

Tokyo okays  
\$60b package  
of sweeping  
reforms

TOKYO, Oct 30: The Japanese government approved yesterday financial measures worth 6.01 trillion yen (60 billion dollars) to support partial liberalization of rice imports and other agricultural reforms, officials said, reports AFP.

The package of sweeping reforms, to be implemented over six years from fiscal 1995 starting April, was adopted at a cabinet meeting Tuesday to meet the requirements of the Uruguay Round trade liberalization accord under the General Agreement on Tariffs and Trade (GATT).

Tokyo decided last December to import 400,000 tonnes of rice in fiscal 1995 with the volume doubling in six years. Japan's annual rice consumption is about 10 million tonnes.

The decision to partly open up the market was a compromise at the Uruguay Round negotiations for GATT.

Japan, which maintains self-sufficiency in rice as a key policy, rejected proposals to lift a virtual ban on imports in favour of imports under tariff, which would eventually lead to total liberalization of rice imports.

The reform spending package includes public works projects to develop agricultural infrastructure and a plan to extend low interest loans.

China intends to  
keep HK unit  
pegged to US  
dollar

HONG KONG, Oct 30: China intends to keep Hong Kong's currency pegged to the US dollar after it resumes sovereignty over the British colony in 1997, a Chinese banking official was quoted Saturday as saying, reports AP.

Chen Yuan, Deputy Governor of the People's Bank of China, said the Hong Kong dollar greenback link, which has operated since 1983, was important for China's economic reforms, Hong Kong newspapers said.

Some foreign commercial banks, investment banks, asked me whether the link will be abolished after 1997. I think this worry is natural, and I told them that the system will remain," the Hong Kong Standard quoted Chen as saying Friday.

Chen spoke at a meeting in Hong Kong of a Chinese-appointed committee that is helping China prepare for the 1997 takeover, newspapers said.

Hong Kong will keep its currency after 1997. Because of the currency peg, the Hong Kong dollar usually trades at around 7.8 dollars to one US dollar.

## Revenue collection seems higher

Revenue collection in the first quarter of the current fiscal appears healthy totalling Tk 2193.36 crore, more than four per cent above the target, despite a dismal return from the income tax, reports UNB.

While the government policy aims at increasing reliance on direct tax for revenue growth, earnings from the income tax fell short of the target by Tk 101.44 crore, according to official counts.

The collection from the income tax was Tk 199.90 crore against the Tk 301.34 crore target, a shortfall of nearly 34 per cent.

Earnings from the income

tax head even lagged behind the amount of the corresponding period of the last year (1993-94) by Tk 87.22 crore or 30.38 per cent.

The National Board of Revenue (NBR) realised an additional Tk 85.82 crore on the target of Tk 2107.54 crore during the July-Sept period, attributable to improve collections in duties and taxes at the import stage.

Also the amount is more than 11 per cent higher than that of the corresponding period of last fiscal.

Sector-wise performance shows collections at the import stage fared well compared

to that at the production stage.

Earnings from Customs Duty, VAT (Value Added Tax) and Supplementary Duty at import stage were all above their respective targets by 11.19, 29.24 and 86.75 per cent.

The amount of locally collected VAT, on the other hand, was only 6 per cent above the target. Earnings from the Excise Duty head even fell 4.40 per cent short of the target.

The 1994-95 budget projects the size of the revenue at Tk 9850 crore from the NBR sources against previous year's Tk 9200 crore.

Japanese now tend to work less,  
take more holidays

TOKYO, Oct 30: The longest recession since World War Two and a subtle change in mentality have meant that the Japanese, known worldwide as hard workers, now tend to work less and take more holidays, reports AFP.

Last year, for the first time since the war, the average working week fell to under 40 hours, excluding overtime marking a 12 minute drop over the previous year, Ministry of Labour figures released this month revealed.

But holidays remain shorter in Japan than in many other countries workers get a minimum break of just two weeks a year, plus 13 public holidays — while overtime hours tend to be abundant.

The Japanese worked an average 1,913 hours in 1993, of which 133 hours were recorded overtime taking into account unrecorded overtime, the Japanese probably still work longer hours than any people in the world.

Last year, they worked an estimated 1.3 hours unrecorded and unpaid overtime per day. The practice of work

ing these "service" hours is still widespread in Japanese companies.

But, on the whole, the Japanese are certainly working less than before as economic factors take their toll and as work ethics slowly evolve.

The annual number of work-hours here has dropped from 2,450 hours in the 1960s to 2,017 hours in 1992. In the same year, US workers were putting in 1,957 hours.

Progressively, the Japanese people's attitude towards work is changing," said Akira Hase, Managing Director of the Dentsu Institute for Human Studies, part of a giant advertising agency.

"The system itself hasn't changed very much yet but the Japanese, especially young people, want more free time for themselves and more leisure," he said.

"Hampered by economic difficulties, many Japanese enterprises cut the overtime hours," Hase added.

Electronics giant Sony and other firms are also trying to change the custom which dictates that workers do not take

all the holidays to which they are entitled in the interests of team spirit and so as not to set a "bad example."

"We encourage our employees to take their holidays as we have realised that they work far better if they get a change of scenery from time to time," a Sony spokesman said.

Iron and steel giant Hitachi Metals is another example of the vision of labour.

In September, the firm announced a reduction in working hours to 1,800 per year by the middle of 1995 compared to the current 2,114 to be brought about by a drastic reduction in overtime which will be brought down to a maximum of 30 hours a year.

Lawmakers are also planning to introduce a bill which would ensure that public holidays fall on a Friday or Monday to increase the number of long weekends.

Disparities between different job areas and the size of companies, however, has led to one in every six Japanese working more than 3,000 hours during fiscal 1992 which ended March 31, 1993.



Shipping Minister M K Anwar seen inaugurating the Bangladesh-Africa Liner service of Bangladesh Shipping Corporation (BSC) at Chittagong Port on Saturday. — PID photo



The certificate awarding ceremony of short courses on modern marketing management, personnel management and managing sales in a competitive environment organised by the Management Consultancy Programme under the Institute of Business Administration of Dhaka University was held at a local hotel in the city yesterday. — Star photo

MCP certificate  
awarding  
ceremony held

By Staff Correspondent

Professor Shamsul Huq, Director of the Institute of Business Administration (IBA), has said, the IBA is trying to repay the debt to the nation by offering modern management courses.

He was addressing the certificate awarding ceremony of the Management Consultancy Programme (MCP), IBA, DU at the Purbani Hotel in the city yesterday.

Over 1000 students completed the MBA course and 10,000 completed short courses on management discipline from the IBA since 1966, he said.

Individual value can be increased through efficient management in organisations and these courses helps a lot to gather knowledge about efficient management, he added.

Professor Anwar Hossain, said, the courses are aimed at making the managers more practical. They are the blending of individual experience of instructors, guest speakers and participants.

Chairman of the MCP Golam Mohammad Chowdhury said in private sector management people are showing greater interest to participate in this sort of courses for the development of human resource.

Managers should get touch of these courses to get the right mix of modern management, he said.

Malaysia's booming  
economy to grow  
strongly again

MANILA, Oct 30: Malaysia's booming economy will grow strongly for the seventh straight year but sings of overheating are becoming obvious, an economist told an Asian Development Bank (ADB) meeting yesterday, reports Reuter.

The government and Bank Negara has forecast gross domestic product (GDP) will grow by 7.8 per cent this year and by 8.5 per cent and 8.6 per cent in 1995 and 1996 respectively.

Elsewhere, the International Cocoa Organisation (ICCO) predicted that the deficit in the world's cocoa production would be less than expected, at only 75,000 tonnes in 1993-1994 (October to September) compared with 102,000 tonnes previously predicted.

The downward revision is mainly due to lower than expected consumption by Russia, Germany, Britain, the Netherlands and Japan. Around 2.48 million tonnes is expected to be consumed worldwide this year compared with production of 2.43 million tonnes.

COFFEE: Lower. Rain has been relatively plentiful in recent days in Brazil, causing prices to fall by around 200 dollars to 3,500 dollars per tonne, as dealers worried less about shortages in the harvest.

The dry period which has recently hit Brazil had delayed and damaged the flowering process of the coffee plants and reduced the 1995-96 harvest.

The arrival of rain allowed the plantations to return to a normal cycle, although the harvest had already been hit by two cold snaps in June and July, cutting the harvest to only 14 million bags (each of 60 kilograms) compared with 20 million this year.

SUGAR: Soaring the price of refined sugar jumped to its highest level since July 1990 at around 345 dollars per tonne on fears of a cut in Brazilian exports.

Brazilia has decided to impose a 10 per cent on its sugar exports to limit supply and protect the internal market. Last winter a shortage in sup-

ply pushed up domestic prices and aggravated inflation.

Exporters have petitioned the government to abandon the tax but so far without success. Brazil is the world's second largest producer.

Prices on the futures market also rose on news of a sharp cut in the sugarbeet harvest in the Ukraine and on rumours of imports in Algeria and Iran.

One dealer, however, estimated that the rise in price was essentially speculative without much fundamental support.

VEGETABLE OILS: Higher. The price of the main vegetable oils rose on the Rotterdam market in the wake of soy, which was boosted by rumours of Chinese buying and lower than normal stocks on the US market.

Palm oil remained firm as the producer stocks are low and demand is still strong. One dealer said Indonesian production which normally reaches a peak at this time, was low after a dry period.

OIL: Higher. The price of Brent Crude North Sea Oil rose steadily during the week, getting up through the key 17-dollars-a-barrel on Thursday on strong demand from refineries.

Nick Antill, a specialist with Hoar Govett, said the rise was mainly due to the reopening of several refineries closed for maintenance during the summer.

The refineries have increased demand for crude oil as they stock up for the winter season," said Antill.

Prices were also boosted by a record weekly drop of 5.8

DSE to announce new  
rules for listing of cos

Dhaka Stock Exchange (DSE), the only bourse in the country, will soon announce new rules for listing of the companies, a DSE member told BSS yesterday.

He said the DSE had put forward the listing rules in the form of suggestion to Securities and Exchange Commission (SEC) for its comments. He said "we have proposed some major shifts in the new rules from the earlier one, which were last modified way back in 1979. Main purpose of the new rules is to protect the interest of the investors particularly the small ones."

The member who preferred anonymity said under the new rules, as suggested by the DSE, a company willing to get listing must have a paid up capital in excess of Taka 20 million which is Taka one million under the present rule.

Under the new rule no company will be listed, unless it has issued at least 25 per cent of its total paid up capital or Taka 50 million whichever is lower.

He said the companies

would be listed within 90 days after the submission of their complete application to the DSE. Under the new rules, otherwise, they will be informed within two weeks, he said.

The company shall have to decide the successful applicants within 10 days of closure of subscription and shall refund the unsuccessful and unacceptable applicants within 10 days of the decision if the new rules are finalised.

He said under the new rules allotment letter should be despatched within 30 days of the closure of subscription. The time frame under the present listing rule is 45 days.

The SEC sources said the in-house work on the listing rules was progressing fast. The commission is expected to send back the draft to DSE with its comments by next two weeks.

The DSE will finalise the rules in consultation with SEC, the DSE member said adding the whole process of finalising the rules may take another month.

Seminar on Environment  
Conservation Bill

By Staff Correspondent

Speakers at a seminar on the proposed Environment Conservation Bill Saturday observed that the Bill lacked in providing necessary direction for the protection of environment, development of resources and biodiversity.

The discussants pointed out that the proposed Bill did not provide for prosecution procedure that would be determined by the by-laws and it would shoo off the prospective foreign investors scaring them with rules and by-laws.

The Bangladesh Environmental Lawyers' Association (BELA) organised the seminar at its office in Dhaka to initiate public debate on the proposed Environmental Conservation Bill 1994, approved by the Cabinet and now pending discussion in the Jatiya Sangsad.

Vice Chancellor of Bangladesh University of Engineering and Technology (BUET) Prof M Shahjahan chaired the discussion session of the seminar while Dr Qazi Faruque Ahmed of Proshika Manobik Unnayan Kendro was the moderator.

Prof Anun Nishat of BUET, Dr Saleemul Huq and Dr Atiq Rahman of the Bangladesh Centre for Advanced Studies, ADAB Chairperson Khushi Kabir, Dr Qazi Kholiquzzaman Ahmad of Bangladesh Unnayan Parishad, Chinmoy Mutsuddi of the Federation of Environment Journalists, Bangladesh, Dr Yusuf Ali, Prof A H Bhuiyan, Hasna Moudud of CARDMA, and Dr Anun Afroze took part in the discussion.

The BELA initiated a series of meetings on the proposed Conservation Bill.

Singapore, may  
post 9 pc GDP  
growth this yr

MANILA, Oct 30: Singapore is expected to post over nine per cent economic growth this year but it had to solve a rising labour shortage to sustain this high growth level, an economist told an Asian Development Bank meeting on Thursday, reports Reuter.

Singapore is forecast to post 9.8 per cent gross domestic product (GDP) growth in 1994 and 8.3 per cent next year from 9.9 per cent in 1993, said Dr Tlak Abeyasinghe of the Economics Department of the National University of Singapore.

"Singapore is observing another high growth year in 1994. The GDP is likely to reach the nine to 10 per cent range," he told a workshop on Asia's economic outlook sponsored by the Manila-based ADB.

Growth is propelled by the manufacturing sector, particularly electronics, which is likely to sustain its boom until the end of the year, he said.

Improvement in the US economy, Singapore's largest export market, is also supporting growth.

Abeyasinghe's projections compared with the ADB's 9.2 per cent growth forecast this year and eight per cent in 1995.

He expressed concern, however, over increasing labour costs due to a shortage of supply.

"A high growth rate cannot be maintained in the long run without a substantial improvement in labour productivity," he said in his paper.

"Unless the government allows more foreign workers in, the labour shortage leads to increasing labour costs across sectors which will dampen growth," Abeyasinghe said.

Inflation is another factor behind high labour costs. The ADB forecasts inflation in Singapore to reach four per cent this year and 3.2 per cent in 1995 against last year's 2.4 per cent.

Its balance of payments surplus is projected to improve to 2.7 billion US dollars this year and 2.8 billion dollars in 1995 from 2.04 billion US dollars last year, the ADB said.

## Commodity markets: Prices of base metals, sugar soar while tea irregular

LONDON, Oct 30: The prices of base metals appeared to defy the law of gravity this week, soaring on speculation and increasingly firm fundamentals, reports AFP.

Copper led the complex upwards as dealers expect there to be a shortage of the metal in November, while copper, aluminium, zinc, lead, nickel and tin all registered between two and four-year highs.

Oil rose steadily on increasing demand as refineries reopened after the summer maintenance period and began to buy crude oil supplies for the winter period.

Elsewhere, prices of all agricultural commodities rose or remained stable with the exception of coffee, which dropped after better weather conditions in Brazil.

GOLD: Regular. Gold traded in a narrow range between 388 and 390 dollars per ounce as the market waited for the US third quarter GDP figures, which will indicate inflationary pressures in the market.

Dealers fear that a stronger than expected figure will cause a rise in US interest rates, which could in theory strengthen the dollar and weaken gold.

Elsewhere, Japanese conglomerate Sumitomo Corporation predicted that Japanese demand would rise by two per cent in 1994 to around 300 tonnes, of which 115 tonnes would be used for jewellery.

SILVER: Fluctuating. Silver fluctuated nervously between 5.3 and 5.4 dollars per ounce on speculation. One dealer said the market was "fundamentally weak" in view of the large

amount of world stocks.

PLATINUM: Firm. The price of platinum and palladium — both metals are used in the production of catalytic converters — remained firm on strong industrial demand and as Japanese buyers took advantage of the stronger yen.

Platinum rose to above 420 dollars per ounce, while palladium went above 160 dollars per ounce.

COPPER: Rising. Continued strong demand worldwide and speculative buying boosted copper 60 dollars to breach the key 2,600 dollars per tonne level for the first time since January 1991, rising to 2,640 dollars.

One dealer said it had become evident that there was not enough metal to satisfy demand in November as the housing and car markets gradually recover.

Traders at GNI damped market enthusiasm, saying that at these prices, producers holding reserves will be strongly tempted to sell the metal.

Weekly stocks on the London Metal Exchange (LME) fell 3,325 tonnes to around 335,075.

LEAD: Higher. Lead was pulled higher in the wake of copper, lifting around 12 dollars to 670 dollars per tonne — its highest level since 1992.

The metal rose at a slower rate than the rest of the metals as it was hindered by a continued rise in stocks — up 1,025 tonnes to 371,150 tonnes.

The market was also affected by disappointing figures for the use of lead in Japanese car battery production, down 0.5 per cent in September

compared to the same period in 1993.

ZINC: Jumping. After several weeks of weak fluctuations prices rose by around 50 dollars to around 1,130 dollars per tonne — their highest level since February 1993, after large-scale stock drawdowns.

Encouraging figures from the European Zinc Institute (EZI) showing world production stocks had dropped by around 20,000 tonnes also helped prices.

Weekly stocks on the LME fell by a massive 27,275 tonnes to 1,211,300 tonnes.

ALUMINIUM: Soaring. Aluminium jumped 100 dollars during the week to around 1,840 dollars per tonne — its highest level since November 1990 — as a speculative wave hit the market.

But Angus Macmillan, an analyst with Billiton Metals, said the price rise was exaggerated.

He said that although the world plan to reduce production, signed in February, appeared to be holding, it could break down in the first quarter of 1995 if prices continue to rise, as producers could increase output.

One Russian producer, however, said his country would not flood the market with low-cost aluminium and that Russian exports would fall by between 200,000 and 300,000 tonnes in 1994, and by the same amount in 1995.

Weekly stocks on the LME slumped a massive 62,050 tonnes to 2,058,975 tonnes.

NICKEL: Rising. Nickel prices rose by around 300 dollars to 7,350 dollars per tonne — their highest level since

August 1992 — after investment fund buying and in the wake of aluminium.

Analysts predicted a sharp drop in stocks as demand rises, with year-end consumption at only 12.5 weeks.

Certain dealers, however, said prices were inflated and could drop back next week on profit-taking.

Weekly stocks on the LME rose 1,296 tonnes to 149,262 tonnes.

TIN: Sharply higher. Prices rose to around 5,900 dollars per tonne — their highest level since January 1993 — as the metal lifted in line with the rest of the complex.

World production of tin fell by 10.55 per cent in the third quarter of 1994, which also encouraged the market.

Weekly stocks on the LME fell 880 tonnes to 30,340 tonnes.

COCOA: Firmer. Prices rose around 15 pounds to 985 pounds per tonne during the week on worries about low exports from Ivory Coast, the world's largest producer.

Although the harvest began several weeks ago, deliveries to the ports are arriving slowly — less than 20,000 tonnes has been delivered so far.

Large-scale rainfall caused should to appear on the cocoa beans, affecting their quality and leading dealers to wonder if the harvest would be as large as expected.

Another cause of worry is that Abidjan is studying the possibility of raising taxes on its coffee and cocoa exports. This would have an immediate effect on prices, as the Ivory Coast supplies a third of the world's cocoa.

grain surplus should be welcomed by the market.

One Chinese importer, told dealers that his country will not import any more this year. The news surprisingly, had no effect on the French market which had been expecting a record purchase by Beijing.

The Chicago market fluctuated during the week despite the prospects of large-scale sales of US wheat. A record drop in world stocks has caused demand for US grain to rise.

The International Wheat Council (IWC) estimated that the 1994-95 world harvest (July to June) would be the worst for six years, at only 530 million tonnes — 28 million less than the previous year.

The decline is mainly due to a drop in Australian production after the worst drought since 1972. The harvest is expected to drop to 7.5 million tonnes — half that of the previous year at 16.9 million tonnes.

TEA: Irregular. The price of top quality teas rose 10 pence to around 200 pence per kilo, with certain teas from Uganda and Assam from India particularly sought after.

Medium and poor quality teas remained stable at 112 and 84 pence per kilo respectively. Ceylon teas dropped between three and five pence.

COTTON: Higher. The reference prices rose to 0.75 dollars per pound after speculative buying on rumours of Chinese imports, and a rise in world demand.

WOOL: Higher. Prices rose 23 pence to around 4.51 pounds per kilo on a rise in exports on the Australian market, particularly to China.