JOBS

David A. Robalino
JOBS

WELFARE

PRODUCTIVITY

SOCIAL COHESION
A BASIC IDENTITY...

\[
\frac{\text{GDP}}{\text{POPULATION}} = \frac{\text{GDP}}{\text{WORKER}} \times \frac{\text{WORKER}}{\text{WORKING AGE}} \times \frac{\text{WORKING AGE}}{\text{POPULATION}}
\]
A BASIC IDENTITY...

\[
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\]

Productivity

Employment

Demographics
A BASIC IDENTITY...

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\frac{\text{GDP}}{\text{POPULATION}} = \frac{\text{GDP}}{\text{WORKER}} \times \frac{\text{WORKER}}{\text{WORKING AGE}} \times \frac{\text{WORKING AGE}}{\text{POPULATION}}
\]

**Productivity**
Increase productivity of current (new) jobs
Move workers from low to high productivity jobs

**Employment**
Get more people to participate
Create more jobs

**Demographics**
WHAT IS THE PROBLEM?

Distribution of the working age population in Nicaragua
East Asia and the Pacific
- Self-employed: 23%
- Wage: 43%
- Farmers: 34%

Europe and Central Asia
- Self-employed: 8%
- Wage: 87%

Latin America and the Caribbean
- Self-employed: 24%
- Wage: 66%
- Farmers: 10%

Middle East and North Africa
- Self-employed: 27%
- Wage: 47%
- Farmers: 26%

South Asia
- Self-employed: 21%
- Wage: 33%
- Farmers: 50%

Sub-Saharan Africa
- Self-employed: 33%
- Wage: 19%
- Farmers: 48%

Source: WDR 2013 Calculations
% EARNING 2$ A DAY

- **All**
  - Non-Agr: 22.5%
  - Agriculture: 67.5%

- **East Asia**
  - Non-Agr: 22.5%
  - Agriculture: 67.5%

- **Eastern Europe**
  - Non-Agr: 10%
  - Agriculture: 50%

- **Latin America**
  - Non-Agr: 15%
  - Agriculture: 35%

- **Middle East and North Africa**
  - Non-Agr: 10%
  - Agriculture: 50%

- **South Asia**
  - Non-Agr: 22.5%
  - Agriculture: 67.5%

- **SS Africa**
  - Non-Agr: 22.5%
  - Agriculture: 67.5%
UNEMPLOYMENT
Average number of years of education

- Low income: 3.25 years
- Middle income: 6.5 years
- High income: 13 years
Share of workers not using their skills at work

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Wage employees</td>
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<tr>
<td>Self-employed</td>
<td>10.5</td>
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<tr>
<td></td>
<td>21</td>
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<tr>
<td></td>
<td>31.5</td>
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<tr>
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</table>
Employers not finding necessary skills

- MENA
- Latin America
- Eastern Europe
- East Asia
- Sub-saharan Africa
- South Asia
- High income
- World
WICH POLICIES

Country Specific

Labor Policies (passive, active & insurance)

Macro Business environment Infrastructure Human Capital Judiciary

Urbanization

Rural development
Agrarian

Urbanizing

Formalizing

Youth unemployment

Resources rich

Conflict
GOOD JOBS ARE IN GOOD CITIES

A favela in Rio de Janeiro
CONSTRAINTS TO NON-FARM ACTIVITIES

Suitability for Agriculture

Share of non-farm to total workers in the PSU (wage and self-employed)
WHAT IS THE FOCUS OF THE COURSE?
I) FACILITATE LABOR MARKET TRANSITIONS

INACTIVITY → Wage employment
SCHOOL → Self employment
UNEMPLOYMENT → JOBS
2) INCREASE THE PRODUCTIVITY OF JOBS

INACTIVITY  
SCHOOL  
UNEMPLOYMENT  

JOBS
3) MANAGE RISKS

- INACTIVITY
- SCHOOL
- UNEMPLOYMENT

JOBS

Job loss
Fluctuations in earnings
Disability
Old-age
FOUR MODULES

• Labor markets trends
• Wage employment
• Self-employment
• Workers protection

• [work in groups]
• [special sessions]
CONSTRAINTS TO WAGE EMPLOYMENT

- **SKILLS (T, C, NC)**: Training (technical, life skills)
- **INFORMATION**: Employment services
- **LACK OF DEMAND**: Wage subsidies / public works
CONSTRAINTS TO SELF-EMPLOYMENT

SKILLS (T, C, NC)
- Training (technical, business K, life skills)

INFORMATION
- Advisory services / networking

FINANCING
- Credit, grants, insurance

BARRIERS TO ENTRY
- Integration into value chains

BUSINESS ENV.
- Changes in regulations / infrastructure
WORKERS PROTECTION

LABOR REGULATIONS
- Regulations on dismissals
- Minimum wages
- Working conditions (leave, safety)

SOCIAL INSURANCE
- Unemployment insurance
- Pensions
- Health insurance

how to expand the coverage of these regulations/programs while creating good jobs?