

Skill Development, Productivity, and Growth

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I am extremely grateful to Pakistan Institute of Development Economics, Islamabad for giving me an opportunity to share my views on “Skill Development for Growth and Productivity”.

Pakistan is currently experiencing an exciting period of economic and social change. The post-WTO regime and the global market dictate has exposed Pakistans’ economy to international competitiveness necessitating rapid technological changes in the industry.

There is definite and recurring need to optimise human resources through Skill Development efforts for achieving high productivity culture for investments in the industrial, commercial, agriculture and services sectors. There is clear indication that low cost labour will no longer be significant advantage for any business which is not based on productivity charged and quality oriented workforce. Therefore, a growing realisation exists for the huge skill deficiency and the demand for competitive workforce with constant supply from educational, vocational/technical training institutions. These hard facts point towards urgent development of strong network between various stakeholders to achieve skill development for economic development. Indeed skill excellence and human resource development has been acknowledged as the major component of economic and social development that contributes in direct proportion to poverty alleviation and national prosperity.

Skill Development strategy should be based on a demand-led education and training system which is flexible and responsive to the economic and social needs of the country at the same time as it stimulates new skills demands.

VOCATIONAL TRAINING SYSTEM IN THE UNITED KINGDOM

Learning and Skill Councils

The Learning and Skills council was launched in April 2001 as a new organisation with a national office based in Coventry and forty seven councils

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located the key local administration areas in England. Its mission is ambitious and the Government has tasked it with achieving a number of long-term goals for:

- Raising participation and achievement in learning by young people.
- Increasing demand for learning by adults and equalising opportunities through better access to learning.
- Engaging employers in improving skills for employability and national competitiveness.
- Raise skills for competitive economy.
- Raising the quality of education and training delivery, and
- Improve internal effectiveness and efficiency to ensure all objectives are met.

Nationally and locally the LSC has inherited many of the learning programmes and activities of training and Enterprise Councils (TECs), the Further Education Funding Council (FEFC) and the former Department for Education and Employment (DFEE) (now the department for Education and Skills-DFES). In the first year of operation, our immediate priority has been to ensure continuity of provision, so that the best of what already existed could be carried forward.

London Skilling Council (LSC) currently funds a large number of training institutions to provide high quality learning opportunities for all and to encourage more individuals and businesses to value and use learning, for both personnel benefits and to ensure maximum contribution to a strong economic environment.

VOCATIONAL TRAINING SYSTEM IN GERMANY

The Dual Training system (Apprentices Training) in Germany represents an institutionalised approach to co-ordination and cooperation among the various actors involve in training with companies playing a major role and system reflecting an approach to public private Co-operation and partnership in Human Resources Development.

In Germany the system of Dual Training is not only part of the education system but covers only occupation-related and general subjects-imparted in vocational Schools one or two days a week. Basically, the trainees undergoing Dual Training are part of the employment System and subject to employment-related legislation and the *Vocational Training Act*. This system reflects the very specific socio-economic parameters of the country and its socio-political order. The important Parameters of the System are as order.

The public responsibility for the legal and organisational framework. The private-responsibility for matching supply of and demand of training.

The pluralistic responsibility of Government and social Institution, including the Federal Government and state Governments on the one hand on the other,

enterprises, business associations, labour unions, for governance and working of Dual Training. The Dual system is completely driven by industry.

JAPAN VOCATIONAL TRAINING SYSTEM

Japan is developing and educated, well trained and flexible workforce to enable the Country to forge ahead to maintain its competitive edge and has enhanced its labour productivity through Skills training and retraining. To stimulate private sector involvement in training and retraining of workers/Adults Workers the Government of Japan provide training grants as incentive to participating firms to upgrade the skills of their workers. Japan is creating a workforce of 1.5 Million annually through its training system/Skill Councils that is multi-skilled, innovative and possessing numerical and communicative skills to cater to the rapid technological developments and to a significant shift from labour intensive to knowledge and skilled based industries.

This is high time to learn from the experiences of United Kingdom, Germany, Japan and China which have made a tremendous Industrial Progress through their vocational and Technical Training system.

SKILL DEVELOPMENT COUNCILS, AN EMPLOYER-LED ORGANISATION

The SDC Lahore was established in 1995 as employers-led autonomous tripartite model of public and private partnership in technical education and vocational training has been successful in establishing links between business organisation and training providers. SDC is striving hard amongst the workers to develop training culture by providing them employable skills.

Since its inception SDC Lahore has arranged training and re-training of more than 75850 educated youth as well as those already employed, in various employment-oriented vocational skills. Besides series of workshops/seminars on promotion of technical, vocational education and training, enterprise development, quality management system and other related subjects were also organised with support of International Labour Organisation (ILO), Chambers of Commerce and Industry, Employers Federation of Pakistan and other foreign and local social partners in human development.

The skill training is unending process for optimal utilisation of human resources and can only be accomplished through forward looking policies to accommodate the new technical and commercial challenges and appreciation of the needs of the time matched by the vigorous response through active collaboration of global agencies and Pakistanis stakeholders.

This is high time to strengthen the only employer-led organisation, Skill Development Councils by training funds on the pattern of London Skills Councils.