

Strategic objective No. 2:

Create greater opportunities for women and men to secure decent employment and income

66. Closing the employment gap is at the heart of the decent work agenda. Unemployment has been falling in most industrialized countries, but worldwide more than one billion workers remain unemployed or underemployed. Gender remains a source of labour market inequalities and inadequately utilized human resources. Women continue to be employed in a narrower range of occupations than men and to be concentrated in lower-paid, insecure and unprotected jobs. Small enterprises often face barriers to establishment or growth in the formal economy and so a growing proportion of jobs is found in the informal economy. Labour markets in some countries are influenced by ageing populations and in others by rapidly expanding labour forces. The impact of HIV/AIDS is dramatic, particularly in sub-Saharan Africa. Natural and man-made crises often result in increased poverty, unemployment and social exclusion for large numbers of people.

67. These situations all exist in the larger context of the globalization of markets and products, capital and labour. The world is seeing a continuous geographic redistribution of work and more unpredictable patterns of job creation. New technologies and location-independent production and labour markets have a profound impact on the organization of work and the skills required. This particularly affects groups that are struggling to avoid exclusion from the labour market.

68. Globalization, new technologies, and rapidly changing labour markets and production systems, create both opportunities and challenges for employment. They require appropriate policy responses that enhance the possible benefits of increased trade and foreign investment, while reducing their potentially adverse effects, such as job losses due to restructuring and greater economic disparities. Those responses need to be defined at the national level to properly take into account local circumstances and to recognize that the ability of governments to apply traditional economic measures is changing.

69. An ILO comprehensive employment framework, developed in 2000-01, draws together the programmes of the Employment Sector into a coherent set of policy options, strategies and operational programmes, which will be effectively adapted to specific national and local conditions. The following major areas will be covered:

- Strengthening the ILO's knowledge of employment outcomes of different macroeconomic policies.
- Policies to promote enterprises, particularly micro, small and cooperative enterprises which have the biggest potential for creating new jobs.
- Policies to enhance knowledge, skills and employability for men and women.
- Promoting employment through reconstruction and employment-intensive investment.
- Improving livelihoods through micro-finance, self-employment, local economic development and other income-generating activities.
- Promotion of decent work through voluntary private initiatives and corporate social responsibility.
- Policies and programmes to promote gender equality in employment to translate key gender and employment perspectives in the context of decent work into mainstreaming policy and programme tools.

Table 5. Strategic resources for Employment by operational objective

Operational objective	Proposed regular budget strategic resources (in constant 2000-01 US \$)	Estimated extra-budgetary expenditure (in constant 2000-01 US \$)
2a Employment policy support	45,306,333	1,300,000
2b Knowledge, skills and employability	33,542,006	18,300,000
2c Employment creation	43,001,194	47,000,000
Total 2002-03	121,849,533	66,600,000
Revised 2000-01	130,005,263	89,891,000

70. This table gives the total strategic resources available for work on Employment. As explained earlier, the decline in regular budget resources does not concern technical programmes at headquarters but relates primarily to the decline in backstopping costs for technical cooperation, whether in ILO offices or in support services at headquarters. Estimates of total extrabudgetary expenditure fall by \$23.3 million, primarily due to the decline in funding under the United Nations Development Programme. A number of areas where additional support is needed are identified below and will be followed up with donors.

Decent work

71. The sectoral contribution to decent work will consist of developing the inter-linkages and causal relationships between employment promotion and fundamental rights, social protection and social dialogue. Within the sector itself, the comprehensive employment framework outlined above will serve as the basis for advisory services for member States and interactions with other international organizations. The framework will also take into account the lessons learned from individual Country Employment Policy Reviews. On the basis of these assessments, a coherent set of priority targets in the area of employment policy, consistent with the ILO's overall goal of decent work, will be formulated.

72. Within this setting, increased attention will be given to national policies on more and better jobs for women. This will involve an integrated life-cycle approach to employment creation, raising awareness of fundamental rights at work, ensuring that women's employment improves family and child welfare, enhancing the protection of the most vulnerable, and promoting social dialogue.

73. Effective linkages and joint work programmes with the other sectors are equally essential to operationalize the decent work concept. Within the sector, the InFocus Programmes will take the lead in inter-sectoral cooperation.

74. The InFocus Programme on Boosting Employment through Small Enterprise Development will work closely with other InFocus Programmes including Promoting the Declaration, SafeWork and Strengthening Social Dialogue. The respective aims are to ensure that policies and programmes in the small enterprise sector will effectively promote the Declaration as a social floor; promote job quality, including social security, health and safety, and gender and family concerns; and that social dialogue is at the heart of the process to develop sustainable employment promotion policies and strategies. Likewise, the InFocus Programme on Crisis Response and Reconstruction will work closely with those on Child Labour, Promoting the Declaration and Strengthening Social Dialogue.

75. An inter-sectoral task force on decent work in the informal economy will ensure that research, policies and programmes targeting the informal economy constitute a coherent approach taking all the ILO's strategic objectives into consideration.

76. Other joint inter-sectoral initiatives will be developed with:

- The Standards, Fundamental Principles and Rights at Work Sector: research and action on measures to integrate fundamental principles and rights at work in employment strategies for decent work and to apply ILO standards through improvements at the workplace, and research on the links between women's employment and child labour.
- The Social Protection Sector: ensuring that policies and programmes to promote employment are underpinned by adequate systems for social protection, including: appropriate, productive and safe working conditions in small and medium-sized enterprises; adequate social protection for workers in micro and small enterprises; appropriate linkages between labour market and social security policies; development of effective policies for labour migration and the protection of vulnerable female migrant workers; collection and analysis of data on security and labour market flexibility; due attention to the effects of HIV/AIDS on the workforce and in the workplace.
- The Social Dialogue Sector: building the capacity of the social partners to participate effectively in the formulation and implementation of employment and productivity-related policies and programmes.

Operational objective 2a: Employment policy support

ILO constituents are better equipped to analyse trends in national and global employment and labour markets, and to elaborate, advocate and implement effective strategies for the promotion of decent employment for men and women.

Indicator 2a.1

ILO constituents that make use of the ILO knowledge base.

Target

Constituents in 30 member States.

Indicator 2a.2

Global and national employment policies that are influenced by recommendations of ILO policy advice.

Target

National employment policies in six member States.

Strategy

77. Indicator 2a.1 is new for this biennium and reflects the importance of the growing needs among constituents for easily accessible information on employment trends and good practices internationally. It also reflects the importance of a stronger knowledge base to support technical advisory work.

78. A basic element in fostering decent work is that policy-makers integrate employment as an overriding objective in their economic and social policy framework. To achieve this the ILO will support governments and social partners in articulating employment as a central issue in national and international policy-making underpinned by a strong knowledge base. Work will be guided by the Employment Policy Convention, 1964 (No. 122), the comprehensive employment framework described above and by the recommendations of the Global Employment Forum (2001).

79. As part of this, the Key Indicators of the Labour Market (KILM) programme will improve the availability, comparability, scope and geographic coverage of the gender-specific labour market information it captures. It will continue to provide support to users through the field structure. It will also focus on how States can better apply this and other labour market information to formulate and evaluate policies. Three new databases will be maintained and made electronically accessible. One contains country-level experiences in the implementation of the Employment Policy Convention, 1964 (No. 122), and the Human Resources Development Convention, 1975 (No. 142). Another concerns equal employment opportunities, based on country-level experiences with the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), and on data gathered at the enterprise level. The third provides information on the employment and labour aspects of voluntary initiatives by business.

80. To further strengthen the knowledge base, research will be undertaken to analyse which macroeconomic policy packages are most conducive to employment growth and poverty alleviation and under which conditions the employment consequences of globalization can be positive, given the widespread concern that these are often negative, especially for women. Another important element in a more strategic approach towards decent work and full employment is a well-functioning labour market. This requires labour market policies which allow firms to adjust to changing economic conditions while providing security for workers. Research in this area will not only help the ILO strengthen its role in advocating appropriate labour market policies but will also be an input to cross-sectoral activities on operationalizing decent work.

81. The World Employment Report will continue to serve as the main vehicle for disseminating ILO's position on employment issues and global labour market trends. In order to disseminate its findings as widely as possible the ILO will undertake major publicity drives and organize, with the field structure, seminars and workshops around the report.

82. Individual Country Employment Policy Reviews (CEPRs) will constitute a critical element in the operational design of a decent work strategy. At least four CEPRs will be conducted in collaboration with the ILO field structure, aiming at focusing the attention of governments, social partners and other institutions on employment issues. These will help to bring ILO experience in employment and labour market policies to bear on particular national situations and will be followed up with advisory services to help member States implement CEPR recommendations. In Africa, the Jobs for Africa programme will be the main vehicle to assist countries in developing and implementing effective policies for employment promotion.

83. Efforts will be intensified, in coordination with the International Policy Group, to play a greater role in international policy debates on the effects of globalization and macroeconomic policies, including financial sector reform, on employment, wages and poverty. To this end, cooperation with other international institutions such as the World Bank, the IMF, UNCTAD, WIDER and UNIDO will be strengthened.

84. \$1 million in support from UNFPA is expected to be available to finance ILO labour and population specialists in UNFPA Country Support Teams and for inter-country activities geared towards meeting the goals of the Cairo Programme of Action adopted by the last International Conference on Population and Development in 1994 and reinforced by the Special Session of the General Assembly in 1999 for the review of progress on the implementation of the Cairo Programme of Action; \$300,000 in extra-budgetary funding is expected to be available for employment policy advisory work.

85. An additional \$4.5 million in extra-budgetary funding would allow research to be undertaken on the impact of HIV/AIDS on the labour market, particularly in Africa. The results of the research would form the basis for supporting at least three member States in adapting their labour market policies to effectively take into account the consequences of the pandemic.

Operational objective 2b: Knowledge, skills and employability

ILO constituents invest more in training and skills development to provide men and women improved and equal access to decent jobs.

The **InFocus Programme on Skills, Knowledge and Employability** aims to encourage policies and programmes that increase investments in effective, responsive training and human resource development, including for members of vulnerable groups.

Its work is largely addressed under Operational objective 2b.

Indicator 2b.1

ILO constituents that adopt policies and invest in improvements in the quality and effectiveness of skills development and training and employment services.

Target

ILO constituents in 15 member States.

Strategy

86. To obtain decent jobs, and thus escape poverty and exclusion, workers need to develop their skills. It is therefore essential for member States to develop and put into practice efficient and effective training systems. Guided by the Human Resources Development Convention, 1975 (No.142), and the Private Employment Agencies Convention, 1997 (No. 181), the ILO InFocus Programme on Skills, Knowledge and Employability will continue to help member States strengthen training policy frameworks and improve the design and delivery of skills development programmes. The programme will work with all major stakeholders concerned with skills development, including not only government institutions and employers' and workers' organizations but also enterprises, public and private training providers and employment services. Good practices in terms of investment

in training will be identified, differentiated by region, enterprise size and industry. Work will also continue on national qualifications frameworks and their comparability, taking into account professional competency standards and the recognition of prior learning. Given their relatively low cost and potentially huge outreach, particular emphasis will be placed on the innovative use of information and communications technologies in training and employment services. This is expected to increase the total impact under this indicator which explains the higher target compared to the biennium 2000-01.

87. Technical cooperation activities, expected to reach some \$11.3 million in extra-budgetary funding, will focus on the development, testing and delivery of new training systems that respond to changing labour market trends and use up-to-date training and management techniques. Additional technical cooperation funds of \$6 million would allow an update of the Modules of Employable Skills methodology, for use by training institutions in four additional member States.

88. Activities will be undertaken in close cooperation with national constituents. Partnerships between public and private training providers and employment services will be actively encouraged through a series of national and (sub) regional meetings. Cooperation with UNESCO in the area of technical and vocational education will be extended.

Indicator 2b.2

ILO constituents that adopt strategies to ensure that women in general, and persons with special needs, such as disabled, displaced and young and older workers, have access to training and skills development.

Target

Constituents in 15 member States.

Strategy

89. This indicator and target has been added to reflect the needs of members of groups who face particular difficulties in finding work, particularly women, young people, people with disabilities, displaced workers and older workers. To meet this challenge, guided in particular by the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), and the Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159), the ILO will promote lifelong learning and develop new approaches to help these workers become self-employed or set up their own small enterprises. Special emphasis will be placed upon promoting training and employment opportunities for informal sector workers, most of whom are women. Teaching core competencies, such as learning, communication and problem-solving skills, alongside technical skills, can transform what are often marginal, survival activities into decent work, fully integrated into mainstream economic life. Following its adoption in 2001, the Code of practice on managing disability in the workplace will be widely promoted. The ILO will also make an active contribution to the African Decade of Persons with Disabilities. Tools, such as information kits, practical guides, case studies and websites, will promote the adoption of best practices in employment and training services for members of groups with special needs.

90. Investment in skills development for the young is essential to overcome their high rates of unemployment. The ILO will continue to be an active partner in the High Level Policy Network on Youth Employment together with the United Nations, the World Bank, business, trade unions and other civil society organizations. The network aims to develop a concrete and concerted programme of action by all partners to tackle youth unemployment. As a follow-up to the High Level Policy Network on Youth Employment, additional extra-budgetary funding of \$6 million would make it possible to develop innovative training programmes targeting young men and women, including those with disabilities, in their transition from school to work. The programmes would be integrated into national initiatives to tackle youth unemployment in four countries.

91. The ageing labour force in a growing number of countries has obvious implications for skills development and lifelong learning. The ILO will analyse the issues involved and contribute to the Second World Assembly on Ageing in Spain in 2002.

92. Extra-budgetary technical cooperation expenditure for activities in this area is expected to reach some \$7 million, with a major focus on skills development for women, particularly those in

the informal sector. This activity will draw on work developed in consultation with the Turin Centre.

Operational objective 2c: Employment creation

ILO member States and constituents are better equipped to design and implement employment promotion programmes in the areas of enterprise development and employment-intensive investment, including in post-crisis situations, paying particular attention to the situation of women.

The **InFocus Programme on Boosting Employment through Small Enterprise Development** aims to encourage the creation of more and higher quality jobs in small enterprises, with attention to gender concerns and the ability of small-enterprise leaders to mobilize and represent their interests.

Its work is largely addressed under Indicator 2c.1.

This InFocus Programme will be evaluated in 2002-03.

Indicator 2c.1

ILO constituents and other institutions that apply ILO advice and practical tools for enterprise development.

Target

Constituents in 60 member States and institutions in 30 member States.

Strategy

93. ILO employment promotion efforts will continue to emphasize the creation of decent jobs through enterprise development, especially by small enterprises. A major element in the strategy is the promotion of legal and regulatory environments conducive to job creation in line with the Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189), and the revision of the Co-operatives (Developing Countries) Recommendation, 1966 (No. 127), to be adopted by the International Labour Conference in 2002, through country-level advisory services and (sub) regional conferences.

94. Since micro- and small enterprises employ the great majority of workers worldwide the InFocus Programme on Boosting Employment through Small Enterprise Development will continue to play a central role in the ILO's employment creation efforts. In addition, ILO training materials and tools for enterprise development will be updated and adapted to help enterprises improve their competitiveness and productivity in a rapidly changing market environment. Other planned activities include research on good practices, an expert meeting on cooperative enterprise development, capacity-building of micro-finance institutions and of organizations which provide business development services.

95. To further strengthen its advocacy role at the policy level, the ILO will also continue to play an active role in the UN Secretary-General's Global Compact and undertake further research and disseminate information on corporate citizenship and management practices which reflect ILO values in such areas as socially sensitive enterprise restructuring and supply chain management.

96. To improve the outreach and impact under this indicator, most activities will be undertaken in cooperation with other organizations and existing networks including the Donor Committee for Small Enterprise Development, OECD, UNIDO, UNCTAD, the International Cooperative Alliance and national and international productivity movements. A substantial part of the activities in the areas of small enterprise and cooperative development is funded from extra-budgetary resources, expenditure on which is likely to reach some \$35 million. Additional extra-budgetary funding of \$7.5 million would allow specific innovative programmes to be developed and implemented in the areas of local economic development, micro-finance and decent work in the infor-

mal sector, in at least five countries. The latter issue will be the subject of a general discussion at the International Labour Conference in 2002. The decent work agenda will be supported through inter-sectoral work on job quality, social protection and social dialogue in micro- and small enterprises and on the role of micro-credit and other financial instruments in empowering the poor. Gender concerns will be mainstreamed into all activities to ensure that the entrepreneurial potential, leadership and managerial skills of women are unlocked.

The **InFocus Programme on Crisis Response and Reconstruction** aims to ensure a capacity to respond well to crises by aiding the reintegration of those affected into society and the economy and a broader awareness of employment and social concerns in crisis situations.

Its work is largely addressed under Indicator 2c(2).

This InFocus Programme will be evaluated in 2002-03.

Indicator 2c.2

ILO member States that apply the ILO approach to employment-intensive investment, particularly in post-crisis situations.

Target

15 member States, of which six in crisis or post-crisis situations.

Strategy

97. Investment in employment-intensive undertakings, both public and private, is essential to poverty reduction. The ILO's strategy to promote such investment seeks to highlight the linkages between employment and poverty and to focus on development agendas on the creation of decent work, particularly in crisis-affected countries. The ILO will continue to promote employment-intensive approaches in public infrastructure investment that combine job creation with decent working conditions, without compromising on efficiency or productivity. It will also continue to strengthen the capacity of small contractors to bid on infrastructure projects and to execute such works in an employment-intensive fashion while safeguarding decent work principles. Greater participation of communities in the planning and implementation of local level infrastructure projects will be promoted, particularly in the context of social safety nets and reconstruction programmes after crises. Another important element of the strategy is the mainstreaming of gender concerns in employment-intensive infrastructure activities and ensuring women's participation through appropriate selection of schemes, women's representation in community-based organizations and non-discrimination in terms of pay, and access to jobs and training. Due to strengthened collaboration with the World Bank, it is expected that work related to this indicator will bring about a higher impact than in the 2000-01 biennium.

98. The InFocus Programme on Crisis Response and Reconstruction will continue to focus on the employment challenges posed by different types of crisis. It will promote employment-intensive investment, using decent work as an integrated and coherent approach for social and economic reintegration and reduction of vulnerability. Activities will include the development and updating of training manuals and generic guidelines; support to governments and other stakeholders in the design of policies and programmes to help overcome adverse consequences of crises on employment and livelihood; undertaking gender-sensitive needs assessment exercises in crisis situations; formulation and implementation of reconstruction and reintegration programmes; and strengthening cooperation with relevant UN and non-UN bodies.

99. Extra-budgetary funding for work in the areas of employment-intensive investment and reintegration of crisis-affected groups is likely to reach some \$12 million during the biennium.

100. Additional funding of \$7.5 million for technical cooperation activities would allow the design and execution of area-based reconstruction and reintegration programmes in at least five crisis-affected countries, based on an integrated approach to employment creation which combines investment in employment-intensive infrastructure reconstruction with skills training and small enterprise development activities.

101. The Jobs for Africa programme will be the main means of action to promote the ILO's employment strategy at the policy and operational levels in Africa. It will continue to promote employment-intensive investment in the context of different multilateral initiatives such as the Comprehensive Development Framework and the Poverty Reduction Strategy programmes and will assist member States in developing country action programmes. An additional \$20 million in extra-budgetary funding would make it possible to enlarge the Jobs for Africa programme by ten additional countries.