

## 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 CIS 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 Global Employment Agenda (2003) and the ILO Declaration on Social Justice for a Fair Globalization (2008) highlight skills development as central to improving productivity, job creation and standards of living. The Human Resources Development Recommendation, 2004 (No. 195) provides guidance on the content and reform of skills policy. 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). In 2009 the G20 leaders at their Pittsburgh Summit asked the ILO to prepare a training strategy to prepare the workforce for the economic recovery.

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
- preparing workers and enterprises for the next generation of technologies.

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 and linking skills provision to growth-potential sectors, emphasizing labour market information systems and social dialogue, and for immediate application to the post-crisis recovery and the transition to a lower-carbon economy;
- investigating countries' experience in making education and training more broadly available as a driver of change towards higher value-added economic activities;
- broadening the menu of approaches for recognizing prior learning, promoting lifelong learning, and making training provision more relevant to workers' and employers' needs.

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

- supporting national skills reform initiatives in several Asian countries (e.g. Bangladesh, Indonesia, Viet Nam);
- boosting community-based training through the Training for Rural Economic Empowerment programme in African and Asian countries – in particular to reach young people and women (e.g. Benin, Burkina Faso, Liberia, Nepal, Philippines, 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. Iraq, southern Lebanon, Sudan).

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 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:

ILO. 1975. Human Resources Development Convention, 1975 (No. 142).

—. 2006. *Vocational education and training institutions: A management handbook and CD-ROM* (Geneva).

—. 2008. *Apprenticeship in the informal economy in Africa*, Workshop Report (Geneva).

—. 2009. *Training for rural economic empowerment (TREE)*. Programme manual (Geneva).

Hansen G. B. 2009. *A guide to worker displacement: Some tools for reducing the impact on workers, communities and enterprises* (Geneva).

The 2008 ILC Conclusions on **Skills for improved productivity, employment growth and development** calls 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.
- extending access to education and training of good quality and relevance to the labour market to those who are disadvantaged in society.



Christine Evans-Klock  
Director, Skills and Employability  
Department

Contact us:  
Skills and Employability  
Department  
International Labour Office  
Route des Morillons 4  
CH-1211 Geneva 22

Email: [empskills@ilo.org](mailto:empskills@ilo.org)  
[www.ilo.org/skills](http://www.ilo.org/skills)

ILO Employment Sector