

Brunei Darussalam's Information Paper

**POLICY MEASURES
FOR YOUTH EMPLOYMENT
AND HUMAN RESOURCES DEVELOPMENT
IN
BRUNEI DARUSSALAM**

For

**Symposium on Globalization and the Future of
Youth in Asia**

**2-3 December 2004
Tokyo, Japan.**

Policy Measures for Youth Employment and Human Resources Development in Brunei Darussalam

Introduction

Brunei Darussalam has a very small population of around 349 thousands in 2003. 33 per cent of the total population are below 15 years old, 3.6 per cent above 65 years of age, while the rest, aged 15 to 64 are in the working age category (economically active), made up of 63.4 per cent of the total population. The annual population growth is around 2.4 percent.

Current Status of Education in Brunei Darussalam

School age children and youth throughout Brunei have good access to public Schools. The network of approximately 150 primary and secondary schools augmented by some 70 non-government schools, serves all part of the country.

The scope of the educational system in Brunei can be depicted as follows:

Public Education Data			
	Schools	Teachers	Students
Pre-School	126	2,593	Pre-School - 2,908
Primary			Primary - 29,111
Secondary	27	2,651	Secondary - 28,373
Pre-University			Pre-University - 2,338
Technical & Nursing College	6	472	2,593
Institut	1	89	360

Teknologi Brunei			
University of Brunei Darussalam	1	303	3,422
Total	161	6,108	69,105

Source: Ministry of Education (2003)

Private education is a significant alternative to primary and secondary education provided by the Government. Two International Schools offer an alternative curriculum (based strongly on British models).

Alternative Education Sources			
	Schools	Teachers	Students
Private Schools Nursery to Secondary	79	1,794	30,261
Ministry of Religious Affairs (Religion/Arabic)	7	342	2,087
Ministry of Defence (Primary)	2	32	300
Sinaut Resources Centre (Ministry of Industry and Primary Resources)	1	17	5
Youth Development Centre (Ministry Of Culture, Youth & Sports)	1	18	102
Total	90	2,203	32,755

At the post-secondary level, there are two main institutions: Institut Teknologi Brunei (ITB) and the University of Brunei Darussalam (UBD).

A significant part of Brunei's education system is devoted to training for specific job categories. Much of this training falls under the aegis of the Department of Technical Education. The Department operates five technical and vocational institutions:

- The Sultan Saiful Rijal Technical College and the Jefri Bolkiah of Engineering which offer technical programmes (post O-level) and craft level programmes in a variety of fields;
- The Nakhoda Ragam and Sultan Bolkiah Vocational Schools, which provide craft level programmes (entry after Form III)
- The Mechanical Training Centre, which provides training in the operation and maintenance of heavy construction equipment, largely for in-service training of public sector employees.

The three principal tertiary education institutions in Brunei Darussalam are:

- The UBD, including the Sultan Hassanal Bolkiah Institute of Education;
- The ITB; and
- The Pengiran Anak Puteri Rashidah Sa'adatul Bolkiah College of Nursing.

These are relatively young institutions, with origins in the mid-1980. Since then, they have experienced remarkable growth, with sound infrastructure and, overall, well planned programmes.

UBD's largest enrolment is in Bachelor degree programmes in Arts and Science, Education, Islamic and Brunei Studies, and Business. A small number of students are enrolled in Master degree programmes in some 24 disciplines. There are also a variety of certificate and diploma programmes at the postgraduate level, primarily in education. The university has various twinning or cooperative programmes with overseas universities. For example, the Biomedical Science Degree offered jointly with the University of Queensland in Australia provides a route to study abroad in medicine industry, dentistry, or allied fields. Such programmes appear to have a significant potential for marketing to off-shore students.

ITB's programmes in engineering and technology lead to Higher National Diplomas in Building Services, Civil and Mechanical Engineering, electrical and Electronic engineering, Communication and Computer System Engineering, and Computing and Information Systems as well as HND in Business and Finance. A number of these programmes are offered under linkage arrangements with universities in British Isles or Australia.

The Nursing College provides professional education for nurses at the diploma level.

In addition, the Brunei Arts and Handicraft Training Centre offers courses in traditional Brunei handicrafts. It is entered after Form II or lower secondary schools.

Human Resource Development (HRD) and Small and Medium-sized Enterprises (SMEs)

The Government of Brunei Darussalam places great significance in the development of Small and Medium-sized Enterprises (SMEs) in the private sector. The Eighth National

Development Plan emphasizes the development of SMEs in the context of diversification. SMEs will provide new employment opportunities for the locals and support the transfer of employment from the public to the private sector. SMEs will also provide impetus to expanded private sector growth.

Equally, the private sector is concerned about the level of support received by SMEs. Support mechanisms for SME development, particularly in relation to finance and business set-up regulations, are frequently raised as important blockages. There is also no coherent entrepreneurial education element in the school curriculum. Tertiary institutions do not offer sustained programmes in support of SME development. Several government departments sponsor SME support programmes, including the Ministry of Industry and Primary Resources (e.g. training courses undertaken by the Resource and Standards Centre), and the Department of Economic Planning and Development (e.g. a micro-credit scheme with the support of the local banks)

There is widespread support for a significant upgrading of the HRD dimensions of SME development, centered around institutional empowerment, coordinated support measures and improved private-public sector partnership. SME development will be about long-term attitude change of the locals and the emergence of a more dynamic private sector.

Labour Market situation in Brunei Darussalam

In 2003, the Brunei Darussalam's total labour force was approximately 162 thousands, 61 per cent of whom were male while the remaining 39 per cent were female. That year, the employed labour force was around 154 thousands, indicating unemployment rate of about 5 per cent. Female unemployed tend to be higher than male unemployed by a ratio of 1: 1.7.

Three-quarters of the workforce in the public sector (government) are locals while the same proportions working in the private sector are foreigners. Most of the foreign workers are working in construction (more than 24,000), mining, quarrying and manufacturing (more than 9,000), wholesale and retail (more than 6,000), and community, social and personal services (more than 4,000).

In spite of the limited jobs available in the public sector, the government employment is still the first choice for locals. The stable income and attractive fringe benefits are among the reasons why locals prefer to work with the Government. Some locals do work with the private sector but some just work temporarily making the private sector as a stepping-stone to government employment.

Labour Policy towards Foreign Workers

Presently, Brunei Darussalam has a liberal policy with regard to foreign workers. Foreign workers of all categories (skilled and unskilled) are allowed to be recruited if they are required and can contribute to the development of the country. However, permission to do so is not indefinite because of the Localization Policy whereby the participation of the local workers in the private sector is given priority. The Government eventually wants the locals to take over those relevant jobs that are being filled temporarily by the foreign workers.

Through the quota system, employers wishing to bring in foreign workers must show that such workers possess the required skill by submitting relevant and supporting certificates or documents. The Department of Labour will ensure such person is suitable for the position applied. Such measure is taken so that the foreign workers possess the required skill to

assist in the development of the country. This is also to prevent the country from becoming a possible dumping ground for unskilled workers.

Before approval is given to issue license for the recruitment of foreign workers, the Department of Labour must ensure that the presence of such workers do not jeopardize job opportunities available to the locals or disrupt the way of life and socio-culture of Brunei people.

Unemployed or Job-seekers

Data on unemployment in Brunei Darussalam is open to interpretation, however according to the Department of Labour, there were around 8,000 locals (including graduates and diploma holders) registered for employment in 2003. This number could include multiple registrations and registrations made as a matter of form, and so it may not reflect the job seeking behaviour of unemployed locals.

Majority of those unemployed (87.8 per cent) were in the 15-34 age group. Out of this group, 36 per cent were in the age group 20-24 years old, 25.6 per cent in the 15-19 years old, 18.2 per cent in the 25-29 years old, and 9 per cent in the 30-34 years old.

According to 2001 economic census, majority (74 per cent) of the businesses in the country are of small size establishments, which can only employ around 1-10 workers. The number of business establishments in the country is indeed small with limited capacity for employment. Of the industrial sector, mining, quarrying and manufacturing employ around 17 per cent of the total employment in the private sector, wholesale and retail trade 22 per cent, and construction 20 per cent.

The government sector, which employs about 40 per cent of the total labour force, is now saturated, causing the number of local unemployment to increase. However, in addressing the issue on unemployment, various measures have been and continue to be undertaken by the government such as:

i) Training Scheme in the Hospitality Industry

This is one of the programmes under the Short-Term Economic Recovery Action Plan implemented by the Brunei Darussalam National Economic Council (BDEC) and now continued by the Economic Planning and Development Department. Under this scheme, locals particularly those seeking for employment, are trained in the hospitality business so that they can be employed in the hotels and travel agents including tour operators.

ii) Apprenticeship Scheme for Graduates (including Diploma holders)

The scheme, financed by the Government, offers them work attachments in the public and private sector companies for a period of 6 months, after which they can be employed as full-time workers. These trainees are given an allowance of BND 700 for degree holders and BND 500 for diploma holders for the period of six months.

iii) Skills Training in Skill Industry and ICT

This is also one of the schemes under the Short-Term Economic Recovery Programmes especially for youths with secondary 3 - diploma qualifications. This scheme ensures the commitment of employers of

supermarkets to employ locals on a permanent basis through contract of agreement between employers and employees. The latter are trained as salesman/salesgirl, cashiers, and shop assistant. This initiative has proven to be successful as the locals feel that they have secured jobs and improve their welfare, where previously no such contract exists.

iv) Restricting Quota for Foreign Workers

As a measure to create more job opportunities for locals, the Department of Labour has imposed certain restrictions on the employment of foreign workers through quota system for certain jobs such as account clerks, store-keeper, book-keeper, security officer, driver, attendant, and watchman.

v) Employees' Provident Fund

This fund is to encourage locals to work with the private sector whereby financial security after retirement is provided.

vi) Human Resource Development Fund

In the current Eighth National Development Plan, BND 250 million has been allocated for the development of human resources in the country through training and related programmes.

vii) Youth Development Programme

A Youth Development Centre was established to provide training for school dropouts and unemployed youths. The two-year programme includes vocational

training and personal development as well as work experience.

viii) LiveWIRE Programme

This programme introduced by Brunei Shell Petroleum (BSP) in 2001 was aimed at helping the youths in the 18-30 age group, particularly those without jobs to become successful entrepreneurs. The programme involves 2 schemes, namely 'Bright Ideas' and 'Become a successful Owner Manager'.

ix) Apprenticeship Training Scheme under Department of Technical Education

The Department of Technical Education recognizes the importance of the Apprenticeship Training Scheme as a very practical mode of training for school leavers because it includes skills training of school leavers, on-the-job work experience and possible employment. With the current rapid changes in technology, apprenticeship offers an enriched technical education, which provides an excellent base for school leavers to learn skills in actual work situation and at the same time attend classes at a technical education institution. This integrated mode of training is intended to ensure that the specific needs of the industry are met. A number of apprenticeship programmes have been introduced between technical education institutions and employers with various training models being adopted.

For school leavers, wide opportunities are continuously made available to them through the various technical and vocational

institutions in the country to pursue a variety of courses that cater for public and private sector employment demand.

Conclusion

Brunei Darussalam recognizes that human resources are the country's most valuable asset and indeed human resources development (HRD) is one of the main thrusts of the Eighth National Development Plan 2001-2005 as Brunei charts a path forward for stronger, stable, sustainable, and balanced socio-economic development. As such a team of overseas experts have been commissioned to prepare a national HRD Policy and Plan, which is now being finalised. The objective of such policy and plan is to provide a strategy (a catalyst) for ensuring the continuing economic and social well-being of the Brunei population within a disciplined, self-reliant, and caring society.