



### Human capital development and labour market in Asia

- Examples from Southeast Asian countries

Asia-pacific conference on measuring well-being and fostering the progress of societies, Tokyo

5-6 December

Kensuke Tanaka
Project Manager/Economist
Asia Desk
OECD Development Centre







### Setting the scene

 The remarkable growth performance of the region over the past ten decade

Upgrading of industrial strictures in the global value chain

Mismatch between education and labour market



# Challenges of Human capital development and labour market From Southeast Asian Economic Outlook 2011/12

Indonesia	Improve the outcome of higher education and reduce urban-rural disparities in access to educational infrastructure
	Reform labour market regulation to increase employment
Malaysia	Strengthen the link between industries and academic institutions to improve labour force skills and to enhance research and development
Philippines	Improve the access to and the quality of basic education and strengthen TEVT
Singapore	Strengthen life-long learning by enhancing pre-school education
Thailand	Improve the outcome of education and reduce urban-rural disparities
Viet Nam	Increase skilled labour by education reform



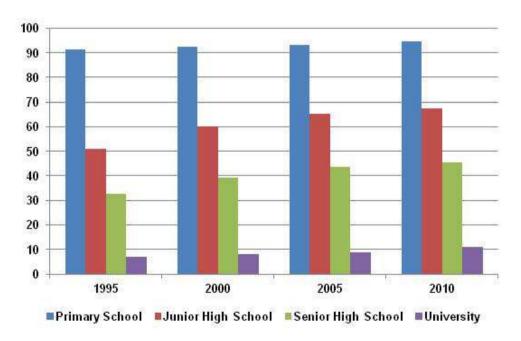
#### **INDONESIA**

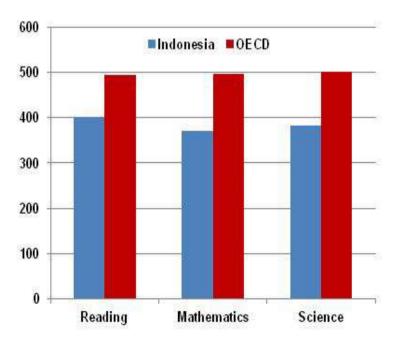
### Improve the outcome of higher education and reduce urbanrural disparities in access to educational infrastructure

**Enrolment rates by level of education** 









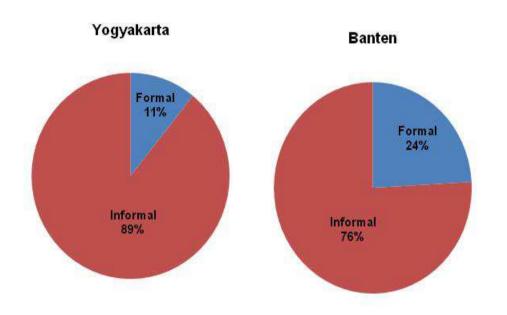
Note: The PISA scale was set such that approximately two-thirds of students across OECD countries score between 400 and 600 points. Gaps of 72, 62 and 75 points in reading, mathematics, and science scores, respectively, are equivalent to one proficiency level.



### Reform labour market regulation to increase employment

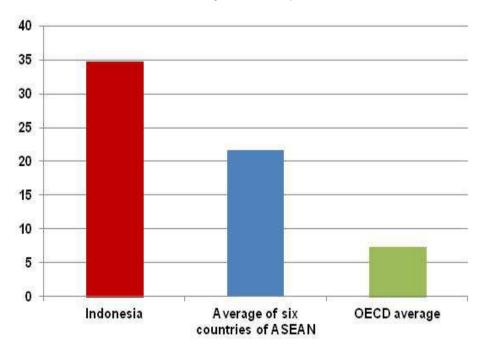
#### **Nature of employment**

(percentage of total employment)



## Severance payment for redundancy dismissal

(average for workers with 1, 5 and 10 years of tenure, in salary weeks)



Source: ADB, Doing Business 2010 and Southeast Asian Economic Outlook 2011/12



#### **MALAYSIA**

# Strengthen the link between industries and academic institutions to improve labour force skills and to enhance research and development

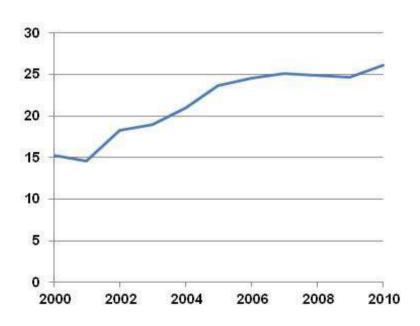
## Share of employment in the higher skilled bracket (percentage)



2006

2004

# Share of unemployed with tertiary education (percentage)



*Note:* Employment in the higher skilled bracket is composed of legislators, senior officers and managers, professionals, technicians and associate professionals.



2008

2010

10

2002

#### **PHILLIPPINES**

# Improve the access to and the quality of basic education and strengthen TEVT

Regional disparities in enrolment rates in 2008-09 (percentage)

