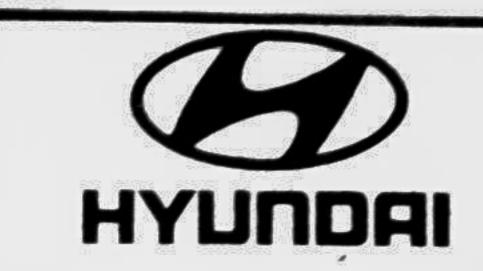
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# DThe Baily Star DUSINESS



CARS THAT MAKE SENSE

Food Ministry meet

#### Bring more land under cultivation

A high-level meeting of the Food and Agricultural Ministry on Tuesday laid emphasis on bringing more land under culti-vation to boost agricultural production, reports UNB.

The meeting also stressed the need for ensuring supply of high yielding seeds and expansion of power supply network and modern irrigation facili-

Agriculture Food and Relief Minister Begum Matia Chowdhury presided over the meeting. said an official handout.

The meeting reviewed the Task Force Report formed to produce 2.5 crore metric tons of foodgrains every year by the year 2000.

It also suggested to strengthen block base produc-

### US to probe dumping by Japan

WASHINGTON, Aug 21: The US Commerce Department's Import Administration said Monday it will investigate an allegation by the leading American manufacturer of supercomputers that Japanese super computers were being dumped in this country at unfairly low prices, reports AFP.

The agency acted on a petition filed July 29 by Cray Research Inc. of Eagan, Minnesota, which alleged that NEC Corp of Japan won a bid with a federal climate laboratory this spring by offering four supercomputers for the price of one. NEC denies the allegation.

The petition was filed simultaneously with the US International Trade Commission, which scheduled a hearing for Tuesday. The ITC will make a preliminary determination by September 12 on whether or not the US industry is being injured or threatened with injury by Japanese imports.

"If the ITC's preliminary decision is affirmative, the Commerce Department will continue its investigation and will issue a preliminary determination on the dumping issue no later than January 6, 1997," the announcement said.

The department could impose stiff tariffs on the Japanese supercomputers if the dumping allegation is finally confirmed.

Cray's complaint is aimed at forcing the National Center for Atmospheric Research in Boulder, Colorado, to scrap its deal with NEC.

The deal would give the Japanese an important inroad in the US market and introduce their equipment to American scientists, analysts say. Cray controls 60 per cent of the world supercomputing market.

#### Aussie aid cut to Asia defended

CANBERRA, Aug 21: Australia on Wednesday defended its decision to put domestic economic reform and a stronger military capability ahead of the plight of its poorer neighbours in its annual government budget, reports AP.

The budget cuts foreign aid expenditure by Australian 114 million dollars Australian (US 91 million dollar) or ten per cent, forcing programmes in several Asian countries to be

The aid reduction is part of Australian 7.2 billion dollar (US 5.5 billion dollars) worth of wide-ranging cutbacks over two years announced by Costello on Tuesday to erase a big budget deficit and to promote economic growth.

Defence is the one of the few areas quarantined from the expenditure clamp down. Instead the armed forces have been ordered to rearrange their finances by cutting bureaucracy and spending more on military hardware and frontline per-

sonnel. Costello said Asian countries will accept the budget's economic aims as well as the need for Australia to maintain

its military profile. "I think our neighbours will see that this is a government which is taking its fair share of responsibility in relation to its defense of the region," Costello told the National Press Club. "They will see a country that

is cutting its cloth to meet its' means. Despite this one security analyst said the budget will send a negative signal to Australia's Asian neighbours.

#### Auction in Chittagong

# Strong demand for all grades of teas marked

CHITTAGONG, Aug 21: The weekly tea sale held here on Tuesday was marked by strong demand for almost all grades of teas with the prices showing upward trend, market sources said, reports BSS, Both export and internal

buyers were active at the sale. Poland and Russia were. however, less active, but Pakistan, Sudan, and Afghanistan operated in strength. Bold brokens were again

easier at a drop of 1 Tk to Tk 2/per kg. selling between Tk 41/and Tk 41/50. large brokens

kg, medium brokens met with more demand and were mostly sold at firm to dearer levels following quality, smaller brokens were a strong feature and advanced by Tk. I/- to Tk 2/and sometimes more following quality popular types were also dearer and sold between Tk 46/-

and Tk. 50/-10. There was a more widespread demand for fannings which were generally a dearer market advancing by Tk. 1/- to Tk 2/- but good liquoring types were stronger and advanced further. Popular types were also dearer and sold be-

tween Tk. 47/ and Tk 53/-40.

120 chests of green tea on offer were all withdrawn owing to low bids.

4,158 chests, 70 gunny sacks and bip bags of dust grade on offer met with a fairly good demand, good liquoring red dusts and pekodust and dusts met with good competition and were mostly firm to slightly easier, others sold between Tk 1/- and Tk 2/- per kg, churamonidusts were a much lower market with fair withdrawals.

-Bazaar and the blenders lent good support.

There were 25,800 chests and 70 guriny sacks of teas on offer.

#### BSRS to float mutual fund in Oct

crore during the preceding financial year.

While reviewing the activities of BSRS at a meeting of the

man Hasnat Abdul Hye in the chair, the board was apprised that the BSRS mutual fund will help augmenting the liquidity in the share market and broaden the base of investment by encouraging the small savers to invest

The board was also informed that the formalities to float the funds were almost complete and as per the provision of the charter, the BSRS for the first time is going to perform as manager to the issue of companies besides directly participating in board of directors with Chair- underwriting activities of the

public issues. As a member of Dhaka Stock Exchange, the BSRS will soon start its opera-

The preparatory work has already been completed to start its commercial banking operation in the next three months.

As a result of intensified efforts, the board was told, the BSRS achieved remarkable improvement in the recovery situation during the last two financial years with the rate of recovery more than doubled compared to the proceeding



A meeting of the Board of Directors of Bangladesh Shilpa Rin Sangstha was held at its head office in the city on Tuesday with Hasnat Abdul Hye, Secretary, and new Chairman of BSRS Board of Directors, in the chair.

#### Corruption in telecom sector

## Indian govt asked to suspend phone operator licences

NEW DELHI. Aug 21: A senior Communist MP yesterday asked the government to suspend licences issued to private cellular and basic telephone operators after the seizure of huge unaccounted funds from a former minister, reports AFP.

Ashok Mitra, an MP from the Communist Party of India-Marxist, told journalists here that the government should also investigate all licences issued during the tenure of former telecommunications minister Sukh Ram.

Ram and a deputy director general in his ministry, Runu Gosh are facing charges of corruption after federal detectives seized huge amounts of cash following raids on their homes. There is now a strong prima facie ground for questioning the probity of this minister (Ram). Mitra alleged. "So much so that the bonafides of all contracts and purchases by the ministry

Mitra said he had written a letter to Prime Minister H.D. Deve Gowda demanding that the government set up a commission of inquiry or a joint parliamentary committee probe "which ever is legally suitable."

during his tenure are suspect."

The Communist Party of India-Marxist (CPI-M) supports the coalition government of H'D Deve Gowda with 32 MPs in the 545 member lower house of the parliament.

"I have got the letter cleared by the party (CPI-M) who has also authorised me to release these letters to the press," Mitra said when asked if the CPI-M approved his views.

The Indian government opened up the telecommunications sector three years ago in line with sweeping free-market reforms launched by former premier P V Narasimha Rao in June 1991.

Multinational firms like Telstra Corp, Hutchison Whampoa Ltd, Bell Canada, At and T. Alcatel of France and Scandinavian firms Nokia and Ericcson have already entered the Indian telecommunications market.

for massages, but it was decided

that this should be made part of

larger trade discussions be-

tween South Africa and Saudi

way to lift Saudi crude for this

country." Maduna said. "It's all

has drawn up on the sale of

massages in just over two

"We would want to look for a

## S'Africa to bid for Iraqi oil

CAPE TOWN, Aug 21: South Africa is to bid for Iraqi oil following a UN decision to allow the blacklisted Middle Eastern country to sell part of its crude on the open market, Mineral and Energy Affairs Minister Penuell Maduna said yesterday, reports AFP

"We are not averse to bidding for crude oil from Iraq, Maduna told a press briefing. adding that South Africa will register to bid for the oil. " If we get it at reduced rates. Why not

He said South Africa would seek to satisfy its daily crude consumption of 450,000 barrels a day from the most economical

sources available. Currently, Pretoria relies on

requirements and on Egypt for the bulk of the remainder of its.

However, Maduna said negotiations were currently taking place with Saudi Arabia which could see South Africa also lifting Saudi crude.

He said the negotiations were part of wider discussions with Saudi Arabia surrounding the possible sale of massages. the South African state-owned company which extracts offshore gas and transforms it into petrofeum product.

Tenders for massages, situ ated off Mossel Bay in western Cape province, closed on June 14 but no reasonable bid was received, Maduna said.

- In July, however, a late offer Iran for 65 per cent of its crude " was received from the Saudis

The Chairman of BADC M A Wadud seen distributing

certificates among the Deputy Directors and the co-

ordinating farmers on completion of two-day training

programme jointly sponsored by BADC and BARI.

part of the trade relations we are discussing. What that gives us, and them, I can't foretell." Maduna added that the South African cabinet was expected to consider a report he

week's time. Cabinet was also expected in the near future to take a decision on a controversial Iranian request to store some 15 million barrels of crude at the South African port of Sal-

danha, he added.

#### Canadian exports fall, imports rise

OTTAWA, Aug 21: Canadian exports fell 1.8 per cent in June while imports rose 2.3 per cent, cutting the country's trade surplus for the month to 3.1 billion dollars (2.2 billion US dollars), the government said yesterday. reports AFP.

Statistics Canada said exports slipped to 22 billion dollars (16 billion US dollars). following record shipments in May, while imports advanced to 18.9 billion dollars (13.7 billion US dollars).

This left a surplus of 3.1 billion dollars, compared to the record figure of 3.9 billion dollars (2.8 billion US dollars) of

Exports were down to most of Canada's major trading partners, except Japan, the government agency noted.

# JS told shrimp cultivators

Finance Minister Shah A M S Kibria yesterday informed the Jatiya Sangsad that the government has a plan to provide loans on easy terms to shrimp cultivators in the coastal regions during the current financial year, reports BSS.

Rimali Bank Tk 7.50 crore.

#### US trade deficit shrinks by 22.1 pc

WASHINGTON, Aug. 21: The US goods and services trade deficit shrunk by 22.1 per cent in June to 8.1 billion dollars from 10.5 billion dollars in May, the Commerce Department announced yesterday, re-

deficit of 9.6 billion dollars. The Commerce Department initially had announced a deficit of 10.9 billion dollars in

the year, the US trade deficit with Japan stands at 22.3 billion dollars, compared with 32.4 billion in the same period

stood at 3.3 billion dollars in June, versus 3.0 billion a year earlier. June is the first time on record that the monthly deficit with China exceeded the monthly deficit with Japan. The trade deficit with the

948 million dollars in June compared with deficit of 1.8 billion dollars in June 1995. The US trade deficit with the EU in May was 870 million dol-The trade deficit with Ger-

many narrowed to 1.06 billion dollars in June versus 1.55 billion in the same month a year earlier. In May, the United States recorded a deficit of 1.37 billion dollars with Germany. The United States had

trade surplus with Britain of 332 million dollars in June versus a deficit of 81 million in June 1995. In May, the United States recorded a surplus of 578 million dollars with Britain.

### Silver hits gold follows

prices were at their highest levdealers said, reports Reuter.

Gold followed only reluctantly, but market analysts said it could eventually make a go of breaking through its recent price ceilling at just under 390 dollars an ounce.

dollars an ounce, up eight cent

their profits in early European business after reaching a peak of 5.26 dollars overnight.

saw it venturing higher later this week. There has seen some good

dealer said Options are popular with

An option gives its owner the buy or sell a commodity at a set price at some specified future

#### Palestinians in economic trouble?

warned Tuesday, reports AP.

radio stations, Terje Larsen, the UN coordinator with the Palestinians, said the Palestinian areas were facing their worst economic crisis since Israel occupied the areas in 1967. He called on other countries

the economy of the Palestinian areas, which have been granted limited autonomy under Israel-Palestinian peace accords. The Israeli closure of the areas, imposed in February in response to terrorist attacks by

Unemployment is at 40 per cent in the West Bank and 51 per cent in Gaza, and investments and exports have fallen dramatically, he said.

In the past year per capita income dropped from 1,800 dollars to 800 dollars annually in the West Bank and from 1,200 dollars to dirs 700 dollars annually in Gaza.

# Govt has plan to provide loans to.

Replying to a question from Alamgir Muhammad Mahfuz Ullah Farid (BNP-Cox's Bazar) the minister said that there is a programme to provide loans to coastal shrimp cultivations during the arrest fiscal through Sonali Bank Tk 15 crore, Agrani Bank Tk 11.28 crore. Janata Bank Tk 23 crore and

ports AFP.

Analysts had expected a

For the first six months of

The trade deficit with China

European Union narrowed to

# two-month high,

LONDON, Aug 21: Silver els since mid-June here after speculative buying sent the New York market surging overnight,

Silver was indicated at 5.20

from Monday's London close and its highest price since June It eased a bit as dealers took

But several dealers said they

hedge-fund buying of silver call options, and also the underlying (silver metal) recently," a

market speculators as they offer a cheap way into betting on price movements. right but not the obligation to

JERUSALEM. Aug 21 Yasser Arafat's Palestinian Authority could collapse unless the Israeli blockade of the West Bank and Gaza Strip ends and more international aid arrives, a United Nations official

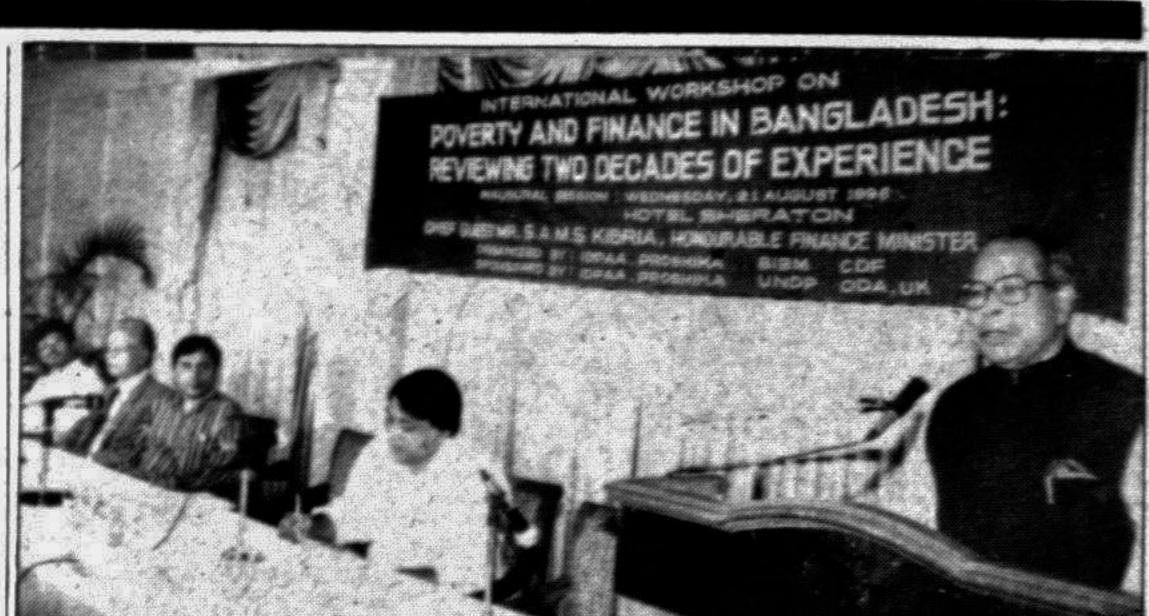
In comments cited by Israeli

to keep past promises to help

the Norwegian diplomat told a news conference.

Islamic militants, has cost the

Palestinians dlrs 600 million.



S A M S Kibria, Minister for Finance, seen inaugurating an international seminar on Poverty and Finance in Bangladesh: Reviewing Two Decades of Experience' at Hotel Sheraton in the city yesterday. -Star photo

Benazir tells S Asian conference

## 400 Pak employees convicted for violating child labour laws

RAWALPINDI. Pakistan. Aug 21: Nearly 400 Pakistan employers have been convicted in a nationwide crackdown against child labour abuse over the past 20 months. Prime Minister Benazir Bhutto disclosed yesterday, reports AFP.

The local authorities have conducted more than 7,000 raids since January 1995, to check exploitation of children in manufacturing units, she

"We have prosecuted more

lating our labour laws," she told a three day ministerial conference on children. The conference, arranged here by the seven nation South Asian Association for Regional Cooperation (SAARC), is being

attended by delegates from

Bangladesh, Bhutan, India,

than 2,500 employers and con-

victed 395 employers for vio-

Maidives, Nepal, Pakistan and Sri Lanka. Bhutto's disclosure followed international pressure on Pakistan against use of child labour in its export-oriented surgical.

sports, textile and carpet indus-Pakistan lost carpet export orders worth millions of dollars after the Easter day murder

Masih last year. Some human rights groups blamed the murder on the so called Carpet Mafia.

The carpet manufacturers have denied the charge while police said 12-year old Mash was shot dead by a drug addict in his town near Lahore

Pakistan is launching a "rug mark" campaign that will certify that carpets are not made with child labour, she said and added "we plan to start a similar programme for soccer

In addition to Pakistan, the

child labour issue has been af-

fecting other states in South

Asia, home to 450 million children. A conference document said thousands of South Asian children, especially girls are trafficked to other countries for

labour or sexual exploitation.

The conference on children will make a mid-term review of a ten year plan of action launched by the organization in It would recommend projects

and development of children in the SAARC region. Bhutto told the conference

relating to survival, protection

child labour, her government had set up a national commission for child labour welfare.

Pakistan in consultation with UNICEF has reviewed the existing legislation and proposed necessary amendments, Bhutto said but did not elabo-

We fully understand our moral, political and legal responsibilities to our children." "Perhaps we can not prevent the world from being a place

where children are tortured but

we can reduce the number of tortured children," Bhutto said. Calling upon the SAARC states to "rededicate" themselves to universalisation of primary education, she said "we gather here in a covenant to eliminate the gap between the world our children will inherit,

from the world they should in-

The SAARC state "must eliminate gender discrimination once and for all," she said. Bhutto appealed to the people and governments in South Asian region, to join together in the endeavour "to save our innocent children from the evil that lurks with shadows, from

the weight that fate places on

the shoulders too small to

#### of a child labour activists lqbal that in order to curb abuse of Washington raises minimum wage

WASHINGTON, Aug 21: President Bill Clinton yesterday signs into law the first rise in the minimum wage in five years, giving the lowest-paid Americans a 90-cent raise, but sweetening the pill for small businesses with tax cuts, re-

ports Reuter. The bill, boosting the wage to 5.15 dollars per hour, was a political victory for Clinton, who called for an increase when he campaigned for president in 1992, and his fellow Democrats. who forced it through over the objections of many Republi-

The fact that both of the Republican-controlled houses of Congress passed the legislation as few legislators are willing to go to the polls on November 5

having voted against it. The president plans to celestyle, arranging an elaborate outdoor ceremony on the White House south lawn. The bill will boost the wage, typically paid to unskilled

workers in restaurants and

small businesses, by 50 cents to

4.75 dollar on October 1 and by 40 cents to 5.15 dollars on September 1, 1997. One administration official said that in constant 1996 dollars the wage stood at 4.89 dollars in April 1991 and will only be 4.85 dollars in September 1997 after the full increase is in

effect Boosting the wage was supported by roughly 80 per cent of Americans but bitterly opposed by conservatives who came into office in the 1994 election that gave control of both houses of

Congress to the republican

"Considering how resolutely

anti-Clinton and ideological this Congress was, for one of its very few accomplishments to be a Democratic bill to increase the minimum wage is quite remarkable," said William Dick-

ens of the Brookings Institu-

tion, a Washington-based private research organisation. The legislation, formally called the "small business jobs protection act," was made easier for Republicans to swallow by adding a sweeping package of tax breaks worth roughly 22 billion dollars over ten years and aimed mostly at small

business. Conservatives argue that raising the minimum wage, which was first imposed by the federal government in 1938, would cut jobs, hurt small businesses and raise prices as companies pass on higher labour costs to consumers.

to help pipeline projects for

supply of gas and oil to Pak-

istan from Qatar, Oman or

"Iran looks forward to fur-

Turkmenistan in Central Asia.

ther enhancing its trade and

economic cooperation with

Pakistan in several sectors

which would be beneficial to

both countries," the statement

leading a ten member delega-

tion, earlier met with Prime

Minister Benazir Bhutto here

Aghazadeh the two countries

could benefit enormously "from

mega projects in the region like

gas and oil pipelines," the

The Pakistani president told

The Iranian minister, who is

further quoted him saying.

late Monday.

statement said

#### Leaf Tobacco Co recommends 25 pc dividend

brate by signing the bill in high

The Board of Directors of Bangladesh Leaf Tobacco Company Ltd. at its meeting held on August 18 recommended dividend at the rate 25 per cent to the shareholders of the com pany. The Board also proposed issue of bonus share at the rate

5:1, says a press release. The shareholders of this company have received Tk 355 on Tk 100 investment since inception and including this year dividend they will receive Tk 380 in cash. In addition they will receive bonus share at the rate 5:1 the value of which as per current market price will be around Tk 240, the press release

were also present on the occasion.

#### Iran to set up \$ Ib oil refinery in Pakistan

ISLAMABAD, Aug 21: Iran's Oil Minister Gholam Reza Aghazadeh said here yesterday his country was keen to enhance trade and economic links with Pakistan in a meeting with President Farooq Ahmed Leghari, reports AFP.

Aghazadeh arrived here Monday for talks to conclude an agreement to set up a onebillion-dollar oil refinery in Pakistan, saying US sanctions against Tehran will not jeopardise ties between the two Muslim neighbours.

An official statement quoted Aghazadeh as saying during the meeting with Leghari that Iran was "very keen" to supply gas and oil to Pakistan. He said Iran was also willing

> Leghari said apart from the oil refinery venture Pakistan was buying Iranian bulldozers while Iran was buying from Pakistan cement and sugar plants. Welcoming the recently established railway line between Iran and the Central Asian region. Leghari said Islamabad wanted further improvement of existing rail and communications links with Iran. The proposed refinery, with a capacity of 120,000 barrels a day, is to be set up in the southern port city of Karachi as a joint venture with co-financing by the two countries. A gas pipeline between Pak-

for which an agreement in On a contract signing occasion at WAPDA Bldg. yesterday for imparting consultancy service in the rehabilitation of Shajibazar Power Station, PDB's Secretary Habibur Rahman Jamali and Managing Director of Progressive Consultant Ltd (Bangladesh) Shafiqur Rahman are seen making an agreement. Other officials of both the organizations

principle was reached during Bhutto's visit to Iran in November last year. islamabad intends to import

istan and Iran is also planned,

1.6 billion cubic feet of gas daily from Iran, which has said the proposed pipeline could later be extended to India.

#### were also easier upto Tk. 1/- per tion system and techniques to increase vegetable land fruit production. Agriculture Secretary Dr. MM Sowkat Ali, former Planning Commission Member Dr Shah Muhammad Hasanuzza The Bangladesh Shilpa Rin man, BCIC Chairman AIM Sangstha (BSRS), which earned Nazmul Alam and high offia pre-tax net profit of over Taka cials of the Ministry attended eight crore during 1995-96 based on actual recovery as per the meeting. the provisional accounts, will offer its first mutual fund for public subscription by October next, reports BSS. BSRS earned a pre-tax net supercomputer profit amounting to Taka six