

China 2nd High Skills Development Forum

Opening Speech by Ms. Constance Thomas
23-24 October 2008, Shenyang city

Distinguished Vice-Minister Zhang Xiaojian, Vice-Governor Lu Xin,
Distinguished guests, friends, ladies and gentlemen,

Good morning!

I am much honored to have this opportunity to visit Shenyang, since it is my first trip to this industrialized city.

One of the objectives of the ILO Decent Work Country Programme for China is to improve knowledge and services for employability and employment. In particular, the Programme's aim is to improve vocational training to better respond to the demand of the labour.

Within this context, the First High Skills Development Forum was held in October 2006. One of its aims was to promote an enabling policy environment conducive to high skills development. Also two important messages from that Forum were the importance of linking training institutions with employers and the importance of taking a sector or industry approach to high skill development.

The China Employment Promotion Law, which came into force the beginning of this year, encourages the government at various levels to take a proactive role in developing high skills, enhancing workers' employability and strengthening the cooperation between training institutions and enterprises. The Law also requires enterprises to establish workers' training system to ensure consistent training for workers.

With the deepening of the economic reform and optimizing the industrial structure, China is confronting the oversupply of low skilled workers, and undersupply of the high-skilled workers. The demands for high skilled workers are not only from the traditional industries, such as manufacture, construction, and energy, but also from the new and high technology industries and environment related industries such as those belonging to green jobs. In China, high skilled workers are short in supply in terms of quantity and quality, which caused by inefficient labour market information, inadequate training programmes, and the weak partnership between training institutions and enterprises.

The undersupply of the high skilled workers has been a bottleneck to economic and social development, as well as to industrial upgrading; while the oversupply of low skilled workers has caused unemployment problems.

The Chinese government has attached great attention to these challenges and taken many effective policy measures to address the problems:

- The Employment Promotion Law has provided a legal/policy framework to promote the high skills development;
- The public training bases have been established in different areas to provide more high skills training which are not available in vocational training institution and at enterprises;
- The evaluation system on high skilled workers is being formulated on the basis of equity and equality to regularize and institutionalize vocational identification.
- The advocacy campaign is being strengthened to attract more people to “high skilled” career paths, and balance the interests between academic education and technical training.

We now come together for this Second High Skill Forum. It is important to underline the developmental role that education, skills training and lifelong learning can play as key drivers of employability, productivity, competitiveness and sustainability of social, economic and environmental development. The social partners should play their respective roles, and the workers, enterprises, and society should all benefit from developing human resources.

The development of a skilled workforce and the strengthening of workers' employability through appropriate systems of education, vocational and technical training and lifelong learning are important for helping workers to find decent, sustainable and productive jobs and to keep pace with changing technologies and new employment opportunities.

It is important that workers do benefit from the skills development through, for example, decent job opportunities, better working conditions and protection of labour rights, better career prospects, and better income – all things that contribute to quality of life.

However, skills development will not automatically improve productivity or create better jobs unless there is a conducive economic and social environment which promotes workers' rights, gender equality, effective social protection, good labour relations, and active labour market policies.

Government has an overall responsibility for creating, in consultation with social partners, the enabling framework to meet current and future skills needs. The partnership between enterprises and training institution should be enhanced to avoid mismatching in supply and demand of skilled workers. The enterprise should be encouraged through incentives to participate in the process of design, delivery and monitoring the training.

Different countries have taken different approaches to develop high skills and training system in accordance with their own context, some countries like UK take “New Initiatives and Innovations” to overcome the barriers to skills

acquisition; some countries like Australia take “Sector based Approaches” to training; the “Competency based training” is also being widely applied. The ILO has defined a global conceptual framework for skills development which the head of the Skills and Employability Department will share with you. And OECD will present research findings on the current situation of vocational training systems in OECD member states and recommendations for improvement.

We will hear from a number of other national experiences both at the institutional and enterprise levels. I sincerely thank all experts for making efforts to attend this Forum and contribute to the development of the high skills in China. Indeed we may find this a Forum in which we all can learn from one another. I encourage all participants to fully use this forum as a platform to network with each other for future cooperation.

I wish every success to the Forum, and that all of you will enjoy your stay in Shenyang!