

# The Daily Star DUSINESS

HYUNDAI CARS THAT MAKE SENSE

# Country's raw jute export earning rises by Tk 90.19 cr in '94-95

By Rafiq Hasan

The country's raw jute export increased by 5 lakh 26 thousand bales in the 1994-95 fiscal year compared to the fiscal year of 1993-94. Similarly, the export

earning increased by Taka 90 erore 19 lakh during the same period.

According to the Bangladesh Jute Association, during the period the country earned Taka 314 crore 89 lakh by exporting 17 lakh 24 thousand bales of jute.

In the previous year, the earning was Taka 224 crore 70 lakh by exporting 11 lakh 98 thousand bales.

"The export earning has been increased because some major buyer countries have increased their imports during the period," said Rezaul Karim, Vice Chairman of Bangladesh Jute Association.

"Although it appears that the export of jute from the year's import of 1 lakh 81

US dollar down

in Tokyo

dollar was lower against the

Japanese yen late Monday

dollar was traded at 97.32

yen, down 0.57 yen from late

Friday's 97.89 yen and below

its level in late New York

Dollar sales by Japanese

trading Friday at 97.40 yen.

exporters pushed the cur-

rency lower in morning trad

ing, but US funds and

Japanese importers bought it

on dips, keeping the dollar

from falling further, traders

McCann-Erickson,

affiliation accord

ing agency in Bangladesh

takes a major step forward to

link up globally by signing an

affiliation agreement with

McCann-Erickson Worldwide

wide is the world's largest

advertising agency with

offices in 104 countries of

the world. It's annual billings

in 1994 was 7.2 billion US

dollar. It is widely present in

Asia-Pacific region in 22

countries, and Bangladesh is

the last to come in their

portfolio in this Indian sub-

Brian G Cahill, Senior

Vice-President, Asia-Pacific

and Area Manager for

Myanmar, Thailand, Laos.

Combodia, Vietnam, Pakistan

and Bangladesh, signed the

accord on behalf of the

McCann-Erickson Worldwide.

great potential for foreign

investment and it is for the

interest of our multinational

Clients that we are setting up

a partnership with Unitrend.

We are confident that our

choice for partnership was

the best, since, Unitrend is

the only growing advertising

agency in Bangladesh that has

to their credit great success-

ful campaigns and good local

Director of Unitrend said.

"It's time we should think

local and act global. And

that's what happened at Uni-

KUALA LUMPUR, Aug 21:

Without them, plantation

managers might as well close

shop, many working mothers

trend."

Muneer A Khan, Managing

and multinational clients."

He said, "Bangladesh has

continent.

McCann-Erickson World-

says a press release.

Unitrend Ltd. an advertis

Unitrend sign

morning, reports AP.

TOKYO, Aug 21: The US

At 11 am (0200 GMT), the

country increased this year in comparison with the last year but due to absence of good number of exporters in the market, the huge demand of the overseas buyers could not be met, he mentioned.

"Implementation of rescheduling of bank liabilities of distressed raw jute traders and exporters as per circular sent by the Ministry of Finance to the respective banks would help a good number of jute traders and exporters come in the market which would also boost raw jute exports as well as earnings," he observed.

During the period. Pakistan imported 3 lakh 29 thousand bales as against previous season's import of 1 ous year. Belgium imported lakh 22 thousand bales. India 43 thousand bales against 25 imported 3 lakh 14 thousand bales as against previous

thousand bales. Raw jute export to China is also higher than the previ-

ous year. During the period, China imported 1 lakh 85 thousand bales as against its import of 46 thousand bales in the previous 1993-94 fis-

About 42 thousand bales of raw jute were exported to Ethiopia last year while during the previous year, export to that country was nil. Ivory Coast, Belgium,

Turkey and Poland, also increased their import of jute last year.

According to the BJA. lvory Coast imported 1 lakh 57 thousand bales against 72 thousand bales of the previthousand bales, Turkey imported 50 thousand bales against 37 thousand bales

while Poland imported 32 thousand bales against 23 thousand bales previous year.

All exports of raw jute to India during this time were made through Benapole border by truck. But the export to India through Benapole border by truck was a problem, Karim said.

"Due to timing gap between the two sides, sometimes exportable jute is to be kept in no man's land under the open sky resulting in damages of the goods," he added.

In addition to the present system of export of raw jute to India through Benapole border by truck, the government should immediately take initiative to re-introduce railway system for shipment of goods to India. It will help both sides for quick delivery of good quantity of exportables. Karim suggested.

# MOU signed with Singapore on cooperation in seafood

A Bangladesh-Singapore Fishery and Seafood Cooperation Committee (BSFSCC) will be set up soon with a mandate of finding ways and means to increase trade and investment between the two countries in the sector.

The BSFSCC will comprise eight members with four each from the two coun-

A memorandum of understanding (MOU) to this effect was signed here yesterday between the presidents of the two associations Bangladesh Frozen Foods Exporters' Association (BFFEA) and Seafood Industries Association Singapore

On completion of its fiveday visit, a 13-member Singapore trade delegation, led by Edith Chov Cheong Hoong, director. Trade Development Board and accompanied by the SIAS president, Raymond Lim Sian Heong, left Dhaka vesterday.

"This is a bold step towards tapping the vast and rich seafood resources and the business and trade possibilities that both parties can offer each other and to en-

By Staff Correspondent hance better understanding and cooperation in the industry between the two countries," said Dr Aftabuzzaman, president of the BFFEA in his instant reaction.

### SEC education programme for share investors held

An education programme for thirty share investors and potential investors was organised by the Securities and Exchange Commission on Sunday at its conference hall, says a press release.

In his inaugural speech, Sultan-uz Zaman Khan, Chairman, SEC, explained briefly the role of SEC in the protection of investors' in-

Abul Hasnat Khan, Managing Director, BOC (Bangladesh) Ltd, spoke on the duties and responsibilities of the listed companies towards their shareholders. He opined out that the shareholders are the collective owners and the ultimate authorities of a

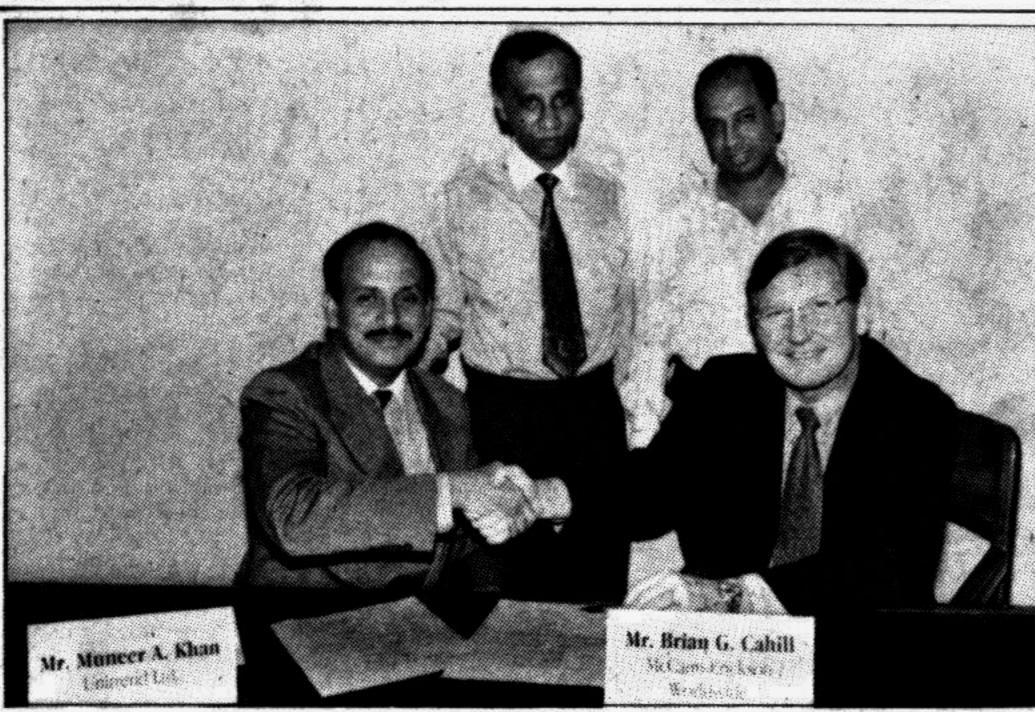
Talking to The Daily Star. immediately after the signing of the MOU, the president of the BFFEA said that the SIAS has invited the BFFEA to set up a permanent exhibition of Bangladeshi products in Singapore to be known as the Bangladesh Seafood Sho-

"The permanent exhibition in Singapore will serve as a hub or springboard for Bangladesh frozen foods exporters to expand business in the Asia-Pacific markets. said Dr Zaman.

"More importantly, as Singapore attracts buyers from all over the world, we believe, this Showcase will help promote Bangladeshi products across the globe by a greater degree than before," he added.

According to the MOU the BFFEA will forward the names of their representatives to the SIAS by September 30 this year and the SIAS will also do the same.

"The BSFSCC members shall hold their respective offices for two years with effect from the date (August 20, 1995) of signing of this MOU," the MOU said.



Muneer A Khan, Managing Director, Unitrend Ltd, seen shaking hands with Brian G Cahill, Senior Vice President, Asia-Pacific, McCann-Erickson Worldwide after signing the affiliation agreement.

### Mostafiz urges OECF chief to consider Rupsa Bridge project

Foreign Minister A S M Overseas

The Foreign Minister gave a background of the present democratic government and expressed firm determination of his government to uphold the democratic pro-

He acknowledged with next yen loan package.

The OECF president

OECF president appreciated the reasonings given by the foreign minister for Rupsha Bridge project and assured that full consideration would be given to all the factors involved in decision making as soon as the project proposal along with the feasibility report is received by

### Bangladesh on verge of being seriously indebted state?

Bangladesh is on the verge of being a severely indebted country, reports UNB.

recent World Bank classification made on the basis of the present value of the country's total debt service.

However, the Ministry of Finance said in a recent publication on foreign aid situation that external debt obligation of Bangladesh was 'still within reasonable limits compared to other developing countries.

encountering any debt problem since most of the debt is owed to multilateral creditors, said the publication of the Economic Relations Division (ERD) of the Finance Ministry.

however, expressed concern at the increasing external debt liability. It called attention to the country's growing indebtedness "which will absorb significant amount of hard earned foreign exchange on account of debt service liability."

Bangladesh's debt service payments on total public sector debt mounted to a whopping 512.4 million US dollars in 1993-94 from 19 million dollars in 1973-74, according to the ERD publication.

Total debt service payment in 1993-94 represent more than 20 per cent of country's merchandise exports. 12 per cent of exports of goods and manpower, and 2 per cent of GDP (Gross Domestic Product).

Mostafizur Rahman called on Akira Nishigaki, President of Economic Cooperation Fund (OECF) of Japan at the OECF office in Tokyo on Sunday, reports

He was accompanied by Bangladesh Ambassador to Japan S M Rashed Ahmed. according to an official handout here.

gratitude the valuable Japanese assistance in the infrastructure development in Bangladesh. In this connection he invited the attention of OECF to the project proposal on 'construction of Rupsha Bridge and gave adequate justification for implementation of this project on an urgent basis. He requested the OECF to consider this project for financing under

praised the initiatives taken by Bangladesh government for overall development of the country.

The warning came in a

The country is still not

The same publication.



Bangladesh government has given award to Sabinco for its outstanding contribution to the fish and shrimp industrial sector as the best investment institution. The award is being received by Sabinco Secretary M Amirul Alam from Prime Minister Begum Khaleda Zia at the inaugural ceremony of Fish Fortnight 95 on August 16 in BARC premises. Abdullah Al-Noman, Minister for Fisheries and Livestock, and A H Mofazzal Karim, Secretary of the ministry, are also seen in the picture.

### \$ 32m sugar stocks seized

# Pak Sugar Mills Assoc slates govt action

KARACHI, Aug 21: Pakistani sugar mill-owner on Sun day criticised the govern ment's action in seizing privately held sugar stocks valued at one billion rupees (32 million dollars) to sell cheap to consumers. Khadim Ali Qizilbash, Secretary General of the Pakistan Sugar Mills Association, said the authorities had confiscated more than 1.5 million 50 kg and 100 kg (110 lb and 220 lb) bags of sugar from big warehouses and 16 sugar mills around the country in the last three days.

The government has sweetened households but annoyed the mill-owners," he told Reuters.

Officials quoted by the state news agency APP said the move was aimed at stopping "hoarding and profiteering," adding that the sugar would be sold at 13 rupees (0.41 dollars) per kg, 25 per cent below the present retail price of up to 17.5 rupees (0.55 dollars).

About four months ago the government approved the export of 300,000 tonnes of sugar in fiscal 1994/95 (July/ June) on the understanding that the politically sensitive retail price would not rise from its then level of 14 rupees (0.44 dollars) per kg.

"The public and particularly housewives are very happy with the government's move," said an official at the

state-run utility stores corporation at Frere road market in Karachi. The Karachibased business recorder said the government would pay something over 12 rupees per kg to the owners of the confiscated sugar.

## SDC makes presentation on rural credit

Phillipe Besson of the Swiss Development Co-opera tion (SDC) made a presentation yesterday at Bangladesh Bank conference room on rural credit to the poor transition from subsidised to sustainable credit programme — case studies, says a press release.

A B M Mahbubul Amin Khan, Deputy Governor of Bangladesh Bank, acted as moderator in the function:

Senior Bangladesh Bank officials including Deputy Governor Shah Abdul Hannan, representatives of Nationalised Commercial Banks (NCBs), Bangladesh Krishi Bank (BKB), Rajshahi Krishi Unnayan Bank (RAKUB), Centre for Development Forum (CDF), Palli Karma Sahayak Foundation (PKSF), GTZ, Swanirvar Bangladesh and Bangladesh Institute of Bank Mana gement (BIBM) were attended the function.

# Maintain peace to sustain development

Mosharraf urges people

COMILLA, Aug 21: Energy and Mineral Resources Minister Dr Khandker Mosharraf Hossain urged the people to maintain peace and stability for sustaining production and development in the country, reports UNB.

"Peace and stability must be maintained to attain the cherished goal of development," the minister said on Sunday. Otherwise, any development move to lead the country towards self-reliance would be jeopardised and dependence on foreign aid would be increased." he

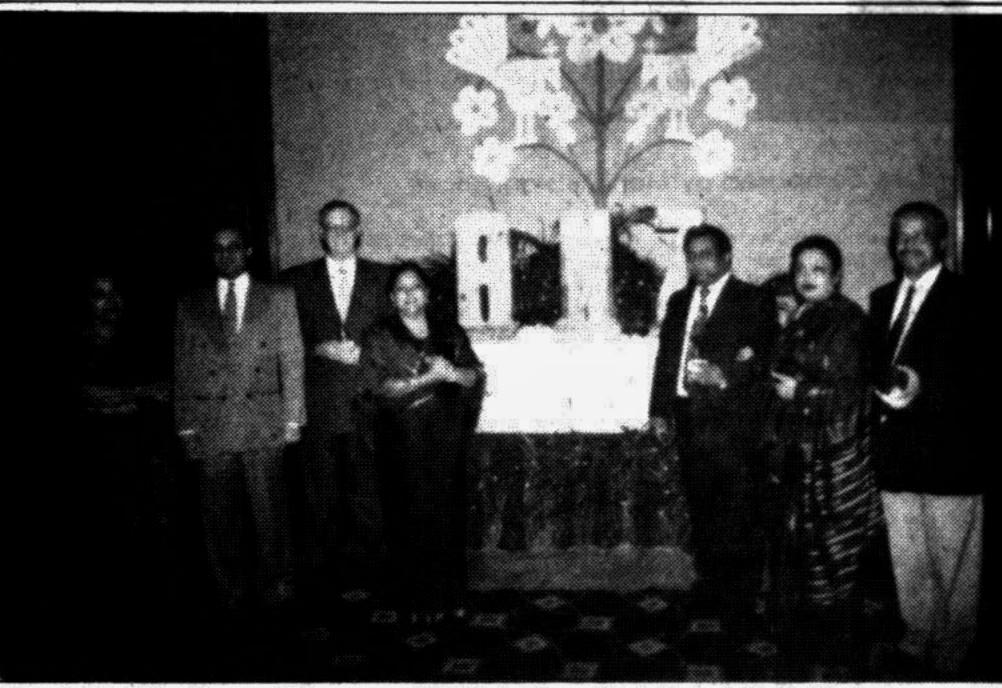
Dr Mosharraf Hossain was addressing a gathering at Baherchar Fazlul Huq High School premises held on the occasion of foundation laying ceremony of its new building. Listing different epoch-

making development programmes, he said the government has rejuvenated the country's economy which was badly shattered by the de-, posed autocratic regime.

He said the country is now moving ahead towards selfreliance which has been widely acclaimed at home and abroad.

The Energy Minister said a section of political parties have been creating barriers to the path of development by pursuing negative politics.

Later, the minister inaugurated a tree plantation programme there.



Frank Gamble, General Manager, ANZ Grindlays Bank Bangladesh, hosted a reception on Sunday at a local hotel to bid farewell to Deputy General Manager Muhammad A Ali and welcome K Mahmood Sattar, Chief Manager Business Banking and M Ehsanul Haque, Chief Manager Retail Banking.

# Malaysia facing problems with foreign workers

might have to give up their jobs while houses and highports Bernama. Whether Malaysians wel-

come or resent their presence, foreign workers are here and it looks like they are here to stay. The foreign workers who

come to this country. whether legally or illegally, are a hardy breed who are not choosy about jobs. They can be seen almost everywhere, at restaurants, petrol kiosks, in mini buses,

plantations, construction

sites, factories and many

homes. Rapid economic progress which generated innumerable job opportunities, particularly in the construction. plantation and manufacturing sectors, have attracted foreign workers to Malaysian

shores in droves. Although it could not be denied that they make a vital contribution to the economy their presence has given rise

to various problems. Among them are the rises might not be built, re-, creation of haphazard squatter communes, crime, vice and spread of diseases such as tuberculosis, malaria, aids and leprosy.

> They are also a social burden, especially to the country's health care system. Besides being big users of subsidised medical and health facilities, they are also big defaulters, leaving in their wake rm 1 million (about 409,000 US dollar) in unpaid hospital bills.

> The health ministry recently came out with a statement saying that while it is the government's policy not to turn away anyone requiring treatment at government hospitals, it is also studying how to formulate a system that would help the government avoid losses.

In the education sector. some 32,000 children of foreign workers are officially enrolled in government schools in the country.

Prime Minister Dr Mahathir Mohammad had in February expressed the government's intention to reduce the foreign labour population in the country, now numbering about a million, half of whom came in

through proper channels. He said Malaysia was facing big problems arising from the presence of these foreign labour, such as the recurrence of diseases that had been eradicated or controlled like malaria and tuberculosis.

It is difficult to get an accurate estimate of the number of foreign workers in this country as only those with valid travel documents are registered with the authori-

According to statistics of a government task force specially set up to handle foreign labour in the home ministry, some 530,000 foreign workers have been registered in the country from January 1992 to March 1995.

Almost 50 per cent of

them are Indonesians, with the rest comprising Bangladeshis, Thais, Filipinos and Pakistanis.

Of the 530,000, some 110,000 are working as domestic helpers, 180,000 as plantation labourers, 50,000 as factory workers, 9,000 in the services sector and 180,000 as construction workers.

The figures clearly show how dependent the country is on foreign labour. What then are the implications of such a dependency? "There are a number of

adverse implications for the country if it continues to depend on foreign muscles to do the work," said Associate professor Dr Mohammad alias, dean of the economics faculty of University Kebangsaan Malaysia (National University of Malaysia). Among

Intake of foreign labour for the plantation sector will delay the development of

new technology and applications of the latest mechanisation process.

Small and medium scale industries will be reluctant to invest in new technology as they do not perceive a necessity for it. Foreign labour will exert

pressure on the provision of subsidised public services in the country such as education, health and transportation, causing a burden to the government and the Malaysian people in the long term. Proliferation of disorderly

attendant problems such as drainage, water and electricity supply. Outflow of a massive amount of the ringgit to their

home countries in terms of

squatter settlements with

Worse, says Dr Mohammad, will be the crunch to the economy if the government suddenly decides to reverse its policy and ban the import of foreign labour.

remittances.

particularly for the plantation and manufacturing sectors.

"This is because the country has become over-dependent on foreign workers," he explains. He believes Malaysia's dependence will be a long-term one, similar to the experience of several European countries such as Germany, France and England which left them with several economic and social problems. Germany, for instance, has thousands of foreign workers from Turkey, France is host to workers from Algeria and England,

"Malaysia's dependence on a million foreign workers will enable their second generation to claim a place in the country and this will create problems such as those experienced by these European countries," he said.

workers from India and

Pakistan, he said.

He says the government must take heed of the adverse implications in store

for the country if it fails to undertake comprehensive planning to address the prob-

A leading Malaysian economist, Royal Professor Ungku Aziz, says the presence of a million foreign workers underlines the country's dependence on foreign labour.

"This dependence is most glaring in the plantation. manufacturing and services sectors. They require cheap labour and for this, resort to foreign workers rather than

locals," he adds. A former vice-chancellor of University of Malaya (UM) Professor Ungku traces the root cause to the reluctance of Malaysians themselves to work as pump attendants. domestic helpers and planta tion labourers.

"Like it or not, we have to accept the reality that with out foreign labour, Malaysia's economy would be affected and this would have adverse results for the country." he

Taking the governmentrun federal land development authority's land schemes as an example, he says many second generation settlers, that is, children of the original settlers of oil palm and rubber schemes, are not interested in continuing the work of their parents but prefer to spend their time in towns.

"Had these youths worked in the schemes harvesting oil palm, for example, they would be earning about rm 20 daily," he explains.

Professor Ungku Aziz says the work that should have been passed on to the children of settlers has been taken over instead by workers from Indonesia and Bangladesh

Examining the symbiotic relationship that has sprung up between the country and its guest workers, he states that to sustain its economic growth rate to about eight per cent, Malaysia would have to continue to depend on foreign labour