

Taiwan mulling over more labour import

TAIPEI, Mar 16: Citing a labour shortage in the island's factories, Taiwan is weighing whether to expand the numbers of foreign workers that can be employed here, officials said Tuesday, reports AP.

Labour groups object, saying the policy only aids uncompetitive businesses by giving managers a bigger and cheaper pool of potential workers. The labour activists call for more efforts to find work for a rising number of unemployed Taiwanese.

The cabinet's Council of Labour Affairs is considering industry's call to implement a special quota for another 38,000 foreign factory workers to join the 271,000 foreign workers already in Taiwan, said Wu Chuan-ning, a council official responsible for foreign labour.

But a decision is still far off, and the council will keep sponsoring job fairs and other programs in hopes of filling those vacancies with unemployed Taiwanese, Wu said.

Taiwan began importing foreign labour early in the decade as wages rose and infrastructure projects created stronger demand for workers.

Taiwan has retained the foreign workers for fear that if they go and wages rise, businesses will relocate overseas in places

where they can operate more cheaply.

Industry now suffers a shortfall of some 200,000 workers, mostly in the textiles and metals businesses where working conditions are hot and noisy and salaries low, said Ho Chun-yi, secretary general of the Chinese National Federation of Industries.

"These are not jobs that appeal to the demands of Taiwanese workers for comfort and safety," he said.

Failure to expand the number of foreign workers will force more industries to move to neighboring countries where labour and land prices are lower and fewer restrictions apply, he said.

But importing more foreign labour will only give businesses less incentive to upgrade and meet the demands of the changing labour market, countered labour activist Robert Kwo, secretary general of the Labour Front, one of Taiwan's largest independent labour organisations.

The Council of Labour Affairs, meanwhile, needs to do more to find jobs for the 265,000 people who were out of work in January, the last month for which figures are available, when the unemployment rate hit 2.76 per cent, Kwo said.

In a message to the session, US President Bill Clinton urged delegates to "use this special opportunity to shape an international consensus behind policies that promote free trade and

US, EU appeal for WTO members' acceptance

'Free trade rules should allow for environmental protection'

GENEVA, Mar 16: The European Union and the United States appealed on Monday to other members of the World Trade Organisation (WTO) to accept that the body's free trading rules should allow for protection of the environment, reported Reuters.

But at the start of a two-day WTO conference, they ran up against insistence from developing countries that poverty was the main cause of environmental degradation and that richer powers should do more to tackle that problem.

"Pressures for environmental protection are here to stay," EU Trade Commissioner Sir Leon Brittan told the gathering.

"It is much better to deal with them internationally than to allow pressures for unilateral protection to go unheeded and unanswered," he told the meeting, billed as a "high-level symposium" on links between trade and the environment.

In a message to the session, US President Bill Clinton urged delegates to "use this special opportunity to shape an international consensus behind policies that promote free trade and

open markets while protecting the global environment.

"We must do more to ensure that spirited economic competition among nations never becomes a race to the bottom. We should be levelling environmental protections up, not down."

International trade rules have increasingly important implications for the environment," the message declared.

"They must be supportive of national policies that provide for high levels of environmental protection and effective enforcement."

Non-governmental "green" organisations, many of which have been invited to the deliberations, have long argued that WTO rules aimed at enforcing open markets often undermine national policies on nature conservation.

They point to recent decisions by WTO dispute panels that various US restrictions on imports from other countries whose production was not in line with US environmental laws did not conform to global free trade pacts.

"The WTO has routinely ruled against environmental standards, calling them barriers to trade," said a statement issued at the conference by a coalition of mainly US-based "green" groups.

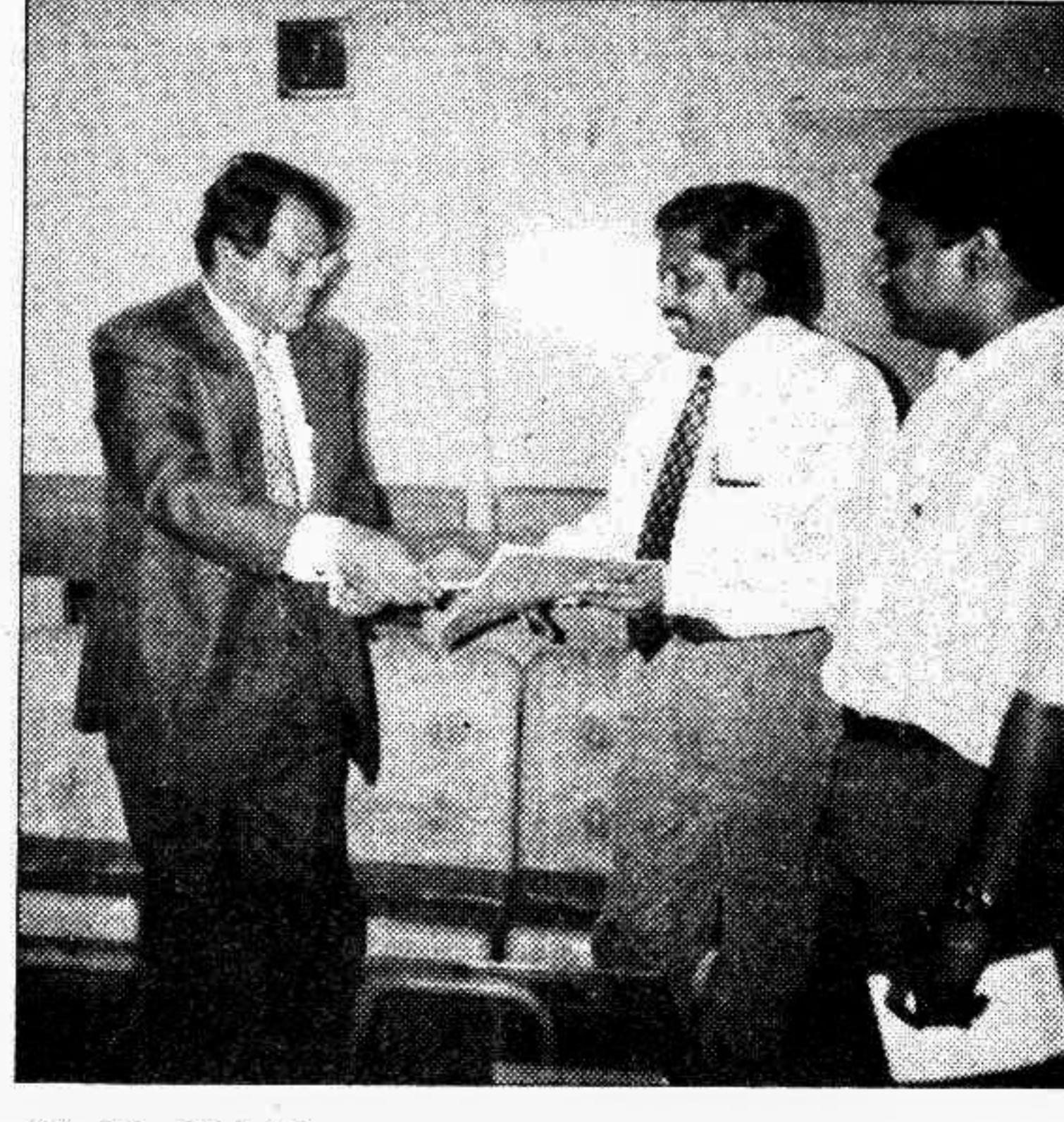
But many emerging economies regard the pressure for environmental standards to be incorporated into WTO regulations as a cover for creating a pretext to protect Western markets and jobs from goods from poorer countries.

Any effort to reopen WTO rules that prohibit discrimination against imports of goods because of the way they are produced could lead to imposing the domestic standards of one country on all others, one statement to the meeting said.

Submitted by Pakistan.

Egypt, Honduras and the Dominican Republic, it said this would be a recipe for protectionism and restriction of market access for developing countries' exports."

A separate statement from India said poverty was the biggest polluter.



Shaikh Wahiduzzaman, Secretary of EPB, and Iqbal Chowdhury, Chief Executive, MI Chowdhury & Co, exchange the documents of a signed agreement on auditing and evaluation of EPB Export Cell activities.

Chy & Co to audit EPB Export Cell activities

Star Business Report

MI Chowdhury & Co, an audit and consulting firm, will conduct a thorough audit and evaluation of the activities of EPB Textile Cell for '95-'97.

Under an agreement with the Export Promotion Bureau, the company will suggest ways and means for avoiding possible mistakes, errors, lapses and frauds.

The firm will also recommend detailed procedures of performing various functions of the EPB in conformity with the existing rules and regulations, said a press statement yesterday.

The contract was initiated by Shaikh Wahiduzzaman, Secretary of EPB, and Iqbal Chowdhury, Chief Executive of MI Chowdhury & Co.

The audit and consultancy will help the EPB identify the errors, lapses and irregularities that might have been committed in course of quota administration and other certification to promote the export of ready-made garments from Bangladesh, it said.

This will also help in bringing transparency in the services of the Export Promotion Bureau, the statement added.

Iran to cut oil output in line with Hague deal

TEHRAN, Mar 16: Iran said here yesterday it would slash oil production in line with a decision by oil-producing countries to cut output by more than two million barrels per day, says AFP.

Oil Minister Bijan Namdar Zanqeneh said Iran would cut its output but did not give precise figure for the reduction, the official news agency IRNA said.

"We believe this decision will bring balance and stability back to the market," he told radio Tehran earlier.

He welcomed the "political support of the producing countries at all levels" for the agreement, and said this would guarantee that the cuts were implemented.

Key oil producers met in the Netherlands last week and decided on cuts in an attempt to boost flagging oil prices.

The cuts by individual producers were not specified in the Hague, pending further negotiations with other OPEC and non-OPEC countries ahead of the cartel's ministerial conference on March 23 in Vienna.

Toyota Australia lashes out at govt rules

SYDNEY, Mar 16: Toyota Australia on Tuesday lashed out at government rules that allow used-cars to be imported into Australia in low volumes without complying to local design and safety laws, says AP.

Toyota senior executive vice president John Conomos said it was estimated 18,000 such vehicles will be brought into Australia this year, up from 5,000 two years ago.

He said it is possible to see that flow increase to a flood over the next year, with as many as 30,000 imported in 2000.

Conomos said by definition these cars are unsafe because they do not comply with all local design and safety regulations.

He said it is also unfair to local car importers, who are forced to spend millions of dollars to ensure new models are acceptable under Australian laws.

Exchange Rates

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

Currency	Selling TT & OD	Selling BC	Buying T.T. Clean	Buying OD, Sight Export Bill	Buying OD Transfer
US Dollar	48.7300	48.7700	48.3100	48.1570	48.0650
Pound Stg	79.2105	79.2755	79.0207	77.7735	77.6573
Deutsche Mark	27.4143	27.4368	26.4123	26.3292	26.2892
Swiss Franc	33.2039	33.2311	32.6839	32.5803	32.5316
Japanese Yen	0.4144	0.4147	0.4070	0.4057	0.4051
Dutch Guilder	24.3306	24.3506	23.4413	23.3671	23.3321
Danish Krone	7.1630	7.1689	6.9954	6.9732	6.9628
Australian	31.0702	31.0958	29.8121	29.7733	29.7333
Belgian Franc	1.3291	1.3302	1.2805	1.2746	1.2746
Canadian \$	32.4549	32.2724	31.3254	31.2262	31.1795
French Franc	8.1740	8.1807	7.9752	7.8503	7.8385
Hong Kong \$	6.3005	6.3057	6.2217	6.2200	6.1927
Italian Lira	0.0277	0.0277	0.0267	0.0266	0.0265
Norway Krone	6.2084	6.2135	6.1021	6.0827	6.0736
Singapore \$	28.6116	28.7051	27.7644	27.6351	27.6351
UAE Dirham	13.3040	13.3150	13.1167	13.0751	13.0656
Swedish Krone	5.9427	5.9476	5.8643	5.8457	5.8370
Qatar Riyal	13.4242	13.4353	13.2320	13.1901	13.1704
Kuwaiti Dinar	166.6563	166.9212	152.6665	151.9753	151.9753
Thai Baht	1.3063	1.3073	1.2922	1.2881	1.2881
Euro	53.6176	53.6616	51.6579	51.4943	51.4173

Bill buying rates

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
48.2112	47.9304	47.5048	47.1023	46.6997	45.8945

US Dollar London Interbank Offered Rate (LIBOR)

Buying	Selling	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
48.0850	48.7300	USD	4.94	5.00	5.06	5.14	5.28
48.0850	48.7300	GBP	5.90	5.0925	5.34375	5.38	5.575
Cash/TC	Cash/TC	Euro	2.96	2.98	2.98	2.98	2.98

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
42.405/42.410	50.520/50.580	37.210/37.3	3.7995/3.8002	8830/8860	1225/1228

Annex notes on Monday's market

The USD/BDT rates have stabilised in the 48.65/48.70 level over the past few days. The supply of USD remains steady and it continues to be supported at the 48.65 level from the market makers. The call market continues to be liquid which has kept the rates locked in the 6.5% - 7.5% level over the last week. However, the most of the transactions were done at 7%.

The dollar was off lows against the yen in Tokyo on Tuesday, but remained under downward pressure on strong Nikkei shares as foreign investors were picking up appetites for Japanese assets. The dollar fell as low as 117.28 yen, an intraday low in Tokyo since 115.60 yen on February 16, after finance minister Kiichi Miyazawa said the yen's overnight rise reflected economic fundamentals. But the impact of Miyazawa's comment was short-lived, with buying by Japanese investors amid rumors of bids from Japanese public investors bringing the dollar back to the 118 yen level at earlier trade.

The euro was off lows against the dollar on short-covering mainly by overseas operators, but remained weighed down on the surprise resignation of the entire European Commission. News that the entire 20-member European Commission resigned on Tuesday after a scathing independent report into fraud and corruption at the EU institution spurred a sharp fall in the euro. It fell to as low as \$1.0813 from a morning high of \$1.0924 on the EC news, losing almost all gains made after Germany's Finance Minister Oskar's abrupt resignation last Thursday. The euro also slipped against the yen as some Japanese investors rushed to raise hedge ratios on their euro-dominated investments.

Sterling was firm against euro, profiting from broad-based weakness in single currency sparked after European Commission resigned; Euro/stg fell to 66.87/94 pence vs 67.38/46 late in Europe on Monday.

At 08:27 GMT the majors were traded against US \$ at 117.80/85 JPY, 1.8039/46 DEM 1.4727/37 CHF, Euro at \$1.0840/43 and GBP at \$1.6187/97.

Shipping Intelligence

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