

Unrest giving wrong signals to foreign investors: Chairman Youngone to continue investment despite labour trouble

By Staff Correspondent

Youngone Group Chairman Kihak Sung yesterday said he is set to continue his investment in Bangladesh despite some scattered incidents which he termed 'wrong signals' for overseas investment in the country.

In a press conference at the Hotel Sonargaon, Kihak said many foreign missions, including the Japanese one, have been enquiring about the recent labour unrest at the Youngone factory that forced it to close down for four days.

Kihak said he tried his best to reopen the factory within four days after its closure due to labour unrest. Located at the Dhaka Export Processing Zone, Youngone Sportswear Industries Ltd of South Korea employed some 5,000 local workers and executives.

Kihak denied the allegations raised by a group of labourers and said Youngone used to abide by rules and regulations set by the Bangladesh Export Processing Zones Authority.

He said he took the decision to sack 92 of its agitating workers to save the jobs of the innocent workers. Those who were sacked will be given compensation as per the BEPZA rules, he said.

Kihak told The Daily Star that out of Youngone's 300 million US dollar global turnover, its Bangladesh units contributes about 150 million dollars.

UNB report adds: "The factory was not closed voluntarily," he said of the export oriented sportswear manufacturers at the Dhaka Export Processing Zone that faced an unscheduled closure for four days because of labour unrest.

The chief executive of the Korean company, read out at the news conference what is said to be the 11-point demand of the workers, and said the demands were never placed before the management of the company.

Vice president of Youngone Ali Noor and other officials were present at the press conference.

The demands, which were circulated, are no demand at all because they have already offered the "best welfare facilities" to its employees in the garment sector, he said, clarifying all the points.

He said 53 workers were terminated on emergency basis from the company "to bring back 5000 workers" to resume the works. The retrenched workers would get their compensation as per the rules, he added.

Referring to the demonstration by 5000 workers at the Savar police station, Kihak said as far as they know, there were hardly 300 of the Youngone workers in the demonstration and the rest hired by some vested quarters.

He also denied that any worker was arrested from the factory premises.

The Youngone chairman said exports worth five million dollars had been affected because of the production stoppage while they would have to airfreight goods due to delay causing them 1.5 million dollars in additional cost.

Youngone is going to establish a private EPZ, called the Korean EPZ, in Chittagong which would employ at least 150,000 people with potential investment of 1.2 billion US dollars.

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In Bangladesh, British in-

vestment in the energy and infrastructure sectors is strong, the release noted.

The trade mission is organised by a chamber of commerce from Yorkshire in North-East England, said a British High Commission press release here Thursday.

The volume of trade between the two countries, which stood at more than 350 million pound sterling (about Tk 2,590 crore) last year, continues to rise.

British exports to Bangladesh have seen a dramatic rise of about 40 per cent in the first five months of this year, with a total value of 40.5 million pound sterling (Tk 300 crore).

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The balance of trade, therefore, remains very much in Bangladesh's favour, the press release said.

The reduction in the exports from Bangladesh to Britain this year was mainly due to the impact of strict adherence to the European Union (EU) GSP regulations. However, the value of garments exports to the UK is still sizeable at 76.9 million pound sterling (Tk 570 crore).

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In Bangladesh, British in-

UK team due in Oct

Dhaka-London trade continues to rise

A British trade mission will visit Bangladesh in October this year that underlines the increased confidence of the UK companies in doing business with the country, reports UNB.

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Novartis holds workshop on crop protection

The Group Protection Sector of Novartis (Bangladesh) Limited held a workshop on 'The Need for Crop Protection in Agriculture' with the editors of the district news page of major national dailies and news agencies in the city yesterday, says a press release.

The Executive Director of Novartis Crop Protection, Sarwar Ahmed presented the keynote paper which was followed by a discussion. The workshop was arranged by Fakhruzzaman, Finance Manager, Crop Protection.

It was emphasised that Integrated Pest Management (IPM) is a means for sustainable agriculture. However IPM should not be meant as 'no pesticides' as some quarters are promoting in Bangladesh which is also confusing the farmers.

Novartis has done blood sample studies to determine the actual pesticide exposure situation of persons exposed to pesticides. Of the 190 persons sampled, only seven had mild exposure.

Dr Moinul Islam of Novartis demonstrated the use of the portable blood testing kit. Dr Islam is one of the two Novartis associates who have been trained by WHO on the use of this specific instrument.



Italian Deputy Foreign Minister, Senator Patrizia Toia, was received by the General Manager of Pan Pacific Sonargaon Hotel E J Mac Ewan upon her arrival at the hotel on Tuesday.

Goh outlines grand vision for SIA

SIA can be a world airline which provides a first class global service. This must be the next grand vision of SIA, the grand peak to climb — to be a world airline, says a press release.

Singapore Prime Minister Goh Chok Tong, who was the guest of honour at SIA's Golden Jubilee dinner, set this target for the airline in his address.

Goh said SIA could also forge alliances with reputable airlines to provide a first class global service. This must be the next grand vision of SIA, the grand peak to climb — to be a world airline," he said.

National Bank holds conference

The half yearly conference of the executives and managers of National Bank Limited was held at a local hotel yesterday, says a press release.

Abdul Awal Mintoo, Chairman of the bank, inaugurated the conference. In his speech Mintoo expressed satisfaction for the last six months performance of the bank. He emphasised manpower planning and its development for maximisation of the profitability of the bank.

He said that NBL is proud to be the first bank to introduce local and international Master Card. He also said that the managers should provide their best customer services to their clients to face the competition prevailing in the banking sector.

Besides the managers and executives of the bank Md Sarwaruzzaman Khan, Managing Director, Ali Akbar Khan, Director, Habibullah, Director Rafiqul Islam Khan, Deputy Managing Director of the bank were also present on the occasion.

Tea prices soar at Ctg auction

CHITTAGONG, July 17: The weekly tea sale held here yesterday marked an excellent demand with prices shooting up further quite substantially for all grades, market sources said.

Export buyers, especially Poland and Pakistan, were very active and dominated the market for all brokens and fannings.

Local blenders also operated in greater strength, the sources said adding that the loose tea buyers were only able to lift a limited quantity of tea this week.

Dusts once again were a strong feature at considerably dearer level.

However, transportation of tea has been hampered due to disruption of communications following recent floods, the sources added.

Exchange Rates

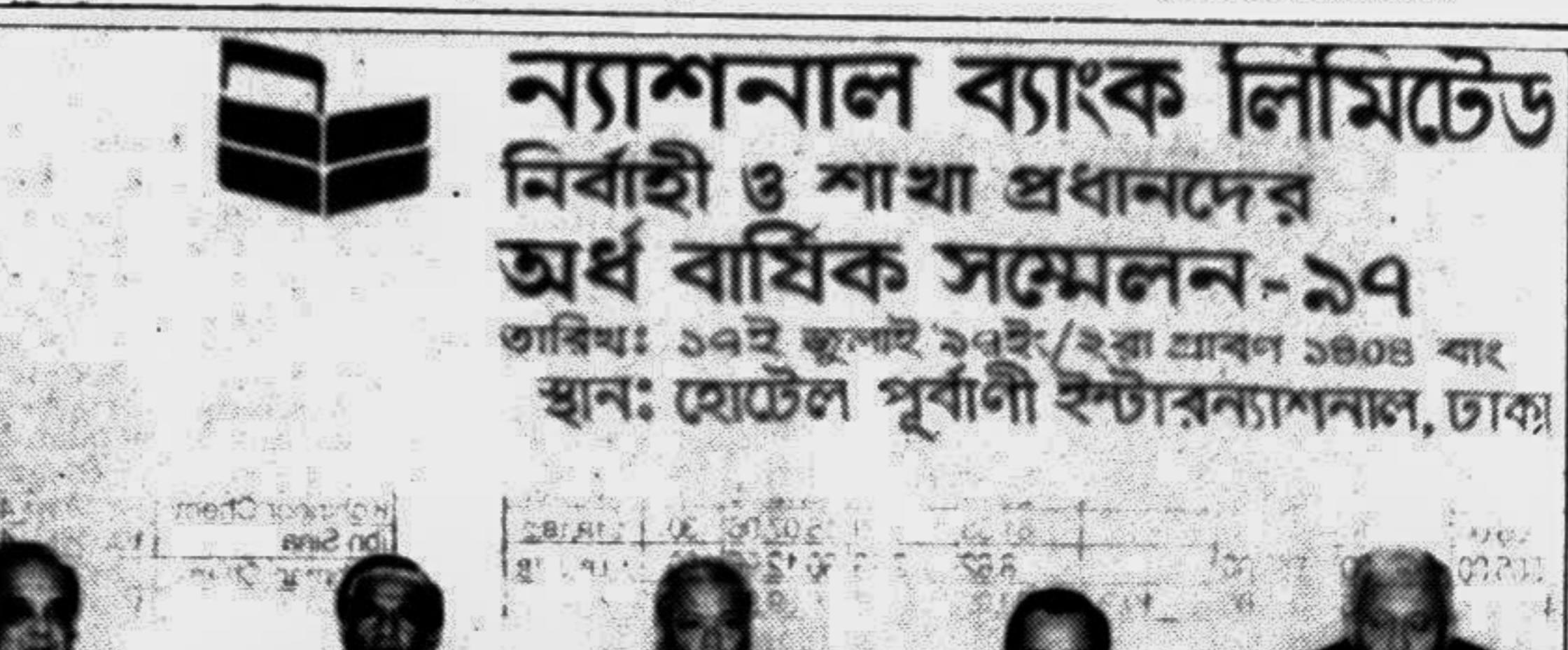
The following are the Janata Bank's dealing rate (BDT for one unit of Foreign Currency) to public as on 17/7/97:

	TT Clean	OD Sight Export Bills	OD Transfer
US Dir	43.5200	43.3522	43.2386
GB Pound	72.6309	72.3339	72.1442
D. Mark	24.1443	24.0455	23.9825
F. Franc	1539	1.247	1.1060
J. Yen	0.3732	0.3717	0.3707
C. Dir	31.4982	31.3694	31.2871
S. Franc	29.2833	29.1636	29.0871

Buying		
Name of Currency	T.T. & O.D.	B.C.
US Dollar	43.8120	43.8650
GB Pound	73.6758	73.7597
D. Mark	24.5538	24.5817
F. Franc	2.7236	2.7281
J. Yen	0.3819	0.3823
C. Dollar	32.0262	32.0266
Franc	29.7835	29.8173

Janata Bank's selling and buying rates in cash currency for public:

Selling	Buying
US Dir	44.1000
43.6000	



Chairman of National Bank Ltd, Abdul Awal Mintoo, delivering his inaugural speech in the half yearly conference of executives and managers of the bank at a city hotel yesterday. Habibullah and Ali Akbar Khan, Directors, and Md Sarwaruzzaman Khan, Managing Director (Current Charge) and Rafiqul Islam Khan, Deputy Managing Director of the bank are also seen in the picture.

Duties on exports slashed

Pakistan announces new trade policy

ISLAMABAD, July 17: Pakistan's cash-strapped government on Wednesday announced an "export-friendly" trade policy which slashes duties on exports and simplifies tax procedures to widen the industrial base and create more jobs.

Chief among the reforms will be ending preferential treatment for companies that in the past paid bribes to reduce their taxes and boost allowed quotas. Dar said the establishment of export quotas would be "completely transparent" from now on.

The new policy also slashes export duties for some of Pakistan's biggest industries, including textiles and cotton, he said.

The government also slashed duties on the import of raw materials and equipment — ranging from designer labels to automobile kits — that will be assembled in Pakistan and re-exported.

The Commerce Ministry also will simplify the work and process necessary for exporting goods by September, he said.

Dar said Pakistan needed to liberalise its trade policy, upgrade its manufacturing sector and enforce international industrial standards in order to fulfil requirements of the World Trade Organisation.

The government hopes to achieve quick results and turn Pakistan into "another Asian tiger," Dar said in a reference to the booming economies of Singapore, Taiwan and Malaysia.

Vickers Ballas Securities Inc people want to see first where the peso will settle and determine its impact on Philippine companies.

The Philippine Stock Exchange index slumped 68.50 points to 2,587.36.

WELLINGTON: Share prices on the New Zealand Stock Exchange (NZSE) edged up 0.3 per cent in cautious trade, brokers said.

"Obviously people were watching the money markets pretty closely, especially with the weaker currency today," said Duncan Rutherford of BZW New Zealand.

Trade was subdued as many investors awaited inflation data due out of the United States later in the day, Rutherford said.

The key NZSE 40 index rose 0.58 points to 2,477.49.

SHANGHAI: Shanghai's B shares nominally reserved for foreign investors fell 0.5 per cent in thin trading, analysts said.

The B share market fell slightly in thin trading without any fresh incentives, a local analyst said.

The Shanghai Stock Exchange's B share index dropped 0.37 points to close at 76.96 points.

"Everything is still hazy at this point," said Angie Pacis of

Asia-Pacific stocks close mixed

lead today and there wasn't a great deal of movement," Henderson Charlton Jones' broker Brett O'Donovan said.

"Over the last couple of days the market has been well down because investors have been disappointed we're not getting a rate," he said.

The Australian Stock Exchange's benchmark All Ordinaries Index finished 8.8 points firmer at 2,646.4.

TAIPEI: Heavy sales of construction and plastic issues knocked the Taiwan stock market down 0.1 per cent, brokers said.