

FEDERAL REPUBLIC OF NIGERIA

**NATIONAL EMPLOYMENT
POLICY**

NATIONAL EMPLOYMENT POLICY

**OBJECTIVES, MEASURES, STRATEGIES AND
INSTITUTIONAL FRAMEWORK TO MEET THE
CHALLENGES OF RISING UNEMPLOYMENT AND
UNDEREMPLOYMENT.**

PREFACE

The Federal Republic of Nigeria has maintained active cooperation with the International Labour Organization since independence, particularly in the areas of employment promotion. In 1980, a comprehensive employment mission was undertaken the ILO jobs and Skills Programme for Africa (JASPA). It produced a report entitled “FIRST things FIRST: Meeting the Basic Needs of the People of Nigeria” (1981).

Another employment advisory mission was undertaken in 1986 which produced a report entitled “Combating Unemployment in Nigeria: Strategies and Options” (1987). In addition, various investment studies touching on the employment problem were also undertaken under the Jobs and Skills Programme for Africa.

In 1995, the Nigerian Government invited the International Labour Organization (ILO) to contribute to its effort to formulate a comprehensive National Employment Policy which aims at accelerating employment generation, reducing high rates of unemployment, and ultimately attaining full productive, and freely chosen employment.

The Federal Government with the support of United Nations Development Programme (UNDP) approved an ILO mission entitled “Employment Policy and Strategy Mission”. The mission was fielded from 21st October – 22 November, 1996 with the following terms of reference:

- a) Examination of the adequacy and effectiveness of Nigeria’s Labour and Employment Policies (which are implicit in various government pronouncements/documents) in achieving the goals of full employment;
- b) Identification of the potential for employment creation based on current socio-economic policies and priorities and situate this within the context of current efforts by various arms of government;
- c) Evaluation of the appropriateness or otherwise of the present institutional framework for employment promotion;

- d) preparation of programmes to alleviate the soaring unemployment problem in particular, among school leavers, retrenched and disadvantaged groups; and
- e) Review the scope of the present labour market information and prepare the framework for an effective capacity for labour market analysis.

The mission was composed as follows: Prof. V.P. Diejomaoh, Director, ILO EAMAT, Addis Ababa, Chief of Mission; Mr. G. Ruigu, Senior Specialist in Employment Strategies, ILO-EAMAT, Addis Ababa; Mr. S. Odera Oteng, Senior Specialist in Vocational Training, ILO-EAMAT, Addis Ababa; Mr. A. S. Young, Specialist in Labour Statistics, ILO-EMACO, Abidjan; Prof. F. Ojo, National Consultant on Education and Labour Market, Department of Economics, University of Lagos; Dr. A. Edet, National Consultant in Micro and Small Enterprises development, Formerly Director General, Centre for Management Development (CMD), Lagos; Prof. Joe U. Umo, National Mission Coordinator, Executive Secretary, National Manpower Board; Mallam A. G. Abubakar, Mission Coordinator, Assistant Director, National Directorate of Employment.

The mission had extensive consultations with a wide range of high level Federal Government officials in the Ministries and Parastatals both in Abuja and Lagos. Among those consulted at the federal Government level were the Secretary to the Government of the Federal Republic of Nigeria, Alhaji Gidado Idris, the Honorable Minister of Employment, Labour and Productivity, Alhaji Uba Ahmed, the Chairman of Nigerian Economic Intelligence Committee, Prof. Sam Aluko, the Federal Ministry of Industry, Education, Works and Housing, Agriculture, and Natural Resources, and the National Planning Commission. Notable Parastatals included the National Directorate of Employment (NDE), the National Manpower Board (NMB), the National Productivity Centre (NPC), Centre for management Development (CMD), the Central Bank of Nigeria (CBN), the Nigerian Institute of Social and Economic Research (NISER), and Federal Office of Statistics.

The mission also consulted high government officials at the State level including several Secretaries of Governments. Field visits were undertaken to cover the six geo-political zones and in particular, Lagos, Oyo, Kaduna, Kano, Plateau, Rivers and Imo States.

Similarly, consultations were held with the private sector and NGOs including Nigerian Employers Consultative Association (NECA), the Nigeria Association of Chamber of Commerce, Industry, Mines and Agriculture (NACCIMA), Manufacturers Association of Nigeria (MAN), National Association of Small Scale Industrialist (NASSI), national Association of Independent Business (NAIB) and some workers' organizations. International organizations and UN agencies were also consulted notably the ILO, UNDP, UNESCO, UNIDO, and the World Bank.

At the end of the assignment, the mission submitted to the government, the main report entitled "Meeting the Challenges of Rising Unemployment and Underemployment". Sequel to this main report, another report entitled "National Employment Policy Framework" was prepared. This report was discussed at a national workshop on National Employment Policy held in Abuja on 5th to 7th May, 1998, which brought together the social partners and other stakeholders. The revisions proposed by the workshop were incorporated in the final draft of the ILO report that has contributed immensely to the preparation of the present document on comprehensive National Employment Policy.

**Honorable Minister
Federal Ministry of Employment, Labour
And Productivity.**

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LIST OF ABBREVIATIONS

AFEM	=	National Foreign Exchange Market
CB	=	Community Bank
CMD	=	Centre for Management Development
EDP	=	Entrepreneurship Development Programme
EPZ	=	Export Processing Zone
ECOWAS	=	Economic Community of West African States
EAMAT	=	Eastern African Multi-Disciplinary Advisory Team
FMEL & P	=	Federal Ministry of Employment, Labour & Productivity
FMI	=	Federal Ministry of Industry
FMF	=	Federal Ministry of Finance
FMW&YD	=	Federal Ministry of Women Affairs & Youth Development
FMA&RD	=	Federal Ministry of Agriculture & Rural Development
FEAP	=	Family Economic Advancement Programme
FSP	=	Family Support Programme
FOS	=	Federal Office of Statistics
GDP	=	Gross Domestic Product
ILO	=	International Labour Organization
IMSE	=	Informal, Micro and Small Enterprises
ITF	=	Industrial training Fund
IDC	=	Industrial Development Centre
IMF	=	International Monetary Fund
IDTC	=	Industrial Development Training Centre
JASPA	=	Jobs Skills Programme for Africa
LMIS	=	Labour market Information System
LGA	=	Local Government Area
LSE	=	Large Scale Enterprises
MLSE	=	Medium and Large Scale Enterprises
MAN	=	Manufacturers Association of Nigeria
NDE	=	National Directorate for Employment
NMB	=	National Manpower Board
NPC	=	National Planning Commission
NPPC	=	National Population Commission
NPDC	=	National Productivity centre
NISER	=	Nigerian Institute for Social and Economic Development
NGO	=	Non Governmental Organizations
NECA	=	Nigeria Employers Consultative Association

NACCIMA	=	National Association of Chambers of Commerce, Industry, Mines and Agriculture
NAIB	=	National Association of Independent Businesses
NASSI	=	National Association of Small Scale Industrialist
NAWE	=	National Association of Women Entrepreneur
NLC	=	Nigerian Labour Congress
NAR&DB	=	Nigerian Agricultural and Development Bank
NACB	=	National Agricultural Credit Bank
NBCI	=	National bank for Commerce and Industry
NITEL	=	Nigerian Telecommunication Limited
NEPA	=	National Electric Power Authority
NIDB	=	Nigeria Industrial Development Bank
NERFUND	=	Nigerian Economic Reconstruction Fund
NUC	=	National Universities commission
NSITF	=	Nigeria Social Insurance Trust Fund
NCCE	=	National Commission for College of Education
NBTE	=	National Board for technical Education
NCE	=	National Employment Council
NHIS	=	National Health Insurance Trust Fund
OSTC	=	Occupational Skill Standard, Testing and Certification
OSH	=	Occupational Safety and Health
OPCPP	=	Office of Planning, Coordination for Population Programme
PBN	=	People bank of Nigeria
SAP	=	Structural Adjustment Programme
SESCAN	=	Senior Staff Consultative Association of Nigeria
SICIT	=	Small and Intermediate Cities
SME	=	Small and Medium Enterprises
TOKTEN	=	Transfer of Knowledge Through Expatriate National
TFPEP	=	Total Factor Productivity Enhancement Programme
UNDP	=	United Nations Development Programme
UNESCO	=	United Nations Education, Scientific & Culture Organization
UNIDO	=	United Nations Industrial Development organization
UN	=	United Nations
UBE	=	Universal Basic Education
VET	=	Vocational Education and Training
WHO	=	World Health Organization
WISE	=	Work Improvement in Small Enterprises
WID	=	Women in Development

PART I

BACKGROUND TO THE NATIONAL EMPLOYMENT POLICY

1.1 Economic Development and Performance Since Independence in 1960

10. The present employment situation in Nigeria has its root in the country's economic development and performance since independence in 1960. At independence, agriculture was the mainstay of the Nigerian economy, accounting for over 50% of the GDP, and was the main source of export earnings and government revenue. Most of the manufactured consumer goods, including those capable of using Nigerian agricultural products and minerals as raw materials, were imported. An import substitution industrialization strategy was adopted and few industries were set up to produce outputs such as cement, textiles, sugar, tanneries, wood products and vegetable oil. Few light industries were established. In 1965/66 agriculture contributed 55% of the GDP, with the figure declining to 45% in 1970/71. The dependence on agriculture was rapidly transformed into a dependence on oil following the discovery of oil. In 1970s particularly, the booming oil industry led to the neglect of the agricultural sector with adverse consequences for food production.

11. Encouraged by the revenue flow from oil, the government started to invest in large-scale, capital intensive and strategic industries like petrochemicals, refineries, iron and steel, fertilizers etc. Small-scale and medium-scale industries were left to the private sector. Increased demand for manufactured goods led to the establishment of many industries producing consumer goods. Arrangements were also made for the development of small-scale industries and the dispersal of these to rural areas, export promotion, technical skills training and employment generation. There was also a rapid expansion of education at all levels – primary, secondary and tertiary. Aggregate student enrolment at all levels of the primary school system rose from 6.9 million in 1975 (compared to 2.9 million in 1960), to about 16.3 million in 1998/99. The secondary school level enrolment rose from 735,905 in 1974/75 (135,360 in 1960) to 5.2 million in 1998/99 while university enrolment rose from 31,515 in 1975/76 (1,395 in 1960) to about 319,914 in 1998/99. Further, polytechnic enrolments expanded from 11,993 to 219,770 in the same period.

12. The import-substitution strategy turned the domestic terms of trade against agriculture and led to rapid rural-urban migration.

The contribution of agriculture to GDP fell from 48.8% in 1970 to 22% in 1980, while that of oil and mining rose from 10% to 26.8% in the same period, but peaked at 31.6% in 1975. The share of manufacturing rose from 7.2% in 1970 to 8.4% in 1980, while trade and finance sectors rose from 13% to 15%.

13. The oil boom in the 1970s and early 1980s was short-lived. The economy began to decline following the collapse of oil prices in the 1980s and the failure to promote the agricultural sector and non-oil exports. But the government continued to finance the projects it had initiated despite the decline in foreign exchange reserves. Moreover, the manufacturing sector and construction projects depended on imported raw materials, machinery, spare parts and technology. Consequently, the government had to resort to external borrowing and restrictions on external trade to sustain the development momentum.

14. After years of economic decline, falling per capita incomes, and debt crisis in the mid 1980s, the government adopted the Structural Adjustment Programme (SAP) in 1986 with the standard objectives of stabilization of the economy through restoration of fiscal and monetary discipline, liberalization of consumer and producer prices, in favor of tradable, the progressive movement towards a realistic market – determined exchange restrictions, strengthening of balance of payments, privatization of public enterprises etc. in the agricultural sector, SAP led to the abolition of agricultural commodity boards with favorable effects on the sector. A high depreciation of the Naira occurred from an average of \$1 = ^0.7057 in 1970 - 85 to \$1 = ^18.00 in 1992 and to \$1 = ^103 in year 2000.

15. The share of the oil and mining sector of GDP fell from 26.8% in 1980 to 13.2% in 1990 and 12.7% in 1995. It, however, remained the main source of government revenue, accounting for about 75% and 87% of foreign exchange earnings. The share of the industrial sector contribution to GDP also fell from 10.7% in 1985 to 7.3% in 1991 and 5.7% in 1995. The manufacturing sector has been performing below installed capacity and has been building up inventories. In 1990, capacity utilization stood at 37% but this had fallen to 27% in mid-1995. Trade and finance sectors stabilized at about 21% of the GDP while the government share was 10.2% in 1995. Agriculture (when broadly defined to include crops, livestock, forestry and fisheries), however, still remains the principal activity of the Nigerian population accounting for 38% of GDP in 1993.

16. GDP grew at 5.2% under SAP (1986 - 1992) compared to mere – 0.5% per annum in 1981 – 85 during the pre-SAP era. Impressive growth rates were recorded in most sectors under SAP. Agriculture grew at 4.2% in 1986 – 92 compared to 3.2% in 1985, manufacturing by 4.9% compared to -4.0% in the same period. The agricultural share of GDP rose from 37.3% to 40% while mining fell from 14.9% of GDP to 13.3% under SAP. The objective of controlling the fiscal deficit, however, was not met. Rather, the deficit as a proportion of GDP increased from 12.9% in 1986 to 25% in 1990 and stood at 11.7% in 1993. The implementation of SAP was abandoned following a change of government in 1993.

17. After the abandonment of Sap, economic policies reverted to a more inward-looking approach. Between 1993 and 1999, the official exchange rate moved from \$1 = ^22 to \$1 = ^100. The 1994 budget led to the ruling out of a new IMF agreement and much needed re-scheduling of external debt. With the adoption of tight monetary policies under guided deregulation in 1995, the foreign exchange market was established at ^80 to the US dollar in the Autonomous Foreign Exchange Market (AFEM). In the same year, the growth of the economy rose slightly from 1.5 to 2.2% per annum. The growth rate has since then not improved beyond 3%.

1.2 The Labour Force and Employment Status by Sector

18. The recognition problem with national population census data makes it difficult to derive a reliable time series for labour force data and to estimate labour force annual growth. Using the 1963 population census, the potential labour force was estimated to be 32.2 million in 1980. Based on the 1991 population census, the labour force was estimated to be about 34 million in 1991. This had reached 39.0 million in 1996 and 44.4 million in 1999, at 2.8% annual growth rate.

19. Closer examination of employment in Nigeria indicates that the agricultural sector is the biggest employer of labour. In 1960, it contributed 71.7% of the total employment but this fell to 57.8% in 1985. However, following the adoption of the Structural Adjustment Programme (SAP), agricultural employment started to rise again reaching 61% in 1990 before falling slightly to 59.8% in 1994 and 59.48% in 1999. Most of the people in rural areas are self-employed in the agricultural sector, consisting of own-account workers. The manufacturing sector accounts for about 10% of the employed since 1989, having declined from 18% in the oil boom years. The oil sector is highly capital intensive and accounted for a paltry 0.4% even in the boom years when it accounted for 32% of the GDP.

The service sector accounts for about 9% of the employed while distribution accounts for about 16%. Small and medium scale enterprise and particularly informal sector activities accounts for over 60% of economic activities in the country and over 35% of urban employment.

20. According to the National Manpower Board, formal sector employment was estimated to be 2.1 million in 1985, formal sector employment constituted 9% of total employment and 11.3% in 1999. The two top employers in the formal sectors were manufacturing and services accounting for 59.5% in 1985 and 67.26% in 1999. The National Rolling Plan (1999 – 2001) further showed total employment to be 38.85 million in 1999 of which 88% were in small-scale enterprises while about 12% were in large-scale enterprises.

PART II

THE EMPLOYMENT CRISIS AND POLICY CHALLENGE

2.1 The Employment Challenge

21 The problem of unemployment and underemployment has now become so serious that it should be regarded as the major development challenge with ramifications for economic welfare, social stability and human dignity. Unemployment and underemployment has remained one of the most intractable problems facing Nigeria since independence in 1960. In the 1960s and 1970s, the school leavers' unemployment problem was the dominant concern. In the 1980s, unemployment continued to rise as the country experienced economic difficulties. Over time, the school leavers' unemployment problem of the 1960s and 1970s has climbed up the education ladder with graduate unemployment emerging as an important problem in the 1980s and 1990s. Open unemployment is aggravated by unemployment by underemployment in rural and urban informal sectors. Moreover, formal sector employment declined under the Structural Adjustment Programme which was introduced in 1986 and which triggered retrenchments in both the public and private sectors. Real wages have also declined to such an extent that wage incomes can no longer sustain a large number of wage earners and their households. The incidence of poverty is high despite Nigeria's rich endowment with physical and natural resources – land, oil and gas, forest etc. However, according to the Poverty Assessment Report, the proportion of the population below the poverty line, declined from 43% to 34% between 1985 and 1992, as a result of the significant recovery of the economy. Since 1992, Nigeria's poverty situation has continued to worsen climbing to as high as 70% in 1999. Unemployment and poverty are more rampant among women and youth. Since unemployment and underemployment are closely linked with the prevalence of poverty, the promotion of remunerative employment is therefore a major thrust of policy in the effort to eradicate widespread poverty.

22. The employment problem of Nigeria can best be illustrated by numbers. The education system turned out about 3 million persons to the labour market in 1998/99 consisting of 2.2 million students from primary, 0.61 million from secondary and 0.14 million from tertiary institutions. According to the National Manpower Board (NMB), the labour market could barely absorb 10% of this output. Unemployment is highest among secondary school leavers living in urban areas with an estimated unemployment rate of over 60% recorded between 1989 and 1993, and since then, the trend has been on the increase.

23. In brief, the employment trends in Nigeria indicate that, without a concerted effort to tackle the problems of unemployment and underemployment, the situation could get worse. In the early 1990s, GDP growth in Nigeria declined significantly, with overall GDP per capita much lower than in 1980. The unstable political situation tended to affect the overall economic performance and impacted negatively on the employment scene. In 1994, Nigeria's economic conditions worsened with a further decline of GDP, an increase in inflationary pressure and the persistent weakening of the external sector. Therefore, the development of productive employment has not kept pace with increase in labour supply. Rather, the low growth experienced in most sectors and particularly the manufacturing sector, has undermined employment growth. An increasing number of Nigerians have had to seek refuge in the informal sector to sustain their livelihood. Inflation has been high, averaging about 50% in the 1992 – 94 period compared to an average of 23% in the 1980s and reaching an all time high of 72.4% at the end of 1994, before falling to 50.3% in 1995. The figures have further declined since 1996 tending towards a single digit.

24. The agricultural sector continues to employ about 59% of the labour force. The dominant mode is self-employment with households operating small-acreage and using low levels of technology, simple implements and tools. The rural sector continued to experience high underemployment and low productivity. The urban informal sector, on the other hand, is increasingly becoming an important labour sponge and a sector of last resort for job creation but is faced with a number of constraints and suffers from low productivity.

25. The National Directorate of Employment, a parastatal under the Federal Ministry of Employment, Labour and Productivity, has argued that the national goal of unemployment reduction has not yet been achieved in any substantial way. The primary cause is the absence of an appropriate and well articulated policy to guide the strategies and Programmes of the various institutions operating in all sectors of the economy. It is against this background that Nigeria has to face up to enormous employment challenge in the future. It is therefore necessary to put in place a comprehensive employment policy to tackle the problem more effectively.

22. The rationale for the National Employment Policy

26. The employment and poverty challenges facing Nigeria are quite critical and there is an increasing awareness at all levels of Government, employer's and workers' organizations, of the urgent need for adequate responses and comprehensive approach to address the problems. The promotion of gainful employment has become imperative for the eradication of poverty and social exclusion in the country. The formulation of this national employment policy is designed to emphasize that employment promotion is a national priority that should receive increased and intensified national attention immediately and in the years ahead. The comprehensive policy also aims to consolidate into one integrated and coherent document proposals that can facilitate the attainment of employment generation objectives.

27. The premise of this National Employment Policy is that the best option open for promoting productive employment in Nigeria is through a multi-pronged employment generation strategy to become more employment intensive. A major requirement for the resolution of unemployment and poverty problem will be the evolution of a political culture that serves the peculiar political environment in Nigeria. In this respect, it is expected that all sectors of the economy will emphasize employment promotion in their development programmes.

28. All the agencies at all levels of government – Federal, State and Local are encouraged to initiate or implement specific action programmes to accelerate the creation of more employment opportunities. The Federal Government will seek to improve the overall enabling environment for accelerated economic growth and employment promotion through the adoption of appropriate policies and institutions supportive of employment promotion. In particular, it will aim to achieve more employment intensive economic growth through a more appropriate macro – economic policy environment. There will be increased support for employment intensive and labour absorbing economic sector, particularly agriculture and micro, small and medium scale enterprises. In exploring more appropriate strategies for employment promotion, Government will, in co-operation with the private sector, develop programmes to link education and training to employment. It will pay greater attention to the needs of vulnerable groups; improve the working environment, and strengthens the institutional framework for the promotion of employment, and sustainable livelihoods. Employment statistics and Labour Market Information System (LMIS) will be improved to monitor employment and labour market development more effectively.

29. The World Social Summit which was held in the Copenhagen Denmark, (March 1995) in its Summit Declaration, Commitment 3, called upon states to promote “The goal of full employment as a basic priority of economic and social policies, and to enable all men and women to attain secured and sustainable livelihoods through freely chosen productive employment and work.” In the ILO Employment Policy Convention (No.122 of 1964), countries also declare that they will” pursue a major goal, an active policy designed to promote full, productive and freely chosen employment” The accompanying Recommendation (No.122) indicates the policies that governments could pursue to achieve these objectives. The formulation of this National Employment Policy represents a serious attempt by Nigeria to work towards these goals and address the employment crisis facing the country.

PARTT III

OBJECTIVES AND PRINCIPLES OF THE NATIONAL EMPLOYMENT POLICY

3.1 The Objectives of the Policy

30. The main objectives of National Employment Policy are to:

- i.** Promote the goal of full employment as a priority in national, economic and social policy, and to enable all men and women who are available and willing to work, to attain secured and sustainable livelihood through full productive and freely chosen employment and work;
- ii.** Secure improvement in the productivity of labour, so that the national workforce is afforded quality and well-remunerated employment consistent with national productivity gains;
- iii.** Provide the fullest possible opportunity to each worker to qualify for and to use his/her skills and endowments in a job for which he/she is well suited, irrespective of race, sex, religion , political opinion, physical disabilities, national extraction, ethnic or social origin;
- iv.** Safeguard the basic rights and interest of workers, and to that end, promote respect for relevant International Labour Standards, including those on Forced Labour, Freedom of Association, the Rights to Organize and Bargain Collectively, the Principle of Non-Discrimination and Equality of Treatment and Opportunities and elimination of the most extreme forms of Child Labour;
- v.** Secure maximum cooperation from, and participation by the Nigeria Employers Consultative Association (NECA), the Nigeria Labour Congress (NLC), the Senior Staff Consultative Association of Nigeria (SESCAN), and other interested parties in decisions relating to national development and harmony, and minimize job loses through industrial unrest; and

- vi. Stimulate economic growth and development, eradicate poverty, and improve the levels of living by minimizing the rates of unemployment and underemployment, optimizing the utilization of labour and human resources and protecting areas in which Nigeria is well endowed. Furthermore, to promote the development of relevant manpower/human resources that will continually meet the needs of the nation.

3.1 **Principles of the Policy**

31. The National Employment Policy will be coordinated and implemented within the framework of national economic and social policy. In this regard, this Policy will be consistent with the overall development strategies of Nigeria as outlined in the National Rolling and Perspective Plans.

32. The Government policy on employment generation, in line with the economic reform programmes, emphasises the provision of a favourable environment for private investment and job creation. These relate to the stabilization of the economy by checking inflation, a simple exchange rate determined by the market, a liberalised trade regime, encouraging savings and productivity, privatization and stimulation of investment, in order to accelerate economic recovery, growth and accelerated job creation. The government has for sometime now dismantled the export of crop monopolies and is privatizing public enterprises. The government will endeavour to maintain stable and favourable macro-economic policies, invest in human resources and provide basic infrastructure, and provide appropriate incentives to promote the private sector as the main engine of economic growth and job creation in Nigeria. It will also guarantee security of persons and property. In addition, the Government will continually build the capacities of relevant institutions charged with job creation to enable them play effectively both direct and catalytic roles.

33. It is the private sector therefore, which should play the leading role of investing in the productive enterprise that provide increased employment and generate incomes. This calls for national promotion of an “enterprises culture” which will induce self-reliance, risk taking, and a national environment that rewards effort and initiative.

34. Individuals, groups, and the community at large, in line with decentralization and participatory development, also have important responsibility for employment creation. Consequently, individuals and groups should be ready to create their own

jobs. There will be the need to move from a culture of “job seekers” to “job creators” and self-employment.

35. The application of free market principles, within the framework of the economic reform programme now prevailing in the commodity and capital markets, needs to be extended to the labour market. This will be achieved through the application of the principles of collective bargaining, workers’ education and more regular adjustment in wages linked to price and productivity changes.

36. While providing for a greater role for the private sector, and market principles in employment and job creation, it is a well-known paradox that the operation of the open market system often leads to the marginalization of vulnerable sections of the population. These include women, especially, women in the rural and urban informal sectors, the youth, elderly persons, those with disabilities, and the unemployed. It is the responsibility of the government to protect and assist those groups through adequate safety net, such as the special compensatory and well targeted programmes envisaged under the National Directorate of Employment.

37. To meet the employment challenge through well-targeted policies and programmes, it is imperative to have detailed and frequently updated information on the size and structure of the labour force readily available. Hence, the need to endure the production of relevant labour and employment data. More importantly, it is imperative to have detailed and frequently updated reliable and accurate national census/population figures for the purpose of planning and labour-market projections.

PART IV

STRATEGIES OF THE NATIONAL EMPLOYMENT POLICY

4.1 Introduction

38. Employment is a multi-dimensional and sectoral issue that need to be pursued from the perspective of national macro-economic and sectoral policies and other perspectives. The strategies for employment promotion adopted in this policy will include the following;

- i. implementing more employment intensive enabling macro-economic and sectoral policies;
- ii. promotion of micro, small –scale and informal sector enterprises;
- iii. accelerating the growth rate of the agricultural sector;
- iv. promotion of Labour Intensive Technology including current Information Technology;
- v. linking education and training to labour market requirements;
- vi. promotion of entrepreneurship education & culture through institutionalization of Entrepreneurship Development Programmes (EDP);
- vii. improving working conditions, environment, and labour productivity;
- viii. strengthening of labour market information and monitoring;
- ix. mainstreaming of special/target groups, e.g. women, youths, disable etc.
- x. strengthening tripartism – enhancing the participation of employers and workers with government;
- xi. improving the industrial relations climate;

- xii. strengthening the mechanisms for monitoring and evaluation of employment generation strategies on a continuous basis; and
- xiii. improving the institutional framework for employment policy implementation, review and revisions.

4.2 **Enabling Macro and Sectoral Policies**

39. The magnitude of the employment and policy challenge facing Nigeria requires a vigorous and determined national response if the employment problem is to be tackled with more seriousness and success. To meet the employment and poverty challenge outlined above, this policy will aim at accelerating economic growth as the best means of sustaining increased employment opportunities and reducing poverty in Nigeria. There is a clear relationship between economic growth and employment, as it is more difficult to achieve employment objectives under sluggish or stagnant growth. However, there is ample evidence that rapid economic growth as a goal in itself would not be sufficient to address the problem of massive unemployment and poverty in the population. Prosperity does not automatically trickle down to the masses. It is, therefore, imperative that the economic growth process be made more employment intensive, and that all economic players – the government (at Federal, State and Local levels), the private sector, workers, private individuals and NGOs, pursue more determined policies and programmes to attain this objective. An appropriate macro economic framework to generate steady and more rapid growth in all sectors of the economy to be accorded greater priority and emphasis. There is a close relationship between employment policy, with its goal to promote employment intensive growth, and other development and macro – economic objectives. Some critical elements of the required macro-economic policies are outlined in the National Rolling Plans.

40. The Government will continue to pursue the implementation of economic reforms with determination and vigour by building on the “gains of privatization. The aim is to maintain the momentum of reforms in order to strengthen the structure of the economy, while paying special attention to job creation and poverty alleviation. During the first decade of independence (1960 – 69) the Nigerian economy growth rate average 4.8% per annum despite the civil war of 1967 - 70. The early 1970s post war reconstruction and oil boom saw the growth rates of GDP averaging about 10.2% per annum over the 1970 – 75 periods. The growth

momentum was however, lost in the second half of the decade with growth rates declining to 2.2% per annum between 1977 and 1979.

The collapse in oil prices and the emergence of debt crisis in 1982 caused a dampening of growth in the early 1980s with the real growth rate falling to -0.5% per annum between 1981 – 85. With the adoption of the structural adjustment programme in 1986, the growth rate was revived, averaging 5.2% per annum between 1986 and 1992. Following the abandonment of SAP in 1993-94 before slightly recovering to 2.2% in 1995. The macro economic strategy will be geared to accelerate the growth rate to a minimum of 5 – 6% per annum or higher while striving to maintain price stability. However, growth rates of 6 – 10% per annum will be necessary in the next 10 -15 years in order to reduce significantly the prevailing high unemployment and poverty in the country.

41. As government is committed to the implementation of economic reforms, the social impact will be adequately addressed. More effective policies and programmes will be implemented to address the negative impacts of adjustment. Strengthening and increased funding of NDE and other similar programmes will be pursued with the objective of creating more gainful employment opportunities for vulnerable groups e.g. women, disable and children. At the same time, programmes will be mounted to empower the poor through grass root institutions. To ensure the social sustainability of economic reforms, the government will assure greater participation of the Ministry of Employment, Labour and Productivity, employer's and workers' organizations in all stages of the design and implementation of economic reforms.

42. The government will pursue prudent fiscal and monetary policies in order to keep the budget deficit in check and ensure macro economic stability, low inflation and reasonable interest rates. Tight monetary and fiscal policies will be observed, including elimination of extra budgetary and wasteful expenditure, in order to achieve the goal of macro-economic stability. Inflation has been inexorably high, averaging about 50% per annum in the 1992 – 94 period compared to 23% in the 1980s and reaching an all time high of 72.8% in December 1995 before dropping to 40.3% in August 1996. By 1999, it has further dropped to a single digit. The government will also seek to promote a high and adequate level of investment, especially internally resourced-based investments by the private sector in critical sectors such as agriculture, small and medium scale manufacturing, and construction industries. This will aim to diversify the productive base of the economy and accelerate growth above current levels. Given the low industrial capacity utilization, serious efforts will be mounted to stimulate demand and accelerate the economic growth rate.

43. The gross capital formulation in Nigeria currently stands at 13% and will need to be increased to 20 to 25%. The gross investment level as a percentage of GDP in 1995 was below 20% compared to an African average of 19.6% over the 1987 – 93 period, 26.1% for all developing countries and 31.1% achieved by the Asian Tigers. The government will strive to improve the overall national investment ratio, and facilitate the challenging of a greater share of investment resources to the private sector. Future expansion of gross investment will increasingly rely on the private sector. Various funding and credit mechanisms, including venture capital, will be established to promote domestic investment. Special efforts will be made to promote informal, micro, small-scale and medium scale enterprises and to allocate higher proportions of total investments to these more labour intensive sectors.

44. The government in pursuance of an export-oriented industrialization strategy established the EPZ and encouraged effective utilization of these zones. It will also provide legal, financial, infrastructural support, particularly for small-scale industries, with policies put in place to provide working conditions and industrial relation. When the industrial policy for Nigeria was promulgated in 1989, it was expected that the industrial sector would become the prime mover of the economy. With respect to employment promotion, the industrial policy states that “the major policy tool through which government plans to enhance employment is through small-scale industries”. The government will review the industrialization strategy with a view to updating it to conform with current realities of increasing competitiveness in domestic and international markets. Given the trends in the world economy towards increasing globalization and liberalization, the goal will be to establish a strong viable, sustaining and internationally competitive sector that will be closely integrated with the rest of the economy through forward and backward cross sectoral linkages. The country will harness the power of competition by focusing on areas where Nigeria-based enterprises can be internationally competitive. A liberalizing and globalizing world economy requires that the country steps up measures to promote productivity and competitiveness of domestic industries and ensure that Nigeria attracts a large share of foreign investment that now plays a dynamic role in world development. Special attention will be given to issues relating to acquisition of technology, its adoption and utilization with a view to improving the quality of Nigerian Products. The exchange rate regime will be fully liberalized through unification of both the official and autonomous rates. Eventually Nigeria will aim to ratify Article section 23 and 4 of the article

establishing the International Monetary Fund, thus accepting obligations not to place any restrictions on current account transactions of the balance of payments (which would place Nigeria at par with francophone competitors in ECOWAS).

45. The maintenance of a realistic exchange rate regime will favour non-oil exports. The government will promote increased funding of non-oil exports as a prime mover of the economy and the encouragement of agricultural production (cocoa, palm oil, rubber, and palm products, cotton, groundnuts, etc), and solid minerals as the nations major foreign exchange earners. Increased foreign exchange earning is crucial for foreign investment in the economy and for easing the debt problem, The government will continue to work with other countries to seek for the cancellation of its external debt.

46. The use of appropriate technology will be promoted to ensure the most efficient utilization of national resources (in line with national resource endowments) especially labour, in agriculture, SMEs, large-scale industry and other sectors of the economy. Capital is scarce and labour abundant and this must remain a critical consideration in the choice of technology in Nigeria. Therefore, this Employment Policy will encourage, as far as possible, the use of efficient employment intensive technology in all sectors of the economy, especially in construction. The government will explore ways of providing incentives to achieve this.

47. Nigeria published its National Policy on Science and Technology in 1986. This will be reviewed with a view to making it more responsive to the development needs of the country and to the market, that is, to make it demand driven rather than supply driven. Nigeria is a country endowed with agricultural and mineral raw materials, such as tin, columbite, coal, gold, iron ore etc. which can be exploited as industrial inputs for local industries. A number of indigenous machinery manufacturers exist in the country which have acquired the capability to design, fabricate and install most of the required raw materials processing equipment/machinery for use in employment generation. The promotion and adoption of appropriate technologies on small-and medium scale industries will be encouraged as industry seeks to restructure, to cope with increased competition arising from globalization.

48. As discussed below, emphasis will be on human resources development to provide a skilled, flexible and adaptable labour force. This will be complemented by flexible labour and wage policies; through the market, to

promote a more efficient and fine-tuned adjustments to changing national and global environment.

49. Employment-intensive works have worked well in the construction and maintenance of feeder roads elsewhere on the African continent and other developing countries. Employment-intensive works have a considerable potential in direct employment creation in both rural and urban areas and will be exploited (by NDE and others) to provide employment for youths and women amongst other groups. Greater efforts will be placed on training in order to lay the groundwork for expanding the utilization of employment-renewal and up-grading of slum areas, drainage, and irrigation through small dams and borehole construction. This approach will be increasingly utilized in the country.

50. The overall macro-economic environment will be improved through continued expansion, maintenance and improvements in the country's infrastructure (- roads, water, energy and power, transport, ports and telecommunications) to further boost private sector development and improved consumer services. In 1996, the Nigerian road network covered about 200,000 km consisting of 36,900 km of paved main roads, (26,500 Federal and 10,400 km State) 25,700 km unpaved main roads, 21,900 urban roads, 72,800 km of main rural roads and 35,900 km of village access roads. Special attention will be given to roads maintenance, National Electricity Power Authority (NEPA) and the Nigerian Telecommunications (NITEL) in order to guarantee reliable power and telecommunication services. The government will privatize some aspects of these services. Continuing attention will be given to the Nigerian Ports Authority and Nigerian Railways to ensure that they perform satisfactorily in these crucial subsectors. Overall, the goal will be to ensure reduced costs of conducting business in Nigeria through more reliable services thus, obviating the need for enterprises to invest scarce resources in alternative services. The government will provide an enabling environment for the private sector through a comprehensive review of levies, fees and taxes at different levels of government - local, state and federal, with a view to maintaining an optimal level of taxation of enterprises conducive to accelerated rates of growth. At the same time, attention will be given in creating a more favorable environment, by ensuring adequate infrastructure and incentives, for wider dispersion of individual activity to more states in the country.

51. Nigeria will continue to actively support efforts directed at greater economic and social integration at the regional and sub-regional levels. At the West African level, Nigeria is an important and active member of the Economic Community of West-Africa States (ECOWAS). At the continental level, Nigeria will support the African Economic Community (having ratified the Treaty) and at global level, the World Trade Organization. Nigeria will increase its support for the promotion of Africa regional co-operation and integration, and in particular, for the acceleration of the efforts to implement the Treaty establishing the African Economic Community. In this connection, the achievement of An African Free Trade Area, as soon as possible, could have dramatic beneficial effect on African efforts to promote employment and eradicate poverty, among others, by increasing the confidence of foreign investors in African development. Clearly, the Government of Nigeria recognizes that the country could improve as development and employment prospects through increased economic integration with African and other economics in the world. With the success of efforts to promote increased productivity and competitiveness of domestic enterprises, the vast opportunities derivable from economic integration, will be exploited fully in future.

4.3 Promotion of Rural Employment Farm and Non-Farm

52. The rural sector is the dominant sector in terms of employment and livelihood in Nigeria and is central to employment generation. More specifically, agriculture accounts for 35.5% of the GDP and is the largest employer, accounting for 59.8% of all employed in 1996. It is also the sector with the highest propensity to absorb labour. For this reason, government is to accelerate agricultural growth as one of the best means of increasing overall economic and employment growth. The potential for this is there, given vast land resources and noting that prior to the discovery of oil, agriculture was the leading sector, but today it has been overtaken by petroleum which accounts for 97% of Nigeria's total exports and 83% of the budgetary revenue.

53. The government attaches a high priority to agriculture and has set out policy goals for the sector, in recognition of its potential influence on the overall performance of the economy, and on the performance and growth of other sectors. The employment objective will be pursued in this context, and to this end the government has established the major policy thrust for the sector which include:

- i. providing adequate food for an increasing population;
- ii. supplying adequate raw materials to a growing industrial sector;
- iii. serving as a major source of employment;
- iv. providing a major foreign exchange earnings, and
- v. providing a market for the products of the industrial sector.

54. Government is committed to the revitalization of agriculture. Prior to independence, agriculture was the mainstay of the country's economy. Nigeria was once the world's leading exporter of palm produce, and the second largest exporter of rubber. In addition, Nigeria was virtually self-sufficient in food and agro-allied raw materials. The country used to export more than 300,000 metric tones of cocoa per annum. However, the oil boom of the 1970's, and the large rural-urban migration, led to the relegation of agriculture to the second place.

55.. A new approach to economic recovery through the revitalization of the non-oil sector is now imperative. Government will finance and provide the enabling environment for the revival of tree crops and tubers, legumes, livestock and fisheries and exploitation of solid minerals, which abound throughout the country. With respect to employment promotion, the revitalization of traditional export crops will be closely linked to the development of agro-business that can use these crops as raw materials. The international market for commodities has remained largely stagnant and employment generation can be more reliably achieved via value – addition by agro – business. In addition, new areas of comparative advantage, especially the export of horticultural products will be explored.

56. The agricultural sector has benefited from National liberalization of commodity prices and the abolition of monopolies of various marketing boards, which has increased payments to farmers as well as lowered marketing costs. All agricultural commodity prices are now market determined. However, the real GDP of agriculture has not increased markedly, averaging 4% per annum over 1989 – 91 before slowing to less than 2% per annum in the 1992 – 94 period. Approximately 90% of the production is generated by smallholders, and the main challenge is to increase productivity through better land use and by bringing more land under cultivation whenever feasible.

57. The productivity of land and labour in Nigeria is low and far below potential as a result of several problems. Some relate to the use of rudimentary

technologies, little use of purchased inputs by smallholders, while others relate to trade and exchange rate policies, pricing and input policies, inappropriate investments, poor rural infrastructure, pests and diseases, and sometimes labour shortages. Recognizing that agriculture is a major labour-absorbing sector of the economy, the Government will provide an enabling environment for agricultural activities.

58. Government used to finance fertilizer subsidy until 197 when it was withdrawn. In order to cushion the adverse effect of the removal government subsequently;

- i. encourages easy access by small-scale farmers to farming equipment, for example: animal traction, hand tools, and small-scale irrigation equipment, on a cost recovery basis;
- ii. supports agricultural land development for small-scale farmers;
- iii. establishes multi commodities and marketing companies where farmers can sell their goods at competitive prices;
- iv. encourages the purchase of excess farming products by government and the provision of storage facilities for such excess output which could serve to support supply and stabilize prices during period of low output;
- v. Provides insecticide, herbicides etc, to the small-scale farmers.

59. The government will facilitate increased production of tree crops: palm fruits, cocoa and rubber through support and encouragement of replanting. It will continue to support, provide crop, livestock and fisheries production and ensure that producers are assisted in raising the quality and quantity of their produce so as to attain food security and national economic development. Emphasis will be laid on increased crop yields and profitability, improved seeds and planting materials, agro-business and promotion of improved land use through soil and water conservation. The food component of the inflation basket poses a serious problem that can be reduced through increased production. The Government will also take measure to ensure high quality of export produce in order to meet international standards and avoid damaging the country's good reputation in the export markets.

60. Land use will continue to favour smallholdings with support for agricultural modernization being given. The strategy is to use small holder

farmer as a centre piece for agricultural development. Land is not currently viewed as constraint to agricultural production in Nigeria. However, as noted above, yields are low due to prevalent use of traditional technology. The issue of low productivity of labour (and hence low profitability and incomes), is one which agricultural policy and anti – poverty action plans need address. Like elsewhere in Africa, the increase in agricultural production in recent years has largely depended on expanded land frontiers rather than increased yields. Overall, the gap between present and potential yields has been estimated to range from two to three times, but the realization of such potential yields is dependent on adoption of improved and high yielding seed varieties, appropriate agronomic packages, effective extension service and appropriate pricing and marketing policies.

61. In recognition of the importance of research, the government has one of the largest National Agricultural Research establishments on the continent, to conduct research and development in the agricultural sector. After substantial growth and expansion during the 1960s and 1970s, largely financed from the oil boom revenues, Nigeria’s funding of agricultural research programmes, contracted sharply during the 1980s, under Structural Adjustment Programme. In 1996, research expenditure on Agriculture was less than half the levels attained in the 1970s. The government is to improve funding for research. In this regard, National Agricultural Research Institutes and the Universities of Agriculture and Technology will be supported and encouraged to develop and improve technologies for the farming communities and other end users.

62. From an employment promotion view point, the choice of farm enterprises and technology is a critical determinant of the employment intensity of crops and livestock selected. Given the serious constraint in agricultural labour at peak times, and also as a result of rural-urban migration (where the youth migrate leaving the old to provide needed labour), research will be carried out to develop simple and processing, and to promote their productivity locally through commercialization of relevant developments. Greater support will continue for non-traditional exports, mixed and double cropping and other income increasing technologies. The government will continue to employ a mix of policy instruments to steer the enterprise mix in the direction of greater income and employment, as a critical input to poverty reduction.

63. To further increase productivity in the agricultural sector, the Government will institute the Buyer of Last Resort mechanism. The plans to set up multi

commodities and marketing companies should also be stepped up because such an exchange can boost agriculture in many ways including:

- i. promotion of large-scale farming;
- ii. introduction of appropriate technology;
- iii. arresting the decline in agricultural productivity;
- iv. improvement of rural infrastructure including equipment required for preservation / storage of crops and animal products; and
- v. Enhancement of the linkage of agriculture to industry.

64. The government is undertaking a review of all other issues, which have not been adequately covered under existing reform programmes. This will be done in the context of the Agricultural Policy for Nigeria. These issues include, specifically, the co-ordination of agricultural activities at the national state and local levels, inputs including the issue fertilizer subsidy, agricultural product markets and infrastructure. Greater attention will be given to resolving apparent rural labour shortages in face of large-scale unemployment and rural underemployment. The Federal Government will provide capital for the Nigerian Agricultural and Rural Development Bank (NA&RDB), and Community Banks from the annual budget for on-lending for both agricultural and non-agricultural activities in the rural areas. With more than 250 branches spread all over the country, the Banks will play a crucial role in the provision of financial services. The success of any credit programme will be enhanced when such programmes are provided as a package.

65. The government will continue to emphasize rapid rural development. The rural economic development programme will be aimed at supporting productive enterprises to utilize labour and locally available raw materials in cottage industries. The Research Institutes have developed simple and inexpensive equipment that will be promoted and installed in rural cottage industries through commercialization of relevant inventions. The Ministries of Agriculture and Rural Development and Industry have also identified simple cottage industries that could be operated utilizing available raw materials. The National Directorate of Employment (NDE) will continue to strengthen and extend its training to the rural areas to impart appropriate skills for rural enterprises. The Ministries of Agriculture and Rural Development, Industry, Employment, Labour and Productivity, Science and Technology, Finance and

National Planning Commission will develop an integrated rural development programme. There is clear recognition that rural areas must be knit closely to urban

areas and hence, the inter-linkages of both supplies and farm inputs will continue to be developed.

66. The rural non-farm sector will be supported with a view to raising the productivity of those working in the sector and to exploit the close linkages between non-farm activities and farm activities through agro-processing to enhance value added for producers, thus increasing their incomes. The promotion of off-season activities such as crafts, processing and/or preservation activities will be encouraged to further boost rural employment. The creative abilities of rural people will be harnessed in such areas as handicrafts, food processing and packaging for local and external consumption.

67. The government is also committed to equitable distribution of public sector investments between the rural and urban areas. Efforts will be made to provide water, energy and power, telecommunications and other infrastructures works programmes of the NDE, the feasibility of construction of roads through labour-based/light equipment as demonstrated in eleven states of Nigeria. This experience will be built to generate jobs in rural areas. The improved infrastructure will assist in the dispersion of industrial and commercial activities from the major urban areas. Government is to support this strategy particularly for industries that depend on local raw materials and in agro-based industries for enhancing value-added to agricultural products and increased employment generation at community level.

44. Ensuring Supportive Population, Migration and Regional Development Policies.

69. The National Population Commission of Nigeria estimated the national population in 1992 as 91,152,000 with an annual growth rate of about 3.0%. On this basis, the 1993 population was 93,887,000 and is 105,670,000 in 1997.

Other evidence indicates that the growth of Nigeria's population is indeed high. The United Nations estimates in 1992 showed the growth rate to be 3.3%, implying

a doubling of the population in 22 years. By the year 2074, Nigeria's population of 90 million in 1992 would be about 180 million. The government has recognized the important link between high population growth rate, economic growth rate, unemployment, poverty and family welfare. In 1988, the Government enunciated the "National Policy on Population for Development, Unity, Progress and Self-Reliance" after an intensive process of consultations and discussions involving various interest groups and levels of government in Nigeria. The goals of the policy are:

- i. to improve the standards of living and the quality of life of the people of this nation;
- ii. to promote their health and welfare, especially through preventing premature deaths and illnesses among high risk mothers and children
- iii. to achieve lower population growth rates through reduction of birth rates by voluntary fertility regulation methods that are compatible with the attainment of economic and social goals of the nation, and
- iv. To achieve a more even distribution of population between urban and rural areas.

70. The policy outlines the fundamental relationships between population and food, health services, water, housing, sanitation and electricity. It also considers the impact of population on GDP growth, agricultural development, land resources, energy resources, education, employment, health and the environment. Government recognizes that the process of development has important impact on population trends, and that population factors, in turn, have a major impact on the attainment of development objectives. The policy recognizes that the country could develop faster were it to attain a population growth rate that was in tandem with economic growth and development. The implication for employment generation and poverty reduction is clear. Government will consider the employment generation problem from the supply side of the equation by seeking ways, through population policy, to reduce in the long run, the annual rate of new entrants into the labour force that will be seeking employment opportunities in the future.

71. The policy sets guidelines for direct population programmes to influence demographic trends and patterns. In particular the following provisions are incorporated:

- i. to achieve the proper balance between population and economic growth, the policy calls for voluntary fertility regulation and organized Family Planning;
- ii. accelerated fertility regulation and family planning programmes are to be implemented within the context of national health care and related systems;
- iii. implementation of National Health Programmes to reduce childhood and maternal morbidity and mortality rates, especially in the rural and suburban areas;
- iv. the role and responsibilities of men in family life and calls for enlightenment programmes to increase awareness of men of the need to maintain the appropriate family size that they can sustain within their resources;
- v. the role of women in population control this calls for special and favourable social and economic programmes that would raise the status of women, including the promotion of education for women; and
- vi. the integration of the youth in social and economic programmes.

72. An action programme of population education and information gathering would be vigorously pursued, including the establishment of population information networks and data bank. The strategy and programme activities relating to the labour forces include:

- i. improvement of rural economics and assistance to rural people in the development of social and economic opportunities, including handicrafts and small-scale agro-industries;
- ii. promotion of activities that will contribute to family self-reliance and reduction of poverty;
- iii. introduction of labour-saving technologies for men and women in agriculture, industry and women in domestic work;
- iv. income generating activities for women: village crafts, agro-allied and small-scale industries;
- v. education and vocational training for the youth;

- vi. special programmes to reduce the number of school drop-outs;
- vii. integration of the education calendar with the national agrarian timetable to enable youth to participate in agricultural and social economic pursuits.

73. The Office of Planning Co-ordination for Population Programmes (OPCPP) was established to co-ordinate and monitor the implementation of population programmes at all levels. The National Population Commission later replaced this body. According to the commission, the National Population Policy is being reviewed with a view to first align existing policies with the priorities agreed at the International Conference on Population and Development, which was held in Cairo in 1994. The priorities related to such critical areas such as reproductive health, migration, and empowerment of address inconsistencies in population data. Following the census of 1991, there are conflicting databases which need to be corrected.

74. The 1990 Demographic and Health survey indicated a total fertility for Nigeria of 6.0 representing a small decline from 6.3 recorded in 1982, some parts of Nigeria have entered into an early stage of demographic transition. Recent economic difficulties, however, have led to reversals in the conditions needed for sustained fertility decline and reproductive health improvement such as high levels of female educational attainment levels, high income levels especially among women. These changes raise serious questions of sustainability and irreversibility of the emergent trends in reproductive performance levels. Intensification of information dissemination and population education activities will be mounted for the general population on the basis of the operational National Population Policy.

75. Through continued support for rural development, government encourages spatial distribution of the population by promoting a reasonable balance between rural and urban areas. Internal migration, particularly the rural-urban migration, has contributed significantly to the rate of urbanization in Nigeria. The composition of migrants indicates that they consist mainly of school leavers in search of employment and other opportunities available in urban areas. More resources will be provided for funding rural development programmes, rural infrastructure and services. In effect rural – urban migration will be indirectly slowed down to reduce the rapid growth of cities, reduce urban slum problems and the menace of rising urban unemployment and underemployment.

76. A programme for developing Small and Intermediate Cities (SICIT) will be seriously pursued. A recent study has shown that about 71 percent of internal migration in Nigeria is of the rural-urban variety and this trend is likely to continue. The SICIT strategy will seek to divert the growing urban migrants to alternative growth centres since the trend of rural-urban migration in Nigeria cannot realistically be stopped. Moreover, all industrialization trends move towards urbanization globally. The SICIT strategy will be situated within the framework of existing local government areas (LGAs) and state capitals. In this respect, it would have the great advantage of creating economic agglomeration based on rural industrialization, and contribute effectively in tackling massive urban unemployment in the medium to long-term. The National Productivity Centre (NPDC) will be actively involved in the development of SICIT through its Total Factor Productivity Enhancement Programme (TFPEP), aimed at ensuring viability, profitability, and increased productivity of rural industrialization programmes. To this end, the Centre will be strengthened and adequately funded to perform its statutory functions more effectively. Because extreme poverty is more pronounced in certain regions of the country, appropriate measures will be taken to address the regional dimension of poverty. This will contribute to balance development and also promote the political objective of building a more cohesive civil society.

77. Although there are limited data on international migration, some concern has often been expressed about the rate of emigration and the resultant brain drain. A liberalizing and globalizing, world economy can only increase the movement of skilled personnel among nations.. In order to manage such movement in the interest of Nigeria, the Federal Government of Nigeria will define and adopt a foreign employment policy that supports nationals to work abroad for specified periods, in order to gain experience that would eventually contribute to national development. The Government will also examine further measures, beyond the present Transfer of Knowledge through Expatriate Nationals (TOKTEN) arrangement, which would enable Nigeria to draw on expertise of highly skilled Nigerians living and working abroad. In this connection, efforts will be made to create a favourable investment climate

in the county to encourage such expatriate nationals to contribute meaningfully to national development.

4.5. Accelerating the growth and development of the Private Sector especially Informal, Micro and Small Scale Enterprises (IMSE) as a strategy for employment creation.

78. The Nigerian Government has put in place a number of measures aimed at employment creation. These include the establishment of NDE in 1987 and maximizing private sector contribution to employment through creation of such organs as the National Farmers Credit Programme, Industrial Development Centres (IDCs) and the amendment of the Nigerian Enterprises Promotion Decree. With all these efforts in place, unemployment is still a major problem that the Federal government of Nigeria has to tackle. In co-operation with the private sector, the government will play a catalytic role in expanding the contribution of IMSE to employment creation. The government recognizes IMSEs as an engine and seedbed for industrial and economic growth because of:

- i. its employment generation capacities;
- ii. its ability to increase national income;
- iii. its ability to enhance competitiveness;
- iv. its ability to enhance dispersal of Industries; and
- v. its ability to raise value added.

4.5.1 Improved Legal and Regulatory Environment

79. i) Since the current regulatory framework has favoured large and medium enterprises, it is important to review the Federal, State and Local Governments incentives as they impact on development of IMSEs. The role of such IMSE promoting agencies, such as Nigerian Agricultural and Rural Development Bank (NA&RDB), SME I & II, NDE etc. are to be enhanced. On taxation, while government recognized that each tier of government has its boundary and legislation on tax matters, these levels of government will be made to observe the legal boundaries of taxation in order to encourage the development of IMSE.

ii) The capacities for the decentralized registration of business in the States will be strengthened to enable IMSE to maximize their state operations and have full access to incentive offered at State level

- iii) The single window for business registration is to be extended to the State and Local Government levels.

4.5.2 Physical Infrastructure and Other Incentives

80. A number of incubators and industrial sites, with improved electrification, communications and transport facilities, have been established in Nigerian through various government efforts. However, these efforts have not fully benefited the sector. Federal policy will be put in place to encourage and motivate States to design and implement such programmes. In addition, the Government will encourage the private sector to undertake and run back-up services for small-scale enterprises.

81. Taking into account the efforts so far made under the different Federal Government initiatives through institutions such as the NDE, National Farmers Credit Programme, Industrial Development Training Centre (IDTC), the Federal Government of Nigeria, is to embark on a deliberate programme to facilitate the rehabilitation and building of technical, technological and industrial sites in both rural and urban areas. The Federal Industrial Research Institute, NISER and National Planning Commission (NPC) will generate new industrial action-oriented information through research including in-depth research on the informal sector and the linkages between IMSE and medium and large-scale enterprises. Also, the Federal Government is to;

- i. encourage the State Government to specifically provide serviced space where IMSE can build premises for operations;
- ii. encourage through a supervisory mechanism, the State Governments to make meaningful contributions to the IMSE sector development;
- iii. ensure State Governments have established provisions for fiscal incentives that allow IMSEs to engage in medium capital investments; and
- iv. review the current land policy and ensure that it provides for private sector development, especially when the latter is targeting IMSE sector infrastructural provision.

Training and Business Advisory Services

82. The number of training facilities (for both technical and business management) existing in Nigeria today for small scale enterprises are provided in a fragmented and often uncoordinated manner, with the result that they have not made any significant impact in the area of IMSE development.

83. To address this vital requirement for IMSE development, the Federal Government is to undertake to strengthen and accord autonomy to national institutions that have been providing training and business advisory services to IMSE sector. The government is to encourage the Large-Scale Enterprises sector (LSE) (large-scale private companies) to engage in IMSE support, wherever necessary by the LSE sector. This will in part encourage development of LSE and IMSE linkages through sub-contracting, technology upgrading, enterprise management, etc. and enable a private sector led IMSE development. This government will achieve through development of a mutually supportive and beneficial dialogue between the private sector and the government on the one hand, and between the IMSE and the medium and large Scale Enterprises Sector (MSLE) on the other. The Federal Government of Nigeria will in addition support the private sector led initiative that is geared towards the development of IMSE either at State level or at National level.

84. In addition, the Federal Government of Nigeria is to:

- i) introduce technical and vocational training into entrepreneurial development and will ensure that the National Policy on Vocational and Technical Training is revised to incorporate entrepreneurship development in tertiary institutions and especially in vocational and technical institutions;
- ii) encourage and facilitate the development and strengthening of a network of institutions, independent trainers and consultants;
- iii) facilitate the strengthening of national and state research and development institutions and encourage them to work closely with the IMSE/MLSE sectors; and
- iv) encourage the development and institutionalization of business improvement network among IMSE.

4.54 Micro and Small Scale Enterprises Credit and Financing

85. Although the Federal Government has in the past established a number of financial support institutions for IMSEs such as the Peoples Bank, the National Bank for Commerce and Industry (NBCI), Family Economic Advancement Programme (FEAP), Nigerian Industrial Development Bank (NIDB), Family Support Programme (FSP), National Directorate of Employment (NDE) and NERFUND, the access of IMSEs to financial and credit schemes, in reality is still a major problem. Recognising that this sector is the seedbed for employment generation and for the country's enhanced industrial development, and in order to enhance the IMSE sector's access to finance, the federal Government is to:

- a) put in place a sustainable mechanism for financing of the IMSE and strengthen existing institutions to make them sustainable;
- b) set up specialised national credit and financial institutions with IMSE financing/credit specialised staff to provide financial support for IMSE;
- c) embark on a sensitisation programme for public/private commercial banks and other institutions on the importance of lending to the IMSE sector;
- d) encourage private sector initiatives geared at the establishment of financial and credit schemes for the IMSE sector;
- e) provide tax incentives to commercial banks that create a special window for IMSE lending;
- f) encourage micro financial system through capacity development for IMSE management and self-regulation;
- g) create an enabling environment for IMSE to go and borrow in the capital market;
- h) establish a special fund to enlarge the capital base for on-lending to IMSE through best practices financial institutions; and

- i) create a special window for disadvantaged and marginalized groups.

4.55 Market Development

86. Government is to encourage the Marketing of IMSE products and make them more competitive through product improvement and productivity management. The strategies will include:

- a. providing an enabling environment for the marketing of IMSE products through the setting up of quality control centres;
- b. formalising border trade through the establishment of border markets for products of IMSE;
- c. devising a system that allows small producers to qualify for government contracts tender regulations;
- d. ensuring that Government tenders give priority to IMSE sector products and service;
- e. offering incentives to IMSEs that provide sub-contracts to the IMSE sector; and
- f. developing a programme for science and technology development for propagation of machinery, equipment and know-how appropriate to IMSE.

4.56 Management Development

87. Management development, training and education are vital to sustaining Nigeria's economic development, the professionalization of the public of the public service and the growth and development of all sectors. Managerial/management training of every description can impact positively on overall economic performance, while at the same time enhancing the labour absorptive capacity of the economy through the efficient management (and consequent survival, growth and expansion) of public and private sector organisations. For this reason, there is a critical need for strengthening managerial capacity and management development in all sectors and at all levels. By strengthening existing organisations through training, formal sector employment will be directly stimulated through reduced turnover

redundancies, and indirectly through corporate expansion and diversification. Furthermore, the creation of jobs through micro, small-scale and informal sector businesses established by skilled, retired or serving formal sector employees has been known to impact positively on open unemployment. The corporate skill reservoir built over the years through training is known to have a positive influence on the informal sector. Present day managers also need continuous “retooling” while future managers need to be adequately prepared to face the challenges.

88. The government will enable public training institutions through enhanced resource endowment (both physical and human), so that they can strengthen management competencies in public and private sector organisations. In addition, retiring officers will be encouraged, through generous start-up incentives, to set up micro and small-scale businesses, in which they can continue to apply the knowledge, skills and experience acquired while in service.

89. "There will be an apex body for the development and promotion of IMSE to be put in place with the following terms of reference

- ◆ streamline overlapping areas;
- ◆ co-ordinate activities;
- ◆ jointly implement common problem areas and
- ◆ jointly source for funds for management of IMSE

Membership

90. Federal Ministry of Industries, Federal Ministry of Labour & Productivity, Federal Ministry of Finance, Federal Ministry of Agriculture & rural Development, National Directorate of Employment, National Manpower Board, Nigeria Employers Consultative Association, National Association Women Entrepreneurs, Nigeria Chambers of Commerce, industries, Mines Agriculture, National Association of Small Scale Industrialist and Nigeria Labour Congress.

91. Federal Ministry of Labour/NDE will be the main implementers but institutions such ITF, National Productivity Centre, NSITF, MAN, Tech. Education Board, SMD, NACI should be involved. From the Private Sector, NECCA, NACCIMA, NAC and others should be involved.

Management Board

92. There will be a joint institution Board, chaired in rotation by the Permanent Secretary and an elected Private Sector representatives. Terms of reference:

- ◆ To formulate an achievable programme of action.
- ◆ To monitor/evaluate progress of achievement and report to the Minister of Employment, Labour and productivity.

4.5 Linking Education and Training to labour market Requirements

4.6.1 Labour Market-Linked Education

4.6.1.1 Key Issues

93. The national educational system has suffered a setback in the past decade thereby reducing the quality of the system and making it less responsive to the dynamics of the labour market. Nigeria cannot have real development without the adoption of proactive policies to enhance human resource development. The orientation of the educational systems will be towards quality to ensure that educational programmes are skill-oriented and market relevant. The acquisition of market relevant skills will facilitate both paid employment and self-employment.

4.6.1.2 National Education Policy

94. The government has, through the introduction of 6-3-3-4 system of education put in place a framework for skill orientation of the educational system. Efforts will be made to intensify the implementation of the 6-3-3-4 education system as designed.

95. At the secondary level, the 3-3 sub-system will be more effectively implemented with a view to re-orienting it towards technical and vocational education and self-employment as against its current bias towards academic (university) education. This will promote the labour market goals of the system.

96. The biased societal attitude against technical and vocational education and the aspersions cast upon it as education for dropouts shall be corrected through

public enlightenment, adequate funding, appropriate reward and enhanced prospects for technicians. These should minimise the undue emphasis currently placed on credentials.

97. Government will establish a National Secondary Education Commission as a matter of priority to achieve the important goals of the 3-3 secondary school system.

4.6.1.3 Science and Technology

98. The educational system will be effectively tilted with a greater bias towards science and technology. There will be particular focus on the creation of science and technology knowledge and thinking at the secondary level and actualisation of science and technology through design, construction and production at the tertiary level. In particular, the emphasis of the Universities of Technology, Engineering and related faculties in the conventional Universities, Polytechnics and technology-related Monotechnics will be on design, construction and production.

99. Greater emphasis shall be placed on the effective teaching of mathematics and science subjects at all levels so as to enhance the training of technology oriented manpower.

100. Efforts will be geared towards meeting the 60:40 ratio of science-based to arts-humanities courses in conventional universities, 80:20 in the specialised universities and 70:30 in polytechnics. These tertiary enrolment ratio were established in the 1960s and may be becoming out dated. A review will be carried out with view to accommodate new emphasis and trends in high technology and information based technologies. The core curriculum will strive to ensure an appropriate mix of basic science and arts for all students in order to enhance their adaptability to a dynamic labour market. Government will reverse the tertiary institutions enrolment mix in favour of polytechnics and colleges of education. The polytechnics shall be made to concentrate on the training of middle level technical manpower to provide adequate support for high level manpower.

4.6.1.4 Entrepreneurship Development Programme (EDP)

101. With the growing emphasis on the role of small and micro enterprises as a source of employment, there is need to diversify the entrepreneurship base in

Nigeria. Entrepreneurship education has generally been recognised as one of the solutions to youth unemployment. EDP will therefore be incorporated into Nigeria's educational system particularly at the secondary and tertiary levels to inculcate entrepreneurial ability and promote self-employment. However, the existing system of EDP will be reviewed with a view to improving the curriculum and duration of training including Achievement Motivation Training.

102. A framework, which provides self-employment opportunities upon graduation, will be established to provide loans on reasonable terms to enterprising, graduates of universities and polytechnics who wish to set up small and micro enterprises.

4.6.1.5 Students Industrial Work Experience Scheme (SIWES)

103. The SIWES seems to be the most significant programme that has been able to promote effective linkages between education and the labour market and thereby enhancing employability in Nigeria. In view of the rapidly increasing number of students participating in the scheme, the Industrial Training Fund (ITF) will be given adequate financial support to meet the requirements of the programme including solving its operational and logistical problems.

104. ITF and the tertiary institutions as well as their supervisory parastatals – National Universities Commission, (NUC), National Board for Technical Education (NBTE), National Commission for Colleges of Education (NCCE) – which implement the scheme will be made to strengthen their collaborative efforts to sharpen the relationship between educational institutions and industry.

105. As provided for in earlier legislation, industrial attachment will be made mandatory for all students pursuing technical, business, applied science and arts programmes. Also, as provided for in the relevant legislation, government will invoke sanctions against employers who refuse to accept students for industrial attachment purposes.

106. The universities and polytechnics will be encouraged to use their Works/Maintenance Departments to provide the students with necessary works experience.

4.6.1.1 Consolidation of Tertiary Institutions

107. Tertiary education will be made more relevant to the requirements of the labour market, especially with respect to the size and composition of the intakes. To this end, Federal Ministries of Education and Employment, Labour and Productivity will formulate specific policies after due consultation with each other on education-labour market interface.

4.6.1.7 Rationalization of Courses

108. A job-market oriented curriculum review and investing more in enhancing the quality of education are inevitable if Nigeria is to meet the challenges of the 21st century. Rationalization of courses in the universities and polytechnics will be undertaken to encourage specialisation, ensure relevance, and reduce duplication of efforts and waste of resources. The NUC, NBTE, NCCE, NMB and NDE as well as the universities and polytechnics will be involved in the exercise. thereafter, tertiary institutions working with NUC and NBTE will undertake periodic reviews of programmes and curricula to meet labour market needs as defined from time to time.

4.6.1.8 Ensuring Relevance

109. To complement the rationalization of courses, there will be periodic interaction between the tertiary institutions, the relevant public agencies (NUC, NBTE and NCCE), employers of labour, professional associations and NMB, which is expected to take a broader view of the input and output of the school system and how to link this to the labour market, will take the lead in the exercise.

4.6.1.9 Research Output

110. Individual, corporate bodies, voluntary agencies and Non-Governmental Organisations (NGOs) will be encouraged to establish tertiary institutions in accordance with Government approved guidelines prescribed for establishing private institutions. The criteria for establishing such institutions and the courses they offer will be reviewed periodically in line with economic and labour market dynamics.

4.6.1.10 Funding

111. Government is to provide adequate funding for all public educational institutions so as to elevate the educational sector from its present distressed position and sustain it at a level that can propel Nigeria into technological age. Government will consistently commit a good percentage of the budget to education.

4.6.1.11 Cost Sharing

112. Inadequate funding has been the cardinal cause of falling educational standards. The provision of adequate funding for all formal educational institutions is therefore a sine-qua-non for enhanced market-linked education.

113. The rising cost of providing quality education will be shared by all the beneficiaries i.e. government, parents/students, employers/private sector, alumni (old students) associations and NGOs.

114. Parents/teachers associations and alumni associations will find ways and means of strengthening and broadening current efforts to raise funds for development. In particular, alumni associations will be encouraged to contribute more effectively through endowments, research, granting of scholarship and bursaries to students. They will be in the vanguard of raising funds through donations from their influential contacts in the society.

4.6.1.12 Teachers

115. The quality of teaching is a major factor determining the quality of education as no educational system can rise above the quality of its teachers. A return to extolling teaching excellence and awarding appropriate prices to sustain it holds the key to quality education. Unemployment will indirectly be tackled if the teacher equips his students with the right skills and knowledge.

116. Government is to give priority to the training of teachers both in quantitative and qualitative terms for all levels of the educational system thereby ensuring improved student/teacher ratios and quality education. The institutions meant for the training of the various categories of teachers will be geared towards achieving their specific objectives.

117. Conditions of service, remuneration and working environment of teachers at all levels is to improved significantly. This will make teachers more committed and will help to retain them in the profession, and assure better quality education for Nigerians in an increasingly more competitive and knowledge-based globalized world economy.

4.6.1.13 Infrastructure Facilities

118. The provision of adequate infrastructural facilities is intricately tied with adequate funding. More financial resources will be invested in the provision of better infrastructural facilities such as classrooms, workshops, laboratories, libraries, furniture, textbooks, and various types of teaching aids. Dilapidated structures will be removed. The book crisis in the country has undermined the quality of teaching and learning, and book pirates have caused great distress to the publishing sector. Government is to provide incentives to encourage Nigeria authors to write and publish more quality books adapted to the needs of the Labour Market.

4.6.1.13 Guidance and Counselling

119. The provision of career guidance and counselling at all educational levels is to be strengthened. There will be effective guidance and counselling services to guide students of the JSS system to be able to choose subject combinations that lead to specific career which correspond to their individual competence and aptitude. This is particularly important to enhance the implementation of the present 6-3-3-4 system. Efforts is to be geared towards the training of relevant and adequate personnel for counselling and career guidance.

4.6.1.14 Inspection and Supervision

120. The Inspectorate Division of the Federal and State Ministries of Education will be revitalised to strengthen the school inspectorate system with a view to improving the quality of output of the education system. Provision will be made for frequent inspection and adequate supervision of all primary and secondary schools so as to improve and maintain standards, Inspectors of education will be adequately trained and also provided with transport facilities to perform their duties.

4.6.1.15 Training Centres of Excellence

121. To complement formal vocational education, certain centres of excellence shall be established all over the country in order to further enhance vocational skill acquisition for self-employment. The NDE is to be encouraged to implement the project so as to strengthen its role in post-school skill acquisition.

4.6.1.17 Special Groups

122. Government is to give greater priority to the education of special groups such as the nomads, women, youths disabled etc. The National Commission for Mass Literacy is to be assisted to ensure effective performance of its operations.

4.6.1.17.1.1 Vocational Education and Training (VET) Policies

4.6.2.1.1 Division of Labour

123. The VET system in Nigeria, as in many developing countries, is fragmented. Different types of institutions provide training in the same occupation, while different agencies exist to manage different parts of the system. Efforts is to be intensified to make the system more horizontally coordinated. The system is to be made to show a clearer divisions of labour concerning who does what in it. Policy is to be directed to have a clearer vertical division of labour between the Federal, States and Local Governments.

4.6.2.1.2 Demand Orientation

124. The effectiveness of the VET system is undermined by a lack of market orientation. The system, with the exception of some ITF and NDE supported programmes, tends to be supply oriented. Accordingly, the system is to be made more effective by making it more demand driven, forging closer links with employers and other users of trainees.

4.6.1.1.3 Accountability for Results

125. Another cross-cutting factor is the limited extent of accountability for results at the Federal, State and Local Government levels. Public training agencies tend to be accountable to government Ministries only for routine administrative requirements on how inputs were spent. Greater attention will therefore be given to results achieved.

4.6.2.1.3 Management Capabilities

126. At the macro-level, managers who are capable of policy analysis and programme formulation and implementation will be developed. There is a gap between good policy intentions and their implementation. At the micro level or institutional level, quality and efficiency in resource use will need strengthening.

4.6.2.1.4 Quality of Training Inputs

127. Most of VET programmes suffer from inadequate funding which leads to poor results. It should be realised that VET is more expensive (sometimes twice as much) than general academic programmes. A training system cannot be cost-effective if any of its budget components do not fall below the threshold amount required for making it operational.

128. A major input requirement is staff with adequate qualifications. In order of importance, are practical experience, training, knowledge (formal qualifications), pedagogy and teaching experience. Majority of instructional staff do not possess these requirements.

129. The training programmes will be more adequately adapted to the labour market. Programmes are to be based on occupational analysis of clusters of occupations; while efforts is to be made to provide work experience that is more effective and less marred by bureaucratic and administrative muddle. Since the teaching programmes are fixed, the duration of training is fixed and the standard achievements are not varied,, students graduate with different levels of attainment.

4.6.2.1.5 Focus on Outputs

130. Standard setting, trade testing and accreditation mechanisms are yet to meet the required standard. As such, testing and certification will be strengthened to improve quality by providing information on skills achievement of trainees. Owing to the weak technological foundation in the country, which further undermines the quality of VET, Government is to explore South-South co-operation arrangements with newly industrialised countries for assistance to improve the situation.

131. Lack of reliable and current labour market information is another setback in the VET system. Improving the feedback of information about labour market

outcomes will be an important step towards orienting the training system to outputs rather than inputs. The provision of labour market information to trainees will help not only in influencing their occupational choices but also in directing them to employment opportunities.

132. Attention is to be given to improving the present placement system for trainees that are weak and generally ineffective. It will be strengthened by apprenticeship schemes that are considered as effective means of providing industrial exposure and contributing to the acquisition of vocational skills, especially in non-industrialised environment. 'Industrial attachments' that vary from 3-6 months, is to be replaced by a National Apprenticeship Scheme.

133. VET systems is to be subjected to greater changes and adaptation in the course offered, as there is a limited capacity to adapt and adjust training programmes even when there is clear evidence of a need for change. This will require a clear vision and strategic planning for training in key economic sectors, particularly on technology and industrialisation that will enhance the country's competitiveness.

134. Given the fact that most occupational training demands that the trainee should have certain minimum skills in terms of computational skills, literacy and communication, a good general education is the best pre-vocational training that can be offered. The Federal, State and Local Governments will therefore pay greater attention to the provisions of the Universal Basic Education (UBE) so as to provide a solid base upon which skills can be built.

135. As wage employment continues to shrink, at least in the short run, self-employment is the only alternative left for the majority of school leavers and graduates of tertiary and higher education. Accordingly, Government is to introduce enterprise education at primary level as a cross-curricula subject (not as an examination subject), to inculcate enterprise culture. It will also continue to strengthen the current entrepreneurship education and training in tertiary and higher education.

136. For a growing number of people, the real problem lies not in the lack of job-specific skills, but in self-respect and correct work attitudes. The Federal Government will strengthen vocational counselling and career guidance to ensure that school leavers' expectations are in line with labour market realities, and that blue-collar jobs are as important as white-collar jobs.

137. Occupational Skill Standards, testing and Certification (OSTC) constitute an important tool for skill development both for the national economy and for the individuals entering the labour market. It encourages job-related training and improves productivity by defining work-related competencies. Occupational standards also form the basis for a more rational wage and salary structure. The current OSTC system is weak in terms of curricula, equipment and qualified instructors and examiners. The Government is to therefore strengthen the system through provision of sufficient funds, and the training of instructors and examiners using the Industrial Training Fund (ITF) staff and technical assistance.

138. Formal pre-employment vocational training offered by the technical colleges, monotronics and polytechnics now provide the much-needed craftsmen, technicians and technologists. There is, however, a tendency among students and parents to aspire for higher levels of technical and technological training at the expense of the craft level. The technical skill pyramid is therefore inverted. The Government will pay more attention to craft and other levels of skills training with a view to reaching internationally accepted ratios of Engineers/Technologists, technicians and craftsmen of 1:5:25

139. The non-formal vocational and technical training programmes offered under the Industrial Training Fund (ITF) training schemes are demand driven as they are tied to the requirements of industry. However, there is need for the ITF to plan for and offer training in strategic skills, which may not be immediately used. The Federal Government is to fund the proposed centres of excellence.

140. In line with its cost-sharing and institutional sustainability, the Federal Government is to review the training levy/grant scheme based on medium to long-term corporate plan (long-term vision) and accord ITF full autonomy so as to provide the desired flexibility in course/programme offering and sustainability.

141. Special employment programmes as those offered by the National Directorate of Employment (NDE), provide the much-needed skills for the rural and urban informal sector. The Federal Government is to continue to support NDE by providing sufficient funding and making NDE training programmes demand driven, based on training needs assessment at local levels through incorporating innovative and integrated training approaches such as Community-Based Training for employment generation and poverty eradication.

142. As the majority of VET programmes suffer from inadequate funding, the Federal Government is to maximise the use of existing training institutions, rather than create new institutions. To this, end, it will diversify sources of funding including the uses of ITF funds, and part of Education Tax. It will also encourage training/production, charging user fees in certain situations and sub-contracting. In this regard, the government, in collaboration with organised private sector, is to devise better ways of funding VET.

143. The quantity and quality of teachers and instructors are key inputs in any measures aimed at improving efficiency and effectiveness of the VET system. Their training and the provision of competitive salaries and other incentives are of paramount importance in their recruitment and retention. The Federal Government and State Governments will take steps to ensure that the conditions of service of instructors are improved.

144. The current missing link between economic policies and VET actions is to be restored whereby the human resource implications of economic strategies are analysed as a basis for establishing decision criteria for VET programmes.

145. The private sector has an important role to play in the provision of skills training, the Federal Government will promote active participation by the private sector through the provision of increased financial incentives such as credit programmes for equipment, staff training and timely review of reimbursements of training costs by ITF.

146. Training in the rural areas to enable the people to take advantage of local market opportunities and to enhance rural development by strengthening rural training centres will be enhanced.

147. To improve the standard and quality of training in the rural training centres, a few centres of excellence, strategically located, will be created as anchor institutions to provide the necessary technical and other professional support.

148. The Federal Government is to strengthen the links between NBTE and the ITF and other agencies involved in VET to create a networking arrangement for policy co-ordination at Federal and State Government levels.

149. Women, youths and persons with disabilities will be accorded affirmative action through the creation of specific quota to ensure their mainstreaming and participation in VET programmes in order to address access and equity considerations.

4.7 Improving Working Conditions, Occupational Safety and Health

150. The development of a nation depends on the health of its people. Safety and Health at work are important matters that relate to the general health and well-being of working people, hence it will be accorded the highest consideration in policies at all levels.

151. Working conditions refer to the situation within which the workers live including, hours of work, work organisation, job content, welfare services, adequate mode of commuting and commuting time, remuneration, the home environment, and nutritional education. Consequently, improving working conditions and promoting occupational safety and health not only ensures the health workers, but also enhances productivity, quality of products, work motivation and job satisfaction. In addition, it contributes to overall quality of life of individuals and society. Furthermore, the safety and health, and well-being of the working people are crucial prerequisites for labour productivity improvements, and are of utmost importance in overall socio-economic and sustainable development. It is imperative that in an employment policy, strategies for the improvement in working conditions, occupational safety and health should be fully integrated.

152. The Structural Adjustment Programme put in place by the government a few years ago, led to the proliferation of urban informal sector activities resulting in increased small and medium-sized enterprises as well as increased rural non-farm sector activities. These are important areas of concern for employment promotion in Nigeria at present and in the foreseeable future. Unfortunately, these groups are not very sensitive to the need for adequate working conditions, and Occupational Safety and Health. Accordingly, an effective health promotion policy through provision of adequate training and information to the entrepreneurs, the self-employed and the employees will be an important step for improving the health of small-scale and informal sector workers, as well as for promoting economic productivity and sustainability of the undertaking.

153. Government has recognised this factor and has put in place the necessary action programmes and projects including the pilot project in Urban Informal Sector Support on Occupational Safety and Health and the Work Improvements in Small Enterprise (WISE). The WISE methodology has proven successful in many countries where it had been introduced to improve working conditions, enhance productivity as well as increase quality of products.

4.7.1 Strengthening of the Existing Policies for Occupational Safety and Health Development of Policy Tools.

154. Nigeria had taken long strides in the area of Occupational health and safety within the region and was the first African country to host an international Seminar on Occupational Health for Developing Countries in April 1968. It was also the first African country to establish an occupational Health Institute in Ibadan, which is now defunct. Despite these laudable achievements and other major efforts by the government, as well as the employers' and workers' organisations, many of the previous policy objectives on Occupational Safety and health have not been met, and the major basic traditional health needs are still to be met. Furthermore, it can be expected that demographic trends will give rise to new occupational health and safety needs that the new policy should take into account. The occupational health services now available to the majority of the workforce in Nigeria are grossly inadequate resources are to be provided, so as to strengthen occupational safety and health programmes in both the formal and informal sectors.

4.7.2 Developing the Health Work Environment

155. Occupational health problem arise, from hazardous factors in the work environment. In Nigeria, exposures to hazardous conditions that have adverse effects on the health of the workers are found in most workplaces. Since most hazardous conditions at workplaces are in principle preventable, the policy is to concentrate on primary prevention of hazardous conditions at work, as the most cost-effective strategy for their elimination and control. Criteria and actions for the planning and design of healthy and safe work environments that are conducive to physical, psychological and social well-being are to be considered.

4.7.3 Strengthening of Occupational Health Services

156. The introduction of new technologies at the workplace has led to emerging problems of occupational safety and health in Nigeria. This calls for the development of Occupational Health Services for all workers in all sectors of the economy and in all enterprises, as well as for the self-employed. This policy will extend accessible Occupational Health Services through the existing avenues such as the primary healthcare, at an affordable cost, to the operators/entrepreneurs in the urban informal sector. Essential drugs are to be made available at affordable prices to these categories of workers. Work places should also maintain first aid kits.

Government is to ensure availability of effective first aid kits for informal sector operators.

4.7.4 Development of Human Resources for Occupational Health

157. Competent occupational health activities require appropriate training. The country was once endowed with many talented professional in the field of occupational health; due to economic downturn, the country's experienced professionals have been forced into economic migration. As a result of the brain drain and change in government policy regarding post graduate medical training, there is now a general shortage of experts and training facilities in this critical sector. The training of specialists, including medical experts, hygienists, nurses, and psychologists for the multidisciplinary occupational health teams, is to be pursued vigorously and efforts are to be made to accommodate as many qualified candidates as possible.

158. Managers and foremen make decisions about several aspects of work that determine safety and health. It is therefore important that they are aware and knowledgeable about the key principles of occupational health. The awareness, knowledge and skills of workers and the self-employed are key factors for appropriate safety and health behaviour and for adopting safe working practices. Campaigns to raise awareness regarding occupational safety and health is to be initiated by the government and private sector employers for these categories of people.

159. There is need for training in the basic principles of Occupational Safety and Health (OSH) for workers who need such knowledge in their every day work and employers, who decide on the organisation of work and other working conditions. In such guidance, the need for multidisciplinary approach would be specially stressed. In addition, OSH should be made an integral part of primary health programme in schools to ensure sustainability.

4.7.5 Strengthening Labour Inspection Services

160. Improvement in working conditions, occupational health and safety will continue to be achieved through efficient functioning labour and factory inspection services. Although labour/factory inspection system had been integrated to harmonise the inspection system for cost effectiveness and to improve efficiency and coverage, efforts are to be intensified to provide these inspectors with adequate

logistic support and better technical training, backed by relevant legislation. Steps will be taken to enhance projects to voluntary compliance by employers and workers.

4.7.6 Eliminating Child labour

161. The problem of child labour has not been well documented in Nigeria even though it exist. The occupational health needs of child workers in many of the Nigerian plantations and other occupational settings remain largely unrecognised. The physical, mental and social development of children are likely to be badly affected as a result of their exposures to hazardous and heavy workload that can cause short and long-term health problems. In this regard, the policy will aim at the gradual eradication of child labour through tripartite awareness campaigns and other innovative programmes. These will include the prevention of child labour and rehabilitation of child labour victims through enforcement of Universal basic Education (UBE), involvement in vocational education/training and improvement in their working conditions, so as to prevent adverse effects on their physical and mental health. Particular attention will be paid to psychological development.

4.7.7. HIV/AIDS and the Workplace

162. The HIV/AIDS pandemic is a growing threat in Nigeria and its impact on the productive labour force, though not well documented, can be anticipated. There is paucity information on the age distribution of HIV/AIDS cases; nevertheless, it can be assumed that the majority of those who fall victim to this disease would be between 16 and 40 years of age. This obviously presents a grim picture for the productive labour force in Nigeria, given the fact that the life expectancy is around 50 and 54 years for males and females respectively.

163. Government, in recognition of the labour/productivity and socio-economic impact of HIV/AIDS, signed a technical Agreement with the world health organisation in 1987 to assist with efforts to combat AIDS and HIV infection. These collaborative activities have resulted in the formulation of several laudable action programmes including the establishment of the National Aids Control Programme and the bridging plan of 1987 and 1988.

164. The government expects the cooperation of wider community of donors through the joint UNAIDS programme and other sources for the implementation of the National programme, most especially the awareness campaigns and the improvement of the reporting system. Furthermore, the government is to develop

concrete structural and policy related activities, which are to yield some positive results, which would ameliorate the direct impact of AIDS on the manpower structure and productivity.

165. Government is to intensify efforts to implement the WHO/ILO guidelines on HIV/AIDS in the workplace, aimed amongst other things, at minimising discrimination against HIV/AIDS patients in the workplace and maximising the labour productivity of workers infected by HIV/AIDS.

166. Government is to adopt the National HIV/AIDS Policy formulated in 1994 under the AIDS Control programme, as well as enact the enabling legislation for its implementation.

167. The government has established the National Health Insurance Scheme (NHIS) for overall improvement in health care delivery.

4.8 Strengthening of Labour Market Information Systems and Monitoring

168. Government recognises that appropriate, reliable, comprehensive employment statistics and other labour market information, regularly and timely produced, are essential for employment and other socio-economic development planning.

169. Government is to improve collection, processing and analysis of statistics on the economically active population, employment, unemployment and underemployment and other labour market information on a regular and timely basis. It will encourage and facilitate the use of these statistics and other labour market information and related indicators for

- i. monitoring evaluating and revising, when necessary, this employment policy;
- ii. employment planning including employment programme formulation and implementation and evaluation;
- iii. overall economic and social development planning.

170. Efforts be intensified to generate comprehensive, reliable, appropriate, timely and regular employment statistics and labour market information through the conduct of surveys and censuses of households, establishments and institutions.

171. Priority is to be given to the collection, processing, analysis dissemination and utilisation of employment statistics and other labour market information from administration sources at the national, state and local government levels.

172. Government is to ensure that employment statistics and other labour market information are collected, disseminated and disaggregated by gender, age and any other identified target groups;

- i. to reflect the full extent of the work of women and all their contributions to the national economy; and
- ii. to facilitate the design of focused programmes and activities consistent with identified needs of target groups and target areas.

173. Efforts are to be made to encourage in-depth, timely analysis and interpretation of employment statistics and other labour market information by employment planners, policy-makers and researchers.

174. Particular efforts will be made to intensify research into concepts, definitions, classification systems and methods for measuring and collecting employment statistics and other labour market information appropriate for Nigeria but consistent with international standards.

175. Training workshops on the collection, analysis and use of employment statistics is to be conducted regularly for statisticians, employment planners, policy makers and researchers.

176. Priority attention is to be given to the institutional framework, especially to the functioning of an effective co-ordination mechanism, for the production and use of employment statistics, in particular and other labour market information in general. This will be done in a manner that is consistent with the role of Federal Office of Statistics (FOS) in the co-ordination of statistical information activities in Nigeria.

177. The Federal Ministry of Employment, Labour and Productivity and other stakeholders are to be encouraged;

- i. to generate labour statistics from the systems of administrative records in its Inspectorate (Labour and Factory) and other relevant units;

- ii. to continue producing, compiling and collating current labour market statistics from its public employment services, returns of private employment services and other sources;
- iii. to collect structural wages and time-worked statistics for selected occupations and industries through annual establishment surveys;
- iv. to analyse the statistics collected and compiled from all sources and to continue publishing these statistics and the analyses in quarterly bulletins of labour statistics and annual labour market reports; and
- v. to create and maintain a National Employment Data Bank linked with the National Data Bank.

178. A Labour Market Information System (LMIS) is to be established. This will involve collaboration among all agencies and stakeholders from the initiation of the exercise in order to ensure participatory management of the system. In this regard, National Manpower Board (NMB), which is charged with co-ordination and management of LMIS and other agencies involved, should be given technical and financial assistance.

179. Government is to encourage and support the Federal Office of Statistics:

- a. to continue collecting statistics on the labour force, employment, unemployment and all forms of underemployment through its monthly household surveys;
- b. to continue collecting employment and broad wages statistics of the formal sector through annual establishment surveys;
- c. to collect in a specified month, each year, along with its monthly household survey for that month;
 - (i) basic structural statistics on the usually active population;
 - (ii) broad employment and wages statistics on formal sector enterprises.

- d. to collect 5-yearly structural in-depth statistics on the economically active population and in particular on employment statistics in informal sector enterprises; and
- e. to carry out specific ad hoc household-based surveys on key employment and labour issues of national concern such as child labour, women labour migration, etc.

180. The National manpower Board will, with particular references to the generation of employment and manpower statistics be encouraged to continue:

- a. collecting manpower statistics through 5-yearly surveys of establishments and their employees;
- b. carrying out tracer studies to investigate the effectiveness of training systems; and
- c. collating statistics of training institutions and of organisations responsible for work permits.

181. The National Population Commission is to be encouraged to:

- a. produce and analyse statistics on economic activities from its decennial population censuses and periodic demographic household surveys;
- b. maintain and continually update its frame of enumeration areas which is crucial for designing many national sampling schemes; and
- c. establish an effective population registration system which can generate employment statistics administratively.

182. The Federal Ministry of Agriculture is to be encouraged to:

- a. produce statistics on agricultural labour through its present system for generating data on agriculture; and
- b. make such statistics an integral part of its agricultural data bank.

4.8.1 Other Federal Agencies/Ministries

183. Other Ministries, such as Ministry of Industry are to encouraged to produce appropriate sectoral labour statistics that will form part of the sector databank.

4.8.2 Other Users

184. All major users of employment statistics and labour market information, such as the National Directorate of Employment, are to be encouraged to limit the collection of their own data to specific exercises built into their service delivery systems as part of an evaluation and/or monitoring mechanism.

4.8.3 State Governments

185. State Governments are to be encouraged to collect employment statistics and other labour market information, disaggregated to local government levels, directly through their state statistics offices and in effective collaboration with federal institutions responsible for generating such statistics.

4.9 Policy Guidelines for Mainstreaming of Special Groups

4.9.1 Women

186. Employment policies should ensure that all people have access to employment regardless of sex, age and disability. The right of a number of people falling under the groups of women, youth, and the disabled are often neglected or are unable to benefit from national policies and hence, their potentials are under-utilised. Unfortunately, gender disparity in Nigeria, as in other African societies, is deeply rooted, especially with respect to access education and economic opportunities. Certain cultural practices, customs and norms influence property ownership, access to land, control over cash etc. Women are further subordinated through the complex interaction of three different legal systems – statutory, customary and sharia.

187. Although the participation of women in the economy of Nigeria has improved over the years, women are still disadvantaged and face a number of barriers for entry into a number of socio-economic activities. In the area of management, women tend to be relegated to sub-ordinate positions even when they hold the same qualifications as their male counterparts. In both urban and rural areas, women contribute to unremunerated work, but the rural women, is more disadvantaged than her urban peers.

188. The government of Nigeria has recognised the need to address the marginalization of women and is creating a conducive socio-political environment for the integration of women into the development process. This has been done through model programmes in critical ministries and parastatal, including Health, Education, Agriculture, NDE, the Ministry of Women Affairs and Youths Development, Community Banks etc. The government has also prepared a Draft National Policy on Women to institutionalise its commitment to the development of the Nigerian society towards social equity, justice and improved quality of life. It will also articulate in a coherent manner Women in Development (WID) policies and programmes.

189. In the formal sector, women constitute less than 20% of total employment. The majority are in lower cadre occupations constituting about 18% of the professional and managerial categories. In the urban informal sector, where a large number of Nigerian women conduct business, working conditions are poor. Such operators have little access to credit, technology, training and other amenities. Government will work seriously to remove the impediments to the informal sector and will put in place, strategies and action programmes to enhance legal protection and training especially in business management for women in the informal sector.

190. Since the low level of education of women makes it difficult for them to secure good employment opportunities and to benefit from technical information, the government is to promote programmes and projects, which allow a high rate of participation of women at all levels of education. Cultural and social biases against equal and full participation of women in education and training will be tackled through long-term strategies, which will aim to redress their low economic status and lack of decision making power.

4.9.2.1 Youths

191. A major feature of the population of Nigeria is its youthfulness. The challenge facing the Nigerian Government, therefore, is to respond to the needs of school dropouts and educated youths, and meet their aspirations for entry into productive employment creation in all sectors of the national economy.

192. Government has recognised the need to continuously review the education curricula to ensure appropriate exposure to prevocational skills for pupils and some basic skills for those who drop out, to enable them engage in income generating activities. In addition, the government is to encourage private sector initiatives in the integration of training of the youth for self-employment and other forms of employment. In promotion of these government is to resuscitate the Nigerian Youth Enterprises Development Fund and also establish Youth Development Centres in all the States.

193. Training will impart special job skills especially in the area of business management and appropriate technological development, while counselling will encourage the youth to access financial and technical management advisory facilities and other sources required for their success in self-employment.

4.9.2 The Disabled

194. Under normal economic conditions, disabled persons find it difficult to enter the world of work. They have peculiar needs both in terms of training and the jobs they are able to take up. In an attempt to ingrate the disabled persons into normal life and unsure their participation in socio-economic activities, Government will promote job-entry schemes that give equal opportunities to disabled persons to compete for jobs as long as they posses the requisite qualifications. To complement this endeavour, the government shall, through the Ministry of Employment, Labour and productivity, put in place an effective placement scheme for the disabled workers. Government will provide special facilities; tools and equipment countrywide for training of disabled persons will seek to involve such persons in training programmes and maintain them in regular employment. Emphasis will be placed on community rehabilitation programmes.

4.9.4 Others

195. Government will design and put in place appropriate programmes to encourage self-employment, promote employment and job opportunities for active retirees, retrenches willing and able to work. Government is to implement special schemes to address the peculiar situation of the disadvantaged ethnic groups and the geo-graphically displaced.

PART V

INSTITUTIONAL FRAMEWORK FOR POLICY IMPLEMENTATION

196. The promulgation of this National Policy on Employment is designed to contribute to the acceleration of employment growth and move the nation towards full employment and poverty eradication. This goal can be achieved only if the policy is vigorously pursued and fully implemented. Being a dynamic exercise, the policy will have to be reviewed regularly and revised to ensure its continuing relevance to the Federal, States and Local Governments' stated development policies. Given the multidimensional nature of the employment challenge, the implementation of the National Employment Policy requires the active participation and involvement of many actors and their effective coordination. This goal cannot be achieved without an enabling political culture that promotes development. The Federal Government sees its role as that of creating an enabling environment for employment growth where the private sector will play a key role. The Government assumes the overall responsibility for coordinating all national and international efforts aimed at achieving the objective of full employment. This chapter outlines the roles expected of the major actors in the implementation of the national employment policy. These major actors include the Federal Government, State Governments, Local Governments, employers' and workers organisations, the bilateral and multilateral donors and the NGOs. The chapter also outlines main issues and actions needed in monitoring the progress and implementation of the national policy.

5.1 The Role of Government

197. The multifaceted nature of the employment policies presented in this document, means that implementation will require action and attention from all agencies of government, if the goal of full, freely chosen, and productive employment is truly to become a priority in national economic and social policy. Accordingly, all governments' agencies must integrate into their policies and programmes, the objective of maximizing productive employment. This requires clear identification of the employment implications of investments and other decisions taken, at Federal, State and Local Government levels, closer examination of the various initiatives for mobilizing them for development.

198. In pursuit of the objectives of the National Employment Policy, like any other meaningful development policy, we must incorporate the re-orientation and

re-introduction of people to foster positive attitude towards life in general. Much can be achieved in the economic, political and social spheres if the attitude is right and the values are positive.

199. In addition to the above, hard work and industry must be embraced by all and sundry, who would be willing to serve in any corner of our country. In the rural areas, where the bulk of the country's agricultural and national resources abound, promotion of small and medium scale enterprises can draw on available and unemployed human resources thereby reducing rural-urban migration, as well as accelerating the development of the rural areas.

200. The National Planning Commission will have the primary responsibility of ensuring that the goal of full freely chosen, and productive employment becomes truly a priority in national economic and social policy. The Minister of National Planning will ensure that national development programmes are conceived in such a way as to result in progressive reduction in the gravity of the unemployment and underemployment problem over time, thus positively contributing to poverty reduction efforts by the Federal Government. To accomplish this objective, the National Planning Commission is to ensure that it has adequate and competent corps of specialists in human resources development to monitor together with NISER, NLC and NECA the employment implications of investment decisions. The overall aim will be to ensure that future development programmes are employment intensive and that national economic and social policies generally move in the same direction.

201. The Federal Ministry of Labour and Productivity in collaboration with the Federal Office of Statistics (FOS) and the National Manpower Board (NMB), will provide the National Planning Commission with Labour Market information to facilitate the preparation of labour intensive development programmes. Such information will also ensure that special employment programmes such as the National Directorate of Employment (NDE) are strengthened through the provision of the required qualified staff and funds to pursue its stated missions. The National Data Bank will be strengthened for the purpose of availing data generated for dissemination. The Federal Ministry of Labour and Productivity will also be responsible for implementation of the employment policy.

202. The Federal Ministry of Information and National Orientation would have the all-important responsibility to carry out orientation campaign. The people need re-introduction in the area of ensuring orderliness in public places, environmental

cleanliness, protecting public utilities, transparency and accountability and prompt payment of taxes, levies, utility bills fulfilment of civic responsibility. The campaign should also aim at inculcating discipline and responsibility in the citizenry.

203. Given the multi-sectoral nature of employment promotion policies and programmes, there is a need to establish an effective networking arrangement at national co-ordination machinery to guide, streamline and co-ordinate national efforts towards full employment. This can be realised through the establishment of a small but high level National Employment Council to guide the implementation of the policies, strategies and programmes of action of the National Employment policy. The Council should consist of the following: Ministry of Employment, Labour and Productivity (Chairperson), National Planning Commission, Ministry of Finance, Ministry of Agriculture, Ministry of science and Technology, Ministry of Education, Manufacturers Association of Nigeria, NECA and Nigeria Labour Congress (being represented by their chief executives) the National Manpower Board. The work of the Council shall be strengthened by the use of knowledgeable and high level expertises in the relevant areas of its functions.

204. the Council will have a sub-committee at expert level that will be drawn from Government, the Manufacturers association of Nigeria (MAN), National Association of Independent Businesses, National Salaries and Wages Commission; The Nigerian Association of Chambers of Commerce, Industries, Mines and Agriculture (NACCIMA), National Universities Commission, National Economic Intelligence Committee, NECA, NLC, NAC and any other individuals or organisations that the Ministry may deem necessary. The committee, however, must remain small to be effective. The Committee and its committee should meet at least half-yearly. Government will strengthen the Employment Exchanges Professional and Executive Registries located in all the Federal Ministry of Employment, Labour and Productivity as well as in the National Directorate of Employment and publicise their services effectively.

5.2 The Role of Employers' and Workers Organisations

205. The social partners viz Nigeria Employers' Consultative Association (NECA) and Nigeria Labour Congress (NLC) will be expected to cooperate closely with the government constituted bodies. In particular, they will cooperate with the Ministry of Employment, Labour and Productivity in the achievement of National Employment Policy, through the vigorous implementation of the strategies

contained in this document. NECA and the Workers Organisations will be strengthened to enable them pursue their mandates more effectively. They should pay particular attention to areas such as price stability, enhancement of productivity, development of micro, small and medium enterprises, full employment, maintenance of industrial peace, accelerated modernization and the effective functioning of tripartism and tripartite institutions.

206. Government will mobilize the support of the social partners in the effort to strengthen and create centres of excellence and in the development of viable associations of small and medium size enterprises. It will encourage in particular the creation of forward and backward linkages, and the promotion of sub-contracting arrangements, between small and medium size enterprises in the informal sector and their larger counterparts in the modern sector.

5.3 Donor Contribution and Coordination

207. Government will aim to mobilize, allocate and utilise national resources to achieve a high level of development with maximum employment. It will also seek to ensure that such employment-intensive development process becomes self-sustaining as soon as possible. However, this will require intensification of efforts to achieve full accountability and transparency in the use and allocation of available resources and substantial external support in the short term to assist with the rehabilitation of the country's economic and social infrastructure.

208. In order to achieve the objective of a more employment intensive development, there is a compelling need for donors to shift the composition of their aid towards more employment intensive sectors and projects. This will be along the lines recommended by the National Report for the World Summit for Social Development (March 1995) i.e. donors devoting at least 20% of their aid resources to human resources development.

209. In order to increase the productivity of total resources and promote a faster pace of national development, it is necessary for donors to avoid competition and duplication of efforts in their support for employment intensive programmes and other development projects. To this end, the Federal Government will promote better co-ordination of donor efforts, and more effective linkage of donor activities with national development and employment objectives.

5.4 The Role of NGOs

210. Government appreciates the positive role played by the NGOs in supporting employment and income generating activities in both rural and urban areas. The State Governments will be encouraged to intensify their collaboration with the NGOs, especially at grassroots level, adopting participatory approaches to employment generating activities. The capacity of indigenous NGOs will be strengthened with a view to enhancing greater efficiency and productivity in their operations. Government is to ensure effective co-ordination of NGO activities inline with national development and employment promotion in order to maximise the effectiveness of their contributions.

5.5 Programme Monitoring and Evaluation

211. Over the years, a number of programmes and projects for employment creation and income generation have been implemented by the government, the private sector, and NGOs. Sustainability of these activities has been poor. Government will create or strengthen units within government ministries and related agencies, with the responsibility of monitoring and evaluating programmes and projects, especially in respect of employment creation. The effective functioning of such units will be necessary to facilitate the functions of the Ministry of Employment, Labour and productivity and the National Planning Commission in the monitoring of progress on employment promotion at the national level. NECA, NACCIMA, Workers organisations are expected to strengthen their own monitoring and evaluation units to enable them generate data for the evaluation of their own activities. Such information should be put at the disposal of the Ministries of Labour and Productivity, and National Planning Commission for progress reports on employment issues, and employment created.

5.6 Review and Revision of Employment Policy

212. An evaluation of the programme and project monitoring, as indicated above, will provide information on the extent to which the National Employment Policy is being implemented, and the progress being made in the realisation of its objectives. In the light of such evaluation, an overall policy revision may become necessary. Therefore, a major policy review and possible revision will be undertaken every three to six years. This will be the responsibility of the Ministry of Labour and Productivity.

