

# ECONOMIC INCLUSION AND LABOR ACTIVATION



The aim of the Labor Market Activation Pillar is reducing labor market imbalances and introducing supply side measures that can sustainably address unemployment and underemployment and ensure worker retention in the labor market amongst most vulnerable segments of the population. It intends to increase access to decent work, protection of people at working age, and inclusion of the most vulnerable in the labor market.

In order to ensure economic inclusion and labor activation of the most vulnerable, and in addition to the inter-linkages required with other social protection pillars, this chapter focuses on introducing active labor market policies and programs to reconcile market mismatches in supply and demand, enhancing labor legislation and oversight capacity, and ensuring better participation and representation of stakeholder groups in a social dialogue and policy making processes.

## POLICY OUTCOMES

Accordingly, the following policy outcomes are proposed:

### P5.01:

Vulnerable segments of the population have enhanced access to decent work opportunities.

### P5.02:

Mechanisms for wage and income protection for vulnerable workers are operationalized, through periodical wage adjustment in relation with standard cost of living and income replacement in case of cyclical and long-term unemployment.

### P5.03:

Labor market institutions and labor protection frameworks are strengthened through the reformed labor laws and regulations, and by ensuring effective participation and adequate representation of labor market stakeholders in social and economic dialogue platforms and policy making processes.



# STRATEGIC ORIENTATIONS AND INITIATIVES

## Strategic Orientation 1:

Developing labor activation policies to improve matching of labor supply and demand amongst disadvantaged groups.



### Initiative 1.1:

Empower the NEO and increase linkages with other relevant institutions and local authorities to establish a labor management information system, and provide gender-sensitive job search assistance, labor market training and skills development, and entrepreneurship support.



### Initiative 1.2:

Strengthen linkages between secondary, university and TVET education systems and the labor market.



### Initiative 1.3:

Link unemployment insurance scheme as well as other social protection programs with ALMPs, as re-skilling and upskilling programs, job search and job placement services, mobility assistance and employment counsellor, vocational training allowances, entrepreneurship and MSMEs support.

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## Strategic Orientation 2:

Promote employment opportunities for the vulnerable.



### Initiative 2.1:

Design and expand short- and medium-term labor-intensive programs that mainstream access and protection of employment to smooth the impact of economic shocks and typically targeted towards disadvantaged residents in partnership with relevant ministries and local authorities.



### Initiative 2.2:

Mainstream the inclusion and recruitment of vulnerable groups in private sector and infrastructure development and enterprise support programs and initiatives.



### Initiative 2.3:

Enable the legal, institutional and policy environment for the establishment of social and solidarity economy organizations (cooperatives, local producers and social enterprises).



### Initiative 2.4:

Design and implement programs that ensure access to free or subsidized childcare services in view of increasing women's participation in the labor market.

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## Strategic Orientation 3:

Ensure labor rights and access to decent work through an enhanced regulatory framework and employment protection mechanisms.



### Initiative 3.1:

Enforce emergency measures to ease the impact of mass waves of layoffs (including arbitrary layoffs), wage cuts, and suspension of business operations in many key industries.



### Initiative 3.2:

Review and reform the Labor Code in line with labor conventions to ensure protection of all workers.



**Initiative 3.3:**

Enhance and enforce the Law to Criminalize Sexual Harassment and Rehabilitation of its Victims passed on December 21st, 2020, including the establishment of monitoring and complaints mechanisms and providing gender-responsive training to security and judicial officials involved in the enforcement of the law.

**Initiative 3.4:**

Enforce the implementation of Law 220 concerning the inclusion of PwD.

**Initiative 3.5:**

Address inequalities in access to employment and the work conditions of non-national workers through measures aimed at facilitating the issuance of work permits.

**Initiative 3.6:**

Set forth regular and adequate adjustments of minimum wage that ensure income security and decent standard of living for all workers and dependents.

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**Strategic Orientation 4:**

Strengthen inspection, compliance and collective bargaining mechanisms to protect labor rights.

**Initiative 4.1:**

Strengthen monitoring and compliance with labor market regulations and labor disputes.

**Initiative 4.2:**

Protect freedom of association.

**Initiative 4.3:**

Reform the structural and operational mechanisms of the ECOSOC.

