

employment. Supporting the development of small and medium sized enterprises is considered particularly important. Attention is also called to the role public employment programmes can play in offering temporary relief for workers affected by unemployment.

## A. Introduction

The generation of productive employment is a critical factor for self respect and poverty reduction as well as increased production. Employment has emerged as a major global concern, especially following the financial crisis of 2008 and despite progress in poverty reduction in many parts of the world.

The employment situation varies according to the stage of development of countries. In many poor economies, a large share of the working population is in agriculture and in vulnerable employment, while manufacturing and modern services form a larger proportion of the total in most higher income economies. In general, women face adverse conditions in employment, and correcting this needs to be an intrinsic part of any employment promotion strategy.

The policy environment at the macro level has a major influence on growth, while sectoral policies can shape both the rate and pattern of growth in employment friendly directions. Sectoral policies are

creation and the promotion of a dynamic structural transformation of the economy, which must also be compatible with environmental sustainability,

including consideration of the impact of public employment programmes. In addition, public employment programmes can play an important role in complementing other policies. They generate more immediate results

sectoral policies and provide income and a productive safety net for the working poor and those affected by adverse economic shocks.

of employment problems, which include significant and pervasive underemployment. At the global level, the ratio of employment to working age population declined somewhat, from 61.2 per cent in 2007 to 60.3 per cent in 2011, suggesting a diminishing capacity of the world economy to

generate employment opportunities

\* Excerpt from Committee Committee

While some people are employed in the modern sector and generally enjoy good labour conditions (i.e., “decent work”), others face restricted livelihood choices. Some, often those lacking qualifications and skills, are self employed or engaged in low productivity small scale enterprises, while others work as casual labourers. Workers in this category are

appropriate infrastructure. In this regard, it is important to develop public private institutional arrangements — or other organizational innovations at the national level — in which information on profitable and productive activities as well as useful interventions can be elicited. A main objective of such a joint arrangement would be to identify the obstacles that prevent current activities from expanding and new ones from emerging. Assistance is desirable to encourage venture capital, promote coordination and clustering among the producers and facilitate their access to markets. The integration of such activities with local production and the rest of the economy is also an objective, so as to generate development at the national level beyond a narrow enclave isolated from the domestic economy.

The potential of an industry as a long term generator of jobs lies mostly with knowledge of that industry and its evolving technology and markets. Choosing which types of industries or activities are likely to succeed is a complex task and requires some specific procedures to assist in reducing errors.

One way of reducing mistakes is by setting performance standards and making government support conditional on performance. Standards should be clearly set and easy to monitor. Moreover, the prospects for the success of a nascent industry or activity in developing countries are increasingly enhanced by the mobilization of skills from abroad, including through reverse brain drain or circular migration. Thus, industries or services should have complementary support from persons with experience abroad who have been exposed

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provide sufficient and timely financing for developing countries experiencing the impact of external shocks and natural disasters. This will contribute to reducing the resulting volatility in aggregate demand, which discourages investment and undermines employment creation (see E/2009/33, chap. III).

Enhances