



Kurdistan Regional Government
Ministry of Planning
Kurdistan Region Statistics Office

Summary of Labour Market & Skills Analysis 2017

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Kurdistan Region Statistics Office

Site: www.krso.gov.krd

Email: contact@krso.gov.krd

Tel: 0964 (0)750 896 31 43

0964 (0)66 255 91 70

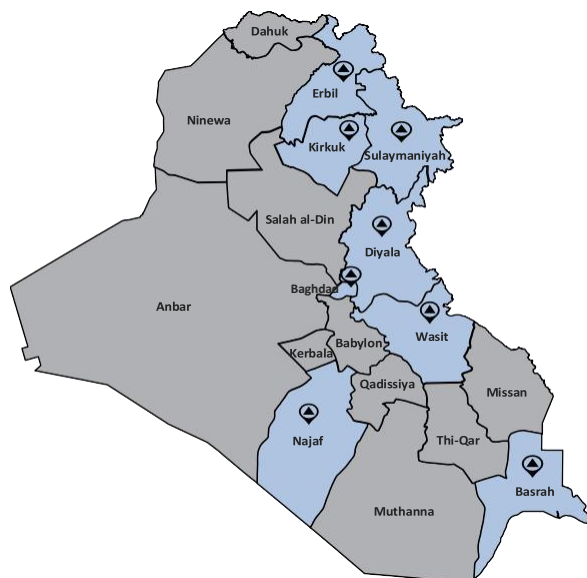
Executive Summary

Assessment of the Labour Market & Skills Analysis

The Assessment of the Labour Market & Skills Analysis is a series of eight reports on selected key economic sectors in Iraq and Kurdistan Region-Iraq (KR-I), prepared by UNESCO under the auspices of the European Union funded TVET Reform Programme, in partnership with the government of Iraq and KR-I. The purpose of the reports is to inform decision makers and education and training providers about issues of supply and demand in priority economic sectors to better develop training and opportunities for people (in particular women and youth) to enter the labour market and participate in formal and informal economic activity. Research and data collection activities were implemented in 2017 and the reports were completed in 2018.

Desk-based research on each sector was based on publicly available documents and statistics; and on documents and submissions provided by the relevant ministries, agencies and organisations. Research on the supply of skills to the sector relied on data submissions from the Ministry of Education (MoE), Ministry of Labour and Social Affairs (MoLSA), Ministry of Higher Education and Scientific Research (MoHESR). Every effort was made to mitigate issues of the completeness, quality and currency of the data available.

Qualitative data for these reports were collected during interviews with ministry officials and professional body representatives; and during two days of discussions with eight pilot sector councils constituted to provide public and private sector perspectives on the challenges and opportunities of each sector. A survey of firms in each sector (excluding the informal sector) was implemented in eight governorates through the Central Statistical Organization (CSO) and the Kurdistan Regional Statistics Office (KRSO).



Agriculture sector

Most of the farms in Iraq are small mixed family farms, and most of the jobs are for semi-skilled and skilled workers. The top occupations in the 2017 sample survey were predominantly for livestock workers. In contrast most of the agriculture training available is higher education (for technical and professional levels), and the majority is specialised in crop growing, and more theoretical than practical.

Traditionally the skills development of small mix family farmers is the domain of the Ministry of Agriculture (MoA), outside of the education and training system. In recent years there has not been

enough funding available for extension services and training for farmers. However, MoA has a very large number of under-utilised training facilities.

MoE trains small numbers of young learners for basic, semi-skilled and skilled agricultural work in vocational preparatory school. MoHESR trains technical and professional levels, mainly for public sector jobs. MoLSA only offers training for registered unemployed people, to skilled level, and does not offer agriculture.

No ministry provides formal certifiable training for adult learners who are not able to join institutes or colleges, often because they have farms to run in rural locations, but also because they lack the entry requirements for higher education. No provider offers supervisory level training (postsecondary, non-tertiary), because this 'craftsman' level falls between the traditional domains of general education and higher education.

Construction sector

Amongst the top ten occupations for Iraq are bricklayers and stonemasons, building construction labourers, heavy truck and lorry drivers, carpenter and joiners, and concrete workers. The skills supply data provided for this report indicates that training is not offered for any of these artisan occupations in Iraq; however, carpentry is offered in KR-I.

In both Iraq and KR-I the majority of artisan level construction-related training (MoLSA and MoE) is in electrical installation, and overall, two thirds of all construction-related graduates (at all levels) in Iraq and half of all construction-related graduates (at all levels) in KR-I are specialists in electrical fields. In Iraq metal work (welding and foundries), civil engineering and surveying are the next biggest areas for training, and the second largest field of training for construction occupations in KR-I is surveying.

The range of skilled workers and craftsmen needed for most construction projects include (and are not limited to) bricklayers, masons, concrete workers, carpenters, roofers, tilers, plumbers, painters, heavy vehicle drivers, earthmoving and heavy plant operators, foremen and supervisors. These occupations are needed in much bigger numbers than architects, surveyors, engineers and managers.

In view of the expectation of significant construction activity in the foreseeable future, it is recommended that training for a much wider range of construction occupations should be developed and offered, especially for semi-skilled and skilled occupations. Planning should take into consideration the hierarchies of manpower on a building site. Each building project requires the expertise of a few high-level professionals, many craftsmen and a larger number of semi-skilled labourers.


Hospitality sector

Given the predominance of food and beverage establishments in the sector, the top ten occupations from the survey include cooks, pastry cooks, waiters, restaurant managers, cashiers and kitchen cleaning staff. Hotel related occupations in the top ten include hotel managers, security guards, receptionists, laundry staff and cleaners.

The skills supply data collected for this report indicates that very little training is available for the food and beverage trade; and what little training is available is mainly tertiary level tourism and hotel management training.

The survey of skills needed in the sector in Iraq and KR-I shows that there is little perceived need for skills improvement. For most of the lower level occupations the employers rate their level of satisfaction with the skills of their staff higher than they rate the importance of the skill. Employers select staff primarily based on age and gender and interview behaviour, and do not consider qualifications (i.e. training) as important as demographic or social factors or practical experience.





Low expectations of skills needed in the sector will not support enhanced performance to meet the service and food safety expectations or the tastes of international travellers.

Information and Communication sector

The largest information and communications technology (ICT) sub-sectors in Iraq are telecommunications and TV networks.

The annual skills supply to the ICT sector from formal TVET institutions at all levels amounts to more than 11,000 graduates. The largest proportion are low level computer repair graduates from MoE schools and MoLSA centres. Electronic technologies programmes produce the second largest cohort of graduates; followed by computer systems and information technology programmes. Less than 1,000 graduates are produced each year for networks, databases, software and media occupations.

Small numbers of graduates for networks, databases, software may be the main reason for fewer of these occupations in the workforce, since there seems to be a gap in the ICT workforce in Iraq in these areas, and there is evidence of sector demand (represented by the various pilot Sector Councils) for the services they are trained to provide.

Formal qualifications do not seem to be highly valued by employers, and qualifications are not a high-ranking selection criterion for employment. Feedback from the pilot Sector Council suggests that graduates are not 'work-ready', and that may be one reason why formal qualifications don't play a big part in employment decision making. By deduction, employers don't think that having a qualification makes an applicant more valuable than one who does not have formal qualifications. Formal qualifications are also not a predictor of occupational level in the Sector. The survey data shows that people with high level formal qualifications can be found in low level positions, and conversely people with low formal qualifications could hold positions of responsibility.

In a fast-changing field like ICT, curricula needs to be updated on a short cycle (at least every 3 years) to incorporate new developments and continue to meet the evolving needs of the industry.

Informal sector

The informal sector is the biggest employer in Iraq, providing jobs and livelihood for millions of people. Almost all private sector workers work in the informal sector.

The informal sector permeates all the economic sectors, so there is no specific field of training. All the conditions for the growth of the informal sector are present in Iraq, so it can be expected to continue to grow in the foreseeable future.

Although informal sector work has low social status and low economic returns, and other disadvantages, it provides livelihood for millions of people in Iraq and KR-I, and it is a stepping stone towards the formal sector. Many businesses start informally and register once they are operating successfully.

Youth with low levels of education, and vulnerable and displaced people are strongly represented in the informal sector. The level of skills training programmes for the informal sector should target young people who have not completed secondary schooling.

Very short training courses (less than 6 months) do not develop the skill levels needed for employment. Short courses in employability skills (such as computer skills, business innovation, English language) do not increase the employability of young people except in conjunction with occupations skills needed by the specific sectors. A solid foundation in technical occupational skills is needed as well as a range of modern employability skills

Manufacturing sector

A major issue for the sector is that it is not able to compete with foreign manufactured products

which are cheaper. According to the Iraqi Federation of Industries, many factors contribute to the high cost of local manufacturing. These include outdated methods and old technologies, lack of innovation, and lack of expertise. Iraq seems to be lagging behind in the computerisation of its processes, and application of modern methods. These modern technologies and methods should be the basis for newly developed programmes to meet the needs of the industry.

The expected profile of the sector is a small minority of tertiary qualifications and a vast majority of vocational qualifications. The top ten jobs in the sample survey, there was a surplus of management occupations, and 26% of the sample workforce had tertiary qualification. So, the sample of the current manufacturing workforce seemed to be top heavy in both number of management level jobs, and qualification of the workforce.

According to the skills supply data submitted by public institutions at all levels for this study twice as many diploma and degree graduates are entering the labour market with qualifications relevant for manufacturing, as non-tertiary graduates. This appears to be a significant mismatch in the level of the skills supply for this sector.

The skills gap seems to have three dimensions: level, specialisation and employability skills. There seems to be an oversupply of tertiary graduates for an already top-heavy sector, and possible an oversupply of generalists, where industry specific training (with close relationships between training and work) may better meet the demand of the labour market.

The high cost of manufacturing in Iraq, which makes local companies unprofitable in competition with neighbouring countries, could be partly addressed through introduction of modern computerised technologies and a leaner, more skilled workforce: with modern employability skills such as creative thinking, digital skills, continuous learning skills and foreign languages. Education and training providers should ensure that their graduates have these skills.

Transport and Storage sector

Generally, employers who participated in the survey seem relatively satisfied with the skills of their staff, and for some occupations the skills of staff significantly exceed their expectations. Low expectations may indicate that the sector's needs and expectations have stagnated in a period of decline. Although transport and storage employers were generally satisfied with the skills of their staff in a period of decline, their expectations may be raised as the economy recovers and new trade routes and trade relationships are established.

Much of the institution-based education and training available for the transport sector is offered at the tertiary level, whereas most of the occupations in the list of top occupations found for the sector in the survey are semi-skilled and skilled artisan occupations. Since much of the transport sector is in private hands, one might expect that any gaps in skills supply are bridged by 'on the job' training, but this report shows that only 29% of the surveyed firms offered any training in the last five years.

In order to respond to the findings of this report TVET providers in Iraq should consider providing competency-based training for occupations for which training is not currently available (such as heavy vehicle drivers and heavy plant operators) and training for areas where there is clearly intention to hire, such as warehousing, including training for lower level 'materials management' occupations such as stock clerks and freight handlers. For all transport occupations, including taxi drivers, transport conductors and transport clerks, training in digital technologies, such as GPS, and foreign languages would be advantageous.

Wholesale and Retail sector

Only 32% of the supply of graduates have been prepared for service and sales roles in the retail sector, although it is the biggest subsector in terms of number of firms, and these are all school leavers who have completed vocational courses in commerce. Under 20% are prepared for motor





vehicle maintenance, and most of these are school leavers or MoLSA graduates, with some tertiary level training in mechanics in KR-I.

Only 3% of graduates are specifically prepared for roles in advertising and marketing. In the context of this analysis this seems to be a real gap in the supply of graduates, since sales and marketing managers appear in the top ten occupations in employment in both Iraq and KR-I in 2017, and this is an area where the pilot Wholesale and Retail Sector Council sees most opportunity for growth and increased competitiveness of the sector.

Although survey participants in Iraq did not identify skills gaps in creative thinking, continuous learning, digital technologies or foreign languages, these skill areas were strongly identified in KR-I and they seem most relevant to global trends in wholesale and retail, and to the pilot Sector Council's vision of a more competitive sector using modern technologies to market products to consumers who need to be educated to prefer better quality, local goods. Foreign language is considered especially important in KR-I where many people do not speak Arabic or English. It seems important for commercial success to be able to use the main languages of the region and of the internet.

TVET Reform Programme for Iraq and KR-I

The UNESCO Office for Iraq, under the TVET Reform Programme, has developed model competency-based training programmes for construction (bricklaying, concrete and carpentry); hospitality (cook and waiter); agriculture (livestock and crops); air-conditioning; electrical installation; and, body & haircare. An additional niche agriculture programme (piloted in Dahuk) is uniquely tailored for informal sector agriculture cottage industries. All of the programmes are at least six months in duration. The programmes are all based on occupational standards and include modern employability skills as well as technical skills for specific occupations. These newly developed programmes can be used by training providers and can serve as models to develop training for other occupations highlighted in the Assessment of the Labour Market & Skills Analysis reports.