Develop skills of youth to prepare them for jobs

Bangladesh needs more skilled workers with hands-on training, says MD of the Institute of Hotel Management and Hospitality

STAR BUSINESS REPORT

DEVELOPING skills of the country's youth is vital to help the economy move forward and make more people employable in industries, an expert said.

Rubina H Farouq, managing director of the Institute of Hotel Management and Hospitality, a leading organisation in the sector, said, "Human resource is the biggest asset of our country. We have to utilise it to drive growth of the economy."

Technical schools, colleges and universities churn out thousands of graduates every year. Still, industries do not get a supply of skilled workers, she said.

"Skills shortage is a major problem for the country, and we have to deal with it with utmost attention. Time has come to get to the root of the problem, not just talk about it."

She said not everybody has to go for higher studies. "We need more skilled workers who have hands-on training. These youths have to be given the right technical training and certification so they can find jobs in Bangladesh and anywhere in the world."

Information has to be readily available on who is training on what, she said in an interview with The Daily Star. "There is also a need for a partnership between industries and academia, so educational institutions understand the skills requirement of factories."

Rubina was one of the trainees of the first batch of the National Hotel and Tourism Training Institute of Bangladesh Parjatan Corporation back in 1978, when she was still studying in a college. She learnt to cook 350 food items.

She set up the Institute of Hotel Management and Hospitality in 2004, the first human resource training centre in the private sector after state-run National Hotel and Tourism Training Institute, to produce skilled workers for hotels and restaurants.

So far, the institute, which works closely with the Bangladesh Technical Education Board, has churned out 3,500 students, who have found jobs in hotels and restaurants at home and abroad.

Rubina is also involved with Rotary Club of Dhaka Buriganga, a distinguished service club in Bangladesh that is devoted to various social and human development services of Rotary International.

Rotary Club of Dhaka Buriganga is organising a seminar at the Nabab Nawab Ali Chowdhury Senate Bhaban at Dhaka University tomorrow, where experts will discuss tackling graduate unemployment, creating market access for entrepreneurs and encouraging the youth to be future leaders.

Rubina H Farouq

The purpose of the seminar themed "be a change maker" is to provide a unique forum for participants from the academia, industries, the government and other stakeholders to actively share ideas and make recommendations.

"We have to nurture the youth as they are the biggest change makers of the country," said Rubina, who is also the vice president of Bangladesh Federation of Women Entrepreneurs.

There are many women entrepreneurs in the country but they do not have market access, she said.

"It will be a huge boost for the economy if we can provide small capital and skills training to microenterprises to help them grow. Our economic and social indicators will also improve."

She urged all trade bodies to work together for skills development and women empowerment.

The Rotary Club of Dhaka Buriganga works in the areas of primary health care, safe drinking water and sanitation, education and skills development, poverty alleviation and empowerment of women and integrated rural development.

Rubina is a master trainer and industry assessor from Tafe Australia and holds a PhD in competency-based training in the hospitality sector from the University of California.

She is also the secretary general of the Industry Skills Council on Tourism and Hospitality.

As Rajan tightens screws, Indian banks can still disguise bad debts

REUTERS, *Mumbai*

A tool provided by India's central bank to help lenders tackle bad debts is instead helping to camouflage the scale of the problem, evidence of how the country's banks will struggle to meet an ambitious clean-up target in 16 months' time.

India's banks are grappling with more than $110 billion of corporate stressed debt, a burden that is holding back fresh loans and hampering a speedier economic recovery.

Hoping to press banks to acknowledge the size of bad debts and tackle them, the Reserve Bank of India last week set a March 2017 goal, although it did not specify exactly what would have to be achieved by that date.

Emphasising the challenge ahead for governor Raghuram Rajan is the growing debate around the most high profile tool the RBI has offered lenders to date - strategic debt restructuring (SDR), a provision aimed at helping banks swap unpaid debt for majority control.

Rajan has campaigned to get banks to classify debt correctly, and to oust errant company owners. Commercial banks say his team has been active, checking provisions and exactly how loans are recorded and reported.

Yet while banks, including India's largest, have taken advantage of the benefits of SDR, none have yet used it to effectively tackle the underlying problems.

Crucially, SDR allows debt in the process to be classed as "standard", without extra provisions or writedowns, for 18 months. But without other changes, that may create trouble down the line, analysts warn.

"As banks through SDR are able to delay provisions on the stressed SDR accounts by 18 months, it would result in bunched up provisioning," Credit Suisse analysts said in a note, adding this could add to banks' already elevated credit costs.

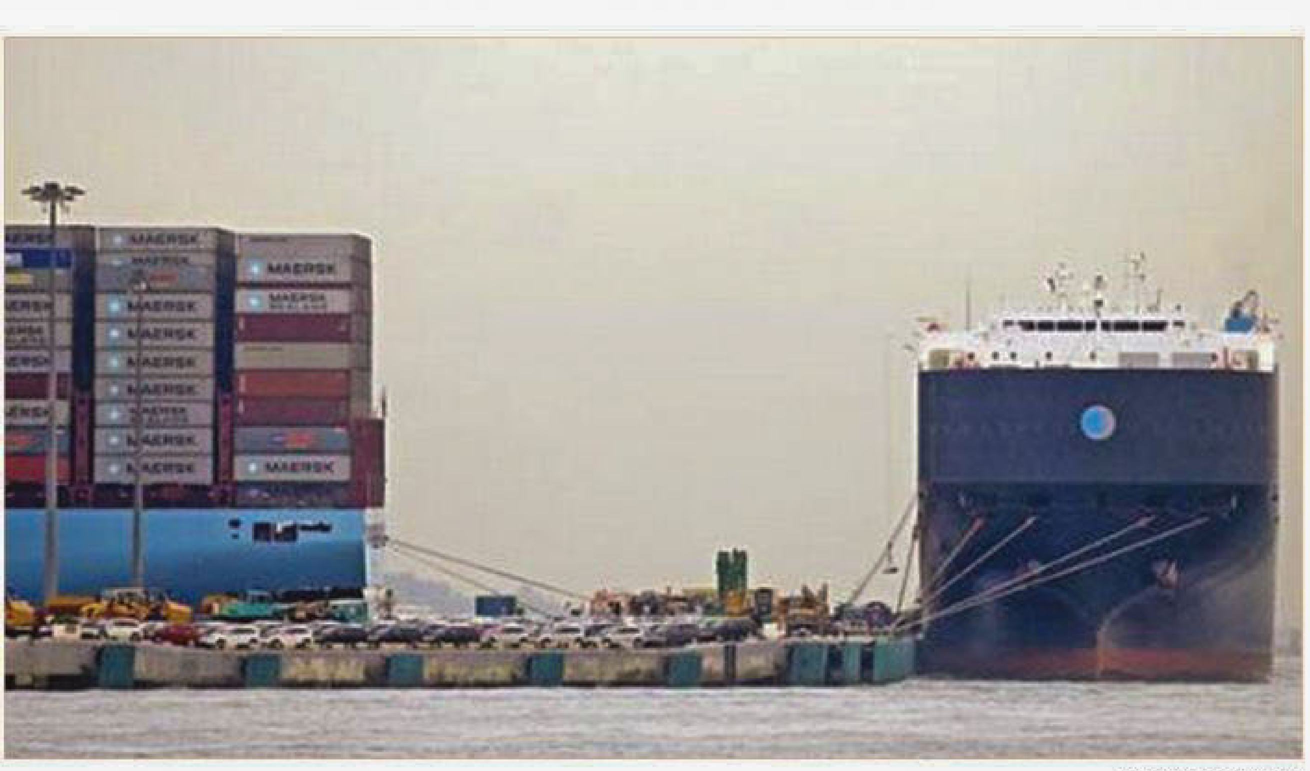
So far, since SDR was introduced in June, it has been invoked by banks in nine cases, with at least one other due. Most are steel, resources and infrastructure firms.

In total, according to brokerage Religare, known SDR debts amount to some 641 billion rupees ($9.6 billion), or about 1 percent of all loans.

But none of these cases have seen banks swap debt for equity, take control or significantly cut debt.

The RBI says it will not tolerate misuse of an option intended to help turn around companies with potential. "It is not a concession to banks. If we find the banks are not playing by the rules we will deal with them," an RBI spokeswoman said in response to Reuters queries.

She added the central bank could step in even before 18 months if banks are found to be building "a huge book of such shares".



REUTERS/FILES

A container ship and a car carrier dock at Singapore port.

Economists trim Singapore 2015, 2016 growth forecasts

REUTERS, *Singapore*

Economists have revised their economic growth forecasts for Singapore for 2015 and 2016 down from their projections three months ago, a central bank survey showed on Wednesday.

The median forecast of 22 economists surveyed by the Monetary Authority of Singapore (MAS) was for gross domestic product (GDP) to expand 1.9 percent this year, down from 2.2 percent expected in the previous MAS survey published in September.

The MAS survey showed that economists expect GDP growth in the fourth quarter to come in at 1.4 percent year-on-year, down from 2.3 percent expected in the previous survey.

In 2016, GDP growth is seen likely to come in at 2.2 percent, compared to 2.8 percent expected in the September survey.

Economists also trimmed their inflation forecasts for next year, according to the median forecasts in the MAS survey.

The headline consumer inflation rate was seen at 0.5 percent in 2016, down from 1.1 percent in the September survey, while core inflation was expected at 1.0 percent, down from 1.3 percent.

For this year, economists see the all-items consumer inflation rate at -0.5 percent, down from their previous expectation for -0.2 percent.

Core inflation was expected to come in at 0.5 percent in 2015, unchanged from the previous MAS survey.

Economists expect the Singapore dollar to trade at S$1.4300 against the US dollar at end-2015, and at S$1.4700 at the end of 2016, the MAS survey showed.

In November, the city-state softened its growth outlook for 2015 amid sluggish global demand, even as data showed that Singapore's economy grew much faster than initially estimated in the third quarter thanks to a better performing services industry.

The government now expects full-year growth for this year to be "close to 2.0 percent", while growth in 2016 is seen at 1.0-3.0 percent.

Against a backdrop of low inflation and weak global growth, Singapore's central bank has eased its exchange-rate based monetary policy twice this year, most recently in October.

OnePlus to narrowly miss India smartphone sales target

REUTERS

Chinese smartphone maker OnePlus will miss its target of selling 1 million handsets in India in 2015 - its first year in the country - but not by much, a company executive said.

OnePlus's high-spec mid-range phones have proven to be a hit, but supply chain issues have limited the company's ability to take a bigger share of one of the world's fastest growing smartphone markets.

Even so, India accounts for more than a third of the company's annual sales.

"In the initial two months, we weren't able to get stock, due to which we lost almost 6-8 weeks of sales," Vikas Agarwal, general manager of the company's India operations, told Reuters.

The company, which sells premium phones at less than half the price of top-end handsets by Apple Inc and Samsung Electronics Co Ltd, launched OnePlus 2 in July and received 5 million registrations globally.

Change takes root in India's remote northeast

AFP, *Guwahati, India*

THE ancient root bridges spanning the rivers of the remote northeast are some of India's most iconic images, symbolising a slower pace of life unimaginable in its bustling megacities.

But a spate of infrastructure projects designed to improve access to the rest of India and its neighbours is serving as a wake-up call to what has long been a sleepy backwater.

An expanded rail network, a massive road project and new border posts to open up trade with Southeast Asia are underway or in the works -- a prospect welcomed by local businessmen, who struggle to compete with the rest of the country.

"It's a challenge," said Amit Jain, as he lists the obstacles confronting his bottling business.

"Raw materials come from states like Punjab and northern states and that takes a week," he told AFP in his office in Guwahati, capital of the area's largest state, Assam.

"And any machinery or spare parts you have to bring in from Delhi or Kolkata so, in terms of commitment on a date, it is difficult."

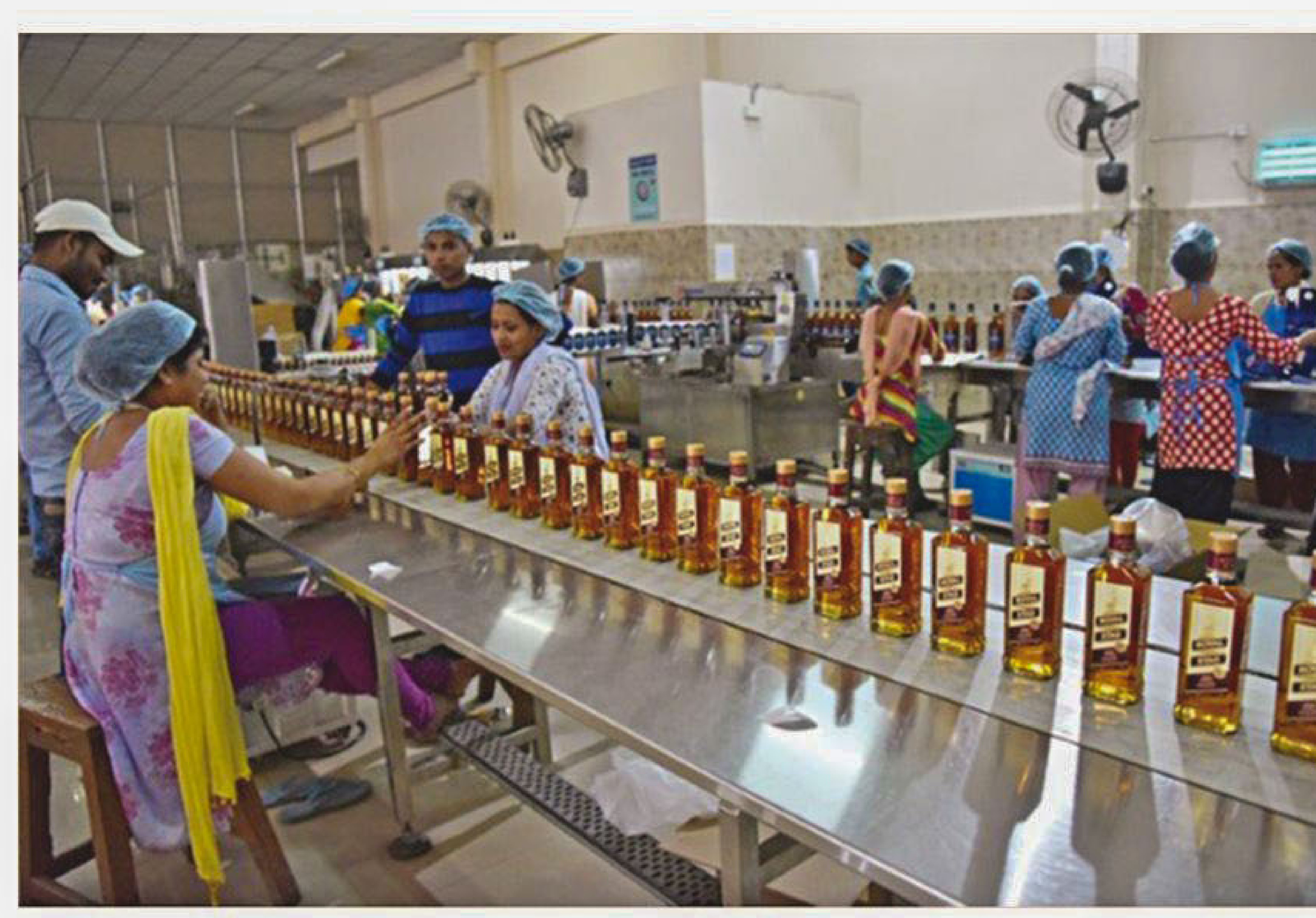
Assam is best known for tea production, but the numbers employed by the industry have declined over the years, so its future prosperity depends on the success of companies such as Jain's Aroma India.

The firm began life producing bottles of massage oils, but has diversified.

It recently landed a contract to bottle spirits for a major liquor firm, although such success stories are rare. Experts say the reasons are obvious.

"Infrastructure in the northeast is in bad shape and connectivity is poor, especially land connectivity," said Saundarjya Borbora, an Assam-based professor and president of a local economics think-tank.

The northeast region includes eight states, which are not only located far from centres of power such as Delhi and Mumbai, but also culturally and linguistically distinct from the rest of India.



AFP

Assam is best known for tea production, but the numbers employed by the industry have declined over the years, so its future prosperity depends on the success of businesses such as bottling companies.

Most are sparsely populated and their combined population is around 46 million, a fraction of the nationwide total of 1.25 billion.

While lacking in numbers, their importance has grown as successive governments have seen them as a gateway to Bangladesh, Myanmar, China, Nepal and Bhutan, which all share a border with at least one of the states.

- Signs of change -

During his inauguration last year, Prime Minister Narendra Modi said "infrastructure is the most important factor" in developing the region, making it a government priority.

Modi attended the opening of a train line connecting two towns in Meghalaya with Assam, the first time the state has been hooked up to India's vast rail network.

There is also a major rail project in Tripura state and Imphal, capital of Manipur.

Shillong, Meghalaya's capital, still has no railway station but signs of change are unmistakable even in its villages.

In one of the wettest places on earth, locals and tourists do still cross rivers on twine bridges crafted from the rubber roots of living trees that date back more than two centuries.

But some are falling into disrepair as locals use steel rope bridges at more convenient spots.

A more brutal example of modernisation is in Mizoram, where around 1,000 workers are constructing a 90-kilometre (55-mile) highway to the Myanmar border.

By the time the NH 502A is completed, expected in mid-2016, as many as 3,100 trees will have been felled and 18 million cubic metres of soil shifted, according to the Indian Express.

It is part of a wider programme to halve the 1,880 kilometre distance between the border and Haldia port in Kolkata, India's eastern metropolis.

Experts say it could knock four days off the journey time for vehicles, which now takes at least a week. If overland is a headache, it is not much better for air travellers, who often have to get connecting flights in more westerly hubs rather than fly directly eastwards.

Hasina Kharbhih, whose Meghalaya-based Impulse Social Enterprises helps thousands of local craftsmen promote their products, wants to branch out into neighbouring countries, but says it is struggle.

"I still have to fly from Kolkata to Bangkok and Bangkok to Yangon to reach the different villages and activities we have in Myanmar," she said.

Kharbhih said many of her clients lacked basic business knowledge and skills compared with countries in Southeast Asia.

"We need to be sure these artisans are being plugged in to understand their market -- feasibility, viability. We have to empower these villagers.

"The skills that they have in Southeast Asia and the skills that they have here... We're still far apart."