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**Republic of Liberia
Ministry of Labour**

EMPLOYMENT POLICY

2009

Ministry of Labor

with technical assistance from the International Labour Organization

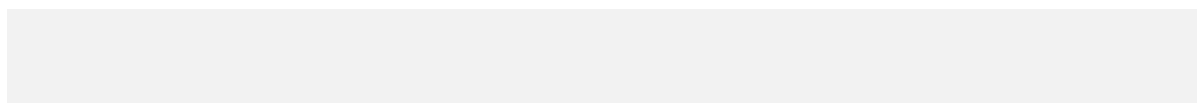


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Preface

Without jobs, poverty reduction will remain an unattainable goal for Liberia. Job creation is therefore a top priority, and the goal is to stimulate productive employment in the economy for the benefit of all Liberians. It is appreciated that economic growth must underpin job creation. However, growth alone is not enough. Employment and job creation need deliberate planning and integration as a key aspect into our approach to economic growth and poverty reduction. Therefore, employment is central to all of our social and economic development programmes.


The Liberian Poverty Reduction Strategy (LPRS) provides the framework for addressing poverty, and in this document we set out to complement the LPRS with a focused Employment Policy. The LPRS prioritizes the following:

- **Enhancing Peace and Security**
- **Revitalizing the Economy**
- **Strengthening Governance and the Rule of Law; and**
- **Rehabilitating Infrastructure and Delivering Basic Services.**

Productive and decent employment is a core element of each of these four strategic areas, and this is accepted by all Liberians. This policy seeks to address the question of how more and better jobs can be created in our country in an effort to reverse the increasing negative impact of the global economic crisis on it. A two pronged approach is suggested including emergency employment on the one hand and on the other actions geared towards generating medium term sustainable jobs.

Productive employment is about the interests of people, whether workers or employers. Therefore, the policy document is a product of a process of wide-ranging consultations. It reflects the consensus reached between the government, social partners and other actors to streamline employment and labour market actions. We call on all stakeholders to collaborate closely and effectively with the Government of Liberia to implement this National Employment Policy.

We express our deep appreciation to individuals and organizations who have contributed to the successful preparation of this Employment Policy. We are specifically thankful to the national stakeholders and development partners, particularly the International Labour Organization (ILO) who provided financial and technical support for this national undertaking.


Tiawan Saye Gongloe
Minister of Labour
Monrovia.

I. Overview of the Labour Market

"Liberia must create much greater economic and political opportunities for all its citizens and ensure that growth and development are widely shared, with the benefits spread much more equitably throughout the population."

This is the main message of Liberia's Poverty Reduction Strategy (LPRS) which articulates the Government's framework for development efforts from 2008-2011. The LPRS is based on four pillars: (i) consolidating peace and security, (ii) revitalizing the economy, (iii) strengthening governance and the rule of law, and (iv) rehabilitating physical infrastructure and delivering basic services. Productive employment and decent work are fundamental for poverty reduction and have strong bearing on the four pillars in the LPRS. They are instrumental for revitalizing our economy and consolidating peace and security, while also being dependent on strengthening of governance and the rule of law and on rehabilitation of infrastructure and delivery of basic services. Rehabilitation of infrastructure and basic service delivery are also vehicles for rapid employment creation. This Employment Policy is therefore complementary to the LPRS, and aims to translate the LPRS's employment outcomes into reality.

This Policy provides an integrated framework that is multi-sectoral in nature because creating jobs and economic opportunities is everyone's responsibility in Liberia. It is congruent with a number of key policies, strategies and plans which exist in our country, a summary of these is provided in Annex 1.

II. Background

This policy is built on a basic understanding of the labour market described below, which draws from current available data. However, it is noted that detailed data and information on the labour market is still relatively weak in Liberia, depending to date primarily on statistics from a relatively small sample survey (Core Welfare Indicators Questionnaire, 2007).

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GDP growth; actual, planned in PRS and revised forecast (%)

	2004	2005	2006	2007	2008	2009	2010	2011
Actual	2.6	5.3	7.8	9.5				
Planned (PRS)					9.6	10.3	14.8	12.3
Revised (March 09)					7.1	4.9	7.5	10.0

The peace agreement in 2003 and democratic elections in 2005 provided the essential foundation for putting Liberia on a path to sustained and rapid social and economic development. Optimism about the future and a sense of urgency to achieve tangible development results after decades of decline and fourteen years of violent conflict are reflected in the ambitious goals laid down in Liberia's first PRS (2008-2011). Economic growth was expected to increase to double digit levels, spearheaded by a revitalisation and rapid expansion of exploitation of the country's rich natural resource and fuelled by large expected inflows of foreign investments. It was premised on the aspiration that *"if Liberia is able to recover to 1987 levels of production of rubber, rice, timber and iron ore GDP would increase by more than 60 per cent"* (Radelet, 2007). Economic growth together with ODA were expected to rapidly increase public sector resources, much needed to rebuild the country's social and physical infrastructure.

However, the heavy reliance on external resources (FDI, ODA and remittances) makes Liberia particularly exposed to the impact of the global financial crisis since late 2008, which from a Liberian perspective could hardly have come at a worse time. As much needed foreign investments fail to materialise on time and markets for our main exports of rubber, timber and minerals slump the economic growth forecasts for the immediate future have been revised downwards by more than 50 per cent. The slowdown in growth is likely to have severe repercussions on employment and much needed public sector investments in human resources and infrastructure.

Approximately two thirds of all Liberians live in poverty. The widespread poverty reflects a large and acute deficit of productive employment opportunities. The population is dominated by young people, more than half the population is below the age of 20. This implies that our economy and labour market will need to meet the dual challenge of providing productive employment opportunities to large numbers of annual entrants into the labour force, while at the same time increasing the levels of productivity and incomes for the large numbers of working poor.

It is estimated that around three quarters of the adult population participate in the labour force. Open unemployment is widespread, particularly in urban areas and among the young. Approximately half of the openly unemployed are found in the

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capital, Monrovia. In the absence of any social security, the vast majority of our citizens depend entirely on work for their sustenance. For most this implies putting in long hours of hard work every day, but at very low levels of productivity and income. Most people in the labour force are among the working poor.

While the causes of past conflict are deep-rooted and complex, there are six issues that the whole Government is focused on through the LPRS in order to mitigate future tensions:

1. *land conflicts;*
2. *the conditions of youth especially with regard to employment;*
3. *political polarization;*
4. *mismanagement of natural resources;*
5. *the relationship between the state and its citizens; and*
6. *the weak and dysfunctional justice systems.*

These issues hinge to the traditional growth drivers of the economy which have been the sectors of agriculture, forestry, and mining. Around half of our labour force work in agriculture (mainly crop farming). However, the years of conflict saw a drift of people from rural to urban areas as well as displacement of people from their homes on a large scale. The migration from rural to urban areas was driven by push factors such as conflicts over land, physical insecurity and a failure to make ends meet in agriculture and in the rural economy at large. More often than not migrants ended up in precarious forms of self-employment or in open unemployment in the cities and towns. By 2008 more than one million people were living in Monrovia out of a total population of 3.5 million.

The Monrovia Challenge

Although there is an adult (15+) labour force of more than 1.1 million, of these only 160,000 have secondary education or more. The unemployment rate (broadly defined to include those who would like to work but are not actively seeking work because 'there is no point') is 11%. Yet, half of the country's unemployed live in Monrovia. Added to this there is very low labour participation in Monrovia (58%) as against 72% for country as a whole. This suggests a severe lack of job opportunities in the capital.

Own account agriculture is the predominant source of employment in rural areas. Agriculture remains largely subsistence-oriented and yields, labour productivity and incomes remain far below the potential. The share of the labour force working in agriculture is slightly higher for the elderly (55+), but is over 45 per cent also for the 15-24 age group and there are no significant gender differences. Exit from agriculture does not seem to be gender specific.

The rural labour market also includes large numbers of wage workers on plantations - mainly rubber – many of whom have fallen on hard times as world market prices have declined. Employment in forestry and mining is complex: many communities rely on forest products and the Government is pushing ahead with community managed approaches. Similarly artisanal mining has existed for many decades, and there remain many challenges of inclusiveness in the development of this sector.

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The main characteristic of the labour market in both rural and urban areas is informality. By 2007 over 85 per cent of our citizens were employed in the informal economy (including own-account agriculture) and a mere 17 per cent had wage employment. Access to wage employment in the formal economy is largely the preserve of the better educated. Yet, about 45 per cent of the working population has never been to primary school, and less than 15 per cent (160,000) have completed secondary education. Many of schools were destroyed during the conflict and training infrastructure is scarce, especially in rural areas. Women have much lower levels of educational than men across all age groups, and there are also large rural – urban differences in education for both sexes. Among the men, those who grew up during the conflict have somewhat lower levels of education than older men.

Wage employment as a share of the total employment by gender and age. Percentages.

	<i>15-24</i>	<i>25-34</i>	<i>35-54</i>	<i>Total</i>
Men	9.2	25.6	35.2	25.4
Women	3.3	9.2	11.2	7.9
Both sexes	6.2	24.0	21.8	16.8

Source: CWIQ, 2007

Literacy and attainment in secondary education (gender and age groups; Percentages)

<i>Age</i>	<i>Women</i>		<i>Men</i>	
	Literate	Some secondary education	Literate	Some secondary education
15-19	58.4	25.3	72.7	30.0
20-24	51.9	34.9	79.1	58.6
25-29	30.0	26.2	67.6	53.9
30-34	36.1	23.9	67.7	54.5
35-39	34.3	24.4	64.8	51.8
40-44	26.3	20.4	73.5	63.1
45-49	17.2	13.2	61.7	52.9
15 – 49	40.8	25.4	70.3	50.9
- Rural	25.9	10.4	59.9	37.4
- Urban	61.2	45.8	85.6	70.7

Source: Demographic and Health Survey 2007.

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The young often fail to find employment, as do women of all ages. Around 19 per cent of young Liberians are not working and not in school. Women represent almost 60 per cent of this figure. Those young women and men are probably discouraged as they face barriers to becoming integrated in the labour market and in the economy. Barriers are not only related to employable skills but also to the limited number of available jobs. Women are disproportionately represented as unpaid workers. Female poverty is a concern: 27 per cent of Liberian households are female-headed and 62 per cent of those live below the poverty line.

Many Liberians earn only the minimum wage of 0.25 USD per hour. The minimum wage is, however, being reviewed under a newly revitalized national wage board (2009). The official working week is 40 hours, but as many as 70 per cent of working Liberians work longer hours. Labour productivity is low: US\$718 in 2006, in nominal terms.¹ There is a “vicious cycle” of long working hours, low pay, and low productivity mainly based in the informal economy.

In our country today, there are around 300,000 working children (40%) out of the total three quarters of a million children aged 5-14 years. The pressure created by poverty and the break-down of the education system during the war has led to significant child labour. Existing safety nets such as the National Social Security and Welfare Corporation (NASSCROP) are limited in coverage and offer low benefit payments.

III. Key employment challenges:

The single most important challenge facing our country today is arguably to equip the vast majority of our people who live in poverty with opportunities for productive decent work.

The magnitude of the challenge is daunting and requires:

- increasing productive employment for the 500,000 working poor people who despite efforts do not earn enough to live above the poverty line,
- creating approximately 120,000 jobs for the unemployed, and
- creating 250,000 productive jobs in the next five years (2009-2014) for new entrants into the labour force.

Initiatives to address this challenge are hampered by the severe impact of the global economic crisis on our country. The sharp downward revision of economic growth forecasts for the coming years has major repercussions for our people because it

¹ Productivity was calculated with GDP figures from the Bank of Liberia and employment figures from the Ministry of Labour (MoL).

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imposes severe and unforeseen budget constraints on the Government implementation the LPRS. Much needed investments in human capital, rehabilitation of infrastructure and basic services delivery will be difficult to achieve.

While the substantial achievements to date in terms of re-establishing peace, security and progress in rebuilding the nation provided a basis until recently for a shift from emergency issues to more long term sustainable development – as reflected in the LPRS – the impact of the crisis implies that emergency employment needs to remain high on our agenda for some years to come.

In recognition of this complex situation, this Employment Policy is based on a two-pronged approach aimed at addressing the acute and severe shortage of productive employment that could potentially threaten our national security, while at the same time laying a sound foundation for sustained and high rates of productive employment for years to come.

IV. The 2-Pronged Approach to Employment

Liberia cannot do everything at once, and trying to do so will risk not achieving the highest priorities. Given the tight public budget and declining revenues, priorities must be made requiring much harder choices than expected at the time of the LPRS formulation. Direct emergency job creation, initially through large scale programmes to build essential infrastructure (viz. rural roads and primary school classrooms), and a focus on food security (through increasing rice and cassava yields in particular) are examples of core priorities which can yield large scale employment opportunities. The following suggests these and other focus activities within a 2-pronged medium-term approach of emergency employment and sustainable productive employment.

A. Emergency Employment

Policy Statement

Emergency employment schemes and programmes will be continued, expanded and consolidated within a framework of Government leadership

Provision of emergency employment is essential and needs to be scaled-up and institutionalised. The impact of the global crisis implies that any move to phase out emergency employment schemes in our country may be premature and could worsen an already precarious employment and security situation.

The strong reliance of the economy and development strategy on external demand and investments as a source of growth and development has made us vulnerable to the impact of the global financial and economic crisis. This crisis is having a detrimental impact on the capacity of the domestic economy to generate productive employment and revenue for public services, a situation that is likely to continue over the next few years. Not only are anticipated rapid generation of productive employment not forthcoming as planned, but gains already made in the field of employment creation are also put in peril as lay-offs of workers are taking place in key sectors of the economy.

The crisis is hitting at a particularly precarious time because we are still in the early stage of economic and societal reconstruction and development. In order to ensure that a smooth transition to a path of sustainable and inclusive development is not jeopardized, the acute employment challenges need to be urgently addressed.

Existing schemes for emergency employment and public works will be continued and expanded, as far as resources are available. These will be brought under Government ownership to facilitate coordination and consolidation within the framework of the implementation of the LPRS (see also Section VI, B). This Policy therefore combines the objective of rehabilitation of infrastructure with rapid employment generation, through the expanded use of labour intensive rehabilitation and public works programmes. This will not only mean the construction of main artery roads as

specified in the LPRS and Diagnostic Trade Study (2007), but also rehabilitating social services (education, health etc) where large numbers of new infrastructure and cadre are desperately needed.

Labour intensive secondary road construction and primary school construction hold key potentials to create many emergency jobs, as well as to facilitate access to markets and much needed basic education. Crash courses in basic construction skills are a means of providing immediate solutions, while also generating employment. Community driven programmes can also lay the foundation for development while generating employment. These are the practical strands of this Employment Policy.

With emergency employment remaining high on our agenda, there is a need to reign in the plethora of existing donor-supported schemes and to consolidate them within a government institution. This will help us gain ground in terms of employment generation and to move away from a project approach towards coordination under national ownership and the integration of emergency employment and public works programmes within the overall framework of national development planning. However, it will be done in the spirit of collaborative partnership, taking into account our capacity building needs. Special efforts will be made to improve the gender balance in access to emergency employment, and to focus on practical training in employable skills.

Strategies

- ***Creating a National Bureau of Employment within the Ministry of Labour, as a matter of urgency.***
...initially, its main task will be to promote, coordinate and consolidate emergency employment schemes and ensure their integration within the overall national planning and development process. The active support of the Donor Community in Liberia will be solicited towards this.
- ***Encouraging jobs and contracting of infrastructure for domestic benefit and to domestic investors***
...focus on labour intensive infrastructure of roads, primary schools and health centres to benefit our people's food security, education and health. Procurement and employment procedures for all governmental projects will be reviewed and revised as appropriate to ensure that local contractors and Liberian workers benefit from public investment and that fundamental labour standards are adhered to. Private sector execution of public works will be encouraged to use locally available resources and labour, combining job creation in infrastructure with improved working conditions.
- ***Promoting small-scale contractors in the construction sector***
...by promoting access of micro and small enterprises to public procurement contracts, and guaranteeing the application of labour standards in the local infrastructure contracting sector.
- ***Expanding and broadening infrastructure to include priority to infrastructure of rural roads, primary schools and health facilities.***
...the areas of emergency employment will be expanded beyond reconstruction of main artery roads, to include other areas of public infrastructure, such as primary schools, and rural health clinics as far as resources permit.

- **Combining emergency employment with “crash courses” in skills training and on-the-job training**

...through rapid skills training including on-the-job and short courses in basic skills linked to existing and new emergency employment schemes.

B. Sustainable productive employment

Policy Statement

The Government will promote productive employment that will reduce poverty, ensure peace and stability, and enhance the overall wellbeing of the Liberian population

Liberia’s strategy for economic growth rest on the following:

- a) **rebuilding roads and other critical infrastructure;**
- b) **reviving the traditional engines of growth in mining, minerals, forestry, and agriculture; and**
- c) **establishing a competitive business environment to help diversify the economy over the medium term.**

The LPRS notes that *‘robust economic growth alone will not guarantee widespread job creation, especially to the extent that growth is concentrated in relatively capital-intensive sectors. The challenge is to shape the revival of the growth process in a way that promotes to the fullest extent possible the creation of productive and remunerative employment.’*

For growth to translate into productive employment and a rapid reduction of poverty the educational and skill levels of the labour force need to be upgraded to ensure the matching of labour demand in key sectors, and productivity levels sufficient to lift people out of poverty. Priorities, given the tight resources must be determined and the following are suggested.

1. Enhancing human capabilities

Policy Statement

The Government will focus on improvement in educational access and standards, including in vocational training, and focus curriculum on meeting the demand of the labour market.

Reconstruction of the education system has begun, yet the backlog of adults who are poorly educated has left many without basic literacy and numeracy skills. Upgrading the education and skills levels of the large generation of people whose rights to an adequate education were forfeited during the years of conflict is a key challenge. Within this group, women of all age groups are distinctly disadvantaged in educational attainment and largely excluded from wage employment in the formal sector.

The destruction of the education and health infrastructure in Liberia has deprived a generation of Liberians of their right to adequate and high quality education and access to health care facilities. Yet, Liberia's most valuable asset is arguably its human resources. A rapid rebuilding of our country's human resource is needed, and reconstructing facilities is a first step. The systems for education and vocational and technical training must be re-shaped to provide the young generation with the education, knowledge and skills necessary to meet the requirements of the labour market of today and tomorrow.

Equally important, the large numbers of young adults, who grew up during the conflict with little or no opportunities for education must be offered 'a second chance' to build up their human capital to a level that makes them attractive on the labour market and capable of achieving levels of productivity and incomes that permits them to escape from poverty. Decades of discrimination of girls and women in the areas of education and vocational and technical training have left the majority of Liberian women singularly disadvantaged in terms of education attainment and employable skills. Strong proactive measures are needed to ensure that boys and girls have equal opportunities in the field of education and vocational and technical training at the same time as concerted measures are needed to give the majority of Liberian women who have lost out on educational opportunities a 'second chance' to acquire adequate education and employable skills.

Strategies

- ***Revised curricula for primary and secondary education linked to the needs of the labour market.***
...curriculum reform is an essential part of the education reform under the LPRS. The importance of a large number of non-governmental actors in the field of vocational and technical training underscores the need to establish universal standards of certification at all levels and throughout public, private, faith-based and community providers.
- ***Improve access to quality and safe schools. Recruit and train qualified teachers.***
...only a minority of the teachers in public schools are fully qualified. There is an urgent need to train new teachers and to upgrade the professional qualifications of the existing cadres of teachers with the aim to ensure that all teachers meet adequate professional standards. Access to schools remains severely limited, in particular in rural areas. Construction of new schools that provide a safe environment for both pupils and teachers is an urgent priority. Such construction will also contribute to creating much needed emergency employment.
- ***Strengthening the quality and accessibility of vocational training.***
...decades of conflict has left our country with very limited facilities for technical and vocational training at all levels and with a shortage of skilled labour, at the same time as there are large numbers of unskilled and unemployed youths nationwide. Large scale provision of employable skills through various forms of technical and vocational training to the large numbers of young unemployed and working poor as well as to the young generation that have yet to enter the labour market is essential for achieving the objective of generating productive employment that offers an escape to poverty, at the same time as it is needed to meet the demand for skilled labour of a growing and increasingly diversified and sophisticated economy.

2. Agriculture

Policy Statement

Priority attention will be given to revitalization of the agricultural sector with a view to develop its full potential to contribute to inclusive and sustainable economic growth, food security, job creation and reduction of poverty

Agriculture is the main source of income and employment for approximately half of our labour force. It suffered substantial decline during the years of conflict, with added value falling by more than half (1987-2005) and food self-sufficiency undermined by a decline in rice production of 75 per cent.

The scope to redress these declines is large but requires land reform with a view to arriving at a comprehensive national land tenure and land use system that provides equitable and secure access. An intensification of agriculture also needs to go hand in hand with an increased market-orientation. This requires first and foremost access to markets. Hence, the rehabilitation of basic infrastructure, in particular rural roads stands out as a precondition. It also requires access to yield-enhancing and soil-enriching inputs, extension services and training, especially in crops that contribute to domestic food self-sufficiency. Rice stands-out as the crop likely to make the most rapid strides in productivity; while exotic fruits should play a similar role in peri-urban agricultural promotion. Land, credit and agricultural inputs for these two priority food crops should be given strategic priority.

Strategies

- ***Improve the governance of agriculture, particularly the legal framework.***
... through land reform and revision of the legislative framework of land ownership in the agricultural sector, including cooperative legislation. The objective will be to encourage equitable and secure tenure, and promote sound local governance.
- ***Promotion of food security through enhancing the pace of staple food production.***
... through easy and affordable access to yield-enhancing inputs, such as fertilizers and improved seeds, and improved access to markets and distribution channels. Initial emphasis should be on increasing production of rice, cassava and exotic fruits (peri-urban areas) for local consumption in order to generate jobs and reduce dependence on imported goods.
- ***Development of efficient food and agricultural value chains and linkages to the market***
... though rehabilitation of rural roads as the main priority, construction of storage facilities, markets and other physical infrastructure essential for the development of market channels.
- ***Improve access to credit***
...for farmers, by reviewing the institutional framework and promoting the development of a national agricultural bank, as well as the expansion of community credit unions, and the development of Micro-Finance Institutions (MFIs).

- **Promote off farm employment in rural areas**
...by, in the medium term, diversifying the skills and technology base and promotion of agro-processing and other non-farm economic activities in rural areas for downstream and upstream linkages to agriculture

3. Non-agricultural sectors, including the informal economy.

Policy Statement

The Government will encourage job creation through entrepreneurship development and transition to the formal economy by eliminating impediments to and restrictions on the creation and expansion of enterprises.

Small and medium enterprises will be encouraged to form associations and to affiliate themselves with the major trade unions and the employers associations. Specific efforts will be made to support women in their role as economic actors.

G

Given the growing urban population, especially in Monrovia, and the high rates of urban unemployment, the promotion of small and medium enterprises must be a main avenue for increasing productive employment. The LPRS puts strong emphasis on the need to unlock the potential of enterprises to create sustainable and secure jobs through the creation of an enabling business environment. Small and medium scale enterprises will inevitably play a key role in generating productive employment and income opportunities in the non-farm sectors in both urban and rural areas.

Urbanisation caused by the drift of young people from rural areas during the long years of conflict has contributed to the creation of a large informal sector, estimated to be four times that of the formal sector in terms of employment. The informal sector tends to be connected with low quality jobs with little or almost no security for job holders. Facilitating formalization of informal sector enterprises and entrepreneurs is essential for achieving rapid sustainable economic development as well as from a decent work perspective. Transition to formality will be encouraged through *inter alia* simplification of procedures and legislation and through extension of the provision of effective legal and social protection measures.

Efforts are underway to address credit constraints through microfinance and to streamline business registration. These will need to be put in place rapidly, and progress monitored. Urban physical planning will need to pay particular attention to the needs and interests of small and medium scale businesses including informal ones, to adequate physical premises. The physical reconstruction of Monrovia and other towns offers a unique opportunity to incorporate these needs and interests in the planning process from the outset. Municipal authorities have an important role to play in offering affordable municipal services as well as, together with the judiciary, secure property and tenure rights in the urban areas.

In view of the disadvantaged position of women in the economy and labour market, special efforts are needed to improve their access to inputs and strengthen their role as economic actors and entrepreneurs.

Strategies

- ***Reduce or eliminate unnecessary business regulations and administrative requirements.***

... by simplifying administrative procedures for establishing, operating and closing down of firms including the development and implementation of a streamlined business registration process, a computerised business agency and the development of a 'one-stop shop' for customs and port clearance.

- ***Reduce administrative costs***

...by finalising the revision of the tax code and ensuring its implementation in the form of reasonable taxes and levies that are clear and transparently displayed at public offices, and which cover actual costs and are not a "hidden" tax. Payment systems should be simple, quick and local.

- ***Plan for expansion of small and medium enterprises***

... by addressing the needs of small and medium scale enterprises for adequate physical premises, linked to provision of municipal services and benefitting from secure property and tenure rights, in municipal and urban physical planning.

- ***Endorse the SME Strategy***

...by considering and finalising this framework in Cabinet and implementing its clear strategic and rapid implementation. Follow this with the further development of Micro-finance Law through a process of dialogue between the public and private sectors.

- ***Make entrepreneurship a career option, especially for young people***

...by providing curriculum on entrepreneurship at primary, secondary, vocational and tertiary levels that encourage and teach basic business skills for young people. Include courses on entrepreneurial management which use local best practices and provide certification for competency based training.

- ***Support female entrepreneurs***

...by ensuring representation of women in training and support schemes and establishment of special forums for exchange of information and support among female entrepreneurs.

- ***Expand social security for the informal economy***

The heterogeneity of the informal economy does not allow for proposing uniform solutions for extending social protection coverage. Nevertheless, there are basic elements which will be pursued. These are:

- Expanding access to basic health care through diversification of the national system that consist of taxed financed components, social and private insurance and community-based components.
- Considering targeted basic cash transfer programmes that provide some degree of income security for people in active age groups, i.e. social assistance associated with public work programmes and cash for work programmes.

- ***Strengthen the organization and representation of informal economy workers***

The representation of workers and entrepreneurs in the informal economy is an essential element of the strategy towards formalization and the gate towards realizing other rights and accessing resources. Social dialogue and strong tripartite partnerships will provide the necessary means for ensuring that policy development in relation to the informal economy takes into account contextual factors and diversity of interests.

V. Cross-cutting Policy Issues in Employment

Productive work opportunities are important to all of our country's population, yet there are specifically vulnerable groups which need to be supported in order to have equal access and opportunities. These include many of our youth, women, and people with disabilities. This Employment Policy, while recognising all peoples' rights to work, duly recognises the need for special efforts for these particular groups.

A. Youth

The majority of Liberia's young people have spent more time engaged in war than in school. Spending the formative years in an environment marked by violent conflict, has to a large extent deprived them of their right to education and opportunities to build the nation's human resource base. Their preparation for working life has been severely impaired. Facilitating labour market entry of young people and creating conditions that allow them to access productive employment and decent work is a matter of top priority.

Given that youth employment is highly dependent on overall employment, the strategy to improve employment prospects for youth is embedded in this overall Employment Policy. This, however, will be combined with interventions addressing the specific disadvantages faced by young people entering and remaining in the labour market. This will include an integrated and holistic approach which combines overall policies with targeted measures, focused on *both* labour demand and supply, and quantitative as well as the qualitative dimensions of employment.

Strategies

- ***Improve employability through vocational training and scaling-up proven apprenticeships***
...increase vocational education opportunities, including scaling-up of proven initiatives such as master apprenticeship and placement schemes. Ensure the revision of curriculum to provide rapid and standardized skills in modern labour market areas such as the construction trades and business skills, but also in basic literacy. Encourage mentoring schemes and public/private partnerships.
- ***Ensure the education system enables the provision of "second chance" training***
...by introducing relevant short courses and late entry to those young people who missed out on education during the years of conflict. Ensure this includes basic literacy skills.
- ***Business development services for young people***
...by actively providing information to youth via decentralised business employment services, job-seekers guidance and linkages and counselling of young people, including women.
- ***Ensure the social inclusion of particularly disadvantaged youth***
...some groups of young people face specific hardships due to discrimination and social exclusion, including those with disabilities, those affected by HIV/AIDS, demobilized soldiers, ethnic minorities, and migrants. Programmes directed to these special groups

should be developed by Government with support from skilled and experienced development experts.

- ***Representation and voice***

...by engaging workers' and employers' organizations in reaching out to young people as members of their organisations, and engaging them in the process of social dialogue processes, including collective bargaining.

B. Gender Equality

Gender equality is a fundamental right, a common value, and a necessary condition for the achievement of equitable growth, employment and social cohesion. The disadvantaged position of women is recognised and addressed in the Liberia Poverty Reduction Strategy. Women in our country continue to be disadvantaged in terms of access to education and technical and vocational training as well as in terms of labour market access and economic opportunities. As a consequence women are to a much larger extent than men confined to precarious forms of employment, yielding low and uncertain income and offering little or no security. The National Employment Policy reinforces the priority attached to achieving gender equality in the LPRS.

Strategies

- ***Enhancement of employability of women and girls.***

...through reform of the Vocational Training System to give special attention to marketable skills of women and girls. Pilot programmes in urban and rural areas will be implemented to ensure girls' safe transition from schools to work. These programmes will be evaluated, replicated and scaled up.

- ***Improvement of support to women's work forums and business support.***

...develop an Inter-ministerial Rural Women's Empowerment Initiative to strengthen the institutional capacity of organisations of female producers and entrepreneurs and to provide support services, including skills and business training, credit, and technical assistance. Special attention will be given to gender equality in labour market regulation and legislation.

- ***Development of Government monitoring and reporting on gender and employment***

...ensure all labour statistics are gender disaggregated by age, and deepen this information with strategic gender impact assessments. Ensure these impact studies consider how well new policies and plans address the needs of women, including the Decent Work Act. Engendered analysis of reporting on labour by the Ministry of Labour will be a key part of our yearly report to Parliament.

- ***Identify structural inequalities***

...inequalities in the structure of the labour market should be further researched including gender segregation in occupations; gender pay gaps; and impediments to the advancement of women into decision-making positions. Barriers will be identified, and specific measures introduced to systematically address each one.

C. Accessible employment of people with disabilities

Persons with disabilities should be provided with opportunities to engage in economic life and the wider society. The number of physically and mentally disabled persons in Liberia is not known but estimates suggest one out of every 80 Liberians.² This policy aims to promote the active inclusion and participation of disabled people in the labour market. This approach is guided by the core of the United Nations (UN) Convention on the Rights of People with Disabilities, to which Liberia is a signatory.

Strategies

- ***Development of legislation to prohibit discrimination on the basis of disability***
...by reviewing laws and regulations governing employment, job retention and return to work in the public and private sectors. This will include providing for reasonable adjustment and accommodation of jobs as part of antidiscrimination policies.³ It may also include developing specific measures such as quotas and other affirmative actions such as work-place strategies in the public and private sectors, and through community-based strategies of integration.
- ***Promotion of employment opportunities for persons with disabilities***
...by developing systems of assistance for persons obtaining, maintaining or returning to employment, including self-employment and establishment of businesses or cooperatives. This will include the monitoring of employment opportunities for persons with disabilities in all employment services, and Labour Force Surveys.
- ***Enhance access to opportunities and services***
...most especially through improving access to vocational training programmes, placement services and lifelong training for the disabled.

² Liberian Demographic and Health Survey (1999/2000)

³ See the *ILO Code of Practice on Managing Disability in the Workplace*, section 1.4 “Adjustment or accommodation” refers to “adaptation of the job, including adjustment and modification of machinery and equipment and/or modification of the job content, working time and work organization, and the adaptation of the work environment to provide access to the place of work, to facilitate the employment of individuals with disabilities.”

VI. Ministries Roles and Priority Actions for Employment

Creating productive employment is everyone's responsibility in Liberia, and there is a role for all Ministries. To effectively coordinate actions and monitor results, institutions are required to take clear responsibilities and report regularly within existing systems (which in some cases may require to be strengthened). The responsibility of each Ministry reflects their core mandates within Government, and coordination rather than duplication needs to be emphasized. This policy is designed to be congruent with other existing policies and strategies, most especially those described in Annex 1, with a view to ensure consistency and harmonized efforts.

The following outlines the apex structure, the key role of the Ministry of Labour, and the role of several of the Ministries who are central in implementing major efforts in the two-pronged approach described above.

A. Apex Structure

The apex structure for this policy and its monitoring is Cabinet and Parliament. These are serviced by the development-focused LRDC (Liberia Reconstruction and Development Committee) which takes broad policy decisions and ensures inter-ministerial coordination. Reporting on progress of this policy should therefore be done annually to Parliament as part of the Ministry of Labour's regular reporting, and regularly to the LRDC.

The LRDC is central in setting priorities and tracking progress in implementing Liberia's Poverty Reduction Strategy. The LRDC is chaired by the President and includes key central Ministries (Defense, Finance, Planning, and Public Works) as well as development partners (UN, US, WB, EC, AU and ECOWAS).

The Ministry of Labour, as the lead Ministry for the coordination and oversight of the implementation of the Employment Policy, will form a Steering Committee which will guide coordination efforts and reporting to both Parliament and the LRDC. Membership of the MoL on the LRDC will be sought.

In addition, this policy will be re-enforced by actions implemented through the four pillar groups of the LPRS, chaired by key Ministries. To do this effectively, participation by the Ministry of Labour and social partners on each pillar working group will be strengthened. These include the following, priority actions for implementation and regularly monitoring in terms of job creation.

Pillar Groups of LPRS and Lead Actions for Employment Generation

Pillar 1	Security	Ministry of Defense	Rapid training of security forces; training and job placement for ex-combatants including in vocational training; innovative north-south partnerships to scale-up training and human resource development.
Pillar 2	Economic Revitalization	Ministry of Finance	Priority to rapid expansion of food crop production, the revision of key legislation (Investment Code; SME Strategy, Micro-finance Law, and the tax code). Expansion of community credit unions, and consideration of an Agricultural Development Bank.
Pillar 3	Governance and Rule of Law	Ministry of Planning	Rapid training of governance personnel and public servants through short intensive courses for clerks of court, bailiffs and sheriffs especially for rural areas, as part of on-going Governance programmes.
Pillar 4	Infrastructure and Basic Services	Ministry of Works	Priority to scaled-up construction of rural roads and primary schools using labour intensive methods. Enhanced efforts to standardize qualifications for vocational training, and to provide rapid skills training in areas of labour demand.

B. Ministry of Labour

The Ministry of Labour has overall responsibility for labour issues, including laws (the Labour Code, and Decent Work Act), labour standards and industrial relations, and adherence to international labour conventions and their ratification. In doing this they utilize systems of tripartite dialogue involving workers and employers and are central in mediations during times of labour disputes. The Ministry of Labour is also the custodian of employment aspects of development, and an advisor on all Government proposals to ensure employment aspects of all policies and strategies are taken into account.

The Ministry of Labour's mandate includes the active co-ordination of this policy which will be undertaken by a newly established and semi-autonomous National Bureau of Employment (NBE). A separate document detailing the structure, and responsibilities will be developed and agreed by Government and LRDC.

The NBE will report directly to the Minister of Labour but be guided also by an inter-Ministerial Steering Committee. It will act as a national coordination point and give first priority to Emergency Employment initiatives. It will report progress regularly to the Steering Committee, the LDRC and Parliament (through MoL). Coordination with activities of Pillar Working Groups mentioned above will be essential during the implementation of this two-pronged policy. These efforts will also be harmonized with the Human Resource Capacity Development Strategy and Action Plan (2008) to ensure relevant skills for the labour market

during the coming decade. The NBE's functions overall will be organized in three areas of work, namely:

1. Coordination, monitoring and evaluating of both public and private employment related policies, programmes and activities.
2. Provision of employment services for job placements, career guidance and advice including for vulnerable groups (as described previously in this policy).
3. Labour market information and analysis, in adherence with the National Statistical Development Strategy of Government's (2008) which states the MoL's role as "*...to provide critical information...the MoL, with support from the LISGIS, the ILO and other partners will undertake small scale employment surveys of business in 2009 to be followed by a large-scale survey in 2012....also Occupational Injuries Surveys and Child Labour Surveys are aimed to be conducted.*"

VII. Conclusion

This Employment Policy document highlights the two-pronged approach to employment generation in Liberia. The approach has grown from a range of consultations and discussions undertaken with Government, workers, employers and development partners. It stresses the need to focus on:

- a) *Emergency Employment Schemes: scaling these up and coordinating them through Government.***
- b) *Sustainable productive employment including improvements in relevant vocational training, building incentives in agricultural (especially in food crops) and promoting small and medium scale enterprises and the integration of informal economy activities into the formal economy.***

The Ministry of Labour has taken the lead in developing this policy in full recognition that it requires broad implementation by many actors, as well as active coordination and collaborative efforts. This policy sets out the key responsibility of the Ministry of Labour as it relates to employment, and describes briefly the new National Bureau of Employment. It stresses the importance of functioning through existing structures, most especially those put in place under Liberia's PRS.

The next immediate steps for this policy should focus on endorsement through facilitated discussions led by the MoL with Cabinet Ministers and the LRDC. This is urgently needed in light of the immediate impact of the global financial crisis on national revenue and labour, and the need therefore to scale-up emergency employment services in the short term which may contribute to maintaining stability.

Annex One:

Congruence with other policies, strategies and action plans

The development of this National Employment Policy is congruent with a number of existing key national policies, strategies and action plans. The following provides a brief summary of those most directly linked to this employment policy.

A. Liberia Poverty Reduction Strategy

Liberia's Poverty Reduction Strategy (PRS), articulates the Government's overall development vision for moving toward rapid, inclusive and sustainable growth and development during 2008-2011. Employment issues were integrated within sectoral policies, primarily agriculture, forestry, mining and private sector investment. This is in addition to employment specific outputs in three broad areas: strengthening labour market governance through improved policies, labour administration and labour market data; boosting labour intensive public works; and finally introducing targeted programmes for specific groups such as young people.⁴ A national objective in the LPRS is to create greater economic and political opportunities for all and ensure that growth and development are widely shared, with the benefits spread much more equitably throughout the population. This employment policy has been developed as part of this national strategy. The LPRS stipulates the development of an employment policy.

B. Investment Incentive Code⁵

The National Investment Commission of Liberia (NIC), a revised version of the 1966 Investment Code, enumerates economic activities the government wishes to encourage and the types of incentives it will offer to investors. According to the draft Code (not yet approved as of January 2009), Liberia offers 100% repatriation of funds and no currency exchange restrictions. These include profits and dividends (net of taxes), remittance of moneys (net of taxes) in the event of the sale or liquidation of the business, repayments of loans acquired from foreign banks, etc. The Investment Code, encourages industrial enterprises which utilize, to the highest possible extent, Liberian labour at all levels and which contribute to advancing national skills through training schemes (on-the-job) and otherwise:

- Utilize raw materials and products of Liberian origin to the maximum extent;
- Utilize as much as possible, ancillary activities available in the productive and service sectors of the Liberian economy;
- Contribute to making Liberia independent of imports of basic necessities to the extent economically feasible, thus saving foreign exchange;
- Contribute to the extension and diversification of Liberia's exports;
- Contribute to increased employment across the country.

C. Agricultural Policy and Food Security in Liberia⁶

This Policy was developed in 2005 with technical support from Food and Agriculture Organization (FAO). It aims to improve access to food through broad-based participation in income-generating activities in key agricultural supply chains, together with the development of safety nets that protect the welfare of Liberia's vulnerable individuals. It focuses on 5 major challenges: 1) resettling the internally displaced (IDPs) and reintegrating ex-combatants; 2) reducing the real cost of food; 3) improving macroeconomic management and governance; 4) generating broad-based growth in rural incomes through smallholders; and 5) developing public sector capacity to analyze, plan, prioritize, coordinate and monitor policies and programs. Employment and livelihoods is an integral part of the policy of improving agricultural productivity and food security.

⁴ Ministry of Finance, <http://www.mofliberia.org/prs/cover.pdf> World Bank

⁵ National Investment Commission, <http://www.nic.gov.lr/content.php?main=26&related=26>

⁶ For the full document, see <ftp://ftp.fao.org/docrep/fao/009/ag069e/ag069e00.pdf>

D. Civil Service Reform⁷

The Civil Service Reform Strategy contains six key orientations: re-structuring and right-sizing the public sector; pay and pension reforms; enhancing service delivery; building human resource management; strengthening leadership; and improving gender equity within public service. It provides a vision, objectives, and components as well as implementation arrangements, milestones and an action plan which is costed. Further it provides a framework for monitoring and evaluation. The goal is to have a sound, efficient and transparent civil service which can ensure that the government's reconstruction. This envisages a modernized and competent Civil Service workforce that is professionally managed and imbued with high standards and an ethos that supports a results-driven public administration.

E. National Youth Policy⁸

This policy, supported by the United Nations Development Programme (UNDP) calls for a coherent approach to youth issues, with a special focus on gender concerns. It outlines activities to promote the participation of youth in post-conflict recovery and reconstruction including: education and training; employment; healthcare provision; peace and reconciliation; promoting gender equality; leadership development; adolescent reproductive health; HIV/AIDS prevention; drug abuse and crime; and protection of child labor. The Policy identifies the need to improve the employability of youth and ensure the social inclusion and representation in national policy making.

F. National Strategy for the Development of Statistics

This provides a five year framework for a system-wide rehabilitation of statistics in Liberia. It provides an agreed framework aimed at rebuilding statistical capacity and strengthening coordination across government ministries and agencies responsible for collecting data, as well as coordination among development partners. The over-arching objective is that by 2015 the national statistics system should be harmonized and efficient at national and regional levels, and aligned with international standards. It should be responsive to the needs of country policy makers and the national development strategy.

G. National Gender Based Violence Plan of Action⁹

This Plan of Action adopts strategic interventions to strengthen the health sector's response to gender-based violence (GBV). It focuses on case management, documentation and reporting on clinical evidence; reforming the legal system particularly with the security of women and girls; putting in place systems and outreach services for psychosocial support and 'safe homes' for survivors of GBV; developing skills to social and health professionals; and supporting women and girls' economic and social empowerment. As such, the integration of women in economic life is part of the strategies towards improving the lives of victims of violence.

H. National Girls' Education Policy¹⁰

The girls' education policy calls for meeting Millennium Development Goal (MDG) 2 by providing free and compulsory primary school and reducing secondary school fees by 50 per cent; recruiting and training more female teachers; providing counselling in schools for girls; ending the impunity of teachers who commit sexual abuse and assault of students; offering life skills at schools to raise the self-esteem so girls can say no to sexual abuse; increasing availability of small scholarships for girls; strengthening health systems in schools; opening new parent-teacher associations and girls clubs; and promoting adult literacy.

I. National HIV/AIDS Work-Place Policy (WPP)

The Ministry of Labour in collaboration with the International Labour Organization, the Ministry's Tripartite Constituents and the Ministry of Health and Social Welfare developed a National HIV/AIDS Workplace Policy (WPP) that employers (public and private) are expected to implement. The WPP represents the Government's commitment to 'a dignified workplace and a competitive work environment'. The Policy establishes key principles and provides practical guidance. It highlights measures to be taken for the protection of worker's rights, including employment protection, entitlement to benefits, and non-discrimination. It fits within the HIV/AIDS National Strategic Plan developed in 2000 and the new Strategic Plan (2008-2012) being developed with support from UNAIDS and other partners.

⁷ <http://www.csa.gov.lr/doc/LiberiaCSRStrategyJune08.pdf>

⁸ For full UNDP document, see http://www.undp.org/cpr/how_we_do/youth/Liberia.shtml

⁹ Forced Migration Review, <http://www.fmreview.org/FMRpdfs/FMR27/21.pdf>

¹⁰ UNICEF, http://www.unicef.org/media/media_33392.html