An Employment Approach to Poverty Reduction in Ghana

The Informal Economy in Ghana: a Comparative Perspective.
24 October 2005, Accra.
Employment for Poverty Reduction

☐ Growth Component
  ■ Growth is necessary but not sufficient
  ■ “Jobless growth” and informalization.

☐ Employment Component
  ■ Ensure that growth generates new employment opportunities
  ■ “Working poor” – the type of employment matters

☐ Poverty Focus
Making Growth “Pro-Employment”

Some challenges to employment creation in Ghana:

- Infrastructure and public investment
- Access to markets
- Financial sector
- Macroeconomic management
- Labour force information
- Policy coordination
Policy Coordination

- Employment-Intensive Development
- Infrastructure
- Skills & Training
- Financing
- Market Access
- Trade Policy
- Productivity
Making Employment “Pro-Poor”

- Priority Areas in Ghana
  - Agricultural employment
  - Informal employment
  - Labor-intensive formal employment

- Particular Focus
  - Youth employment
  - Women’s employment
Making Employment “Pro-Poor”

- Better understanding of the segmented labour force in Ghana
  - Education & skills
  - Financial markets
  - Social norms and networks

- Raising returns to labour
  - Labour is the productive resource the poor command in abundance
  - Improving poor workers’ “terms of trade” will reduce poverty (infrastructure, markets, cooperatives)
Making Employment “Pro-Poor”

- Designing appropriate social protections
  - Are informal workers covered? Are the policies appropriate?

- Improved understanding of the links among household dynamics, gender, and the risk of poverty for working people.