Accolade for president of Emirates Airline

STAR BUSINESS DESK

Emirates Airline's President Sir Tim Clark has recently been honoured with the "Aviation and Transport Business Leader of the Year" award.

He received the award at the Gulf Business Awards 2018 in Dubai on September 10, the airline said in a statement yesterday.

The regional accolade recognised Sir Tim for his contribution to the aviation sector over the past 12 months, as well as his dedication and sustained commitment to building an outstanding track record of financial performance, innovation and a superior customer experience, according to the statement.

He was part of the airline's founding team and has played a vital role in the development and growth of Emirates to become the world's largest international airline, recording 289 million passenger kilometres in 2017.

He has also been a strong advocate of leveraging innovative technologies to further differentiate the airline's products and services, according to the statement.

Emirates operates 271 wide-body aircraft and is the first and only airline in the world to operate a fleet of all Airbus A380 and Boeing 777 aircraft.

The airline has continued to expand internationally and today flies to 161 destinations in 86 countries.

China welcomes US trade talks offer as new tariffs loom

AFP, Beijing

China welcomed on Thursday a US offer to hold fresh trade talks, adding that the two are discussing the details, providing some hope the world's top two economies could step back from the brink of an all-out trade war.

The countries have been engaged in an escalating tit-for-tat trade fight for months but on Wednesday it emerged that US Treasury Secretary Steven Mnuchin had invited top Chinese officials to discuss the issue.

"The Chinese side believes that the escalation of the trade conflict is not in the interest of either party," commerce ministry spokesman Gao Feng told reporters at a regular news briefing.

Beijing "has indeed received an invitation from the US and holds a welcoming attitude to it", said Gao, noting the "two sides are still communicating on the specific details".

News of the possible high-level talks comes as a new business survey released Thursday showed that the majority of US firms in China are beginning to feel the pinch of the tit-for-tat trade battle.

The fight had looked like it would spiral further after US President Donald Trump last week threatened to impose tariffs on all $500 billion worth of imports from China.

Hopes for the resumption of negotiations sent Asian markets rallying with Hong Kong surging 2.5 percent -- having fallen for six straight days and into a bear market -- and Shanghai more than one percent higher.

But analysts cautioned the two sides may still be far from coming to an agreement.

The Trump administration may not be fully aligned on the matter, with the US Trade Representative still seeming to want to apply pressure, while Beijing may not be ready to budge on its positions, economist Andrew Polk wrote in the Trivium China newsletter.

"We don't think China has much more to offer than they already have, and the US doesn't seem like it's inclined to accept what is currently on the table," Polk told AFP.

"We may be in for another round of disappointment," Polk forecast of the "umpteenth round" of trade negotiations.

Trump imposed the first phase of tariffs this summer on $50 billion of Chinese exports, including high-end technology parts and manufactured goods, while Beijing fired back dollar-for-dollar at US soybeans, autos and other farm goods.

The next wave of 25 percent tariffs on a further $200 billion in imports will loom over any talks -- after a public consultation period for affected businesses came to an end last Thursday.

Beijing has pledged to hit back with five to 25 percent tariffs on $60 billion in US imports in retaliation for any measures from the US.

Top White House economic advisor Larry Kudlow told Fox Business Network on Wednesday: "Secretary Mnuchin, who is the team leader with China, has apparently issued an invitation." "Talking is better than not talking, so I regard this as a plus," he added.

Sixty percent of American companies in China say they are hurting from the escalating trade spat, reporting increased costs, lower profits and stepped-up scrutiny, according to an American Chamber of Commerce in China survey of hundreds of US firms.

About half of American firms are making less money, and a similar amount are reporting higher production costs, according to the survey.

Roughly a third of firms are shifting supply chains out of China or the US, and an equal proportion are delaying or cancelling investment decisions, the survey showed.

More than half of US firms are also feeling Beijing's wrath from non-tariff measures like heightened regulatory scrutiny, more inspections and slower customs clearance, according to the survey. The business lobby urged Washington to reconsider its approach.

"The US administration runs the risk of a downward spiral of attack and counter-attack, benefiting no one," said William Zarit, the chamber's chairman.

REUTERS

Rolls of sheet aluminium are seen at a factory in Zouping in China yesterday.

Amid scarce US labour, jobless claims hit new 48-year low

AFP, Washington

New US claims for jobless benefits fell last week to their lowest level in nearly 49 years as employers struggled to fill open positions, the government reported Thursday.

The new Labor Department figures for unemployment insurance were only the latest confirmation of the widespread scarcity of labor in the world's largest economy -- a phenomenon that may be beginning to weigh on business investment.

For the week ending September 8, the number of new claims for jobless benefits fell 1,000 to 204,000, the lowest level since December of 1969.

The result undershot analyst expectations, which had instead called for a slight increase to 210,000.

Claims, which can see big swings from week to week but are a measure of the prevalence of layoffs, have held below the 300,000 level for more than three and a half years -- the longest such stretch ever recorded -- and appear poised to fall below 200,000 for the first time since 1969.

The trend could be interrupted by damage from Hurricane Florence, which is now barreling toward the southeastern US coast.

With unemployment at historic lows, companies are increasingly stretched to fill open positions, making them very reluctant to layoff workers they may be unable to replace.

The Federal Reserve reported Wednesday that across half the United States some businesses say they are delaying or curtailing investment plans because they cannot find enough workers.

However, in many cases they have so far resisted pressure to raise wages.

Still, the persistently tight labor market could add to pressure on the Fed to raise interest rates, which it is expected to do at its next meeting later this month.

Remove barriers to boost investment: analysts

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More than 80 percent of the country's export earnings come from the garment sector and the time is ripe now to diversify the export basket, said Kazi M Aminul Islam, executive chairman of the Bangladesh Investment Development Authority.

The government should come up with policy support so that other sectors can increase their contribution to export earnings, he said. Vietnam gets a huge amount of foreign investment every year thanks to the massive development in the country's infrastructure, he said.

Bangladesh is gradually solving its energy crisis, but the country is lagging behind its regional peersfor the shortage of adequate infrastructure, Islam said.

There is unused land in char and haor areas to establish solar energy-based industrial units, Planning Minister AHM Mustafa Kamal said at the event as the chief guest.

Meherun N Islam, president and group managing director of CEMS-Global USA and Asia Pacific, an international fair organiser, also spoke.

Govt plans long-term tax policies

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She emphasised access to technology and vocational education to develop skilled workforce.

Mahbubul Alam, president of Chittagong Chamber of Commerce and Industry, said policies, rule of law and an effective regulatory framework are necessary to attain the SDGs.

He said joint efforts from the private and public sectors are needed to accomplish the goals.

Abul Kasem Khan, president of the DCCI, said

should focus more on creating jobs and building institutional capacity.

He said the private sector is facing various challenges such as getting energy at affordable prices and from reliable sources, inadequate technology, high cost of compliance, outdated infrastructure, and high cost of doing business.

"We need policy continuity, consistency and cohesiveness for more engagement of the private sector in attaining the SDGs."

Asif Ibrahim, a former president of the DCCI; Towfiqul Islam Khan, senior research fellow of the Centre for Policy Dialogue; Tafsir Mohammed Awal, a director of Multimode Group, and MA Razzaque, research director of the Policy Research Institute of Bangladesh, also spoke.

Nazneen Ahmed, a senior research fellow of the Bangladesh Institute of Development Studies, presented the keynote paper.

GM to recall more than one million vehicles in the US

REUTERS

General Motors Co is recalling more than 1 million pickup trucks and sport utility vehicles in the United States due to issues with a temporary loss of power steering, the National Highway Traffic Safety Administration said.

The problem may cause difficulty steering the vehicle, especially at low speeds, increasing the risk of a crash, the auto safety regulator said in a document dated Sept. 12. The recall covers certain 2015 Chevrolet, GMC and Cadillac pickup trucks and SUVs.

The document did not highlight any reports of accidents and injuries, because of the power steering issue.

Tax receipts rise, but growth slows

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Revenue collection from imports rose 1.49 percent year-on-year to Tk 4,848 crore in July.

Collection of income tax, the second biggest source after VAT, also rose. Taxmen logged Tk 3,612 crore in taxes, which was 17.5 percent higher than that a year ago, according to the NBR.

A senior official of the NBR saidthe collection of customs duties from imports has been sluggish owing to high import of zero-duty items.

The revenue administrator has been given the task of collecting Tk 296,201 crore this fiscal year, which is 43 percent higher than the amount collected in the previous year -- Tk 206,707 crore.

Economists on several occasions said the collection target would be tough to attain.

Brazil, Australia to fight any Indian sugar export subsidy

REUTERS, Sao Paulo

Brazilian and Australian sugar industry groups are working together with their respective governments to prepare a formal complaint to the World Trade Organization (WTO) over any possible sugar export subsidy by India, a top Brazilian sugar official told Reuters.

Brazil and Australia view any subsidy by India, set to take over as the world's largest sugar producer this year, as a grave threat to a recent price recovery, Eduardo Leão, executive director at Brazil's cane industry group Unica, said in an interview.

The two countries reached a consensus regarding the need to act at the WTO level if India moves to provide an export subsidy to sugar producers, Leão told Reuters late Tuesday.

Analysts and sugar traders are expecting such a move by India as the country would be willing to put in the market a large local surplus built after a record crop this year, and amid expectations for another big output in the coming season.

"We have heard comments that India could launch a export subsidy," Leão said. "It is not admissible, we would seek an action from the Brazilian government," he added.

Raw sugar prices in New York recovered slightly in the last days since slumping to a 10-year low of 9.91 cents on Aug. 22 as a two-year global supply surplus and massive low freight position pressured values. There was no immediate comment from the Indian trade ministry.

Indian officials have earlier said the country's sugar exports do not violate WTO rules as New Delhi does not give any subsidy for overseas sales. India rather gives production subsidy to its cane growers. The Unica director said there are talks going on with Australian sugar industry representatives for a joint strategy at the WTO if the need arises.

Australia's Minister for Trade, Simon Birmingham on Thursday declined to confirm or deny plans for a formal complaint, though he confirmed Canberra's frustration.

"It is clear that export subsidies introduced recently by the India and Pakistan governments have contributed to a growing glut on global markets," Birmingham said in an emailed statement to Reuters.

"[Australia] has expressed its concerns to the India and Pakistan governments at the highest levels in the clearest possible terms."

Australia, one the world's largest sugar exporters, is expected to produce a near record crop of 4.8 million tonnes this year, the Australian Bureau of Agricultural and Resource Economics and Sciences estimated.

"We know the market fell due to a coincidence of large productions in Europe, Thailand and India, but things are improving now, production is falling so we don't see the need for a export subsidy from India," Leão said.

Market estimates put Indian sugar surplus at about 10 million tonnes. That sugar is priced above current market so to stimulate exports the government would need to help mills.

Unica's director said Indian mills will eventually be able to sell in the export market as prices continue to recover.

REUTERS/FILE

Labourers carry sacks filled with sugar to load them onto a truck at a wholesale market in Kolkata.

Green Delta comes with online services

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She spoke at the launch of the platform at Dhaka Club.

"Insurance penetration and coverage are very low in Bangladesh, especially in rural areas," said Md Shafiqur Rahman Patwary, chairman of the Insurance Development and Regulatory Authority.

"I think the whole insurance sector should go for digitalisation to help it grow further."

The insurance sector is suffering from a lack of trust, as people now think that they will not get the fair share of their claim because of poor claim settlement records by the insurers, Patwary said.

The situation is getting better with the time as some steps have been taken to bring back the reputation of the sector, he said.

"Going digital will not only help in ensuring fairness, but also grow awareness among people about the importance of insurance."

Customers can now purchase any kind of insurance online by making the payments through any authorised channel, said Syed Moinuddin Ahmed, additional managing director.

Nasiruddin Ahmad Choudhury, adviser to the company, and Sheikh Kabir Hossain, president of Bangladesh Insurance Association, also spoke.

GSK seeks shareholders' nod to close pharma unit

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GSK has completed negotiation with nearly 600 employees about job benefits when they exit. Officials said along with job benefits, every employee will receive gross salary for up to 15 months to 70 months as compensation.

GSK Bangladesh, however, would continue with its profitable consumer health care business that produces items like Horlicks, Sensodyne and Glaxose-D.

The company is listed on both Dhaka and Chittagong stock exchanges. Sponsor-directors own 81.98 percent stake in GSK Bangladesh while institutions hold 15.88 percent, foreign portfolio investors 0.92 and retail investors 1.22 percent, according to the Dhaka Stock Exchange website.

ADP spending slower than last year

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According to IMED, Tk 3,719 crore, or 3.29 percent, of the government's own fund was spent in July-August. The government has planned to spend Tk 113,000 crore from its own sources in the fiscal year.

On the other hand, foreign aid implementation was mere 2.77 percent, or Tk 1,664 crore, against the annual target of Tk 60,000 crore. However, this time performance of state-owned enterprises improved -- they spent Tk 9,035 crore or 11.88 percent of their allocation in the first two months, up from Tk 761 crore in the same period a year ago.

According to the planning ministry, 15 large ministries and divisions account for 79.59 percent of the total ADP allocation for this fiscal year.