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Prioritizing human centred policies



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Our data shows that in the Arab region, the links between currently demanded skills and those related to the Fourth Industrial Revolution are still weak. Nonetheless, smart technologies may soon take over traditional jobs, making many skills obsolete while creating others. Moreover, the long-term impact of the COVID-19 pandemic on the Arab region's labour markets should not be underestimated. According to the International Monetary Fund,⁶⁴ employment worldwide will not return to the pre-pandemic rate and is lagging behind GDP recovery. During the first quarter of 2020, working hours in the

Arab region declined by an estimated 2.2 per cent (equivalent to approximately 3 million full time jobs, assuming a 48-hour working week), compared with the pre-pandemic situation, namely the fourth quarter of 2019.⁶⁵ For the second quarter of 2020, estimates indicate a much sharper decline, with a loss of 19.5 per cent of the hours worked compared with the fourth quarter of 2019, equivalent to 23 million full-time jobs. As for the third quarter of 2020, 12.8 per cent of working hours are estimated to be lost, equivalent to 15 million full-time jobs.⁶⁶ The fourth quarter of 2020 experienced a 5.6 per cent loss in working



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hours, equivalent to 6.4 million full time jobs. Consequently, future technological changes and the post-pandemic era require agile human centred policies, where reskilling and upskilling options should be available for all.

Since individuals can lose their human capital over time, upskilling and reskilling programmes can refresh human capital knowledge, and increase employability for everybody, especially older employees that have a higher chance of not finding a job after being laid off. To do so, education subsidies and financial assistance for training programme must be provided and boosted further to include women, persons with disabilities, and those in rural areas. Such efforts could include transport services, childcare, and flexible class schedules. Moreover, adapting training programmes to address the constraints and obstacles facing women would improve women's labour market outcomes. Women usually face more financial constraints compared with men, which impact their ability to pay for and participate in training. Accordingly, offering cash grants and medical insurance would help women overcome those barriers. Childcare and family care is another lead barrier inhibiting women's participation in skills training, given that women in most countries bear greater responsibilities than men when it comes to household chores and childcare. Therefore, offering childcare subsidies would facilitate women's access to training, and ensure their successful completion of training programmes.

Developing an integrated approach and coordinating efforts to improve access to good quality and relevant training to those residing in deprived areas is not only central for skills development, but is also a passport to better employment and livelihood opportunities. For instance,

capitalizing on innovative delivery methods would improve training opportunities and promote skills development in the most fragile regions, which are normally characterized by high levels of joblessness. Therefore, the outreach of schools, universities and training institutions must be expanded in underserved areas, and access to outreach measures and ICT (training software and hardware, computers, and mobile phones) must be expanded.

Establishing coherence between the demand and supply of occupational skills can be achieved by developing coordination mechanisms between education providers and companies. Providing data on employability and conducting periodical market studies on local market demands are prerequisites. Concerning the provision of data on employability, a network that comprises several governmental entities (ministries, syndicates and the Chamber of Industry and Commerce) must be created to ensure a better response to the needs of Arab labour markets.

In the current era of integration at the regional and global levels, focusing on skills that could be demanded domestically, regionally and globally will increase the employability spectrum.

The new post-pandemic work modality will continue, and working remotely will be the new normal since physical presence will be trivial for many jobs. Creating better skills matching techniques and providing guidance for job searchers should therefore not be underestimated. As the labour market is changing overtime, new market entrants and existing labour forces require constant guidance on the type of skills that are required. In general, policies and programmes that reduce the skills mismatch will enhance long-term productivity and overall employment market outcomes.