

ILO Report on Promotion of Rural Employment for Poverty Reduction

ODI

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Overall appraisal

- First major focus on rural employment for 20 years
- Quite a conventional approach to
 - Growth, poverty reduction especially emphasising smallholder agriculture and food production
- Until we get to
 - Rights and the decent work agenda

Leading themes

- The diagnosis
- Framework for action
- Strategies to promote decent and productive employment
- Strategies to extend rights at work
- Extending social protection and social inclusion
- Promoting social dialogue and better governance
- Plan of action for ILO

The diagnosis

- Importance of rural poverty
- To continue its historic contribution to poverty reduction, agriculture needs
 - Enabling policy environment
 - Adequate institutions
 - Sufficient well targeted public and private investment
 - And to be environmentally sustainable
- Decent work deficits severe in rural areas
 - Rural labour markets dysfunctional
- Common features of work...
- ...but great diversity

Functioning labour markets

- ...produce efficient and fair outcomes, where workers are protected against risks of income loss
- Reality is far from this, especially in agriculture

Improving labour market governance

- Supply and demand mediated by institutions
 - Govt policies, regulation and services
 - Private sector, TU, employers', farmers' organisations, CSOs – 'social partners'
 - Social and cultural factors and economic institutions
- Social partners work with government to improve implementation of labour codes

Framework for action

- Decent work agenda:
 - Rights
 - Employment
 - Social protection
 - Social dialogue
- The Global Employment Agenda
 - 10 core elements

Strategies to promote decent and productive employment

- Key objective of national rural employment strategies: develop *regulations* which enable a shift from informal to formal employment, raise productivity, increase earnings, extend coverage of existing rights, social protection and social dialogue
 - Especially in agriculture
- Technical progress and investment in small holder agriculture
 - *Agricultural support services* for smallholder farmers
 - Production of food for local consumption

Critique of macro-policies

- Sound macro-economic management, efficiency gains from trade integration...
- But: trade integration can result in job dislocation, so care in lifting trade barriers...
- ...assess employment and decent work aspects of trade policies

Strategies to extend rights at work

- Huge gap between rural workers and others on implementation of national labour laws
 - Many (migrants, indigenous) excluded
 - legal protection not realised in practice
 - Fundamental principles (right of association, collective bargaining) essential
- Labour inspection critical

Extending social protection and social inclusion

- Measures to extend social protection, especially social security have high potential to improve capabilities, access to good jobs, and opportunities – key to inclusion
- No magic bullet instruments
- Particular problems delivering social protection in rural areas
 - Remoteness
 - Conditional transfers more difficult because services are weaker
 - Low social status and powerlessness
- Long term commitment to funding by government

Promoting social dialogue and better governance

- ‘Social partners’ to reach out to excluded rural employers and workers to assist the ‘migration of the sector into the formal economy’
- International framework agreement between multi-national enterprises and union federations
- Decent Work Country Programmes – employers and workers organisations should participate

Plan of action for ILO includes:

- ...the extension of national labour laws to all rural workers
- Include all in social protection schemes
- Staff and resource labour inspection
- Build capacity of rural organisations
- Develop demand driven Decent Work Country Programmes