

Pacific Tripartite High-Level Dialogue on Decent Work and the 2050 Strategy for the Blue Pacific Continent

23-26 April 2024 | Suva

Session 5: Skills shortages, skills development, and skills for a
green and digital transition

25 April, 13:45-15:30

This version: 23 April 2024

Proposed speakers

▶ Two government representatives

- Hon. Kessy Sawang, Minister for Labour and Employment, Government of Papua New Guinea
- Ms Kolotia Fotu, Acting CEO for Trade and Economic Development, Government of the Kingdom of Tonga

▶ Two workers' representatives

- Ms Saina Tomi Setu, Board Member, Samoa Workers Congress
- Mr John Toru Tini, Representative, Cook Islands Workers' Association

▶ Two employers' representatives

- Mr Howard Aru, General Manager, Vanuatu Chamber of Commerce and Industry
- Mr Jonetani Tonawai, Chief Executive Officer, Fiji Commerce and Employers Federation

▶ Technical experts

- Ms Helen Kirsch, Technical Officer, ILO

Moderator: Ms Manisha Mundliar, Private Sector Development Officer, PIFS

Chair: Mr Bochner Liu, Secretary, Palau Chamber of Commerce and Industry

Background

Since border closures were lifted in mid-2022, most Pacific Island Economies bounced back strongly from the Covid-19 Pandemic. According to the World Bank's annual Economic Update growth rates among the Pacific Island countries surveyed eased to an estimated 5.5%, in 2023, having followed a historically high expansion of 9.1% during 2022 (WB, 2024). This has led to a rapid recovery, possibly even an expansion beyond pre-Covid-19 levels, of available jobs in key industries such as tourism, retail and trade, and others.

The region's vision for a post-Covid-19 recovery and long-term development outlook is best captured in its 2050 Strategy for a Blue Continent, which promises to accelerate its economic growth aspirations through "the sustainable management of the region's natural and human resources" (Thematic Area 4). It further emphasizes the significant role of its oceans and lands (Thematic Area 6) as well as technology and connectivity (Thematic Areas 7) for achieving this shared vision. This entails critical transitions such as overcoming the present challenge of depleting ocean resources and degrading marine ecosystems to achieve a "sustainably managed blue Pacific Continent" or improving access to and embracing technological advancements to ensure that "all Pacific People's benefit from their access to affordable safe and reliable land air and sea transport and ICT infrastructure.

Targeted investments into the region's education and training systems, that benefit both women and men and promote the green, blue, and digital skills required to manage these transitions are, indispensable to achieve these objectives.

The 2050 strategy reflects this listing education, research, and technology as one its 5 key strategic pathways, which will guide the identification and development of collective action. Most countries in the region have incorporated objectives on environmental sustainability and climate change resilience into their national development plans. In addition, several have explored avenues to promote green and digital skills through, the incorporation of green skills into key curricula, and or the integration of digital and green entrepreneurship skills in existing business development services.

Yet, the past two years have witnessed increasing evidence of emerging skills and labour shortages across several countries in the region. These trends have been further fuelled by a resurgence of permanent outward migration and a doubling of visas issued under the regions temporary labour mobility schemes. Skills shortages, skills mismatch, the resulting barriers for private sector and economic development, as well as the extent to which labour mobility is a primary or contributing driver behind these challenges have since taken centre stage in the economic discourse across Pacific Island Countries.

Little evidence exists to qualify the nature and extent of these skills shortages comprehensively to inform evidence-based labour market and skills development policy. Labour market information, collected for example through Household Income and Expenditure Surveys (HIES) or Labour Force Surveys (LFS), is gathered irregularly at best in PICs. Several actors, including the ILO, Governments and / or Employers' Organizations, and Development Actors like PACER+ or the Australian Pacific Training Coalition (APTC) have recently directed investments into analyses of skills shortages. Yet these efforts remain scattered and relatively recent.

What is more, Pacific Island Countries vary considerably with regards to the size and composition

of their labour markets, labour mobility patterns and pathways, and the capacity of education and training systems. As a result, skills shortages are significantly more pronounced in some countries than in others and the right policy mix to address them may vary considerably.

Labour markets in Pacific Island Countries have undeniably transformed rapidly since the Covid-19 pandemic, which was characterized by widespread unemployment and loss of livelihoods. This transformation has taken place under increasing pressure to adapt to climate change and digitalize Pacific Island Economies to ensure that no one is left behind. This presents tripartite partners with the challenge of developing innovative strategies that have the potential to steer labour markets and skills development systems to ensure greater matching between skills demanded and supply, including through green and digital skills development.

Objectives

During the session, participants will be invited to reflect on the different factors impacting existing skills shortages as well as the most critical skills gaps that may emerge in the future. The session will then focus on identifying potential policy avenues to address skills shortages, and developing a joint vision on the most critical investments that will allow skills development systems across the region to contribute to an improved matching between skills demand and skills supply.

Specifically, the session will cover some of the following topics:

- ▶ Sharing existing knowledge of the extent, factors, and nature of skills shortages, including green and digital skills across the region.
- ▶ The issues of quality of jobs from the region, in terms of wages and working conditions, in fuelling labour mobility and contributing to existing skills shortages, and how these factors may affect men and women differently.
- ▶ The regional challenges across skills development systems in responding to every faster-changing labour market and providing young men and women with the skills demanded by the labour market.
- ▶ The potential gender-sensitive policy responses to skills shortages involving aspects of both skills development and labour mobility governance.
- ▶ The centrality of social dialogue to improve the functioning of skills development systems as well as good labour mobility governance.

Questions for discussion

- ▶ The 2050 strategy highlights the criticality of an economic transformation that is sustainable and digital. What do we know about emerging skills and labour shortages, the demand for green and digital skills as well as the relative strength of different drivers fuelling these shortages?
- ▶ When it comes to quality of jobs, a significant share of workers in the region is not adequately covered by the respective legal frameworks. How can labour protection mechanisms be strengthened to increase the attractiveness of Pacific Jobs, for both men and women?
- ▶ What support do businesses need to become more competitive, provide higher value-added goods and services and provide better quality jobs?

- ▶ Despite recent progresses, skills development systems, especially TVET systems in the region face considerable capacity constraints. What needs to be done more, or differently, including at the regional level, to boost quantity and quality of skills provision for male and female Pacific Islanders?
- ▶ What mechanisms have been trialled to respond to acute skills shortages across Pacific Island Countries? How could these be scaled by combining them into a coherent set of policy responses ranging from skills development governance to labour mobility governance?
- ▶ How can social dialogue at the national and enterprise level be strengthened to facilitate consensus-based policies towards delivering the outcomes set out in such policies, particularly in setting wages and pushing for decent work?

Detailed agenda (draft)

Moderator: Ms Manisha Mundliar, Private Sector Development Officer, PIFS

Chair: Mr Bochner Liu, Secretary, Palau Chamber of Commerce and Industry

13.45 – 13:50

Opening

- Chair

13:50 – 14.05

Presentation giving an introduction into the topic and setting the stage.

- **Ms Helen Kirsch**, Technical Officer, ILO

14.05 – 14.50

Panel discussion with two government, two employers' and two workers' representatives

- **Hon. Kessy Sawang**, Minister for Labour and Employment, Government of Papua New Guinea
- **Ms Kolotia Fotu**, Acting CEO for Trade and Economic Development, Government of the Kingdom of Tonga
- **Mr Howard Aru**, General Manager, Vanuatu Chamber of Commerce and Industry
- **Mr Jonetani Tonawai**, Chief Executive Officer, Fiji Commerce and Employers Federation
- **Mr John Toru Tini**, Representative, Cook Islands Workers' Association
- **Ms Saina Tomi Setu**, Board Member, Samoa Workers Congress

14.50 – 15.25

Discussion in plenary

15.25 – 15.30

Closing

- Chair