



Why is Employment Important?

Experiences from Employment Policy Approaches in Europe?

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Why is employment important?

- Employment policy in Europe

- *Jobs are at the heart of the Europe 2020 strategy for smart, sustainable and inclusive growth.*
- *Inclusive growth is defined as a high-employment economy delivering economic, social and territorial cohesion.*
- *Without a broad participation in the labour market, a sustainable and inclusive growth is not possible.*
- *Targets of the Europe 2020:*
 - Employment rate (75 % of the population aged 20-64).
 - 20 million less people should be at risk of poverty.



Why is employment important?

- Employment policy in Europe

- *The European employment strategy provides a framework (the "[open method of coordination](#)") for EU countries to share information, discuss and coordinate their employment policies.*
 - Employment guidelines set out common priorities and targets within the framework of Broad Economic Policy Guidelines.
 - National Reform programmes prepared by member states.
 - Joint Employment Report and Country-Specific Recommendations.



Why is employment important?

- Employment policy in Europe

- *Priorities and Targets of the Employment Guidelines*
 - Increasing labour market participation of women and men, reducing structural unemployment and promoting job quality
TARGET: 75 % employment rate 20-64 age group
 - Developing a skilled workforce responding to labour market needs and promoting lifelong learning
 - Improving the quality and performance of education and training systems at all levels and increasing participation in tertiary or equivalent education
TARGET: Drop outs from secondary education below 10% and 40% completed tertiary education
 - Promoting social inclusion and combating poverty.
TARGET: 20 million less at risk of poverty



Why is employment important?

- Country-specific recommendations on economic and employment policy: some examples from Italy 2012

- *Ensure that the excessive deficit of the budget is corrected in 2012.*
- *Take further action to address youth employment by improving relevance of education and facilitating transition to work.*
- *Adopt labour market reform to tackle the segmentation of the labour market.*
- *Establish an integrated unemployment benefit scheme.*
- *Pursue the fight against tax evasion.*
- *Implement liberalisation and simplification measures in the services sector.*
- *Simplify the regulatory framework for businesses and enhance administrative capacity.*



Why is employment important?

- A perspective on Egypt

- *The arguments for the large role of employment policy in Europe are equally valid for Egypt.*
- *The only main difference is that the number of excluded is much higher, and the main issue is maybe not primarily unemployment, but the absence of decent jobs and labour market segmentation.*
- *Segmentation on educational participation transforms into the labour market.*
 - *Only 46 percent continues after lower secondary education*
 - *Enrollment in tertiary education 28 percent*
- *Youth employment*



Why is employment important?

- A perspective on Egypt: Some questions

- *What is a good decent job in Egypt?*
- *What is a realistic vision for employment policy?*
- *How can employment policy be better integrated into a broader economic and development policy agenda?*
- *Who are the actors that should be associated?*



Why is employment important?

- A perspective on Egypt: Employment targets

- *Which priorities and targets could be used in Egypt?*
- *Unemployment is not a good indicator for understanding labour market distress in countries without a comprehensive social protection system and generally not a good target for employment policy as the main issue is to create jobs.*
- *MDG Target 1B "Achieve full and productive employment and decent work for all, including women and young people"*
 - Employment rate
 - Share of vulnerable employment
 - Share of working poverty
 - Labour productivity



Why is employment important?

- EU Development Policy: Agenda for change communication

- *"Inclusive and sustainable economic growth is crucial to long-term poverty reduction and growth patterns are as important as growth rates."*
- *"To this end, the EU should encourage more inclusive growth, characterised by people's ability to participate in, and benefit from, wealth and job creation."*
- *"The promotion of decent work covering job creation, guarantee of rights at work, social protection and social dialogue is vital."*



Why is employment important?

- Strengthening the employment perspective

- *A better understanding of the functioning of the labour market and how policy interventions in different areas impact employment would bring an important perspective.*
- *However, the labour market may not be the major barrier for inclusive growth and policy measures that may address the barriers linked to the labour market may not necessarily be very different from the ones commonly used in other policy areas.*



Why is employment important?

- Towards an evidence-based employment policy

- *Bring in analysis of the functioning of the labour market into policy making.*
- *The need for a labour market information system.*
- *Employment often an objective of policies in other sectors. However, employment is often seen as an side-effect and little is done to design policies to maximise impact on employment.*
- *Employment impact assessment. Measurements of direct and indirect effects.*



Employment in EC Development Cooperation

- Main considerations

- *Integrated approach to employment and decent work.*
- *Strengthen the pro-poor focus of interventions, in particular in addressing challenges of the informal economy.*
- *Analysis of the functioning of the labour market key to understand impact of interventions on employment.*
- *Involvement of social partners in policy design and implementation, monitoring and evaluation.*