

**LEARNING FOR SKILLS FORMATION AND
EMPLOYABILITY: A STRATEGIC FRAMEWORK
FOR INFORMAL SECTOR IN BANGLADESH**

Rashed Al Mahmud Titumir*
Jakir Hossain**

Abstract

The formal work environment has undergone a process of rapid transformation in the context of globalisation and technological change, leaving the majority of the workforce in the informal sector. The informalisation of the labour market with concurrent changes in the concept of employability risks exclusion from employment for those without appropriate skills. The process of skill formation for informal sector is further challenged by inadequate capacity of the formal sector institutions. The system, according to the paper, has to evolve from the perspective of learning for skills formation and employability, wherein education, training and the acquisition of core skills is seen as a major, if not the main, instrument available to individuals to improve their chances in labour market, indoctrinated by the principles of decent work..

I INTRODUCTION

There has been a rapid informalisation of the labour market¹ due to depressed level of employment, increased job insecurity and displacement, growing risk of exclusion from employment for those without appropriate skills, highlighting the urgency of continuous acquisition of skills through training and education. The parallel changes in the concept of employability in an increasingly complex and uncertain labour market warrants modifications in job content, skill requirements and knowledge. Concurrently, the changed organisation of work, characterised by labour market flexibilisation including non-standard forms of employment and shorter product cycles, demands reorientation of education and training system for skill formation which had been based on stable labour market institutions including predictable job careers.

* Assistant Professor, Department of Development Studies, University of Dhaka

** Assistant Professor, Institute of Bangladesh Studies, University of Rajshahi

¹ For example, the majority of jobs (about 500 million) in developing countries have been created in the informal sector (ILO, 1998)

In addition to cater to the demand for skill shifts in response to changes in economic regime and management the world over, the process of skill formation for informal sector is further challenged by inadequate capacity of the formal sector institutions and non-affordability of formal training by those who want to acquire skills. The traditional system is further restrained by its inability to reach the disadvantaged who mostly compose the informal sector and to reduce discrimination in access to training and education, failing their employability in the competitive labour markets in the new economic order.

Fundamentally, the system, therefore, has to evolve from the perspective of *learning for skills formation and employability*, wherein education, training and the acquisition of core skills is seen as a major, if not the main, instrument available to individuals to improve their chances in labour market, indoctrinated by the principles of decent work. In view of these far reaching developments, both enhancing the education and skill levels of workers and finding the most effective means of doing so are assuming central importance in economic, business and employment strategies worldwide. A global consensus is emerging that one of the keys to a productive and competitive economy in this millennium is a well-trained and adaptable workforce (ILO, 1999).

Like many other countries, the formal work environment in Bangladesh is undergoing a process of rapid transformation in the context of globalisation and technological change, leaving the majority of the workforce in the informal sector, composed of non-farm or off-farm rural subsistence activities and of work in family-run, urban micro-enterprises. The rapid expansion of informal sector is a resultant of the inability of the formal sector to generate adequate employment opportunities. In Bangladesh, the labour force is growing much faster than employment opportunities in the formal sector, and therefore, the problems of rising unemployment and underemployment remain high on the development agenda. Although the informal and modern economic sectors are closely interdependent and have many forward and backward linkages, the organised sector in Bangladesh has never provided a very large employment base. The formal sector employment has hardly grown in recent years. Most of the additional jobs which have accrued in the economy in recent years have been in the informal sector. According to the Bangladesh Bureau of Statistics (BBS) in its Labour Force Survey of 1995-96 (BBS 1996), as much as 87 percent of the country's work force (employed persons aged 15 years or above) are engaged in the private informal sector. The shares of the 'private formal sector' and the 'public autonomous sector' in employment are 8.8 percent and 4.2 percent respectively.

The government policy, arguably, has not paid adequate attention to the informal sector, the burgeoning of the sector has mainly been seen as a transient phenomenon which would eventually fade away or merge into mainstream of the economy. It was thought that the formal sector would witness a sizeable expansion with economic growth and that most of the surplus labour would be absorbed by it. Rather, in reality the informal sector has continued to grow, worsening employment and living conditions. Failure of this process can be attributed to the fact that access to

opportunities opened up by growth is rarely equal in Bangladesh, where the distribution of income and wealth is vastly unequal as evident by the rising gini coefficient. The capital and labour markets are far from 'perfect', and work very much to the detriment of the poorer sections of society. Access to education and training is highly inequitable and thus, the benefits of growth accrue disproportionately to the relatively well-off in the formal sector, let alone to the unorganised informal sector.

In sharp contrast to the earlier faith, it is now gradually being recognised that the informal sector has become a living reality embracing the vast segment of the labour force. It is of utmost importance that national policy on labour should rectify the bias against the informal sector which is emerging as a growing and also seen as a productive source of employment.

The changing concept of employability requires an innovative approach to education, training and skill development for the informal sector. The approach, nevertheless, has to be built to secure decent and productive work in conditions of freedom, equity, security and human dignity.

This article seeks to provide an understanding on the issues and options involved in education, training and skill development for decent work in the informal sector of Bangladesh. The paper intends to suggest a policy framework which promotes improvements in the skills of the workforce, thereby enhancing worker employability, enterprise competitiveness and national growth, and collaboration amongst stakeholders - government, workers, private sector, NGOs. The paper analyses formal and non-formal training programmes provided by various agencies, with a view to identifying weaknesses and emerging needs of skill formation in the informal sector.

The study objectives are restrained by lack of data due to non-availability of studies carried out on skill formation in the informal sector in Bangladesh. The paper has to depend on the analysis of desk level information, and interviews of key informants. The paper is organised in four sections. In the Section II, the paper reviews relevant literature and documents to map out the state of informal sector in Bangladesh. Section III contains information relating to provisions for education, training and skills development for the sector, an assessment of impacts of traditional training outputs. The chapter IV puts forward a strategic framework on education, training and skills development for decent work in the informal sector by reconceptualising the role of education, skill development and training for the sector and by identifying modalities for better institutional design and capacity building.

II. THE STATE OF INFORMAL SECTOR

2.1 The Labour Market in Bangladesh

One of the principal development challenges for Bangladesh is the creation of employment for new entrants into the labour force and a great many who are currently underemployed. The Labour Force Survey (1996) states that the country has nearly 56 million people in the labour force, of which 34.7 million (62%) are male and 21.3 million (38%) are female (BBS,1996). The labour force is growing, at

almost twice the rate of population growth. This relationship is likely to persist over the next two decades or longer (World Bank,1996). The decrease in population growth is more than offset by increased participation rates. The Bangladesh Bureau of Statistics (BBS) forecast a 42.6% increase in the labour force between 1991 and 2005 for the entire population, with an increase of 31.7% for males and a 126.5% increase in female participation in the labour force. To meet the country's employment needs by 2020 (from the current 56 million to a projected need of 100 million), Bangladesh will have to create 2.25 million jobs every year (Mahmud,1999).

The Labour Force Surveys since 1983/84 have shown open employment in the range of 1 to 3 percent. However, the unemployment rate rises to 16.5 percent if those who worked less than 15 hours per week are included (BBS,1996). The rate of underemployment for aged 10 years and above, defined to include those who are working less than 35 hours per week is 34.6 percent. The rate is higher for rural areas (37.9%) than urban areas. At the same time, female unemployment (70.7%) is much more evident than its counterparts (12.4%). Unemployment and under-employment rates of population aged 15 years and over is nearly 40 percent of the reference labour force (Mahmud, 1999).

Labour market in Bangladesh constitutes of three types of market: *formal*, *rural informal* and *urban informal*. The formal market is operated under the legal framework that follows the presence of contractual employment relationships, labour laws and regulations and unions. Only about 30 percent of the labour force works under the legal formal labour market framework. On the other hand, protective labour regulations and unions do not cover the informal sectors, which dominate the labour market in Bangladesh.

III. THE PROVISIONS OF SKILL DEVELOPMENT

One important characteristic of the labour force, which is of great concern, is that nearly 51 percent has no schooling and only a small fraction, 0.4 percent, has received vocational/technical/skills development training. According to Asian Productivity Organisation, the labour productivity indexes for agriculture and manufacturing have declined in recent years (from 100 in 1986 to about 60 in 1991). Nearly a third of the workforce in the sector have never been to school and half has only primary level education. The urban informal sector also shows lower productivity . A labour force with low levels of education and skills has obviously been one of the principle causes of low productivity in most sectors including the urban informal sector . The provision of education, training and skills development of the labour force can increase the labour productivity, economic growth and the increase of wages of the labours are inter-linked to each other. The present state of the informal sector in Bangladesh highly demands education, training and skills for decent work in the informal sector.

3.1 Public Sector

The public sector training system is mainly administered by two ministries, the Ministry of Labour & Employment (MOLE) and the Ministry of Education (MOE).

An inter-ministerial organisation called the National Council For Skill Development and Training (NCSDT) was established in order to facilitate national policy co-ordination with respect to vocational training and education. MOLE, MOE and other ministries offering vocational training as well as labour union and other private agencies are represented on the NCSDT. The Bureau of Manpower and Employment and Training (BMET) of MOLE serves as the secretariat of NCSDT. In addition, Ministries of Women and Youth provides training for skill formation.

Under MOLE, vocational training is provided by 11 Technical Training Centres (TTCs) located in large urban areas and the Bangladesh Institute of Marine Technology (BIMT). Under MOE, vocational training is provided at 51 Vocational Training Institutes (VTIs), mostly located at various district and subdistrict levels, under the direct supervision of the Directorate of Technical Education. Of these, 4 VTIs are of larger size (with enrolment of about 200 each) located in larger district towns and the remainder with enrolment of about 80 each are located in semi urban areas.

Government initiatives in recent years include establishment of 13 new modern equipped VTIs to cover all 64 districts in the country. The 7 new institutions are in operation from the year 2000. They offer Secondary School Certificate (Vocational) and Higher Secondary Certificate (Vocational) courses under the Ministries of Education (MOE).

Under the Ministries of Youth & Sports, there exist 45 centres mostly located in urban and semi urban areas throughout the country which provide training in livestock, poultry, fisheries & basic computer courses. Approximately 1000 students are enrolled and passed out from 3/4 months duration training programme in every year from each institutes.

The Bangladesh Technical Education Board Affiliated VTIs

The VTIs offer instructions in curriculum areas authorised by the statutory accreditation organisation called the Bangladesh Technical Education Board (BTEB). The following are the curriculum areas authorised by the BTEB.

- Automotive
- Electrical
- Weaving
- Agro-based Food
- Welding
- Carpentry
- General Mechanics
- Turner
- Drafting (Mechanical)
- Drafting (Civil)
- Plumbing and Pipe Fitting
- Farm Machinery
- Food Processing
- Building & Maintenance
- Mechanics
- Radio & TV
- Refrigeration and Air Conditioning
- Civil Construction
- Dress Making and Tailoring

Different programmes have different grade requirements for admissions. Requirements for entry into the BTEB affiliated institutions are shown below. The minimum qualification for studying in the VTIs is grade VIII but in some courses like dress making, weaving etc., the qualifications have been lowered in the past.

However, in general, it is said that many applicants are 'over qualified' i.e., they have completed grade X or even grade XII.

Table 2: Courses, Duration and Entry Qualification in BTEB Affiliated Institutions

Course	Duration	Entry Qualification
Diploma in Technical Education	1 Year	Diploma Engineering
Diploma in Engineering / Marine /Printing /Ceramic / Agriculture/Textiles/ Forestry	3 Year	SSC or equivalent
Diploma in Survey	1 Year	Survey Final
Diploma in Vocational in Education	1 Year	Certificate in Vocational Education
Certificate in Vocational Education	1 Year	Trade Certificate/ SSC equivalent
Diploma in Agriculture (Distance Education)	3 Year	SSC or equivalent (Science Group)
Higher Secondary Certificate (Business Management)	2 Year	SSC or equivalent
Higher Secondary Certificate (Vocational)	2 Year	SSC (Vocational)
Diploma in Commerce	2 Year	SSC or equivalent
Certificate in Secretarial Science	1 Year	SSC or equivalent
Certificate in Leather Technology (Part- ii)	1 Year	Certificate in Leather Technology (Part-I)
Certificate in Leather Technology (Part-I)	1 Year	SSC or equivalent
Survey Final Certificate	1 Year	Aminship Certificate
Aminship Certificate	1 Year	SSC or equivalent
Secondary School Certificate (Vocational) /Textile	2 Year	Class-VIII Pass
National Skill Standard Grade-II Certificate	1 Year	NSS-III Certificate
National Skill Standard Grade-I Certificate	1 Year	Class-VIII Pass
Training Business Typing Certificate	6 Months	SSC or equivalent
Basic Trade Course	360 Hours	Class-VIII

Source: compiled from various documents

Table 3: BTEB Affiliated Institutions and Responsible Agencies

BTEB Affiliated Institutions	Total Centres	Responsible Agency/ Ministry
Technical Teachers Training College, Dhaka	1	Ministry of Education
Vocational Teachers Training Institute, Bogra	2	Ministry of Education
Polytechnical Institute	20	Ministry of Education
Bangladesh Institute of Marine Technology	1	Ministry of Labour and Employment
Institute of Glass & Ceramics	1	Ministry of Education
Graphics Arts Institute	1	Ministry of Education
Forest School	3	Ministry of Forestry
Agricultural Training Institute	11	Ministry of Agriculture.
Vocational Training Institute	51	Ministry of Education
Technical Training Centre	11	Ministry of Labour and Employment
Bangladesh Survey Institute	1	Ministry of Education
Engineering and Survey Institute	1	Local Government
District Textile Institute	1	Ministry of Textile.
Textile Training Centres	27	Ministry of Textile.

Sources: compiled from various documents

Under BTEB affiliated institutions, two levels of instruction is provided. Successful completion of the first year leads to National Skill Standard (NSS) III certificate. Students may then choose to enter the second year of instruction, leading to NSSII certificate. Each year is divided into 9 months of laboratory and class room instruction and 3 months of industry attachment.

Enrolment in each of the trades offered in VTI remained quite low in the earlier years as can be observed from the following table. This is also evident in the subjects offered as many of the trade courses did not match the local demand, and consequently enrolment remained low. This is more if the training performances of the institutions is compared with the intake capacity of the institutions.

Table 4: Intake Capacity at Entry Point in the BTEB Institutions

Course	Intake Capacity
Technical Education Diploma	120
Vocational Education Diploma	80
Vocational Teacher Education Certificate	120
Engineering Diploma	4420
Agriculture Diploma (Regular)	6000
Agriculture Diploma (Make-up)	6000
Marine Engineering Diploma	40
Glass & Ceramics Diploma	40
Forestry Diploma	35
Commerce Diploma	400
Survey Diploma	40
Textile Diploma	300
Survey Final Certificate	60
Aminship Certificate	80
Secretarial Science	40
HSC(Business Management)	4000
Secondary School Certificate (Vocational) Textile	540
Secondary School Certificate (Vocational)	9500
Basic Trade Certificate	30,000

Source: BTEB

Information on gender composition of trainees in VTIs shows a small participation of women in such training. Female students have been admitted in these programmes since the mid eighties. In January 1990, 2827 students were enrolled in Part I of the programme. Among them 71 were female, constituting only 2.5 percent of all students. Only two VTIs provide dormitory facilities for women (out of 51 VTIs) which are hardly used by women. Moreover the dropout rate is high among the female students, from the 71 admitted in January 1990, 18 females students dropped out by December.

The Bureau of Manpower, Education and Training Run TTCs

The Bureau of Manpower and Training (BMET) of MOLE runs 11 TTCs in the larger cities. The pattern of instruction is similar to that of VTIs. Like VTIs, each year is divided into 9 months of formal instruction and 3 months of trade related work experience.

The training performance of BMET during the Fourth Five Year Plan and during fiscal year 1995/96 to 1998/99 reveals that the apprenticeship training has been minimal and has not increased at the same rate although there has been sustained increase in institutional training over the plan periods.

The apprenticeship scheme has not been a successful one in Bangladesh. The number of trainees in a year varied widely and the maximum number was 555 in 1983. Since then the number has gone down considerably and in 1997/98 there were only 60 trainees attached to various establishments. In 1998/99, only 65 trainees were attached whereas the target was set at 1000. Initially the public sector parastatal organisations were able to accommodate a number of trainees under the Act. However, with gradual privatisation and slowing down of public sector initiatives the possible places for trainees are hard to find.

Table 5: Performance of Skill Development Programme under MOLE

Types of Training	1997/98		1998/99	
	Target	Actual	Target	Actual
Institutional Training	7,000	13,258	10,000	10,738
Apprenticeship Training	5,00	60	1,000	65
Language Training for Nurses	305	89	350	90
	7,805	13,407	11,350	10,893

Source: *Mid Term Review of the Fifth Five Year Plan (1997-2002)*, Planning Commission, December 2000

Among the total students admitted from 1988/89 to 1993/94, about 7 percent were females. The male-female ratio of students improved slightly over the years. A survey of TTC trainees (NVTRP 1995) reveals that most of the female students of TTCs' had relatives in the BMET or TTC staff members (Rahman,2000), pointing to the fact that it has not been able to expand its reach.

Ministry of Youth and Sports

The 45 centres under the Ministry of Youth and Sports have targeted to provide skills development training in the area of livestock, poultry, fisheries and basic computer to 4,66,071 persons during 1997-1999. It is claimed that the centres have achieved 93 percent of their target.

Table 6: Skill Development Programme under the Ministry of Youth (1997-1999)

Organisation	Target	Implementation	Achievement
Ministry of Youth	466,071	432,142	93 %

Source: *Mid Term Review of the Fifth Five Year plan (1997-2002)*, Planning Commission, December 2000

Ministry of Women Affairs

During 1997 and 1999, two organisations under the Ministry of Women Affairs have provided women skill development programme in tailoring, embroidery, blocked boutique, painting, nakshi khata, food processing, jute works leather crafts and typing. The Jatiyo Mohila Sangstha has attained 87.70 percent of its target, and the Department of Women Affairs has captured 96.17 per cent of its target.

Table 7: Women's Skill Development Programme (1997-1999)

Organisation	Duration of Training	Target	Actual	Actual as % of Target
Jatiyo Mohila Sangstha	7 days	105	105	
	3 to 4 months	6000	5600	
	6 months	3000	2280	
<i>Sub total</i>		9105	7985	87.70
Department of Women Affairs	7 days	572	1,813	
	15 days	160,988	156,169	
	2 months	1071	1,071	
	3 months	18,600	15,312	
	4 months	4850	4,845	
	6 months	2113	1,772	
<i>Sub total</i>		188,687	181,456	96.17
Grand Total		197,792	189,441	95.78

Source: *Mid Term Review of the Fifth Five Year plan (1997-2002)*,
Planning Commission, December 2000

Strengths and Weaknesses of Public Sector Vocational Training System

There exists a great mismatch between the demand for and supply of skill formation. The macro level performance of the formal system within Bangladesh is minimal. The outcome of technical/vocational education at the certificate level amounts to only 1.8 percent of the similar level graduates at SSC level, and the number of diploma technicians is only 1.4 percent of the HSC level graduates. Moreover, formal provision of training and vocational education is minuscule in relation to the informal ways the people actually become skilled. Only 0.4 percent of those in the labour force had any vocational/technical/commercial training. The formal training system account for only a small fraction of the occupational skills needed to be acquired each year.

Lack of Linkage with Job Market

The important features of the public sector technical and vocational education are lack of sufficient linkages with employers and labour market. The main problem seems to be a lack of clear labour market connections. TTCs/VTIs cannot be made into good investments unless more of the graduates find employment in the fields in which they were trained (World Bank, 1990). Training institutions lack linkages with the local labour market surrounding the institution. This is caused by excessive centralisation and rigidity in the system. Financial controls are also inflexible and institutional managers can not give incentives and rewards for teacher performance. In short, there is a lack of delegation of authority to the heads of training centres.

Employers complain that the public sector organisations are not quick enough to update curricula in short notice (i.e., introduce new courses, expand those in demand and reduce or close those for which demand has slackened) to compete with technological changes in enterprises (for example, TEB updates curricula in every five years). Polytechnics, in particular, were slow to integrate computers and instrumentation as integral parts of training in all fields.

Training institutions do not have the capacity to carry out occupational analyses of the skills in demand in the local area. There is no institutional flexibility for priority training to upgrade skills for those who are already employed in occupations, including skills in the non formal sector.

Underfinancing

Technical vocational education and training involve more cost than general education because it requires more instructors per student and for practice in workshops. TVET requires money for equipment, in-service training and consumable supplies. Most of these necessary inputs are insufficient in public institutions at present.

Most VTIs, polytechnics and specialised degree programmes are imparted with outdated, obsolete and worn out equipment. The share of total revenue spending allocated to TVET declined by about 17 percent, from 2.4 percent in 1990/91 to 2.0 percent in 1996/97. It declined further to 1.5 percent in 1997/98. Capital investment in TVET virtually dried up in the 1990s (World Bank,2000). Within the institutions students receive group training rather than individual training. Lesson plans and job sheets are rarely used in the training. Consequently, institutions can not properly impart the intended practical training.

The success of the public sector vocational training system can not be judged through the achievement of quantitative targets: the number of organisation in operation or the number of students who graduated. The success of such training has to be manifested in feeding a growing informal sector with appropriate skills. Moreover, the public sector institutions are providing training for formal sectors.

The formal training system suffers from system rigidity and inadequate flexibility in the courses or for lack of continuous revision of curriculum which is mostly in demand for the informal sector. Such rigidity results in mismatch between the skill generation and skill utilisation. Removal of such rigidities will require appropriate linkage with the other sectors. There is no institutional process of dialogue with stakeholders - the employees and the employers. Moreover, the informal sector is not organised to have such dialogues. There is also no effective system in place to ensure the participation of employers and labour representatives in policy formulation and planning for skill generation.

3.2 Private Sector

The private sector in Bangladesh also provides vocational training. However, the private sector initiatives have been of a non-institutional type, far short of meeting standards and thus, yet to join the mainstream of vocational training

According to one estimate, there are about 159 private institutions offering various vocational training courses in the country (ADB 1995). The main objective of these private trade schools is to earn a profit without putting emphasis on standards. The growth of private trade schools in the country is primarily connected to the large scale export of skilled and semi-skilled manpower across the region but primarily in the Middle East. These types of schools offer non-formal and non-standard training of short duration, in most cases, have no standard facilities or qualified instructors. It is difficult to obtain accurate data on the number of trade schools or the type and quality of training. They are not required to register or affiliate with any training agency. They design their own training programmes and materials.

Table 8: Private Vocational Training Centres Offering Courses

Name of Trade	Duration of Courses	Number of Students Enrolled in 1995
Electrical	2 years / 1 year / 6 months	854
Welding	3 years / 18 months/ 6 months	100
Radio/ TV	1 year/ 6 months	108
Refrigeration	6 months/3 months	113
Carpentry	4 years/2 years/18 months/6 months	162
Embroidering	2 years/1 year /6 months	576
Bamboo and Cane Works	2 years/1 years/6 months	482
Tailoring and Sewing	4 years/3 years/2 years/ 1 years/6 months	780
Electronics	3 months	45
Printing	1 year	28
Painting	3 years	10
Tinsmith	3 months	40
Motorcycle	6 months	26
Watch repair	6 months	24
Lath operator	2 years	31
Auto	1 year	10
Mechanic	6 months/3 months	32
Shallow Pump	6 months	30
Civil Drafting	6 months	7
Computer	6 months	20
Preparation of Sanitary Latrines	1 year	25
Cycle Rickshaw repair	1 year	10
Tape Recorder Repair	6 months	28
Photography	1 year	15
Commercial Art	1 year	11

Source: ADB (1995)

The training capacity is also difficult to determine. The training curricula varied widely from the traditional industrial subjects such as mechanics training and welding to driving. Trainees are charged a fee for training, and it is not uncommon to

see trainees paying from Tk.3,000 to Tk.8,000 per month for private training courses. Although, most training is of a few months duration, the length of training varies widely from few weeks to more than a year.

The Directorate of Technical Education (DTE), through its Office of the Director of Vocational Education, provides some financial support to small private vocational training institutes, which number around 157 in 1995 in the country. These vocational training institutes offer training in various trades. The most popular trades appear to be tailoring/sewing, embroidering and bamboo/cane works (for women) and electrical, welding, radio/television, refrigeration and carpentry (for men). The entry requirements to such courses vary widely. Total enrolment in these 157 institutes in 1995 was 3600.

A very recent development has been the establishment of 'export-oriented' training programmes instituted through joint collaboration with foreign companies who are willing to accept successful trainees as migrant workers. These programmes are run on full cost recovery basis and training is given in a narrow front. Successful trainees are given 'certificates' which are recognised by the foreign companies for employment in their own countries. Such joint venture training establishments are, however, not under the purview of BTEB for the usual NSS certification.

The private sector has initiated a little effort in providing education, training and skills development in the institutional shape. The BTEB affiliated institutes and their number in the private sector are given in the Table 9.

Table 9: The BTEB Affiliated Institutes in the Private Sector

Institutes	Number	Location
ITVET of Ahasanullah University of Science & Technology	1	Dhaka
Institutions Offering Diploma in Commerce	5	---
A. M. Vocational Training Institute	1	Dhaka
Secondary Schools Offering SSC (VOC)	11	2 in Dhaka 1 in Chittagong
Higher Secondary College Offering HSC (VOC)	6	1 in Dhaka
Women Career Training Institute	2	Dhaka

Source: Various documents

It is expected that in future the private sector will find it quite 'profitable' to provide vocational training. It is likely to expand in a pace that one can draw a parallel with the existing private sector general secondary education (GSE) capability which constitutes nearly 95% of the system. In such an eventuality, the government may consider providing support to private training institutions (as being provided to GSE now) as well.

3.3 NGO Training Activities

Many NGOs have come forward to provide training for generating self-employment. Two types of NGOs are involved in imparting skill training: one category specialises in the training functions, for them the provision of other inputs is of

secondary importance; the other category includes NGOs whose major function is provision of credit, training being of secondary importance.

Within the first category, over 100 NGOs have taken initiatives in vocational training. Given the nature and intent of the NGOs, such programmes are directed at the poor. Statistical information regarding such programmes (school based or otherwise) is not available with any single authority. The Association of Development Agencies in Bangladesh (ADAB), which coordinates the activities of international and national NGOs, and the Association of Private Non-Profit Trade Schools (APNTS), which promotes the programmes of private trade schools (many owned by NGOs), also do not keep statistics needed for their report.

According to an ILO study, NGOs run 107 institutions which have provided training to 16,039 persons during 1991 to 1995 period (Table 10). In addition to the training NGO, many of the large multi-input NGOs provide micro-credit as well as various types of training.

Table 10: NGO Training Institutes (Engineering Trade) and their Performance

Trades	Number of Institutes	Capacity	1991	1992	1993	1994	1995	Persons Trained
Automotive	10	8-16	118	123	160	190	150	741
Welding	20	8-75	341	335	381	385	355	1797
Carpentry	18	8-36	371	935	941	921	474	3642
Electrical	20	8-80	412	971	1103	1134	627	4247
Machinist	9	12-50	170	450	480	440	184	1724
Refrigerator & Aircondition	2	20-60	87	61	71	130	95	444
Radio/ TV	2	20-60	33	38	52	93	65	281
Turner	9	15-56	176	462	476	443	184	1741
Diesel Engine Mechanic	5	10-30	59	68	81	72	69	349
Plumber & Pipe Fitting	2	10-20	18	9	21	14	12	74
Metal Work	4	10-80	8	8	172	156	130	474
Masonry	3	10-24	32	32	30	33	47	174
General Mechanics	2	10-30	19	13	31	27	9	109
Farm Mechanics	3	10-38	44	63	64	56	15	242
Total			1888	3578	4063	4094	2416	16039

Source: Mahmud (1999)

An ILO commission study (Mahmud, 1999) has lauded the performance of two NGO training organizations: UCEP and Mirpur Agricultural Workshop and Training Programs through training centres located in three main cities which are also characterized by high industrial concentration. UCEP offer training courses in 14 different trades. UCEP closely monitors the employment and earning prospects of various skills. The ILO expert recommends that in view of the high quality of their infrastructures close linkage with industries and an informal labour market information system, UCEP could be a good NGO to provide training to the retrenched workers. It also recommends MAWTS for such retraining. The prospect

of involving UCEP for retraining should also be judged cautiously. UCEP provides training only to children in the age range of 10 to 14 years.

Within the second category of NGOs whose primary goal is other than training, provide training programmes on subjects in which they are active. These include training on agricultural production, eco-agriculture, legal aid, gender awareness, handicrafts etc. Most trainings are of general nature and do not address skill development adequately.

Organisations which provide quality training have limited capacity. For example MAWTS trains less than 100 workers a year. Training programmes of the credit NGOs are usually directed to rural areas and do not adequately target urban poor and those living just above the poverty threshold. These NGOs also only concentrate on their borrowers. Most training is conducted with poor materials. The course contents do not include all the essential ingredients. Inadequate physical facilities and lack of equipment along with poor quality of trainers with poor salary and job prospects result in poor quality of training. The duration of course is short, ranging from a few days to two/three weeks, resulting in shortage of skills needed to sustain and compete in the labour market. Fundamentally, training is often conducted without proper assessment of the demand for skills provided which often results in frustration not only among the trainees but also in the trainer institution.

3.4 The Traditional System

The traditional system in Bangladesh has served as a medium of skill transfer to informal sector workers. The trainee learns the skills by observing and assisting the 'master'(or as it is called 'ostad' in the Bangladesh informal sector context). By observing the actual operation of the enterprise at close quarters and helping *ostad* in all kinds of work, the trainees learn how to produce a particular good and how to provide the services that go along.

The relation between the trainer and trainee is quite different from that in the formal system. The relationship can be potentially exploitative. Nevertheless, in Bangladesh, it is an institution that has successfully transferred skills over the years. It is an on-the-job, workplace based, hands-on instruction system. Its unstructured and improvised character makes it flexible and adaptable to immediate needs of the employers.

After completion of training, the graduate usually stays on at the workshop as a skilled worker until he/she eventually starts his/her own business. Informal apprenticeship therefore usually leads to self employment, whereas formal apprenticeship is usually for wage employment in formal sector firms.

Its major disadvantage is that it imparts a very narrow range of skills of variable quality with, in most cases, no defined standards and usually no access to supporting technical and social knowledge and skills. The major difficulties faced by this traditionally trained workers are adoption of basic modern technology. In the traditional training system, the workers lack knowledge base of the machines, thus putting potential health and technical hazards.

3.5 Skills Development in Bangladesh: The Lessons Learned

The sort of vocational training currently available from government, private sector and NGO sponsored institutions are far from the capacity needed to service the growing demand and always appears not to be very relevant in terms of curriculum, linkages with the enterprise and for whom the training is directed. These fall short of reflecting on the realities of the labour market and thus have not adequately matched the needs of the trainees. At the same time most training institutions do not have capacity or the mandate to reach out to people who work in the informal sector.

There is neither master plan nor comprehensive programme for skill formation catering to the needs of the informal sector. In most cases the training institutes have not been able to establish precisely who is to benefit and how to implement to benefit. In the absence of concrete policies as regards skill formation for the informal sector, a balance between training for school leavers who are prone to end up in the informal sector, and training for people who already work in micro-enterprises is far from observance in Bangladesh.

The analysis points to the lack of a training strategy for the informal sector which is designed on need analysis of the national labour market with the focus on informal sector workers. We are constrained by the lack of sharp picture of both the demand and supply side of the training system which may only allow to formulate precise reasons for intervening, to set priorities, such as based on equity considerations, to quantify objectives, and to specify resource implications. There is a strong need and urgency for investigation based on data collected through primary sources.

IV. SKILLS DEVELOPMENT: A STRATEGIC FRAMEWORK

4.1 Reconceptualising Role of Education, Skills Development and Training

4.1.1 *Modes of Skill Formation*

In Bangladesh, three modes of the delivery of skills training can be identified. First, the school mode provides a wide range of general, technical and vocational courses on a full time basis in vocational schools. Second, the dual mode encompassing apprenticeship programmes offering initial vocational training under the formal school system and part time training in enterprise or industry. Third, the mixed mode which resembles the dual mode but places greater emphasis on training in the non-formal sector.

The present system of delivery bears brunt of the colonial legacy². Colonialised by the British, the skill formation in Bangladesh followed a form of an elitist approach, and completely overlooked the need of those who needed most. The only skills that were promoted were craft-related skills such as carpentry. One of the most damaging effects of colonial involvement had been in destroying indigenous education patterns which had close links to technical and vocational learning and cultural practices of local people. Till today, the lack of emphasis on technical and

² See Singh (2001) for reflections on colonial legacy in Indian vocational education.

industrial education emanating from the colonial legacy is transmitted through the western paradigms represented in the ideas of multilateral and bilateral donor agencies decisively dictating policy options in countries like Bangladesh. Most of the policies of the bilateral and multilateral donors followed the top down model ignoring to a great extent the local context and felt needs.

The prevailing delivery - the age old and traditional school-based teacher-centred approach - has not been able to be learner-centred. The system has not been adaptive to accept learning as a free-wheel exchange of ideas within a wider frame of flexible curriculum, and trainees are not given the opportunity to decide her/his own learning needs, time and medium of learning.

4.1.2 Towards a New Framework for Skill Development

If vocational training and education is to cater to informal labour markets, along with the formal one, it needs to capture the traditions and values of the sector and the society within which it operates. First, the training provision has to be *need based*: i.e. it has to be based on an understanding of the kinds of competencies people in the informal sector want in order to optimise their potential. Second, the training has to be *context specific*: i.e. it has to capture the socio-economic and cultural contexts within which people in the informal sector work. Often optimal outcome can not be obtained as vocational education and training are conceived from a narrow perspective of human capital. The human capital approach bases on the individualistic notion and ignores the wider social context within which much learning take place, as well as the relationships - personal and institutional - which actually constitute the vehicles or channels through which learning takes place. Third, the provision of skill formation has to embody *coping strategy*: how people in the informal sector cope in order to sustain their livelihood strategies. It is accentuated by the fact that the concern is not simply one of employment but also of attaining decent livelihood and right to work for all.

In a rapidly changing world, modes of education, training and skill development must integrate the process of technological change, required levels of skills and changes in organisation of work. There is little place for fragmented strategies. Emphasis needs to be laid on conceptual learning, technological literacy, cross-disciplinary relationships, worker flexibility and smooth transfer of skills.

The present relationship between skill formation and the labour market indicates that training has to be planned and monitored closely in related segments as it does not necessarily lead to related jobs for which the training is intended. It is important that training institutions and enterprises must work together and complement each others' efforts. The relationship between training institutions and jobs is complex and problematic. It can not be assumed that training will lead to related jobs nor those jobs needing specialised skills will be met by training programmes. Thus, the main issue is not one of diversification and vocationalisation, nor is the issue only an economic one (earning opportunities, better jobs), but one of how to integrate science, technology and socio-technical reality of working life into the curriculum, and how to combine education with productive work (Corvalan, 1988)

What is urgently needed now is a broader view of education and training that would link schooling with work, i.e. the system has to evolve to provide people with opportunities for continuing acquisition of knowledge and skills. There has been much debate to compare the short-term and narrow skills development approach of the non formal sector and those of the long-term general skills development of the formal sector. Life-long continuing education now emerges as the main component of the broader view of education, training and skill development. The broader view bases on the premise that a system of skill formation is difficult, if not impossible, to be instituted without a solid educational base at foundation and basic levels.

General and vocational competencies are regarded as interrelated dimensions of vocational learning. Equally important are personal and social competencies. In addition to cognitive competencies there is a need for acquiring 'learning to learn' competencies. Of course, specialised skills and knowledge are needed; the issue is however one of the balance between them and wider forms of knowledge (Krug, 1999).

The broader view advocated by the present paper departs from school mode, dual mode and mixed mode and presents a cooperation based integrative system since learning is provided by a host of institutions at different levels - societal, formal and enterprise. Competencies are acquired and utilised in relation to societal institutions - family and community - in addition to educational, training institutes and enterprises. Modes of learning need to be developed in agreement with social partners as well as through improved co-operation between learning sites. Education and training institutions have to evolve to become client oriented centres of open learning for empowering trainees by playing the role of facilitators.

The education and training system must guarantee sufficient flexibility in the organisation of the curriculum. In view of the increase in occupational and geographical mobility, it is also necessary to promote the acquisition of language skills. There is also a need to introduce elements of modularisation in learning. The system must be so structured as to allow transparency, diversity and flexibility.

4.1.3 Inter-linking Formal, Non-formal and Informal Learning

The envisaged system of skill formation demands the recognition of formal, non-formal and informal learning as equally valuable medium of the overall vocational learning process. While basic and primary-school education is necessary for promoting cognitive competencies, non-formal basic education can be an alternative instrument to transmit competencies linked to economic activities. Studies have indicated that non-formal training programmes for the informal sector, including trade courses, survival training, apprentice training and other training measures within the framework of community development might be useful in the informal economy. The non-formal training programmes, nevertheless, should contain modules of basic and foundation levels. It is important to recognise informal learning experiences in the family and community and relate with learning domains.

4.1.4 *Diversification of Training System*

With the expansion of the informal economy, it is necessary that vocational training institutions reflect economic opportunities and respond to the competency requirements of the majority of the labour force, and undergo diversification to suit the needs of the expanded clientele. This requires restructuring in terms of the subject matter and re-designing of the learning processes. Diversification also implies promotion of self-employment by tying learning processes with opportunities that help gain competencies and income benefit.

An inverse relationship between the employment potential and level of competencies is found in the informal sector, and a growing number of self-employment is losing out in competition due to lack of facilities needed to edge out. As the informal and formal labour markets are linked through forward and backward linkages, curriculum development has to be conducted on a system-wide rather than a segmented basis, and the training should be diversified to promote work-based learning.

4.2 Institutional Design and Capacity Building

4.2.1 *Role of the Public Sector*

The Constitution of Bangladesh provides for not only education as a basic right for her citizens, but also calls for 'relating education to the needs of the society and producing properly trained and motivated citizens to serve those needs'. The World Declaration of Education for All promoted 'an expanded vision' going beyond literacy and numeracy.

In addition to the pledges in the Constitution and World Declarations, there is a need for effective role of the state in terms of engagement and promotion. The public intervention is accentuated from the reality of 'market failure' which is much pronounced in the developing countries due to conflict over the distribution of the costs and benefits of training since individual often lacks finance to invest in an asset over which they have little control. In countries like Bangladesh, there is a strong case for government financing of skill formation especially in case of informal sector, the employers of the sector are rarely in a position to finance the large fixed costs associated with training.

Strategic Elements of an Integrated Skill Development Programme

There is a strong need for balance between the capacity of existing trades and teaching staff, and new emerging trades for efficient and effective utilisation of the training institutions. System of skill upgradation programme at the plant level should be developed in a way which ensures sustained improvement of enterprise productivity. This will ensure the quality of occupational competency and Bangladesh will benefit from sustained availability of qualified supply of labour force.

There is no standard recipe towards improving conditions of the informal sector. However, appropriate programmes may be designed by drawing general lessons from experience in a variety of countries, in particular looking at the best practices.

Social Accord: Before developing a training strategy for informal sector enterprises, it is important to reach a consensus amongst the stakeholders about the share of responsibility, priorities, targeting, use of resources and partnership etc.

Equity Oriented Targeting: The system of targeting has to be based on equity grounds, favouring over measures aimed at ‘picking a few winners’; offering training courses to them who need most.

Participatory Governance: It is now widely recognised that ownership matters and so does the effectiveness of training increase as and when clients are involved in making decisions which affect them. Equally important is the case for exploration of decentralising public provision including the devolution of control over budgets to training managers. It is also important that programme implementers are encapacitated with room for manoeuvre and to carry out experiment, for example as regards training contents and methodology.

Flexibilisation of the System: There is no denying the fact to try and make training systems and their products more flexible than what is usually the case, especially it is desirable to keep in mind the future skill requirements.

Gradualism: The basic approach to systemic reform is to be crafted to pursue gradual changes in existing structures and procedures than wholesale change. There should be ample opportunity for evaluation and for adjustments as appropriate.

Area of Coverage: The present system has to be reoriented to go well beyond typical, government-sponsored, two-or three year programmes to include, among others, the school leavers. Therefore, related concepts notably that of trainee and trainer should be defined accordingly.

Access to Complementarities: Training is by no means self-serving. For training to achieve its desired result in the informal sector, training for work in micro-enterprises should be complemented by before - and after-training services, such as vocational guidance and trouble shooting in respect of access to credit, market or access to technology.

4.2.2 Role of the Private Sector

The private sector provides for traditional skill development without institutional framework in many areas of urban informal sector. These activities in the private sector can be institutionalised. The owners of the informal sector or their association can establish training institutes for the skill development of the workers, which will play a prime role in enhancing productivity.

The private sector can seek support from the government including credit facilities and logistics. The tax exemption for the private sector investment in this regard can be considered. The capacity building includes set up of new

institutes to upgrade curriculum, intake capacity and increase the level of skills of the instructors and strengthen the industrial and market attachment.

4.2.3 Reorientation of Curriculum

Vocationalising the School Curriculum

The National Curriculum and Textbook Board (NCTB) offers general curriculum for SSC & HSC. The curriculum emphasised mainly on building foundation for higher studies in various discipline. The school curriculum can include various vocational courses as compulsory or optional. This way the students can get some skill in various engineering or non-engineering trades. Many students of the country have now not been able to get higher studies in universities and colleges. So vocationalising the school curriculum may create job opportunity for the drop out students. The NCTB can consider the proposal of vocationalising the school curriculum for the skill development of the workers in the urban informal sector in Bangladesh. This may help formal and informal sector workers to get education at a minimum cost as the existing school and college infrastructure can be used for the purpose. This will not only benefit the drop out students but also create good opportunity for enhancing the job related or market oriented competencies of the labour forces.

Matching the Market Demand

There is a direct correlation between the quality of trained workers and the implementation of productivity improvement programmes. Relevant productivity related subjects should be incorporated in the curricula of the VTIs /TTCs. Efforts should be made for conducting productivity -biased on-the-job training programmes. The course curricula of the training institutes should be designed in a way that they are flexible enough to respond to the changed situation of the market. Practical and need based training should be strengthened.

It is evident that achieving an occupational match will increase productivity and returns. Development of a comprehensive labour market information system would be a positive measure in resolving the problem.

Use of Communication and Information Technology

The information and communication technology can play an important role in promoting the provision of training, education and skill development for decent work in the informal sector. Although the IT sector is recognised as a thrust sector its substantive development has not yet been attained.

4.2.4 Affirmative Action for Women Participation

Nearly 50% of the population in Bangladesh are women. But the women participation in economic value addition is yet low. Many unorganised enterprises and engineering workshops have hardly women participation. During the last few years employment as "sales workers" has grown more than 10 percent and this has occurred largely among female workers, though the number of professional and technical workers has grown by 5 percent and here too female labour dominates the

growth pattern. Although there exists some provisions of training for female workers in the TTCs & VTIs in the public sector, the gender disparity is very high.

The female labour force participation underscores a significant need for integration of females into formal skills training programmes that will enable them to make significant inroads into active and meaningful labour force participation. There is a need for effective intervention to support skill development for women workers in non-standard forms of works. Financial assistance such as subsidised loan as well as opening of specialised training institutes for women can enable them to edge out the problems of gender segregation. There is a need for affirmative and equal opportunity programmes as well as promulgation of anti-discrimination laws for overcoming employer practices that exclude women for equal access to training.

4.3 Forging Strategic Partnerships

Partnership and cooperation amongst the key stakeholders are the pre-requisite condition for the qualitative and quantitative development of education, training and skills for decent work in the informal sector. Although the informal sector enterprise exists outside government regulations and not registered with authorities, there has been an inter-linkage between the formal and informal sector. The government has to play the central role to increase the economic potentiality of the informal sector enterprise by providing sufficient provision on education, training and skill development for decent work.

The government can play an effective role in the field of resource mobilisation. The government can create fund to provide sufficient credit facilities for the development of education and training for decent work in the informal sector. Interest free loan or nominal interest bearing credit can be allocated by the government for education, training and skill development purpose, which can encourage the informal sector entrepreneurs to invest in skill formation. The financial institutes like Employment Bank can service the demand in this regard. However, government's own efforts in this regard may seem not quite enough due to resource constraints. Herein development partners can come forward.

Such strategic partnership has several important advantages. First, it relates to incentives - employers' associations, trade unions and NGOs all have incentives to use their influence. The involvement of multi-stakeholders constitutes a powerful counterforce to market failure in training. A purely administrative approach can not mobilise such pressures. The NGOs including community based organisation can play a pivotal role in such alliance since the employers of the informal sector are rarely in a position to finance the large fixed costs associated with training. Second advantage relates to commitment - the influence of employers' associations and trade unions over the multi-stakeholder arrangements provides a potentially valuable source of increased commitment, particularly by employers, to training goals which they might try to evade under a purely administrative approach. Third advantage is of support services -- employers associations and trade unions provide potentially valuable training-related services including apprenticeship arrangement.

Note

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