

His Excellency Dr. Ghazi ALGosaibi, Minister of Labor
Building Human Capital "Training"

I'm very grateful to you for inviting me ,
when I told my boys, my children that I'm going to address the same
economic forum as Greenspan and Dr Mohammed al Jasser, they said
"oh come on daddy don't tell us stories, especially Mohammed al
Jasser."

Actually I'm a lawyer and a political scientist, I'm well versed in
economics. I took a grand total of seven courses in economics ,four in
Cairo , two in California and one in London.In Cairo I learned what the
government wanted me to learn, very bad medicine, in California I
learned what the professor wanted me to learn even worse medicine , in
London every time I tried to learn, grasp one principle of economics,
the teacher will come and say: but on the other hand ...

If u want to learn anything about economics don't go to London , even
Keenes, Lord Keenes cannot figure it out.

Now as you see I'm well rounded in economics, now you're wondering
what do I know about training , a lot of people wonder what ministers
know about anything, "I see the sense of wonder pervading the
audience ".

Actually ministers get very well trained there are a three conspiracy
theories of how the Saudi minister gets trained; there are three
schools:

The first one have it that the organization of the rail road is the training
ground. They site as fact, as evidence that five director generals of the
rail road went on to become cabinet ministers, quiet a record.
Incidentally I was one of them.

The second theory was the University of California for some strange
reason is the training ground. They site as evidence that eight graduates
of USC became cabinet ministers, including me. I cornered the market.

Others believe that Majlis al Shura now is the training ground, because
seven of its members have become cabinet ministers.

Now for you who are ambushes am sorry to report that the rail road is
being very rapidly privatized .

U S C to the delight of UCLA – is no longer in vogue, so your only chance is the Majlis al Shura.

However for those of you in the economic sector I advice you to stay put ,look at me , just look at me , I will never get Nobel prize for popularity.

However, I'm working very hard for an Oscar , "Hollywood watch out"

Ok now, before I start enlightening you about the training in Saudi Arabia, I would like to start , by three very wise remarks about training all over the world.

In the literature people always talk about excellent education systems, hardly anybody talks about excellent training systems as a matter of fact ,I think training systems is as crucial for the economic development as the education system .

I just want to site a few statistics

In Japan there are four thousand technical colleges, training more than one million students.

In Germany the training programs attract about 2 million young people, "two million".

In Britain half a million students a few years ago were graduates from one single diploma, the national diploma, another half a million joined the other training program. Although these are very impressive statistics, paradoxilly nobody seems happy with their training programs.

In south Korea they have practically revamped every other year and they keep shifting ministers responsible for them around.

In Britain the training schemes have been described as a maze and a jungle, so complex and confusing.

Even Germany, the acclaimed most successful training experiment failed a few years ago to produce 20,000 IT worker and they had to introduce emergency majors.

After all of this, I need hardly to tell you how I'm quite unsatisfied with our training programs in Saudi Arabia. Second , contrary to myth, almost all youth all over the world prefer university education to training programs. Everybody wants a lush room, good salary and comfortable situation, unless one has a serious masochistic problem.

In Britain until recently the majority of people who could go to the university went to the university and those who chose training programs were looked at as some kind of slightly mentally retarded or lacking in ambition.

The last five years showed dramatic change in this. Now a lot of people who could go to the best universities prefers to go to some training institutions.

I'm not saying that things in Saudi Arabia have become as good as that , or as good as in Germany where 70% percent of the graduates prefer willingly to go to the training programs rather than the universities. This of course goes back to a long tradition of trade and vocation in Germany.

Third remark , is that the most successful programs are not done by the government and they are not done by the private sector. They are always joint partnerships between the two. And if somebody can tell you the government can make a successful training program on its own, don't believe it.

On the other hand, if somebody tells you the private sector on its own could come up with a successful program, don't believe it either.

The government doesn't have the talent, and the private sector doesn't want to spend the money, so..

Well there are some talented people, of course ,as u can see; just a few. Now , successful training programs must be a partnership between the sectors. But nobody ever said that partnerships are trouble free or smooth sailing, the ladies here and I consider marriage the most sacred and ancient bondages and of partnerships but let me see one couple who can claim that their marriage has been without ups and downs... for men basically ups, and for women basically downs.

So if marriage is not without problems, it figures out that partnerships between the private sector and the public sector could not be without problems.

In Germany also the most successful example:

The government complains that only 900,000 joined in the training schemes whereas there are one point six million 1.6000000 organizations in Germany .

Here, as you know both public sector and the private sector moans and groans and accuse each other of all kind of things not suitable to mention in front of ladies or children ,but, never mind, this is the way all partnerships go and I will continue with this partnership and as somebody said "quarrels is the spice of life"" Did anybody say that? "

Change the spice of life , but there is nothing that stops me from making a wise saying of my own : "Quarrels are the spice of life"

Now , I want you to go through a very quick trip of the landscape of training in Saudi Arabia it's far better than a lot of people think, but much less than what we hope for. For a historic background, we started very late in training actually lamentably late just to give you an idea of this hindrance, the government in 1970, we had three hundred thousand students in regular schools , secondary and primary and high school , whereas we had just 100 students in training institution , this in 1970. Even more amazing is that , at that time when we started our first five year plan in 1970 we had one thousand six hundred schools , at that time we had only four technical schools , so we had a late start and we are trying to make up for lost time , but as all of you who are good in golf and racing a handicap is always a problem. I don't have the slightest idea what a handicap is , but I assume it applies to this case.

Now we have three schemes in Saudi Arabia , which I will summarize; the public sector training and the private sector training and the joint training.

Briefly in the public sector, we have ninety-five thousand trainees studying now. We have planned to double this and triple this in 8 years, so in 8 years God willing we will have four hundred thousand young girls and boys in our institution. Other than this formal training we have training with the armed forces, joint enterprise between the organization of the vocational training and the armed forces and we have 3000 trainees. Then the organization of the vocational training short term courses, and we have 34,000 trainees in these programs. And then again with our less fortunate brothers In jails, we have special training program and we have 23,000 trainees right now being training from jail to help to start a new life.

The private sector believe it or not have more than seven hundred forty private training Institutions in Saudi Arabia, they have a total of sixty thousand students. There are three hundred institutions for woman with eleven thousand trainees.

Now , my idea of the quality of this training is not very high but we are working to improve it, not for the private sector but also for the public sector . One of our good most successful programs is our joint national training program. This is vocational training which actually was designed by the Chamber of commerce depending on the needs of the market,

and the government tries to subsidize it. And those people will go on from the training to jobs. This is an immensely popular and useful program. And so far we have trained thirty one thousand student trainees and they are all in jobs now. This year we attracted 7000 and I do hope this will double and treble in the coming years. ,Now we have here a joint technical institution, like last night some of you probably witnessed his Royal Highness the Governor of Makkah celebrated the graduation of one hundred trainees from General Motors Technical Institute; there is a Japanese technical institute and we are working now on an institute for Korean cars and the institute in plastic industries, we hope , in a couple of years to have at least fifteen of those .

Now, right now they have 20,000 students but soon they will have trebled and doubled that amount.

I must mention here, a magnificent institution built By the Saudi Oger group , and other built by the Ben laden group

One of them started working And the other will start working soon ,so all of this talk about the ministry of labor not knowing the market need is just talk , we know exactly what the market need ,we are working to give them the market its basic need but of course it takes some time ,Now I want to talk briefly about the Saudi human resource fund , this is a government organization , we have fifteen thousand Agreement Saudi forms providing for one hundred fifty thousand job apportion ties

Unfortunately our experience has not been the best so out of this one hundred fifty thousand only fifty thousand actually got placed in jobs. The blame is mutual we are going through our process To make them really smooth and , and also the private sector should give us a hand too.

Now I cannot leave the subject before I mention the experience of our friend , my friend and yours Mohammed Abdullatif Jameel for he is actually a ministry of labor in mini style. Already more than 20,000 jobs have been provided by his programs. Now if I ever find Aladdin's lamp "and incidentally I look for it for half hour everyday , "and the person the genie comes out and he said what are your two wishes , I would say my first wish is one hundred business men like Mohammed Abdulatif Jameel. You want to know my second wish , don't you ? , "take me away from the ministry labor ."

The genie these days are suffering from the inflation, you don't find them easily in the market .

Ok now I want to conclude again three remarks, I always like the number three it's a lucky number

The picture many people have of the Saudi youth women and men is rapidly changing. The Saudis now are different from how they were before, five or six years ago, they are much more aware of the market possibilities much more aware of the value of training and I'm not aware of a single job that now's motivated young Saudi will not do. You find them everywhere You find them in the supermarkets, you find them in the taxi cars, taxi drivers, and this is something we did not see five years ago, as I expect in five years this will increase. Now we are having a lot of problems as we can imagine trying to improve standards in the private and in the public sector. The public sector don't want to go through this but, salaries are not attracting good employees the you know that m not going to repeat it we no body loves us no body helps us, but Nevertheless, we will continue to improve and I must report to you that the graduate of our technical institution there are about hundred fifty thousand of them contrary to what you read sometimes none of them are unemployed, and there if one of them is unemployed it must be between jobs.

So the future is here, no matter how some people think that our facilities or our training is lacking, the graduates of this institution are not a problem as far as employment an employment concert, now we are having to improve a lot in the private sector training, because out of the some one thousand institution I gave you I wouldn't give more than twenty percent of them a passing grade We are trying to examine each one, not ourselves, but experts outside of Saudi Arabia and of course there is a big resentment everywhere, Ever since I took this job, five four years ago I became like one of those cowboys, saying resentment is my middle name, Now finally I want to say that the training sector is assaulted is not assaulted like in society attitude, and if society, thinking about practical jobs,

I think we are going to achieve a lot of progress you can see that the jobs that get societal approval, no lack of training, and no lack of employees. Take for example, electricians, they are almost thought of as engineers, and what ever number, any number we want of trainee engineers, in electricity we will get, or security, security man is a figure of authority almost a police man and society looks at him with respect. But we are unlucky with some jobs like barbers, or with workers in generally in the construction industry but we hope this is going to change.

Now to sum up , I'll tell you , we are starting a slow but true revolution in our training , it will take time to flower , and we will need all the help we can get , from the society around and especially from stake holders in the private sector.

I personally shall not feel happy or even satisfied , unless we have more than one million trainees in our institutions , promises, promises , I doubt very much that by that time I'll be the minister but I hope very much to be around because we do not intend to take forever about it , thank you very much .