

## 5 - 6 September 2013

## "Time for Action to replace Rhetoric," says IOE at the G20 Summit in St Petersburg

All eyes are on the G20 leaders as they gather for their summit in St Petersburg to discuss a range of economic issues, including longstanding concerns over global recovery and tackling unemployment, particularly among the young. A strong business presence, through the B20 group, has delivered recommendations to governments, pushing for the realisation of concrete policy measures that will make a difference.

At the roundtable discussion on 5 September, the G20 Task Force on Employment, represented by Russia's Deputy Minister of Labour and Social Protection, cited tackling unemployment and job creation as a priority for the G20 countries. The Co-chair of the B20's own employment task force, Brent Wilton – Secretary-General of the International Organisation of Employers – expressed concern over the lack of action taken by governments, despite a great deal of rhetoric, with regard to the needs of small and medium-sized enterprises (SMEs). Mr Wilton referred to the World Bank's *Doing Business* Report of 2013, which highlighted that reforms in many countries had actually increased the burden on SMEs, making it more difficult for them to grow and hire. "The B20 calls on G20 states to effectively assess the impact of regulation on business and job creation. Complicated and rigid labour law is a major stumbling block for SMEs, especially when it comes to hiring." Key to getting more people into work, he added, were education and training programmes that provide individuals with skills that match the needs of the labour market, and foster entrepreneurship.

And speaking directly to the G20 heads of state and government on 6 September, Mr Tugrul Kudatgobilik, President of the Turkish Confederation of Employer Associations (TISK), led the global voice of business with a succinct three-point message for the leaders. Echoing Mr Wilton, Mr Kudatgobilik called for an environment that promotes start-ups, enterprise growth and job creation, as well as education and training programmes that instil the skills and competencies businesses need for success. He also cautioned the G20 leaders against ignoring the demographic challenge and neglecting to reform pension systems: "Key priorities are to adjust retirement ages in ways that stabilise the old-age dependency rate, promote diversification within pension systems through sustainable, insurance-based private pension systems." On behalf of business, he called on the leaders to adapt immigration policies to the needs of the labour market.

In a follow-up press conference today, Brent Wilton reported that business had delivered on its previous commitment to tackle youth unemployment with the launch of the IOE-BIAC Global Apprenticeships Network, "bringing companies around the world together in an initiative to promote apprenticeships – helping young people enter the labour market, while ensuring future skills for business."

The recommendations of the B20 for job creation and employment were previously submitted to the G20 in a "white book" and business leaders are calling for their uptake, as well as action-oriented outcomes from the Summit.

For further information on the engagement of the IOE in the G20 process, please contact, IOE Senior Adviser, Matthias Thorns: thorns@ioe-emp.org