

# **ILO/MOHRSS Seminar on Employment Fund Management**

16-17 September 2008, Beijing

**Honorable Vice Minister Zhang Xiaojian,  
Respected Government Officials, Colleagues from Geneva  
and international experts**

**Zao chen hao / Good morning!**

Ever since the Employment Promotion Law was adopted by the National People's Congress last year we have been discussing the holding of this seminar- so, today, I am very happy to see that this meeting is taking place. It falls within the framework of our Decent Work Country Programme for China, in which employment promotion and poverty reduction have been placed as the first priority.

Decent work is fundamental to people's lives. It is also a means as well as an indicator of the development of a country. The Chinese government places the expansion of employment in a prominent position in its economic and social development. This has been recognized in the vision of Xiao Kang, in the National 5 Year Development Plan and in the Employment Promotion Law. It has taken a series of active employment policy measures to energetically improve the quantity and quality of employment. One good example is the way the Government targeted the laid off workers through a combination of subsidies, training, and job placement activities. The ILO has had the occasion in several fora to applaud these policy initiatives and the way in which the ILO Employment Policy Convention No. 122 is being applied within the Chinese context.

But the promotion of employment is a never ending task which is constantly confronted with new challenges at the macro and micro levels. Some of these challenges include bridging various disparities which exist: income disparities, regional development disparities, productivity and skill disparities.

Bridging these disparities depends in part upon helping the new groups of persons who are having the most difficulty getting jobs, for example now in urban areas it is the recent university graduates, women and disabled persons. Other challenges include the need for rapid technological innovation and relevant human resource development, climate change and environmental protection, natural disaster recovery and reconstruction, and labour migration stress. Within a market economy, how can we ensure that the jobs that are created respond to these challenges or to other national development goals?

The employment fund is just such a strategic mechanism. The employment fund plays a key role in the implementation of the active employment policies. It supports and complements programmes to combat and prevent unemployment; to facilitate the reintegration of the unemployed into the labour market; to upgrade skills and employability; and to develop entrepreneurship. It can contribute to job creation and expansion, balancing between the employment flexibility and security, and social inclusion. It also supports systems to strengthen training and public employment services, and the development of collaboration between the economy and education.

It can be used to address regional imbalance and promote the development, productivity and conversion of less developed regions. It can support development of human resources and the improvement of the labour force. In this area I would like to pose a challenge to the seminar: how can the employment fund encourage or support human resource development and upgrading of the labour force and improved productivity in the western and central provinces.

The employment fund should benefit the vulnerable groups who are disadvantaged in the labour market, such as women, migrant workers, youth, and disabled persons, etc. and take special measures to improve their participation in the labour market, including career development, more opportunities to new jobs

and start up their own business. I would like to emphasize the importance of promoting equality in the process of operation of the employment fund.

To make the employment fund more functioning, it requires multiple channels to mobilize financial resources for the fund, rational planning of the fund, effective programmes to use the fund, good partnership to manage the fund, and strong monitoring mechanism. The Employment Promotion Law has laid a solid foundation for efficient operation of the fund.

Today, I have the pleasure to tell you that we have been able to invite experts from US, UK and EU to share their good experience and lessons learnt in the operation of the employment fund. Hope you all will take advantage of this opportunity to have active meaningful interaction with them. Finally, I sincerely wish a fruitful Seminar! Thank you!