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FROM - RIO DE JANEIRO

SUBJECT - NONCAPITAL PROJECT PAPER (PROP)

Manpower Planning and Analysis

REFERENCE -

COUNTRY: BRAZIL

PROJECT NO: 512-11-400-20300

SUBMISSION DATE: December 4, 1969

ORIGINAL: X

PROJECT TITLE: Manpower Planning and Analysis

U.S. OBLIGATION SPAN: FY 66 through FY 71

PHYSICAL IMPLEMENTATION SPAN: FY 66 through FY 72

GROSS LIFE OF PROJECT FINANCIAL REQUIREMENTS:

U.S. Dollars \$ 275,000

Local Currency (Trust Fund in US\$) 172,000

Total \$ 407,000

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I. SUMMARY

Justification

Brazil is striving to further develop its economic potential through rational planning with the objective of accelerating growth processes, avoiding the wastage of poorly applied resources, and offering the greatest economic benefits to its population. Fundamental to this planning process is the development of Brazil's human resources - the people who will contribute to the realization of these economic goals, and who will be recipients of the fruits of economic growth.

Recognition by the Brazilian Government of the key role of manpower development was manifested in September 1968 with the creation of the National Human Resources Center (CNRH) in the Ministry of Planning and General Coordination. Its responsibilities include outlining a strategy for human resources planning, coordinating research activities throughout Brazil, and coordinating international programs of technical assistance. In addition CNRH offers local technical assistance to other agencies while maintaining contacts and stimulating staff development in all of the diverse national, regional and local agencies in the field.

The responsibilities assigned to CNRH are particularly important at this time because all of the agencies related to the preparation and utilization of human resources are either being newly organized or expanding rapidly. A program to coordinate activities is badly needed. CNRH, however, is faced with certain serious problems. First, the basic data which it needs for manpower planning and strategy development are ~~high~~ either not available or are suspect as to their reliability and comparability. Second, its staff members have very little experience or specialized training, and this limits their ability to command the respect of other agencies. Such respect is needed if they are to attain a position of leadership. Finally, there is both a lack of coordination between CNRH and other planning agencies and a lack of communication between the manpower planners and those who administer Brazil's human resource development programs.

This project has been developed to help CNRH overcome some of these problems. Emphasis will be placed on the development of needed data for manpower and education planning, on staff development, and on the coordination and cooperation of diverse activities in the field. Such a program, at this crucial time, will permit the rational integration of various agencies and institutions in the field, permitting a synchronized program of activities in pursuance of common goals.

Relation to U.S. Goals

USAID has given high priority both to economic and educational development. A major objective in USAID's education program has been to encourage Brazilian educational planners to modify and adapt the present system, thus making it relate better to the economic and social needs of Brazil. This project promotes that goal by providing a better understanding of Brazil's and sharing this with the institutions, which try to prepare and maximize utilization of Brazil's human resources.

Project Goals

When the Manpower Planning and Analysis project was first conceived in 1966, its goal was the establishment of a working group of manpower specialists within CNRH. This broad objective has been realized. It is appropriate at this time to select more limited, ~~vai~~ viable goals within the above-mentioned objectives of the Center. These fall into three work areas:

1. A Program of basic data development for manpower and educational planning. This will provide for compiling existing data, evaluating and correcting these data, filling in data gaps, putting data on a comparable basis and, finally, making the data readily available to researchers and planners. The ultimate goal will be the creation of a manpower and education data bank.
2. A second work area will be the development of local coordinating centers for manpower development and utilization activities. A national strategy of human resources coordination will take some years to develop due to reluctance on the part of existing institutions in the field to cooperate and ~~and~~ communicate - a ~~situation~~ situation that may be ~~corrected~~ corrected with time as a cadre of trained manpower planners develop and attain recognition. Experience has shown, however, that the opportunity to study and coordinate activities at the local level does exist at the present time. This would include planning and coordinating the activities of vocational schools, and accelerated adult training programs and placement service activities within a local labor market. Three local ~~man-~~ centers, established on a demonstration or pilot basis to coordinate the above-mentioned activities, will be developed as a pattern to be copied in other parts of Brazil.
3. Finally, there is an immediate need for comprehensive and detailed manpower information for human resources planning. An extensive data program is outlined above, but many ~~with~~ years will pass before it can provide the detailed information necessary for an effective National Manpower Plan. During this interim period, a useful planning device can be local manpower surveys which yield detailed employment information for integration into manpower preparation and utilization. This would help to facilitate a balance in the supply and demand for specific occupational groups. A longer run, complementary project for manpower planning has been requested by CNRH from the International Labor Organization (ILO). It will ~~work~~ emphasize long range manpower forecasting, and the development of an integrated strategy for human resources development and utilization.

The above three project goals represent programs of immediate importance, which will establish a needed infrastructure for expanded manpower planning activities in years to come. In light of the recent increase in activity of manpower institutions, there presently exists a unique opportunity for USAID to assist in development of the strategy which will guide future integration of these institutions.

Minimum Levels of Output

As requisites for continued USAID participation in this manpower project, the National Human Resources Center (CNRH) must perform the following activities:

1. Provide personnel from its working group, or arrange for the participation of other ~~groups~~ groups;
2. to establish a list of necessary data sources fundamental to manpower and educational planning,

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- b. to search out existing manpower data, and
- c. to evaluate these data sources.

2. Assist in the formation of a manpower and educational data advisory group, or similar organization, which would represent both data gatherers and data users. The ~~max~~ objective of this group would be to stimulate the use of standard definitions and classifications in the reporting of manpower and education data.
3. Cooperate in the initiation and coordination of a manpower and education data bank.
4. Participate with the National Manpower Department of the Ministry of Labor in ~~creating~~ at least three demonstration manpower centers at the local level.
5. Participate with other Brazilian agencies in the manpower field to do at least two demonstration labor market surveys at the local level - one in an area of rapid industrial change, and one in an established industrial area.

General Approach and Plan of Action

USAID has provided CNRH with the services of one manpower planning advisor since 1967. This technical assistance is provided through a PASA agreement with the U.S. Department of Labor. The original agreement called for the establishment of a Manpower Planning and Activities Unit in the National Human Resources Center (CNRH). This has been accomplished and a program of activities has been developed.

CNRH has requested that the existing program of technical assistance ~~be~~ be continued, but that emphasis now be placed on specific program objectives. These objectives require the participation of technicians who have had previous experience in the field. They were selected because they will offer immediate results, either in the coordination of activities in the field or in the ~~development~~ development of an infrastructure for more extensive, future manpower planning.

1. The first objective is to assist in developing the basic data necessary for manpower and education planning. The Center will take the initiative to obtain the participation of all originators of data at ~~the national, regional, and local levels~~ national, regional and local ~~levels~~ levels so as to develop a list of basic data needs. Standard definitions and classifications will be agreed upon to insure comparability among various data series. Out of the contacts CNRH technicians make with manpower people in other organizations, a Council ~~on~~ on Manpower and Educational Data will be created. This project has been initiated, and a ~~the~~ detailed plan of action is being developed by the staff of CNRH.

2. CNRH will offer technical assistance to the National Manpower Department for the establishment of three demonstration Manpower Centers to coordinate activities to prepare and better utilize manpower. A basic model for these Centers is ~~a~~ currently being prepared. Once the demonstration Centers are functioning, efforts will be made to train personnel and reorganize the activities of local placement agencies on the basis of ~~experience~~ experience gained from such activity.

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3. Finally, plans have been initiated to do local manpower studies on an experimental basis in two diverse labor markets. This would result in techniques that could be applied by facilities existing at the local level in any Brazilian labor market. Such techniques will provide an assessment of the manpower and training needs of salaried workers in the community. CNRH will be able to coordinate local and state planning groups to encourage comparability between local endeavors, and avoid duplication of effort. The participation by CNRH in this area of local studies should eventually result in a national system of local labor market analysis providing for coordination of training activities and for the transfer of human resources from surplus to shortage areas.

II. SETTING

Brazil is experiencing a rate of population growth in the neighborhood of 3% per year. The rate of increase in urban centers is in excess of 5%. At the same time, the number of new industrial jobs is increasing at a decreasing rate due to technological advancements and capital substitution. The result is a rapidly growing body of urban underemployed. This urban mass was drawn to the city by the expectation of a better life, but has had to settle for limited opportunities, poor paying jobs, and very unproductive forms of self-employment.

This may be the most crucial problem in Brazil today. Growing expectations continue, yet per capita income is growing very slowly. Solutions must be sought immediately if social unrest is to be avoided. Thorough studies are needed to determine the nature and extent of underemployment, and to learn the personal characteristics of the unemployed - what they are doing, and what they are capable of doing. Research is needed to determine what new jobs are being created, and what kind of manpower they require. Finally, and most important, imaginative work must be done concerning how new jobs can be created to begin to absorb not only new entrants to the labor force but also the growing, stagnant residual of underemployed.

Some work is presently being done. Research is in progress by private foundations, foreign and local students and professors, government agencies and universities. Efforts are not coordinated, however, and the result is often a study poorly done due to lack of funds, or duplication of effort. Occasionally a valuable project is conducted by foreign researchers, but published abroad and thus never made available for use by local manpower agencies.

Efforts at preparing and better utilizing Brazilian manpower also are uncoordinated and unguided by the needs of the labor market. The 23 placement offices maintained by the National Manpower Department, for example, are merely central registration centers where the unemployed present themselves and wait for a prospective employer to call. Extensive national programs of accelerated adult training are being organized, but little has been done to determine whether local labor markets need the kind of training that is being given. Substantial investments are being made in vocational schools, yet only in rare cases are comprehensive studies made to determine whether these investments are warranted by the needs of the labor market.

The area of manpower planning and utilization is a newly opening area, with many older agencies rapidly expanding their scope of operations, and with many new institutions

entering. Coordination and communication is limited. Brazilian technicians thus employed have little experience, and only limited specialized training. There is a realization, however, that a great deal must be done in a short time. Agencies are receptive to technical assistance and, properly applied, foreign technical assistance can be used to stimulate inter agency contacts as well as staff development.

III. STRATEGY

The basic strategy of this project is to attempt to immediately improve Brazil's manpower situation, as described above, ~~by giving~~ by giving technical assistance to CNRH. The objectives are to stimulate the coordination of agencies operating in the field, to foster research and planning, and to develop an adequately trained staff of manpower planners and coordinators.

There are two alternative possibilities for accomplishing these ends. The first would be to encourage CNRH to operate in a manner other than that described in the summary plan of action, and the second would be to select other manpower agencies as the key ~~institutions~~ institutions for obtaining project objectives.

1. Assuming that USAID chooses to work with CNRH, as it does, American technicians could influence that agency to operate in several ways. The one here proposed is to urge CNRH to persuade other agencies, using such incentives as provision of technical assistance or financial participation. The alternative approach is for CNRH to rely on a legal ~~degree~~ degree to command leadership, while designing a tightly integrated manpower plan enforcing the participation of other human resource agencies. The technical assistance offered in this case would be that of a more theoretical manpower planner who would assist in forecasting future manpower needs, assign targets, and prepare a strategy for their attainment. Such a course of action was not selected for the following reasons:

a. Manpower and educational data are not presently available in the proper form to permit adequate forecasting techniques to be applied. An improvement in existing data, as well as in data from the 1970 ~~Popul~~ Population Census, would ~~not~~ be needed before such a program could be undertaken.

b. The role of CNRH as a leader rather than as an enforcement agency is more in line with the development of the democratic process. Providing CNRH with assistance to improve its own ~~own~~ professional capabilities, as well as enabling it to offer technical assistance to other agencies, will enhance its leadership position without necessitating resort to a complex set of legal controls.

2. The second alternative approach to achieving project objectives is to select other agencies in the human resources field to be the recipients of technical assistance. In fact, the specific program targets called for by the project will involve the participation of diverse agencies. The basic manpower and education data program will be the primary responsibility of the Center for Studies and Training in Human Resources (CETRHU) at the Getulio Vargas Foundation. The local Manpower Centers will be administered by the National Manpower Department with the participation of the Regional Planning Organizations (SUDENE, SEM and SUDESUL). The local manpower studies program will have the participation of the National Industrial Training Service (SENAL), the National ~~Commercial~~ Commercial Training ~~Service~~

Services (SENAC) and the National Manpower Department.

Direct programs of technical assistance could be developed with each specific agency. This, however, would only accentuate the current tendency for agencies to operate alone without coordinating their activities. Making technical assistance available through CNRH will strengthen its role as coordinator of manpower activities as well as establish it as a source of technical assistance for other Brazilian Agencies.

IV. PLANNED TARGETS, RESULTS AND OUTPUTS

By September 1971, there should be the following completed projects:

1. A comprehensive inventory of manpower and education data in Brazil, with ~~evaluations~~ evaluations as to the reliability of individual data sources.
2. A plan for data improvement ~~the~~ through the creation, from existing data sources, of a historic data series, and the development of complementary surveys to fill in data gaps. This plan should include the development of a Manpower and Education Data Bank.
3. A manpower council, or similar organ, which would be permanent in nature, and which would serve as the communication medium for data gatherers and users. Such a device would assist technicians in their efforts to achieve comparability and maximum applicability in manpower and education statistical development.
4. Three operating Manpower Centers, at the local level, coordinating programs for the preparation and utilization of human resources. These would be located throughout Brazil in such a way that industrial personnel would eventually be trained in all major urban centers. This will enable the currently operating placement agencies to expand their activities, and to play a more ~~dynamic~~ dynamic role in solving the growing problems of the urban labor markets.
5. Two newly developed labor market survey techniques (methodologies) will relate to local manpower planning; one useful in areas of rapid change, and one for studying all economic sectors in an ~~established~~ established labor market. These techniques will, in turn, be ~~applicable~~ applicable to other areas of Brazil, thus providing a ready, rapid and inexpensive method for guiding much of the human resource planning without waiting for the data required by more sophisticated, time consuming national and regional studies.

V. COURSE OF ACTION

Because this project has three separate areas, the steps in realizing each individual goal will take place ~~as~~ simultaneously, but will involve different Brazilian manpower institutions. The first project, basic manpower and education data improvement, will employ the following ~~course of action~~ course of action:

1. Train staff in CNRH concerning the types of data needed for manpower planning, alternative data concepts and definitions, and possible sources of data. A list of data based on the specific needs of Brazil, including the classifications and definitions to be used, will be developed. This portion of the program is in process and will soon be completed.

2. Circulate the list of suggested basic data for manpower and education planning among all data gatherers and data users, requesting their comments and suggestions. This will be the first step in developing a National Council on Education and Manpower Data, or similar group, as suggested in the project objectives. (Done in November 1969).
3. Form a working group on manpower and education data which will include both data gatherers and data users. Their job will be to supervise the gathering of existing data and relate it to the ~~xxxxx~~ pre-established list of essential data sources. A system of pre-designed charts will be used where information will be recorded under specific classifications, insuring comparability of findings even if the field work is done by various institutions. This work will begin in ~~xxxxx~~ January 1970 and should be finished by June 1970.
4. Once a search of existing data has been made, prepare an inventory ~~indication~~ indicating the data sources, their quality and definitions, classifications, coverage and time span for each data item. At that time the short-term services of a manpower and education data specialist will be needed to outline a program of data improvement, to instruct technicians in the development of historic ~~employment~~ employment series, and to suggest how to accomplish supplementary studies necessary to fill in the data gaps. This phase of the project should take place in July and August of 1970.
5. The data ~~xxx~~ working group will be formalized into a National Council or similar body, at the same time.
6. Provide staff training to at least one specialist in manpower data, and to several analysts, who will subsequently be employed to do preliminary analysis of collected data, encouraging its use and application throughout Brazilian manpower agencies. This will be done over a period of several years beginning in September 1970. The last participant should depart for training in 1972 and return in June 1974.
7. Recall the manpower and education data specialist to assist in computerizing the manpower and education data in its final form, after it is standardized for definitional and classificational comparability. Such computerized data will represent the Manpower and Education Data Bank. The data bank will furnish basic information for manpower and education planning. It will have a trained staff to facilitate the use and application of ~~the~~ information, and it will operate under the direction of a National Manpower Data Council to insure the overall acceptance of the classifications and definitions which it uses. Completion of work toward establishment of the data bank will take place between June and September 1971.

To better outline the specific details of this course of action, a high level technician in data improvement and application will be contracted for one month's service in Brazil. His job will be to meet the anticipated project participants, evaluate their capacities to participate in the project as well as their data needs, and to draw up a detailed plan of action based on Brazilian capacity and necessities. (Done in October ~~1969~~ 1969).

The second project, creation of three Demonstration Manpower Centers, will be a operative project between CERN, the National Manpower Department, and the regional planning agencies (SUDENE, SUDAM and SUDSUL). The course of action will be as follows:

1. Develop an operating model for the functioning of the Manpower Center with the cooperation of the CNRH staff. This model should be completed by the end of 1969.
2. Present the model to the National Manpower Department and the regional planning agencies for their modifications and ~~approval~~ approval.
3. Develop staff training programs for the Manpower Center directors, providing them with the technical skills necessary to establish and direct operations of the centers. These will be followed by other, more specialized programs for the Manpower Centers staff members who are involved in specific programs. This will take place between January and June 1970.
4. While the staff is being developed, operating manuals will be written to guide the centers, daily activities and necessary forms and reporting procedures will be developed.
5. From July 1970 until December 1970, technical assistance will be provided for the successful installation of the three manpower centers. When they become operational, programs will be developed for training placement agency personnel from other cities in specific areas of operation. This should be feasible by June 1971.

The last project, local manpower survey technique development, will ~~involve~~ involve the joint participation of the National Manpower Department, SENAI, SENAC and the ~~regional~~ regional planning offices. The course of action will be applied as follows:

1. Organize an experimental demonstration project in a local ~~labor~~ labor market in a rapid transition, applying techniques previously used in more stable, highly industrialized areas. Modifications will be made for the differing conditions, and observers will be invited from other similar regions to be trained as local project leaders. This project was instituted in Recife in October 1969. Final results will be available by January 1970. Similar projects will be developed in four other Northeastern states by June 1971.
2. Organize an experimental local labor market survey in a stable, highly ~~industrialized~~ industrialized area, applying techniques previously tested in Brazil. This project, will be unlike other previous projects, however, since it will include the industrial, ~~commercial~~ commercial and services sectors instead of only the industrial sector. This technique is needed for the establishment of the local Manpower Centers, to give them an overall view of manpower and training needs on which to base their programs. The Guanabara labor market area has been ~~selected~~ selected for the project, and it should be finished by June 1970.

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NONCAPITAL PROJECT FUNDING (Obligations, in \$000)

Table 1
Page 1 of 2 pages
COUNTRY: BRAZIL

PROP Date:
ORIGINAL: X
Rev. N^o:
Project N^o: 512-11-460-263.6

Project Title: Manpower Planning and Analysis

Project N^o: 512-11-460-263.6

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Fiscal Years	Ap	L/G	Total	Cont ^{1/}	Personnel Serv.			Participants		Commodities		Other Costs	
					AID	PASA	Cont	U.S. Agen.	Cont	U.S. Agen.	Cont	U.S. Agen.	Cont
Prior thru Actual FY 69			97	7	-	73	7	15	-	-	-	2	-
Operational FY 70			98	-	21	34	-	40	-	1	-	2	-
Budget FY 71			80	-	22	36	-	19	-	1	-	2	-
B + 1 FY 72			-										
B + 2 FY 73			-										
B + 3 FY 74			-										
All Subs Yrs			-										
Total Life			275	7	43	143	7	74	-	2	-	6	-

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^{1/} Memorandum (nonadd) column.

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Fiscal Years	AID-controlled Local Currency		Other Cash Contribution Cooperating Country	Other Donor Funds (\$ Equiv.)	Food for Freedom Commodities		
	U.S. owned	Country owned			Metric Tons (000)	CCC Value & Freight (\$000)	World Market Price (\$000)
Prior thru Actual FY 69		15					
Operational FY 70		61					
Budget FY 71		56					
B + 1 FY 72							
B + 2 FY 73							
B + 3 FY 74							
All Subs Yrs							
Total Life		132 ^{1/2}					
1/ Trust Fund							

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