

2634

**COUNTRY STATEMENT
GHANA**

**AFRICAN SUB-REGIONAL
FOLLOW-UP CONFERENCE FOR THE
SOCIAL SUMMIT – WEST AND CENTRAL
AFRICAN SUB-REGIONS**

Ouagadougou, Burkina Faso

28th -30th September 1999

1. INTRODUCTION.

Ghana, in 1992, adopted a new Constitution which enjoins the State to focus its development policy on improving the living conditions of individuals and the maximisation of their potentials in order to enable them contribute to social and economic development. Ghana's Constitution also assures all Ghanaians of fundamental human rights and freedoms.

Within this context and in the light of conditions experienced by the majority of Ghanaians, especially those in the rural areas, it became obvious that only the adoption of a conscious and transparent human – centred development strategy would lead to the improvement in the quality of life. It would also lead to the expansion of opportunities for productive employment and the exercise of civic rights in a sustainable, social, economic and a stable political environment of good governance and social justice.

To demonstrate her commitment to this development agenda and to peace, stability and social justice in the World at large, Ghana's delegation was led by her President and Head of State Ft. Lt. J.J. Rawlings. The 14 member delegation included a Member of the Council of State, Ministers of State and technical personnel from key Ministries and agencies including the National Council on Women and Development.

Like all other countries present at the Summit, the Government of Ghana renewed her commitment to the "political, economic, ethical and spiritual vision for social development. The social development is based on human dignity, human rights, equality, respect, peace democracy, mutual responsibility and co-operation, and full respect for the various religious, ethical values and cultural background of people".

2. INITIAL CONDITIONS AND PROGRESS SINCE THE SOCIAL SUMMIT.

2. 1. POVERTY REDUCTION.

The Economic Recovery Programme (ERP) launched in 1983 was aimed at improving the level of living of the average citizen of Ghana and ensuring that the benefits of an improved economy would be equitably distributed.

The prolonged decline of the economy during the previous decade, particularly the substantial reductions in per capita real income and food production, however, meant that the processes of economic recovery and structural adjustment would involve painful decisions and experiences. The Government recognised that not all groups of the society had the same capabilities and opportunities to deal with the side effects of the adjustment process. A commitment was therefore made to provide immediate relief for those who had been greatly adversely affected by the prolonged economic decline and by the effects of the adjustment process. This necessitated the identification of the vulnerable groups, their locations and the factors causing their inability to cope with the adjustment process.

In 1987, the Government launched two programmes concurrently to tackle the issue of vulnerable groups in the country. They were the Programme of Action to Mitigate

the Social Cost of Adjustment (PAMSCAD) and the Ghana Living Standards Survey (GLSS). The GLSS was to provide the scientific bases for identifying the vulnerable groups. It also provided a system by which human development indicators could be measured and used as basis for setting targets.

Since then four rounds of the Ghana Living Standards Survey (GLSS) have been conducted, in 1987/88, 1988/89, 1991/92 and 1998/99.

Macroeconomic Performance.

The trend of macro-economic performance and poverty reduction in Ghana shows two distinctive patterns of change between 1983 – 1991/92 and 1992/93 – 1995/96.

The rate of growth of the Gross Domestic Product (GDP) between 1987/88 – 1991/92 averaged 5 per cent per annum. This growth rate reflected positively in the creation of productive employment and in the reduction of poverty.

Ghana made substantial gains in poverty reduction largely due to economic growth. From 36.9 per cent in 1987/88 the incidence of poverty declined to 31.5 per cent in 1991/92. The depth of poverty also declined from 11.9 per cent in 1987/88 to 8.1 per cent in 1991/92. About 15 per cent of Ghanaians were described as living under conditions of "hardcore poverty", by 1992. Of the nearly 32 per cent of Ghanaians classified as poor in 1992, about 75 per cent lived in the rural areas where they depend essentially on agriculture.

In 1992, macroeconomic stability was undermined by fiscal shock triggered by increases in public expenditure in the wake of the democratisation process, and aggravated by a fall in tax revenue. The fiscal shock marked a dramatic break in Ghana's economic progress resulting in an increase in inflation from 10 per cent in 1992 to 34.2 per cent in 1994, 70.8 per cent in 1995 and a drop in private investment to 4.3 per cent of GDP. The fiscal account dropped from a surplus of 1.5 per cent of GDP in 1991 to a deficit of 4 per cent in 1992.

Since then and up to 1998 Government adopted far reaching economic policy initiatives aimed at restoring macroeconomic stability. In the event, overall real growth of the economy remained reasonably strong. GDP rose by 4.8 per cent, higher than the 4.2 per cent recorded in 1997 but reflected the impact of the energy crisis, which affected the manufacturing sector. It grew by only 2.1 per cent as a result, compared with 6.4 per cent in 1997. The agricultural sector, with the largest sectoral weight grew by 5.4 per cent, considerably higher than the 4.3 per cent recorded in 1997. The service sector, the second largest in the economy grew by 6.9 per cent though slightly less than last year because of the energy crisis.

Notwithstanding the energy crisis, inflationary pressures, as measured by the national consumer price index, moderated considerably during the first half of the year. From a rate of 20.8 per cent in December 1997, inflation on a 12 month end of period basis fell to 15.7 per cent in December 1998. Non food prices were relatively more stable during the year because of a stable exchange rate and an efficient management of Government finances.

The first Ghana Living Standards Survey (GLSS 1) classified 36 per cent of the population as poor with the incidence rising to 41 per cent in the next round but dropping to 31 per cent in the third round by 1992. Very preliminary results of GLSS 4, 1998/1999, only beginning to be generated indicate that there has been a significant reduction in consumption poverty at the national level for all reasonable levels of the poverty lines. This could be expected, given the recent improvements in the macroeconomic environment.

2.1.1. Social Conditions.

By the time of the World Summit for social development in 1995, life expectancy at birth in Ghana was 57 years and according to the Ghana Demographic and Health Surveys (GHDS, 1998), it rose to 59 years by 1998. This is not too far from achieving the international target of 60 years by next year. However, under the Health Sector Five Year Programme of Work that target is set for 2001, the terminal year of the Medium Term Expenditure Framework (1999-2001) budget of the Government.

While maternal mortality improved from 740 per 100,000 in 1990 to 214 by 1997, the under-five mortality rate of 110 per 1,000 births in 1996 declined to 108 per 1,000 births by 1998. Government has set the two targets at 100 each by 2001 with the childhood indicator falling short of the international target of 50-70 by the year 2000.

Infant vaccinations for the six killer diseases, currently at 51 per cent (GDHS, 1998), appears low but is targeted at 75 per cent by 2001.

By 1998, 94 per cent of the population had knowledge of contraceptive methods yet the rate of its use, for all methods, was only 22 per cent with only 13 per cent adopting modern methods. Access to family planning services however, at 82 per cent by 1997 appears high, though the international target is to achieve a 100 per cent accessibility by 2005.

Education indicators are in general quite close to international targets than other indicators. For example, gross primary (6-11 years) enrolment increased from 76 per cent in the 1994/95 academic year to 78.4 per cent in the 1998/99 academic year. While the international target is to attain a 100 per cent enrolment by 2000 the Government has projected an attainment of 81 per cent by the 2001/02 academic year.

However there is an important gender gap, with male enrolment at 85 per cent but female at only 69 per cent (Ministry of Education (MOE)). Under the Free Compulsory and Universal Basic Education (fCUBE) Government will facilitate the increase of girls' enrolment from the current rate of 69 per cent to 77 per cent by the 2001/02 academic year. As a strategy for reducing this imbalance, a Girls Education Unit was established in the MOE to implement policies aimed at increasing the participation of girls in education. One such policy is the awarding of scholarships to 400 girls every year. Education of the girl child is an important component of the affirmative action being implemented by Government.

According to the GLSS 3 adult (15+) illiteracy was 51.2 per cent in 1992 but by the time of the Core Welfare Indicators Questionnaire (CWIQ) survey in 1997, it had increased to 52.1 per cent. There is also a wide gap between males and females in

levels of literacy. In 1992 39.2 per cent of adult males were illiterate compared to 61.5 per cent of females. What is more while the rate for males decreased from 1992 to 1997 that for females increased. Similarly there was a wide gap in illiteracy in 1992 between urban and rural areas at 35 per cent and 60 per cent respectively even though they both experienced decreases in 1999. (See Appendix 1).

At the rate of only 200,000 neo-literates a year targeted by the Non-formal Education Division of the MOE, the country still has a long way to go for both males and females to reduce the current illiteracy rates by 50 per cent by the year 2000.

2.1.2 Problems and Prospects.

Several problems as well as prospects affect the attainment of social targets in Ghana. The major ones include:

A situation of limited funding for the implementation of social programmes is aggravated further by the huge personal emoluments component of most sectoral budgets leaving very little to spend on non-wage recurrent and development costs to provide required inputs and to increase access for basic services. For example while the education budget is about 40 per cent of annual national budget the wage component of it is about 65 per cent.

Total education spending as a percentage of GDP is projected to fall slightly from 4.1 in 1999 to 3.9 in 2001 but will increase from 12 per cent in 1999 to 13.6 per cent of total Government spending. This reflects the shift in Government expenditure to the social sectors. Basic education expenditure as a percentage of total education spending is expected to rise from 64 per cent in 1999 to 74 per cent in 2001. This also reflects the Government's commitment to the implementation of the Free Compulsory and Universal Basic Education (FCUBE) while gradually introducing cost sharing at the tertiary level.

Total health spending as a percentage of GDP is projected to rise slightly from 1.8 in 1999 to 1.9 in 2001 and will increase from 5.2 per cent in 1999 to 6.7 per cent of total Government spending. Primary health care expenditure as a percentage of health sector spending is expected to be maintained at about 69 per cent between 1999 and 2001. This reflects Government's priority for preventive health over curative and the provision of basic health services especially in the rural areas.

Government has however been implementing a cost recovery at Government health facilities under the revolving fund "cash and carry" scheme, which in fact involved drug prices somewhat higher than their full cost and charges for some curative services. The change began in Accra in 1990 and moved to other regions in 1992.

It has been widely believed that the institution of the "cash and carry" scheme may have decreased the use of health care services by the population, particularly the poor. According to the 1997 CWIQ survey results, about 69.0 per cent of sick people do not use medical services because they find them too expensive and this phenomenon is more of a rural problem.

As a policy therefore, Government has been paying special attention to the health of vulnerable groups of the society. This year, Government has focused more on direct intervention by spending ₵ 10 billion representing 3 per cent of the total health budget on free medical care for infants, the aged and pregnant women.

The constitution of the country provides for the establishment of a District Assemblies Common Fund (DACF) by which 5 per cent of annual total tax revenue of the country is allocated on a quarterly basis to all District Assemblies for development of their areas. Most of the DACF is utilised in the provision of basic social services in the rural districts that contain about 80 per cent of the poor in the country.

In addition budgetary allocations of the Central Government in recent years and for the future show a significant shift towards the social sector. From an average of 28 per cent of the national budget for the social sector between 1995 and 1998, it is being steadily increased from 30 per cent in 1999, to 31.3 per cent in 2000 and 31.8 per cent in 2001(1999 Budget Guidelines)

There is often no adequate, current or reliable data for planning and the setting of realistic achievable targets.

The four rounds of the GLSS by the Ghana Statistical Service have been the attempt to provide the required database for planning. Since the GLSS is a traditional impact study that is time consuming and conducted at intervals of about 5 years, the CWIQ was introduced to provide a set of simple indicators for monitoring poverty on a timely basis. The last national population census was conducted in 1984 and is only recently scheduled for next year.

At times, the failure to monitor poverty or gender related policy decisions results in their not being implemented with the consequent effect of non-attainment of social targets. To address this, Government directed creation of desks in all MDAs for poverty and women's issues.

Ghana has a high population growth rate of about 3.1 per cent per annum (1984 Population Census) which tends to make poverty reduction difficult. A high rate of population growth seriously impairs a country's ability to achieve rapid economic growth as it negatively impacts on all of the factors of growth.

A high dependency ratio of one productive worker supporting one dependent or unemployed in Ghana has serious implications for the country's ability to mobilise savings for productive activity. In all areas of social development such as in health and nutrition, child care and family planning education is the major catalyst for change. Yet the rate of population growth is faster than the ability of the country to provide the basic services. In spite of the heavy investment over the years in education there appears always to be a backlog of infrastructure, equipment, teachers and teaching aids resulting in low intake and low quality education.

The issue of population is however receiving attention. The National Population Council (NPC) of Ghana has prepared a comprehensive population policy whose policy objectives include:

To ensure that population issues are systematically integrated in all aspects of development planning and activity at all levels;

The reduction of the total fertility rate from 5.5 to 5.0 by the year 2000 and 3.0 by the year 2020; and ultimately; and

The reduction of the current annual population growth rate of about 3 per cent to 1.5 per cent by 2020.

The NPC, the MOH and the National AIDS Control Programme collaborate to incorporate family planning and AIDS control in an integrated manner into health programmes. The focus has been on attitudinal and behavioural change with respect to sex, employing the use of condoms as a double edge sword for reducing large numbers of children per family while preventing possible AIDS infection that is fast affecting the working age group of the country. By September 1997, 26,194 AIDS cases were reported.

Cultural and religious practices and economic hardships are the biggest threats to the improvement of social conditions.

In some communities in Ghana the out-dooring of women who have succeeded in delivering the tenth child is still being practised. Fortunately however, family planning education is being expanded and accepted.

The preference of Quranic education to circular education among some Moslem Communities in the country poses a threat to the attainment of primary school enrolment targets. To combat this, the MOE has set up an Islamic Education Unit that is encouraging all such communities to establish English-Arabic Schools as a kind of compromise in the education of children.

In the face of economic hardships, some parents also withdraw children from school to help in family businesses such as herding cattle. The attraction of the dowry system of some communities, sometimes results in the withdrawal of girls from school for early marriage.

Fortunately while some of the communities themselves have been discussing the unsustainability of the dowry system in terms of economic relief, some NGOs have also been experimenting with the idea of shepherd schools. Under that system children go to school late in the afternoon after they have returned with the animals from the fields.

2.2. EMPLOYMENT GENERATION.

Macro-economic policy reform since 1983 moved the economy gradually towards a market based economy with an average growth rate of 5 per cent. Consequently, the labour market began to respond positively, even though slowly, to efforts being made to improve the climate for private sector led economy to enhance job creation. According to preliminary results of the GLSS 4, 1999, Ghana has an unemployment

- Strengthen the capacity of the private sector to generate growth and employment opportunities, and
- Support Civil Society Organisations (CSOs) to ensure full participation of the Citizenry in state policy decision making.
- The main components of the NGP are:
 - Parliament;
 - Judiciary;
 - Decentralisation;
 - Civil Society Organisations;
 - Public and private sector management; and
 - The Independent Constitutional Institutions (ICI) comprising the Commission on Human Rights and Administrative Justice (CHRAJ), the National Electoral Commission (NEC), the Nation Commission on Civic Education (NCCE), and the National Media Commission (NMC).

Political Transformation

Politically, there has been substantial reform and advancement since the adoption of the Democratic Constitution in 1992. From the first through the Second Parliament of the 4th Republic, Ghana has witnessed significant changes.

There is inter-active mechanism for the involvement of civil society through the institution of the Speaker's Breakfast Forum, Parliament and Media Interface Encounters and regular Parliamentary performance reports. There is commitment on the part of Government and the people to the democratic process with the citizens exercising their civic Rights and responsibilities.

Administrative Transformation

The Directive Principles of State Policy in particular and the Constitution in general sets the standard against which the performance of the executive should be assessed. The executive is faced with the choice of maximising resources and decision making in a manner to promote the achievement of priorities of the people.

The NIRP is currently co-ordinating the public policy reform initiatives to restructure the public administrative system of the country. This is intended to make the public service more efficient, compact, service oriented, effective and pro-active towards private sector development.

Decentralisation

In order to promote greater grass-root participation in the development process, to enhance equitable distribution of resources and deepen political accountability, a decentralisation programme is being implemented.

Assemblies representing 110 Districts have been established, 3 District Assembly (DA) elections have been held in 1988, 1994 and 1998. The District Assembly constitutes the highest political and administrative authority at the District level. Further down the ladder are urban/zonal/town and area councils with a network of unit committees, which held their first elections in 1998.

The DAs have responsibility for development, resource mobilisation, maintenance of security and public education.

The Decentralisation process is still in transition and needs refining. Problems that must be addressed include local capacity building, improved revenue collection, financial management, greater participation of women and a proper definition of the various authorities at the DAs vis-à-vis the central government.

Civil Society

Despite serious handicaps to Civil Society Organisations (CSOs) under previous military regimes and a long period of a culture of silence that prevailed, they played a crucial role in Ghana's return to constitutional rule. They are now thriving with the new enabling environment, making positive contribution to the political and economic debate.

There are ongoing intra-party fora and a dynamic, even though unperfected participation of parties in national affairs.

The direct outcome of the National Governance Workshops led to the initiation of a National Governance Programme, under the NIRP, within the Office of the President.

The National Governance Workshops have been institutionalised on an annual basis. The first was held in June 1997, the second in May, 1998 and the third is scheduled for May 1999. Since the second forum, Ghana has shared its model of Governance with other Sub-Saharan countries at the African Governance Fora.

Citizenry participation in the formulation of state policies is encouraged. Under the constitution and a number of laws, CSOs have mandatory representation in statutory and policy-making bodies.

State of Transition Out of Conflicts.

Conflict prevention and resolution are essential for good governance. They promote stability for development and fosters social cohesion and peace. The Northern Regional conflict in 1994 which had serious social and economic consequences for the nation was brought under control and so had other sporadic outbreaks in other parts of the country.

The underlying problems identified included inadequate security network, unlawful and indiscriminate transaction in arms and ammunition, lack of CBOs, poverty, deprivation and illiteracy.

- The IMCPR is supported by its technical wing, the Technical Committee on Poverty (TCOP) on poverty reduction. The TCOP has its secretariat at the national Development Planning Commission (NDPC) – the institution charged with the responsibility for co-ordinating all poverty-reduction programmes and activities in Ghana.
- In 1996, the TCOP published, on behalf of the IMCPR and the Government of Ghana, a document titled Policy focus for Poverty reduction which emphasises the areas of national priority for poverty reduction in the medium term. The 6 priority areas are:
 - Economic growth, employment and access to productive assets; access to basic services and safety nets; food security and nutrition; population; governance and decentralisation; and the needs of women
 - These priority areas are meant to provide guidance to government Ministries/Departments/Agencies (MDSs) as well as to donors, NGOs and the private sector with respect to programme formulation and funding.
- Specific programmes that are currently running to help reduce poverty in Ghana include:
 - The National Poverty Reduction Programme (NPRP) which has been initiated as a major government programme with the support of UNDP to reduce poverty in Ghana. Under the programme, communities are being assisted to reduce their own poverty levels by identifying their needs, defining how their needs can best be addressed and then implementing activities to meet those needs. The approach is participatory with the beneficiaries playing a leading role in the process.
 - The Social Investment Fund (SIF), supported by the Government, UNDP and the African Development Bank is a demand –driven and community-based fund designed to work in partnership with CBOs and local governments to reduce poverty in Ghana. Under the project, communities will identify sub-projects which will be designed and implemented by CBOs for SIF funding.
- Government will continue to mainstream poverty concerns into all the programmes of Ministries, Departments and Agencies.
- Specifically, government will ensure through its programmes that the poor have access:
 - To productive resources, including credit, land, education and training, technology, knowledge and information; and
 - Public services and can participate in decision-making on policy and regulatory environment that will enable them to benefit from expanding employment and economic opportunities.

- Government's commitment to Good Governance remains resolute. After NGW, the proposal to institutionalise the forum on an annual basis emanated from government, as a demonstration of its eagerness to deepen and consolidate Democratic Governance.
- Government in collaboration with Development Partners fund the NGP and is committed to adequately resourcing parliament, the Judiciary and other ICIs to ensure the effective discharge of their mandate.
- Government has pledged to find innovative ways for improving partnership with the private sector and CSOs.
- Government has rededicated itself to ensuring accountability and transparency in all spheres of sector activity and at all levels.

APPENDIX. 1.

SOCIAL INDICATORS

INDICATORS	SITUATION BY 1995	CURRENT SITUATION 1997-1999	TARGETS FOR 2001	INTERNATIONAL TARGETS
POVERTY				
Incidence of poverty	31.6% 1992			
Life Expectancy at Birth	57	59 (1998)	60	60 in 2000
Under 5 mortality (per 1,000 births)	110 1996	108 (1998)	100	50-70 in 2000
Maternal Mortality (per 100,000)	740 1990	214	100	Reduce 50% by 2000
Infant Vaccinations (6 killer diseases)		51% (1998)	75	90%
Access to Family Planning. Knowledge of Contracept Methods		82% 94% (1998) Use 22%		100% by 2005
Severe malnutrition	27% 1990-97	9%	8%	
Iodised Salt intake		0.3%	100%	
Vitamin a Supplement		0.2%	80%	
Villages reporting no Guinea worm Cases		45%	100%	
Primary School Enrolment 6.11	76% (1994/95)	78.4 1998/99	81%	100% by 2000
- Boys		85%	85%	100% by 2000
- Girls		69%	77%	100% by 2005
- urban		89.6%		
- rural		87.3%		
Adult Illiteracy 15+ (%)	51.2% (1992)	52.1%	49%	19% by 2000
- Male	39.2.8% (1992)	37.7		
- Female	61.5% (1992)	63.6%		25 or 29 by 2020
- Urban	35% (1992)	28.7% (1999)		
- Rural	60% (1992)	50.8% (1999)		
Access to Safe Water	65% (1992)	73% (1999)		100% by 2020
- Urban	77.1	92.0%		100% by 2010
- Rural	48%	51.3%	80% by 2008	100% by 2010

Sources:

MOH, health Sector 5 Year Programme of Work, 1997-2001

GSS, Core Welfare Indicators Questionnaire (CWIQ) survey, 1997.

UNDP, Human Development Report, 1998.

Note: Non-Formal Education Division of MOE converts 200,000 illiterates/year by 2001 the 52% illiterate rate would have been reduced to 49% ie at 3% of approx 18m pop.

APPENDIX. 2.

BASELINE SOCIAL SPENDING ON EDUCATION AND HEALTH.

VARIABLES	1999	2001	NOTES
GDP (Nominal)	19493	24620	
Tot. Govt Spending	6744	6954	Statut+Discretionary Exp.
EDUCATION	806.9	947.1	Govt Budgt+23%DACF
% GDP	4.1	3.9	
% Tot Govt Spending	12.0	13.6	
Basic Educ/Tot Educ Sp %	64	74	
HEALTH	349.5	467.2	Govt Budgt+14.9%DACF
% GDP	1.8	1.9	
% Tot Govt Spending	5.2	6.7	
P H Care/Tot Health SP %	69	69	

Source: Ministry of Finance.

4613
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POVERTY REDUCTION:
THE NIGERIAN PERSPECTIVE

BY
FEDERAL MINISTRY OF FINANCE

ABUJA - NIGERIA.

POVERTY REDUCTION: THE NIGERIAN PERSPECTIVE

I. INTRODUCTION:

Over the years, the Nigerian government has been concerned about the widespread nature of poverty amongst the populace. Thus, development plans since independence contain objectives, policies and programmes aimed at raising the living standards of the people. A number of programmes such as the establishment of:

(1) the Directorate of Food, Road and Rural Infrastructure (DIFRRI)

(2) the National Directorate of Employment (NDE)

(3) the People's and Community Banks and

(4) the Nigerian Agricultural Land Development Authority (NALDA)

etc. to provide various infrastructural facilities have been created to combat unemployment.

1.2. Furthermore, the pattern of development which evolved after independence has rather put emphasis on growth and capital accumulation than on general human development. There has also been a persistent lack of access to resources by people at the grassroot for alleviating poverty. Equally, policies and programmes have not been directly targeted at the poor, rather, poor people were expected to benefit from the trickle-down effect of such

policies and programmes. This failure to target the poor has aggravated the level of mass poverty and deprivation in Nigeria.

1.3. Other factors include poor macroeconomic environment arising from ineffective policies and programmes, the absence of specific socio-economic policies and programmes for the poor and persistent political instability in the country. These have combined to aggravate mass poverty and intensify underdevelopment. Evidence of this can be found in the poor status of many people, such as high infant and child mortality rates, illiteracy, and high level of food insecurity and malnutrition, especially amongst women, children and other vulnerable social groups.

2. Perception of Poverty

2.1 Types of Poverty

2.1.1 Poverty, which is a general state of deprivation, is multi-dimensional in character. In its simplest manifestation, it depicts a lack of basic needs, e.g. food, shelter, education, health etc. Poverty may also be chronic or transitory. Chronic poverty is long-term or persistent state of deprivation arising from such factors as locational disadvantage, lack of skill for gainful employment, limited productive resources, or some endemic socio-political and cultural situation. Transitory poverty, on the other hand, is temporary, tangential or short term. It often arises from natural disasters, man-made disasters (e.g. war)

or changes in the economy that bring about loss of employment, or of income and reduced access to production inputs in a segment of the society.

3. Unemployment and Creation of the NDE

3.1 Unemployment phenomenon was insignificant in Nigeria by 1963 when the country registered a labour force of about 18.3 million people with an unemployment rate that was below 2%. This situation later changed to a disturbing problem by 1985 when the unemployment figure hit the 9.8% mark. The labour force sample survey of 1985 indicated a relatively low proportionate share of wage employment which was 10% of the total employment position. While the civil service and parastatals accounted for 5% of total jobs, the Organized Private Sector (OPS) accounted for the other 5%. The social repercussions of this level of unemployment were manifested by rise in delinquent and anti-social behaviours like armed robbery, prostitution and a general state of insecurity.

3.2. It is against this background that the Federal Government in that year (1985) set up a Committee to design strategies to create mass employment opportunities.

3.3. The Committee identified from the survey that the informal sector whose employee profile is characterized largely by low skilled, semi-skilled or unskilled labour, accounted for up to 90% of the workers distributed unevenly in agriculture and other self-employment ventures with the following features:

- (i) over 70 percent of the unemployed are relatively unskilled primary and secondary school leavers between the ages of 13-25 years.
- (ii) graduate unemployment, which hitherto was unnoticed, had emerged and was growing rapidly.
- (iii) The lack of marketable skills among the unemployed youths and the absence of highly skilled manpower in the informal sector of the economy were major contributory factors to unemployment.
- (iv) The traditional support usually provided by the extended family system was no longer in place due to paralyzing economic difficulties. And indeed, every family was affected by unemployment.
- (v) This situation led to increased rates of crimes including drug trafficking, armed robbery, prostitution and incessant youth misdemeanours.

4. **Mandate of the National Directorate of Employment**

The National Directorate of Employment was thus mandated:

- (i) To design and implement programmes to combat mass unemployment through skills acquisition, self-employment and labour-intensive work schemes.
- (ii) To design and implement programmes to combat mass unemployment.
- (iii) To articulate policies aimed at developing work programmes with labour intensive potentials.
- (iv) To obtain and maintain a Data Bank on unemployment and vacancies in the Country with a view to acting as a clearing house to link job seekers with vacancies in collaboration with other government agencies.
- (v) To implement such other policies as may be laid down from time to time by the Board.

4.1 **Target Beneficiaries**

The skills acquisition and self-employment programmes of the NDE are targeted at millions of school leavers and hundreds of thousands of graduates of tertiary institutions between the ages of 13 and 25 years. These constitute the majority of the unemployed population and are most vocal and volatile.

4.2 The structure and profile of the labour market amply justifies this choice. For example, in 1985, the educational system turned about 2.85¹ million persons into the labour market. These consisted of 2.25 million from primary schools, 0.53 million from secondary schools and 0.07 million from tertiary institutions. According to the National Manpower Board (NMB), the labour market could barely absorb 10% of this output.

4.3 Simply put, the enormity of the unemployment problem is attributable to the large turn-out of primary and secondary school leavers who are unable to secure admission into higher institutions as well as the increasing number of graduates turned out by the tertiary institutions and the absence of employment openings in the public and Organized Private Sectors for paid employment.

¹ NDE Bulletin 1987 page 7

4.4. **Areas Of Intervention**

In designing the employment promotion programmes, the National Directorate of Employment took cognizance of the following factors:

- (i) The declining interest of youths in the agricultural sector which had traditionally provided the bulk of employment particularly in the rural areas.
- (ii) The deteriorating condition of urban and rural infrastructure due to the dearth of foreign earnings to procure and maintain construction machinery and equipment as against the surplus labour available in the country.
- (iii) The graduates' expectation for non-existent white collar jobs and accompanying employment while their background does not prepare them to take advantage of the opportunities for self-employment in the informal sectors.
- (iv) The potentials of the informal sector and the traditional apprenticeship system.
- (v) The need to counsel the unemployed for attitudinal re-orientation towards self-employment and self-reliance.

4.5. In recognition of the foregoing factors and the distinct target group

(unemployed school leavers and graduates), the National Directorate of

Employment adopted the following areas of intervention:

- (i) Skills Acquisition training
- (ii) Entrepreneurial training
- (iii) Training for Rural Employment
- (iv) Training for Labour-based work programmes.

Vocational Skills Acquisition Training

4.6. One of the major causes of unemployment is the skills mismatch.²

Companies required trained and/or experienced labour have been known to have recruitment problems even though unemployment runs high. Now a Retraining programme is being designed for skills to match.

4.7. The Vocational Skills programme of the National Directorate of Employment involves the use of informal sector operators such as master crafts-men and women as training outlets for unskilled school leavers. Such school leavers are attached to master craftsmen for periods long enough for the apprentice to acquire necessary skills. It also includes the deployment

² National Manpower Board Report 1996 page 2

of well-equipped mobile workshops to train unemployed youths in rural areas where informal training outlets are non-existent.

4.8. To date, the training covers over 80 vocational trades.

4.9. **Business Training**

Empirical data from both the National Manpower Board and the Federal Office of Statistics show that only about 10%³ of graduates of tertiary institutions in Nigeria are able to secure paid employment. In spite of this, Nigerian Universities and other tertiary institutions continue to turn out an annual average of 130,000 graduates into the labour market. Therefore in designing the Business training component of its job creation programmes, the NDE further considered the fact that in the domain of employment, technological changes and ideological reorientation, globalization and market forces including the diminishing role of governments in businesses have modified labour relations.

4.10 The NDE also considered the fact that in Nigeria, more than 70% of employment situations are located within the Informal sector and other micro-businesses.

³ FOS Bulletin 1987 page 1.

4.11 Consequently, with the closing of employment avenues in both the public and private sectors, the NDE designed a business training programme specially for graduates to enable them take advantage of the opportunities in the micro and small businesses sectors in order to create employment and wealth.

4.12 The Business training programme provided by the National Directorate of Employment also covers Entrepreneurship Development which introduces National Youth Service Corps (NYSC) members to the opportunities for self-employment and identification of business opportunities and Business Start-up and Improvement programmes.

4.13 **Training For Rural Employment**

It would be recalled that up to the early 1970s, the agricultural sector in Nigeria accounted for over 90% of the Gross Domestic Product (GDP) and engaged about 80% of the labour force especially in the rural areas. With the advent of the oil economy, there has been a systematic abandonment of the agricultural sector through the rural-urban drift of both skilled and unskilled youths in search of non-existent paid employment.

4.14 In a bid to awaken the interest of the unemployed youths in agriculture, exploit the tremendous opportunities for employment and wealth creation in the agricultural sector and consequently, stem the rural-urban drift of the

youths, the NDE has designed a special training programme for youths, in agriculture. The training programme covers modern agricultural practices in the areas of crop production, livestock management and crop processing.

4.15 It is to be noted that all the above agricultural training programmes have business management components since all the beneficiaries are expected to establish and run self-employment enterprises in their areas of choice.

4.16 **Training For Labour-Based Work Programme**

The construction and maintenance of both urban and rural infrastructure in Nigeria have hitherto depended on heavy, capital-intensive equipment and technology. The trend was efficient and sustainable while the economy was buoyant and graduate and school leaver unemployment constituted no threat to the nation.

4.17 But with economic depression and subsequent lack of foreign exchange to acquire heavy equipment in adequate numbers and maintain existing ones, occasioned by visible stagnation in infrastructural development and maintenance, the situation of abundant and idle manpower made up mostly of fresh graduates and school leavers in search of non-existent white collar jobs have made all efforts to provide employment helpless.

4.18 The NDE therefore views infrastructural construction and maintenance as capable of becoming a labour sponge. The International Labour

Organization subsequently suggested the use of labour based light equipment ~~method of~~ construction and maintenance of rural infrastructure. This was pilot-tested successfully and adopted widely to combat unemployment.

4.19 Employment Counselling Services

Employment Counselling as a service designed by the National Directorate of Employment to facilitate self-employment and to ameliorate the difficulties faced by young graduates during the transition from education to work was greatly used to advise the unemployed on the matter of alternative options for employment. Centre was established to serve as stimulus for the development and sharpening of entrepreneurial skills for the assessment of the new realities of the labour market and the adoption of relevant responses. It is a strong complement to the NDE's training and employment promotion programmes.

4.20 The services of the Centre are targeted at graduates of tertiary institutions who, as earlier stated, constitute a vital segment of the labour force; young, vocal and possessing modern sector job aspiration,

4.21 4.21 Provision of the Employment Counselling service is anchored on the recognition that the youth need to be guided to where employment is, i.e. the informal sector of the Nigerian economy.

5.0 **Resettlement Of Trained Beneficiaries**

5.1 The ultimate aim of the NDE's training programme is to make the beneficiaries self-employed through the establishment of their own enterprises.

5.2 However, these beneficiaries who are fresh graduates and school leavers do not possess the needed security to enable them access funds from financial institutions. It is also possible that family members who may have funds to assist may not do so because they lack confidence in the ability of the beneficiary to establish and successfully manage an enterprise.

5.3 Therefore, in order to demonstrate and at the same time check the effectiveness of the Directorate's training, a resettlement scheme has been instituted. This involves the provision of equipment and other materials to some of the trained unemployed persons to enable them establish and run business enterprises on pilot basis.

5.4 It is expected that the success of these pilot projects would encourage family members who have needed funds and even financial institutions to assist other beneficiaries with funds to realize their entrepreneurial ambition.

6.0 **Collaboration With National And International Agencies**

6.1 Unemployment being a global phenomenon, addressing it effectively therefore requires exchange of experience and input between communities, agencies and nations. The collaboration is done at two levels.

(i) **Technical support and capacity building:**

This area of collaboration is accessed through bilateral or multilateral arrangement between Nigeria and other countries/agencies within the framework of such arrangements. The NDE has benefited tremendously from the technical support and capacity-building assistance from the ILO, UNDP and the German Technical Assistance Agency (GTZ).

(ii) **Collaboration in Programme Delivery:**

Due to the national spread of the NDE's activities and the massive number of beneficiaries involved in the programmes, project delivery has been facilitated through a network of collaborative activities with local artisans, local communities as well as local and state governments. Furthermore, the NDE collaborates with agencies such as the National Youth Service Corps (NYSC) Directorate, the Federal Office of Statistics and the National Manpower Board.

Other agencies of collaborations include the Nigeria Railway Corporation, Nigerian Building and Road Research Institute, Institute for Industrial Research, Oshodi, Centre for Industrial Research and Development (OAU, Ile-Ife), the Centre for Management Development, Lagos, Nigerian Employers' Consultative Association (NECA), NBTE, etc.

6.2 Through its collaboration with the Multilateral and Bilateral donor agencies, the NDE has strengthened both its internal capacity of a number of operators in the Informal Sector.

7. SUMMARY AND CONCLUSION

7.1 Achievements Of The NDE To Date:

Over the years, the NDE has planned, designed and developed well-tested employment promotion programmes in the areas of vocational skills acquisition, training for Rural Development, Business and entrepreneurial training and labour based work programmes. The implementation strategies of these programmes have very strong grassroots impact and have been continuously refined over the years. It is pertinent to emphasize that the NDE has continued to define the learning path in employment promotion strategy whose salient features include training, counseling, and collaboration with relevant agencies. A training impact assessment tracer of its skills acquisition programmes amply illustrate the effectiveness and achievements of the NDE.

7.2 Through the activities of the NDE, the lives of over two (2) million hitherto unemployed Nigerians have been positively transformed. Evidence abound nationwide of beneficiaries of NDE programmes who have received training and necessary support and are now employers of labour with some of them having annual turnover of over N500,000.00.

7.3 Vocational Skills Training:

One of the effective tools for empowering the unemployed youths to become not only self-employed but fully or permanently employed is through the provision of marketable skills in their chosen trades. In this domain, a lot of impact has been made in the labour market. A total of **680,522** unemployed youths who hitherto lacked marketable skills have been trained in over 86 different trades while **37,575** are currently undergoing training in various trade nationwide.

7.4 Business Training:

The NDE, as the dominant operator in the employment generation sub-sector, centred its role of business training on the following training programmes:

- Entrepreneurship Development Programme (EDP)
- Business Start-Up Training Programme (SYB)
- Business Improvement Training Programme (IYB)
- Simple Technology based project demonstration (SPD)
- Crop Production and Irrigation Management training
- Crop Processing training
- Livestock Management training

A total number of **374,576** unemployed graduates and school leavers have so far benefited from the business training programmes.

7.5 **Enterprise Creation:**

In order to strengthen the effectiveness of its training programmes, the NDE assists some beneficiaries to set up their own business. This usually serves as a testing ground for evaluating effectiveness of the training and further creation of indirect employment. In this direction, the NDE has created a total of **35,547** enterprises through its various programmes between 1987 and 1998.

7.6 **Organized Work Gangs:**

The National Directorate of Employment has successfully implemented capacity building programmes in collaboration with the ILO, particularly in the areas of labour-based Infrastructural Works and activities.

7.7 This allowed for the engagement of young school leavers and graduates in organized Work Gangs for development of various infrastructural projects.

7.8 Over 150,000 graduates and school leavers as well as artisans have benefited so far.

7.1 LOCATION OF NDE OFFICES NATIONWIDE

S/NO	OFFICE	LOCATION	TELEPHONE NO.
1.	NDE Headquarters	Plot 1529, Nouakchott Street Zone 1, Wuse, Abuja	09 5238308-10
2	Abia State	Amuzuta Old Umuahia Road, Umuahia	088 220981
3	FCT Abuja	Plot 2014, Cotonou Crescent, Abuja	09 5231229
4	Adamawa State	29B Mubi Road, Yola	075 624315
5	Akwa Ibom State	51, Obio - Imo Street, Uyo	085 201786
6	Anambra State	15, Onitsha Road, Awka.	048 552014
7	Bauchi State	Former Political Party Office	077 543598
8	Bayelsa State	Igbo-Gene-Yenegua.	
9	Benue State	Former Political Party Office, Oturkpo Road, Makurdi	044 555726
10	Borno State	Sir Kashim Ibrahim Road, Maiduguri	076 232384
11	Cross River State	Federal Secretariat, 10 Anansa Road, Calabar	087 223874
12	Delta State	274A Nnebisi Road, Opposite Asaba Stadium, Asaba.	046 281960
13	Ebonyi State	11B, Ejiofor Street, Abakakiki	043 21936
14	Edo State	No. 3, Iyaba Road, Off New Lagos Road, Benin-City	052 250157
15	Enugu state	16A/B Chief Nwodo Street, GRA., Enugu	042 252271 559352
16	Ekiti State	78, Ajilosun Street, ado - Ekiti	036 250861
17	Gombe State	No. 3, Kano Road, New Commercial Garage, Gombe	072-223040
18	Imo State	Federal Secretariat, Port Harcourt Road, Owerri	083 233012 233254
19	Jigawa State	Behind S.S.G. Office, Dantata, Dutse.	064 721067
20	Kaduna State	4, Waziri Ibrahim Crescent, Kaduna	062 232796
21	Kano State	Maiduguri Road, Kano (Former Party Office).	064 664133 640488

22	Katsina State	15, Tafawa Balewa Way, Opposite Katsina Steel Rolling Complex (Labour Office).	065 34862
23	Kebbi State	19, Murtala Mohammed Road, Birnin -Kebbi.	068 20715
24	Kogi State	Murtala Mohammed Road, Lokoja.	058 220664
25	Kwara State	Federal secretariat, Tate Road, Ilorin	031 222904
26	Lagos State	22, Isaac John GRA, Ikeja, Lagos	01 496127
27	Lagos Liaison	Federal Secretariat, Phase II, Ikoyi	01 683577
28	Nasarawa State	No. 18, Lafia Jos Road, Lafia	042 20235
29	Niger State.	Former Ministry of Agric Office, Behind NITEL Office Off Bosse Road, Minna.	066 222082
30	Ogun State	Federal Secretariat, Oke-Mosan, Abeokuta.	039 232261 242261
31	Ondo State	No. 2, Dare Ajayi Stree, Off Oke Ijebu, Akure.	034 240349
32	Osun state	No. 13a, IBB Way, Okefia Osogbo	035 231482 234413
33	Oyo State	Federal Secretariat, Ibadan	022 716043 713007
34	Plateau State	Federal Secretariat, Jos	073 461496
35	Rivers State	13, Finima Street, Port Harcourt.	064 333345
36	Sokoto state	7, Dendo Road, Off Ibrahim Dasuki Road, (Near Women Commission), Sokoto (Labour Office).	079 22147
37	Taraba State	143, Hammaruwa Road, Jalingo.	079 22147
38	Yobe State	Ngiwagi Layout, Damaturu.	076 522651
39	Zamfara	Gidan Tanki, Gussau	

7.2 STRUCTURE OF THE DIRECTORATE

The structure of the NDE is designed in a way that supervisory role is provided by a Board which is composed of representatives of