

Star BUSINESS

DHAKA SUNDAY SEPTEMBER 15, 2002

3 lakh textile workers lose jobs in 8 months

Unequal access to US market may cause labour unrest in Bangladesh: Khosru

REUTERS, Washington

Unequal access to US clothing markets could cause unrest in one of the world's poorest countries, the Bangladesh Minister of Commerce said on Friday.

Amir Khosru Mahmud Chowdhury, in Washington for diplomatic meetings, said Bangladesh's apparel industry could not compete with those of other poor nations exempt from US import taxes and duties.

He said this made its apparel about 16 per cent more expensive than similar goods from Sub-Saharan Africa or the Caribbean Basin, covered under a US Trade and Development Agency programme for selected states.

"When your competitors have a 16 per cent edge over you, no way you have a chance," Chowdhury

said.

Bangladesh is among the world's 49 poorest countries as defined by the United Nations. About 2 million of its 131 million citizens, most of them women, work in textiles.

A US quota plan that gives Bangladesh access to a slice of the American apparel market will be withdrawn in 2005, along with the end of quotas for other countries.

"The growth of the industry has seen the employment of women in Bangladesh. That has empowered them socially. The face of Bangladesh is changing through the participation of women," he said. "If we should see any more closures, as we have already seen, there could be many problems."

More than 300,000 textile workers have lost jobs in Bangladesh due to plant closures in the past eight

months.

Textiles account for 75 per cent of Bangladesh's total exports, of which 45 per cent now go to the United States. The country specializes in low-end apparel such as cotton and wool shirts, pants and shorts.

"Bangladesh does not have its own local market. We rely on exports for purchasing power at home," Chowdhury said. "The US is a major market for us. If we lose this market it will be a disaster."

Although Bangladesh is considering new industries -- including ceramics, leather goods, and soft-ware -- to compensate, Chowdhury said any transition would be slow.

"It took 20 years for the apparel industries to come this far. Any other industries are going to take time to develop," he said.



PHOTO: STAR

Members of Bangladesh Railway Sramik Karmachari Oikyajot, an alliance of railway workers, yesterday in the city chant slogans against a reported move to make the Bangladesh Railway a corporation.

CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

Selling TT/OD	BC	Currency	Buying		
			TT Clean	OD Sight Doc	OD Transfer
58.5500	58.5800	USD	57.8050	57.6364	57.5672
57.6802	57.7671	EUR	55.4359	55.2525	55.1759
91.7173	91.7593	GBP	89.0077	88.7412	88.6866
33.0591	33.0836	AUD	31.0980	31.0055	30.9254
0.4834	0.4835	JPY	0.4703	0.4701	0.4691
39.0639	39.0884	CHF	37.9838	37.8893	37.8048
6.2173	6.2224	SEK	6.0275	5.9099	5.9939
37.2588	37.2833	CAD	36.3848	36.2911	36.2079
7.5143	7.5156	HKD	7.4060	7.3883	7.3709
33.162	33.1838	SGD	32.4561	32.4123	32.2976
16.0710	16.0886	AED	15.6019	15.5800	15.5615
15.7352	15.7536	SAR	15.2977	15.2610	15.2428

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	AUD
48.42	59.225	96.03	42.875	7.5499	0.47415	0.5502

Local Interbank FX Trading:

The local interbank foreign exchange market was subdued as the international market was closed on Saturday. BDT was steady in the market and was quoted at 58.32/33 against the dollar.

Local Money Market:

Demand for overnight borrowing was moderate

in the market. The call money rate increased slightly and was quoted at 6.00-6.50 per cent for the day compared with 5.50-6.00 per cent previously.

At the closing of New York on Friday, euro traded at 9711/15, yen at 121.83/89 and GBP at 1.5516/22 against the dollar.

The memorandum is issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable. While all reasonable care has been taken in its preparation no responsibility or liability is accepted for errors of fact or any opinion expressed herein.

Study social psychology before power sector reform: Minister

BSS, Dhaka

State Minister for Power Iqbal Hasan Mahmood yesterday said the socio-economic status of common people along with their social psychology should be studied properly prior to launching any large scale reform initiative in the power sector.

"Any business, including the Independent Power Project (IPP) should consider the social psychology and history of the country," the state minister said while addressing a seminar on IPP arranged by the Dhaka Chamber of Commerce and

Industries (DCCI).

The state minister said, "If we go for power rate hike, people will brand us as butchers, while on the other hand, the market economy forces us to take decision in favour of high tariff."

DCCI President Matiur Rahman chaired the session. Director of USAID mission in Bangladesh Gene George, chief of party of the PA Government Services (USA) Inc Anil Mishra, IPP experts of PA Consulting Group of Washington DC Amit Dalal and Ms Dianne S Rudo and senior energy advisor of

the USAID mission in Dhaka Bruce McMullen, among others, addressed the seminar.

The state minister said the government will soon promote joint venture initiatives in the power sector taking PDB and interested IPPs as co-stakeholders. The joint venture sites would be located at Meghnaghat, Bheramara and Sirajganj.

He said substantial share of the joint venture (PDB and IPP) power sector projects would be off-loaded after five years of continuation to boost capital market of the country.

BEPZA, CCCI sign MOU

Bangladesh Export Processing Zones Authority (BEPZA) and Chittagong Chamber of Commerce and Industry (CCCI) have signed a Memorandum of Understanding for greater cooperation between the two organisations, says a press release.

Brig General (Retd) M Mofizur Rahman, executive chairman of BEPZA, and Amir Humayun Mahmud Chowdhury, president of CCCI signed the MOU on behalf of their respective sides in Chittagong on Thursday.

Under the MOU, Chittagong Chamber of Commerce and Industry will assist Bangladesh Export Processing Zones Authority in attracting more investment in the EPZs of Bangladesh.

SME fair begins in city today

BSS, Dhaka

Federation of Bangladesh Chamber of Commerce and Industries (FBCCI), the apex business body, will organise a three-day small and medium enterprise (SME) fair for the first time in the country from today at Bangladesh-China friendship conference centre in the city.

Prime Minister Begum Khaleda Zia is expected to inaugurate the fair. Finance Minister M Saifur Rahman, Industries Minister MK Anwar and Commerce Minister Amir Khasru Mahmud Chowdhury will attend the inaugural session as special guests.

Different SMEs will take part in the fair putting up 143 stalls and eight pavilions on the ground and first floor of the centre.

BKMEA team calls on LGRD minister

BSS, Dhaka

A delegation of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) yesterday called on LGRD and Cooperatives Minister Abdul Mannan Bhuiyan at his secretariat office.

The delegation, led by Monzurul Huq, president of the BKMEA, discussed various problems with the minister.

The minister gave them a patient hearing and assured of all possible cooperation to solve their problems.

BKMEA Vice President Mohammad Hatem was also present during the meeting.

STOCK