

Indian unionists vow adamant opposition to new budget

Fiscal measures contain 'hire and fire' policies

AFP, Bombay

Indian labour unions have vowed bitter opposition to what they described as the "hire and fire" policies contained in Finance Minister Yashwant Sinha's budget for the year beginning April 1.

The budget unveiled by Sinha on Wednesday eased rigid rules governing labour layoffs and industrial closures in a bid to boost investment.

Now industrial establishments employing less than 1,000 workers will not require government approval for layoffs and closures, raising the threshold from 100 workers.

As a counterbalance, Sinha said severance compensation for workers would be increased from 15 days to 45 days for every completed year of service.

But labour unions say this is not enough. Their fears have grown as the budget slashed more than 1,000 jobs in the federal finance ministry and promised more job cuts in other ministries.

Unions on Friday held protest meetings and rallies across India

to mobilise public opinion against the budget.

"The budget is anti-labour and anti-working class. Our protests mark the beginning of the fight against the budget," said Suresh Dhopeswarkar, national secretary of the communist-led All India Bank Employees Association.

Dhopeswarkar said trade unions would stage a "long march" in India's commercial hub Bombay on March 15 to protest the budget.

He said various national trade unions would meet to evolve a plan of action to intensify the protests.

"The fight will be long and bitter. But we are determined to force the government to reverse these anti-labour policies," said Dhopeswarkar.

The budget proposal to downsize government by 10 per cent over the next five years was also condemned by labour leaders for targeting low-level civil servants.

G.L. Dhar, secretary of the communist-led All India Trade Union Congress, said the budget

was "unemployment-oriented." "While they are increasing the tribe of bureaucrats, the main body of workers is being abolished. All this will lead to more and more unemployment."

S.R. Kulkarni, leader of the port and dock workers' unions, said the changes in labour laws proposed in the budget would "nullify all the gains made by the Indian working class after decades of struggle."

"Trade unions should not confine themselves to handing out press releases opposing the budget. All labour unions should come together to put up a united opposition to the budget. There is no other option left for the working class."

Kulkarni said unions should call for a nationwide general strike till the anti-labour policies are reversed.

"One-day strikes and shutdowns are only token forms of protest. They mean nothing. We will have to get more serious."

Mahendra Singh, leader of the communist-led Centre of Indian Trade Unions, described the

budget as "pro-rich and anti-poor."

"It seeks to take away all the rights won by the working class in India. We will not allow this to happen. The budget shows the Indian government's abject surrender before the International Monetary Fund and the World Bank."

Singh said the budget policies would "further impoverish" small peasants and reduce them to landless labour.

Ramakant Karnik, leader of a confederation of state government employees in Bombay, said the finance minister's proposal to downsize government was "totally unacceptable."

"There are already several hundred thousand vacant jobs in the government. People are not being recruited and so routine work is being delayed. The government wants to first disrepute us and then throw us out of jobs."

"We will create public opinion against this. Friday's protests were the beginning. It will be long-drawn out struggle," he said.



To celebrate the International Woman's Day on March 8, Pond's has distributed 10,000 greeting cards, red roses and gift boxes at various shopping malls, colleges, universities, restaurants and GMG Airlines in Dhaka and Chittagong.

Falling export cripples recovery

Thailand's economic recovery stumbles

AFP, Bangkok

Thailand's nascent economic emergence from the depths of the Asian crisis is in jeopardy with recently released indicators providing stark evidence exports are falling and crippling the recovery.

The slump has been spurred by a decline in demand in the United States as the economy there slows, but it also reflects a failure to stimulate fresh investment, analysts say.

"Foreign investors still lack confidence in the Thai market as they watch the economic recovery lose speed," said an analyst with Nava Vickers Ballas.

"The government needs to stimulate investment if it wants to see real recovery. It must tailor policy and rebuild hopes of a recovery before foreign money returns in any strength."

January central bank data saw the trade account, the manufacturing index and the production index decline, while falling exports and more imports saw Thailand post its first trade deficit for 11 months.

Earlier this week, the Bank of Thailand said the current account surplus in January fell to 298 million dollars from 991 million in December and there was a trade

deficit for the month of 282 million, after a surplus of 413 million in December.

January exports were down 3.9 per cent year-on-year at 5.04 billion dollars, after reaching 5.753 billion a month earlier, while imports shot up 31.3 per cent year-on-year at 5.323 billion dollars.

"January exports reflect a dangerous sign to the current account," said Chalongsop Sussangkarn, a member of the Bank of Thailand's monetary policy board.

"And if exports continue to weaken, the current account this year may post a deficit" and create problems in the financial market, he said.

However, there would likely be a time lag before the desired effects are seen in any export-boosting measures, so the government must take steps to reduce imports, he said.

"The government should review its investment projects with high import content to ensure that the current account will remain in surplus this year... Otherwise the foreign currency position becomes a matter of concern."

The Thai baht continued to weaken against the dollar over the week as the market reacted to the weak economic fundamentals.



Dr Khondaker Azharul Haq, Managing Director of Dhaka WASA, and Anwar Ahmed, Managing Director, NCC Bank Ltd, sign an agreement on behalf of their respective organisations on Saturday under which the clients of Dhaka WASA will be able to pay their water and sewerage bills through 12 Dhaka-based branches of the bank.

BA re-opens its First class lounge at Heathrow terminal 4

British Airways has re-opened its First class lounge for premium passengers at London's Heathrow Terminal 4 ensuring unrivalled comfort and luxury on the ground and in the air, says a press release.

It follows the launch earlier this year of the new First class cabin on long-haul aircraft, created by leading British interior designer, Kelly Hoppen.

A new Concorde Room has also been opened in the airline's Lounge Pavilion at Terminal 4, Heathrow, designed by Sir Terence Conran, in anticipation of a resumption of supersonic services later this spring.

The First lounge, created by FutureBrand, offers an environment that is elegant, calm and welcoming, a home-from-home space that features deep, luxurious furniture. Tan leather recliners and vast sofas in burnt plum are offset by light reflective linen textured wallpaper.

Dark bronze curtains contrast with pale honey carpeting bordered in slate grey and blue. The "heartland" of the lounge is an area of calm and space. Low square coffee tables front onto a wall of limestone, illuminating tall arrangements of bamboo and exotic leaves.

NIIT Old Dhaka centre opens computer lab

NIIT has opened a computer lab at Ananda Mohan Basak Lane in the old part of the city, says a press release.

The lab will provide facilities including Internet and browsing facilities, state-of-the-art technology and full-time support to the students.

Prof Gazi Md Akber Hossain, Principal, Dhaka Jagannath College, inaugurated the computer lab recently.

The vice-principal and senior teachers of Jagannath College were also present on the occasion.

NIIT Old Dhaka Centre has gained momentum in respect of student enrolment. It has already created hopes among the student community, guardians and IT lovers of Old Dhaka.



Prof Gazi Md Akber Hossain, Principal of Dhaka Jagannath College, is seen on a visit to the state-of-the-art computer lab at NIIT's Old Dhaka Centre.

China to announce record deficit budget today

AFP, Beijing

Chinese Finance Minister Xiang Huaiheng will announce a record deficit when he presents the 2001 budget to lawmakers Tuesday, according to diplomats who have seen his speech.

Central and local government agencies are expected to run up a total deficit of 259.8 billion yuan (31 billion dollars), a four per cent rise from last year, Xiang will tell legislators at the annual plenary session of the National People's Congress in Beijing.

"The financial work this year is arduous," Xiang is expected to say, urging his audience to toe the party line and "work together... to ensure the successful implementation of the budget for this year."

The record deficit will come about as central and local governments combined will spend 1.74 trillion yuan, while hauling in only 1.48 trillion yuan in taxes and other revenues.

A large part of the expenditure will be earmarked for aggressive fiscal policies as the government

gears up for a fourth consecutive year of spending on infrastructure to keep the economy humming.

"Our guidelines... call for continuation of a proactive fiscal policy to consolidate and develop the current good economic situation and promote steady recovery of the domestic economy," Xiang is expected to say.

That is music to the ears of policymakers eager to pull the fiscal lever to forestall the impact a less vibrant world economy may have on China's crucial export sector.

But the message between the lines in Xiang's speech is likely to be that fiscal policies will be on stand-by while the government waits to see if the slowdown in foreign trade will be more damaging than feared, economists said.

"If the economy in the first half of the year is not as good as expected, they will start relying more on fiscal spending in the second half," said Chen Xingdong, chief economist with BNP Prime Pere-

grine in Beijing.

Even if the fiscal pump-priming is costly, the government does not have much choice, given China's approaching entry into the World Trade Organisation.

Membership of the Geneva-based trade body will bring in nimble foreign competitors and force inefficient local enterprises to close, threatening to push unemployment to unheard-of levels, analysts said.

"The government must do all it can to provide a buttress," said Robert Subbaraman, China economist with Lehman Brothers in Tokyo.

In a parallel effort aimed at spurring domestic demand, Xiang is likely to tell lawmakers the government will earmark 10.8 billion yuan for higher pay for government employees.

The top brass will also get their fair share of government handouts, as defense spending is set to soar almost 18 per cent this year to 141 billion yuan, according to Xiang's budget.

Weekly Currency Roundup

Japan economy fears drag down Asia-Pacific units

AFP, Hong Kong

Most currencies in the Asia-Pacific region lost ground to the dollar on the back of worrying economic data from Japan indicating the Japanese economy is teetering on the edge of a crisis.

Japanese Yen: The yen lost ground during the week, pressured by interest rate cuts by the Bank of Japan and a further slowdown in the Japanese economy, dealers said.

The Japanese unit was quoted at 118.31-34 against the dollar late Friday, compared with 116.82-85 yen a week earlier.

On Wednesday, the Bank of Japan decided to cut the overnight call rate to 0.15 per cent and the discount rate to 0.25 per cent, putting more selling pressure on the already weak yen.

Australian Dollar: Weakness will continue to dog the Australian dollar as it hovers in limbo below

the 53 US cent mark, dealers said. Unable to push higher but also regarded as seriously undervalued, the dollar appeared trapped in a range around its closing price of 52.68 US cents Friday.

New Zealand Dollar: The New Zealand dollar finished the week worth 13.31 US cents, up from 42.94 US cents the previous week.

"Kiwi's not being driven by what's going on in New Zealand, it's being driven by what's going on in the US dollar. It's just a dollar story at the moment," a currency dealer said.

Singapore Dollar: The Singapore dollar traded at 1.7473 in late session on Friday from 1.7456 last week.

Hong Kong Dollar: The Hong Kong dollar was marginally higher at 7.7998-7.7999 to the greenback compared with the previous week's 7.7998-7.803.

Indonesian Rupiah: The Indo-

nesian rupiah closed the week at 9,878 to the dollar. It was down sharply compared to last week's close of 9,685 against the greenback, after falling through the 9,900 mark mid-week to a two year low.

Philippine Peso: The peso closed slightly lower at 48.345 to the dollar on Friday from 48.16 on February 23.

South Korean Won: The won fell sharply against the dollar over the week from 1,248.50 to 1,265 won Friday, reflecting the dollar's strength against the Japanese yen and falls on Nasdaq.

A dealer with KorAm bank said the exchange rate would meet strong resistance at 1,270 won.

Taiwan Dollar: The Taiwan dollar weakened slightly against the dollar over the holiday-shortened week to close at 32.359 on Friday in line with losses in the equity market.

Enamul Haque new chairman of CDF

The governing body of Credit Development Forum (CDF) has selected Md Enamul Haque as its new Chairman in the 16th board meeting held at CDF office, says a press release.

He was the founder Vice-chairman of CDF for about eight years.

Enamul Haque got his Master's degree in Political Science from Chittagong University and also completed a diploma course on Project Management and Administration from Denmark.

After working for about 9 years with a large NGO till 1987, Haque joined Association for Social Advancement (ASA). At present, he is the General Manager, Development and Partnership, ASA. He is also associated with the coordination council of human development in Bangladesh as the Treasurer of the Executive Committee.

Besides, he is associated with several NGOs as chairman and member of the Executive Committees of respective organisations.

Nigeria to boost trade ties with Russia

AFP, Lagos

Nigeria's President Olusegun Obasanjo is due to arrive in Moscow today at the start of a three-day visit to Russia aimed at boosting economic relations between the two countries.

Currently, Nigeria's trade with Russia, unlike with most western European countries and the United States, is at a low ebb.

The visit from March 5 to 7 is at the invitation of Russian President Vladimir Putin, officials of both countries told AFP.

Although details of the visit were not made public, it will be the first meeting between the two heads of state since Obasanjo came to power.

Obasanjo, a former military ruler, came to power as a civilian president in May 1999, and has visited many countries across the globe as part of efforts to attract trade and investments to Africa's most populous country.

During its long years of military rule, especially under the regime of late dictator Sani Abacha, Nigeria was a pariah to the international community owing to its human rights abuses and anti-democratic posture.

Officials here said the visit to Moscow Monday is part of efforts to boost trade with Russia.

Both Obasanjo and his host will "seize the opportunity of the

visit to explore areas in which bilateral cooperation between Nigeria and Russia can be further strengthened," they said.

The two countries are both major oil and gas producers but trade between them is extremely limited.

Nigeria is Africa's largest oil producer, the sixth largest oil exporter in the world, and a member of the Organisation of Petroleum Exporting Countries (OPEC).

The OPEC quota for Nigeria is 2.021 million barrels per day, and it currently earns around 10 billion dollars a year from oil sales.

Russia on the other hand, is also a player in the oil and gas sector, but the eastern European country is not as rich in that area as Nigeria.

Obasanjo and Putin are therefore expected to discuss how best the oil and gas resources of their countries can be better utilised to the overall benefits of their people.

Another common area of interest for the two is a giant steel complex, built by a Russian firm with Nigerian state funding, at Ajakuta in central Nigeria which has never actually functioned.

The Obasanjo government has expressed its intention to revive the project.

The multi-million-dollar steel project where Abacha allegedly defrauded Nigeria via a debt buy-back scam is currently a subject of litigation in a London court.

CURRENCY

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

Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	54.2800	54.3100	53.8150	53.6970	53.6250
Pound Sig	80.4158	80.4603	78.6237	78.4513	78.3461
Deutsche Mark	26.3819	26.3965	25.3167	25.2612	25.2273
Swiss Franc	33.1907	33.2090	32.4819	32.4179	32.3744
Japanese Yen	0.4559	0.4602	0.4480	0.4470	0.4464
Dutch Guilder	23.4144	23.4274	22.4690	22.4197	22.3897
Danish Krona	6.8462	6.8500	6.6988	6.6841	6.6752
Australian \$	29.3003	29.3165	27.9461	27.8849	27.8475
Belgian Franc	1.2791	1.2798	1.2274	1.2248	1.2231
Canadian \$	35.5003	35.5199	34.4968	34.4212	34.3750
French Franc	7.8662	7.8705	7.5485	7.5320	7.5219
Hong Kong \$	6.9727	6.9765	6.8861	6.8700	6.8618
Italian Lira	0.0266	0.0267	0.0256	0.0255	0.0255
Singapore \$	31.3902	31.4076	30.4005	30.3339	30.2932
Euro	51.5986	51.6271	49.5152	49.4066	49.3404
Saudi Rial	14.5122	14.5202	14.3106	14.2792	14.2601

Bill buying rates

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
53.7512	53.3665	52.9181	52.4696	52.0212	51.1243

US Dollar London Inter Bank Offered Rate (LIBOR)

Buying (\$)	Selling (\$)	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
53.6250	54.2800	USD	529000	5.08250	4.96875	4.91000	4.93000
78.3461	80.4158	GBP	5.69188	5.64828	5.55531	5.51000	5.49750
Cash/TC	Cash/TC	EUR	4.80625	4.75750	4.64875	4.57375	4.56188

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
46.49/46.59	60.30/60.40	43.36/43.46	3.89000/3.8001	9820/9930	1266.0/1268.0

Amex notes on Sunday's Market

The inter-bank USD/BDT market was quiet today because of the weekend in the international market, with the average USD/BDT rate ranging between 54.18-54.22. The call money market was also very active as clients are withdrawing cash from the banks prior to the Eid holidays. Average call rates ranged between the 8.5 and 9.5 per cent level today.

The yen lost more than a percent against the euro and dollar on the day - as the Nikkei stock index's dropped to new 15-year lows and disappointing economic data prompted Japan's ruling party to announce plans for an emergency economic package.

The euro, underpinned against the dollar by the euro zone's bright outlook relative to the United States, finished the US session above 93.50 cents, up around 3/4 cent from the prior close and 0.65 per cent higher on the day. Sterling racked up its biggest one-day gain against the dollar in more than five months to hit three-week highs on Friday amid mounting concerns about the US economic slowdown. The Swiss franc gained further against the dollar on Friday after a weak start in US stock markets and further testimony from Federal Reserve Chairman Alan Greenspan who warned of possible erosion of fiscal discipline.

In New York on Friday, the majors closed against US \$ at 119.02/119.12 JPY, 1.6454/1.6464 CHF, Euro at 80.9351/0.9356 and GBP at 51.4710/1.4715.

SHIPPING

Chittagong Port

Berth position and performance of vessels as on 4.3.2001

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving
J/1	Southern Queen	GI(Copra)	Sing	AEKA	28/11	-
J/2	LE Chang Ling	C Clink	Koshi	RML	3/3	14/3
J/3	JodyF Millennium	R seed	Sing	Litmond	18/2	6/3
J/5	Yon Pung Ho	Sugar (TCB)	TTTI	SBS	16/2	8/3
J/6	Chopol-2	Sugar(TCB)	TUTI	CCNL	23/2	11/3
J/7	Pinya	Rice(P)	Yang	MTA	26/2	6/3
J/8	Yong Jang	GI	S Hai	BD Ship	1/3	8/3
J/9	Sungrisan-8	Urea(B/CIG)	Sing	PSAL	20/2	9/3
J/10	Ocean Ranger	GI/M.Seed	Sing	Rainbow	23/2	-
J/11	Banga Birol	Cont	Col	BDShip	2/3	6/3
J/12	Kuo Hsiung	Cont	PKel	QCSL	28/2	6/3
J/13	Arabella	Cont	P Kel	QCSL	28/2	6/3
CCT/1	Xpress Resolve	Cont	P Kel	RSL	27/2	5/3