

BCI tells Kibria Budget realistic

Bangladesh Chamber of Industries (BCI) yesterday held a post-budget meeting with Finance Minister Shah AMS Kibria at his ERD office here, reports BSS.

The BCI team, led by its President Sharif M Afzal Hossain, discussed various aspects of the national budget for 1998-99 with the finance minister and placed some recommendations and suggestions. The BCI team thanked the minister for proposing such a well-consolidated and realistic budget, a BCI spokesman said.

BCI President said the revenue surplus of Taka 4839 crore is a bold step. Priority on industry and agriculture sectors, package deal for sick industries, multifarious measures for poverty alleviation, financing of 46 per cent of ADP from internal resources are some remarkable features of the proposed budget.

He said the huge loss to the tune of about Tk 2500 crore incurred by the public sector enterprises should be taken stock of immediately. Sharif lauded the steps like reduction of five-slabbled tax rate to four-slabbled one, increase of personal income tax ceiling of Taka 1,00,000 to Taka 150,000, BMRE of existing units in addition to establishing newer ones and legalising of black money by investing in stock market through 7.5 per cent tax.

He said the proposed reduction of corporate tax from 40 per cent to 35 per cent should also be applicable in the case of local companies. Reduction of import duty at source has been raised from 2.5 per cent to 3 per cent which would be better to remain the same. Green channel facility to tax payers, who would give 15 per cent VAT, has been hailed by BCI.

SABINCO holds 14th AGM

The 14th annual general meeting of Saudi-Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO), a joint venture firm between Saudi Arabia and Bangladesh governments was held on Tuesday.

The meeting was chaired by Dr Abdelaziz, Al-Orayer, chairman, SABINCO, the company said in a press statement.

The meeting reviewed the operational performance, accounts and investment portfolio of the company for the year ended on December 31, 1997.

During the year, SABINCO committed financial assistance of Tk 245 million in addition to previous year's commitment of Tk 358 million.

By the end of the year its financed projects rose to 44, of which 35 projects were in commercial operation.

The section-wise financing of the projects are: Textile - 22.5 per cent, chemicals - 20.2 per cent, fisheries - 13.1 per cent, cement and ceramic - 17.4 per cent, tannery and leather products - 4.5 per cent, edible oil - 3.5 per cent, fisheries and poultry supporting - 7.3 per cent, engineering - 2.6 per cent, dairy and fruit processing - 3.8 per cent and paper and pulp - 4.5 per cent.

So far, management of seven projects has been taken over and one of the projects has been disinvested during the year.

The meeting also declared a dividend for the year 1997 after paying 40 per cent of profit as taxes to the government of Bangladesh.

The governments of Saudi Arabia and Bangladesh were represented by Abdullah Al-Ayadhi, Financial Advisor, Public Investment Fund, Ministry of Finance and National Economy and Mohammed Shamsuzzoha, Joint Secretary, Finance Division, Ministry of Finance respectively.

The meeting was also attended by directors of the company Hamad S. Al-Najashi, Economic Advisor of the Ministry of Finance and National Economy from Saudi Arabia and Mahub Kabir, Secretary, Ministry of Food and Md. Baduzzaman, Director General, Prime Minister's Office from Bangladesh.

Tea auction experiences good demand in Ctg

CHITTAGONG, Jun 23: The weekly tea auction, held here today (Tuesday), experienced a good demand with Poland, Russia and Afghanistan operating quite actively, reports UNB.

Pakistan was virtually absent and internal buyers including blenders were also quite active particularly on good liquoring teas.

CTC Leaf: 16,104 chests, 8,674 gunny sacks (965 chests, 124 gunny sacks old season) on offer met with a good demand.

CTC Broken: Bold and large broken met with a strong demand at firm to dearer levels particularly the latter. Good liquoring medium and smaller broken were generally dearer by Tk 2.

CTC Fannings: Good liquoring fannings were firm to dearer but all other were mostly lower by Tk 2 to Tk 3 with fair withdrawals. Plain types were generally neglected but there sold recorded a drop up to Tk 5 per kg.

Green Tea: Seventy chests were on offer met with a good demand. YH and FYH sold at Tk 100 and Hyson at Tk 85.

CTC Dust: A total of 1,314 chests, 2,524 gunny sacks (125 chests, 86 gunny sacks old season) on offer once again met with an improved demand. Brighter liquoring varieties sold well and were fully firm to dearer following quality.

Others sold around last levels with plainer non-liquoring types easing with some withdrawals. Major Blender very active with good support from the bazar.

Emirates Group posts best ever financial results

The Emirates Group - comprising Emirates Airline and Dnata - has completed its most successful financial year with a record increase of 91 per cent in profits to 101 million US dollars, says a press release.

Total group revenue was \$1.198 billion up 23.7 per cent over the previous year. Emirates Airline achieved 135 per cent increase in profits to \$71.3 million. Dnata-Dubai Airports sole ground handling agent and the largest travel management services company - enjoyed 32 per cent increase in profits to \$29.67 million.

Financial year 1997/1998's results were especially impressive in a year of extremely tough economic challenges - the greatest threat coming from the Asian currency crisis - when the Group proved once again, able to turn a negative situation into a highly profitable one.

15000 Gulf War-hit Bangladeshis likely to get UN compensation by Sept

The next allotment of UN compensation for Bangladeshi labourers repatriated from Kuwait and Iraq in '90s is likely to be available by September this year, Labour and Manpower Minister MA Mannan said here today, reports UNB.

Some 15,000 returnees will be compensated this time with US dollar 2500 per head, the Minister told newsmen at his office in the Secretariat.

Some 63,303 Bangladeshi workers were sent back home from Kuwait and Iraq during and after the Gulf War. Of them, about 17,000 workers have received compensation from UN Compensation Committee (UNCC) in two allotments.

The Minister said during his recent visit to Geneva he had talked with UNCC Director General who assured him of sending the third allotment of compensation by September this year.

Responding to a query, Mannan said government has set a target of exporting over two lakh manpower in the next fiscal.

He said labour market has become more competitive in which India and Sri Lanka are

taking the lead.

In Bahrain, there are more than 1.2 lakh Indian manpower, while Bangladesh has only 20,000. The situation is the same in the UAE, the Minister said.

Manpower export in calendar year 1997 totalled 2.31 lakh, exceeding the target by 26,000, he said. Over 92,800 workers left Bangladesh for different countries during January-May this year.

Saudi Arabia remained the highest importer of Bangladesh Manpower absorbing more than one lakh workers last year, followed by UAE (54,719), Singapore (27,401) and Kuwait (21,126), according to official figures.

Manpower export to Malaysia dropped significantly from 66,631 in 1996 to only 2,844 last year.

BSS adds: Briefing newsmen at his secretariat office on the outcome of the recently concluded annual conference of International Labour Organisation (ILO), he said Bangladesh successfully projected its labour policy and existing labour situation in the country at the ILO conference.

Mannan led a 10-member Bangladesh delegation at the ILO conference held from June 2 to 18 in Geneva and attended by representatives from 120 member countries.

He said Bangladesh told the conference that the government was taking different plans and training programmes for the welfare of the women labour force and 67 per cent of the total labour force and 90 per cent of the garment workers in the country.

He said Bangladesh supported the statement of the ILO for political solution to the labour problems in the occupied Arab territories in Jerusalem.

The labour minister said Bangladesh has strongly posed a statement of the ILO which said that there were bonded child labour and bonded labourers in the country.

He said Bangladesh delegation clarified the situation and the corrected version was incorporated in the ILO report.

He said he had bilateral discussions with labour and manpower ministers of different countries who import manpower from Bangladesh. He is optimistic about achieving the



Australian High Commissioner to Bangladesh Charles Hamilton Stuart (2nd-L) called on President of the Dhaka Chamber of Commerce and Industry R. Maksud Khan (2nd-R) at the DCCI office on Monday. They discussed matters of economic and trade cooperation between the two countries. Mike Moignard (L), Senior Trade Commissioner of Australian Trade Commission, is also seen in the picture. - DCCI photo

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Biman's sales revenue exceeds target

The sales revenue of Biman Bangladesh Airlines rose by Tk 91.13 crore in 1997-98 over the previous fiscal year and exceeded target by 2.3 per cent.

The airline earned Tk 1209.09 crore in sales revenue in 1997-98 against the target of Tk 1185.07 crore. It was Tk 1117.96 crore the previous year.

The national flag carrier achieved this by operating 11404 flights in its network carrying 1264798 passengers and 31490 tons of cargo, said Biman in a press statement yesterday.

Cabin factor achieved during the period was 70 per cent despite fleet and capacity constraints.

Contribution of local and foreign currencies to the total revenue was 35 and 65 per cent respectively.

Contribution of sources to the sales revenue marked above 55 per cent from international stations, 24 per cent from domestic stations, six per cent from Hajj operations, three per cent from excess baggage and 13 per cent from cargo.

In domestic routes, Biman carried 406599 passengers operating 6139 flights; 175181 passengers have travelled on Biman's regional routes in 1749 flights while 683018 passengers in 3606 international flights were served by Biman, it said.

Meanwhile, the business sessions of a three-day 16th System Marketing Conference '98 of Biman concluded yesterday evening at Biman head office.

Managing Director of Biman Air Commodore M Rafiqul Islam addressed the closing session and thanked the Marketing Executives posted at home and abroad for their efforts in achieving the target.



Biman's Managing Director Air Commodore M. Rafiqul Islam spoke at the closing session of the three-day 16th System Marketing Conference '98 of Biman at its head office Balaka yesterday. Conference began June 22nd '98. - Biman photo

Asia's financial crisis throws tens of millions out of work

JAKARTA, Jun 24: Asia's financial crisis has thrown tens of millions out of work as corporations are forced to close, and trim their payrolls and downsize for the sake of survival, reports AFP.

And the leaders of the hardest hit countries - Indonesia, Thailand and South Korea say things are going to get a lot worse before they get better.

"Everyday more families are faced with the cruel reality of unemployment, loss of income, or worse," Brian Atwood, the head of the US Agency for International Development (USAID) said here last week.

In Indonesia alone 13.4 million people have lost their jobs, according to government figures, a five-fold increase from pre-crisis levels. And the World Bank has estimated that if, as some predict, the economy contracts by 20 per cent this year the figure could reach a frightening 20 to 30 million.

The economy shrank by 8.5 per cent in the first quarter according to official figures.

Bomar Pasaribu, Director of Jakarta's Centre for Labour and Development Studies in Jakarta, calls the situation "dangerous" and says he has pleaded with the International Monetary Fund (IMF) to go to work for programmes going now.

"Don't wait one month, don't wait one week," I told IMF Asia-Pacific Director Hubert Neiss," Pasaribu told AFP.

He said he saw the economy contracting by between 17 and 20 per cent this year with a 100

per cent inflation rate, raising the spectre of worse rioting than the bloody protests here in May if the situation is allowed to deteriorate.

"That would mean an unemployment rate of 21.3 per cent or 20 million people out of a workforce of 91.7 million by the year's end," he said, adding that thousands of white collar workers would join the ranks of the jobless in the coming months as banks and airlines go under.

In South Korea, where a chilling 75 jobless people have committed suicide since the beginning of the year (the unions say more), sacked white collar financial-sector workers wander aimlessly from early morning to dusk in the city's public parks.

The labour ministry in Seoul

puts the number of unemployed at the end of May at 1.43 million or 6.7 per cent of the labour force, more than double the pre-crisis level. They expect the number to peak at 1.65 million in the second half of the year.

But human rights groups, claim the numbers badly underestimate the situation, as anyone who works an hour a week is considered employed.

Tens of thousands of migrant workers, imported into South Korea under government supervision from countries such as Bangladesh, Vietnam, the Philippines and China in the boom years, are stranded without work.

Hundreds are leaving the country weekly, but others cannot afford even the air ticket home.

In Thailand, the government

this month revised down its jobless figures, from an estimated 2.8 million people to between 1.4 and 1.5 million, saying the earlier estimate had been inflated by double counting.

But Prime Minister Chuan Leekpai says the figure will rise to 2.2 million by the year's end from a pre-crisis figure of one million.

One irony is that in both South Korea and Thailand, where the government is bent on expelling the country's roughly one million migrant workers, mainly from neighbouring Myanmar, no one is turning up to do the menial dirty work that has been the traditional province of the migrants.

According to Bangkok's Rice Exporters' Association an advertisement for 20,000 labourers to load grain sacks, drew only 35 applicants, out of which only 17 showed up for work.

In Malaysia, where so far the impact has been limited on nationals, the unofficially estimated 1.6 million immigrant workers have borne the brunt, and been shipped home.

And in Hong Kong, the provisionally adjusted unemployment rate for the March-May period rose to a 15-year high of 4.2 per cent, according to figures released on June 15.

Even Labour-tight Singapore is feeling the pinch, with a record quarterly high of 7.131 layoffs in the first three months of 1998, and the jobless rate creeping up to 2.2 per cent in March, from 2.0 per cent in December.



The opening ceremony of a showroom of the Motorola-authorized dealer Transworld Communications at Eastern Plaza in the city yesterday. - Star photo

BPC to build motel at western end of BJMB

Bangladesh Parjatan Corporation (BPC) will build a tourist motel and a restaurant at the western end of the Bangabandhu Jamuna Bridge to cater to the need of local and foreign travellers, reports UNB.

A project proposal to this effect was adopted at a special meeting of the Board of Directors of the BPC here yesterday.

The meeting also laid emphasis on expeditious implementation of on-going projects. The projects included Economy Motel at Cox's Bazar, Parjatan Holiday Homes at Kuakata, Parjatan Motel in Dinajpur, Parjatan facilities around Madhabkund waterfall, Motel and Boat Club at Teknaf, Parjatan Motel in Mongla, Parjatan facilities near Daudkandi Bridge on Dhaka-Chittagong Highway and Tourist centre at the Mausoleum of the father of the nation at Tungipara.

Of the projects, Parjatan Holiday Homes at Kuakata has already been inaugurated by Prime Minister Sheikh Hasina on May 14 while the motels of Dinajpur and Cox's Bazar are ready for formal inauguration, said a press release.

The meeting observed that BPC is a profitable organisation since 1983-84. In the last 11 months till May of the current fiscal year, the corporation earned a pretax profit of Tk 4.15 crore against Tk 2.30 crore in 1996-97 fiscal.

The meeting was observed that maintenance of financial and administrative discipline, increase in sales and cost control have contributed towards achieving this increasing profits.

Asian stock markets close higher

HONG KONG, June 24: Most Asian stock markets closed slightly higher on Wednesday as investors waited for details of government measures to boost Japan's financial sector, reports AP.

The 225-issue Nikkei Stock Average gained 68.58 points, or 0.46 per cent, closing at 15,123/18. On Tuesday, the average plunged 254.49 points, or 1.66 per cent.

The Nikkei average was up some 150 points at one point, but shed some of its gains as investors were discouraged by the yen's weakening in the afternoon and were still waiting for government initiatives to revive the financial sector.

Share prices in Hong Kong closed slightly higher as investors scooped up shares on signs of a stabilizing Japanese currency.

The Hang Seng Index, the market's key indicator of blue chips, rose 77.10 points, or 0.9 per cent, closing at 8,296.77.

South Korean shares closed lower on the Japanese yen's fall against the dollar, as well as a possible early listing of state-owned Korea Telecom shares and fears that some banks may be forced to shut down after banking reforms were carried out.

Analysts have said that a listing of Korea Telecom shares would be expected to further hurt the bearish market because it would sharply increase stock supply in an already oversupplied market.

The Seoul Stock Exchange's Korea Composite Stock Price Index was down 2.02 points to 301.29.

Elsewhere:

TAIPEI: Shares ended higher, as overnight gains on US stock markets encouraged investors to look for bargains. The market's key Weighted Stock Price Index rose 37.35 points, closing at 7,670.71.

MANILA: Shares ended mixed, as investors hunted for bargains among oversold blue-chip stocks, and others took profit on the market's mild rally on Tuesday. The 30-share Philippine Stock Exchange Index rose 17.02 points, or one per cent, to close at 1,712.88.

BANGKOK: Thai stock prices ended lower on weakness in the Japanese yen, which prompted fears for the stability of the Thai baht. The Benchmark Stock Exchange of Thailand Index lost 6.32 points, or 2.3 per cent, closing at 267.74.

JAKARTA: Share prices were slightly up despite cautious sentiment over Indonesia's economic future. The Jakarta Stock Exchange Composite Index was up 7.875 points, or 1.9 per cent, closing at 430.96 points.

SINGAPORE: Shares closed lower as investors were spooked by weaker currencies and wait for the government's off-budget measures. The Straits Times Industrials Index lost 7.40 points to end at 1,074.85.

KUALA LUMPUR: Shares at the Kuala Lumpur Stock Exchange finished lower on persistent worries over the Japanese yen and economy. The Composite Index was down 1.88 points, or 0.4 per cent, at 455.37 points.

IPDC okays Tk 112.5m industrial investment

Industrial Promotion and Development Company of Bangladesh (IPDC) has approved Taka 112.5m investment in three projects.

The Board of Directors of the IPDC at 56th meeting held in the city yesterday okayed Taka 25 million for expansion of a computer training cum software development factory, Taka 70 million for setting up of a cold rolled steel strip plant and Taka 17.5 million as lease financing for procurement of two inland petroleum carrier tankers.

The projects when completed will create job opportunities for 380 persons, said the company in a press statement.

The Board also gave clearance-in-principle for management to investigate two investment proposals amounting to possible IPDC investment of Tk 90 million in the areas of textile, spinning and cold rolled strip plant.

It expressed satisfaction at the progress made in various areas including business development, loan approvals and collection of dues.

The meeting presided over by K M Ejazul Huq, Secretary,

APEC agrees to eliminate tariffs in 6 sectors by 2006

KUCHING, Malaysia, June 24: APEC's "emerging consensus" on early voluntary trade liberalisation involves eliminating tariffs in six of nine high-priority sectors by 2006, US trade officials said yesterday, reports AFP.

The officials, speaking after a meeting of APEC trade ministers, said the 18-member group had also agreed to eliminate tariffs on environmental goods and services although the so-called end date had yet to be decided.

In the remaining two sectors, the officials said, tariffs on gems and jewellery would be reduced to between zero and five per cent by 2005 while chemicals would be subjected to tariff harmonisation - by 2001 for tariff rates of 10 per cent and below and by 2004 for other rates.

Among the six sectors where tariff are supposed to be eliminated voluntarily, end dates are by either 2003 or 2004 for energy and by the end of 2005 for fish and related products.

For forest products, tariffs are supposed to be eliminated by the beginning of either 2002 or 2004 for wood and furniture, and by the start of either 2000 or 2002 for pulp, paper and printed products.

The other end dates for tariff elimination are by 2001 for medical equipment and instruments and by 2000 to 2005 for toys, the officials said.

In telecommunications, the ninth high-priority sector, APEC has already reached an accord on mutual recognition arrangements during a ministerial meeting in Singapore earlier this month.

US Trade Representative Charles F. Barshefsky praised the outcome of the two-day meeting, which decided to leave details of the plan's flexibility

exchange rates

American Express Bank Ltd foreign exchange rate (indicative) against the Taka to clients:

Currency	Selling TT & OD	Buying TT Clean	Selling BC	Buying OD Sight	Buying TT & OD
USD	46.5050	46.1100	46.5450	45.9570	45.8850
GBP	77.7378	76.5933	78.8046	76.3392	76.2196
DEM	25.8792	25.5104	25.9015	25.4257	25.3859
JPY	0.3340	0.3286	0.3343	0.3275	0.3270
FRF	7.7753	7.5568	7.7820	7.5317	7.5199
SAR	12.4238	12.2610	12.4436	12.2203	12.2012
MYR	11.7883	11.6586	11.7984	11.6199	11.6017
AED	12.6969	12.5193	12.7078	12.4778	12.4583
KWD	157.1221	145.8808	157.2527	145.3967	145.1689
QAR	12.8120	12.6301	12.8230	12.5882	12.5685

Bill Buying Rates:

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
46.0112	45.7258	45.3415	44.9573	44.5730	43.8045

US dollar London Interbank Offered Rate (LIBOR) as of June 24, 1998

Buyin g	Sellin g	Curre ncy	1 Month	3 Months	6 Month s	9 Month hs	12 Months
Ca sh	45.885	46.50	USD	5.6562	5.6875	5.75	5.781
TC	45.885	46.50	GBP	7.3125	7.8125	7.875	7.937
				5		25	8.0

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesia n Rupiah	Korean Won
42.60/42.90	44.44/44.49	40.95/41.05	3.9450/3.9650	14550/14850	1379/1382

Amex notes on Wednesday's market

The local interbank foreign exchange market was dull. Demand for US dollars was slightly lower than Tuesday's. USD/BDT traded mostly within a range of 46.4500 to 46.4550.

The call money market was steady after Tuesday's high rates at the earlier part. The rates ranged between 6% and 9% for the day.

The USD dipped suddenly against yen on Wednesday on huge amount of selling of overseas funds and talk on yen buying by a European bank. US dollars' abrupt fall from above 141 to below 140 yen caught many traders by surprise in Tokyo, which started rumours that BOJ might have sold USD for yen, although this was later found not to be the case. USD rebounded to around 140.57/67 yen after briefly falling as low as 139.50 yen. Traders were not impressed by the statements of Japanese officials that the number of Japanese banks and lending would be halved. GBP closed at 1.6670/80 and DM closed at 1.8007/12 in Europe.

At 1630 local time in the international market the USD traded at 1.800/10 DEM, 140.08/18 JPY, 6.035/60 FRF, 1.5025/30 CHF and GBP at 1.6668/78 USD.