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Employment creation – time to think outside the box

Prepared by Herbert Jauch for The Villager newspaper

Last week President Pohamba launched the new national employment policy which is supposed to pave the way for the creation for a large number of decent and sustainable jobs. The policy was launched during the national employment conference, convened by the Ministry of Labour and Social Welfare. It brought together various Ministries, parastatals, employers, trade unions and a few other local and international organisations, including the International Labour Organisation (ILO).

In his address, President Pohamba pointed to decent employment as a precondition for the elimination of poverty and inequality in Namibia. He admitted that despite the progress made since independence urgent action was required. Thus the new employment policy is meant to be systematically linked to the National Development Plan 4, the industrial policy and other developmental interventions. The President stressed that employment creation must be a key focus of all government programmes as well as that of other economic actors in the private sector.

The new employment policy acknowledges that women and young people are hardest hit by unemployment and thus places special emphasis on them. The policy also identifies key economic sectors where a large number of jobs can be created such as agro-processing, local value addition, moving towards renewable energy, tourism, mass housing and sanitation, supporting the informal economy etc. The policy outlines the employment potential in these sectors and highlights interventions which are both possible and necessary.

The policy document contains an action plan as well as a monitoring and evaluation plan to pave the way for the practical implementation. However, the employment conference that took place last week already provided an indication of the serious challenges that are likely to be encountered. Various ministries made presentation about their current programmes without making reference to the policy and without pointing out what needs to change to create a significant number of new jobs. The notable exception was the NHE presentation which outlined the mass housing initiative that is expected to build 185 000 new houses over the next 18 years. This will result in 20 000 direct new jobs per year and if local building materials are to be developed and utilised a far greater number of additional jobs can be created. Alongside the rolling-out of sanitation facilities, the housing initiative thus presents an opportunity to not only provide for a basic human need (shelter) but to also create a large number of decent jobs. The mass housing initiative needs to look at new forms of providing houses beyond the market mechanism that made housing unaffordable for the vast majority of Namibians.

During the conference it became apparent that the concept of decent work as well as the idea of a living wage as a critical precondition to address poverty and inequality is still poorly understood. As pointed out by Advocate ya Toivo, in Namibia today 15% of formal sector workers are poor or severely poor and 28% of them live in shacks. Employment creation does not automatically result in poverty reduction and thus a deliberate focus on protecting workers and guaranteeing a living wage has to become an integral part of all economic policies as well as the employment policy. Thus a collective commitment to social justice and decent work needs to underpin the new policy. This cannot be left to the Ministry of Labour alone but requires the full support from all state institutions and role players in the economy. This might be difficult to achieve as some employers continue to express the view that the Namibian labour market is “too rigid” and “over-regulated”. Also, there are contradictory statements expressed in different government documents and a clear commitment to decent work is essential if the lot of the unemployed and the working poor is to be improved.

Overall, the new employment policy points to possibilities but it can only succeed if government is able to rise above the current “business as usual” approach and if there is meaningful co-operation between different stakeholders. The absence of some of them at the employment conference does not augur well and thus decisive political leadership will be required to place a national focus on job creation and poverty eradication. Several developmental interventions will have to be taken and the case of Ramatex a few years ago should have taught all of us that the jobs to be created have to lift people out of poverty. Otherwise, Namibia might just increase the number of the “working poor”, namely people who might be employed but earn so little that they are unable to meet even their basic needs. This is certainly not the way to go.

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