

**ADDRESS DELIVERED BY THE HON. KWAMENA BARTELS, M.P. AND MINISTER FOR PRIVATE SECTOR DEVELOPMENT AT THE LAUNCH OF *INTERIMS FOR DEVELOPMENT* IN GHANA, BRITISH COUNCIL, ACCRA, 30<sup>TH</sup> APRIL 2003**

Mr. Chairman, Excellencies, Distinguished Guests, Ladies and Gentlemen,

I am happy to be invited to the launch of the programme *Interims for Development* in Ghana and to have the opportunity to make a few remarks. I am particularly delighted because *Interims* is about people; it is about human resources development and management. In the area of private sector management, issues of human resources are very important, hence my interest.

Mr. Chairman,

I will start my remarks by making an obvious statement. The statement is that the Government of President Kufuor is committed to a development agenda which is to improve the quality of life for all Ghanaians in a free and law abiding society. By the agenda, economic development is to be pursued by accelerating growth through the implementation of direct poverty reducing measures and employment generation.

By the same development agenda, the government sees the private sector as a credible partner. Government fully realises that to be able to meet the material needs of the citizens and also to finance the social services and other key economic sectors on an ongoing basis, there will be a need to promote the development of a dynamic private sector which is capable of meeting the consumer needs of the citizens, as well as investing and creating meaningful jobs.

Mr. Chairman

My remarks will focus on the government's efforts at developing the economy with the support of the private sector especially in industry and how the objectives of *Interims for Development* could contribute to the efforts of government to develop a competitive industrial sector in an efficient private sector in Ghana.

The private sector is often referred to as the "engine" for wealth creation. There is a great deal of truth in that statement. Without an efficient private sector, it is hardly possible to have the meaningful generation of wealth that is the basis for economic growth and sustainable development in any country. And it is also true to say that the fuel that the private sector needs to be able to run effectively is, quite simply, the human resources that are available to it, in terms of a trained and dedicated workforce at all levels.

It is generally accepted that one of the key challenges facing the private sector in Ghana today is the lack of adequate manpower at all levels despite the long history of education that Ghana has experienced over the past many years. All the financial investment in the world cannot guarantee success for our private sector if the human beings who operate our business and industrial projects do not have the requisite technical and managerial expertise.

Mr. Chairman,

If you should leave \$100 million in your account to a child or children, who are not adequately prepared or trained to handle the business which earned you the \$100 million dollars in the first place, quite clearly, that \$100 million will be frittered away in a very short time.

In the Bible, we have the example of the prodigal son, who took his share of his father's heritage, and because he was not properly trained to handle that, he wasted it away on women - and I am sure there some cigarettes and wine - so the need for the training of human beings who manage investments in our businesses is of paramount and, indeed, critical importance.

Mr Chairman,

As more countries in the West and elsewhere target and lure away our trained professionals to work overseas, our own services and businesses are denied the skills and expertise that they need to operate effectively. Although our endowments in natural resources, such as gold and cocoa, are important, there can be no doubt that our greatest asset is, and will always be, our human capital. For purposes of development, we can employ our often quoted rich natural resources such as gold, timber, cocoa, bauxite and manganese. We can employ technology as well but the binding force of all of them is the human resource without whom the potential from these resources cannot be fully achieved.

Hence the brain drain presents an acute problem for us as a nation and for our development. According to the United Nations Economic Commission for Africa, the emigration problem is one of the greatest obstacles to Africa's development. Labour experts at the ECA have confirmed that Ghana is one of the African countries with the biggest migratory flow. This is certainly not good news to those of us in government who recognise the importance of a qualified and well-trained workforce as a prerequisite for our development effort. And it cannot be good news to those in the private sector either. For the unavoidable result of this continual flight of our nation's intellectual capital is that our efforts to develop our economy and business environment are made even harder. We lose on two counts, because many of those who leave are the very people who are needed to pass on skills to the next generation.

Distinguished Ladies and Gentlemen,

Many of you present here own or manage businesses. You know at first-hand the difficulties involved in recruiting persons with the skills that your companies and organisations needs. The harsh reality is that identifying staff with the requisite training and technical or professional skills is not easy in today's market. It is not that we do not have the right talents. The achievements of Ghanaians at home and on the international scene demonstrate beyond doubt that we have the ability to produce some of the best brains in the world. And the successes we have achieved with some of the training programmes here indicate that, given the right conditions, we can devise suitable training methods that are comparable to those in the developed countries and the emerging economies.

Unfortunately, our efforts in this direction are seriously undermined by the continuous loss of skilled personnel. It is a sad fact that a significant percentage of Ghana's talent has left our shores. The professionals who have left include those with the technical expertise, managerial and entrepreneurial skills that our industries so badly need at home.

The bright side is that many of our people abroad would like to come back home as they have not completely turned their backs on their homeland. However, the economic and professional realities are such that many of them cannot do what their hearts tell them to do. The support given to events such as the Homecoming Summit, the reports from His Excellency the President's visits and the feedback we get through our Embassies and High Commissions abroad confirm that many Ghanaians living outside Ghana are committed to helping us move Ghana forward.

We in government are equally committed to working in partnership with those who wish to help, and we are keen to support any serious initiatives that are intended to contribute to economic growth by promoting investment in Ghana. The recent inauguration of the Skills Bank project is an example of our determination to make good use of the expertise and goodwill of our citizens abroad.

But we also need to look at practical and realistic ways of keeping as many as possible of our trained personnel at home. There are many reasons why trained and skilled people leave our shores, or why those who are trained abroad refuse to come back home. Hence, the solutions for dealing with the problem should seek to address all the various reasons.

Perhaps the most important reason is economic. While the ties of family and culture are strong enough to attract some trained persons home, they are obviously not enough for a large number of others. Another, and equally important, reason why people leave or refuse to come back may be the absence of appropriate professional opportunities or a satisfactory

working environment. While the economic rewards from a position may be important to many qualified people, some of them may be prepared to accept smaller pay packages if they can be assured of a level of job security and avenues of professional development.

Mr. Chairman,

The reasons for the exodus are varied. But the truth of the matter is that taxes from the low salaries of workers working with poor equipment are used to support the education of many of our people. The big question I wish to pose for us to ponder over is, "is it not time for those who receive training from the taxes of the poorly paid people in Ghana to consider giving back something to the society? Can we not devise a scheme that allows them to contribute their services and/or funds to the society that supported them earlier to develop themselves?" The question is open for debate.

Mr. Chairman,

It is crucial for our businesses to give the highest priority to the role and function of human resources management. It is equally necessary for them to incorporate human resource development in all aspects of their business strategies. We need to investigate closely whether the human resources policies that are being implemented in our companies are what the companies need. Do these policies actively support the objectives of the business? Will the policies, and the mechanisms that we use to pursue them, in fact motivate our staff members or are they likely to produce employees who see no incentives in bringing energy, enthusiasm, creativity and professionalism into their work? To have productive and profitable enterprises, we must be prepared to examine our policies and practices, including such areas as timekeeping and quality standards, with a view to identifying areas where improvements may be necessary or desirable. It is only by an honest diagnosis of our shortcomings that we can find the right paths to a healthy and efficient business and industrial ethos for our country.

We believe that a company that invests in employee training is likely to attract and retain such people. It actually makes good business sense to invest in staff training and development.

The Government as a whole and my Ministry in particular, fully recognise the crucial role of a well-functioning private sector in the success of our vision to attain middle-income status by the year 2015. We therefore attach considerable importance to the development of a private sector that is vibrant and dynamic. For the foreseeable future, Ghana will need a thriving private sector that generates employment by increasing business profits and putting money back into the pockets of citizens, whether as investors or as consumers. For the private sector to grow and not merely survive, we need to ensure the steady availability of skilled and trained personnel.

Such opportunities can be offered through official programmes but, as we all know, the resources at the disposal of Government are limited and the demands on these scarce resources increase day by day. This means that the efforts of Government must be supplemented by private sector initiatives such as that presented by the *Interims for Development* programme. It is for this reason that my Ministry and the Government congratulate those who conceived of this programme and re-affirm our support for the programme.

*Interims for Development* assists private and public commercial sector companies in urban areas on a short-term basis with experienced professionals who are in a position to impart knowledge and skills to their host companies. We would encourage businesses and industry to take advantage of the facility offered by the programme.

We view the *Interims for Development* programme as a Ghanaian solution to a Ghanaian problem. It offers a way to reverse the flow of skills from Ghana to the developed world: it replaces the brain drain with a mechanism for 'brain gain'. We welcome this initiative because it demonstrates the commitment of Ghanaians living outside Ghana to work in partnership with those of us at home in order to provide the expertise necessary for the long-term social stability, progress and competitiveness of Ghana in the global marketplace.

On behalf of the government of Ghana, I am pleased to offer not only our good wishes but also our active support for the success of this Programme and **TO DECLARE THE *INTERIMS FOR DEVELOPMENT* PROGRAMME IN GHANA DULY LAUNCHED.**

Thank you for your attention.