

Job Creation and Inclusive Growth

The Problem

Although the Nigerian economy has shown impressive growth rates averaging about 7% over the past five years, the national unemployment rate increased over the same period from about 12.7% in 2007 to about 21% in 2010. This administration believes that job creation is an important and sustainable source of economic growth because of its feedback effects on everything else in the economy. The reality is that when people are unemployed, they and their immediate and extended families, as well as the country as whole, lose immensely. What the people lose in wages and salary, the country loses in the goods and services they would have produced. The loss of wages and salary (i.e., household income) would lead to less demand for already produced goods and services. A reduction in demand (consumption) causes businesses to produce less which would result in potential economic contraction and further loss of jobs for yet another group of persons. 'Inclusive growth' can only occur therefore when a large part of the country's labour force participates and contributes to economic growth through shared opportunities. This was largely not the case when the unemployment rate is as high as 21%. It was against this background that the Jonathan administration initiated certain measures aimed at job creation and inclusive growth.

Reform Actions

The Jonathan administration adopted the following programmes and initiatives specifically targeted at job creation and inclusive growth:

Agricultural Transformation Agenda (ATA): In recognition of the fact that growth in the agricultural sector is pro-poor and can foster inclusive growth, the e-wallet system widened access fertilisers to thereby engender strong growth in the sector.

Community Service Scheme (SURE-P): This scheme was designed to engage 370,000 youth in labour-intensive work such as construction and rehabilitation of social and economic infrastructure.

Graduate Internship Scheme (SURE-P): This scheme was designed to attach 50,000 graduates to competent firms in order to enhance their skills development towards employability.

YouWin! Programme: This programme was created to support 3,600 young existing or aspiring entrepreneurs over the next three years with grants, mentoring, business registration, so that they can create up to 110,000 jobs for their fellow youth.

Save One Million Lives: A good number of health workers are expected to be employed in the implementation of the Save One Million Lives.

The Youth Employment in Agriculture Programme (YEAP), which is intended to promote decent income generation opportunities and livelihood for youth in rural areas. The programme will empower 740,000 market-oriented agricultural producers (20,000 rural youth per State) and 18,500 N-Agricpreneurs (5CO entrepreneurs per State).

The Technical vocational Education and training (TVET)-SURE-P: The programme is designed to reduce unemployment and poverty in Nigeria through development of skills. The programme was plan to equip 220 young Mechanical and Elect/Elect engineering graduates with essential skills to take up job spaces in the power sector.

SURE –P Mass Transit: 809 buses were given out to operators selected from the six geopolitical zones of Nigeria, including Abuja and Lagos.

Community Services, Women And Youth Employment (Cswye) Project Of Sure-P.

The Community Services, Women and Youth Employment Project is a stop-gap employment generation initiative that targets unskilled women, youths, and the vulnerable members of the society, who have educational qualifications not above the Secondary School certificate and who fall within the age brackets of 18 to 35 years for males and 18 to 50 for females. The project was conceptualized in the Federal Ministry of Labour and Productivity in 2011, moved to the Federal Ministry of Finance and on 8th February 2013 relocated to the Federal Ministry of Labour and Productivity. The project is community-based, participatory in design, gender sensitive in application, and environment friendly in delivery. It is built on the principles of equity, accountability and transparency, with a life span of one calendar year per beneficiary.

The communities themselves select the beneficiaries and the services they render, using pre-determined criteria that ensures focused targeting. Examples of these services include sanitation, tree planting, erosion control and deforestation, security, traffic management etc. Each beneficiary receives ten thousand Naira (N10,000.00) monthly stipends, paid directly into their individual bank accounts, after putting in at least 5 hours of work per day, for at least 20 days in a month.

Objectives of CSWYE

- i) To create employment opportunities for the rural women and youth in the 36 states of the Federation and the FCT;
- ii) To serve as a bridge to formal employment through empowering youths, women and vulnerable groups;
- iii) To reduce the vulnerability of women and youth through exposure to income support opportunities offered by the programme;
- iv) To create good value systems and self-actualization in women and youth through pre-works orientation sessions; and
- v) To enhance societal access to quality social and economic infrastructure and services across the federation.
- vi) To renew the trust beneficiaries and the general public, especially the poor masses in rural communities not often reached by governance, in government policies, programmes and projects.

The project thrust, design and implementation strategies are shaped to strengthen rural structures for increased ability to participate in government development initiatives and also drive and own such initiatives in their various communities for enhanced sustainability. The project is expected to yield, in the long run, an improved attitude to environmental sanitation and care for government owned institutions, reduced youth unrest in rural areas, reduced violent crimes and rural to urban migration of idle youths.

The project is participatory with the communities themselves deciding on the type of services they want from a menu.

Main Achievements

As a result of the policies and programmes being pursued by this administration, results from four quarters of job creation surveys by the National Bureau of Statistics indicate that

the economy has created over 1.6 million new jobs from July 2012 to June 2013. For example, the production of over 8 million metric tons of additional food in the past year created thousands of jobs across the country. During 2013, the country produced 1.1 million metric tons of dry season rice across 10 Northern States, employing over 250,000 farmers and youths in these states. In manufacturing, new jobs have also been created across the country. In the Onne Oil and Gas Free Zone alone, estimates indicate that the government created about 30,000 new jobs.

With respect to the particular programmes listed above, here are some of their outcomes:

Community Service Scheme (SURE-P): The Community Service Scheme (SURE-P) engaged about 120,000 youth from its inception in 2012 to date.

Graduate Internship Scheme (SURE-P): Since its inception in 2012, about 4,000 graduates have been matched under this scheme.

YouWin! Programme: This programme has trained 12,000 aspiring or existing young entrepreneurs and created over 26,000 new jobs. Presently, the programme is funding 1,200 entrepreneurs identified in the first round of the three round competitions. Again, 1,200 women were identified in May 2013 from the six geopolitical zones to receive funding in the second round. As of March 2013, a total of 12,108 jobs have been created across the country in the early stages of the first round.

Reducing Extreme Hunger by 2015: Nigeria was honoured for meeting the Millennium Development Goal (MDG) of reducing the number of people living in absolute hunger by half well ahead of the 2015 target set by the United Nations.

Save One Million Lives: The Offices of MDGs and SURE-P, as well as the private sector, have supported the health sector. On the SURE-P front alone, over 9,000 frontline health workers have been recruited, trained, and deployed. In addition, about 1,500 primary health care facilities have been refurbished and supplied with essential materials.

Skills development and certification achievements from April 2013 to date

Skills training centres

The Ministry of labour and productivity has eight (8) functional Skills Upgrading Training Centres, two of which are in Kaduna and Ibadan, and were built with the assistance of ILO/UNDP and commissioned in 1992. The Ministry expanded these facilities to other state capitals, six additional centres were constructed at Yaba-Lagos, Calabar, Bauchi, Warri in Delta state, and Lafia in Nasarawa State had been completed, equipped and provided with other necessary facilities such as bore-hole, standby generators, Kitchen, Hostel accommodation with beds and beddings. These centres have commenced training programmes in fourteen different trades.

Recently, Technical Vocational Education and Training (TVET) of the Ministry has just completed Re-tooling and Renovation of Skills Upgrading Training Centre (S.U.T.C) Bauchi, costing millions of Naira to increase productivity and efficiency of the centre, this been a testimony of the present administrations agenda on creation of wealth by Skills Development, provision of decent jobs, elimination of poverty and relieving governments at all levels of youth crisis.

During the year under review, a total number of three thousand, six hundred and twenty (3620) trainees graduated in various skills centres of the Department.

Skills Upgrading

During the past year , 20,500 employed candidates from various establishments and companies took part in Skills Upgrading Training of Ministry Training Centres. The main purpose of this upgrading was to update technical know-how of the beneficiaries and to meet industrial needs. All were certificated accordingly.

Trade testing and certification

There are thirty- seven (37) Trade Testing Offices Spread across the country manned by experienced & qualified Skills Development/Trade Testing Officers. During the year under review, a total sum of Twelve million, eight hundred forty-eight thousand and eight hundred naira only (N=12,848,800.00) was generated as Trade Test fees. 11, 731 both employed and unemployed candidates were tested and certificated in different grades and trades.

Updated achievement of skills development and certification department

- 1,265 Artisans and Craftsmen were certified
- A Skills upgrading training centre at Lafia Nasarawa State was established and will commence operations very soon

Key Challenges

1. The unemployment rates today are high in many countries, for example Nigeria unemployment rate of 23.9% means that number of jobs that need to be created is substantially more than the 1.6 million new jobs created from July 2012 to June 2013.
2. Despite Nigeria's recent strong growth and rising middle class, many poor households are being left behind, and the gap between the rich and the poor is widening. There is need to address this challenge to ensure that all Nigerians benefit from the country's rising prosperity as evidenced by the new GDP figures that put Nigeria as number one in Africa and 26th in the world.
3. The low level of infrastructure particularly transportation and power infrastructure is another major challenge to job creation, inclusive economic growth and development. Infrastructure is the major driver of economic growth that will lead to job creation and inclusive growth.

Assessment of Reform Initiative

Judged against the 10 assessment criteria, the facts show that a lot of work has to be done to arrest the rising tide of unemployment in the country.

S/No.	Assessment Criteria	Result of Assessment
1.	Have the reforms improved the quality and quantity of public services?	Not Applicable
2.	Do more people now have access to services, including disadvantaged	5,156 persons with disabilities were offered temporary employment through the Community Services

S/No.	Assessment Criteria	Result of Assessment
	groups such as women, young persons, and people with disabilities?	Scheme of SURE-P
3.	Have the reforms reduced the cost of governance?	Not Applicable
4.	Have the reforms made the service more affordable for citizens?	Not Applicable
5.	Have the reforms reduced corruption?	The framework for running the schemes is very transparent and competitive, thereby reducing corruption.
6.	Have the reforms reduced unnecessary bureaucracy and red tape?	Not Applicable
7.	Are the reforms likely to lead to improved development outcomes?	The schemes have created jobs and improved the well being of many Nigerians. Nigeria has met the Millennium Development Goal (MDG) of reducing the number of people living in absolute hunger by half, well ahead of the 2015 target set by the United Nations.
8.	Are things improving, staying the same, or getting worse?	Generally there are some improvements through the schemes. However the number of unemployed and number that require services are more than what have been provided for.
9.	Where things are improving, will those improvements endure?	Most of the schemes are not backed by legislation and therefore may be affected by regime change.
10.	Where things are not improving, what should be done?	The next steps proposed below should be taken.

Proposed Next Steps

1. Government employment generation policies in agriculture, manufacturing, power, housing and urban development, solid minerals, and communication technology should be vigorously implemented to achieve the desired results.
2. Power sector revitalisation remains a key driver in self-employment generation.

3. Funding assistance to small-scale enterprises through the relevant agencies should be a major policy driver in self-employment generation.
4. Continuation of infrastructural rehabilitation is important in creating opportunities for self-employment of the citizens.