Mapping the skills world

Workforce Development: Understanding & Meeting Employers' Skills Needs

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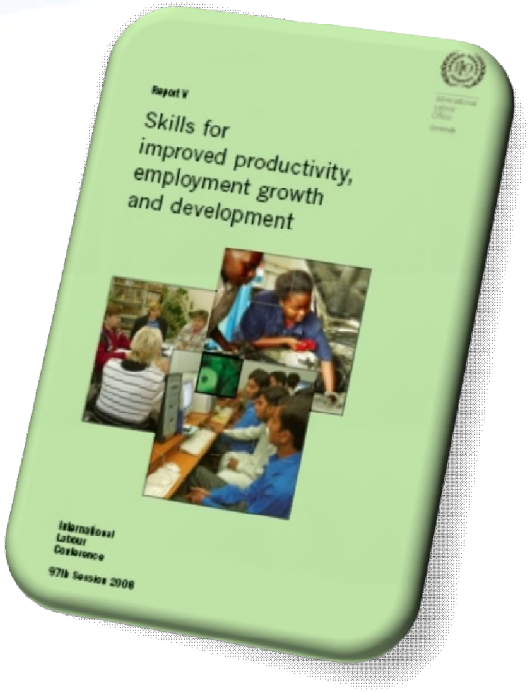
8 February 2010

Skills and crisis

1) ILO Framework for Skills Development
2) Crisis and labour market restructuring
3) Recovery and skills



ILO Framework for skills development

ILO Framework for Skills Development

More and better skills make it easier to:

- Innovate
- Adopt new technologies
- Attract investment
- Compete in new markets, and
- Diversify the economy

Which boosts job growth while at the same time improves productivity

To a virtuous circle

Effective skills development policies

3 pillars:

- matching supply and demand for skills,
- helping workers and enterprises to adjust to change,
- anticipating and delivering new and different skills to sustain a dynamic development process

A good skills development system is:

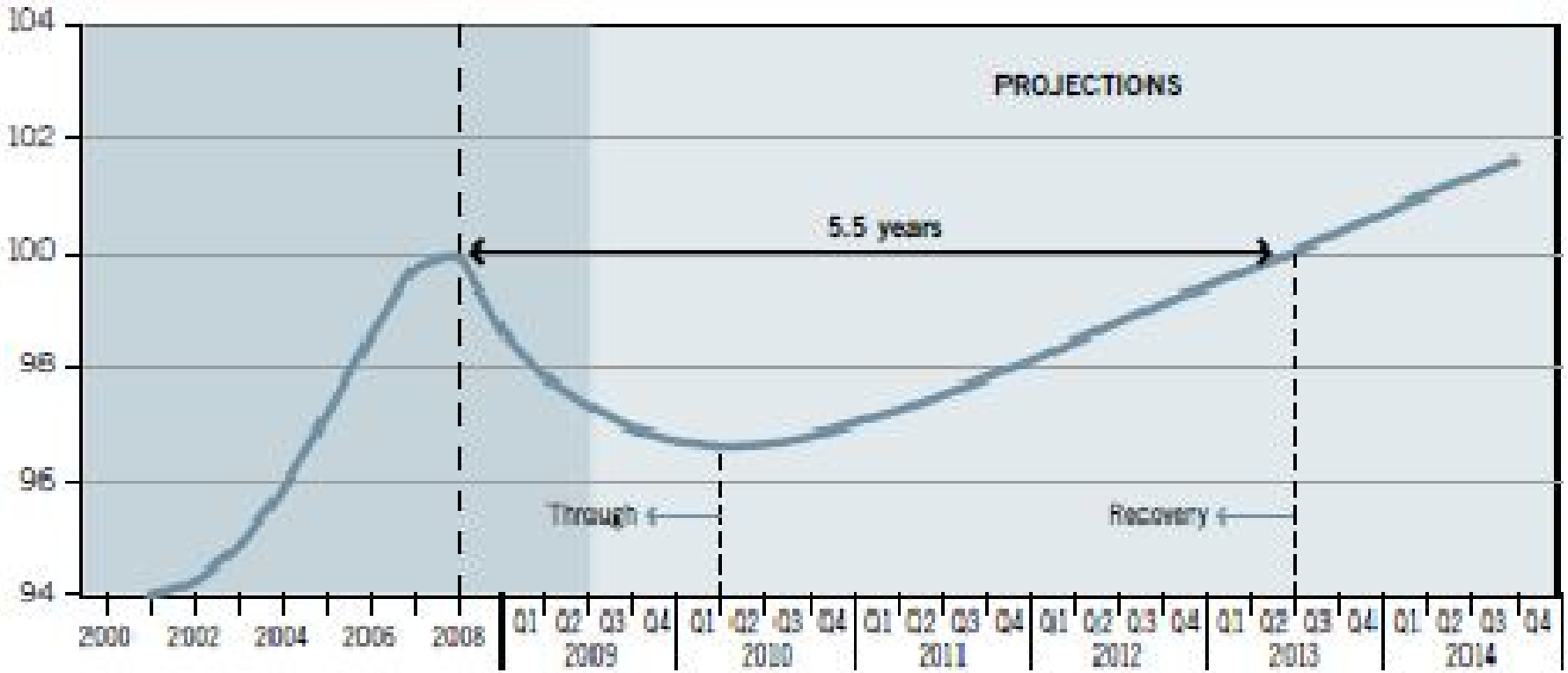
- Forward looking
- Coherent with other policies
- Well-coordinated across the board
- Based on strong partnership between governments, workers and employers (sharing ownership over skills supply)
- Accessible / targeted (equity)

Economic Crisis

Global Job Crisis

- Over 20 million jobs have been lost since the onset of the global crisis; 6.1 million jobs lost in the EU since March 2008
- Almost 43 million workers (job losers and new entrants) are at-risk of withdrawal from the labour market. (*World of Work Report 2009: The Global Jobs Crisis and Beyond (ILO, 2009)*
- Sluggish labour market recovery
- Long-term unemployment expected to continue to rise even after unemployment rates start to decline
- Deterioration of skills and loss of human capital

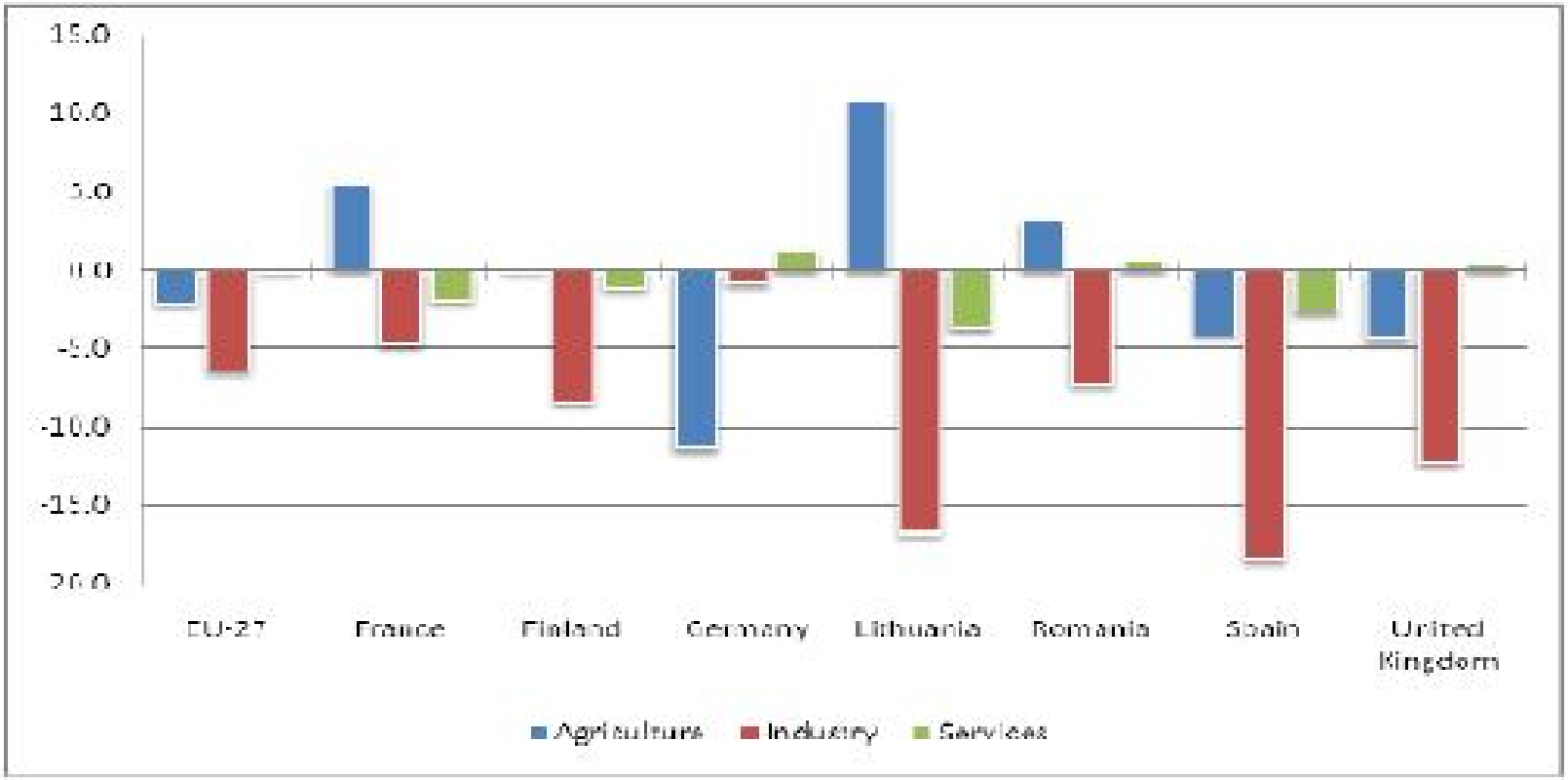
Employment projection in selected high-GDP per capita countries, 2000-14 (Pre-crisis level=100)



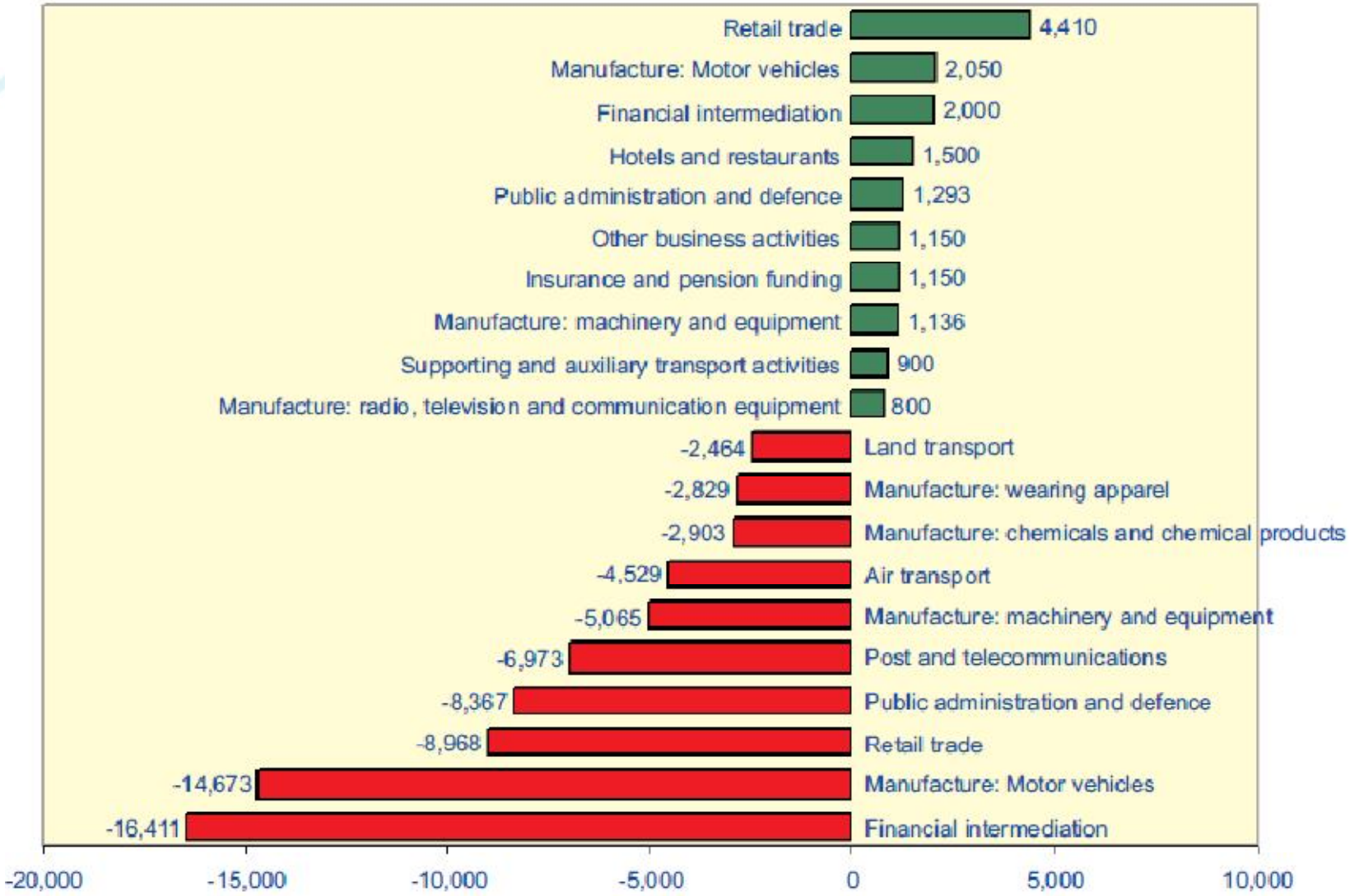
IILC estimates, World of Work report, 2009

Structural change

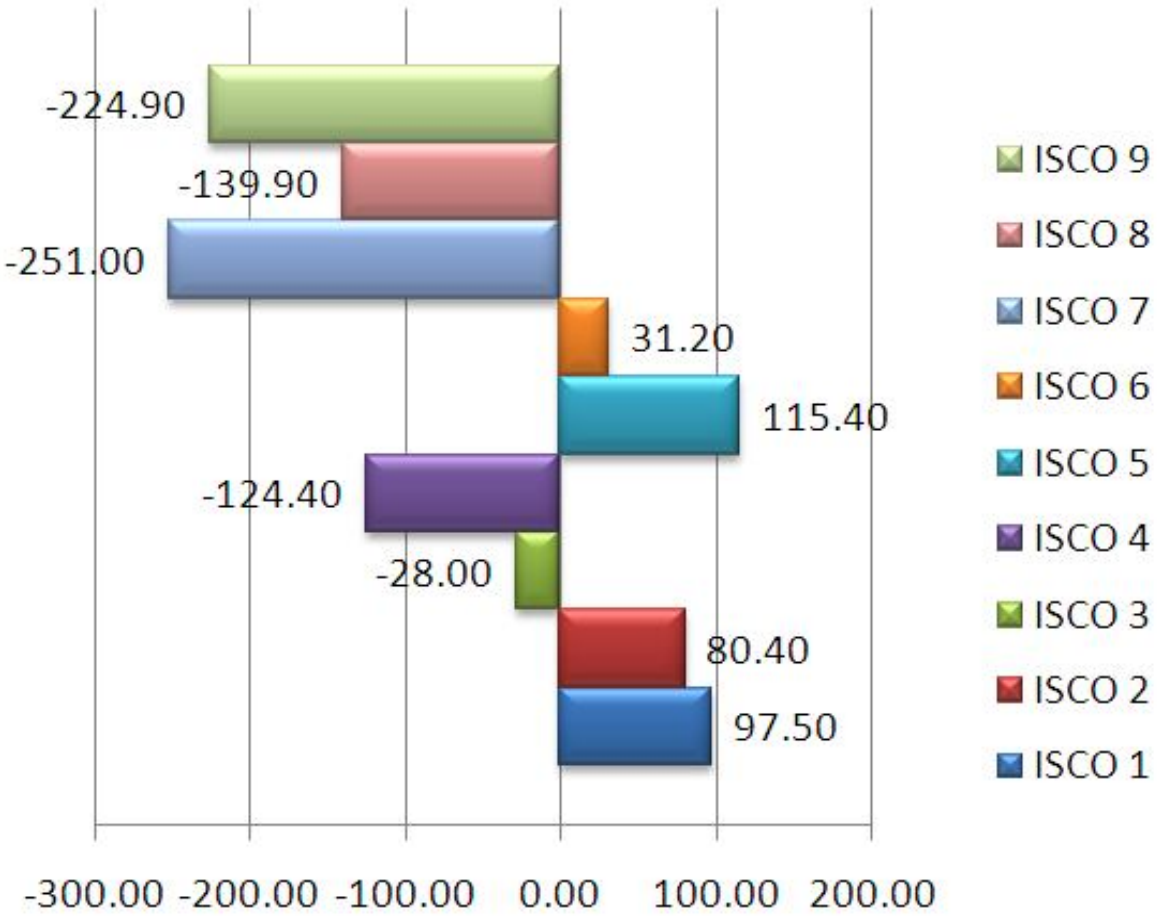
Employment change in agriculture, industry and services, LFS data, 2Q2008-2009 GET, ILO, 2010)

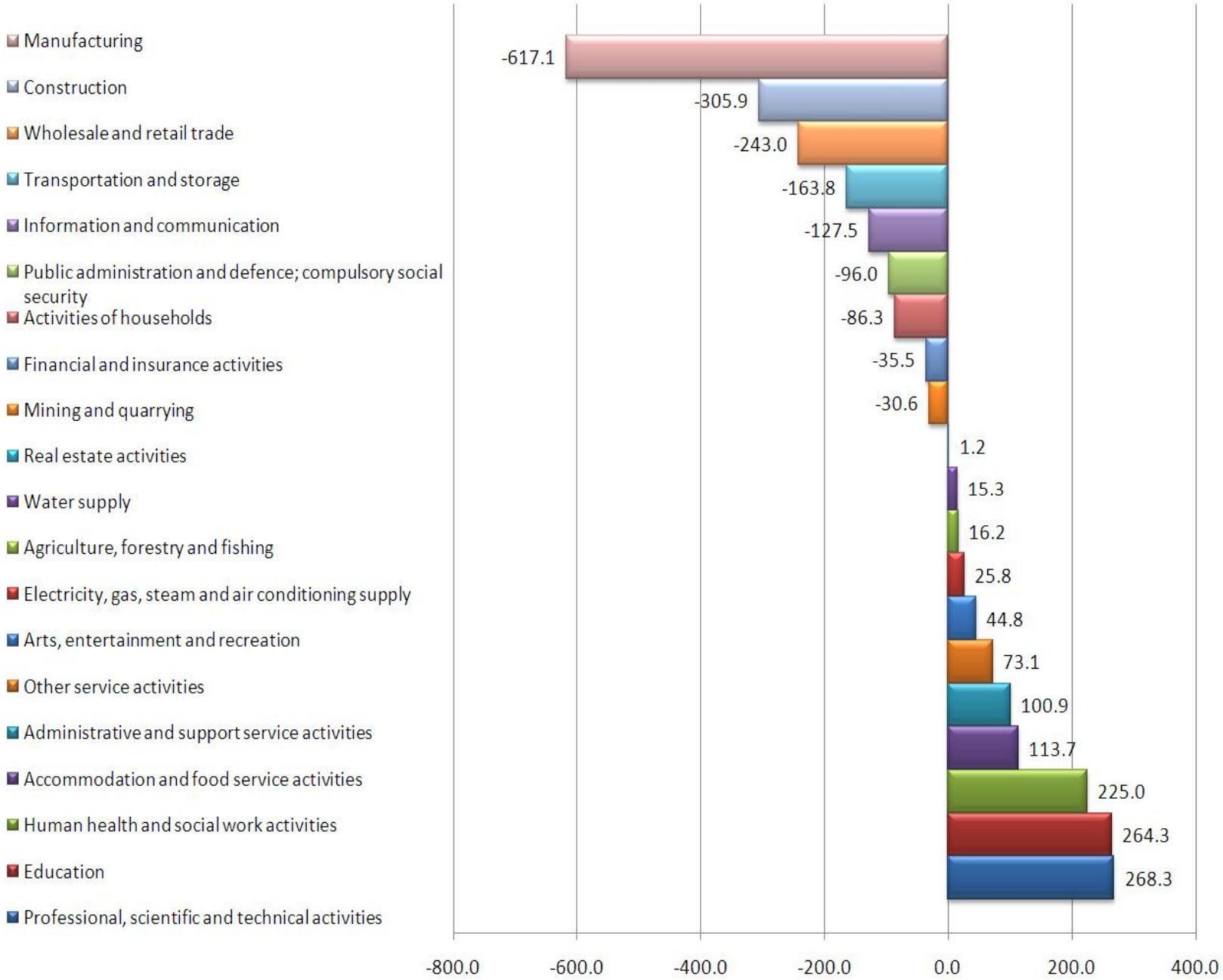


European restructuring monitor, last quarter 2009



UK employment change by occupation (LFS, 2007 Q4 - 2009 Q3)




Manufacturing
Construction
Wholesale and retail trade
Transportation and storage
Information and communication
Public administration and defence; compulsory social security
Activities of households
Financial and insurance activities
Mining and quarrying
Real estate activities
Water supply
Agriculture, forestry and fishing
Electricity, gas, steam and air conditioning supply
Arts, entertainment and recreation
Other service activities
Administrative and support service activities
Accommodation and food service activities
Human health and social work activities
Education
Professional, scientific and technical activities
-617.1
-305.9
-243.0
-163.8
-127.5
-96.0
-86.3
-35.5
-30.6
1.2
15.3
16.2
25.8
44.8
73.1
100.9
113.7
225.0
264.3
268.3
-800.0
-600.0
-400.0
-200.0
0.0
200.0
400.0

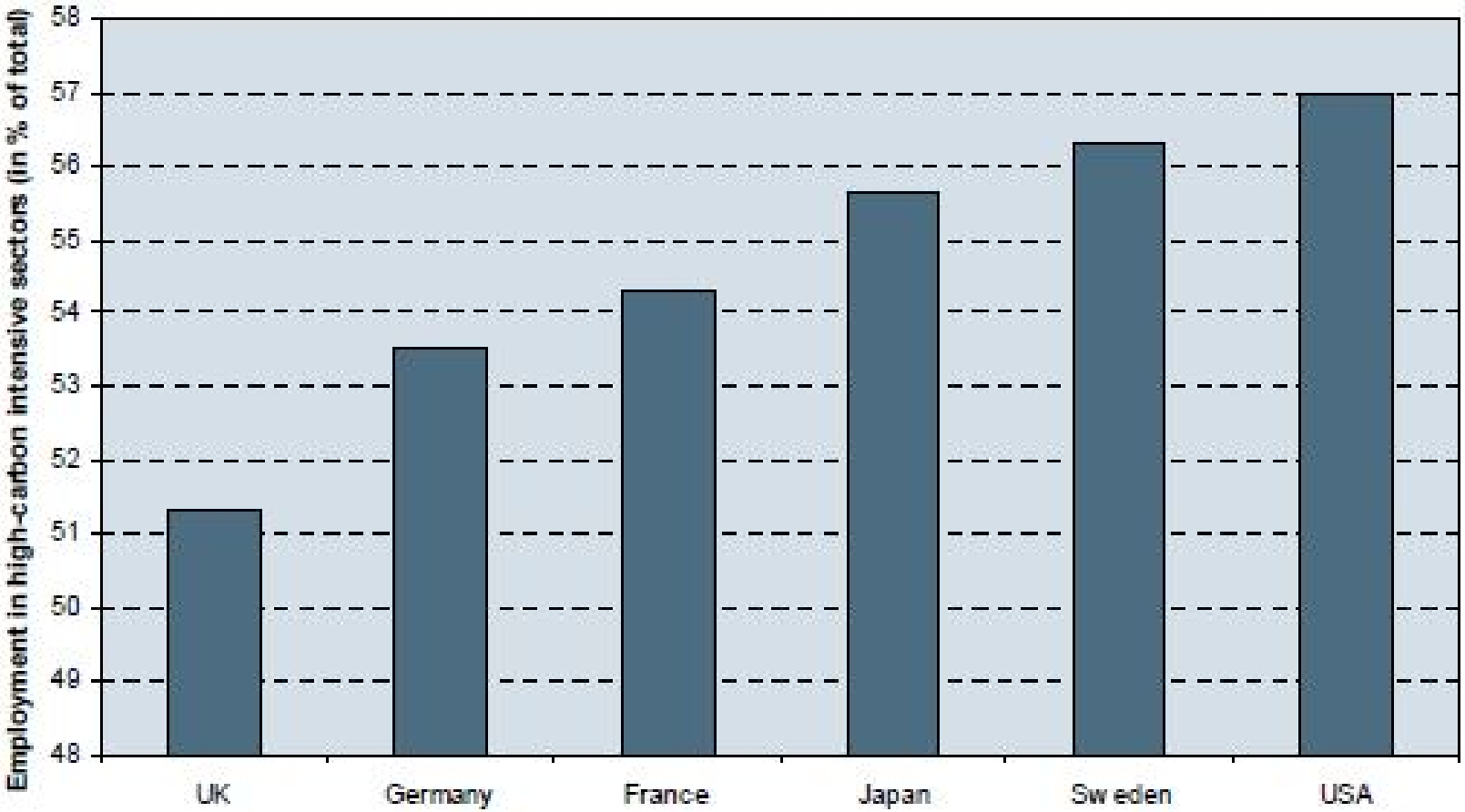
Recovery – Build back better

Financial weights of selected, long-term policies in OECD country stimulus packages, May 2009

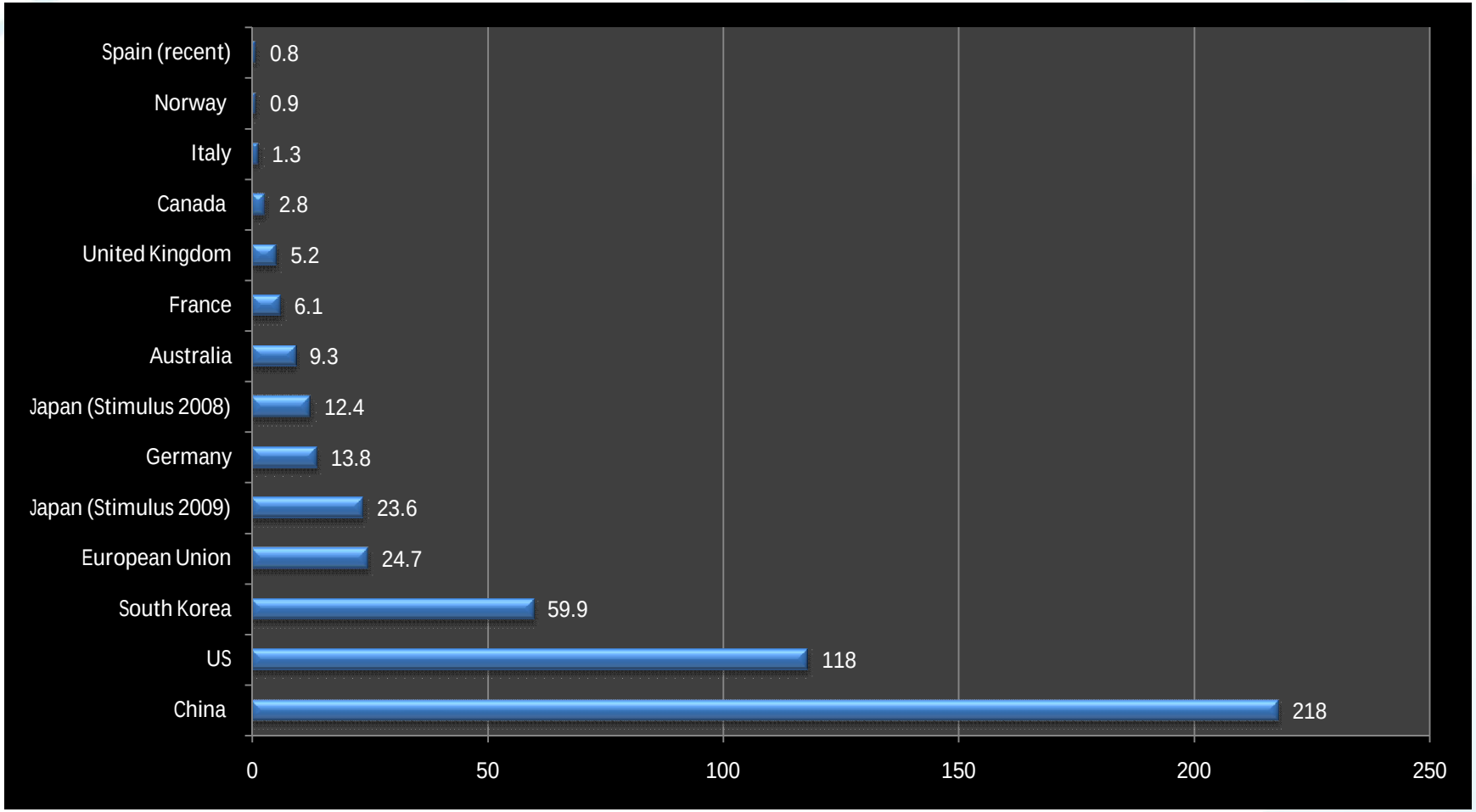
	Infrastructure	Science, R&D and innovation	Education	Green technology
Australia	AUD 9.7 billion	AUD 2.9 billion	AUD 15.7-17 billion	AUD 5.7 billion
% of GDP	0.82%	0.25%	up to 1.4%	0.48%
Canada	CAD 20.3 billion	CAD 800 million	1.9 billion	CAD 2.8 billion
% of GDP	1.27%	0.05%	0.12%	0.18%
Chile	USD 700 million	USD 8.8 million	USD 147 million	USD 0
% of GDP	0.50%	0.01%	0.10%	0%
Finland	EUR 910 million	EUR 25 million[1]	EUR 30 million	EUR 38 million
% of GDP	0.48%	0.01%	0.02%	0.02%
France	EUR 4.7 billion	EUR 46 million[2]	EUR 731 million	EUR 30 million
% of GDP	0.24%	0.00%	0.04%	0.00%
Germany[3]	EUR 11.5 billion[4]	EUR 1.4 billion	EUR 14.5 billion[5]	EUR 5.7 billion
% of GDP	0.5%	0.1%	0.6%	0.2%
Korea	KRW 50 trillion (USD 36 billion) of green investments (5.14% of GDP) – distributed throughout these categories although a detailed break-down is not yet available.			
Norway	NOK 3.8 billion	NOK 170 million[2]	NOK 270 million	NOK 1.6 billion
% of GDP	0.16%	0.01%	0.01%	0.06%
Sweden	SEK 8.6 billion	SEK 9 billion	SEK 500 million	SEK 2 billion
% of GDP	0.27%	0.29%	0.016%	0.06%
Poland	PLN 91,3 billion	PLN 16,8 billion	n.a.	PLN 2.5 billion
% of GDP	0.072%	0.013%	n.a.	0.002%
Portugal	EUR 50 million	EUR 224 million	EUR 682 million[6]	EUR 260 million
% of GDP	0.03%	0,13%	0.41%	0.16%
USA	USD 100 billion	USD 16 billion	USD 83 bill	USD 59 billion
% of GDP	0.70%	0.11%	0.58%	0.41%

Policy Responses to the Economic Crisis: ***Investing in Innovation for Long-Term Growth*** **June 2009 (OECD)**
http://www.oecd.org/dataoecd/59/45/42983414.pdf

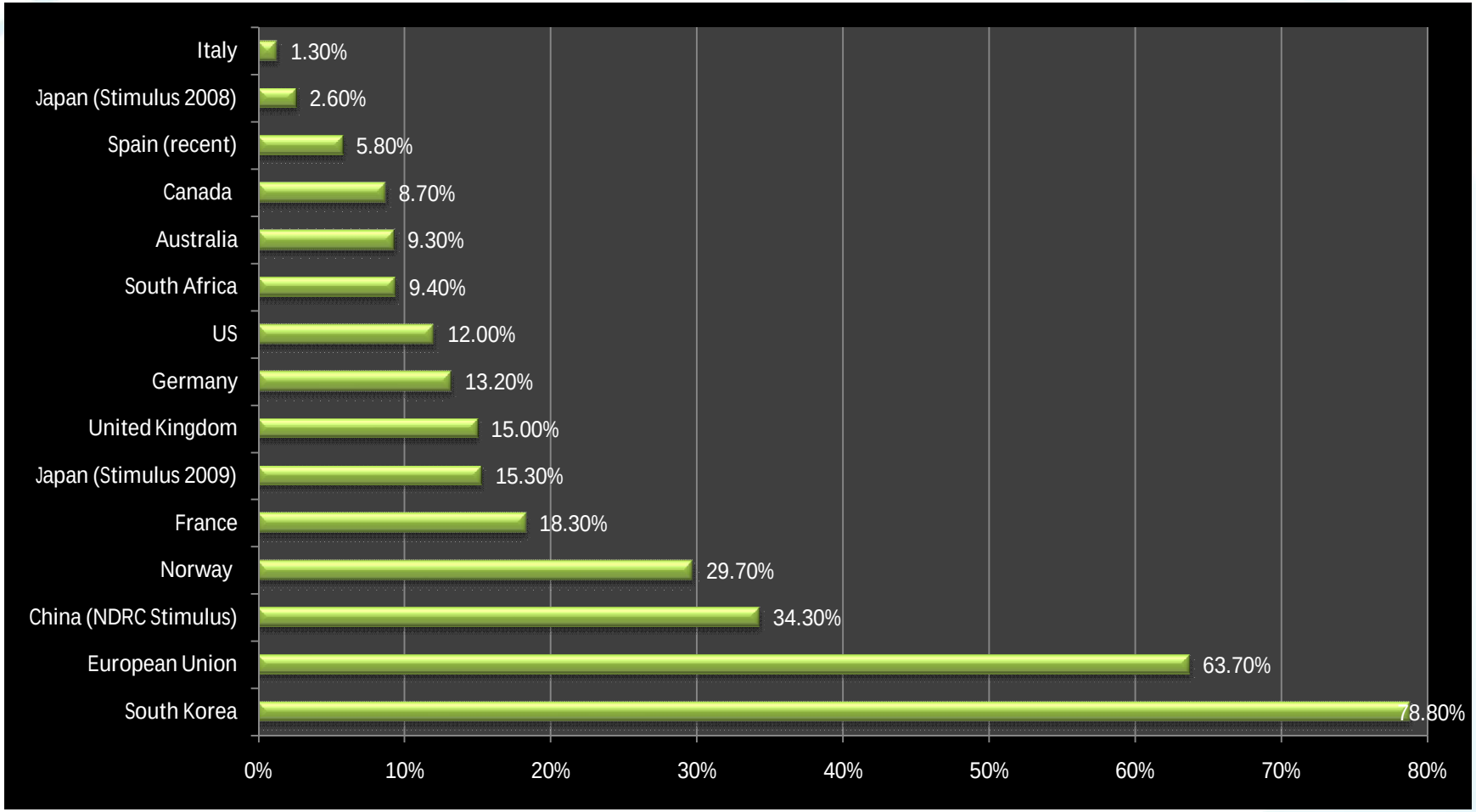
The green employment challenge: the share of employment in high carbon-intensive sectors (%, 2005)

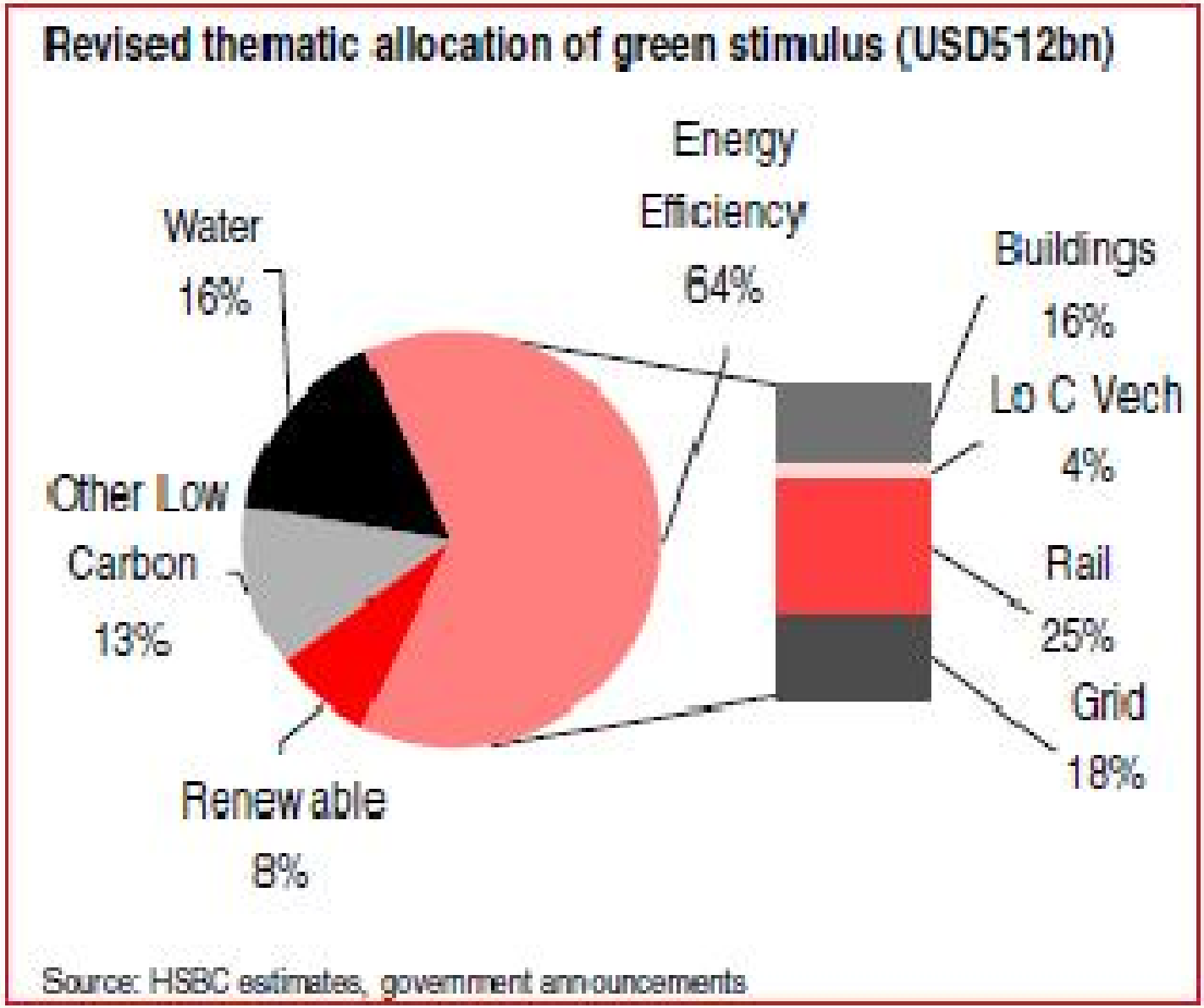


Investment into greening: Green stimulus ranking (USDbn)



Green stimulus ranking as % of total stimulus




Revised thematic allocation of green stimulus (USD512bn)
Energy Efficiency 64%
Water 16%
Other Low Carbon 13%
Renewable 8%
Buildings 16%
Lo C Vech 4%
Rail 25%
Grid 18%
Source: HSBC estimates, government announcements

Global Jobs Pact, 2009

Advised investing in skills development now:

- To prepare displaced workers for the new jobs available in the recovery
- To "Build back better" – use the downtime to invest in new skills or upgrading skill levels to boost enterprise productivity in the recovery
- To avoid skills gaps in implementing public stimulus packages investments – infrastructure, green technologies, and social services

– Within these measures, meet needs of target groups – youth, rural areas, disabled persons

– In deciding on and implementing these measures, exercise social dialogue.

Skills development under fiscal constraints

Funding skills development

- Targeted
- Shared
- Complex
- Strategic

Skills development as employment insurance

- Broader skills basis, portable and transferable skills
- Based on identification of skills for new/available jobs

Thank you for your attention!

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