

Opening Speech by Ms. Constance Thomas

KAB Annual Review Meeting and International Workshop for KAB National Key Facilitators and Promoters

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Ms. Zhang,
Dr. Toyo,
International Guests,
Asian Youth Council,
ILO colleagues from Geneva, Turin and Beijing,

Today's young people are the most educated generation ever. They have clear ideas about fulfilling their aspirations at work and in society and want opportunities for personal and economic growth. They want the chance of a decent job and a bright future.

Achieving decent work for youth is a challenge shared by all countries across the globe. On average, young women and men are two to three times more likely to be unemployed than adults. In 2006, the ILO estimated that at least 400 million decent and productive employment opportunities would be needed in order to reach the full productive potential of today's youth.

Looking at the Chinese labour market, the impressive high economic growth has been accompanied by creation of many jobs – but it is still insufficient to meet demand. In the context of economic and more recently environmental restructuring, people continue to face unemployment and under-employment. Labour supply continues to exceed demand. However at the same time still shortages and gaps are increasingly identified.

The youth present a particular challenge in this scenario. Every year 10 million of school leavers join the labour market in search of gainful employment. The challenge is thus one of not only tackling the already sizable unemployed and underemployed population, of not only transitioning the rural to urban migration, but also of absorbing the new entrants into the labour market. In all of these situations, young people constitute the majority.

Within the international community, the ILO has a special role to play in promoting youth employment. With its expertise, tripartite constituency, social partners and global alliances, it can act as a catalyst in mobilizing support and implementing integrated policies and programmes to effectively meet the Millennium Summit Declaration's commitment on decent and productive work for youth. Entrepreneurship education is one of the technical areas of youth employment promotion that the ILO places strong emphasis.

An important aspect of economic growth in any country is the key individual that promotes changes and initiate development activities. These persons are called entrepreneurs, because they have the ability to identify needs within their environment, gather appropriate resources and implement action to satisfy these needs.

If young people are aware of the issues as well as the challenges of becoming an entrepreneur and working in enterprises, they will be better prepared not only with regard to considering entrepreneurship as a career option, but also to working productively and succeeding in enterprises.

We should also keep in mind about one factor in enterprise development, particularly SMEs; In general, SMEs have high failure rate of businesses. The rate of failure for new businesses is 50% for developed countries. And that of developing countries is even higher. In spite of this, self-employment continues to rank high as a career choice everywhere. In many instances, these failures could have been avoided by proper education and training before the business was initiated.

The overall objective of entrepreneurship training is to contribute to the creation of an enterprise culture in a country or society. It is not necessarily to have young people begin their careers as an entrepreneur or self-employed immediately after graduation. Rather, it is to give them awareness and some practice of the opportunities, challenges, procedures, characteristics and other sources of information concerning business practices, self-employment and starting a small business.

The ILO developed the Know About Business (KAB), which is a set of training materials for entrepreneurship education. The KAB materials draw on successful experience in the field, and complement the ILO's Start Your Business (SYB) package for setting up a business and, Improve Your Business (IYB) for existing businesses. The KAB package is intended to fill the important pre-start gap with the information that was missing.

In the end of 2005, the All China Youth Federation and the ILO agreed to introduce the KAB to China. We have jointly organized the group of Chinese scholars to adapt the KAB training materials to meet the learning needs of university students in China. Since then, starting with 6 pilot universities in 2006, the number of participating schools has now grown to over 150 universities across the country. Also some vocational schools are now testing KAB as part of their curricula.

Today, I would like to congratulate the All-China Youth Federation and the partner schools for their extraordinary achievements and all the teachers who participated. Obviously, the KAB Programme has been paving the way for China's entrepreneurship education, regardless of school specialization. I hope that the KAB has now become one of the students' favorite learning subjects, just as in other countries. For many of them, KAB provides the first and precious opportunity to think seriously about their career plans.

I also would like to take this opportunity to thank all the international participants, who promote youth employment, and also the ones who operate the KAB programme in the countries of their own. The ILO will work with you closely as partners in China and elsewhere. I do hope that our efforts in KAB will contribute to the creation of better and productive job opportunities for young women and men.