

The voice of future business leaders

— The G20 Young Entrepreneurs' Alliance (YEA) offers recommendations to promote entrepreneurship – the key to solving the global employment crisis, according to **Jeremy Liddle, Victor Sedov and Ali Yücelen**



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In December 2013, Australia assumed the role of chair of the G20, a position that came with immense responsibility and complexity, but also, more importantly, the potential for a significant and enduring positive impact on the world's future.

The priorities under Australia's G20 presidency (sustainable and inclusive growth, employment, investment in infrastructure, trade, the commercialisation of innovation, and women's participation in the workforce) are all outcomes that result from building ecosystems that create and enable high-growth, entrepreneurial small and medium-sized enterprises. Investment in SMEs will be essential for the G20 to achieve the two per cent increase in global gross domestic product (GDP) to which it committed in 2014.

The G20 has accomplished much since its inception, when the finance ministers and central bank governors successfully combated the Asian financial crisis of the late 1990s. Its evolution into an annual meeting of 20 leaders, supported by regular meetings of many other ministries and stakeholders, has resulted in the successful abatement of the more recent global financial crisis.

Despite these momentous achievements, the world still faces a global employment crisis that disproportionately affects youth. While the G20 leaders acknowledge this crisis, it remains to be seen whether the G20 will again succeed in taking swift and specific actions to generate economic growth and net employment gains. The global employment crisis must be addressed with the same urgency and priority as the global financial crisis. Strategies to address youth employment



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must be implemented immediately. In 2014, when the G20 leaders meet in Brisbane, the G20 Young Entrepreneurs' Alliance (G20 YEA) hopes to see clear, specific recommendations in the leaders' declaration acknowledging entrepreneurship ecosystems as a solution for youth and employment.

G20 YEA is a collective of leading entrepreneurship non-governmental organisations (NGOs) representing the more than 500,000 entrepreneurs across G20 countries and the European Union that have already created an estimated five million jobs. In 2014, more than 400 young entrepreneurs and leaders from 34 countries, selected to represent the voice of the world's future business leaders, attended the G20 YEA summit in Sydney from 18-21 July.

The recommendations delivered to G20 leaders, finance ministers and central-bank governors in the 2014 G20 YEA communiqué were:

- 1. Reform the global financial system to provide investment and access to capital:** facilitate the development of a methodology for financial institutions to provide affordable finance to SMEs, which should be accompanied by educational programmes, and create regulations to accommodate the development of new and innovative forms of financing, including online cross-border platforms and networks of investors and entrepreneurs, such as crowd-sourced equity funding.
- 2. Forge education, training and business links:** promote close cooperation between the business and education sectors in order to link educational pathways better with labour market needs and address the skills mismatch, with renewed focus on STEM

(science, technology, engineering and mathematics) education.

- 3. Foster an entrepreneurship culture:** install experiential entrepreneurship education programmes, with a focus on gender equality, values, ethics and business morals, at all levels of the education system.
- 4. Support innovation and technology:** implement or expand legislation that encourages the commercialisation of innovation and new technology; support programmes that connect research, development and commercialisation with entrepreneurs and SMEs.

New products by Ninja Blocks, an Australian start-up, are tested in the company's Sydney office. The G20 YEA represents the voice of young entrepreneurs across G20 members

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- 5. Improve regulation and strengthen tax systems:** reduce the regulatory and tax burden on labour for both employers and employees, as well as reduce tax and regulations for the creation of new companies.
- 6. Encourage trade and globalisation:** create a G20 multilateral start-up visa to improve the ability of entrepreneurs to travel and conduct business internationally, and to increase labour mobility by allowing high- and sustainable-growth SMEs to hire overseas skilled labour more easily.

- 7. Attract private infrastructure investment:** Ensure that government procurement processes are made more open to small businesses owned by young entrepreneurs.
- 8. Empower development:** support the United Nations and ensure that there is a major goal in the post-2015 development agenda on youth employment and entrepreneurship, especially for young women.

This year, Aaron McNeilly, Sherpa for G20 YEA Australia, led a positive engagement with Bruce Billson, Australia's Minister for Small Business. The G20 YEA is very pleased to assist and build on the acknowledgement of youth and entrepreneurship in the 2013 St Petersburg G20 Leaders' Declaration, the B20 Human Capital Taskforce, and the T20 and Y20 recommendations. The commitment of the G20 Employment Working Group to address youth unemployment in its employment plans has been very encouraging, as have the acknowledgements for youth and entrepreneurship in the 2014 labour ministers' declaration.

G20 YEA is very grateful to be able to extend its sincerest appreciation for the acknowledgement and support of Tony Abbott, Prime Minister of Australia; Joe Hockey, Treasurer; Senator Scott Ryan, Parliamentary Secretary to the Minister for Education; Heather Smith, Australian G20 Sherpa; Robert Milliner, Australian B20 Sherpa; Kate Carnell, CEO of the Australian Chamber of Commerce and Industry (ACCI); Mike Callaghan, Australian T20 Chair; Holly Ransom, Co-Chair, Australian Y20; and Richard Andrews, Director of Engagement for the Australian G20 presidency.

In 2014, the G20 YEA created and extended enduring partnerships with the United Nations Development Programme and Helen Clark; the Organisation for Economic Co-operation and Development and Angel Gurría; the United Nations Millennium Campaign and Ravi Karkara; the United Nations Secretary General's Envoy on Youth Ahmed Alhendawi; the G20 Research Group; EY and Maria Pinelli; Accenture and Pierre Nanterme's office; the International Labour Organization and Gianni Rosas's youth employment division; Junior Chamber International (JCI); and Microsoft Australia.

Moving forward, the G20 YEA will continue to work with its partners on research and thought leadership, and on executing the G20 YEA Action Plan on Youth Employment developed at its Sydney summit. This action plan outlined at least six key actions that all stakeholders in the entrepreneurship ecosystem, in every G20 country, will take in order to enable entrepreneurs to grow their companies and create jobs.

G20 leaders, finance ministers and central bank governors must also focus increasingly on action on innovation and entrepreneurship to create private-sector-led growth and the industries, products and services of the future. With more focus on these areas, the G20 members can, in the long term, not just achieve but exceed the additional two per cent GDP growth currently targeted. ■