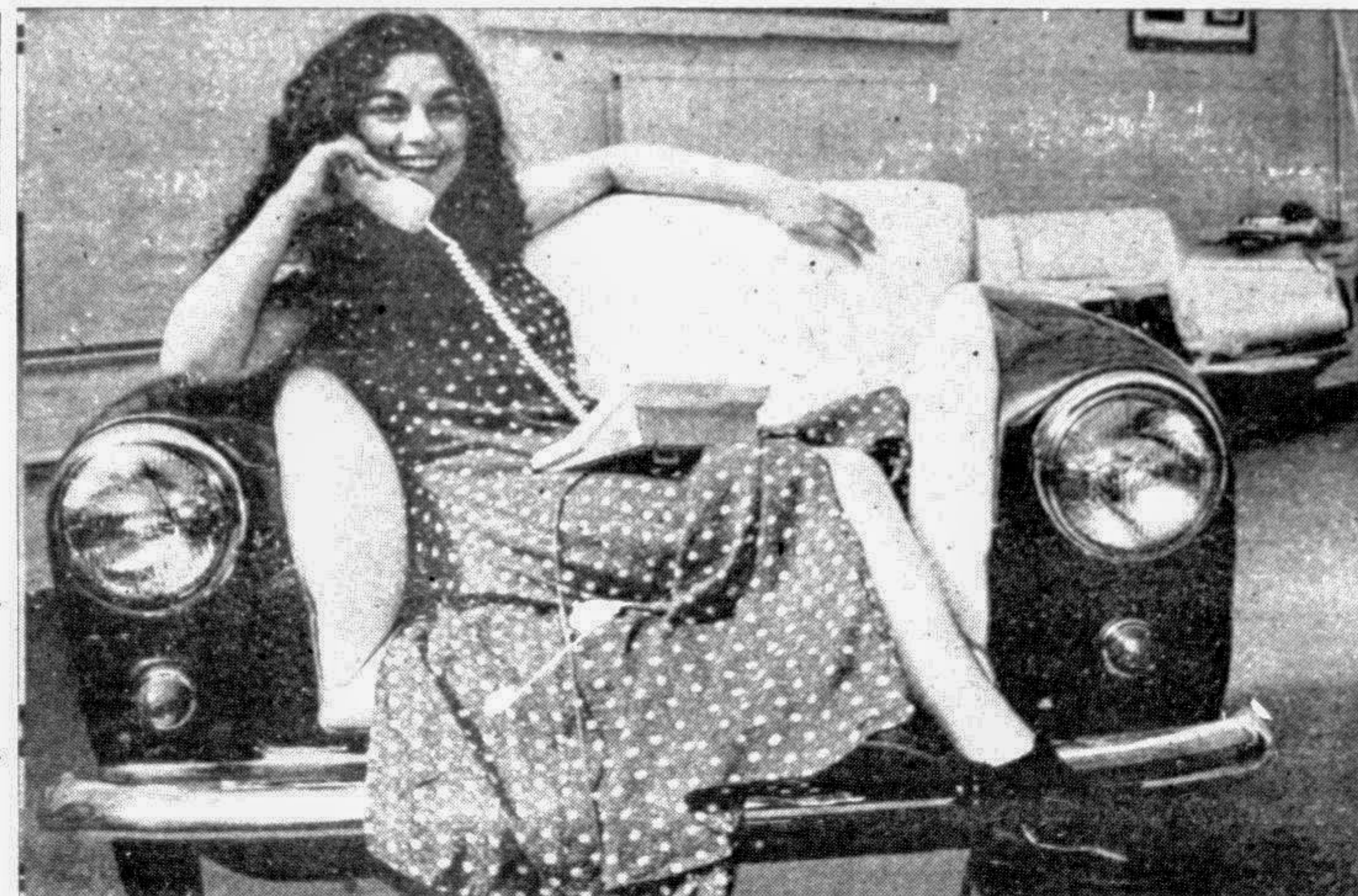
participation in different socio-economic areas which would be beneficial for strengthening the national economy.

Foreign private sector investment could replace the foreign aid and such methodology could be more effective and graceful for all concerned, he said.

He said Canada has been a tested friend of Bangladesh and it has contributed most effectively for economic development of the country and expressed hope that it would extend its all-out assistance and cooperation for building a sound economy of Bangladesh.

The Energy Minister said the economic and social reforms initiated by the present government had started yielding benefits to the common people of Bangladesh and would go a long way for economic emancipation of its people.

Member of the delegation — chairman of Power Development Board (PDB) Kazi Golam Rahman, Director (Planning) of Petro-Bangla Mosharrar Hossain and acting High Commissioner of Bangladesh in Canada A B M Abdus Salam were present on the occasion.



A model shows how the end of the famous 'Mini' has been turned into a piece of household furniture, in London on Friday. The idea of garage mementoes has been turned into a thriving business. A London based company, EMR Reincarnation, will recycle old Mini cars into an array of furniture and other artefacts.

**6.23 pc women employed
in banking sector**

By Staff Correspondent

The proportion of women employees working in the country's banking sector is only 6.23 per cent. This was revealed in a study on 'Women in Banking' in the city on Friday.

Bangladesh Institute of Bank Management (BIBM) conducted the study on all the 27 banks operating in the country until 31st of December last year.

According to the survey, the proportion of women employees in banks increased during the last ten years but at a very slow rate. There was only 5.9 per cent female employees in the banks in 1983.

The shares of female bank officers and staff are 6.33 per cent and 6.16 per cent respectively. These figures are far below the government directives of 10 per cent and 15 per cent of women employment quota for officers and employees respectively. Even a large number of branches for women are manned and managed by the male bankers.

The proportion of women bank employees is over 11 per cent in India, 63.1 per cent in UK, more than 50 per cent in USA and 36.19 per cent in Turkey.

The survey reveals that the

overall female employment ratio is the highest in foreign banks (9.75 per cent) followed by the Bangladesh Bank and the nationalised commercial banks (NCBs). The denationalised commercial banks (comprising the Uttara Bank and the Pubali Bank) rank last in terms of female employment. Three private commercial banks are not offering any employment opportunity to women at all.

Excepting the foreign commercial banks (FCBs), the employment ratio of women officers is the highest in Bangladesh Bank (8.03 per cent), very near to Reserve Bank of India's figure, which is nine per cent followed by NCBs 6.91 per cent.

Women bank officers are very poorly represented in top management positions. Of the total 1838 AGM/AVP and above positions, only 26 positions are being held by women officers. In terms of important functional positions also, women officers are less represented. Only 13 departmental heads are women and out of total 5753 branches (excluding FCBs), only 38 are presently being headed by women officers, the study shows.

**Three computer
experts held
in Japan**

TOKYO, Aug 6: Japanese police have arrested three computer experts who made five overseas phone calls for over a year by fooling switchboards with signals from their personal computers, a police spokesman said Friday, reports Reuter.

The calls, worth 18 million yen (179,104 US dollars) totalled and estimated 1,500 hours between February 1993 and March this year, said a spokeswoman for telecommunications firm Kokusai Den-shin Denwa Co (KDD).

The three, Christophe Prevotaux 28, a French computer engineer, Michael Molsner, 30, a German organ maker and Takeshi Ozawa, 30, a Japanese employee of a computer sales company, were arrested on Thursday for suspected fraud.

They are suspected of sending electronic signals that let them bypass switchboard operators, a police spokesman said.

The KDD spokeswoman said police were called in after unusual signals were noticed in a routine check last November.

She said KDD has made improvements in its software and systems to prevent such incidents and is considering discussing measures with telephone firms in other countries.

**Nordic nations locked in 'tuna
war' in Arctic waters**

OSLO, Aug 6: Nordic nations are locked in a new "cod war" in disputed Arctic waters, as West European countries are embroiled further south in a "tuna war" over illegal nets, reports Reuter.

In the latest round, Norway pledged on Friday to arrest Icelandic fishermen. It shot at a coastguard patrol trying to prevent illegal trawling in a protected zone near Svalbard.

"Authorities have decided to arrest the ship Hagagangur and bring it to a Norwegian harbour to answer charges of violence against government personnel," Defence Ministry spokesman Kirsti Skjervén said.

"This is definitely a serious incident," she added.

Lieutenant-Colonel John Espen Lien, speaking from the north sector headquarters of Norway's Defence Command, said he was in no doubt that the lives of three coastguards were in danger when a shot was fired from the Icelandic-owned trawler.

"The shot hit the water approximately two metres (yards) from their boat which was moving in waves one to two metres high it's all too

close," he told Reuters.

The clash mirrored tension in the Bay of Biscay of Spain, Spanish fishermen cut the nets of an Irish trawler on Thursday, ensnaring a fourth country in the "tuna war" already involving Britain and France.

Lien said coastguards monitoring the protection zone, where Norway has sovereignty under a 1920 treaty, recognised the trawler as one involved in other incidents earlier this summer.

"This is one we have met in the area several times before. It is not a new offender," he said.

He could not disclose any details of the action being taken to detain the craft — one of five trawlers in the vicinity at the time. "I don't want to give anything away to the enemy."

The crew on board the trawler, which is registered under the Belize flag of convenience, were known to be Icelanders, he added.

In June Norway's coastguards fired their first ever warning shot after cutting nets of several vessels — the culmination of a series of incidents

in the area that led Iceland to accuse Oslo of putting its trawlers' lives in danger.

"This trawler was one of those involved then," Lien said.

At that time the Defence Ministry said it hoped its action had shown its will to enforce the zone and would not have to be repeated.

In Friday morning's incident the coastguards were closing in on the Hagagangur II in an inflatable boat launched from their large patrol ship and intended to cut its trawl lines when they saw a man come on to its deck with a rifle and aim it at them.

"When the shot hit the water they turned back," Lien said.

The trawler crew did not deny the shooting, he added, but said they had been firing at seabirds.

A plunge in fish stocks around Iceland has forced its fishermen to try their luck in more distant grounds including this disputed area near the Svalbard group of islands, 1,000 km (620 miles) from the North Pole, and the so-called "loophole," an area north of Norway and Russia.

US unemployment rate rises but job growth still healthy

WASHINGTON, Aug 6: The US unemployment rate edged up to 6.1 per cent in July but job growth was still quite healthy, the government said Friday, reports AP.

July's rate, reported by the Labour Department, compares with six per cent in both June and May. Economists were expecting the slight uptick and do not believe it signals a deterioration in the economy.

The report hasn't changed their belief that the Federal Reserve is preparing to nudge interest rates higher, either this month or next, in an attempt to slow economic growth and snuff out any potential increases in inflation.

Economist Robert Dedrick of Northern Trust Co in Chicago said the Fed probably

will push rates up by a quarter of a percentage point after its August 16 meeting unless statistics released between now and then are unexpectedly soft.

"The key thing is we are getting more aggressive hiring... We may see a fading... but so far it's not occurring," he said.

The unemployment rate is derived from a survey of households. A separate survey of employers' payrolls painted a bright picture.

The economy created 259,000 new jobs in July, about 60,000 more than analysts forecast, after producing 356,000 jobs in June.

Since the start of the year, the economy has added two million jobs bringing the total

to 113.6 million.

"This is continuing good news for American workers. We're right on track," Labour Secretary Robert Reich said in a telephone interview. "We have created, in the last 18 months, three times more private-sector jobs than were created in the previous four years."

He declined to comment directly on the Federal Reserve but said concerns that the economy's strong growth would trigger inflation were premature.

"At this stage there's no reason to be concerned about inflation. We still have room for growth... We're not in any way bumping up against the wall," he said.

The bulk of job growth in

July occurred in services, where payrolls grew by 138,000, and retailing, up by 75,000. Gains were strong in temporary help firms, in health care and at restaurants.

Construction jobs rose by 25,000, in line with recent moderate gains. Manufacturing jobs increased by only 6,000, held back by strikes and by temporary auto plant closings in preparation for the new model year.

Government jobs edged down by 2,000 while mining fell by 3,000.

Katherine G. Abraham, Commissioner of the Bureau of Labour Statistics, noted a statistically aberrant but artificially boosted job growth in June and slightly depressed it in July. The survey period was

a week longer in June, so some new jobs that normally wouldn't have been counted until July were counted a month earlier.

The department said the number of unemployed people in July, eight million, was up from 7.8 million in June. The most significant change in unemployment rates among demographic groups was for adult men, which jumped from 5.3 per cent in June to 5.6 per cent last month.

Friday's report unsettled the bond and stock markets, which viewed it as confirmation that higher interest rates are in the offing.

The Dow Jones average of 30 industrial stocks was down 10.36 to 3,755.43 in the first hour of trading. The 30-year

US Treasury bond was down 12.50 dollars per 1,000 dollars face value, while its yield stood at 7.52 per cent, up from 7.40 per cent on Thursday.

Most economists are looking for economic growth to slow during the second half of this year, after a torrid pace at the end of 1993 and robust advances during the first half of this year.

They're not expecting the unemployment rate to break much below six per cent anytime in the near future.

"The question isn't whether the economy is going to decelerate, the questions are when and how much," said economist Paul W. Boltz of T. Rowe Price Associates in Baltimore.

**Chinese campaign
to assess state
firms soon**

BEIJING, Aug 6: China is to launch a nationwide campaign to accurately assess the asset value of 150,000 state-owned firms, in a move aimed at protecting state property and eliminating fraud, China Daily said today, reports AFP.

The assessment drive will focus on improving the management of state-owned assets — valued at three trillion yuan (353 billion dollars) at the end of 1992 — and clamping down on the rush by local governments to promote business interests by improperly selling off state land and equipment to companies.

The newspaper quoted Vice Finance Minister Zhang Youcai as saying profits generated by state firms and incomes from the transfer of state property rights will have to be comprehensively accounted for.

According to a state regulation promulgated last month, proceeds may not be used for non-productive purposes or to balance deficits, but should be channelled instead into the promotion of medium sized state firms.

"The current work will target the transfer of property rights in the process of setting up a shareholding company, as well as transforming and merging state firms," Zhang said.

Cheap sales of state assets are already estimated to have cost China billions of dollars, as the issuing of shares has in recent years become a popular method of trying to improve the performance of the inefficient sector.

Zhang stressed that state property is still owned by the Chinese people, with the government as the sole representative of national ownership.

**US consumer
borrowing up**

WASHINGTON, Aug 6: US consumer borrowing in June increased at a 15.6 per cent annual rate over May, the Federal Reserve reported yesterday, says Xinhua.

The report said consumer installment credit rose by 10.9 billion dollars in June.

At the end of June, consumer installment credit totalled 849.6 billion dollars, the report added.

Consumer borrowing increased at a 16.6 per cent annual rate in May and 14.9 per cent rate in April.

Some analysts note that debt as a share of disposable income while rising, are not yet as high as they were in the 1980s.

The debt-to-disposable income ratio is now below 17 per cent, the ratio had reached 19 per cent before the recession started in 1990.

**Cuba brings back
income taxes**

HAVANA, Aug 6: The Cuban National Assembly approved a new tax system, bringing income taxes back for the first time in 30 years, and sharply increasing existing state levies, reports AFP.

In a unanimous vote late Thursday, legislators passed a bill introduced by President Fidel Castro, who attended a two-day session of the National Assembly of People's Power.

The bill states that "as an inalienable, general principle, all incomes including salaries, will be subject to taxes proportional to their amount."

An initial provision in the bill that called for income tax collection when the country's economic and social conditions permit it, was struck from the final version at Castro's insistence.

On Wednesday, Castro said income tax "must not be an untouchable dogma," and restricted debate on the controversial provision.

He also urged legislators to save the social security system from its current deficit of more than 500 million dollars through workers' contributions.

Cuba's economy and government spending has been decimated by the break-up of the Soviet Union, which cost the Caribbean nation its east bloc trade subsidies, and the three-decade-old US trade embargo.

Stressing the need to gradually create fiscal awareness among our people, the bill calls for reshaping the current, low-keyed fiscal system and imposing new taxes, mainly on national and foreign business profits and personal income.

The bill also calls for taxes on real estate, the use of natural resources and advertising, and imposes highway tolls.