

# Repositioning TVET as the engine for economic growth

*The following is an edited version of the Technical and Vocational Education and Training (TVET) Council Barbados' 20th anniversary lecture presented at the **Lloyd Erskine Sandiford Centre** on November 5, by Dr Hassan Ndahi.*

IT IS A PRIVILEGE and honour for me to deliver the keynote address on behalf of the International Labour Organization (ILO) Office for the Caribbean, at this very important meeting, celebrating the **TVET Council's** 20th anniversary. I bring greetings from Dr Giovanni di Cola, director, ILO Office for the Caribbean.

May I also take this opportunity to congratulate the Government of Barbados and, in particular, the Ministry of Labour, Social Security and Human Resource Development, and the **TVET Council** for advancing skills development in Barbados and the wider Caribbean region in the past two decades.

The ILO was founded in 1919, in the wake of a destructive war, to pursue a vision based on the premise that universal, lasting peace can be established only if it is based on social justice. The organization became the first specialised agency of the United Nations in 1946. It brings together and gives an equal voice to workers, employers and governments to ensure that the views of the social partners are closely reflected in labour standards and in shaping policies and programmes.

## Social protection

While much has been achieved in promoting rights at work, decent employment opportunities, enhancing social protection, and strengthening dialogue on work-related issues, the world is currently experiencing an uneven recovery from the 2008 economic crisis, leaving a severe jobs crisis in many countries.

Globally, around 200 million people are unemployed and nearly 40 per cent of them are young women and men. Global aggregate demand remains a concern. Long-term unemployment, involuntary part-time and temporary employment, and job insecurity have increased.

Wage growth has been sluggish and labour shares of national income have declined in many countries. There continues to be an uncertain environment for investment and enterprises, and underemployment continues to be a major challenge.

Although progress has been made in reducing extreme poverty, that has slowed, and a third of the world's workers remain poor – the majority of which are in the informal economy. Gender inequality in the labour market persists, and the transition from school to work is taking longer, disconnecting many young people from the labour market (ILO 2014).

In Latin America and the Caribbean, youth

unemployment decreased from 17.6 per cent in 2003 to 13.5 per cent in 2008. The global economic crisis resulted in a sharp increase in the rate to 15.4 per cent in 2009. On current projections, youth unemployment is expected to increase in the medium term.

The projected increase in youth unemployment, demographic shifts, rapid labour market changes, and low economic growth in the Caribbean necessitate a strong demand for upgrading skills, acquiring new ones, that is green skills, and improving linkages between learning and work. A low-skill, low-productivity, low-wage economy is unsustainable in the long term and is incompatible with poverty reduction (ILO 2013).

At the conclusion of the 18th American Regional Meeting, Lima, Peru, October 13 to 16, one of the policy expectations of governments, employers and workers of the region was an agreement that the ILO should provide assistance to countries in their efforts to implement concrete measures to the immediate, renewed, and specific unemployment crisis in line with resolution adopted at the 101st Session of the International Labour Conference (2012) in the following: employment and economic policies for youth employment, employability, education, skills training, school-to-work transition, labour market policies, youth entrepreneurship and self-employment.

## What do these employment and training issues mean to the TVET Councils/NTAs?

Repositioning **TVET** as the engine for economic growth, in my view, means reforming the system in order to provide the human resource that is educated and skilled, which is central to the factors of production, productivity, and economic growth.



**THE NIGHT'S ACTIVITIES** also included the official opening of the 24th meeting of the Caribbean Association of National Training Authorities (CANTA), of which the TVET Council Barbados is a member. Pictured above are (front row, right) **Dr Linda Cooke, Senior Technical Advisor OECS, Trinidad and Tobago, Barbados/Regional Coordinator, CARICOM – Education for Employment (C-EFE) Programme** and (front row, second from right) **Wendy McClean, Manager, Technical Services.** (GP)



**DR HASSAN NDAHI, Senior Specialist Skills and Employment with the International Labour Organisation (ILO), Caribbean Office, featured speaker at the TVET Council Barbados' 20th anniversary lecture.** (GP)

The historical roots for vocational education can be traced to ancient times, but formalised vocational education started in the early 18th through 19th century, during the industrial revolution in Europe, a time of massive expansion of industries for economic growth.

Early advocates of vocational education left no doubt that its primary purpose was economic. Today, the concept of skills development through **TVET** spans both secondary and post-secondary education in order to address complex and changing issues of human resource for economic growth.

## Quality education

Economic growth in a country suggests that the economy's ability to produce goods and services is rising. This is measured by the country's gross domestic product (GDP). It tells us whether a country's economy is getting better or worse. An important variable for economic growth is the human capital. This is why countries with high economic growth do also invest significantly in quality education and training of their people.

The CARICOM study of youth in the Caribbean 2010 concluded that education in its present form does not adequately prepare young people for job opportunities. One of the

recommendations of that study was to provide access to quality **TVET** to all students.

The need to take a closer look at how we educate our youth is critical to the future development of the Caribbean. Worldwide, many governments are renewing efforts to reform their education system and, in particular, promote **TVET** policies in the context of economic growth, technological change, transformation of the nature of work, and addressing the issues of youth employment.

I would consider the revised **CARICOM Regional TVET Strategy For Workforce Development And Economic Competitiveness 2014**, and the **Barbados Human Resource Strategy 2011-2016** as regional and national documents that initiated a reform process for economic growth and competitiveness. Human resource in both policy documents is central to the reform.

No matter the claim for the importance of **TVET** for economic growth, the most important question is how do we design and deliver quality **TVET** to arrive at having an educated and skilled workforce?

**TVET** has provided the workforce needed to sustain the different phases of economic development – labour, capital, and knowledge intensive economies. Singapore and Malaysia are small island countries that integrated skills development policies into national development plans for economic growth. Both countries established training funds to advance skills development.

Singapore, a country with a population of 5.4 million (2013) established the Skills Development Fund in 1979 to finance the training of employees, retrain retrenched workers, and upgrade business operations and technology.

Other initiatives launched under the fund included: Basic education for skills training, modular skills training, worker improvement through secondary education, and core skills for effectiveness and change. Today, the country's GDP is about US\$297.9 billion (World Bank).

Similarly, Malaysia with a population of 29.72 million (2013) established its Human

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