

Sri Lanka in \$60m train deal with China

AFP, Colombo

Sri Lanka plans to buy 60 million dollars worth of locomotives and passenger coaches from China to modernise its Victorian-era network, the state-owned railway announced on Friday.

Sri Lanka Railways is purchasing 100 carriages and 15 diesel-powered locomotives, technical manager P.P. Wijesekera told AFP.

China's Exim Bank will fund the purchases with a lending agreement due to be signed between Colombo and Beijing shortly, officials said.

The railway official said the railways' rolling stock is in desperate need of modernisation.

"We last bought about 150 carriages from Romania in 1992," Wijesekera told AFP. It purchased 15 engines from China in 2000.

Delivery of the locomotives and coaches was expected to start in August.

Sri Lanka Railways was built in 1864 by the British to transport tea, coffee, rubber, cinnamon and other spices from the hilly interior to Colombo for export.

Pakistan permits import of Indian cotton thru' land route

PTI, Islamabad

In a bid to cut down costs for its dominant textile industry and make it more competitive, Pakistan has permitted the import of Indian cotton through the Wagah border.

Pakistan's Economic Coordination Committee (ECC) has decided to permit the cotton imports from India through the Wagah border and from its western borders to get the same from Uzbekistan.

The decision to import cotton would be implemented in phases under which long staple cotton would be imported from India in the first phase.

However, the decision to import short staple cotton would be taken after carrying out the study that will determine if the farmers' community in Pakistan will be affected or not, media reports here said.

China faces labour shortage in 2010

Dearth to trigger demand for higher wages

AFP, Shanghai

China's ample supply of low-cost labour, one of the mainstays of China's remarkable economic transformation, could start shrinking by 2010, a state press report said Saturday.

"China is moving from an era of labour surplus into an era of labour shortage," the China Daily reported, citing the Chinese Academy of Social Sciences, the nation's key government-run research institute.

China 1.3 billion people constitute the globe's most populous country but the new study said its massive rural labour force, that has spearheaded the nation's roaring growth, may have been poorly estimated.

The number of unemployed workers below the age of 40 in rural areas that migrate in search of jobs is only about 52 million, far below previous estimates of 100 to 150 million, according to the institute

The shortage will eventually trigger a demand for higher wages, possibly as soon as in

Lanka raises fuel prices for third time

XINHUA, Colombo

The Sri Lankan government said that fuel prices have been raised with effect from midnight local time on Friday.

A statement from the Ceylon Petroleum Corporation said that the price hike was due to pressures created by high cost of global oil prices.

The price of diesel has been raised to 67 rupees per liter from 65 rupees and the price of petrol has been raised by one rupee to 106 rupees per liter from 105 rupees per liter.

three years, it said.

Rising labour costs would in turn go right to the nation's economic heart as foreign investors forsake the world's factory floor for cheaper workers elsewhere.

While it was too early to judge whether more expensive Chinese labour would become less competitive, the nation needs to start making adjustments now, said Cai Fang, a labour economics expert and chief researcher of the study.

"The country needs to change its growth mode from relying solely on one production factor (labour) to advanced production methods," Cai said.

The report pointed to the recent worker shortages in the southern hub of Guangdong that has long relied on labour-intensive industries to compete in global markets.

"The phenomenon is spreading gradually from coastal areas to central China or even some provinces that boast huge labour surpluses," said Cai.

US names new farm envoy to WTO talks

AFP, Washington

The United States named Friday a new chief negotiator on agriculture issues for WTO Doha Round trade talks, as farm disputes continue to block completion of the international negotiations.

US Trade Representative Susan Schwab said Joseph Glauber, an economist and expert in the field of international agricultural trade, would succeed Richard Crowder in the World Trade Organization talks.

Crowder, who was leaving his post on May 31 for personal reasons, has agreed to serve USTR as a consultant.

Glauber will step into Crowder's role as lead agriculture negotiator for the Doha Round. A deputy chief economist at the US Department of Agriculture since 1992, Glauber has worked in the Doha negotiations.

He also served as economic adviser at the so-called Blair House agreements leading to the completion of the Uruguay Round negotiations.

The Doha Round of negotiations, which was launched in 2001 but suspended in July 2006, has foundered in large part on farm disputes.

The four key WTO players -- the United States, the European Union, Brazil and India -- have pledged to redouble their efforts to reach their own agreement by mid-June. They are scheduled to meet in London on June 10, and hold another meeting between June 14 and 19 in a location as yet unannounced.

New office bearers of women's federation

Haniara Khan and Zeenat Islam have been elected president and general secretary of National Women's Federation, Bangladesh (NWFB) in a recent election, says a press release.

Besides, Mulema Wafa, Anwara Samad and Nazma Akber have been elected vice presidents, while Hosne Ara Yusuf treasurer, and Syeda Farzana Rahim and Razia Akter joint secretaries of the NWFB.



(From left) John Huang, general manager of world's leading retailer Wal-Mart Stores Inc (China operation), Andy Barron, senior vice president of Wal-Mart, Mahabub Ali, managing director of Valiant Garments Ltd, Jeff Baker, vice president and divisional merchandise manager of Wal-Mart, and Ram Venkatesh, managing director (Softlines) of Wal-Mart, pose for photographs after Valiant Garments received 'Supplier of the Year 2006' (Department-24) award from Wal-Mart at the retailer's Supplier Summit 2007 held recently in China.

China overtakes Japan in int'l competitiveness

ANN/ THE DAILY YOMIURI

Japan fell to 24th place on a list of countries ranked by international competitiveness, being overtaken by 15th-ranked China for the first time, according to the World Competitiveness Yearbook 2007 released Thursday (May 10) by the International Institute for Management Development in Switzerland.

The survey ranked 55 nations and regions around the world in terms of competitiveness.

Japan dropped eight places from 16th in 2006, while China went up from 18th the previous year. The United States was ranked at the top of the list, unchanged from the previous year, followed by Singapore and Hong Kong.

The competitiveness yearbook ranks the nations based on economic data in 323 fields, such as the ratio of outstanding public debt to gross domestic product and consumer price index, in addition to interviews from people engaged in business activities.

"Japan is on a growth track, but businesspeople are not positive yet because the country has moved to a new government. The ranking may recover more the next year," the IMD official said.

The IMD made positive evaluations of rising economies such as China and India, saying: "They are raising their rankings at high speed backed by rapid economic growth. Their competitiveness is developing."



PHOTO: BAZAAR INFORMATION & DEVELOPMENT

The newly elected office bearers of National Women's Federation, Bangladesh (NWFB) pose for photographs at the NWFB's annual general meeting held recently in Dhaka.