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## INTRODUCTION

The connection between skill development and productivity growth is an issue constantly under discussion when analysing competitiveness of countries. The impact of workers' training and educational level on the competitiveness of economies is not only noticed worldwide but also at regional and sub-regional levels.

Recent research conducted by ILO have pointed out the multifaceted aspect of productivity, employment and poverty (World Employment Report 2007, 2005, 2002 as well as the Changing World of Work, 2006). Furthermore, Decent Work in the Americas: An agenda for the Hemisphere has identified vocational training as a specific intervention policy that, among other factors, contributes to improve the conditions of productivity and employment. Furthermore, the main subject to be dealt with during the International Labour Conference in 2008 has been called: *"Skills for improved productivity, employment growth and development"*.

In general, there is wide agreement between the connection of productivity and employment growth both in short and long term. In the same way, those analyses have provided another perspective for public policies and social dialogue that include the objective of maintaining a steady growth in productivity and employment.

These papers have also explained the conditions to create a "virtuous circle" of productivity and employment growth and emphasizes the fact that for most poor workers, more work, unless it is more productive, will not help them to overcome poverty. The development of labour skills and abilities is necessary to foster a joint growth in productivity and employment as well as to efficiently and fairly adopt adjustment processes with the objective of improving productivity. Besides, a safe working environment influences directly on the improvement of indicators that affect productivity growth.

Due to their contribution to the development of skills and competencies, vocational training institutions are a source of comparative advantages to promote the growth in productivity and reflect such growth in more and

better jobs. Other critical factors include social dialogue, macroeconomic policies to increase opportunities of growth that help to overcome poverty, a sustainable business environment and investment in basic education, health and physical infrastructure. A better access to relevant vocational training enables more workers to take advantage of the benefits of technological advance and economic growth and it is an important policy tool to ensure a fair and efficient adjustment process to technological changes.

In Latin America and the Caribbean, institutions specialised in vocational training and skill development have been connected from the beginning to the human factor of the productive equation. Providing qualified and competent staff for the different sectors of the economy has always been their role. More recently, many of them have played a more important role in national agendas of competitiveness and they have diversified their services. Training programmes are increasingly integrating occupational health and safety conditions as a competency to be developed and even as central subjects of complete training programmes.

Although the impact on productivity of this turnabout has not been evaluated, it is clear that the new dynamics in the region would allow a more thorough analysis not only about the new strategic definition of countries regarding their workers' training but also about the way in which public policies have been implemented so as to promote the participation of National Training Institutions in national productivity and competitiveness.

The Technical meeting "The role of vocational training in productivity, employment and development in Latin America and the Caribbean" (Salvador, Bahia, September, 2007) was called with the purpose of analysing experiences of the American region with respect to the connection between ability and skill development and the continuous improvement of productivity and employment.

During this technical meeting a selection of national cases were presented. These emphasised on:

- The description of national policies about the link between vocational training of human resources and the increase in productivity and employment.
- The information and description of experiences that show the relationship among training institutions together with the joint growth in productivity and employment.

- A set of lessons learned, that were useful for action programmes to be taken in the future by ILO and the network of institutions gathered around ILO/Cinterfor.

The following chapters include a selection of the case documents presented by the institutions as well as a programme designed and applied jointly ILO and UNDP.

**SENAI from Brazil:** It develops its experience with the prospection model of technological and organizational trends that have been implemented in different sectors of the industry in order to facilitate technological advance so that adjustment processes favour a positive transition towards new jobs and a new setting of occupations.

**SENA from Colombia:** It includes the experience of the National System of Creation and Incubation of Knowledge Enterprises oriented towards the development of the value chain for the creation of new enterprises related to knowledge management and the role assumed by Fondo Emprender in promoting the improvement of productivity and employment. It refers to the way in which these actions are considering the informal economy and SENAI's participation in programmes oriented to improve the skills and competencies of such informal economy.

**HEART/NTA from Jamaica:** As a national institution which has promoted a regional qualification framework that facilitates workers' mobility in CARICOM, its role in training and certifying workers' competencies has been oriented to the economic integration in a competitive subregional vision for CSME (Caribbean Single Market Economy).

**SENATI from Peru** It is engaged in the development of a technical-level training programme that integrates skills and competencies related to occupational health and safety which may result in the possible effect of improving working conditions and productivity. The document shows the ideas behind and the structure of the programme.

**INFOTEP of Dominican Republic.** This training institution supports directly other companies of the country with SIMAPRO's methodology which combines the identification of training needs with the implementation of actions to develop skills that may contribute to the improvement of productivity at the level of enterprises. INFOTEP has got a group of company coun-

sellors who have been trained in the methodology and who have highly raised its degree of institutionalisation.

**POCET Programme in Honduras:** ILO Sub-regional Office for Central America introduced its POCET Programme experience. This programme developed by ILO and UNDP is focused on supporting the struggle against poverty originated from low education and vocational training as well as low labour or productive ability caused by the lack of organization and working opportunities. It seeks to improve life quality of the poorest people in rural areas through an “Education for work” strategy.

This technical meeting was organized by Cinterfor/ILO with the support of the Skills and Employability Department “EMP/SKILLS” and sponsored by the SENAI of Brazil.

With the purpose of activating and managing knowledge applied to vocational training, ILO/Cinterfor has decided to promote the spread of good practices and therefore sharing knowledge regarding the role played by vocational training in the growth of productivity.