



# Skills for Solomon Islands: NHRDTP

Opening new opportunities

## The National Human Resource Development and Training Plan (NHRDTP)

Meeting the needs of Solomon Islands' growing and youthful workforce, the NHRDTP serves as a national skills strategy framework supporting labour supply in Solomon Islands to better meet the demands of employers both at home and abroad.

**A serious skills deficit in Solomon Islands constrains its people from taking advantage of the economic opportunities available to them.** Firms report that if they could find employees with the right skills they could add over 50 percent more jobs. Yet only about 20 percent of 15–24 year old Solomon Islanders are employed,<sup>1</sup> while over 40 percent of youth are inactive.<sup>2</sup> The working age population will increase by 30 percent in the next decade, and seven out of every ten Solomon Islanders are under 29.<sup>3</sup> While constraints on economic growth are broader than skills alone, new growth opportunities will be accessible for more Solomon Islanders if the skills needed to explore them are built in the growing youthful population. Solomon Islanders recognise the skills challenge and have initiated important policies and programmes to address this constraint on growth. Actions across the full range of life transitions from early childhood to labour force matching are needed to close the skills gap. The Solomon Islands Government (SIG) can build on current initiatives, turn concepts into implementation and action, and develop new partnerships across sectors that create opportunities benefiting rural and women Solomon Islanders, and plan for further growth opportunities and demand for labour overseas.<sup>4</sup>

This Informal Briefing Note is extracted from the World Bank report, *Skills for Solomon Islands: Opening New Opportunities*, Stephen Close, World Bank Sydney, October 2012. Please see the full report for full references and copyright information.

<sup>1</sup> Based on the measure in the 2006 HIES including those 'Not working' AND 'actively looking for employment' (including subsistence activities). However, figures vary greatly as per discussion (page 10 of full report).

<sup>2</sup> 'Inactive in the labour market' is defined as those who are not in school, not working, and not looking for a job. This includes the truly inactive, those active in non-market activities, and other reasons.

<sup>3</sup> UNDP and Pacific Islands Forum Secretariat, *Urban Youth in the Pacific* report, 2008.

<sup>4</sup> World Bank, *Remittances Data*, 2011.

**The goal of the NHRDTP is that “Sufficient Solomon Islanders with the required skills and attitudes are available to satisfy local and international labour market demand.”** The objective is “To ensure that the education and training system supports economic and social development by systematically meeting the needs and requirements of the local and international labour markets”.

**The NHRDTP approach is part of a transition from manpower planning to flexible skills strategising.** Previously, manpower planning was undertaken to prevent worker shortages and expand economic growth. However the approach assumes an inflexible labour market and stable economic and technological structures in which precise manpower numbers can be calculated. It also assumes governments can ‘pick winners’ among industries. Few countries have done this successfully. Today’s economy is one of rapid change. It is more difficult to predict the rapidly shifting needs of private sector demand.<sup>5</sup> It is therefore important instead to complement broad skills planning with flexible, responsive, demand-led frameworks that quickly and accurately transmit market signals to people seeking to build their skills, such as the area, quality and configuration of technical competencies needed to gain employment.

**The NHRDTP is a strategic response to the mismatch between skills supplied by households in Solomon Islands and current demand from employers, and focuses on demand, private-sector participation, implementation-readiness, and use of existing resources.**<sup>6</sup> It provides policy directions to reconfigure the training supply system into a demand-responsive system, in which decisions on education and training, such as budget, policies, programmes, curricula, and training, are driven by medium and long-term development priorities.

The NHRDTP adds analysis and recommendations particularly for building job-relevant skills, supporting entrepreneurship and innovation, and in particular to support the labour market to better match supply with demand. National planners need to address the broad system in which training takes place: in formal and non-formal training institutions and work places. Accreditation and other systems need to be further developed and implemented to ensure the quality and relevance of education and training provided formally or informally (including on-the-job apprenticeships).



*Photo: Annette Leith, World Bank.*

The NHRDTP supports private sector involvement in planning, employer-based training, and preparation for international labour migration. Alternative pathways are a priority for employment and production skills for those outside formal education and training, including community-based, enterprise-based and ‘second chance’ education. A priority is the reform of practices which reduce, restrict or disincentivise the demand for local labour, or the acquisition or application of skills.

The NHRDTP maximises inputs and services from existing ministries, project groups, stakeholders and service organisations. The NHRDTP has the commitment and participation of a range of SIG agencies, and was approved by the Cabinet Ministers of Solomon Islands in February 2013. It still requires strong private sector participation, and full implementation by stakeholders to start turning the supply of labour to meet demand. In implementing the NHRDTP, the Ministry of Development Planning and Aid Coordination (MDPAC) has a central coordinating role with multiple stakeholders, and the need for strong private sector participation. The NHRDTP also needs to be coordinated with the ‘National Advisory Board for Technical and Vocational Education and Training’ (NABVET) concept proposed as part of EU support to Technical and Vocational Education and Training (TVET).<sup>7</sup>

<sup>5</sup> Wang, Y, Education in a changing world: flexibility, skills, and employability, World Bank, 2012.

<sup>6</sup> The NHRDTP was developed in response to a request from the Solomon Islands Government (SIG). It built on the findings and recommendations of an earlier AusAID, NZAID and World Bank-supported ‘Study for a National Skills Training Plan’ advice to SIG. These recommendations were used as the basis for the establishment of a National Human Resource Development & Training Council and the commissioning of the plan development. The NHRDTP report was prepared in collaboration by a team of the Social Sector Division of the Ministry of Development Planning and Aid Coordination, facilitated by technical advisor Alan Male. Its findings were consulted on in two workshops held in Honiara, Solomon Islands, during 2010 and 2011, and among members of the interim NHRDTP working group. The final NHRDTP report was provided to the members of the working group in May 2011. The NHRDTP was endorsed by the Cabinet Ministers of the Solomon Islands Government in February 2013.

<sup>7</sup> EU, Draft Concept Paper for NABVET, 2012.



Holy Cross literacy school in Honiara, with a class of intermediate level English students. *Photo: Stephen Close, World Bank.*

## There are five key components of the NHRDTP

- 1. Firstly, strengthening cross-sector planning and coordination** includes establishment of the National Human Resource Development and Training Council (NHRDTC) as the advisory body analysing demand and recommending human resource development priorities.
- 2. Secondly, developing an evidence-based system to identify priority skill development areas** that can be met through local education and training and scholarships. Development of information collection and analysis systems would include all economic sectors, public and private, international, national and provincial, to provide a coherent, reliable basis for the identification of priorities. Much of the data and information resources already exist in Solomon Islands agencies, and could be supported by specialist technical expertise and/or current ILO support for a Labour Market Information System.<sup>8</sup> Once the NHRDTC identifies priorities through a transparent process and they are endorsed by SIG, the NHRDTC would monitor responsiveness of training supplied by providers.
- 3. Thirdly, key mechanisms and actions are proposed to make the education and training system more responsive to labour demand.** This includes defining standards for training based on skills' outcomes achieved, not only length of training, with industry-led definition of outcome descriptors and alignment of assessment systems.

A post-scholarship transition programme could facilitate scholarship holders into employment. Continued curriculum reform and development of a National Qualifications Framework (NQF) can help integrate the 'soft skills' that employers say they need. Supplementing training courses with practical demonstration or recognition of prior learning supports clear definition of outcome standards. Quality assurance systems for all government/donor-funded post-school trainings can ensure compliance with standards. A student loan scheme to finance study or targeted grants for poor students would help expand access and opportunities to those currently disadvantaged.

Improved scholarship support and supervision systems would ensure that Solomon Islands' major investment in tertiary scholarships leads to better economic and employment outcomes. Locally-based tertiary training by University of South Pacific (USP) and University of Papua New Guinea (UPNG) will also help widen access and reduce costs of training. Purchasing and competitive tendering arrangements by ministries and donors from public and private training providers would help shift focus from investment in fixed infrastructure and staff (input costs) toward increased supply efficiency, reduced cost, and improved outcomes.

Workplace-based training would support on-going skills acquisition even when workers are not able to return to institutional training, and at lower cost. Policy options would be considered to encourage or require employers to provide workplace training or pay a training levy as an alternative. Pathways for semi-formal and non-formal training would include more people in skills recognition, and motivate acquisition of relevant skills, including through mechanisms within the NQF for achievement to be recognised and progress scaffolded for non-formal and second chance education. Importantly, such programmes would integrate substantive national efforts to increase functional literacy for those who have not gained it.

<sup>8</sup> ILO, Initiatives on Youth Employment in the Pacific, 2010.

4. **Fourth is developing enterprise and skills to improve livelihoods** in a context of limited formal job creation. This recognises the need for entrepreneurial workers, and the need for labour force participants to participate productively in self-employment and the informal sector. Enterprise skills could be included in education and training curricula and qualifications, and relevant work placements expanded with private sector consultation. Schools and TVET institutions could expand school-to-work transition preparation programmes to include attitudes and behaviours. Inclusion of non-formal competency-based qualifications would increase the pathways to gain skills. A National Skills Competition could promote occupational skills, choices and innovation. Development of the right funding system formula would incentivise learning opportunities for women. Rural area approaches including a feasibility study of livelihood skills programmes at village level, such as community-identified training, mobile TVET delivery, and links to RTCs and community-based training centres, could expand education opportunities for the rural majority, enabling them to meet skills gaps at home or move to towns bringing job-relevant skills.
5. **Fifth, identifying and developing labour opportunities overseas, matching skills supply with demand, facilitating labour mobility and job matching at home and overseas.** Implementing the mechanisms identified in the NHRDTP will support the orientation of skills supply systems to demand through improved information flow from the labour market. Encouraging labour migration supported by skills development is a priority. In 2010, Solomon Islands derived only 0.3 percent of GDP from emigrant remittances, compared to 20–40 percent for some smaller island states.<sup>9</sup> Expanding this opportunity for growth and welfare requires: removing barriers to Solomon Islanders accessing foreign labour markets; improving the match of skills provision and foreign market demands; expanding labour sending coordination capacity; and integrating market access arrangements within regional trade agreements. Increasing migration opportunities for Solomon Islanders are key contributions which Australian, New Zealand and other governments could make.

**The NHRDTP also prioritises actions to increase access and participation by women in education, training, and employment.** Many women are currently involved in traditional activities and the subsistence economy. The NHRDTP prioritises the participation of women in training in skills to increase productivity and enhance rural, subsistence and non-formal livelihoods. A way to achieve this is through the NHRDTP's proposed incentives for women to participate in higher levels of formal education and training, particularly in non-traditional occupations. A demand-oriented human resource development and training system would include a funding formula that incentivises learning opportunities, and that would aim to increase the numbers of women participating in literacy courses, TVET courses, and enterprise-related courses. This would increase and motivate providers to seek greater enrolment by women.<sup>10</sup>

The NHRDTP was approved by the Cabinet of Solomon Islands in 2013. Early, committed and participatory prioritisation and implementation of its actions will make a major contribution to addressing Solomon Islands' skills mismatch, and to expanding economic opportunities for Solomon Islanders at home and overseas.

<sup>9</sup> World Bank, Remittances Data, 2011.

<sup>10</sup> SIG, NHRDTP, 2011.