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Bangladesh sees scope to send workers to Australia

PORIMOL PALMA

Bangladesh can avail of the tremendous scope for exporting skilled and semi-skilled manpower to Australia because that country now allows entry of such workers under its General Skilled Migration (GSM) Programme to meet severe dearth of manpower.

The Bangladeshi workers can also secure permanent residency after a certain period passed, according to a recent letter from the Bangladesh High Commission in Canberra to the Ministry of Expatriates Welfare and Overseas Employment.

An Australian employment agency, Business Solutions, has already appointed Bay Eastern Ltd as its representative in Bangladesh to recruit engineers, designers and registered nurses to fill up some positions lying vacant in both private and public sectors in Western Australia.

The Business Solutions informed the Bangladesh Mission

that it would be able to employ at least 50 skilled employees from Bangladesh every month.

The construction and mining industry in Australia would require a considerable number of workers over the year, the letter sent to the overseas employment ministry mentioned, adding that the professionals required mostly there in the 2005-06 financial year were registered nurses, computing professionals, business and information professionals, butchers and general medical practitioners.

The Business Solutions said besides handsome salary package, candidates selected for employment in Australia would be provided with a total relocation package, including transportation cost, initial accommodation and visa processing.

Australia normally allows around 1 lakh skilled workers to enter Australia every year under GSM programme, the letter also said. It said in FY 2005-06, a total of 97,336 persons, including 1392 from

Bangladesh, migrated to Australia under this programme. The target of hiring foreign workers this fiscal (2006-07) has been set at 97,500.

"It is estimated that Australia will run short of 2,70,000 skilled workers over the next 10 years. To overcome this dearth, it had started utilising the Temporary Business (Long Stay) sub class 457 visa for four years last fiscal as a measure to allow foreign workers," the Bangladesh mission letter noted.

The foreign workers in Australia would be eligible to apply for permanent residency upon completion of two years of employment in that country. A total of 39,530 persons, including 80 Bangladeshis, were allowed entry into Australia on such visas in FY 2005-06.

Despite such openings for the Bangladeshi skilled manpower, the country has not yet explored to the fullest, the mission viewed and added: "We have figured out lack of formal training on specific trade and difficulties in complying with Australian standards for skills that

resulted in reluctance on the sponsors' part are the biggest impediments to our efforts."

The letter said the Bangladesh High Commission is trying to work out a mechanism in consultation with relevant Australian government departments and trade training institutions to encourage them to set up or work with vocational institutions in Bangladesh to ensure mutual recognition of vocational qualifications.

It may require restructuring the vocational and training institutions of Bangladesh and link those with Australian vocational institutions through accreditation, which would ensure mutual recognition of skills, it observed.

"Our emphasis should be on producing as many as possible different categories of workers like electricians, motor mechanics, carpenters, bricklayers, plumbers, hairdressers and refrigeration and air-conditioning mechanics, as they would be high in demand in future in Australia."

Remittance jumps to \$598 m in Nov

STAR BUSINESS REPORT

The country's remittance attained a record highest mark in a single month as it reached US\$ 598 million in November.

The overall remittance rose to \$ 2305 million during the first five months (July-November) of the current fiscal (2006-07) at a robust growth of 30 percent over the same period last fiscal.

It was \$1760 million in the first five months of the previous fiscal (2005-06).

Bangladesh Bank sources said the remittance inflow surged as the overseas workers send more money to the country as the Eid-ul-Azha nears, resulting in jumping of foreign exchange reserve to \$ 3570 million till yesterday.

Korean firm to invest \$ 7.4m in EPZ

UNB, Dhaka

A Korean company, Sunnam Mills Limited, Monday signed an agreement with the Bangladesh Export Processing Zone Authority to invest US\$ 7.426 million in Bangladesh.

BEPZA Member (Investment Promotion) Masud Ahmed and Sunnam Mills Limited General Manager M Shahabuddin signed the agreement on behalf of their respective sides, said a press release.

The cent percent foreign company will annually produce 20 million meters of nylon and polyester Greige Fabric in addition to creating jobs for 222 Bangladeshi and five foreign nationals.

BEPZA Executive Chairman Brif Gen Ashraf Abdullah Yussuf, Member (Engineering) Prashanta Bhushan Barua and Member (Finance) AKM Mahbubur Rahman were present at the signing ceremony.

China considers fairer wealth distribution

AFP, Undated

China's top leaders gathered Tuesday to decide economic policies for 2007, a "crucial" year that will see a renewed focus on a fairer distribution of the country's growing wealth, state media and officials said.

On the agenda at the annual closed-door Central Economic Work Conference is the need to better share the benefits of China's spectacular economic development, according to academics familiar with ongoing policy debates.

"Earlier on, we attached more importance to growth but now the focus is increasingly on equity," said Yi Xianrong, a senior economist with the China Academy of Social Sciences, the top government think tank.

The conference is taking place amid increasing signals that China's impressive economic boom of recent years has been accompanied by a deepening divide between the rich and poor.

Even as China continues to be the world's fastest-growing major economy, the poorest 10 percent of the population have seen their incomes fall in absolute terms, the World Bank said last week.

RDRS wins European microfinance award

BSS, Dhaka

RDRS (Rangpur Dinajpur Rural Service) Bangladesh has won the European Microfinance Runner-up Award 2006.

Zakoura Microcredit of Morocco clinched the championship award, it was announced in Luxembourg recently.

A total of 43 programmes across the world applied for the award, which is instituted by the European Microfinance Platform, said a RDRS press release.

RDRS Finance Director Tapan Kumar Karmaker received the award on behalf of RDRS Bangladesh.

SEC approves 3 suggestions to boost trading

UNB, Dhaka

Securities and Exchange Commission (SEC), the watchdog of the country's capital market, at a meeting yesterday approved three recommendations of the Consultative Committee to boost trading in stock markets.

As per a recommendation, from now on any person selling shares of A, B, G and N category can also buy same amount of shares from the same category and there will be no need for financial adjustment facility settlement.

The SEC meeting, chaired by its Chairman Faruq Ahmad Siddiqi, decided to lift the circuit breaker for those shares whose book closure date was a day earlier if no share traded till 12 noon on the following trading day.

The meeting also decided to delist a company if it fails to resume operation after one year of its clo-

sure. SEC members Saleh Ahmed Chowdhury, Mohammad Ali Khan and Abbas Uddin

Khan and Executive Director Mansur Alam were present in the meeting.

The Consultative Committee, comprising SEC, Dhaka Stock Exchange and Chittagong Stock Exchange, on November 28 made the three recommendations.

According to the SEC executive director, previously no person was allowed to buy shares from the same category on the same day if he sold shares of A, B, G and N category due to the financial adjustment facility system.

About the withdrawal of the circuit breaker system, he said it was seen that after the last date of book closure of a particular share, the price of the share dropped sharply.

"After the last date of the rights share issue or bonus share issue,

the share prices usually fell down significantly, but could not be traded in the market due to the circuit breaker system," he said.

Under the newly approved system, if shares are not traded in the capital market until 12 noon, the circuit breaker system will not be allowed for the rest of the time of that particular day. "The lifting of the circuit breaker will be in force just for one day," Alam told the news agency.

On the other hand, if any company stop its operation for more than six months, defaulted for holding annual general meeting or in submitting annual report, the SEC will ask the capital market authority for monitoring and ask the respective company to resume its operation. If the respective company failed to resume operation within next six months, the SEC will delist the company from the capital market.

New ICC rules on L/C come into effect from next July

Banking Commission of the International Chamber of Commerce (ICC) has approved revised rules on letters of credit (L/C), which come into force from July 1, 2007, says a press release of ICC Bangladesh Chapter yesterday.

The ICC first issued the Uniform Customs and Practices (UCP) for documentary credits in 1933 as laws on L/Cs became conflicting in different countries. These rules were created to bring uniformity in banking practices worldwide. Since then, the rules have been revised many times.

The last revision was made in 1993, which is known as UCP 600.

The revised version contains 39 articles instead of 49 articles of UCP 500. It includes a new sec-

tion of 'definitions' having terms such as 'honour' and 'negotiation', a section of 'interpretations' that will clarify meanings of ambiguous terms, replacement of the term 'reasonable time' with a definite number of days (five banking days) for examining and determining compliance of documents and a new provision concerning addresses of the beneficiary and the applicant. Apart from these, it focused on 'original documents', re-drafted transport articles aimed at resolving confusion over the identification of carriers and agents and envisaged new provisions to allow the discounting of deferred payment credits. Under the revised rules, banks are allowed to accept an insurance document that contains reference

to any exclusion clause.

In the meantime, ICC-B received orders for about 1000 copies of UCP 600 from different banks and non-banking financial institutions.

The interested companies and individuals have been asked to contact the ICC-B for further orders for such copies on or before December 14 to avail of the special price offer.

The press release added that the ICC-B plans to hold a workshop on UCP 600 to focus on the structural comparison of UCP 600 and UCP 500, standards for examination of documents and other issues on February 25-26 in Dhaka and on February 27 in Chittagong.

HSBC sees 'modest' rise in bad debt charges

AFP, London

Global banking giant HSBC said Tuesday that its bad debt charges rose modestly in its third quarter but noted that its overall financial performance was better than in the same period a year earlier.

"Asia, including Hong Kong, continues to offer the strongest growth prospects for HSBC in the near term, together with the resource rich economies of Latin America and the Middle East, all linked in part to the strong growth in the Chinese economy and its impact on its trading partners," the bank said in a trading update.

Regarding bad debts, HSBC said: "Loan impairment charges in the third quarter were modestly up on both the trailing quarter and the prior year quarter."

It added: "Financial performance in the third quarter of 2006 was ahead of the prior year comparative quarter."

In early morning trade, the price of shares in HSBC fell 1.44 percent to 923.50 pence on London's FTSE 100. The British capital's leading share index rose 0.35 percent to 6,071.50 points.

HSBC's results for the year ending December 31, 2006 will be announced on March 5, 2007.

Russia warns against oil 'euphoria'

AFP, Moscow

Russian Finance Minister Alexei Kudrin warned on Tuesday against using oil and gas revenues to boost budget spending and said lower global energy prices could spark "social protest" in Russia.

Kudrin also said in an article in the Vremya Novostei daily that "entire sectors" of the Russian economy were becoming uncompetitive because of the strengthening of the ruble on the back of the inflow of oil dollars.

Kudrin's main thesis was that the Russian budget cannot continue to rely on oil and gas revenues in the longer-term because prices are likely to decrease and Russia should therefore start finding other sources of revenue.

"In the last few years, a euphoria because of high oil prices has strengthened ... For no one is this euphoria more dangerous than for a whole state that eight years ago suffered a terrible crisis," Kudrin said.

In 1998, Russia defaulted on a debt repayment to the International Monetary Fund amid low energy prices, sparking a financial crisis that wiped out savings and scared off investors.

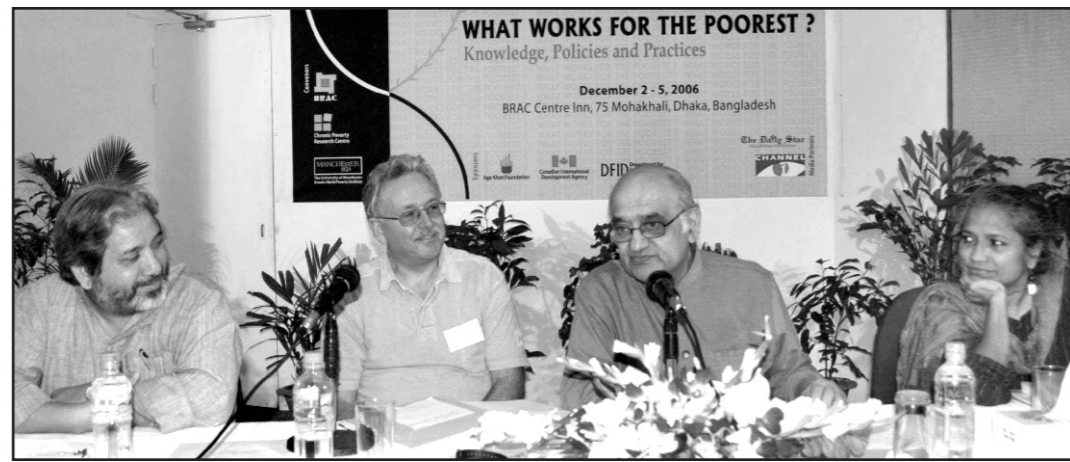


PHOTO: STAR

Centre for Policy Dialogue (CPD) Chairman Rehman Sobhan ((2-R) speaks at a conference titled "What works for the poorest?" in Dhaka yesterday as University of Manchester's David Hulme (2-L), Naila Kabeer (R) of Institute of Development Studies at the University of Sussex, and Syed Hashemi of the Consultative Group to Assist the Poor (CGAP) look on.

India urged to open economy to foreign investment

AFP, New Delhi

A top US trade envoy leading the biggest ever business delegation in American history appealed to India Tuesday to go the extra mile in opening up its booming economy to foreign investment.

"US companies are very serious about doing business with India," said Franklin Lavin, US under-secretary of commerce for international trade, ending an eight-day visit to India accompanied by a 250-member corporate contingent.

Washington's desire to penetrate the Indian market with its increasingly affluent middle class, estimated at 300 million people, was shown by the sheer size of the trade mission, the largest to go abroad in US history, Lavin said.

"This is the right time to be in India," he added, referring to India's fast-growing economy, which expanded by 9.2 percent in the second quarter.

But despite 15 years of economic reforms, there were still significant hurdles to investing in Asia's fourth-largest economy, Lavin told the

Indo-American Chamber of Commerce in a speech.

He pointed to foreign investment curbs in sectors such as retail, financial services, broadcasting and telecommunications.

"Lifting (foreign) ownership caps and opening the Indian economy to international participation will bring greater efficiencies and help Indian consumers," said Lavin.

"It gives me no joy to report that in the World Bank's Ease of Doing Business study, India ranks right at the bottom - 173 of 175 countries in the area of enforcing contracts," he added.

"An estimated 74 percent of software in India is pirated, and India is one of the world's leading manufacturers of counterfeit pharmaceuticals," he said.

There were also still questions about India's commitment to economic reforms, Lavin said, asking whether the country was "on a long-term path of reform, or are we simply looking at the Indian moment?"

"Will these reforms continue, or will India pull back?" he asked.

The US has been pushing India

to step up the pace of economic reform as it seeks a bigger foothold in the Indian economy.

But the ruling Congress government has been under pressure from its communist allies which prop it up in parliament to go slow on reforms, citing fears that India's teeming poor will get swamped in a free-market economy.

The US wanted "every Indian company to have as much access to the American market as possible, and for every American company to have as much access as possible to Indian consumers," Lavin said.

Bilateral trade between the two countries in goods and services totals some 40 billion dollars annually, which the two sides are committed to doubling in three years.

Commercial and military ties between the nations have transformed since they were on opposite sides of the fence during the Cold War. A landmark civilian nuclear deal awaiting final US legislative approval is seen as the highwater mark of their new relationship.



PHOTO: BRAC BANK

Brac Bank Ltd has opened an ATM (automated teller machine) booth at its stall at Dhaka International Trade Fair-2006 that began at Sher-e-Bangla Nagar in the capital on Saturday.