Promoting the Expansion of Productive Employment in East Asia and Pacific

Regional Labor Market Course for East Asia and Pacific

December 8 to 14, 2011 – Seoul, Korea

The course is designed to help policymakers, development professionals, social partners, and academics grapple with key questions regarding how to improve workers labor market opportunities in a globalizing work. Some of the issues that will be discussed include:

- What are the constraints affecting the jobs creation and destruction processes and what can be done to address them efficiency?
- Should government consider specific policies to promote participation in the labor market?
- What is the role of active labor market policies in facilitating labor market transitions – from school to work, out of unemployment, or between jobs?
- How to design workers protection systems that can be extended to the entire labor force without reducing the incentives to business have to create formal sector jobs?
- What approaches work best to reduce (youth) unemployment?
- Does migration lead to undesirable “brain drain” as opposed to “brain gain” – and what are best practices and policy options for countries to manage labor migration?

The description of the course is attached along with a synopsis of the various modules and an application form. Generally the regional courses are well subscribed and early application is strongly recommended since admission is competitive. The deadline for applications is October 26, 2011.

Objective

The main objective of the proposed five-day training course is to contribute to a better understanding of the role of policies and institutions on labor markets performance, individuals’ jobs and earnings, and social inclusion in the East Asia and Pacific Region. The course will seek to support the adoption of more effective and inclusive policies to promote the creation of quality jobs and improve the employability of the labor force – taking into account rapidly changing labor markets in the region.

The course builds on the latest research and policy work by the World Bank and other international organizations and academic institutions, as well as on practical lessons learned from country experiences. Participants will also have the opportunity to present and discuss challenging labor market issues in their own country and work toward solutions with other participants and experts.
Course Description

This course comprises six inter-related and complementary learning modules:

**Motivation and Policy Framework.** This module sets the stage by presenting global challenges regarding the jobs agenda and discussing the types of policy interventions (from macro policies to the design of labor regulations) that governments need to coordinate to address them. The module will end with an overview of the course.

**Structural Change and Labor Market Trends.** We will review existing evidence from selected OECD countries and the East Asia region on how business cycles (for OECD) and economic transformations (EAP) affect productivity and moving up the value chain of production. The module will provide an overview of global labor market trends, indicators, and policy issues. It will then discuss the most recent data available for the countries in the region.

**Job Creation and Destruction.** The best way to make labor markets work better is to ensure a vibrant economy in which new and better jobs are created. This module first examines the climate for job creation, including the constraints to investment in the private sector and the effects on employment creation. As part of this session, participants will break into groups and consider a strategy for improving the investment climate based on the perspective of small and large investors, workers, and government.

**Skills and Employability.** The course then delves into issues surrounding human capital development, focusing on skills and training policies. The module will provide an overview of the main challenges facing countries in the area of skills development and discuss the types of policy interventions that can be considered to address them. The focus will be on the design of TVET, OJT, and training relative active labor market programs. Nonetheless, the presentation will also address the question of how these policies need to be coordinate with other part of the education and training system in the context of the recently developed StEP (Skills towards Employment and Productivity) framework.

**Managing Labor Market Transitions and Migration Flows.** This module discusses policies and programs to facilitate labor market transitions. These policies are an important component of an integrated strategy to stimulate the creation of good quality jobs. Indeed, individuals follow different paths to enter the labor market for the first time and then, with varying frequencies, transit between employment/unemployment, employment and temporary disability or sickness, formal/informal sectors jobs or self-employment, and jobs in different sectors, regions and/or countries. The first part of this module with shed light on the role of Active Labor Market Programs (ALMPs) in facilitating these transitions. A special focus will be given to issues facing youth. The second part will look at migration patterns in the region and explore the possibility and challenges of managing formal migration. Countries of the EAP region are important players in international migration flows both as sending and receiving countries. The primary driver of these migration flows is better access to jobs (or better paid jobs) in the receiving countries. These labor flows affect the interaction of labor demand and supply in a significant manner in both the sending and receiving countries. The migration outflows from EAP countries with high unemployment and fast labor force growth rates are often celebrated as a source of reduced pressure on the domestic labor market and also as sources of domestic income arriving through remittances. However, the distribution of the gains from labor mobility is at least uncertain on the long-run. If high skill biased migration outflows constrain domestic economic diversification then migration may lead to undesirable “brain drain” as opposed to “brain gain”. The course will discuss migration and labor mobility patterns in the EAP Region for skilled and unskilled labor and will point to possible migration management interventions that could lead to better welfare and employment outcomes in both the migrant sending and receiving countries.

**Managing Risks.** First, the module will examine the appropriate role of labor market regulations, such as minimum wages, hiring and firing restrictions, in balancing flexibility with job security. Examples from the region will be featured (e.g. Malaysia, HK). Second, the module will discuss integrated social insurance policies and what can be done to expand the coverage of social insurance system. The previous global recession has demonstrated the importance of social protection systems to allow workers to smooth their consumption and prevent poverty. In many

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middle and low income countries, however, the coverage of social insurance programs is very limited. Available programs are often tailored to formal sector workers, leaving the majority of the labor force unprotected. Attempts to reach out to the informal sector through non-contributory systems have potentially generated further distortions in labor markets by implicitly taxing formal jobs. In this context, options and good practices to extend the coverage of social insurance programs in ways that promote labor-market efficiency will be discussed.

Course Implementation

The course will be held in Seoul, Korea, at the Polytechnics Campus, which offers residential facilities on site. The course will be taught by experts from the World Bank and academics. It will be conducted with an overall participatory approach in order to ensure a ‘learning by doing’ process and to encourage interaction among participants.

The training methodology will balance lectures by practitioners and trainers with practical participatory sessions. Trainees will be invited to participate actively during the sessions in order to support the sharing of experiences. Practical work will consist of peer reviewing of several national and regional labor market problems in order to come up with concrete proposals in terms of possible interventions.

The course is funded by the Korean Government and the Austrian, German, Norwegian, and Swiss Government through the Multi Donor Trust Fund on Labor Markets, Job Creation, and Economic Growth.

Target Audience

The course will be of primary interest for policy makers, technical staff, social partners, and researchers from the East Asia and Pacific as well as selected South Asian countries.

Language

The course will be conducted in English. A good command of either English is necessary to participate at the course.

Cost

The fee for the one-week course, training materials, and other conference costs, as well as subsistence costs, i.e. full board and lodging at the Campus, and transfer to and from airport, and air fare are covered for participants (exception: participants from Malaysia and Singapore do need to cover costs for air fare themselves). Accommodation and airfare is covered by the Korean Government.

Participants are responsible for obtaining all necessary visas and insure themselves with health insurance [not provided by the course organizers].

Application and Contacts

Interested candidates should complete and return the attached application form via email.

Applications should be sent to Anna Coronado, E-mail: acoronado@worldbank.org, tel: 1-202- 473-8524; and Tanja Lohmann, E-mail: tlohmann@worldbank.org, tel: 1-202- 458- 0947. If you have questions on the course content, you can contact Friederike Rother at frother@worldbank.org or Ximena del Carpio at xdelcarpio@worldbank.org. For questions related to travel arrangements and accommodation please contact Won-Tae Lee, E-mail: wt7310@gmail.com, tel: 82-2-2125-0362

Deadline for Application
Applications must be received no later than October 26, 2011.