

REGIONAL

Seoul sentences Chinese hijackers

Six Chinese who hijacked an airliner to South Korea in May have been jailed by the Seoul District Criminal Court. Despite defence arguments that they were mainly political exiles seeking freedom from communist rule, the court convicted all six on most of the charges stemming from the hijacking and the use of illegal firearms.

The sentences — from four to six years — provoked sharp criticism from officials in Peking, who said they were too light. But the hijackers and their lawyers said they would appeal.

Meanwhile, the Defence Ministry said that Sun Tien-chin, a mainland Chinese air force test pilot who flew to Seoul on August 7 in a MiG21 fighter, will shortly be turned over to Taiwan in accordance with his wish.

— SHIM J E HOON

Servants return to Shanghai

Busy Shanghaians can now secure household domestic help through service agencies run by neighbourhood committees. A Xinhua newsagency report said that many of Shanghai's 11 million people have little free time to care for aged parents, look after children or attend to household tasks such as shopping and mending. A new household-service agency, begun three months ago in the Xiaobeimen district, is "saving residents the time-consuming chore of conducting private searches for helpers through personal recommendations."

The report said that full-time housekeepers looking after a child earn Rmb 20-25 (US\$10-12.50) per month. Part-time domestic help can be had for as little as Rmb 3-4 per month.

— ROBERT DELFS

New man for key Sri Lanka post

Gen. Sepala Attygalle, commander of the Sri Lankan army from 1967 to 1977, has been appointed to the key position of secretary of the Defence Ministry. The defence portfolio is held by President Junius Jayewardene.

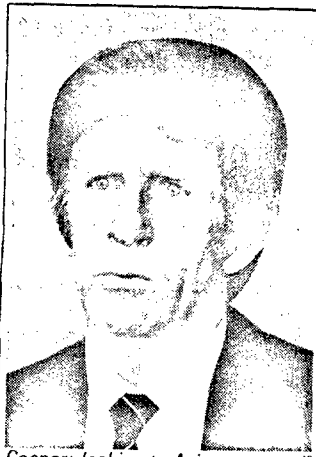
Attygalle's appointment comes as both the police and the armed forces are seeking to maintain law and order in the wake of the July riots directed against minority Tamils. Accusations that the forces did nothing to stop looters and arsonists at the height of the violence have been freely voiced at home and abroad.

The position of secretary of the Defence Ministry acquires increased importance in view of the need to shake up the armed forces and to improve their morale. Observers here note that the government has openly alleged that some disloyal elements in the forces had planned to take over the country.

— MANIK de SILVA

Wellington to take more Asean students

New Zealand will soon accept more students from Asean countries. According to Foreign Minister Warren Cooper, Wellington will make more places available, at both secondary and tertiary levels, to students from Asean countries on a preferential basis. To attract more Asean students, fees are likely to be competitive with education costs in Australia and North America.



Cooper: looking to Asia.

In the 1950s and 1960s, New Zealand accepted Colombo Plan students from a wide range of Asian and African countries. By the mid-1970s, however, Wellington had shifted its development assistance emphasis to the South Pacific and Asean. Preferential placing of fee-paying students from Asean is a reflection therefore of New Zealand's foreign-policy priorities.

— JAMES CLAD

BUSINESS

China signs oil contracts with Esso and Shell

Esso China and Shell Exploration China have signed contracts to explore two offshore blocks totalling 5,120 sq. kms in the Pearl River basin — the third lot of concessions awarded to foreign oil companies by the China National Offshore Oil Corp. (CNOOC) in the current round of bidding.

Esso China, a subsidiary of Exxon Corp. of the United States and Shell China, a subsidiary of the Shell group have an equal interest in the joint exploration, with Esso as the operator for both offshore blocks. In August 1982, CNOOC invited foreign interests to bid for 43 tracts totalling 150,000 sq. kms in the South China and Yellow seas. Esso and Shell are said to have put up bids for five blocks.

CNOOC, Japan National Oil Corp. (JNOC) and Idemitsu Oil Development Corp., also of Japan, will sign offshore-exploration contracts early this month, according to newsagency reports. JNOC is already drilling in two much larger blocks (totalling 25,500 sq. kms) in central and southern Bohai. Its exploration contracts with China were signed in 1981 outside the current bidding process.

— TERESA MA

Suharto predicts moderate growth

President Suharto, in his annual state-of-the-nation address to parliament, projected Indonesia's gross domestic product growth would average 5% during Repelita IV — the fourth five-year plan which is scheduled to begin next year. This would be above the disappointing 2.25% rate recorded in 1982 but lower than the 8% average for 1977-81. The emphasis during Repelita IV will be on rectifying the imbalance in the country's current economic structure, which is still dominated by agriculture, Suharto said. Industrial growth is projected at 9.5% a year, with agriculture at 3% a year.

To fund growth, Suharto emphasised, there is a need to mobilise more domestic resources. The recent bank-liberalisation measures, allowing state banks to set their own

deposit rates to attract more savings, was a step in this direction, he said. The government will soon come out with tax reforms to reduce its dependence on tax revenues from the petroleum sector. But increasing amounts of foreign exchange will still be needed and aside from promoting non-oil exports, tourism will be further emphasised — MANGGI HABIR

Top British mission to visit Malaysia

The chairman of the British Overseas Trade Board, Lord Jellicoe, will lead a high-powered mission of 10 British businessmen and bankers to Malaysia in October. The team will include chairmen or top executives of Lloyd's Bank, Thorn EMI, Hawker Siddeley International, Ferranti Computer Systems, Morgan Grenfell and Co., Rank Xerox, Metal Box and Rolls Royce, as well as of the Commonwealth Development Corp.

Lord Jellicoe will be in Malaysia for the first week of October and will pay special attention to the transfer of technology and investment opportunities in engineering, computer systems, electronics, agriculture and power generation. It is understood the mission will try to meet Prime Minister Datuk Seri Mahathir Mohamad.

— K. DAS

Hongkong and Canada fail to agree on textiles

Talks between Canadian and Hongkong trade officials on proposed measures to restrict Hongkong textile exports to Canada have adjourned without results. The Canadian delegation is requesting elimination of the flexibility provision, which allows the transfer of quotas for various categories of textile exports. Canada is also asking for orderly marketing arrangements which means putting a limit on Hongkong's textile exports for each quarter.

The Hongkong representatives told the Canadians the proposals are unacceptable. Hongkong, the second-largest supplier of textile goods to Canada, signed a five-year memorandum of understanding on textile export quotas under the Multi-Fibre Arrangement in 1982.

— TERESA MA