

SKILLS AND EDUCATION POLICIES

Education and training remain the most important means to improve employment prospects. They are vitally important to future growth and productivity. Those countries able to maintain or build up the skills of their workforce during the recession will be poised to take advantage of opportunities once the recovery starts.

1. MAINTAIN NATIONAL EDUCATION AND TRAINING BUDGETS

POLICY RECOMMENDATIONS & CONSIDERATIONS

- ▶ Ensure budget support for skills development, coupled with measures to improve worker mobility.
- ▶ Sustain educational progress despite the crisis in developing countries (donors will need to prioritize efforts and investments in this policy space).

2. FOCUS ON SKILLS DEVELOPMENT

POLICY RECOMMENDATIONS & CONSIDERATIONS

- ▶ Take advantage of the contraction in jobs to retool laid-off workers and young people for the future.
- ▶ Audit training systems to ensure that they are free of excessive bureaucracy and can be accessed widely and immediately.

This policy brief is part of a series which the IOE has developed to assist Employers' Organisations (EOs) in their policy discussions with governments and other stakeholders on crisis recovery measures and strategies and additionally to help EOs in the provision of guidance to their own members. The policy briefs are based on the employer input into the Global Jobs Pact (GJP) which was developed during the 2009 International Labour Conference as a global and collective crisis response by ILO constituents. The Pact is fully supported by employers. The IOE has prepared a specific Guide to the GJP for its members. This Guide, along with the Pact itself and other information relevant to crisis recovery plans is available on the "Global Jobs Crisis" response section of the IOE website.

- ▶ Examine current training infrastructure to ensure that it is refocused on crisis response strategies in the short, medium and long term, but equally ensure that existing and necessary policy objectives in this space are not inadvertently shelved.
- ▶ Develop and maintain active and regular liaison with the business community on skills needs.
- ▶ Boost spending on active labour market policies, including well-designed education and training programmes which will help increase productivity and employment in the longer term.
- ▶ Explore combining training needs with income support (or making it conditional).
- ▶ Include in retrenchment programmes strong elements of re-training with a package of services that include a combination of severance pay, unemployment benefit, training, and placement programs.
- ▶ Ensure that the long-term unemployed stay connected to the labour market, for example through skills development for employability.
- ▶ Incorporate into any new public investment (much of this investment to date has been driven by fiscal stimulus packages) an analysis of new skills requirements (e.g. green technologies).

3. LABOUR MARKET MEASURES FOR RECOVERY

Active labour market programmes (such as job-search assistance and monitoring, personalised action plans for job seekers, training, and targeted programmes for disadvantaged groups) can play an important role in facilitating the adjustment of individuals to changing labour market conditions.

POLICY RECOMMENDATIONS & CONSIDERATIONS

- ▶ Include a combination of passive and active labour market programmes designed to stabilize employment and earnings.
- ▶ Create adequate work incentives allied to any proposed extensions in the duration and coverage of unemployment benefits.
- ▶ Provide additional resources, where this is necessary, to ensure the effective capacity of employment services to deliver active labour market policies.

- ▶ Reorientate policy towards employment generation and employment security as opposed to job security.
- ▶ Put in place schemes targeted at temporarily laid-off workers with enterprise-specific training so as to provide pathways back into these enterprises when the business climate improves.
- ▶ Utilize private sector resources to support active labour market programmes.

4. TRAINING SUPPORT FOR VULNERABLE GROUPS

The increase in the returns to training in a recession can be expected to be strongest for the groups whose job-finding prospects suffer most. This tends to be groups such as youth, the low skilled, older workers, women and migrants.

POLICY RECOMMENDATIONS & CONSIDERATIONS

- ▶ Ensure that public employment services place emphasis on providing job-search assistance to the most employable job losers, while providing training opportunities as well as greater use of targeted hiring and work experience subsidies and public-sector job-creation slots for the most hard-to-place unemployed.
- ▶ Consider a shift from “*work first*” to “*train first*” especially for hard-to-place job seekers.
- ▶ Combine labour market information (“LMI”) programmes with other types of interventions because in periods of rising unemployment and lack of job creation, accurate LMI in itself may not lead to employment opportunities.

5. STRUCTURAL REFORMS IN THE LEARNING SECTOR

The crisis presents opportunities for education sector reforms to improve the performance of the education system over the long term. The most effective education systems are those that have highly qualified and motivated educators and ensure that these individuals are continuously invested in.

POLICY RECOMMENDATIONS & CONSIDERATIONS

- ▶ Ensure effective spend of resources to achieve education policy goals. More stringent fiscal constraints at all levels provide the rationale and potentially also the political support for ensuring more effective expenditure and the reforms that this may entail.
- ▶ Develop and maintain active and regular liaison with the business community on curricula development.
- ▶ Look to raise quality levels of education providers. In a weak labour market, it may be easier to attract better candidates into the education system and to require current teachers to upgrade their skills.
- ▶ Create the conditions now to raise and maintain education systems. If education systems can focus on creating the conditions that will induce new entrants to remain in the profession after the crisis, the long-term quality of the system should improve.

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