

## Skills and Employability

### The Challenge

Countries at all development levels find that adequate education and skills increase the ability to innovate and adopt new technologies. They make the difference between inclusive growth and growth that leaves large segments of society behind. A workforce that has been appropriately trained and is able to continue learning boosts investor confidence and thus job growth.

In low-income countries, scarcity of workers with relevant education and demonstrated skills constrains growth of the productive formal economy. In many middle-income countries, high growth and productivity in some sectors intermingles with low productivity and unrelenting poverty in the large informal economy. Better education and training for young people, workers and entrepreneurs can accelerate the transition to the formal economy, but only as part of job-centred macroeconomic growth policies and a conducive environment for enterprise growth.

Demographic trends together with heightened competition make the risk of skills and talent shortages and mismatches more acute in many OECD, Eastern European and Commonwealth of Independent States countries. Encouraging lifelong learning and improving labour migration policies are among the challenges confronting ageing societies. The low-skilled are often losing out on benefits that globalization can bring. Discrimination on the basis of gender, ethnicity, rural isolation or age constrains equal access to education, training, and employment services that prepare young people to enter the labour market.

### The ILO Response

The ILO Declaration on Social Justice for a Fair Globalization (2008) and the Global Jobs Pact (2009) highlight skills development as central to improving productivity, employability and social inclusion. The Human Resources Development Recommendation, 2004 (No. 195) provides guidance on the content of effective skills policies and systems. The Conclusions on skills for improved productivity, employment growth and development adopted by the International Labour Conference at its 97th Session in 2008 establish a strategy for skills development (see box). The Office drew on this agreed framework when asked by the G20 Leaders in 2009 to develop a training strategy to support innovation and growth.

Countries that have succeeded in linking skills to productivity, employment, and development have targeted three main objectives:

- matching supply to current demand for skills;
- helping workers and enterprises adjust to change; and
- anticipating and delivering skills needed in the future in order to sustain a dynamic development process.

It is policy coordination that made this possible: labour, education and other ministries, social partners, training providers, and employment services worked together to anticipate occupation and skill needs and target training towards meeting them. Their investments in education and training fuelled technological advancement and economic diversification which in turn, promoted growth of both productivity and employment.



This holistic approach drives the ILO's programme on skills and employability:

**Research and knowledge management** focuses on sharing information on good practices and explaining why certain policy approaches work well. Current research targets include:

- developing cost-effective methods and sustainable institutions for early identification of skill needs: linking skills provision to growth-potential sectors, emphasizing labour market information systems and social dialogue, and applying new tools to post-crisis recovery, transitions to a lower-carbon economy, and job growth through economic diversification and trade;
- linking skills, productivity and working conditions in order to improve outcomes of vocational training for young persons;
- promoting training and skills upgrading through social dialogue and collective bargaining; and
- broadening the menu of approaches for recognizing prior learning, promoting core skills and lifelong learning, and making training provision more relevant to workers' and employers' needs.

The ILO works with the OECD, the UNESCO and the development banks to pool knowledge and experience on linking skills to employment in order to broaden the range of experience available to policy-makers, employers' and workers' organizations, the private sector and academic institutions.

**Technical cooperation** applies research findings and lessons from evaluations to country-specific circumstances and creates a learning platform for stakeholders. The current portfolio include:

- supporting national and regional skills reform initiatives (e.g. Bangladesh, the Caribbean, Central America, Malawi, Viet Nam);
- boosting community-based training through the Training for Rural Economic Empowerment programme – in particular to reach young people and women (e.g. Burkina Faso, Liberia, Sri Lanka, Zimbabwe);
- upgrading informal apprenticeships in countries in Africa, so that this system, which is often young people's best chance to acquire skills, offers higher quality training, safer working conditions, and wider occupational choices to girls;
- rebuilding training systems as part of post-crisis reconstruction strategies (e.g. Haiti, Sudan, South Sudan, Yemen).

Particular attention is paid to overcoming barriers that **women workers** face in accessing training that leads to improved employment opportunities; expanding training opportunities for **persons with disabilities** and in **remote rural communities**; and combining core skills, training, work experience, employment services, and entrepreneurship in interventions targeting **young people**.

## Key Tools and Resources

In addition to the above-mentioned ILO standards:

International Labour Office (ILO). 2010. *A skilled workforce for strong, sustainable and balanced growth; A G20 training strategy* (Geneva).

—. 2011. *Skills for green jobs: A global view* (Geneva).

—. 2012a. *Introductory guide to upgrade informal apprenticeship*, Policy Brief (Geneva).

—. 2012b. *Preliminary assessment of training and retraining programmes implemented in response to the Great Recession* (Geneva).

The 2008 ILC Conclusions on **Skills for improved productivity, employment growth and development and the G20 Training Strategy prepared by the ILO** call for a holistic approach to skills development by:

- integrating skills development into national and sectoral development strategies;
- using skills development to maximize opportunities and mitigate the negative impact of technology, trade and climate change;
- building seamless pathways of education that connect basic education, vocational training, employment services and lifelong learning and that maintain communication on training needs and quality between employers and trainers; and
- extending access to education and training of good quality and relevance to the labour market to those who are disadvantaged in society and promoting business strategies that utilize higher skills and provide on-going training.



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