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Labor and Employment

Opportunities in Job Creation and Economic Development

**Trade and Investment Training:
Programming for Greater Impact**
Bangkok, Thailand
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Booz Allen Hamilton

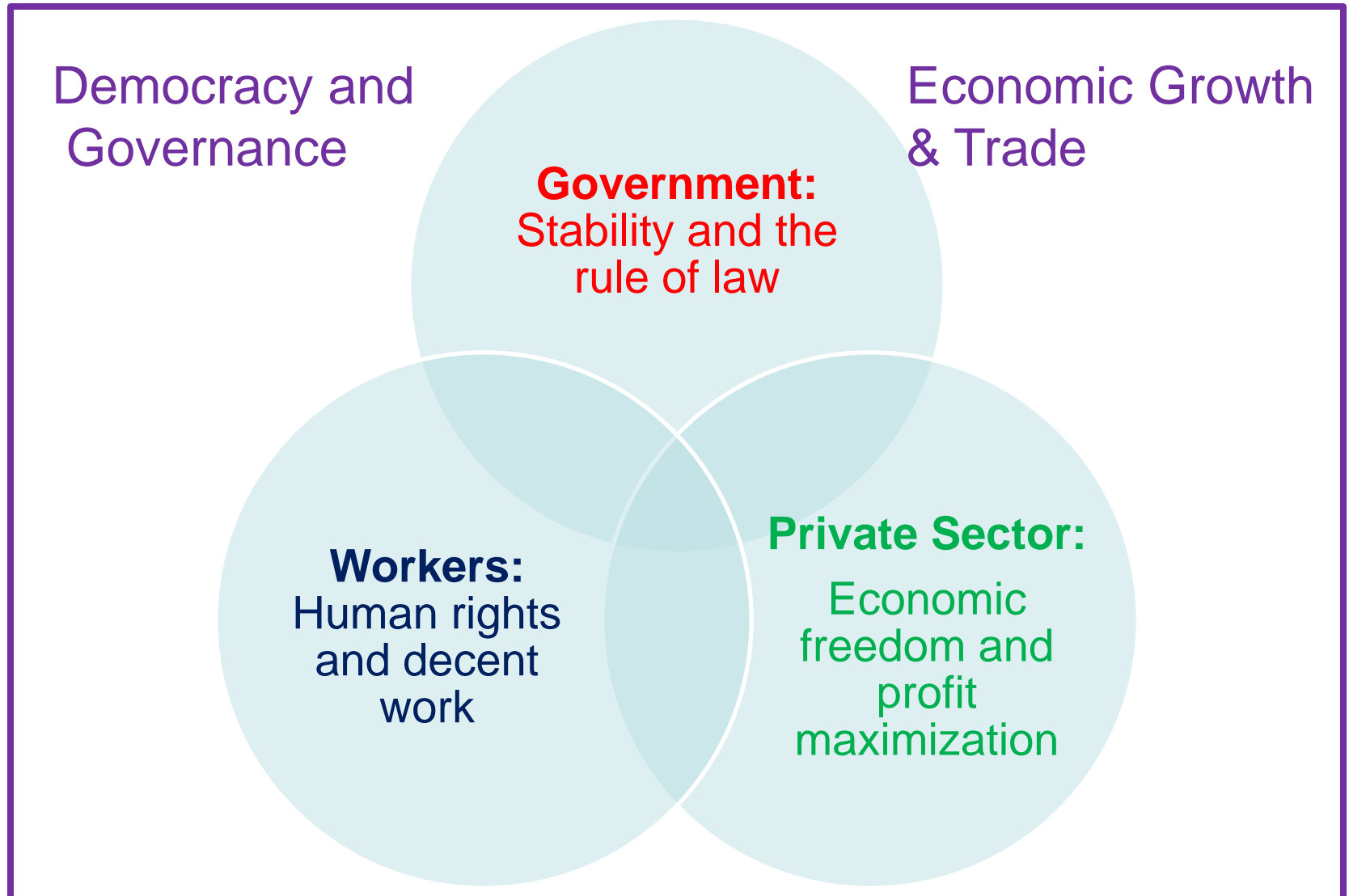
Labor, employment, and economic development: Tensions among stakeholders



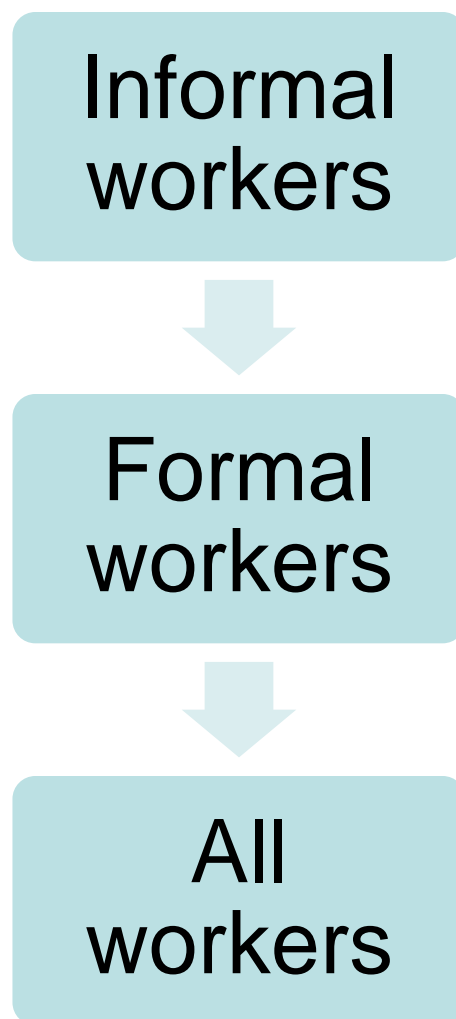
**Different stakeholders, different truisms:
Who said what?**

- “Labor peace is essential to prosperity.”
- “Heavier regulation of labor is associated with lower labor force participation.”
- “The best anti-poverty program around is a world-class education.”

Why is labor and employment important for economic development?



Key issues



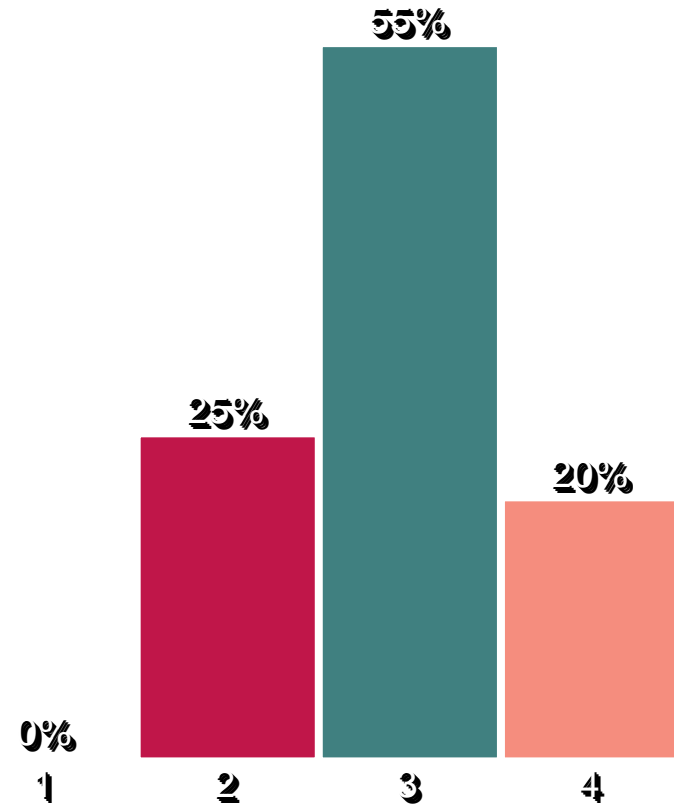
Vote: What percentage of people in Cambodia are said to work in the informal sector?

1. 20%

2. 99%

3. 85%

4. 62%



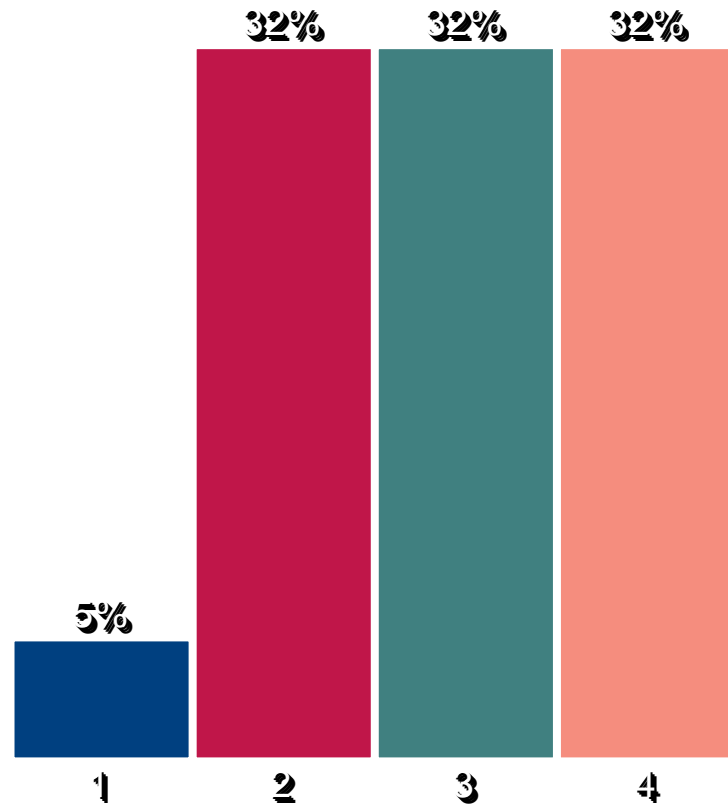
Vote: What percentage of people in Senegal are said to work in the informal sector?

1. 20%

2. 95%

3. 85%

4. 62%



SKILLS.

“Agriculture is no longer a brute-force industry. It is a knowledge-based activity.” *Professor of Agricultural Economics, University of Accra*

“Higher education is critical to build the human capital that in turn builds the very institutions that are regarded as an indispensable factor of development – the accountants, doctors, engineers, lawyers, [and] teachers.” *Center for Global Development (2008)*

Workforce profile

- What are the major characteristics of the country's workforce?
- How do these characteristics inform programming priorities?



Legal Framework

General terms of employment

- Minimum age of work
- Minimum wage
- Work hours
- Weekly holiday
- Overtime pay
- Annual and sick leave
- Religious and/or official holidays; death of a relative
- Salary disbursement
- Severance
- Parental issues
- (Gender differences)

Additional terms and laws

- Unionization/collective bargaining
- Employment discrimination
- Dispute resolution
- Health and safety
- Workers accident insurance
- Social security and medical insurance
- Anti-trafficking
- Public employment
- Education (primary, secondary, vocational, tertiary)

Implementing Institutions



Ministry of Labor

- Labor relations
- Labor inspectors
- Occupational safety and health
- Job creation
- Job training
- Child labor

Other ministries

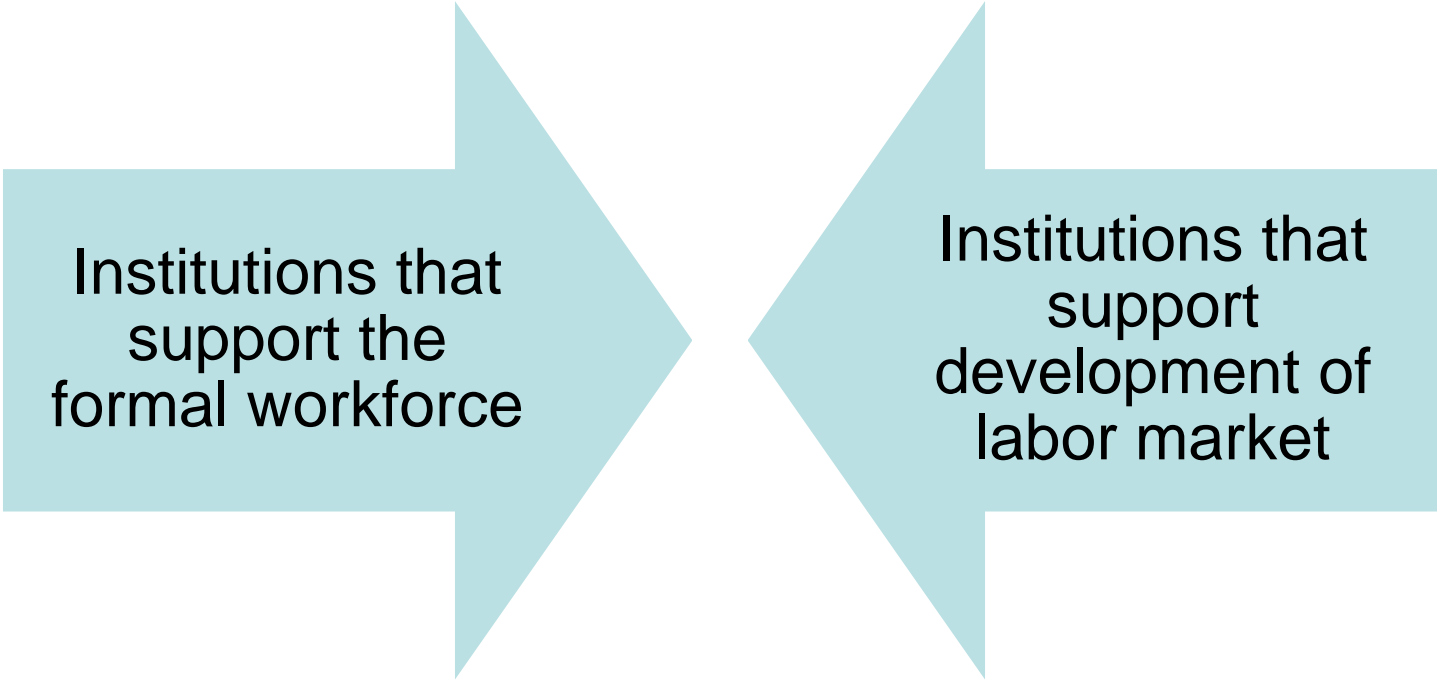
- Education,
- Trade/Industry/ Commerce
- Immigration
- Agriculture
- Justice

Social security agency(agencies)

Dispute resolution authorities

- Courts
- ADR
- Other tribunals

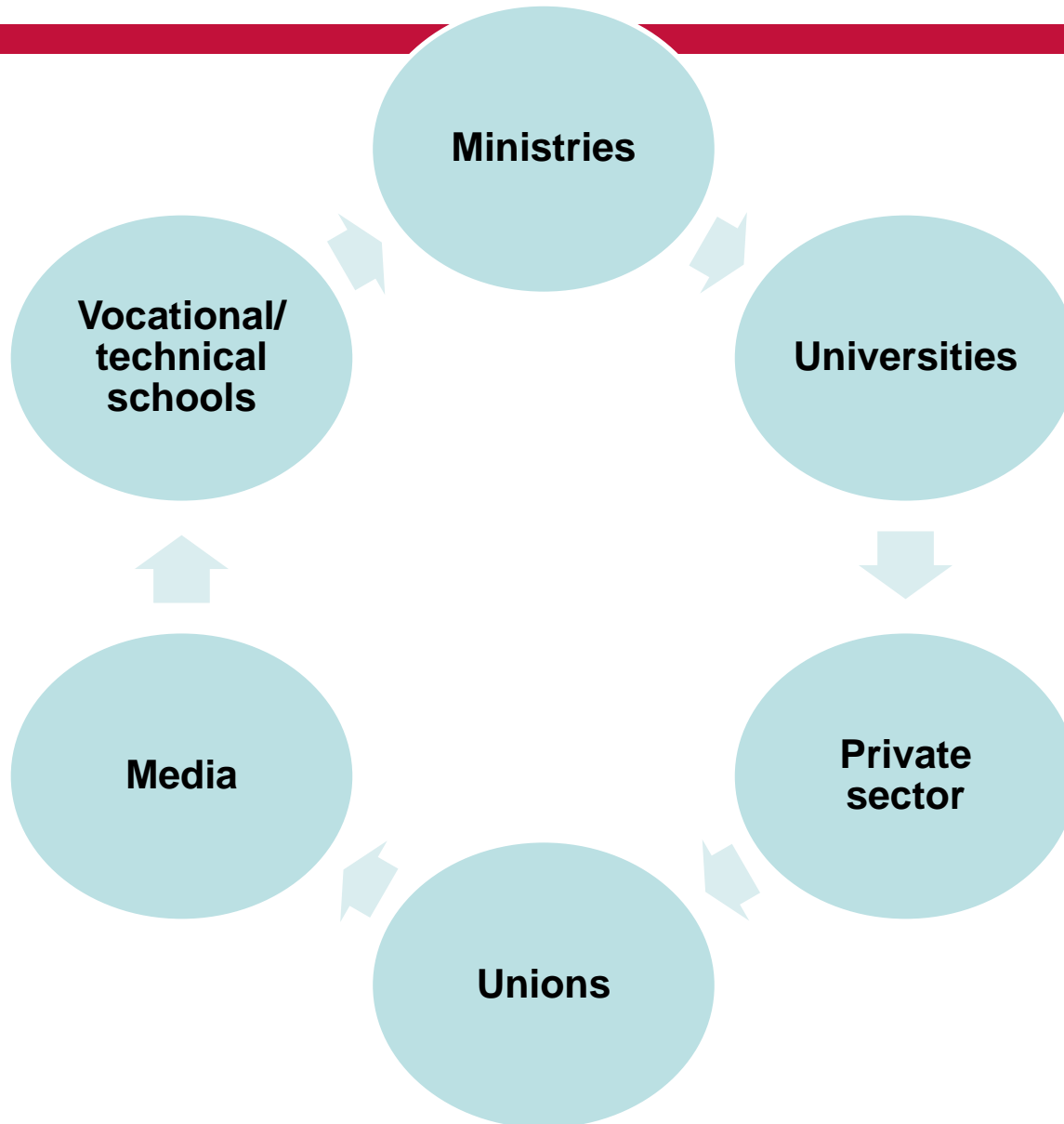
Supporting Institutions



Institutions that
support the
formal workforce

Institutions that
support
development of
labor market

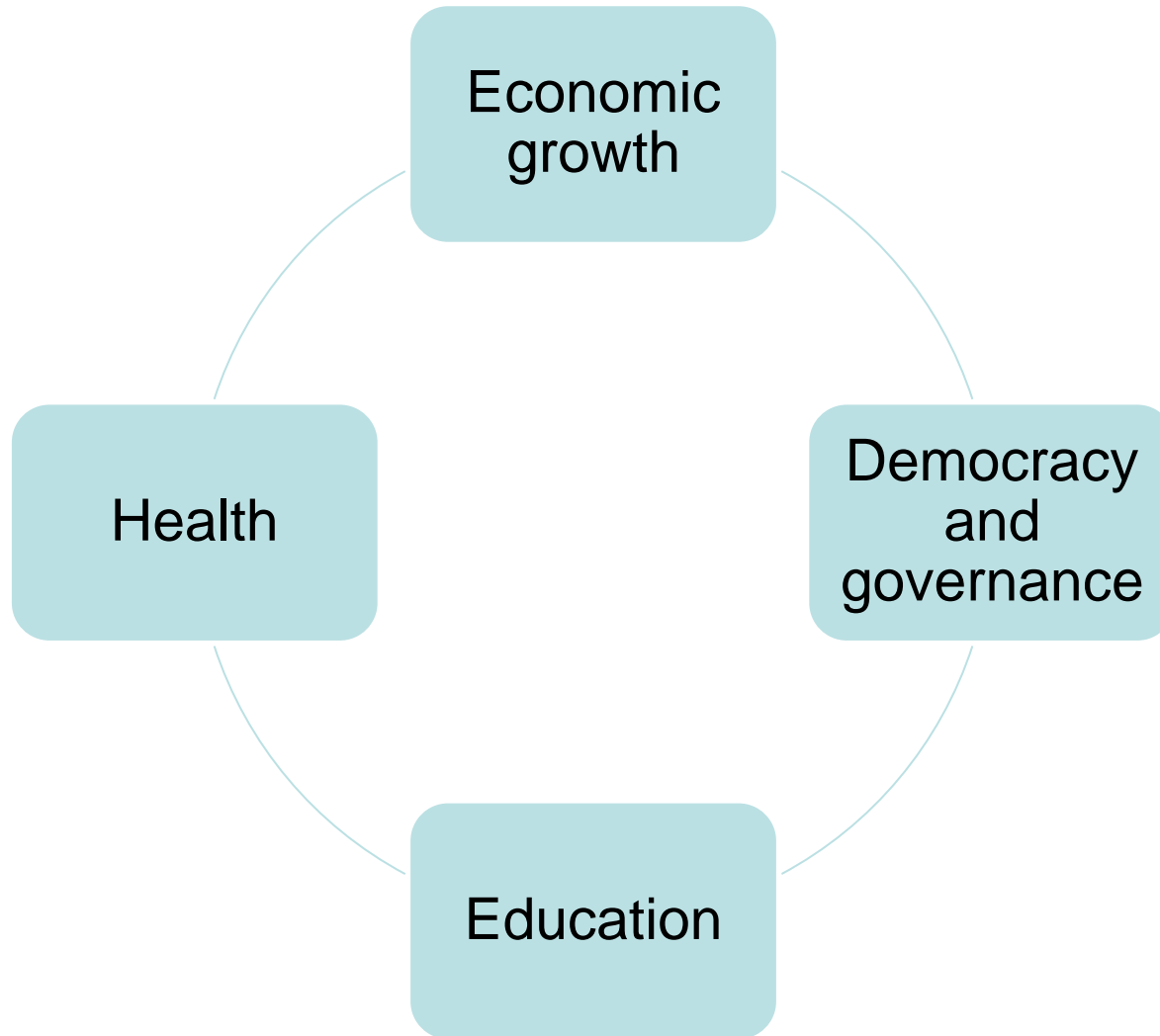
Integration of institutions



Social Dynamics



Where are the labor-related interventions?



Labor-related interventions for Economic Growth

Business enabling environment

Clarity and accessibility of laws and regulations

Integration of labor issues into private sector policy

Flexibility in hiring, firing, and conditions of work

Equal employment opportunity

Competitiveness

Industry standards for knowledge and training

Industry partnerships with academia

Industry partnerships with training institutions

Professional education and continued training

Enterprise development

Training for entrepreneurs

Formalization of enterprises

Gender issues in enterprise development

Trade and investment

Regional trade in services

Skill-building in trade facilitation

Integration of educational institutions into trade and investment

Low cost/No cost

- Teach a class
- Give a lecture
- Share materials
- Encourage mentoring
- “Take your student
to work”
- Model volunteerism
- Access free stuff



Thank you!

