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MEDIA RELEASE

Business Perspective on Job Creation delivered to G20 Employment Task Force in Moscow

G20 Employment Task Force consultations have taken place with the social partners in Moscow. Hosted by the Russian Union of Industrialists and Entrepreneurs (RSPP), the business perspective was articulated by RSPP Vice-President, and B20 Job Creation Task Force Chair, Mr David Iakobachvili, and Co-Chair Mr Erol Kiresepi, of TISK (Turkey).

Setting the stage for his comments, Mr Iakobachvili underlined the high relevance of the work of the Task Force given the persistently high levels of unemployment, and extended the support of business for the current focus on **job creation, labour activation and the implementation of G20 commitments**. These comments were echoed by Mr Kiresepi who concurred that current difficulties could not be attributed entirely to the global economic downturn, and that structural problems pre-dating the crisis lay at the heart of the unemployment problem.

To address these issues, business called on the G20 Employment Taskforce to recognise the key job-creation role of the private sector and, in so doing, to commit to addressing within their respective economies the barriers to business creation and growth. Mr Iakobachvili cited “complicated and rigid labour law” as a major stumbling block to hiring – especially for SMEs. What was needed was “employment-friendly labour law”. An additional barrier lay in non-wage labour costs, linked to which were the urgent matters of addressing demographic change and the sustainability of social protection systems. Governments needed too to appreciate the value of non-traditional forms of work in providing a stepping stone into employment, especially for young and lower-skilled workers. Reiterating messages to the G20 under previous presidencies, Mr Kirespi recommended improving education and training systems to match skill sets with the needs of business.

To activate labour markets more effectively, Mr Kirespi called for countries to share experiences by mapping and measuring instruments that were successful, cost-effective and could be replicated.

Most of all, the business voice recommended concerted **action**. “Commitments are not enough,” cautioned Mr Iakobachvili, “If the G20 does not deliver, it will lose its credibility... business will be monitoring delivery on commitments at national level. Only under the right conditions will business be able play *its* part and deliver jobs.”

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