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Economic Cooperation**

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Joint EC-HRDWG Policy Dialogue on 2017 AEPR Recommendations - Co-Chairs' Summary Report

Purpose: Consideration
Submitted by: EC Chair



**First Senior Officials' Meeting
Port Moresby, Papua New Guinea
8-9 March 2018**

Joint EC-HRDWG Policy Dialogue on 2017 AEPR Recommendations

2 March 2018, Port Moresby, Papua New Guinea

Co-Chairs' Summary Report

Background

In the 2017 APEC Economic Policy Report (AEPR) on Structural Reform and Human Capital Development APEC economies, seeking to help their labor forces adapt to market and technological shifts, have identified structural unemployment and skills mismatch as key concerns. There is a growing desire to work collaboratively in the area of structural reforms in human capital development. The objective of the Joint Policy Dialogue was to generate good, actionable ideas for APEC work and to deepen cross-fora collaboration on these issues. The Dialogue was co-chaired by Human Resource Development Working Group (HRDWG) Lead Shepherd Prof Dong Sun Park and Economic Committee (EC) Chair Mr Robert Logie. The main part of the Dialogue was conducted in three parallel break-out sessions on the following topics: Structural Reform and the Future of Work in the Asia Pacific Region, Education and Training for the Digital Age, Active Labor Market Policies and Social Protection.

Participants highlighted the following priority areas:

Structural Reform and the Future of Work in the Asia Pacific Region

1. Sensible policy approaches can help make the relationship between structural reform and employment protection and creation more mutually supportive. There is a need for:
 - innovation and adaptation of labor skills and curricula;
 - training and retraining of workers and institutions in support of structural reform;
 - policy and labor law adjustment;
 - more and better information on emerging economic sectors.
2. Economies at different stages of development should adopt different priorities on structural reform of labor and education markets. There should be:
 - research-based case studies to determine challenges faced by different economies;
 - reforms on a general and industry-specific levels as well as in education and employment areas.
3. Stakeholder collaboration and social dialogue (employer-employee, government agencies, etc.):
 - labor dialogue should be first on the local level so that we have relevant data, then we should bring conclusions to the regional level;
 - special attention to the vulnerable groups;
 - identify different governance models for collaboration on future of work challenges.

Education and Training for the Digital Age

1. Enhance digital literacy:
 - developing domestic digital literacy strategies;
 - sharing best practices from around the region;
 - enhancing the role of the private sector as well as local communities and civil societies;
 - linking digital skills to soft skills.

3. Restructure education and training system:
 - linking education to the labor market needs by providing platform for closer collaboration between government, private sector and academia;
 - re-skilling older workers;
 - recognition of prior experience;
 - developing domestic qualification frameworks;
 - balancing competition with collaboration.
4. Promote virtual academic mobility:
 - mutual recognition of qualification;
 - access to digital infrastructure;
 - boosting global competency.

Active Labor Market Policies and Social Protection

1. Enhancing labour market information systems, including by:
 - working towards a single regional data platform;
 - exchanging technical expertise;
 - promoting standard reporting system (dashboard/skill map).
2. Modernising employment services as infrastructure, including by:
 - identifying best practices in the region, starting with a workshop on best practices;
 - developing a region-wide employment services network, including through online tools;
 - conducting regulatory analysis to encourage effective employment services.
3. Building a social protection knowledge sharing platform, including by sharing evidence of best practices and fostering discussion among APEC economies on an online platform.

Cross-fora collaboration on the future of work (identified at two dialogue tables):

1. Seek an appropriate mechanism for cross-fora collaboration on the future of work:
 - consider demographic changes, including aging, digital technology and globalization;
 - incorporate perspectives of labor, business, government, NGOs.

At the end of the dialogue the EC Chair announced the establishment of 2017 AEPR “post-Core Team”, which will track progress on implementation of the AEPR recommendations and report to the EC and HRDWG in 2019 and 2021, at which point its mandate will end. The team will be responsible for flagging the relevance of the themes and recommendations of the 2017 AEPR for APEC Committees, specific APEC projects and high-level initiatives promoted by host economies. The “post-Core Team” consists of a mix of EC and HRDWG representatives from volunteer economies, i.e. Australia, China, Republic of Korea, the Philippines and New Zealand. It will seek to continue the discussion between the EC and the HRDWG on ideas at the intersection of structural reform and human capital development, including the recommendations of the 2017 AEPR and the 10 Big Ideas that emerged from the Joint Policy Dialogue.