

Seminar on engineering consultancy held in city

A day-long national seminar on "Engineering Consultancy Services in Bangladesh" jointly organised by Bangladesh Engineering and Technological Services (BETS) Ltd and Bangladesh Association of Consulting Engineers (BACE) was held at BETS Centre in the city yesterday.

MM Afzal Hossain Chowdhury, Chairman of BETS Group of Companies opened the seminar. Speaking on the occasion, he urged the different consulting firms of Bangladesh to get prepared and well equipped to face the challenge of the next millennium.

The inaugural session was attended by representatives from different consulting firms, high government officials and distinguished guests. It was addressed, among others by Mahub Hossain, President of BACE, Dr Shahjahan Kabir Chowdhury, MD of BETS, and others.

The first technical session was chaired by Dr ATM Shamul Huda, Secretary, Ministry of Water Resources.

A keynote paper entitled "Engineering Consultancy in Bangladesh at the threshold of Next Millennium" was presented by Dr Shahjahan Kabir Chowdhury. In his paper, he elucidated the problems and potentialities of Bangladeshi consulting firms.

The second session was presided over by Prof Jamilur Reza Chowdhury.

It was addressed, among others by Mehboobur Rehman HRD Group, Head, Transcom Ltd., MA Sobhan MD, DPM Ltd. and Dr A Atiq Rahman, Director, BCAS.

A keynote paper entitled "Human Resources Development for Consulting Practices: Current Dilemma and Future Challenges" was presented by Mehboobur Rehman, HRD Group, Head, Transcom Ltd.

The speakers said that unless the quality of professionals in engineering firms in respect of skill, knowledge and technology were developed, the future prospect of Bangladeshi firms remains quite bleak.

CSE holds seminar on Y2K bug

Chittagong Stock Exchange held a seminar on "Year 2000 Problem" at CSE premises recently, says a press release.

Habibullah Khan, Vice President of the bourse, presided over it.

The seminar was attended by Aftabul Islam, President of Bangladesh Computer Samiti, Dhaka as special guest.

Speaking on the occasion, Islam said Bangladesh has been listed by the World Bank in level four, the lowest level according to the preparedness on year 2000 problem.

He expressed his anxiety for the negligence shown by the government bodies in taking precautions regarding the issue.

Atique Rabbani, Aptech partner in Bangladesh, presented a paper highlighting the consequences of the problem.

Sayed Abdul Hadi, a CSE senior IT executive, made a presentation on the technicalities of the subject.

About 100 participants representing CSE members, local bankers, internet service providers and IT vendors attended.

BFFEA, ATDP hold workshop on HACCP auditing

A day-long technical workshop on Auditing of Hazard Analysis and Critical Control Point (HACCP) at the Shrimp Processing Industries of Khulna was held at the BFFEA office, Khulna branch, on Wednesday, says a press release.

Jointly organised by USAID-funded Agro-based Industries and Technology Development Project (ATDP), and Bangladesh Frozen Foods Exporters Association (BFFEA), the workshop was inaugurated by BFFEA President Kazi Shahnewaz as the chief guest while addressed as special guest by Shrimp Programme Coordinator of ATDP Dr Mahmudul Karim.

At the workshop, keynote speech was given by HACCP specialists Palmi Ingvarsson, and James P Oestergard. It was also addressed, among others, by BFFEA Vice President Md Ferdous Alam and convener of BFFEA Khulna branch Md Abdul Khaleque Sarker.

Stressing the need of quality maintenance, the speakers said that the holding of workshops and trainings, the quality of products at the fish processing industries would be developed upto the desired level.

Dr Mahmudul Karim said that ATDP arranged training programme for shrimp depot owners and shrimp carriers to maintaining quality of Shrimp.

At total of 19 shrimp processing industries were audited at the HACCP auditing workshop.

Tk 20 cr dues with Dhaka tanneries

Natore hide trade at crossroads

From Anwar Ali

NATORE, Aug 7: Dull trade has rendered hundreds of workers at the 150 raw leather godowns in the district jobless.

According to Md Saidur Rahman Khan, General Secretary of the Hides Traders' group in Natore: "The leather traders here are forced to cut their businesses due to non-payment of Tk. 20 crore dues by the tannery owners in Dhaka's Postagola and Hazaribagh. He said that Tk 12 crore, out of the total amount of arrears, was against the animal hides supplied to the Dhaka tanneries last season.

Saidur demanded government intervention to save the leather business in Natore, which started in the early '80s

and was a highly profitable business up to 1996.

Sources in the Natore Hide market here told The Daily Star that the traders purchased, processed and supplied about 40 lakh pieces of hide every year to tanneries in Dhaka between 1996-98. This includes the hides of about 28 lakh animals sacrificed during the Holy Eid-ul-Azha. But this year, the traders were not able to buy the hides of sacrificial animals due to fund crisis, they said.

Smugglers are also active in the region to take advantage of the situation. Large quantities of hides are being smuggled out to India through various border points of Natore, Rajshahi and Chapainawabganj districts,

many local traders alleged. Local traders are also keen to sell their hides to the smugglers as they get prompt and higher payments.

Eyewitnesses and local traders said that during last Eid ul Azha, Indian money lenders and traders, along Bangladesh Border were busy buying hides through their middlemen in the country. The middlemen with the money advanced by the Indian hide traders have established a number of small and temporary godowns at the border points of Aarani, Lalpur, Sreepur, Rajabari, Charghat, Bagha, Premtali, Hakimpur, Ranihat, Shibganj and Rohonpur etc.



Atique Rabbani, Aptech partner in Bangladesh, Aftabul Islam, President of Bangladesh Computer Samiti, Dhaka, Habibullah Khan, Vice President of Chittagong Stock Exchange, and Wali-ul-Marooof Matin, Acting Chief Executive of CSE, are seen at a seminar on "Year 2000 Problem" organised by Chittagong Stock Exchange in the port city recently. — CSE photo

Wage pressures point to Fed interest rate hike

WASHINGTON, Aug 7: The still-surgeing US economy pumped out 310,000 new jobs last month, the government said yesterday in a report far exceeding expectations and widely expected to prompt an interest rate hike by the Federal Reserve this month, reports AFP.

In addition to the job creation figure, well above the anticipated 200,000, the Labour Department reported that average hourly earnings in July rose 0.5 per cent over June, when the gain was 0.4 per cent.

The unemployment rate for July was unchanged at 4.3 per cent.

Many analysts now predict that rising employment, upward wage pressures and slower growth in worker productivity — just 1.6 per cent in the second quarter — will induce inflation conscious Fed policymakers to tighten credit at least a quarter of a point when they convene August 24.

The Labour Department announcement depressed sentiment on Wall Street, where most stocks indexes fell.

The bond market suffered even more, with yields on the benchmark 30-year Treasury bond, which move opposite to price, rose to 6.117 per cent from 6.042 per cent on Thursday.

There is nothing in this jobs report that would argue against raising interest rates at

the August 24 meeting," said Sal Guatieri, senior economist at Harris Bank/Bank of Montreal in Chicago.

"The report is so strong and the gains broadly based across all industries. The Fed has a lot of reasons to be concerned about the economy not slowing to an inflation-safe pace."

Guatieri foresees a quarter point hike this month in the federal funds rate to 5.25 per cent followed by a further increase in October or November as well as two more tightening moves next year.

The July report showed that the manufacturing sector, which took a big hit when exports fell during the 1997-1998 Asian financial crisis, added 31,000 jobs last month, its first gain in 11 months.

The past three months have seen an average of 204,000 new jobs, or just a 1.9 per cent annual rate and the year-on-year rate is still a relatively moderate 2.3 per cent," according to David Orr, First Union chief economist.

"The problem arises because the labour force cannot grow that fast any longer, now that unemployment is so low."

In July, the civilian labour force contracted by 154,000 to 139.3 million.

Fed Chairman Alan Greenspan has repeatedly warned that a shrinking pool of available workers in a consumer-driven booming econ-

omy will eventually force employers to raise wages, which will in turn show up as higher prices.

Until now, steady gains in worker productivity — the amount of a product turned out in an hour of labour — has held inflation largely in check.

But growth in productivity slowed dramatically in the second quarter to 1.6 per cent, down from 3.6 per cent in the first.

Greenspan last month told Congress the Fed was poised to intervene if productivity growth flagged and inflationary pressures intensified.

The pace of US economic growth throttled back to 2.3 per cent in the second quarter from 4.3 in the first.

But William Sullivan, senior economist at Morgan Stanley Dean Witter, pointed to gains in manufacturing employment as an indication that the economy is still expanding too fast for the Federal Reserve.

The Fed will have to more gingerly in trying to cool off the economic momentum, taking care not to provoke a sharp stock market correction that could destabilise markets around the world.

"The Fed has to worry that if it raises rates too much, the stock market will collapse, which will result in a big negative hit on wealth causing consumer spending to plunge," according to Guatieri.



A young man plays a new video game called "Rage of People's Liberation Army" at a Taipei computer store Saturday amid growing military tension between Taiwan and China. Software designers produced the game to cash in on the current cross-strait tension and sales of the new game are soaring, local video game salesmen said. —AFP photo

UN child labour treaty goes to US Congress for ratification

LITTLE ROCK, Arkansas, Aug 7: President Bill Clinton has sent a UN convention prohibiting forced child labour to the Senate for ratification, the White House said here yesterday, reports AFP.

The United States is one of 174 countries who adopted the text of the treaty June 17 in Geneva at the International Labour Organization's assembly.

"By ratifying the convention the Senate will... enhance our ability to help lead the world in eliminating the worst forms of child labour," Clinton said in a statement issued in Little Rock, where he was travelling.

The convention, to apply to all children under the age of 18, calls for "immediate and effective measures" to secure the prohibition of the worst forms of child labour "as a matter of urgency."

Singapore banks make brisk recovery

SINGAPORE, Aug 7: A surge in the total profits of the half-time score of Singapore's four major banks has proved that the country's banks have made a brisk recovery from the worst downturn the city state has ever had, reports Xinhua.

With four of the five banking groups having reported their interim 1999 results, their total profits of 1.36 billion Singapore dollars (about 810 million US dollars) have already well exceeded the 1.2 billion Singapore dollars (about 714 million US dollars) the five largest banks made last year.

The Development Bank of Singapore (DBS), the largest in the country and the first to report interim earnings among the five, reaped 655 million Singapore dollars (about 390 million US dollars) in interim net profit, a 301-per cent leap compared to the same period of 1998.

The Keppel TatLee Bank (KTL) posted a 293-per cent jump in net interim profit.

The United Overseas Bank (UOB) registered a 24.5-per cent hike in net profit to 320 million Singapore dollars (about 190 million US dollars).

The Bank of the Overseas Chinese Banking Corporation (OCBC) recorded a 21.8-per cent rise in net interim profit to 269.2 million Singapore dollars (about 160 million US dollars).

Analysts attributed their better-than expected performance to their well-capitalised strength and their way in which they manage business.

Observers noted that local bankers pursued their earnings by pulling back loans fiercely, making adequate provisions, squeezing depositors and borrowers and cutting staff salaries and these measures have paid off.

Budget debate US minds boggle at trillions or zillions?

WASHINGTON, Aug 7: Is it a trillion dollars or a zillion? This year's US tax and budget debate is taking place on a mind boggling scale that popular film spy Austin Powers' arch enemy Dr Evil could relate to.

In a scene widely imitated by his legions of fans, Dr Evil was vexed after coming in from 30 inflationary years in a cryogenic deep freeze, when his threat to hold the world hostage for a ransom of "one meel-von dollars" was greeted by derisive laughter, says Reuters.

Similarly, Republicans have yet to capture imaginations with their \$792 billion tax cut. President Bill Clinton is also struggling to sell his plan to inject billions into the Medicare and Social Security systems, pay off a \$3.6 trillion federal debt and cut taxes as well, by \$250 billion.

The big numbers, it seems, just boggle people.

"For a lot of people, the word trillion means the same as the word 'zillion' — it's beyond comprehension," said a senior White House aide. "So to some extent I think it might add to the notion that it's not really there."

Senior economic analyst Bill Beach of the Heritage Foundation said voters have so far greeted the tax cut proposals with a "limp response," and polls bear him out.



Hakuo Yanagisawa, head of the Financial Reconstruction Commission, scratches his forehead as he answers a question from reporters during a press conference after Japan's regional bank Namihaya Bank Ltd. was declared insolvent by the commission Saturday in Tokyo. The bank became the sixth Japanese bank to be taken over by the government in a sweeping clean-up of the bad loan sector. —AFP photo

Wage talks fail Civil servants' strike looms in S Africa

JOHANNESBURG, Aug 7: Wage talks between the South African government and the country's 12 public service unions yesterday failed again, leaving the door open for further strikes, union spokesman said, reports AFP.

The government refused a revised pay rise demand of 7.3 per cent for civil servants and 8.3 per cent for teachers, making a strike "unavoidable," South African Democratic Teachers' Union (SADTU) president Willie Madisha said.

"We have compromised from 15 per cent to 10 per cent and from 10 to seven," he told SABC public radio. "Government is clearly not interested in resolving this."

Makoko Lekoko, spokesman for the National Education, Health and Allied Workers' Union (NEHAWU), said all 12 unions would meet on Tuesday to take a final decision on a "blown civil servants' strike."

The unions, five of which had gone on strike in the past two weeks, would use the weekend and Monday, a public holiday, to gauge membership support for the planned stoppage, he told AFP.

Public Service and Administration Minister Gerald Fraser Moleketi said in a statement government would meet on Tuesday to "assess its options" and then attempt new talks with the unions.

Daewoo creditors to sell shipyard after converting loans to equity

SEOUL, Aug 7: Creditor banks worked out a plan for restructuring the shaky Daewoo business group, featuring the sell-off of Daewoo's giant shipyard following a equity-debt swap, bankers said today, reports AFP.

The task force for Daewoo restructuring studied the revised written pledge to improve financial structure submitted by Daewoo and decided on measures for each subsidiary. A Korea First Bank spokesman said,

"The draft provides that the group's construction arm and a personal computer operation be separated from the group and then sold off while its shipyard will also be auctioned off following an equity-debt swap."

Creditors also accepted Daewoo's proposal that its auto unit, Daewoo Motor Co, be either sold outright to General Motors (GM) or some equity stake be handed over to the US giant.

But the creditors and Daewoo have yet to agree on how to deal with the bone of contention — Daewoo Securities Co.

Creditors and the government have been pushing Daewoo to spin off the securities house while the group has been persistently holding on to the cash cow.

If implemented as it provides, the draft would leave the sprawling empire of Daewoo with eight subsidiaries related to automaking and trading officials of Daewoo's main creditor, Korea First Bank, said.

They include Daewoo Motor, Kyungnam, Daewoo Motor Sales, the car parts section of Daewoo Telecom, Daewoo Capital Management, the trading arm of Daewoo Corp, Daewoo Securities and the heavy equipment section of Daewoo Heavy Industries.

Taiwan exports up 6.3 pc in 7 months

TAIPEI, Aug 7: Taiwan exports were up 6.3 per cent year-on-year in the seven months to July due to strong demands in Asia, official data showed today, says AFP.

Exports in the seven months were worth 67.39 billion US dollars, but imports declined 0.7 per cent to 60.69 billion dollars, the finance ministry said in a statement.

Taiwan's trade surplus amounted to 6.70 billion dollars, up from 2.25 billion dollars in the same period a year ago.

A continuous expansion in surplus this year indicated that Taiwan has departed from the shadow of the Asian financial crisis," the ministry said.

Taiwan's exports are set to benefit from steady growth in US and Europe, as well as economic recovery in the Asia Pacific region," it said.

The growth in exports came on the back of growing shipments to Japan, South Korea and Southeast Asian countries, the ministry said.

In the seven months to July, shipments of Taiwan-made goods to Indonesia, Singapore, the Philippines, Malaysia and Thailand rose 15.8 per cent to 6.98 billion dollars.

Exports to Japan moved up 21.4 per cent to 6.56 billion dollars and shipments to South Korea soared 65.4 per cent to 1.36 billion dollars.

In July, exports moved up 11.8 per cent year-on-year to 9.99 billion dollars and imports increased 20.2 per cent to 9.50 billion dollars.

Commodity: Weekly Roundup

Oil retains its recent buoyancy, rubber goes downhill

LONDON, Aug 7: Oil prices retained their recent buoyancy, even pushing briefly above 20 dollars a barrel in London to touch their highest levels since November 1997, as producer countries continued to respect an output squeeze, reports AFP.

The North Sea Brent benchmark crude price settled at 19.96 dollars from 19.91 dollars one week earlier.

On the New York Mercantile Exchange (NYMEX), light sweet crude prices for September eased slightly to 20.56 dollars a barrel from 20.97 dollars.

Worldwide supply has been effectively reined in by a March agreement of countries in the Organisation of Petroleum Exporting Countries (OPEC) to cut output by 1.7 million barrels of oil a day.

"The uptrend is very firm," said oil analyst Peter Gignoux. "Compliance levels of the OPEC members has been very good, at 95 per cent."

"Another factor is that two days ago the Russian fuel ministry put export controls on fuel

oil, cutting its total exports by 800,000 tonnes per month, which will mainly affect Europe," Gignoux said.

Russian officials say the export restrictions will not be eased until October as efforts are stepped up to ensure that the domestic market is sufficiently supplied for the long winter ahead.

Rubber: Duck. The market found some support amid better demand for TSR 20 rubber used in tyre manufacturing, but most prices nonetheless slipped.

The London rubber index fell to 397.5 pounds per tonne (for September delivery) from 405 pounds a tonne ago and 402.5 pounds per tonne (for October).

In Kuala Lumpur, the RSSI index slipped slightly to 2.085 ringgit a kilo from 2.09.

Cocoa: Flat. Cocoa prices fell only slightly as favourable weather conditions continued in the world's leading producer country, Cote d'Ivoire, stoking predictions of a bumper harvest there.

Coffee: Stable. Coffee prices were flat amid thin summer-time trading in the northern hemisphere.

On the New York market, Arabica for December delivery fell in price to 95.90 cents a pound from 99.80 cents.

On the London market, Robusta for September delivery slipped to 1,340 dollars a tonne from 1,344 dollars.

Dealers noted an announcement from Colombia, the world's second biggest exporter after Brazil, that its 1999 harvest was the worst this decade at 10.5 million sacks (of 60 kilograms), compared with expectations of a 12.5-million sack crop.

Tea: Strong. Tea prices continued their upward march in Kenya's Mombasa auction houses, the London Tea Brokers Association said.

High quality BPI (Broken

Pekoe) leaves rose by up to 13 cents per kilo. Lower-grade leaves rose by up to eight cents a kilo.

Sugar: Mouse. Sugar prices were rangebound in mostly technical trading, gaining a little support from firmer soya and wheat prices.

On the London market, contracts for December delivery fell slightly to 191.40 dollars a tonne from 191.80 dollars.

On the New York market, white sugar for March delivery rose to 6.47 cents a pound from 6.41 cents.

Sugar prices have firmed as Brazil resumed a string of auctions designed to reduce the country's stocks of alcohol fuel, which is manufactured from sugarcane.

Brazil auctioned off 100 million liters of alcohol fuel, a move likely to incite producers to turn their cane into the fuel rather than into white sugar.

Vegetable Oils: Warm. US soya prices picked up this week due to the drought afflicting some producer regions.

Trade (CBOT), soya prices perked up 0.40 cents a bushel to 4.71 cents (for August delivery).

No prices were available for the Rotterdam market.

Weather forecasters are warning of scant rainfall in some producer regions in the coming days, bad news for soya producers who need a certain measure of humidity to grow their crop.

Grains: Storm. US wheat prices pushed higher again this week, encouraged by unfavourable weather in the Mid-West producer states.

On the Chicago market, wheat prices rose by 24 cents a bushel (of 27.2 kg for September delivery) to 278.50 cents.

Wheat prices also benefited from a drop in world stocks as well as from estimates that the US harvest in 1999 would be worse than predicted due to disappointing spring harvests, dealers said.

Maize prices also rose along with wheat as certain producer regions were hit by drought.

The price of a bushel of

maize (25.4 kg, for September) rose 23.5 cents to 223.25 cents.

On the London market, wheat prices rose by 40 pence to 75.80 pounds a tonne (for September delivery), on the wings of the stronger US wheat market.

Cotton: Stricken. Cotton prices ended the week slightly lower, investors betting that the drought in the southern US states that are home to most plantations would not tangibly affect harvests.

October contracts on the New York market lost 0.46 cents to end at 51 cents a pound. Cash prices covered by the Cotton Outlook index fell by 2.1 cents to 51.59 cents a pound.

Investors are still anticipating a strong US 1999 harvest of 18.7 million bales.

Wool: Heavy. The British market was lacklustre at the height the traditionally sluggish summer season. The Wooltops index fell by two pence to 306 pence per kg.