



Social dialogue as an instrument for economic competitiveness

The Perspectives of CONOCER México

*Panama City
October 2011*

The economic relevance of Latin America in the world is very high



- **Brazil and Mexico** would compose the **5th largest economy** in the world (3.1 trillion USD), practically equal to the economy of Germany (3.2 trillion USD)
- **Latin America and the Caribbean** would compose the **4th largest economy in the world** (4.8 trillion USD)
- Compared to China, **Latin America and the Caribbean** would compose an economic bloc equivalent to 80% in size, but with 40% of population. This implies that **productivity** per economically active population is practically **twofold**.

	Latin America and the Caribbean	China
Gross Domestic Product (trillions USD)	4.8	5.8
Population (millions)	580	1340
Economically active population (millions)	280	800
Territorial extension (millions km ²)	21	9.6
GDP per capita (USD)	8,515	5,184

Source: - International Monetary Fund 2010
- International Labour Organization 2010

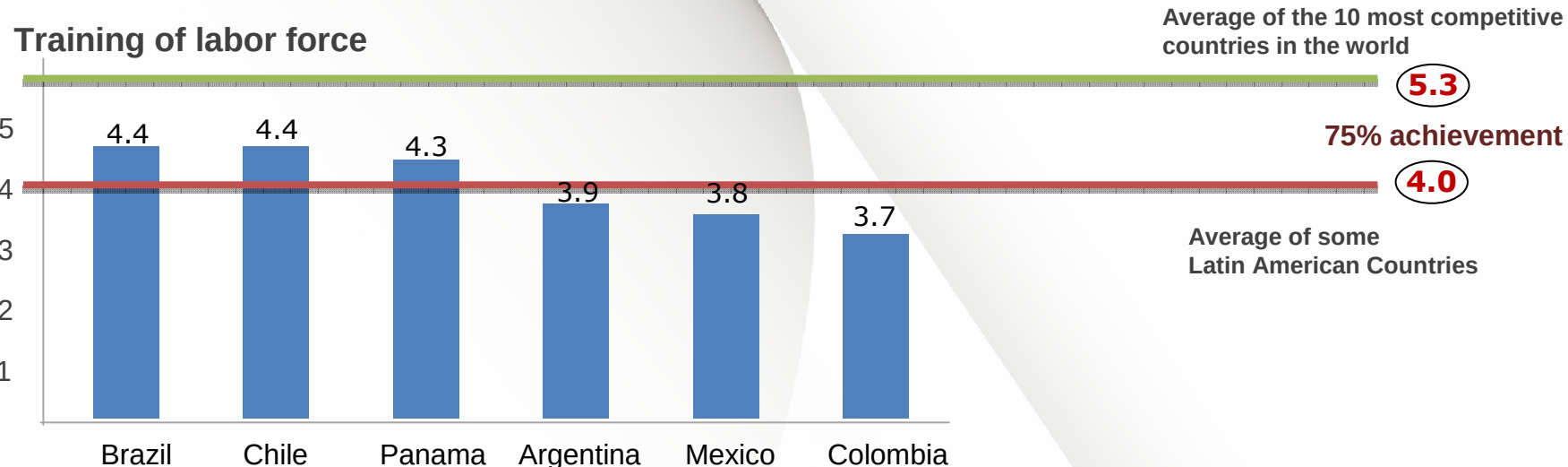
The economic competitiveness of various countries in Latin America is rising

Index of competitiveness of the World Economic Forum

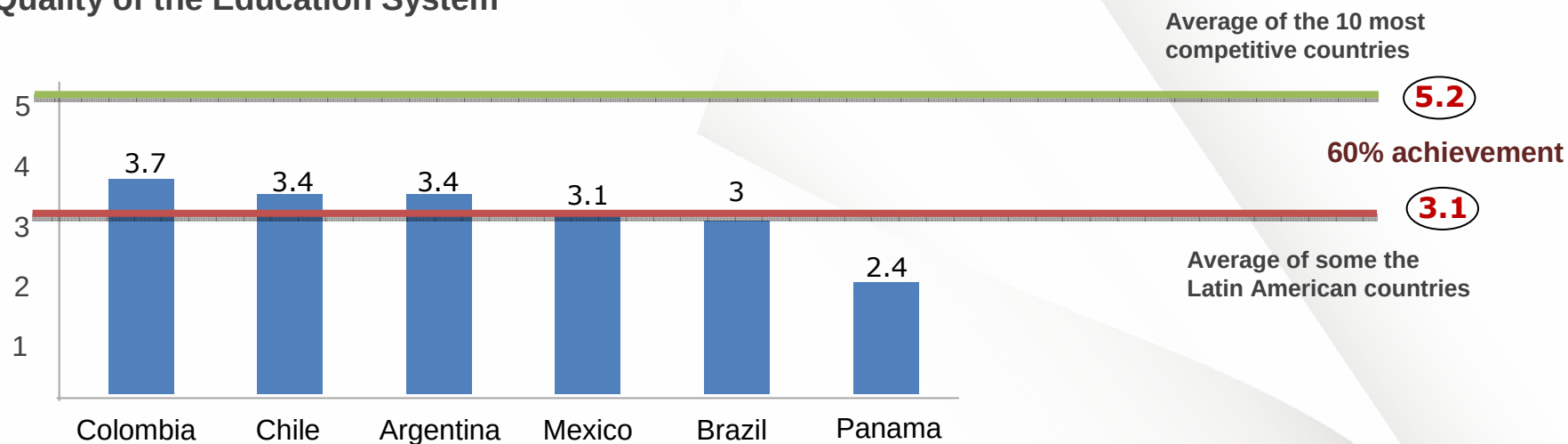


Source: - The Global Competitiveness Report 2011-2012
published by the World Economic Forum

But there are still important gaps in terms of human capital development



Quality of the Education System



Social Dialogue is a key instrument to strengthen economic competitiveness based in human capital

Key success factors for a Social Dialogue with impact in competitiveness and sustainability

- **Value Generation** for employers and workers.
- Involvement of **leaders of organizations at the highest level**, as well as working groups at the operational level. “Top-Down and Bottom-up”.
- **Key issues to increase competitiveness** and productivity, of productive and administrative processes of organizations.
- **Comprehensive approach** for workers development.
- New interaction rules and collective labor agreements, to **promote joint efforts** to generate benefits for all.
- **Distribution mechanisms to share** increased productivity and competitiveness, among employers and workers.
- New ways of **integration and collaboration** of other key agents, especially government areas of education, labor and economy; as well as education institutions, research, innovation and development centers.
- Focus on **innovation** and not only on improvement.

Governments and tripartite organizations must be driving agents for Social Dialogue

The CONOCER experience

- The National System of Competencies, four-party approach.
- **Human Capital Agendas**: Competencies relevant for competitiveness.
- Promotion of a comprehensive approach, for workers development : Functional, social, attitude, ethics.
- Dialogue in the context of current relevant sectors, as well as new areas for economic growth.
- **Intelligence generation** for **education sectors**, public and private.
- Consideration of **labor regulation and flexibility**.

Some sucess stories in Mexico

Restaurant Sector

Social Mortgage Loans

Sugar Industry

Basic Education