

# **Communiqué**

## **NATIONAL CONFERENCE “A NEW GROWTH STRATEGY FOR EMPLOYMENT, DECENT WORK AND DEVELOPMENT IN ZAMBIA”**

**22 MAY 2012**

We, the Representatives of Workers (Zambia Congress of Trade Unions and Federation of Free Trade Unions) , Employers (Zambia Federation of Employers) Organizations and Government of the Republic of Zambia i.e. Ministry of Information Broadcasting and Labour and Ministry of Finance and National Planning, having met in Lusaka, Zambia from 21 to 22 May 2012 to discuss the “Promotion of Employment Creating Inclusive Growth” in collaboration with the International Labour Organization, International Monetary Fund and the International Trade Union Confederation with the view to attaining the following objectives:

- To undertake joint analysis of strategies for encouraging job-creating growth;
- To explore the concept of developing and extending a minimum social protection floor for people living in poverty and in vulnerable conditions, within the context of a medium- to long-term framework of sustainable macroeconomic policies and strategies for sustainable development; and
- To encourage efforts to promote, and provide analytical input to, national dialogue on employment creation and Decent Work.

Acknowledging that:

- Social dialogue is crucial in facilitating the attainment of sustainable economic growth and decent work;
- The Government of Zambia, the ILO, IMF and ITUC have, in the past, not had strong collaboration on a policy package aimed at promoting employment inclusive growth;
- Despite economic growth averaging 6.1 per cent over the past five years, unemployment and underemployment levels have remained high leading to high poverty levels and inequality;
- The informal economy in Zambia has continued to expand and requires actions aimed at organizing, incentivizing and regulating it (currently, informal sector employment is estimated at 90 per cent of the labour force);

And having noted the following challenges:

1. The lack of a macroeconomic policy framework with job creation as its central focus;
2. The relevance, coherence and implementation of existing Policies, Strategies and programmes;
3. Youth unemployment with a large number of young women and men currently unemployed;
4. Inadequate involvement of key institutions such as the Bank of Zambia and Zambia Development Agency in employment promotion policies;
5. Among other measures, Zambia developed a National Employment and Labour Market Policy in 2004 which was inadequately implemented due to limited funding and the absence of an accompanying implementation strategy;

6. Lack of adequate and timely labour market information;
7. Lack of diversification, value addition and value chain development which are critical to Zambia's economic development;
8. Growth of informal economy which is characterised by precarious work conditions and low wages. The large informal economy hampers development;

Now therefore recommend the following;

- GRZ, ILO, IMF and Social Partners should develop a policy package aimed at enhancing inclusive growth;
- Promote and increase agricultural productivity, diversification, industrial development and value addition;
- Government and social partners need to define some of the variables such as poverty datum line, minimum wage and living wage to have a common understanding of the issues at hand;
- The Ministry of Finance and Bank of Zambia must include employment as a key indicator of monetary and fiscal policy. This will ensure that employment and decent work are planned are not treated as a by-product of prudent macroeconomic management;
- Availability of timely labour statistics should be promoted to provide data for effective policy planning;
- There is need to put in place an employment policy coordination and harmonization mechanism with clear responsibilities;
- Government should design and progressively implement a basic minimum social protection floor for all by committing adequate fiscal space for this;
- Review the structure, composition and work modalities of the Tripartite Consultative Labour Council (TCLC). There should be clear mandate to discuss and evaluate economic and social policies and their impact on employment and decent work. Regulations need to be developed that ensure the right of the social partners to be consulted;
- There should be a clear mandate to discuss and evaluate economic and social policies and their impact on employment creation and decent work regulations need to be developed that ensure the right of the social partners to be consulted;
- Explore more creative and innovative approaches to job creation in sectors such as ICT which offers potential for employment e.g. the promotion of call centers and software companies in Zambia;
- Developing strategies for the formalization of the informal economy;
- Promotion of investment in infrastructure and public/care services as well as public employment schemes; and
- Strengthening of labour legislation, inspection and enforcement to ensure workers rights are effectively protected and casualization is stopped especially among youth.

**Done in Lusaka, Zambia, this 22<sup>nd</sup> day of May 2012.**