



MIFOTRA



REVISED NATIONAL EMPLOYMENT POLICY

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I. INTRODUCTION

2007 National Employment Policy served as a guiding document for all stakeholders' interventions and initiatives aimed at creating and promoting employment in Rwanda

Success: progress in areas of skills, entrepreneurship, business development and promotion of access to finance for small and medium enterprises among others

Challenges:

1. Limited ownership of the Programme reflecting low sensitization and awareness among key implementing stakeholders;
2. Inadequate coordination institutional framework;
3. Duplication and fragmentation of programmes and initiatives among stakeholders;
4. Employment promotion indicators and targets not clearly outlined and mainstreamed in all strategies and planning frameworks, in particular EDPRS 1;
5. Weak and centralized M & E framework – employment outcomes and targets were not integrated into district and local government plans;
6. Failure to meet the targeted number of jobs.

So, the employment situation in Rwanda has not much improved despite better economic growth performance, macro-economic stability and improved infrastructure.

II. POLICY ISSUE

1. Predominant labour underutilization (Unemployment, Time-related underemployment and Potential labour force).

- Rwanda Unemployment rate is at 16.7 %;
- Time-related underemployment rate in Rwanda is at 29.9%
- rural time-related underemployment of 36.6%;
- The percentage of potential labour force which is not currently either studying or working is at 47% of underutilization in which the majority (86 per cent) have lower level of education or none

2. Labour market information system

The current system is not linked with various producers and users of labour market information (National Institute of Statistics, RRA, RSSB, public and private employment agencies) and hence It is not providing the information needed about market situation to inform policy makers.

II. POLICY ISSUE

3. Youth, women and PWDs employment

- Youth unemployment is predominant in urban areas,
- a big number of Youth in rural areas are employed in the agriculture Sector especially unskilled and semi-skilled.
- The youth unemployment rate is at 21 per cent;
- Women are predominant in subsistence agriculture (67 % of total subsistence foodstuff producers).
- The unemployment rate is higher among women with 17.5 % compared to 16.1% of men;
- PWDs with access to wage employment is at 13% compared to 18% of people without disabilities, indicating that PWDs face higher barriers to salaried jobs.

II. POLICY ISSUE

4. Education and training

- The Rwandan labour force suffers the issue of quality education and training which lead to skills mismatch and lack of employable skills
- The education and training system is theory-based and learning outcomes are not aligned with the needs of the labour market;
- Graduates from the general education and TVET system lack practical skills as well as communication skills.

5. Private sector involvement

- The private sector has not yet been sufficiently involved in the implementation of the development strategies and policies including the employment policy;
- A major hindrance to private sector growth and competitiveness are insufficient appropriate skills and labour productivity affecting all sectors of the economy and job creation as well;
- Private Sector is dominated by micro and small enterprises providing low returns to investment, has few job opportunities and struggle to grow.

II. POLICY ISSUE

6. Other issues

- high population growth rate has resulted in a growing working population that far exceeds the rate of job creation,
- Lack of forward and backward linkages between the productive sectors of the economy limits employment opportunities
- Large informal sector employment that is characterized by low productivity, huge decent work deficits, vulnerable workers and the working poor;
- Low institutional capacity for labour administration and coordination of employment creation interventions;
- Limited organizational structure for nationals migrating for foreign employment opportunities and skills exchange programme;
- The public employment service in Rwanda is still at its infancy stage over the four year of existence and only few job seekers have been registered against the available job seekers;
- Low level of compliance with labour standards (occupational safety standards, child labour elimination, collective bargaining and social dialogue)

II. POLICY CONTEXT

Employment Country's Targets

7 years Government Programme (NST1)

* 1.5 million by 2024

Challenges to be addressed

1. Predominance of labour underutilization ;
2. Lack of employment for specific groups (women, Youth and People with disabilities);
3. Skills mismatch and lack of employable skills (Education system and labour market needs)
4. Limited involvement of Private Sector in generating employment.

National Employment policy

The interventions

1. Creating conducive environment for job creation,
2. Skills development for youth and women,
3. Increasing employable skills through work place learning
4. Accelerating growth of potential employment sectors,
5. Increasing involvement of private sector
6. Improving labour market intermediation interventions,
7. Raising awareness of policies and strategies conducive to productive employment and growth.

III. POLICY VISION, MISSION AND OBJECTIVES

Vision

A country with full, sustainable and productive employment - decent work for all.

Mission

To strengthen and promote creation of productive and decent jobs for all and enable conducive environment for employment.

General Objective

The overall objective is to create sufficient and decent jobs in order to reduce labour underutilization enhance productivity and competitiveness.

SPECIFIC OBJECTIVES

- To stimulate economic growth and development through proper utilization of country's labour force;
- To enhance employable skills and competence for all;
- To create conducive environment for job creation;
- To promote entrepreneurship and access to finance for youth, women and PWDs;
- To promote industrial development especially by strengthening the role of made in Rwanda in job creation;
- To strengthen a well-functioning of labour market information system;
- To integrate employment issues in macro-economic policies and investments strategies towards employment mainstreaming and job creation;
- To establish effective and efficient system to manage labour mobility;
- To promote smooth transition from informal economy to formality;
- Promote labour intensive in public investments.

I want to train

IV. POLICY ANALYSIS

1. Economic Structure and growth performance

National Employment Policy will ensure that the priorities identified in 7-Years Government Programme and National Strategy for Transformation are effectively addressed.

Furthermore, National Employment Policy seeks to help achieve the objectives of Vision 2020 of transitioning the economy from dependence on agriculture to a knowledge-based economy, reducing dependency ratio by increasing the number of employed youth and women and hence reduce poverty through decent jobs.

2. Poverty and income inequality

- Lack of employment create the vicious circle of poverty and hence income inequality.
- Through increase of off-farm employment, It is also important to reduce inequality by absorbing the unemployed and new entrants to the labour market.

3. Labour Market situation

The total population is 11.5 million, the working age population is 6.7 million of which 3.6 million are in labour force while 3.08 million are outside labour force. The current economic dependency ratio is 124.

The situation of Employment, Labour underutilization, Formal and Informal employment, Education and employability skills, Youth, Women and PWDs employment as components of labour market indicators is highlighted in policy issue

IV. POLICY ANALYSIS

4. Private sector growth, competitiveness and involvement.

- The private sector is dominated by MSMEs.
- The private sector overall needs to undergo significant structural transformation to be able to become the main driver of economic growth and create the large number of jobs
- The involvement of Private Sector in skills development and financing is still a challenge which hinders the national workforce competitiveness and constant increase in labour productivity.

5. Labour Market Information System

- provides regular up-to-date information on the labour market to assist the government in planning and designing employment initiatives,
- providing employers with information on the current skills set of graduates of tertiary institutions and potential job-seekers with relevant information about the job markets.
- Currently LMIS relies on secondary data and has identified many gaps in data collection which inhibit its performance.

6. Social Protection

Existing social protection systems tackle poverty and inequality by enabling the poor to move out of poverty through promotion employment intensive investment and public works programmes.

Public works programme has had a positive impact to employment generation and improvement of living standard of the people in rural areas

IV. POLICY ANALYSIS

7. Labour mobility

Migration has been and will be a vital tool for social-economic development of Rwanda.

The properly managed labour migration:

- maximize migrants' well-being; and
- contribute to the development of their communities, countries of origin and destination, a triple win scenario.

The country will seek to fill temporary skills by attracting skilled individuals in priority sectors from the Rwandan diaspora and the international community.

Simultaneously, the country will develop human resources in order to be able to replace expatriate workers.

8. Working conditions, labour administration and social dialogue

- Rwanda has put efforts to increase working conditions, labour administration and social dialogue by adopting different law and their related ministerial orders.
- Despite efforts some challenges still exist like lack of an early poor working conditions, inadequate occupational safety and health, non-compliance of labour standards; ineffective labour/ workplace inspection among others.
- Adoption of labour laws promote decent work, provide conducive working conditions, improving productivity, prevention of accidents, occupational diseases and injuries at the work place
- The Ministry of Public Service and Labour will continue to encourage negotiations of Collective Bargaining Agreements, registers Trades Unions and Employers Organisations and ensures ratification of international labour conventions and regulates Public and Private Employment Centres/Agencies.

V. POLICY OPTIONS (ACTIONS)

Policy options (actions) in this Policy are organized under the following broad interventions which will be instrumental to achieve the overall policy objective to unleash Rwanda's full employment potential:

1. Pro-Employment macroeconomic framework and sectoral policies
2. Enterprise development and private sector competitiveness
3. Agricultural productivity and rural development
4. Linkage between education, skills development and labour market needs
5. Labour mobility and migration
6. Formalization of Informal Economy
7. Strengthen Active Labour Market Policies and labour market information system
8. Improving labour administration and working conditions
9. Promotion of employment opportunities for specific groups
 - A. Youth empowerment and employment
 - B. Employment for women
 - C. Employment of People with Disabilities (PWDs)

VI. Stakeholder Views

The draft document of NEP was developed under consultation of technical team from:

- Various Ministries and Government agencies;
- Private Sector federation;
- Civil society;
- Trade unions;
- ILO.

All stakeholders agree that effectiveness of the monitoring and evaluation of this policy will lead to tangible solutions to issues hindering employment and jobs creation.

VII. CONCLUSION

- ❑ The National Employment Policy will bring together various measures, programmes and institutions that influence the demand and supply of labour and the functioning of labour market.
- ❑ It will promote productive and decent work, in which international labour standards, social protection and workers' fundamental rights go hand in hand with job creation.
- ❑ It is envisaged that this National Employment Policy will become the key reference document for job creation strategies

To ensure a successful implementation of the policy, resource mobilization, greater commitment and active participation of different stakeholders (Government Agencies, Private Sector, local communities, Civil Society Organizations, Employers, Labour Organization and Development Partners) will be needed towards job creation.

Together ...



... We Can

***TOGETHER WE CAN
IMPLEMENT THE
POLICY, MAKING
EVERY RWANDAN
HAPPY THROUGH
DECENT
EMPLOYMENT.***