Welcoming Statement by Prof. Dr. Savaş Alpay
Director General of SESRIC

At the Workshop on

"The First Meeting on Public Employment Services in OIC Member Countries" Ankara, Turkey, 29-30 April 2014

Distinguished participants, Ladies and Gentlemen,

Assalamu Alaikum wa Rahmatullahi wa Barakatuhu,

It is a great pleasure for me to address this august gathering on the occasion of the

workshop on "The First Meeting on the Public Employment Services in OIC Member

Countries", which we have the honour, at SESRIC, to organize it in collaboration with the

Turkish Employment Agency (İŞKUR).

At the outset, I would like to welcome and thank you all for accepting our invitation and

designating these two days from your valuable time to attend and participate in the

deliberations of this important workshop. Our thanks and appreciations are also

extended to the Turkish Employment Agency for their support and contribution to the

organization of the Workshop.

Distinguished participants,

Ladies and Gentlemen,

As we are all aware, the recent global economic and financial crisis was severe by any

metric and left long-lasting harm on real economies in terms of output contractions, large

deficits and high unemployment rates. Although the negative impacts of the crisis on the

real economy varied widely among countries and regions, the sharp increase in

unemployment rates around the world was the common and most severe one. A heavy

price has been already paid in terms of lost jobs, reduced hours and associated income

losses. In response to these challenges, interventions at labour market mostly concentrated

on training, reductions in working hours and job search assistance. However, during the

following six years since the onset of the crisis, global unemployment could not be

contained and remain well above the pre-crisis level.

Nevertheless, unemployment remains as one of the most challenging issues across the globe. According to the ILO Global Employment Trends 2014 report, almost 202 million people were unemployed in 2013 around the world, an increase of almost 5 million compared with the year before. This reflects the fact that employment is not expanding sufficiently fast to keep up with the growing labour force. The need to address the developmental challenges in OIC Member Countries has brought to the fore the importance of human capacity development and the necessity to address related labour market issues such as youth and women employment, entrepreneurship, and social inclusion. The recent global economic and financial crises have adversely affected the labour markets in OIC Member Countries.

During the post-crisis period (2009-2012), average unemployment rate in developed countries remained higher than the rate in OIC Member Countries. According the latest available data, OIC Member Countries recorded significantly higher average unemployment rates compared to the world, developed and other developing countries during the period 2000-2008. During this period, total unemployment rate in OIC countries changed between 7.6% and 8.8%. During the post-crisis period (2009-2012), average unemployment rate in developed countries remained higher than the rate in OIC. Average unemployment rate in other developing countries remained significantly lower (around 2-3%) than the OIC average during the whole period.

However, the causes of unemployment can be varied across countries depending on the prevailing socio-economic and political conditions of each country. In OIC Member Countries, the major causes of unemployment could be insufficient job creation, skills mismatch, lower productivity, macroeconomic instability, conflicts and political instability and so on.

In order to reduce the unemployment rates in OIC, Member Countries may well take innovative approaches to support their decision making, including, among others, improving the methods of accumulation and dissemination of information on available jobs through developing a nationwide integrated database of jobs, employers, and available employees.

This type of database could reduce the time spent by an average worker on the unemployment roll and thus reduce the unemployment rate. After careful analysis on the demand and supply of skills in the labour market, countries can improve efficient and effective education and training programs provided to young people, with a greater focus on vocational skills in order to reduce the skill mismatch. There may also be a role for unemployment programmes that target various groups of jobless persons, such as unemployment programmes aimed at reducing cyclical, frictional, seasonal, and structural unemployment. While some of these programmes aim at preparing people to match the existing jobs, others aim at creating jobs to match the existing skills of workers.

## Distinguished participants, Ladies and Gentlemen,

Although labour market conditions are varied significantly in OIC member countries, the following issues and challenges related to capacity building are considered as common in many of these countries: A significant portion of the jobs available in many OIC countries are either low-quality informal jobs or formal jobs in the public sector; Weak linkages between education institutions, enterprises and employment offices; The lack and low quality of vocational education and training trap the poor workers in low-skilled, low-productive and low-wage jobs; Skills and capabilities of the educated people mismatch the needs of the labour market; Difficulties for workers to move between jobs prevent them to find positions suitable to their skills and Unemployment is persistently high for women and young people.

Given these challenges, OIC Member Countries should develop compatible, effective and sustainable VET systems through considering the following measures: Identifying the demand and supply structure of skills through developing Skill Recognition System (SRS); Enhancing the role of Public Employment Services (PES) in matching skills and jobs and providing career guidance; Developing appropriate VET institutions and instruments; Promoting Public-Private Partnership (PPP) for enhancing the effectiveness of VET programmes; Improving the accessibility to VET services and identifying special target groups; Networking VET and other relevant training institutions; Developing and maintaining database and disseminating timely information on jobs, skills, learning and training opportunities; Investing in new skills development programmes and promoting life-long

learning; and Anticipating future skills needs and revising VET system accordingly.

In this respect, The Vocational Education and Training Programme for the Member Countries of the Organization of Islamic Cooperation (OIC-VET) is a programme originally designed and developed by SESRIC in order to improve the quality of vocational education and training in the public and private sectors with the aim of supporting and enhancing the opportunities for individuals in the Member Countries to develop their knowledge and skills and thus to contribute to the development and competitiveness of the economies and to facilitate the sharing of knowledge between OIC Member Countries. Official Launch of OIC-VET was made by H.E. Abdullah Gül, President of the Republic of Turkey and Chairman of the COMCEC, at the COMCEC Economic Summit held in Istanbul, Turkey on 9 November 2009 with the participation of the heads of states and governments of the OIC Member Countries.

The OIC-VET Programme supports and supplements the activities of the OIC Member Countries aims at improving the competencies and skills of the people according to the needs and priorities of labour markets through intra-OIC partnerships at institutional level. The Programme focuses on increasing accessibility and raising the quality of VET, and provides an opportunity for organizations involved in VET to build OIC partnerships, exchange best practices, increase the expertise of their staff and develop the skills and competencies of the participants. The Programme covers the training areas included in the national training programmes in the Member Countries by introducing a transnational perspective in conformity with national priorities of the Member Countries. Since its inception, the programme has managed to organise hundreds of different types training activities in collaboration with relavant national and international institutions.

As for the activities of OIC-VET with respect to employment, SESRIC initiated three different programs. ISMEK Master Trainer Program (IMTP), which is a joint program between SESRIC and Istanbul Metropolitan Municipality Art and Vocational Training Courses (ISMEK) in which the courses are planned with the framework of "Training of Trainers (ToT)" and open to participants who have field knowledge of at least intermediate level. Under this programme SESRIC has so far organised ten activities, including symposiums, study visits and trainings. Additionally, International Student Internship Program (OIC-ISIP), in which we aim to

enhance the quality of workforce employed in OIC Member Countries and strengthen integrity and convergence of labour markets, and promote competitiveness of OIC Economies through increasing knowledge and skills of university students about to enter into the labour market. Moreover, Skill Development for Youth Employment (SDYE) was initiated in order to contribute to the solution of the unemployment problem through improving necessary skills for the current labour market.

## Distinguished participants, Ladies and Gentlemen,

The problem of unemployment in the OIC community and the strategies for its reduction should be considered with a new vision at both the individual country and OIC cooperation levels. The objectives for and the efforts to address employment in our Member Countries should be outlined specifically in the national employment strategies, but through a process of creating a supportive OIC environment.

In this spirit, we came together today in this workshop to deliberate and exchange our views and expertise on one important aspects of cooperation in the field of labour and employment. I am confident that the deliberations you will hold and the recommendations and proposals you will make will contribute significantly to the efforts of the OIC and its Member Countries towards eradicating or reducing unemployment in their societies and, ultimately, approximate the collective welfare for the Islamic Ummah. As we all look forward to the successful outcome of this workshop, I wish you all the success.

Thank you for your kind attention.

Wassalamu Alaykum we Rahmatullahi we Barakatuh