



International Development Committee

Oral evidence: [Jobs and Livelihoods](#), HC 685

Wednesday 19 November 2014

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Members present: Rt Hon Sir Malcolm Bruce (Chair); Sir Hugh Bayley; Fiona Bruce; Pauline Latham OBE; Jeremy Lefroy; Fiona O'Donnell

Questions 54-77

Witnesses: **Hon. Sammy Koech MP**, Member of Parliament (Kenya), **Dr Leslie Ramsammy MP**, Minister of Agriculture (Guyana), and **Hon. Nawab Yousuf Talpur**, Opposition Pakistan People's Party, gave evidence

Q54 Chair: Good morning, gentlemen, and welcome to our Committee? For the record, please introduce yourselves.

Dr Ramsammy: I am Leslie Ramsammy, Member of Parliament and Minister of Agriculture of Guyana.

Sammy Koech: I am Sammy Koech, Member of Parliament, Kenya.

Nawab Yousuf Talpur: I am Yousuf Talpur, Member of the National Assembly of Pakistan.

Q55 Chair: Welcome again. Thank you for coming along. It is an opportunity that you are here with the CPA while we are engaged in looking at livelihoods, jobs and how we can expand employment and earning opportunities for people, particularly poor people, in developing countries. Could I ask you first what you see the prospects are in your own countries in terms of where the jobs or improved livelihoods are most likely to come from? Perhaps, you could reflect also on where you think, as parliamentarians, you can perhaps contribute to helping achieve better results.

Nawab Yousuf Talpur: The first thing, as far as my country is concerned, is that we need to improve the quality of education, because we are not up to standard. Unfortunately, the private sector is not absorbing the youth; they look for the best. Again, there is a little bit of a difference in the education. The urban population gets a better education, because the educational facilities in the rural areas of Pakistan are not at the same level as the facilities in urban areas. The main area where we can drive these opportunities, more than industry, will be the agriculture sector, because we have a lot we can address and look forward to in Pakistan's agriculture sector.

I think the Government is not concentrating to that extent on the issue. Unfortunately, of the two Governments, other than the martial laws, in my country, one of course represents the rural area and the other represents, by and large, the urban population. Right now, the educational encouragement to the rural area is not up to the standard. That is number one. Number two is that in Pakistan we have a desert belt, and in that belt they hardly even have drinking water, so what can we say of the education facilities over there? We need to give special attention to that area where there is slight education, and then those boys can be picked up.

However, in certain towns of the desert, where the education is there and the institutions are there, the students from those deserts and far-flung areas are much higher in quality than even the urban students. The best way to look at this is that the one province of Balochistan is more than the size of the rest of Pakistan. If you look at the population of Karachi, in a mile there are about 200 people living. If you go to Balochistan, in a mile you will find just 30 people living. This is the difference. We need to give more concentration to education in the rural area.

Chair: Thank you. Let us take another continent. We have all three continents here.

Sammy Koech: The situation in Kenya is more or less the same. The challenges of unemployment in Africa are almost the same. We have to deal with a large number of graduates now rolling out of colleges. Kenya has more than 40 universities now and many tertiary colleges. Contrary to what was previously thought would be the solution to unemployment, that if you went to school you would come out and automatically get a job, that has proved not to be the case. We have so many unemployed people from universities. We have so many who did not make it to colleges. The problem is serious, and the challenge the Government is now facing is how to try to help these people.

The Government has rolled out programmes to help those who have challenges, such as a lack of access to resources, by giving them interest-free funds so that they can carry on with their businesses. We are now trying to get more people into self-employment, because formal employment is becoming almost non-existent. A further challenge is the retirement age, which is very high in Kenya, at 60. I consider it a barrier to youth employment. We have many graduates looking for jobs and then we have so many people sitting on jobs for a long time that that becomes a challenge. Micro-enterprising is probably the way forward to assist with this.

Q56 Chair: That is why our inquiry is talking about jobs and livelihoods because we recognise that it may not be possible to provide formal employment for everybody, but you can find means of raising income through business or what have you. What we are interested in is your view as to what works and, indeed, what the challenges are.

Dr Ramsammy: I want to present a different perspective on it all. Guyana has benefited from much aid in the form of grants and loans. Many of the international organisations have focused on subsistence livelihood, so I want to take it from the perspective of jobs and livelihoods. Most of our people in the rural communities etc. are no longer interested in just subsistence livelihood. My mother may have been concerned about feeding

me and making sure that I had clothes to go to school, but families now want to generate wealth. This creates a special context.

It is a country with universal access to primary education and secondary education. It is a food secure country where people are now more interested in generating wealth and ensuring they have access to what used to be considered, when I was a boy, as luxury items. Families want refrigerators; they want television; they want access to computers and the internet, in the remotest of areas. In addition to generating employment opportunities, we also have to ensure that communities have access to electricity and transportation, because we have now blurred the definition of “rural”. A remote area in Guyana used to take days or weeks to get to; now it is within 24 hours to reach any community.

The country has huge areas of forestry and for mining. With access to education, the rural development programmes of subsistence livelihood find little takers. People are not interested. They want employment that is more than labour, so, ironically, Guyana is one of those countries where labour has become a major constraint to industry. The sugar industry employs more than 20,000 people in a country of about 300,000 people of employment age. It is a major industry, but one of its major problems is access to labour.

Chair: You mean people do not want to work in industry now.

Dr Ramsammy: Not in the labour part, so you have to mechanise. You find that even in rural communities new industries have to become mechanised. There is the challenge of providing academic education but also providing technical education. In mining, in the hinterland of Guyana, more than 5,000 excavators are working. You have to find people to employ there.

Those are some of the challenges we face getting labour into the industries that sustain the economy of the country. Fortunately, the rice industry is now fully mechanised. Sugar is becoming mechanised. However, how do we reach people in rural communities to develop agriculture, which remains the base of the country, providing food to the hinterland communities and avoiding the internal importation of food into remote areas? They can grow their own food, but they find it more profitable to be employed in the logging or mining industries in these rural communities.

However, I think Guyana is at the right place. We have a region of the Caribbean that imports \$5.2 billion worth of food. How do we create an environment in Guyana and the Caribbean where we can in fact find a more accommodating way to supply food to the region and reduce the food-income bill? \$5.2 billion importation into the region creates a major opportunity for an agricultural country like Guyana. We do not have to look too far to create our own industries, and that then puts Guyana in a position to look at the environmental trade rules and so on to make sure that we can in fact develop these industries in a manner such they can be profitable and therefore support employment for a growing number of professionals.

Chair: Thank you. There are certainly different challenges for the different stages you are at.

Q57 Hugh Bayley: Can I just say that description of agriculture rings a bell with me? My wife is from Saint Kitts and Nevis—well, from Nevis—and it is a very fertile country, but almost everybody sees the land as something that is old fashioned and working on it as something that poor people do, so they import food.

If you look at the challenge of creating jobs and livelihoods, my first question is: to what extent is that a responsibility of the Governments of your countries? To what extent is it a responsibility of private sector institutions and banks? In Africa, banking for medium-sized enterprises is very difficult. The big international businesses have no problem with finance. Microcredit can provide the opportunity for a market-stall holder to open a small shop, perhaps, but somewhere in the middle there is a difficulty finding finance. To what extent is it the Government of your country; to what extent is it private sector institutions; to what extent is it personal initiative; and what, if anything—through trade, investment or aid—can developed countries like ours do?

Sammy Koech: To a large extent, it is the responsibility of the Government to make sure it deals with these problems as quickly as possible and at an early stage, because, if they are not dealt with at the right time, it becomes an insecurity problem. If you have so many people lying idle, unemployed, without livelihoods, the next thing is an insecurity problem. The Government has to play a major role in taking care of these issues, probably creating funds, creating environments for people to start their own business. It has a major role, I must say.

Dr Ramsammy: Guyana is a country that, as you know, went through both types. In colonial Guyana, the private sector played an important role; in post-independence Guyana, the ideological approach was that the Government, the public sector, was the commanding height of the economy. We had nationalisation, where all jobs or virtually all jobs came from the Government.

We believe today that there has to be a sharing of the responsibility. The private sector plays a very important role in Guyana today, but the public sector must also play a facilitating role. Many of the services—education, health and other services—are provided by the Government of Guyana and therefore represent a major employer in the country. However, we see the private sector as playing an important role. Unfortunately, the private sector, in terms of large, medium-sized and even small companies, is focused on Georgetown, the capital, and the urban areas. Much of the formal employment in the rural communities came from service-oriented jobs provided by the Government. I believe the Government has a role to facilitate investment opportunities into the rural communities to develop small enterprises that could support employment in the rural communities and diversify the economic development so that there is space for the private sector in rural communities.

I do not think a country like Guyana could say it is one or the other; it has to be shared. We do recognise that the private sector has a driving role to play, but we do not believe that they could do it by themselves. Public good has to support the private sector. Much of the agriculture that is being done by the private sector to create jobs in rural communities and so on will not be profitable or possible without public good. Investment by Government in building the right environment to kick businesses into the non-urban areas would be critical. The private sector will not invest in some of the things that need to be put in.

Our sugar industry is not quite rural; some parts are close to the city. If the private sector were to take over those parts of the sugar industry—the one industry that has still remained in the public sector—perhaps it would not be profitable without Government providing some of the infrastructure and services. Drainage and irrigation within the sugar industry in those factories that are close to the city could not be profitable without Government investment in drainage and irrigation, so I think Government has a facilitating role. Sometimes, in that facilitation, there is a thin line between a facilitating role and in fact being part of the ownership and running of it, because in some ways it is subsidised.

Certainly, the rice industry has grown significantly. As we speak right now, Guyana is about to pass 500,000 tonnes of export for rice. This is a country that produced 90,000 tonnes in 1990; now it is exporting 500,000. However, without the facilitating role, in some ways subsidising the rice industry, it could not have grown and provided such major employment across the country.

Nawab Yousuf Talpur: The Governments do take care. They try to. They have their own projects; they also have their training centres. Either those projects are not completed or the training centres are there, but they are just for the namesake. The boys and girls are not getting the proper training over there; they do not go at the end of the day. How much can the Government absorb? It is very unfortunate, I am sorry to say, that our major airline, Pakistan International Airlines, is a failure today. It has become, more or less, a job-seeking place. If you look at different countries, there are a small number of people working on each aircraft. Over there, the manpower is 10 times more. That is because it is there for that purpose.

The main thing that we lack is Government interest and Government fair play. I am sorry; even though now I am in the Opposition and not in the Government, even when I was in the Government, my role there was the same. I believe my people have trust in me and elected me, and I should be fair to them and I can be fair only this way: by bringing the facts to them. The only sector where something viable can take place is the agriculture sector. I remember that it was in 1994/1995 when salicornia was cultivated on the seaside. There was nearly 20,000 acres. It went on very well, but since it was also producing oil there was an oil mafia. Subsequently, after the Government went in 1996, they just went with it; otherwise, it would have given a lot of jobs to everybody. Sea buckthorn was introduced during those days and so was Jatropha. Jatropha was planted and replanted in Umerkot district, which is my constituency. It requires very little irrigation water. You can take diesel oil from there, and the cost of the diesel oil will be twenty times less than the price right now in Pakistan. Again, that mafia sabotaged that programme and jatropha was stopped.

When these things happen, when a new Government comes, it is not like in other countries. When a Government is there, the policies are framed and the policies are good, then they are carried on by other Governments. Here, when the Government changes, the policies also change, and even the good things are put at the back. These things need to be tackled, too. For example, in agriculture, the Irrigation Department in our country plays a vital role. Pakistan's Irrigation Department is one of the best irrigation systems in the world. Of course, it was not done by us, but long before, probably when you were there ruling. What has happened to that today? Clearly, when this system was evolved, there was one instruction given in black-and-white writing: do everything but do not take direct outlets from the main canals; use the minors. Today, the result is that the tail areas in the irrigation system

have no water. I am in the tail area, completely at the end of the tail. 70% to 75% of my time is spent on shouting at the irrigation system. Once we had a meeting and I was asked, "What can best be done for your constituency?" I said, "At least give us irrigation. You may not be able to give it, but it is what I would look forward to."

Q58 Hugh Bayley: One of the points you have made to us very clearly is that there is a role for the state in creating infrastructure in rural areas, which we will note. We are a little bit pushed for time, so could I ask for some quite short answers? What is the role of an aid agency like DFID in job creation? Does it have a role? Perhaps that is the first question. Do you have examples of initiatives taken by DFID, the World Bank or perhaps other agencies that have made a difference? How do you stop the Government, private sector and donor agencies from going like bees to the honey pot and duplicating what they do in training, say, and then nobody providing capital or fertiliser or whatever the other parts of the equation are?

Dr Ramsammy: There is a role for DFID, as there is a role for the World Bank etc. My first point on this is that the time has come for more cohesion in the work of international agencies in any country. They work separately at times; they walk over each other. There is a little competition, sometimes at the expense of the country. That is my first point: I would like to see a more cohesive policy of people working with the Government and the people of a country.

Secondly, as you pointed out, one suit does not fit all. I often chastise my colleagues who come, bringing a programme that they have somewhere else. It might work, but it does not necessarily work in Guyana. There are still areas of the world where subsistence livelihood works, and many organisations want to push subsistence livelihood in Guyana. Sometimes it does not work.

Thirdly, a lot of times we have to be innovative. I will give one example: bringing some single-parent women together in a co-operative, but trying to create a corporate structure of CEO and chief financial officer and marketing agent. During the grant period, there are salaries and wages. When money is finished, they simply disappear. There is no sustainability. Sustainability means that we all have to work together, building things and a value chain.

A second example, if you will permit me, is in an Amerindian community, an indigenous community. I told the people who did it very plainly, "If it were up to me, I would lock you up and throw away the key, because you take a community that has grown cassava for 2,000 years and you set up a small factory to make cassava bread and farine. These people used to sell cassava at \$80 per pound. It takes three pounds of cassava to make a pound of farine, and then you make farine and it sells at \$150. They lose, but they have technology and they are awed by the technology. They think they have developed, but nobody works on a farm that is producing two tonnes of cassava per crop when they could produce 18-20 tonnes and create a value chain that goes from the farm to the market." However, they were quite comfortable. They said, "Listen, look, we have set up a factory." These are some of the glaring examples of money that does not have reciprocal returns in terms of development and contributing to livelihood of the people.

Q59 Chair: Perhaps one of the other two could say whether you have any experience of DFID projects or similar donor projects.

Nawab Yousuf Talpur: In that case, I would say the Government should try to improve the quality of education and spend more funds of its GDP on education and NGOs should be encouraged. Wherever NGOs have been encouraged, the results have been much better. In the province of Sindh, in health, the NGOs and the Government are partners. They have handed over the rural area, by and large, to the NGOs, and they are doing better. Employment is coming up. Government projects that are there should be monitored. It should be seen that they work and are completed; they should not be left incomplete.

Sammy Koech: The international agencies and donor community have done a great deal in Kenya by targeting the rural folk. They have done a lot in terms of training, providing information, providing livelihood products like seeds or animals for dairy farming. They have done a lot.

Q60 Fiona Bruce: Following on from that question, we are interested to ask about the challenges for young people finding jobs. You have all talked about this in different ways. Can you give us examples of successes that either your Governments have had or DFID or other donor agencies have had in producing programmes that have helped youth employment? We are interested in good examples of success where jobs have been created.

Dr Ramsammy: Yes. Working with international agencies, the Guyana Government supports training, particularly of rural youth in terms of technical education, to become operators of machines for example, and ensuring that those rurally located factories could become mechanised and automated and therefore have people who could work. There are short training courses provided to young people in which they receive a stipend during the training and they are guaranteed to be placed in jobs.

We have linked the private sector to the training programmes. Often, instead of establishing separate training institutions, the actual training is obtained in the private sector where the young people are interned, but the salaries, wages or stipend comes from the Government programme. That is an example of how it can be done, rather than setting up multiple training centres, because the private sector benefits from labour and from technical support, and the young people get training and can be retained by the private sector as professionals.

Q61 Fiona Bruce: Obviously the issue of graduates is more of a challenge. Does either of the other panel members have examples of successful programmes in job creation for young people?

Sammy Koech: Like I said earlier, the Government of Kenya has created interventions to assist the poor and marginalised by creating affirmative action through special funding for the youth and women. In procurement programmes, special arrangements are made: they are tendered specifically to target the youth and women. You cannot qualify if you are not a young person or a woman. They are fairly successful.

Q62 Fiona Bruce: Can I ask you what is being done to help what you called a large number of graduates who are unemployed?

Sammy Koech: Most of the special procurement actually targets young graduates. These are people who are educated. They know what to do. These programmes of special funding and special tenders are meant for graduates who are not able to get formal jobs.

Q63 Fiona Bruce: What you are saying is that many do not have work.

Sammy Koech: Yes.

Q64 Fiona Bruce: What is happening to them? Are they staying in the country? Are they thinking of leaving?

Sammy Koech: They stay in the country. They now have to relegate to even smaller jobs. Some become house-help; some become messengers; they do odd jobs. If they are not able to self-employ themselves, they have no other options.

Nawab Yousuf Talpur: The donor agencies are playing their role, opening schools and hospitals. Of course, there are some job opportunities there, but unfortunately, in my country, with the amount of terrorism and the lack and bad quality of education, when these things come together it becomes very difficult. Again, I will give you one very small example. There was a girl from a minority who was disabled in a far-flung area of my constituency. Her parents were educating her; she was quite bright. They educated her until matric, and then the parents expired. She opened a school, and she has over 100 students with her. When I learnt that, I sent my son over and I said, “Go and give them rooms and go and give them this.” These are the places where people have to look forward and take interest so that the quality of the education and the workshops that are taking place improves. The training programmes should also be monitored by the Government.

Q65 Jeremy Lefroy: When we were in Sierra Leone and Liberia and had meetings with the Presidents of those countries, both of them were talking about skills training centres. It seemed to be very important to them that there were properly funded skills centres. When we discussed this with our Government and with others, the concern was that these centres are often very expensive, with it costing many hundreds of dollars per year to train one person. Now, Mr Ramsammy, you have outlined what happens in Guyana and that you work together with the private sector, which sounds a very innovative way of doing this. Could I find out a little bit more about how you see this very important skills training, which you have all identified as vital, being best delivered, given that sometimes these skills centres are set up and become very expensive institutions that do not train large numbers of young people?

Dr Ramsammy: There are different levels. Guyana’s university does provide technical education at the level of people who are highly skilled and who could serve as managers and trainers etc. We also have other Government institutions that provide training. Unlike in the past, when institutions were located in the city so that everybody came, formal institutions are now spread in different regions of the country, so a level of technical

education is being provided. Instead of equipping every institution with everything that we need, however, we also bring in the communities. There is the private sector; there is no need for us to set up a whole mechanic department to teach people auto-mechanic skills, because there are private workshops that could provide some of the practical training. While we focus on some of the academic training, we also link technical education with business education because young people might want to go into their own businesses etc.

For Guyana, it is about bringing the community together. Where skills are available already in the private sector, we make arrangements with them and do not place a burden on the private sector so they have to invest further. We accommodate them through tax concessions on importing, so that those private sector businesses that participate in the programme could import equipment to support their businesses. They have to be certified so that we know they are doing things properly. If these graduates are retained or go out to seek employment, they bring good manufacturing skills and good training skills wherever they go.

We standardise; we work with regulations. We have established a legislative framework to bring the informal sector into formal arrangements, where people do have the diplomas and certificates. Skills could also be marketed into the region, which does not always work in our favour, because once you train people and you give them certification they are also marketable in the UK, North America and other countries. We do have a level of migration, but our policy is that, if we train 100 people and 60 or 70 stay home, it serves our country well. We are not unaware that those who come here stay in touch with the country and the country benefits from remittances etc.

Q66 Jeremy Lefroy: I wondered if, in Kenya and Pakistan, there were similar programmes of working with the private sector for training, but with Government support.

Nawab Yousuf Talpur: Yes, the private sector is also working there, and the Government is also supporting it, but the issues and the problems are, by and large, the same as I have already said. What we are looking forward to, coming back to the original thing, is that in urban areas some jobs can be created in industry, but in the rural areas you can create jobs like anything. That is the one place where we need to explore: rural areas and agriculture. The private sector should now take interest in rural areas and in agriculture so that the job opportunities are created over there. That is only one thing: there is the issue of some safety from terrorism, and the role of education, to a certain extent.

Sammy Koech: We have more or less the same arrangement. As you know, in Kenya, we have a fairly new constitution. We now have devolved governments and we have devolved most of the services, one of them being education and training. We have more or less given the responsibility to counties to organise their own training institutes and provide institutions for learning. The private sector has also chipped in a lot and we have so many people who are trained through the private sector.

Jeremy Lefroy: I have one final thing, if I may.

Chair: I want to bring in Fiona O'Donnell.

Q67 Fiona O'Donnell: It is a sign of how interesting the session is that Jeremy is trying to get an extra bite at the cherry.

I wanted to ask question in two parts about modern technology, and I am really glad that you all accept the responsibility of Government to intervene to create job opportunities for young people. Your countries are seen as exciting new markets for modern technology companies. What are you doing to ensure that, in the procurement process, both in the infrastructure to roll out modern technology and also in the manufacture of handsets, the work force in your country benefit and that it is not all about big companies in the developed world making a lot of money out of your country? In procurement, are you setting targets for apprenticeships for young people, perhaps, or anything like that, to skill up your own work force? The second part of the question is: what do you see as the opportunities to drive economic growth in your country from modern technology?

Dr Ramsammy: As a colonial country, Guyana was a purely agricultural country. Outside of sugar, which had a manufacturing basis, it was the production of raw materials for supply. The rice industry provided paddy and some processed rice. It is now doing value-added, and it is the same thing with sugar. We have also gone to agri-processing to transform the agricultural sector. Instead of being relied on for fresh products, we could create small agri industries that are spread around the country.

However, we have recognised the importance of the service industry and have made that an important part of our economy. Guyana is actively promoting ICT and the use of ICT, not only for improving existing industry but as an industry in itself. We have invested in fibre optics as a Government for the private sector to utilise. There is an emergence of call centres in the country that provide another level of employment to the people. We are providing medical coding, for example, for developed countries.

We see developing ICT in different ways, also using the country as a base. Solar panels, for example, are being promoted across the country and in rural areas in order to provide electricity. We are insisting that those companies provide some manufacturing within the country. We have been buying a lot of laptop computers, so there is one laptop per family. The company that won the contract has been requested to do some of their assembly in-country to provide another level of training to young people, because in each community there are hubs now where people are trained to use the computer to do basic interference work to help in case computers are down. They come from the community.

The solar panels are provided to indigenous communities so that they can have some lights and run some basic equipment and their computers. People are trained within the community. The community selects people; we train them; and then they charge a small fee for their service, but it creates a little business within the community. Those are some of the innovations that we have added in Guyana. We work with DFID, the World Bank, IDB and so on to promote and sustain those programmes.

Chair: I do not want to restrict the other two panellists, but we also have another panel and a Q&A section, so please feel free to answer briefly. Do you want to say anything about the use or development of technology?

Nawab Yousuf Talpur: The Government should encourage the private sector on jobs. In our country, normally Governments look forward only to accommodating themselves. Even in private jobs, if they adjust and get some people accommodated, they have their own

priorities for where we should and should not be going. The economic growth in Pakistan has been very unfortunate; agriculture growth has been negative. They have been saying that it is 2% growth, if you calculate it properly, but 2% is growth is just nothing. When a country has population growth of 2.9%, which is projected by the Government as 1.9%, it is very difficult to cope with that amount of population growth and these aspects. The basic thing is that the Government has to bring the population growth a little lower so that we can show some progress.

Sammy Koech: Kenya also has fairly developed technology in terms of ICT infrastructure. With the widespread rural electrification programme, electricity has reached every corner. People have access to information technology and the use of modern technology in their businesses.

Chair: Thank you very much. We have overrun slightly, so I will hope to recover the time, but I do want the rest of the delegates to have the opportunity to have a Q&A with us at the end. Can I say thank you very much indeed? It has been both interesting and helpful to our deliberations to hear your experiences. We are always interested in what works, what does not work and how donors, Governments and the private sector in any given country can interact beneficially. Thank you very much for taking part.

Examination of Witnesses

Witnesses: **Professor Wilmot James MP**, Member of Parliament (South Africa), **Hon. Leticia Nyerere**, Member of Parliament (Tanzania), and **Waresat Hussain Belal MP**, Member of Parliament (Bangladesh), gave evidence.

Q68 Chair: Good morning. We have a slight change of panel. I understand that Doris Dlakude is unwell; I am sorry to hear that. She has been replaced by Professor Wilmot Godfrey James. Other than that, we have the same panel. Welcome. We are particularly looking forward to discussing opportunities for women with you. That change has slightly unbalanced the gender balance on the panel, but I am sure the focus on women's issues will be undiluted. Can you just formally introduce yourselves for the record?

Waresat Hussain Belal: I am Waresat Hussain Belal, an MP from Bangladesh.

Leticia Nyerere: I am Leticia Nyerere. I am a Member of the Parliament of Tanzania.

Professor James: I am Wilmot James. I am a Member of Parliament from South Africa, and I am Chairman of the official opposition, the Democratic Alliance.

Q69 Chair: Thank you very much. As I say, this is looking at particular opportunities for women. Just as a little point, in the UK, there are still issues about equal pay, equal opportunities, equal rights to promotion and glass ceilings. Once little but not unimportant campaign that the present Government has run is getting women on the board.

The top 100 companies quoted on the Stock Exchange have at least one woman on the board. That has been done not by legislation but by active campaigning and encouragement.

What we are really interested in is seeing what other barriers there are to employment and livelihood opportunities for women and what you think can be done to remove these. Feel free to talk about the role of parliamentarians, the role of donors, the role of Governments in achieving that. If you have good examples of how it works or bad examples of what not to do, feel free to share those with us. Shall we go to ladies first?

Leticia Nyerere: There are so many barriers in job creation for women. I am talking about the experience in Tanzania where this is happening. There have been all these programmes provided by the Government, donors and NGOs, but still there are many other barriers that hinder a woman from being employed or from having a real job. When I talk about a real job, I mean a job that comes through a profession, a job that gives you decent pay, but, again, it is not easy to achieve these goals for women, especially when we have more women in rural areas.

We have been having programmes through the Parliament whereby we learn how to empower women in villages. These programmes have been working successfully and I will insist that we continue having these programmes because we have direct contact with our women in the rural areas. That is where the large population is, so, if we want to bring change in our countries, we need to focus on where the majority of the people are, where the majority of women are: in the rural areas. We have to focus on the areas that have more people, which is agriculture. Job creation for women has to start from the villages where the majority of women are. We are talking about other jobs in this series; we are looking for clerical jobs or any other professional jobs, but, in the villages, they do not know anything about these kinds of job. What they know is what they live with every day: agriculture. What we need to do is to empower them so they will be able to engage themselves in agricultural processes, other than thinking about jobs that pay a decent salary.

Apart from that, there are other challenges that are not addressed. Women go through, for example, domestic violence. That can also hinder their ability to do anything. They go through other cultural issues and, surprisingly, the majority of women agree with those kinds of cultural issues. There are tribes where they believe that, if you love a woman, you must beat her up; people believe in that and they respect that. These are the issues that the Government fails to address openly, even to donors and NGOs when they come to try and empower and help women. Nobody wants to talk about it.

Chair: It is an issue that certainly this Committee and the UK Government have taken a very strong line on. It is difficult, because we are challenging other people's cultures, but nevertheless it is something we have been focused on.

Leticia Nyerere: It is that notion of feeling bad about challenging somebody's culture and, because the culture is like that, people come without knowing what needs to be done. Donors come thinking that they need to help these women get access to loans from the banks,

but that is not the main issue; that is not the priority. Even in my constituency, that is not a priority. The priority is health to my women and independence to my women. Being free from violence is priority number one. Next is to empower them economically. That is what I think.

Q70 Chair: Thank you very much; you have made that very clear. I wonder, on the basic question of opportunities, clearly, you have a garment industry employing women, for example, and we will ask more questions about that, and obviously you have more industry and so forth in South Africa. However, having heard what Leticia Nyerere has said, have you got any particular comment or development on that argument?

Waresat Hussain Belal: First of all, Bangladesh is a riverine country and it is an agricultural country. Our main resources come from agriculture and so we have to give emphasis to agriculture. In Bangladesh now, many garments factories are coming up and womenfolk are working in the garments sector. The most positive thing is that women do a better job than men; they do better, so garment factory owners prefer to employ women workers. This is the scenario in Bangladesh. There are many women workers coming from the villages, and they are working in not only garments but textiles and other sectors as well.

Our Government is also placing emphasis on the IT sector. We have gone up to village level. We are also bringing men and women and boys and girls into our capital, giving them training and sending them back to the villages. For example, in the health sector, in each upazila, as we call them, there are healthcare facilities and hospitals. In each hospital, we have telemedicine, teleconferencing, for people and womenfolk who cannot come to the capital. Getting an appointment with a doctor or professor takes three to six months, but, with this thing, she can do it in five minutes.

These are the things our Government is doing. There are also many obstacles we are facing, but we are moving. The main thing is that we respect women in our culture. Suppose I am on a bus or a train, if a woman is standing, I cannot sit there. I have to get up and give her the seat. These are the cultures, but I will tell you later on what the major problem we are going to face and are still facing is, and it should be a concern for everyone.

Chair: We will come back to that. Professor James?

Professor James: I wanted to say that South Africa has good anti-discrimination legislation in terms of its overall architecture. It is not always exercised to the maximum degree, but there is certainly nothing wrong with the legislation that we have. We have affirmative action policies that are applied unevenly, and they are sometimes applied in a way that relies on quotas, which we think is entirely inappropriate. However, we do have affirmative action policies and black empowerment programmes that are specifically targeted towards black women. In terms of what Government has as instruments, we think we have a reasonable environment that protects women against discrimination and advances them in particular sectors.

In that context, we are looking at 1% growth in GDP and there is no job growth whatsoever; in fact, jobs losses are occurring as a result of onerous labour legislation that increases the costs for hiring of employees on the part of business. The real prospects for women in our country are partly, ironically, the consequence of the failure in public services and increasing reliance on a rapidly growing black middle class turning towards privately provided services in policing, for example. More is spent on private policing presently in South Africa than on public policing, and, in fact, some police stations rely on private security to protect them. People are turning towards sending their children to low-fee private schooling in order to get a good education, and they are also turning towards private healthcare.

That is the growth area and it is quite dynamic, because it principally creates opportunities for black South Africans in a rapidly enlarging middle class. To give you an idea of the figures involved here, in 1994, there were 1.8 million black South Africans in the middle-class category; today, it is 6 million. The number of medium-earning black South Africans has increased from 120,000 to 1.8 million. That is where the dynamism is in our country, and that is where the growth is.

Most of the employment at a public sector level that involves women is not bad. It could be a lot better, but in terms of the Western Cape Government, for example, the Premier of the province is a female; the Mayor of the City of Cape Town is a female. In the manner of appointments, we are not bad in terms of opportunities for women in public administration. When it comes to the professions, there is a serious mismatch between the number of graduates coming out of the professional degree programmes at universities and the take-up in the private sector. There is a self-selection that takes place in terms of professional training for women, but more medical doctors are female in South Africa. In the soft sciences, you have more women in biology but fewer women in physics and so forth. In that part of it, we are not doing badly. We could do better. We need more engineers, for example, in the country and we need more female engineers as well.

That is not bad, but the real action, colleagues, is in the private sector: opportunities that women have in starting small businesses, running small businesses and medium-sized enterprises and moving them out of the informal sector into the formal sector. In this case, what matters is access to credit, funding and support; tax relief in the first three years so that they can get the cash flow straight—essentially, support services and a beneficial tax environment to make it possible for them to grow their businesses and sustain them. As you know, the rate of failure in small businesses is extraordinary and the first three years matter.

In South Africa, most entrepreneurs in the small business sector and the informal sector are women, black women; that is where the energy is. I will make no other comments about what the men are up to, but just say that that is where the energy is. That is where the Government needs to provide support in terms of making it easy, in terms of the taxation architecture and also providing enough financial and other kinds of administrative support to

a population that is not that well-educated. That is where the action lies, and there is potential there for growth.

I am the Shadow Minister for Health in South Africa. One comment on the democratic and the health statistics when it comes to women: they are not great at all, especially maternity rates. Just focusing on the issue you are concerned about, livelihoods and jobs and women, I believe the growth in the economy in South Africa lies in the small and medium-sized business sector, and the role of women, particularly black women, is crucial. We need to target and follow that action, rather than think we can steer progress for women through applying affirmative action, for example.

Q71 Fiona Bruce: Thank you very much for that evidence. In fact, my question is about how we can help women move from the informal sector to the formal sector. You have largely answered it from your country's perspective, so, if I may, I will address my question to your two colleagues on the panel. My question is: how can we help women, and how do women in your country, move from the informal employment that they have into the formal sector, for example through the processing and garment industries? I understand what you have said, Leticia—and, by the way, I am looking forward to visiting your country next week when our Committee goes there—about most women being employed in agriculture. However, there is obviously some challenge to move some of them out of the informal agricultural sector into particularly the private formal sector. Can you talk about this?

Leticia Nyerere: Thank you very much for the question. As we know, the majority of women right now are involved in the informal sectors, whereby they are able to run small businesses by themselves. Again, if we moved them from the informal to the formal sector, it would then be easier to find out what they are doing, how they are doing it, what they require to improve their businesses. Of course, we need to give them skills in order for them to move from this informal sector into the formal sector.

We have seen some women moving from the informal to the formal sector, and they have been doing well. The focus should be on how to give them skills for that and also how to help them have access to loans from the banks. Again, we have to remember we are talking about people in the villages who make up the majority of women. We do not have banks in the villages, unless we organise for some kind of financial institution that would be willing to support them financially.

It is possible. I have seen a set of women who have been successful after moving from the informal sector to the formal sector; they acquired loans. To be specific, they were producing soap. I also participated in one project, where I had to teach women how to make Vaseline, regular Vaseline, and they enjoyed it. Women enjoy learning new skills. They enjoyed it; they have been making it for a living; they sell it and they use it. It is very important that we focus on bringing them to the formal sectors.

Fiona Bruce: Mr Belal?

Waresat Hussain Belal: In our country, and especially in my constituency, we are creating groups of women whom train how to make caps. They are making them and we are exporting them. Where our Government has taken decisions, parliamentarians in our Parliament sometimes say that, since our Prime Minister is a lady, she is placing more emphasis on women. Our Government is trying to create women entrepreneurs with the minimum amount of bank interest. For them, bank interest is much lower, but for others like me bank interest is very high: 18%; they are getting it at 5% to 7%. In the rural areas, if they produce certain crops that we import a lot—say onions or potatoes—they can get bank loans with interest of only 2%. Another thing our Government has done is that every citizen has a bank account with around 10 taka in our currency, around one penny here, and through that they have their bank account.

We have created a safety net mainly for women. They get benefits. When a lady reaches age 65, she will get remuneration from the Government. When a lady gives birth to a child, she will get remuneration for three or four months. These are the things. We mostly try to involve women in sectors like food-for-work, and women in rural areas are working in that sector. As I said earlier, we are also bringing them into the capital and training them in the IT sector. We are taking the model from India of outsourcing from developing countries, if they can do the job.

The problem I was going to tell you about is with terrorism. Terrorism has become a fundamental problem in Bangladesh and neighbouring countries—also in Pakistan, as my friend will agree. They have enough money, and they are injecting this money everywhere, mainly to women. They are saying that, “If you do like this, you will go to heaven”; “You have to wear a hijab and everything”. These are problems that are hindering these programmes. We think these programmes can put women in a much better position. They can even supersede men; they can supersede us because the entrepreneurs in our private sector are very interested in women. In Parliament, we are bringing in NGOs, discussing with them how they can work and how we can help them, overcoming our personal differences, and these are the ways. However, I tell you again that terrorism is really creating problems for us.

Professor James: If I may add to that, it is of the greatest importance to get the incentive architecture to move people from the informal sector right, because, living in the informal sector, you do not pay any taxes, so the incentive to move has to be compelling. What is that incentive? The incentive has to be that you save people from all that that entails. You have a one-stop shop where they register for tax, unemployment insurance, labour and so on. It has to be very easy for people to do that. They would need to have very few tax obligations in the first two years, so you need to get that right. They need support in terms of cash flow over a cycle. Then, the greatest benefit is that they can access Government programmes. The most important one is training. You can have a very simple voucher system, so an entrepreneur gets a voucher and trades it and gets the kind of training they actually need, as opposed to what a bureaucrat thinks they need.

Fiona Bruce: Thank you very much. I did not want to exclude you; you had already given us so much, but that is even more helpful.

Q72 Pauline Latham: How can we ensure that jobs, for example in the garment industry, are not exploitative of women? How can we, for instance, make sure that they can join trade unions? How can we make sure that they get fair pay? How do we make sure that their human rights are not abused?

Leticia Nyerere: As ladies and leaders, it is our responsibility to make sure that Governments do the right things for women. We really have to make sure that women's jobs are protected. First of all, we have to make sure that many women have decision-making positions, in order for them to influence their fellow women. We need more women in these jobs, let it be a governing job, an appointed job or an elected job. We need more women. We have to understand that; that is very crucial. Once we have more women who can make decisions, who can influence other women, they will be able to achieve something.

Also, the Government has to understand they have to be fair in job selection; they have to make sure that women participate equally with men. I am glad that we are working on a constitution whereby there will be a 50:50 ratio in all jobs, starting with Members of Parliament; it has to be 50:50. That is very encouraging for us women, because that will give us an opportunity to reach as many women as possible and to protect as many jobs as possible for women.

Q73 Pauline Latham: So long as those women are not always at the bottom half and the men at the top half, but it is 50:50 all the way up.

Leticia Nyerere: If you have a male President, the Vice-President has to be a woman.

Pauline Latham: You have equal numbers of Ministers and things.

Leticia Nyerere: Yes. That is how it is going to be, and that is very good for the implementation of all that we are talking about.

Q74 Pauline Latham: But also management of companies—it should be not only workers, but management as well.

Leticia Nyerere: Yes, even the management in the company. If you have the CEO, the vice has to be a female, or vice versa. That is how it has to be.

Waresat Hussain Belal: So far, in management in our country, the women are reaching that position through their skill. As I said previously, women work more and their intellect is greater. If we can give them a chance, they will come up. We are seeing it; they are coming up.

Q75 Fiona O'Donnell: Can I just ask a quick question, Mr Belal—sorry, I am going to have to leave to be in the Chamber—about the most marginalised women in your country, the dalit? What are doing to ensure that they also benefit from greater opportunities for women?

Waresat Hussain Belal: Excuse me?

Fiona O'Donnell: For the most marginalised women—the untouchables, the dalit women in your country—what are you doing to ensure they are not left behind? Sorry, I was not clear.

Waresat Hussain Belal: I see. The untouchable women are mainly in the rural areas, and they are coming mainly to the industrial sector. Why? Because most of industry is privately owned, and private owners like women, and so they are coming up through industry. The Government is also encouraging that. In Parliament, we bring all the entrepreneurs, garment owners, industry owners, textiles owners, to talk about the problems they are facing, and we try to resolve these problems. That is the way that women will break through.

Professor James: I wanted to respond to your initial question about the garment workers. South Africa does not have a garment industry left; Chinese imports just destroyed it. What there is is a fashion industry and certainly a design industry around that fashion industry. Of course, we have a bill of rights and a constitution that guarantee the protection of women against exploitation and the right to join trade unions as part of the general labour legislation, but there is not a garment industry left.

Most of the women are in other sectors. I can give you a long version of that, but it is principally in financial services; it is sitting in tourism and a few others. We do not have a powerful manufacturing sector, and we do not have a lot of women in the agricultural sector except in fruits and the harvesting of fruit. What has happened to the garment industry in Southern Africa, though, is that manufacture has been exported to Lesotho, where the same protections do not exist. In fact, you have massive sweatshops sitting in Lesotho and elsewhere.

Q76 Pauline Latham: In South Africa, do women reach the top? Are they able to get to the top management positions or are they generally lower down?

Professor James: They do get to the top. The CEOs of some major companies, Anglo American for example, are female. That does not mean there are not issues around that. It is possible, but one has to be vigilant that barriers are removed where they exist, which requires constant monitoring and so forth. I did want to say I do not agree with having quotas. I do not think quotas are the answer to the question of getting a gender balance or a racial balance right. What is required is adequate and proper training and education on the

basis of interest in that particular profession, so you have to invest in education all the way down the line and make sure that there are fair employment practices. I do not approve of quotas.

Q77 Pauline Latham: Do you not think it is a good idea to do that to start things off, so then people get used to women being in positions of power or in certain industries? Therefore, once you have equality, you do not need to continue with the quota system, but it gives it a boost to start with.

Professor James: The problem with the quota system is that it is mechanical and it allows people to tick boxes and mark that everything is fine when it is not fine. It is very important for institutions to set targets. Presently, for example, there is an 80:20 male-to-female distribution, and to get to 60:40 in a period of three years is achievable. You get the companies and institutions to set the targets, and they then have to invest the right time and resources in order to get there. I think that is a much better approach.

The key thing here is that any society interested in parity of that kind has to invest in the education of the people who are marginalised. We have to do it systematically and it has to be monitored.

Leticia Nyerere: I would like to comment on reaching the top. Actually, it is women's responsibility. It is our obligation to decide whether or not we want to reach the top, because no man is going to offer you their position and say, "Hey, here, get my position". That will never happen, so we have to demand those top positions if we need them, and it is our responsibility and not anybody else's. Maybe the Government also has to do a follow-up on that, but it is we women who are obliged to ask for what we want—actually, to demand what we want.

Chair: And I have no doubt you well. I just wanted to allow a few minutes for a wider Q&A. First of all, can I say thank you very much to this last panel because I think that was an extremely interesting exchange?