



THE CURRY CRISIS: CAUSES AND SOLUTIONS

By Oli Khan



As one of the directors of the UKBCCI and a well-established restaurateur, I'm acutely aware of the problems the British curry industry is currently facing. It is something which needs to be taken very seriously as it has a bearing on thousands of restaurant businesses up and down our nation.

Where the problem stemmed from was from the government's declaration of its non-EU policy which by the Home Office minister in July 2015, giving priority to the employment of EU workers.

However, adding to this difficulty was the Tier 2 stipulation for skilled migrant workers which curryhouses used to source from countries such as Bangladesh, India and Pakistan, raising the salary standard from a basic £18,570 to £29,570. This is in addition to providing accommodation and food. If the latter proviso isn't met then you need you to pay your chef £35,000 per annum, which is much higher than the UK's average wage in the hospitality sector of £25k at the moment.

On top of all that, the VAT has increased, the pound has been weak and higher goods prices have all contributed to the shortage of staff. The effect all of this is having on the restaurant sector is just devastating.

The British curry sector is worth billions of pounds yet the adverse conditions are creating a situation where new restaurants can't find adequate staff whilst old and established restaurants are struggling at

best. The cumulative impact being that a significant number of restaurants are shutting down business.

On a day to day basis what it means is that restaurants aren't able to provide the kind of quality food or even the kind of service which they once did.

Another major issue is that a lot of curry restaurants are paying third party outfits for their online ordering service for which they pay over 30% in commission and that's reducing their profit margin which in turn means that their business is hard to sustain.

Our government must understand that the curry industry made up of some 12,000 restaurants contributes well over £4 billion to the British economy and employs 150,000 people directly and indirectly. The curry industry is the pride and joy of Britain and curry itself has been with us for many, many decades.

The government should act now to safeguard this precious industry.

So where do the solutions lie?

Firstly, the government must recognise the curry industry and its contribution to the British economy. Secondly, remove all the restrictions that prevent skilled staff to come and work in restaurants. Thirdly, even if it is only for a short term basis, allow unskilled workers from the sub-continent to come to the UK so that the staff shortage issue can be dealt with quickly. Fourthly, reduce the yearly salary for skilled migrants which in turn

will reduce the financial burden on the restaurant.

Fifth, allow for a number of curry colleges to be formed in the UK so that we can create more qualified home grown chefs.

Restaurateurs should also be doing their own online ordering services, using technology based orderings system like EPOS systems, APP ordering, minimising the menu and reducing the items whilst concentrating on less dishes to produce better quality food. This in turn not only makes your establishment better in standards and quality, but also allows for less staff to run your business.

I urge every local curry house to contact their local MP and write a letter to the home office and the Prime Minister to raise the issues that the curry industry is facing. Further, I would encourage restaurant owners to advertise at Job Centre plus so that the government can recognise that there is a very real shortage of staff.

Lastly, I would say that this industry has given the British Bangladeshi a lot of pride, joy and a living to be proud of. It's an industry which is our livelihood and needs everyone's support and collective work to safeguard it. As a result, may I make an earnest and heartfelt request to all restaurant owners, those within the industry and its workers to stand shoulder to shoulder to bring about an end to the crisis.

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SMALL FIRMS PREPARE FOR NEW NATIONAL LIVING WAGE

On Friday 1st April, the new National Living Wage (NLW) came into force. The Federation of Small Businesses (FSB) is calling on small firms to make sure they act on this new legal requirement to avoid heavy penalties.

The NLW, not to be confused with the voluntary Living Wage set by the Living Wage Foundation, is a new compulsory minimum wage of £7.20 per hour for the over 25s. The Government has set a target for the NLW to rise to the equivalent of 60 percent of average earnings by 2020. Based on the latest projections, this will mean the NLW will increase to approximately £9.15 per hour in 2020, although this is subject to change. FSB believes the Low Pay Commission, the independent body that advises Government on the minimum wage, should be free to deviate from this target if it becomes apparent that the economy cannot afford it.

While many small firms already pay their staff above NLW and will not be affected, others will find it a significant challenge and face difficult choices in order to pay for the higher wage bill.

In October last year, FSB surveyed its members to find out how small businesses expected to adapt to the new NLW. The research found well over a third (38%) of small employers expect the new NLW of £7.20 an hour to negatively impact their business. Just six percent of businesses thought the policy would have a positive impact on their business.

When asked to consider the projected rise in the NLW to at least £9 an hour by 2020, over half (54%) said it will have a negative impact.

Businesses in the wholesale and retail sector, and those working in accommodation and food services, were most likely to say the NLW will have a negative impact. In addition, businesses in Yorkshire, the West Midlands, Wales and the South West were among the most likely to cite a negative impact. Businesses which said they would be negatively impacted were asked how they will adapt to the new NLW when it comes in. Just over half (52%) said they would put off hiring new staff while 50 per cent said they would raise their prices.

Other steps businesses expected to take to manage the higher wage level included: cutting staff hours (41%), reducing staff numbers (31%), cancelling or postponing planned investments (29%) and eroding pay differentials by freezing or cutting the wages of higher paid staff (26%). Almost a third of businesses owners expected to absorb the cost through reduced profits (29%).

Despite the challenges posed by the new wage rate, FSB is encouraging its members and the small business community as a whole to make sure they are ready for the NLW ahead of Friday. FSB members with any queries about the NLW can contact FSB's free employment advice line on: 03450 727 727 with their membership number to hand.

Mike Cherry, FSB National Chairman, said: "With the new National Living Wage coming into force this Friday, all employers have a legal duty to make sure they pay their staff the correct wage. Any small business owner who is unsure what they need to do should call our free member advice line without delay.

"Small businesses are playing their part by creating jobs and boosting pay packets wherever they can. Our research suggests that over half of small firms already pay their staff more than the voluntary Living Wage, but those that don't are often operating in highly competitive sectors with very tight margins.

"While it is easy to say everyone deserves a pay rise, the only way to deliver and sustain higher wages in the long run is to improve productivity, boost skills and drive business growth. Without the right type of productivity growth, there is a real risk that in many sectors higher enforced statutory wages will lead to fewer jobs being created, fewer hours for existing staff and, unfortunately in some cases, job losses.

"It's important that the independent Low Pay Commission continues to play a central role in setting minimum wages. This includes having the ability to recommend that the Government deviates from its plan to raise the National Living Wage to over £9 an hour by 2020, if it becomes apparent that the economy cannot afford it."

Voice of UKBCCI Members

Jamal Khalique

UKBCCI Director and Owner of Taj Stores

For Jamal Khalique, a director of UKBCCI and along with his brothers owner of the highly successful Taj Stores in London's Brick Lane, business isn't just about one single element, but about a number of elements.

"If one can get all of those together," he says, "and be able to maintain them successfully then you are achieving what any good entrepreneur would be achieving."

Of course, it helps when you have a family lineage which started off the renowned store. Launched originally in humble beginnings, in 1936, by Abdul Jabbar, whose origins in Bangladesh led him to become a seaman and eventually come to London. Rather than work in factories, he decided to go it alone open the then small store. Customers, both English and from his country of birth followed. Eventually, his brother Abdul Khalique, who had already been helping him since his own arrival in the 50s, took over the business once Jabbar passed away in 1969.



Though the store went through changes - even in its location - it was a bona fide success. Even to the extent that Khalique opened up other kinds of retail outlets. Sadly, Khalique passed away in 1994 with the business passed on into the hands of the current generation, his three sons - Jamal Khalique (Junel) and the youngest A Muhit (Joynal) - have gone on to expand the business further with property being one of their mainstays.

"If you want to be a successful entrepreneur," says Khalique, "don't think of it as just being about making money. You require dedication, investment of your time, taking responsibility and being honest. You should also give to charity, something which is very close to me and my brothers' hearts. Remember though, in business, you can take a lot of knocks because business is ultimately a gamble. So try and know what you are doing and have accurate business plans. Also ensure that you have trustworthy people around you."

Latest Events

UKBCCI DELEGATION MEETS WITH FBCCI IN BANGLADESH



A four-member delegation from the UKBCCI, headed by its President Bajloor Rashid MBE, visited Bangladesh recently and met with the leaders of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), at the FBCCI offices. The UKBCCI delegation discussed investment opportunities in different sectors of Bangladesh in the meeting. During the meeting, which included FBCCI President Abdul Matlub Ahmad, it was agreed that bilateral trade would be promoted between the UK and Bangladesh and that trade shows would be arranged in both countries. Both sides also agreed to share information on trade and investment with Bangladeshi businessmen.

M A ROUF JP ELECTED CHAIRMAN OF MUTUAL TRUST BANK LTD, BANGLADESH



Previously the Vice Chairman of Mutual Trust Bank Ltd. (MTB), Bangladesh, MA Rouf JP has been elected Chairman of the bank. A Chairman of the renowned Britannia Group in the UK along with also the Balaka Group and various other senior roles, Rouf said of his appointment: "It's an honour and privilege to have been elected Chairman of Mutual Trust Bank. I look forward to working with all my colleagues and to serve the Chairmanship as best as I can."

FSB URGES INTEREST RATE CAUTION AFTER INFLATION RISE

Commenting on the Consumer Price Index (CPI) which rose to 0.5% in March, Mike Cherry, National Chairman at the Federation of Small Businesses (FSB), said:

"Small firms are currently dealing with a raft of challenges, including the National Living Wage which came into effect this month, driving up costs and driving down modest profit. A recent FSB survey [1] showed small business confidence hovering at its

lowest level since 2013. Despite inflation edging up last month, our members welcome this ongoing period of low inflation which has helped to keep other operating costs manageable.

"Given today's figures and the challenging economic outlook, we urge the Bank of England to remain cautious when considering whether to raise interest rates at its meeting later this week."

UKBCCI OBJECTIVES

- Provide more effective practical support and communications to existing and future entrepreneurs and to promote and improve the business environment in UK and Bangladesh
- Stimulate a vibrant economy within the community and produce a co-operative effort to enhance the overall quality of businesses that will enable them to reach their highest potential
- Work towards increasing the prosperity by facilitating the growth of existing businesses
- Create inward and outward investment between the UK and Bangladesh whilst addressing and promoting the establishment and improvement of the social, professional, civic, cultural and educational needs of the business community
- Create and support in all aspects the next generation of entrepreneurs, and continuing our past efforts of liaising and developing our relationship with the business community
- Help a wide variety of business communities to achieve a more sustainable performance model, encouraging and improving best practice standards
- Offer help and advice to small and medium size businesses on start-up and growth

Membership Benefits

Members will have the opportunity to develop an insight into effective market methods and connect directly with business leaders and key government officials. These individuals will offer their experience and knowledge so that members will be able to learn from those companies that are doing business in the marketplace. Members will be able to benefit from targeted sector matchmaking meetings that will potentially open doors for their business to trade and work with other companies.

Members will receive first-hand information, regarding those opportunities where key contacts can give tailored advice and aid to strengthen and improve their business in the UK and Bangladesh.

If you are a small or medium company, UKBCCI members will receive help and advice on start-up growth.

Members will gain access to numerous discounted and free services. Discounts will apply at:

- UKBCCI Conferences
- Networking Receptions
- VIP Lunches
- Business Briefings
- Exhibitions
- Trade Missions
- Offers for complimentary / reduced places at key trade-related events

A complimentary invitation to our members networking receptions plus updates via our newsletters and website.

Members will receive offers of help so that they can raise their company's profile across the broad spectrum of media, including a quarterly newsletter, sponsorship packages and if they are considering staging/hosting an event.

Use of UKBCCI Logo – Use the 'proud to be a member' logo on your website with permission.

Bangladesh Denim Expo

25 - 26 April 2016

Basundhara Convention Center, Dhaka

<http://10times.com/bangladesh-denim-expo>

This event showcases products like laundry and washing equipments, auxiliaries, dyes specialty chemicals, to that of denim fabrics, and garments associated with this field etc. in the apparel and clothing, lifestyle and fashion industries.

Pharma Bangladesh Expo

5 - 7 May 2016

Bangabandhu International Conference Centre, Dhaka

<http://10times.com/pharma-bangladesh>

This event showcases products like packaging machinery, materials tableting and liquid filling machines, lab equipment, analytical instruments, labware quality control equipments, etc.

Meditex Bangladesh

5 - 7 May 2016

Bangabandhu International Conference Centre, Dhaka

<http://10times.com/meditex-bangladesh>

This event showcases product from Medical & Pharmaceutical industry. Meditex Bangladesh International Expo, Bangladesh's biggest and only International Exhibition on medical equipments, surgical instruments, healthcare, hospital equipments and supplies will be the most prestigious and exclusive international exhibition devoted to focus on the entire medical sector of Bangladesh and will be a one-stop single platform to showcase from home and abroad the latest developments and emerging technology for the medical and hospital sector of the country. 7th Meditex Bangladesh 2016 will be the biggest meeting place ever held in Bangladesh for buyers and suppliers of medical / surgical / healthcare / hospital equipments and will also provide an interactive platform for exhibitors to generate business through displays / direct interaction and will enhance the synergy effect and attract top level professionals from the Industry thus improving technology, focus and visitors of the expo.

An Introduction to Tendering

21 April 2016

Holt Lodge, Wrexham, LL13 9SW

<https://www.business-events.org.uk/en/events/an-introduction-to-tendering/>

Getting the tendering process right is key to any business or organisation that wants to work with the public sector. Businesses have to justify they are the most appropriate delivery organisation by demonstrating their experience and suitability in a concise manner. You only get one opportunity to do this with each tender, therefore it is critical to get it right first time. This workshop guides you through what the tendering process involves from start to finish, and provides highly practical tips and techniques to help you write a winning bid.

Starting a Business: Taking the Plunge

April - June 2016

Conrah Hotel, Aberystwyth, SY23 4DF

<https://www.business-events.org.uk/en/events/starting-a-business-taking-the-plunge-april-june-2016/>

This workshop will help you understand what is required to start a business and will help you assess whether you have what it takes to be a success.

The International Conference on Informatics, Electronics & Vision

13-14 May 2016

Venue to be confirmed

<http://10times.com/iciev>

The conference will cover areas like medical informatics, human-computer interaction, remote sensing and geoscience, biomedical systems, applications in medicine, robotics and mechatronics, automation and control systems.

Bangladesh International Tourism Fair

19 - 21 May 2016

Bashundhara Convention City, Dhaka

<http://10times.com/bitf-dhaka>

This event showcases products like credit card company, transport and car rental, travel accessories shop, tourism publication and film-maker, tourism property developer, adventure tourism, maps, theme amusement park, railways, coach operator, biking society, etc. in the travel and tourism industry.

Yarn Fabrics Accessories & Dye Chem Expo

19 - 22 May 2016

Basundhara Convention Center, Dhaka

<http://10times.com/yarn-fabrics-accessories-dye-chem-expo>

This event showcases products like dyes, dyestuff and pigment, water treatment, chemical machinery and technology, to that of poly bag, back board, neck board, collar insert, butterfly, collar bone, sewing thread, tape, elastic, printed and woven label, zipper, sticker associated with this field etc. in the chemicals and dyes, textile, fabrics and yarns, and industries.

GarTex Show

19 - 22 May 2016

Bashundhara Convention City, Dhaka

<http://10times.com/gartex-show>

This event showcases products like creasing, cutting and laying machinery, pocket welting machinery, embroidery equipment, to that of sewing threads and needles associated with this field etc. in the textile, fabrics and yarns industry.

Bangladesh Leather & Footwear Expo

19 - 22 May 2016

Bashundhara Convention City, Dhaka

<http://10times.com/bangladesh-leather-footwear-expo>

This event showcases products like platform created for international and domestic machinery, chemicals, accessories and allied products manufacturers and distributors to showcase their latest products and services to the tanning and finished leather, footwear and leather goods manufacturing industries in Bangladesh etc, in the leather and leather products industry.

Bangladesh Wood

26 - 28 May 2016

Bashundhara Convention City, Dhaka

<http://10times.com/bangladesh-wood>

This event showcases products like edge banding materials, polishing and buffing machines, plywood, panel saws, to that of handling equipments associated with this field etc. in the furniture, industrial products industries.

Bangladesh Construction Machinery Expo

26 - 28 May 2016

Bashundhara Convention City, Dhaka

<http://10times.com/bangladesh-construction-machinery-expo>

This event showcases products like the building and construction industry to showcase their latest offerings in a focused manner with an opportunity to discuss, explain and demonstrate their new innovations in person to the professionals in the building & construction sector etc, in the building construction industry.

Bangladesh Fashion Carnival

25 - 29 May 2016

Emmanuelles Banquet Hall, Dhaka

<http://10times.com/bangladesh-fashion-carnival>

Organized by RedCarpet365 Limited at Dhaka. This event showcases products like fashion wear, home textile, knitwear, kurtas, lawns, men's and women's wear, premium, clothing, readymade woven garments, shalwar kameez and much more.

Asian International Trade Expo

31 May - 5 Jun 2016

Bangabandhu International Conference

Asia is considered to be the fastest-growing region in the world with GDP growth in the Asia-Pacific region surged at an average annual rate of 6.3 per cent and South Asia with 6.4 percent compared with growth of 3.1 per cent in the rest of the world. The real driver of the world economy has been Asia, which has accounted for over half of the world's growth since 2001. Asia has 21% contribution to the increase in world GDP. Keeping this in view, CEMS USA has launched a series of exhibition Asian International Trade Expo showcasing all products / services from Asian countries. Such an exhibition displaying products / services is necessary to bring the Asian countries together under one roof which would also increase trade and bilateral relations within the Asian nations.

UKBCCI Link Project

UK-Bangladesh Catalyst of Commerce and Industry (UKBCCI) is now focused on working together with both the British and Bangladesh governments, businesses, educational institutions and the relevant government bodies to respond to the many national challenges that currently exist and to develop more leadership, management and entrepreneurs in the various fields of health and social care, education, management, hospitality, pharmaceuticals, RMG garment and textile manufacturing, trade and export and much more.

As we know, alongside initiative and courage doing business requires connections with the right people. UKBCCI is currently developing a programme that will enhance the way in which businesses can grow, communities can flourish, and individuals can get more out of life through a programme aptly called the

UKBCCI Link Project.

For some, it's because they want a chance to shape the future, and drive forward a new era of change. For others, it's because of the way that we encourage them to get the best out of themselves. As a group of NRBs that are successful in various sectors of the UK and Bangladesh, we are looking to impart our knowledge and success for the benefit of the business community by operating an internship and apprenticeship service to the non-resident Bangladeshi professionals in the UK and vice versa.

In fact, many of the world's largest multinational corporations rely on international graduates to compete in the global market. We know that you will appreciate the difference that an internship can make and we would very much like to explore and secure ways to make that happen.

USEFUL LINKS

Bangladesh High Commission in UK:

28 Queens Gate, London SW7 5JA
Telephone (switchboard): 020 7584 0081
Fax: 020 7581 7477
E-mail: bhclondon@btconnect.com
www.bhclondon.org.uk

British High Commission in Bangladesh:

British High Commission Dhaka
United Nations Road, Baridhara
Dhaka - 1212, Bangladesh, P O Box 6079,
www.gov.uk/government/world/organisations/british-highcommission-dhaka

UK Trade & Investment (UKTI):

UKTI, 1 Victoria Street, London, SW1H 0ET
www.gov.uk/government/organisations/uk-tradeinvestment

Get Finance Support from UK Export Finance:

www.gov.uk/government/organisations/uk-export-finance

Startups:

6-8 Cole Street, London SE1 4YH, www.startups.co.uk

Federation of Small Business

2 Catherine Pl, London SW1E 6HF, www.fsb.org.uk
n The Federation of Bangladesh Chambers of

Commerce and Industry (FBCCI)

60, Motijheel C/A, Dhaka, Bangladesh.
T: 88-02-9560102-3, 9560482 F: 88-02-9567621
El: fbcci@bol-online.com, URL: www.fbcci-bd.org

Dhaka Chamber of Commerce & Industry

DCCI Building, 65-66 Motijheel C/A
Dhaka-1000, Bangladesh
Tel: 880-2-9552562, Fax: 880-2-9560830
email: info@dhakachamber.com
www.dhakachamber.com

Year Wise Remittance Flow from UK (million US \$)

Year	Target	Achievement	% of Achievement over target	Growth	Total Export of Bangladesh	UK Export as % of Total Export
2007-08	1,500.00	1,469.28	97.95		14,110.80	10.41
2008-09	1,695.00	1,603.41	94.60	9.13	15,565.19	10.30
2009-10	1,795.90	1,652.73	92.03	3.08	16,204.70	10.20
2010-11	1,834.53	2,231.98	121.66	35.05	22,924.38	9.74
2011-12	2,555.65	2,639.31	103.27	18.25	24,287.70	10.87
2012-13	3,160.82	2,973.74	94.08	12.67	27,018.26	11.01
2013-14	3,590.66	3,143.99	87.56	5.73	30,500.00	10.31
2014-15	3,475.00	3,438.56	98.95	9.37	31,198.45	11.02
2015-2016 (Jul-Mar)	3,750.00	2,974.92	105.77	14.61	24,955.17	11.92

Source: Export Promotion Bureau, Bangladesh

Year Wise Remittance Flow from UK (million US \$)

Year	Remittance from UK	Annual Growth (%)	Total Remittance to Bangladesh	UK as % of Total
2006-07	886.90		5,998.47	14.79
2007-08	896.13	1.04	7,914.78	11.32
2008-09	788.85	-11.97	9,689.26	8.14
2009-10	827.25	4.87	10,987.40	7.53
2010-11	889.60	7.54	11,650.32	7.64
2011-12	987.45	11.00	12,843.43	7.69
2012-13	991.59	1.22	14,461.14	6.86
2013-14	901.23	-9.11	14,228.26	6.33
2014-15	812.34	-9.86	15,316.90	5.30
2015-16 (Jul-Feb)	548.77		9774.08	5.61

Inward and outward foreign direct investment flows, annual, 2003-2011

YEAR ECONOMY	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	Bangladesh	792	666	1,086	700	913	1,136	136.94	191.35	180.7

Inward and outward foreign direct investment flows, annual, 2003-2011

Year	Total FDI Flow to Bangladesh	FDI from the UK	FDI from UK as % of Total	
2003	350	116	33.14	
2004	460	106.2	23.09	
2005	845	111.9	13.24	
2006	792	127.6	16.11	
2007	666	140.2	21.05	
2008	1,086	138.5	12.75	
2009	700	207.3	29.61	
2010	913	105.68	11.58	
2011	1,136	116.32	10.24	
2012	990.04	136.94	13.83	
2013	1,599	191.35	11.97	
2014	1526.70	180.98	11.85	
2015	2235.39	300.8	13.46	2nd largest

Advertisement Opportunity

We welcome our members to promote their products and services through UKBCCI.

If you are interested to advertise your products or services in our quarterly newsletter, please contact us on

020 7247 2331

or email:

info@ukbcci.org.uk