

COMMENTS ON THE OECD EXPERIENCES¹

The rationale for fostering local employment and skills development is expressed succinctly by Paul Barker in his presentation paper, when he says “the regional and locals are where policy makes its impact”.

I can only add that localization brings government nearer to the people as much as it wins votes for local politicians if not for their national patrons. But more importantly, the local level is where the real problems of living peoples are solved, in a manner that satisfy their needs and that enable them to fully participate in their own development. This is one lesson that can be learned from the OECD experiences.

SOME ASEAN EXPERIENCES

In the ASEAN, fostering local employment and skills development, that have similar features as the case studies of New Zealand and Ireland, comes under different names and guises and with varying effectiveness.

- The ILO, for example, has piloted the Training for Rural Employment and Empowerment (TREE), a programme in the Philippines, Sri Lanka and Pakistan which is designed for conflict-ridden areas, and the Local Economic Development Project for inclusive employment and skills policies in selected municipalities and villages.
- On a more country-specific basis, similar experiments have been done in the Philippines, such as the Community-Based Training and Enterprise Development (CBTED) Programme, now transformed into the “Dangal ng Barangay” programme implemented alongside other national programs that are implemented at the regional, provincial or municipal levels, such as the training for work scholarship, national language institute, free assessment of competences and qualifications leading to national certification, youth-targeted on-the-job-training and work exposure programs, the local government-based Public Employment Service Offices (PESO) for employment referrals, matching or placement, including a centralized on-line job search and matching facility;

¹ Of Isidro Antonio C. Asper, Executive Assistant to the FFW President Philippines, during the ILO-OECD LEED Programme’s Experts’ Meeting on “Fostering Local Employment and Skills Development in Indonesia and the Philippines”, Hotel Le Meridien, Jakarta, 3 December, 2008. Mr. ASper is also Labor Sector Representative in the Board of the Technical Education and Skills Development Authority (TESDA) and a Member of the Tripartite Industrial Peace Council (TIPC).

- Thailand has its own “one-kampong-one product”, a village level undertaking that focuses on competitive strength of each village, while in Singapore, there are the BEST, MOVE, WISE, CREST² training programs for specific or targeted groups of workers to provide them with basic skills or upgrade their competences and qualifications;
- Perhaps much nearer to Ireland’s experiment on Pobal and its Speedpack Ltd. as presented by Marion Byrne is the long-running Artisan d’ Angkor in Siem Reap, Cambodia. In this case, a self-sufficient social enterprise has been registered as a Limited Company and established as a partnership of some business people, an employers’ association, a government agency and the association of craftsmen trained and employed by the Company. Artisan d’ Ankor foster very localized but globally competitive training of craftsmen in the production of silk products, wood and stone carvings, polychromy-lacquering-gilding skills and reproduction of old paintings. Training programs target the poor, marginalized and most vulnerable workers from rural areas who are either employed by the Company after training or who go back to their villages to establish their own workshops. The products are then collected and sold by the Company in their own shops or in selected airport shops in Siem Reap, Phnom Penh, Hongkong and Singapore. The products are also exported and they may be ordered from the website.

PRINCIPLES AND STRATEGIES

Seven similar principles and strategies seem to be at work, in the OECD case studies and the undertakings in the ASEAN. These are:

1. *Empowerment* orients training, and not just for employment or gaining a vocation or qualification, which needs an enabling environment beginning with building the self-image and confidence of trainees towards organizing them into a collective or community to ensure self-reliance and self-sustaining development either as individual who will be wage-employed or self-employed or as community-based enterprises;
2. *Targeting* of intended beneficiaries, in particular the most vulnerable and disadvantaged groups in society, that focuses planning and implementation, including providing basic life-support systems for the trainees, if they are to successfully complete their training and move on as productive workers and citizens;
3. *Effective participation*, where the beneficiaries, and not only the public and private agencies that assist them, have an effective voice in the processes from planning to implementation of programs that seek to elevate their status and mainstream them in education and the labor market;

² BEST (Basic Education for Skills Training), which provides basic education and math for working adults; CREST (Critical Enabling Skills Training) gives 7 fundamental skills considered vital to meet changing needs in the workplace; MOST (Modular Skills Training), offered by Institute for Technical Education (ITE) for working adults to help update and upgrade their technical knowledge and skills on part-time basis; WISE (Worker Improvement through Secondary Education), enables workers to improve their English and Math to enable them to qualify for a wider range of nationally recognized skills.

4. *Local Partnerships*, between and among the main actors and social partners, that lead to building networks and to mobilizing collective resources to enhance success;
5. *Inter-agency coordination and collaboration*, in the delivery of public services and to enable access to these services by the intended beneficiaries; in particular to labor market information and opportunities and to active labor market interventions, such as employment counselling, matching, and placement. In this particular area, the Irish experiment on delivering these services in a “holistic personalized response” basis can only be emphasized as it is here where bureaucratized government services are sadly lacking;
6. *Flexibility alongside innovation*, in designing and implementing programs on employment and skills development, that are adjusted and calibrated to local and individual needs; likewise to make use of local resources.
7. *Linking training to employment and markets*, that will respond to the individual capacities of trainees and the needs of industries, in particular to the requirement of work experiences for school leavers and adult trainees who are long-term unemployed, through delivery modes such as on-the-job training, dualization or even apprenticeship. It is in this area where the “social enterprise” or “community-based enterprise” model can work its wonders, provided it does not get entrapped into the neoliberal orthodoxy of the times.

ISSUES AND PROBLEM OF REPLICABILITY

Are the OECD models replicable in Indonesia and the Philippines, as well as in ASEAN and the other countries making up the sub-region?

The principles and strategies are certainly applicable everywhere but they raise issues peculiar to countries or even regions. I highlight five of these issues.

Magnitude of the problems to be addressed: enormous

Indonesia alone nearly approximates the population of the USA but lacks the resources or even the systems and institutions that are matter-of-fact in the United States. The same for the Philippines, whose population is about 40% that of Indonesia but its rate of growth, if unabated, would make Philippines catch up with Indonesia in about two decades.

Together, unemployment in Indonesia and the Philippines would be equal to four or five times the combined population of New Zealand and Ireland. Underemployment in Indonesia and the Philippines can double or triple the magnitude of the problem. The informal sector workers in both countries, who make up the disadvantaged and most vulnerable workforce, constitute up to 70% of their working population.

Given these magnitudes, partnerships and localization could ease the burden of national governance as, indeed, the model created in Marikina in the Philippines and in several other “islands of good local governance” have shown. Whether these islands could be bridged in an archipelago may be a different matter entirely.

However, some strategies suggested in the POBAL pamphlet and the presentation of Marion Byrnes may not be as effective in the two countries as these are in Ireland, given the enormity of the problems to be addressed.

- Local employment services can be literally swamped or drowned by the magnitude of those who need the service and the services would be competing for scarce resources more needed elsewhere and urgently to maintain peace and order, public health and sanitation.
- Holistic and personalized delivery of support services may not be achieved in the manner required for it to contribute to success in the absence of adequate, institutionalized and efficient social protection schemes, even basic life-support services for young or adult trainees or men and women alike does not seem possible.
- Social enterprises are innovative responses to achieving social justice or to inserting the social dimension to pure and traditional economic growth, provided they do not succumb to the neoliberal orthodoxy. In the case of Artisan d’ Ankor, the workers decided to form a union in response to low wages, and the perceived lack of equity, security and dignity in their jobs.
- Where educational pathways or bridges from basic education through post-secondary and tertiary education are blocked in law and practice, and by less rational qualifications system, supporting adults to return to education does not seem possible.

It can be worth debating, in the context of Indonesia and the Philippines, both having serious problems of separatism, whether or not a federal form of government for both countries would redound to effective localization in meeting the challenges of economic and social development in general and in solving employment problems and promoting skills development in particular.

Inter-agency coordination and collaboration: competing and disjointed

Linked to the problem of magnitude is the proliferation of competing or disjointed national and local government agencies all at the same time addressing the problems of poverty and social exclusion. The adage that “many cooks spoil the broth” works quite efficiently in this situation.

Structural defects in governance are compounded by inefficiencies, such as in many cases where the cost of delivering a national or local service is even greater than the benefit that such services seek to deliver to the needy. I find that this problem in governance is twin to the culture of governance, derived from the maxim that “government is employer of last resort”. Complicating it all the more is when a “new administration” of government replaces an older one that results in “changing of the guards” and of priorities in governance. And to hell with the civil service rules and regulations. Often, all the guards

are replaced and so are the priorities, a dilemma of all developing democracies based on electoral politics.

Representation and Participation: problematic, questionable, ineffective

In the Philippines, there is a law on local government autonomy. The law allows local government units certain political and financial space in planning and implementing plans for their constituents. Both spaces, however, are still fraught with many controversies at national and local levels. One such controversy refers to representation of workers by the “most representative” workers’ organizations. Legal and other constraints to freedom of association and collective bargaining have led to very low union density and trade union fragmentation, and, therefore, to questionable representation and ineffective participation of workers and their organizations.

In the alternative, NGO’s in the Philippines, whose density is among the highest in Asia, have taken up the vacuum of representation, yet they do not have the representativeness that unions possess by virtue of the established process of election of workers’ representatives. Anent this problem is the proliferation of PONGOs whose independence and character as social organizations are compromised. PONGOs or political NGOs, are so called either because of their affiliation to politicians and political parties or their penchant for partisan electoral involvement at national and local levels, or their direct and active involvement to unseat what they call fraudulently elected governments, which they sometimes help elect.

Mainstreaming: not quite there

There are many “islands of good governance”, in the archipelago of Indonesia and the Philippines. The term was coined by the World Bank to describe the increasing number of local government units that are models for the localization of economic and social development, including their ability to harness local partnerships for progress.

How these “islands of good governance” will be mainstreamed is quite a problem, given the magnitude of the other challenges that must be surmounted.

On the issue of mainstreaming localized training for work, perhaps the OECD papers can elaborate further on how skills training oriented to employment and self-employment can be used to further advance and mainstream the trainees to formal and higher education. After all, the better jobs in the labor market today and tomorrow will be mostly available to those with higher and superior qualifications and education. In particular, how would the National Qualifications Frameworks of both New Zealand and Ireland – two of the best NQF models according to literature - concretely address the registration and recognition in their NQFs of competences that are gained in localized training; and how would recognition of prior learning be assessed and certified such that the further education of the disadvantaged labor force who have prior learning can be fast-tracked in a manner that will mainstream them not only in higher education but in the labor market as well.

This is particularly relevant to both Indonesia and the Philippines who are in the process of completing their own National Qualifications Frameworks. Were these present initiatives joined with another ASEAN project on Skills Recognition in the CLMVT countries, it can become the base for a Regional NQF in ASEAN, much like the efforts being undertaken by the European Union, the Caribbean and the South Africa Development Community.

ASEAN is not yet an OECD

The case studies in Ireland presented by Marion Byrne advert to the increasing interest of the OECD in local partnerships as factor that contributed to the success of its experiments. How this dynamic can permeate the ASEAN could be an interesting area for social dialogue between ASEAN, OECD and ILO, in ASEM or even in APEC.

Finally, Indonesia and the Philippines may want to spearhead the inclusion of a policy to develop local partnerships and effective social dialogue that will foster local employment and skills development in the proposed Blueprint of the ASEAN Socio-Cultural Community (ASCC), in particular under the characteristics and elements of human development and social justice and rights. An ASEAN policy on fostering local partnership in employment and skills development can lock in the policy for its propagation in the countries composing the ASEAN. In this manner, the “islands of good local governance” could be mainstreamed in the ASEAN as well.