

08 March 2021

CIRCULAR No. 08/2021

Dear Member,


**NATIONAL EMPLOYMENT POLICY – REGIONAL CONSULTATIVE
WORKSHOPS**

The Department of Labour and Industrial Relations (DLIR) has started work on a “National Employment Policy 2021 to 2030” in line with the ILO Employment Policy Convention (No.122) 1964 which PNG ratified in 1976.

The Department is conducting regional workshops to gauge the views of Stakeholders around the country on this important policy document to be submitted to NEC this year. Regional Consultative Workshops for Mt Hagen, Wewak, and Alotau are schedule for March 2021, and we encourage employers to attend and make your inputs. We attach a schedule and a draft of the Policy for your prior information. The Employers' Federation participated in the initial workshop held at the Dixie's Bangalow, 17-Mile, Central Province from 22-26 February 2021.

To participate, please contact Mr Kornet Sapulai, Manager, Policy Development and Research, DLIR or Harry Ningsere (SPDOA) on Telephone 3258721 or Email: nimyehuang@gmail.com.

Yours Sincerely,



Florence Willie

Executive Director



DEPARTMENT OF LABOUR AND INDUSTRIAL RELATIONS
(Office of the Secretary)

NATIONAL EMPLOYMENT POLICY
REGIONAL CONSULTATIVE WORKSHOPS

1. Background

Papua New Guinea rectified the Employment Policy Convention (1964, No.122) in 1976. The Convention is designed to stimulate economic growth and development, raise living standards, meeting labor requirements and overcoming unemployment and under employment. Ratifying countries are expected to design and implement an employment policy that ensures promotion of full, productive and freely chosen employment. In 2018, ILO delivered its draft perspective of the National Employment Policy (NEP) to the government of Papua New Guinea.

2. Current State of Play

As the state agency directly responsible for labour and employment promotion in the country, the Department of Labour and Industrial Relations has developed a new and all-inclusive *National Employment Policy, 2021-2030* that focuses, not only on national content alone, but also current practices and developments in the employment and labour industry.

3. Purpose of Consultative Workshops

The purpose of the four regional consultative workshops is to extensively gauge the views and comments from tripartite partners, state agencies, development partners and NGOs so that a comprehensive National Employment Policy is developed. The workshop particularly is aimed at having the views, objectives and strategic actions of all stake holders incorporated in the National Employment Policy framework so that our national development aspirations are fulfilled when implemented. Invitations are sent out for participants to attend.

The confirmed program for the four regional workshops is listed below.

REGIONS	VENUE	DATE OF WORKSHOP
NEW GUINEA ISLANDS		
1. EAST NEW BRITAIN (Kokopo)	Gazelle International Hotel	Day 1: Thursday 04 th March, 2021 Day 2: Friday 05 th March, 2021
HIGHLANDS		
2. WESTERN HIGHLANDS (Mt. Hagen)	Highlander Hotel	Day 1: Wednesday 10 th March, 2021 Day 2: Thursday 11 th March, 2021
MOMASE		
3. EAST SEPIK PROVINCE (Wewak)	Village Inn	Day 1: Thursday 18 th March, 2021 Day 2: Friday 19 th March, 2021
SOUTHERN		
4. MILNE BAY (Alotau)	Alotau International Hotel	Day 1: Thursday 25 th March, 2021 Day 2: Friday 26 th March, 2021

The Ministry and Department of Labour and Industrial Relations have recognized the importance of such an important national policy and is progressing the National Employment Policy to have it endorsed by the National Executive Council by the end of this year.

For further information, please contact Kornet Sapulai, Manager, Policy Development & Research or Harry Ningsere (SPDO). Contacts. Phone : 3258721, Email: nimyehuang@gmail.com

Authorized by:


RAVU VAGI
Secretary
Department of Labour and Industrial Relations





PAPUA NEW GUINEA



NATIONAL EMPLOYMENT POLICY 2030

“Addressing Unemployment, Underemployment and Sustain Economic Growth”

DEPARTMENT OF LABOUR AND INDUSTRIAL RELATIONS

Foreword by the Prime Minister



On 16th September 1975 Papua New Guinea (PNG) entered an unknown territory as an independent sovereign nation. Transition of a people of many languages and cultures to a global economy within the last four decades is an achievement and testimony of the resilience of the people of PNG. PNG has delivered so much over the last 45 years but so much yet to be delivered.

Thus, what matters now is not what we would have liked being done but what we must be able to do together as a nation. Our people fairly expect sound policies that have the courage to change the course of their future and strengthen their relationship with the Government and investors.

It is my challenge to the State Ministers and their respective Secretaries/CEOs to stop spending time thinking about what is not possible. Instead, let us ask ourselves what each of us can contribute to make PNG the "***Richest Black Christian Nation in the World by 2030***". Together we can shape the destiny of our people and that of our future generation. As you are aware, there are many challenges lie ahead of us as a young and vibrant democratic nation. And these challenges are increasing domestically, regionally, and globally each year.

These challenges can be addressed effectively through sound policy platforms and with thorough commitments and the tradition of working together. At the same time, the opportunities that lie ahead also look brighter for our country to achieve an inclusive and sustainable economic growth that serves for all and never leave anyone behind. However, these opportunities and the challenges that face us cannot be harnessed and appropriately addressed in future without integrated sound policies to guide our development pathways.

It has been an undeniable issue for the Labour Industry in PNG that the labor market has been operating in a policy vacuum, making PNG as one of the low-ranking countries in the World that failed to provide accurate reports backup with statistics on Labor Industry developments at the international fronts. The employment contribution of the country's GDP is not known, and government does not have the policy to grow the size of the national labour force. In 2020, the COVID 19 Pandemic has challenged us with many issues that country had never experienced before. The issues of unemployment limited social protection, industrial disputes, and economic recession are critical and need to be addressed strategically with policy interventions. These issues post a demand for the country to develop a sound policy platform.

After, knowing all the challenges that the fast-growing economy presents, I am now very pleased that the PNG's first ever National Employment Policy 2020-2030 has been finally developed which will provide the much-needed guidance to enhance developments in the Labor Industry.

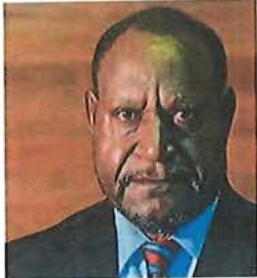
At this juncture, I commend the Minister for Labor and Industrial Relations, Hon. Tomait Kapili, MP and his Secretary Mr. Ravu Vagi for developing the National Employment Policy to guide the development of the Labor Industry in the country for the next 10 years. The National Employment Policy (NEP) reflects the policy objectives of my Government that is to grow an inclusive and sustainable economy that serve the people of PNG today without compromising the benefits of the future generation.

With this, I present to the people of PNG, the departments, statutory authorities, SOEs, development partners, non-government organizations (NGOs), civil society organizations (CSOs), Churches, Trade Unions, and private sector organizations the National Employment Policy 2030 with the spirit of commitment and unity. My Government is committed to fund the programs reflected in this policy so that the objective of the NEP is achieved. I also encourage the development partners and private sectors to provide desired support for its effective implementation.

God Bless the People of Papua New Guinea

.....
Hon. James Marape, MBA, MP
Prime Minister of Papua New Guinea

Statement by the Minister for Labour and Industrial Relations



As the Minister responsible for the Ministry of Labour and Industrial Relations, it is an honor for me to present the National Employment Policy 2020-2030 that will guide the development of Labor Industry in Papua New Guinea for the next 10 years. This is an overarching policy that calls for the review and formulation of relevant legislations and policies (structural reform).

An unemployment is an acute problem facing countries all over the world and policy makers are faced with complex economic and employment challenges with obvious gaps found between economic growth and job creation. Countries faced with challenges not only in creating more jobs but also improving the quality of jobs, including those in the informal economy, which is often characterized by inadequate earnings, poor working conditions and limited social protection.

Papua New Guinea faces similar but complex demographic and employment challenges, compounded by the demand for rapid changes adaptation for survival due to the various factors of economic growth and development polices and their impacts, most especially those of technological advancements and climate change effects on natural environment. Labor Industry has been operating in the policy vacuum for last 45 years without any clear pathways to advance its developments into the future. The monitoring and reporting of the movement of labor between sectors within PNG and the movement of labor force in and out of the country is an unaddressed challenge. The country's formal employment growth has not been impressive, and most of its labor force still derive their livelihood in the vulnerable informal and subsistence economy.

The COVID 19 Pandemic has tested the Ministry's policy platform and the position to address its impacts. The issues have challenged my Ministry to develop a strategic policy to advantageously address the impacts of COVID 19 Pandemic and the similar pandemic that may arise in the future.

Youth unemployment is an acute problem in PNG, requiring active labor market policies around education and training as well as policies to stimulate economic growth. There also needs for attention to older workers, whose accumulated skills have the potential for productive training and support roles. Female labour force participation is high but concentrated in rural (informal and subsistence) work. They are also under-represented in the private sector, particularly at senior levels.

After seeing all the above challenges compounding the Labour Industry, my Ministry has taken a bold step to reform the legislations and develop overarching policy for the people

of Papua New Guinea. The policy recognizes the need for improved labour market flexibility whilst maintaining adequate worker protections in the country.

The launching of the PNG's first National Employment Policy 2020-2030 marks the paradigm shift in the way in which Government has undertaken its operation in the Labour Industry for last 45 years. It elevates the Vision of this Government in ensuring that ***“PNG becomes the first Richest Black Christian Nation in the World by 2030”***. The policy is aligned to Vision 2050, PNGDSP 2030, SDG 2030, StaRS 2014, and MTDP 2018-2022. The policy integrates the intentions of complementing policies to enhance its smooth implementation.

I direct the Department of Labour and Industrial Relations to take heed of this policy and review the existing Labor Laws to accommodate the changes presented to the industry by the fast-growing economy and the COVID 19 Pandemic. The Labour Market Information System and the Labour Market Information Policy will take a cue from this overarching policy.

On this note, I acknowledge my team of hardworking staff of the Department of Labour and Industrial Relations, led by Secretary Ravu Vagi, who has produced the National Employment Policy 2020-2030 in a short span of time, yet it is very comprehensive.

I commend everyone to take ownership of National Employment Policy and implement it with commitments and enthusiasms.

Thank you and God bless Papua New Guinea.

.....
Hon. Tomait Kapili, MP
Minister for Labour and Industrial Relations

Acknowledgement by Secretary



Since independence in 1975, Papua New Guinea Government through the Department of Labour & Industrial Relations had not tried to develop the National Employment Policy to guide the developments of Labour Industry. The Industry was operating on an ad-hoc basis leaving behind important activities unattended and having economic opportunities forgone.

Commencing in 1996, the Department of Labour and Industrial Relations, in partnership with the ILO, has commissioned various study reports on labour and employment issues, including country context profiles on labour and employment challenges, and recommendations for institutional and legislative reforms. Some of those recommendations are not met to date because of lack of Government support. The Department rely on global policies and legislations such as International Labor Laws to perform some required responsibilities. The global policies and legislations need to be domesticated and aligned to the National Constitution and the overarching national policies such as Vision 2050 and PNGDSP 2030.

The reporting obligation under Article 22 of the International Labor Organization Constitution sets out the monitoring process in the application of ratified Conventions, but these past reports lacked substantial information on progressive implementation in development and reform policies for labour and employment at the national level. The labour movement within the country and in and out of country is not effectively monitored and coordinated. The employment contribution of GDP is not known and there is no database that keep the information regarding labour.

The recent challenges presented by the global pandemic COVID 19 has brought many emerging issues to the attention of my Department. These issues have demanded for all government agencies and social partners such as PNG Trade Union Congress and Employers Federation of PNG to work together and solve them with amicable strategies through a sound policy platform.

In trying to solve those longstanding issues that appears each year, the Department has initiated the legislative reforms, but institutional reform happens to be the biggest challenge yet, due to various reasons, not the least being the resource capacity and the Department's ability to influence national development policies. The attempt was made to develop the Labour Information System and its Policy, however; the Department thinks it is fitting to develop an overarching policy in which all other subordinate policies take que from and the policy lays the platform for the developments of labour industry in the country.

In 2019, the Department commenced the development of the National Employment Policy 2020-2030 which incorporates all the issues surrounding the industry and its strategies to address and elevates the developments. The policy is aligned to the overarching national policies and complements the existing policies. The NEP demands for the review and formulation of the complementing policies and legislations to enhance its implementations.

As part of the structural reform approaches, the Department will continue to promote Decent Work in the country. The phrase "decent work" sums up the aspirations of people in their working lives – aspirations for opportunity and income; rights, voice and recognition; family stability and personal development; fairness and equality. Ultimately, these various dimensions of decent work underpin social peace in communities and society at large. "Decent Work" also reflects the concerns of governments, workers and employers to provide the foundations for growth and equity.

I am thankful that this policy will elevate the developments of labour industry in the PNG. I encourage my fellow head of state agencies, development partners, private sectors, trade unions, and civil societies to take heed of this policy and implement with commitments and dedication.

On this note I thank my hardworking Staff of the Department headed by Deputy Secretary Policy, Ms. Maria Lovaga, Mr. Francis Hau, Mr. Kornet Sapulai, Mr. Emmanuel Tatau, Ms Benedine Narakobi, Mr, Jessie Amos, Ms Jacqueline Serok, Mr. Wala Iga, Mr. John Elijah and the Department of National Planning and Monitoring, Mr. Langa Kopio, University of Papua New Guinea consultant Dr. Leo Marai, and all other National and Sub-National Agencies that contributed one way or other to the formulation of this significant policy.

I commend the National Employment Policy 2020-2030 to the people of Papua New Guinea including the Government, Development Partners, Private Sectors, Social Partners, and Civil Societies to take ownership and implement.

God bless you.

.....
Mr Ravu Vagi
Secretary

Acknowledgements

We acknowledge the assistance of the following Institutions and Agencies including government and non – government to formulate the National Employment Policy, in particular:

1. *Asian Development Bank*
2. *International Labour Organization*
3. *Department of Education, Technical and Vocational Education and Training Division*
4. *Department of Higher Education, Research, Science and Technology*
5. *Department of Labour and Industrial Relations*
6. *Department of National Planning and Monitoring*
7. *Employers Federation of Papua New Guinea*
8. *National Training Council*
9. *National Youth Development Authority*
10. *Papua New Guinea Trade Union Congress*
11. *Small and Medium Enterprise Corporation*

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ABBREVIATIONS AND ACRONYMNS

BCPNG	Business Council of Papua New Guinea
BPNG	Bank of Papua New Guinea
CACC	Central Agency Coordinating Council
CEFI	Centre for Excellence in Financial Inclusion
CEO	Chief Executive Officer
CIMC	Consultative Implementation & Monitoring Council
CPI	Consumer Price Index
CSO	Civil Society Organization
DDA	District Development Authority
DfCD	Department of Community Development and Religion
DLIR	Department of Labour & Industrial Relations
DNPM	Department of National Planning & Monitoring
DHERST	Department of Higher Education, Research, Science and Technology
DOE	Department of Education
DoT	Department of Treasury
DPLGA	Department of Provincial and Local Government Affairs
DSP	Development Strategic Plan
DTCI	Department of Trade, Commerce & Industry
ECA	Environment Conservation Authority
EFPNG	Employers Federation of Papua New Guinea
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GESI	Gender Equality and Social Inclusion
GoPNG	Government of Papua New Guinea
HIES	Household Income & Expenditure Survey
HRD	Human Resources Development
IBS	Institute of Business Studies
IEC	Informal Economic Committee
IFS	Independent Fellowship Scheme
ILO	International Labour Organization
ISC	Inter Agency Steering Committee
IOM	International Organisation for Migration
IRC	Internal Revenue Commission
ITI	International Training Institute
KAB	Know About Business
LLG	Local Level Government
LNG	Liquefied Natural Gas
LRB	Local Resource Based
MSG	Melanesian Spearhead Group
MOU	Memorandum of Understanding
MSMEs	Micro Small and Medium Enterprise
MTDP III	Medium Term Development Plan Three
MWB	Minimum Wages Board
NATTB	National Apprenticeship and Trade Testing Board

NDB	National Development Bank
NEC	National Executive Council
NEFC	National Economic and Fiscal Commission
NEP	National Employment Policy
NESD	National Employment Service Division
NES	National Employment Services
NGO	Non-Governmental Organisation
NTC	National Training Council
NTCC	National Tripartite Consultative Council
NSDA	National Skills Development Authority
NSO	National Statistical Office
NYDA	National Youth Development Authority
NYEF	National Youth Employment Framework
PES	Public Employment Services
PNG	Papua New Guinea
PNGCCI	Papua New Guinea Chamber of Commerce and Industry
PNGDSP	Papua New Guinea Development Strategic Plan
PNGNQF	Papua New Guinea National Qualification Framework
PNGTUC	Papua New Guinea Trade Union Congress
PWP	Public Works Program
QEB	Quarterly Economic Bulletin
SDG	Sustainable Development Goal
SBDC	Small Business Development Corporation
SIYB	Start and Improve Your Business
SLOS	Social Law and Order Sector
SME	Small and Medium-Term Enterprise
SMEC	Small & Medium Enterprises Corporation
SOE	State Owned Enterprises
SoE	State of Emergency
STaRS	National Strategy for Responsible Sustainable Development
SWF	Sovereign Wealth Fund
SWP	Seasonal Work Program
TAFE	Technical and Further Education
TVET	Technical Vocational Education and Training
UN	United Nations
WEF	Women Entrepreneurship Fund
YES	Young Entrepreneurship Scheme

GLOSSARY

Table 1: Glossary of key terms

WORD/S	DEFINITION
Competency	The proven or demonstrated individual capacity to use know-how, skills, qualifications, or knowledge to meet usual and changing occupation situations and requirements (UNESCO, TVET glossary: www.unevoc.unesco.org/tvetipedia.html?tx_drwiki_pi1%5Bkeyword%5D=glossary).
Employability	Refers to the combination of factors which enable individuals to progress towards or get into employment, to stay in employment and to progress during their career. It includes portable competencies and qualifications that increase an individual's capacity to make use of the education and training opportunities available to secure and retain decent work, to progress within the enterprise and between jobs, and to cope with changing technology and labour market conditions (ILO, 2004).
Employment Service Provider	This refers to employment service providers in terms of public and private employment services whose main task is to aid job matching.
Job	A set of tasks and duties performed, or meant to be performed, by one person, including for an employer or in self-employment (ILO, 2012b).
Labour Market Information	Any information concerning the size and composition of the <i>labour market</i> (labour supply and demand and their interaction), or a part of the labour market, the way it or any part of it functions, its problems (in terms of entering the market and maintaining a balance between supply and demand in the market), the

	opportunities which may be available to it, and employment-related intentions or aspirations of those who are part of it.
Labour Market Information System	A labour market information system consists of a set of institutional arrangements, procedures and mechanisms that are designed to produce labour market information (ILO, 1997).
Matching	Matching denotes approaches and actions that aim to increase the employability of the workforce and reduce skills shortages, including filling jobs with qualified job seekers. This term is broader than job referral or placement.
Mismatch	An encompassing term referring to different types of skill gaps and imbalances such as over-education, under-education, over-qualification, under-qualification, over-skilling, skills shortages and surpluses, skills obsolescence and so forth. Skills mismatch can be both qualitative and quantitative, referring both to situations where a person does not meet the job requirements and where there is a shortage or surplus of persons with a specific skill. Skills mismatch can be identified at individual, employer, sector, or economy level.
Occupation	An occupation is defined as a set of jobs whose main tasks and duties are characterized by a high degree of similarity. A person may be associated with an occupation through the main job currently held, a second job or a job previously held (ILO, 2012).
Private Employment Agencies	Any natural or legal person, independent of the public authorities, which provides one or more labour market services such as job brokering, counselling services or any other assistance to job searching. This term includes temporary work agencies as per the definition below (ILO, 2007).
Profiling	An assessment of the employability of job seekers performed by PES counsellors, often using IT and dedicated statistical tools. The rationale for profiling is to make labour market integration

	<p>more effective by better targeting services and scarce resources. Profiling is frequently used to diagnose individual strengths and weaknesses as part of personal action planning to anticipate the risk of long-term unemployment. The overall purpose of profiling is to optimize the effectiveness and efficiency of PES services for job seekers (Weber, 2011).</p>
Public Employment Service (PES)	<p>The core functions of public employment services include job search assistance and placement services; collection, analysis, and dissemination of labour market information; development and implementation of targeted labour market programs and services; the administration of unemployment insurance benefits, where applicable; and other regulatory services such as oversight of private employment agencies (ILO, 2009).</p>
Qualification	<p>A formal expression of the vocational or professional abilities of a worker which is recognized at international, national, or sectoral levels. An official record (certificate, diploma) of achievement which recognizes successful completion of education or training, or satisfactory performance in a test or examination.</p>
Skill	<p>A term often used with very different meanings. In this guide, skill is understood as having the ability to carry out mental or manual activity, acquired through learning and practice, where skill is an overarching term which includes knowledge, competency, and experience as well as the ability to apply these to complete tasks and solve work-related problems.</p>
Skills Shortage	<p>Used in this guide as a quantitative term to describe a situation in which certain skills are in short supply, for example where the number of job seekers with certain skills is insufficient to fill all available job vacancies.</p>
Skill Gap	<p>Used as a qualitative term to describe a situation in which the level of skills of the employee or a group of employees is lower</p>

	than that required to perform the job adequately, or the type of skill does not match the job requirements.
Unemployment	Unemployment occurs when a person who is actively searching for employment is unable to find work. Unemployment is often used as a measure of the health of the economy.
Underemployment	There is a difference between being unemployed and underemployed. Unemployed means you do not have a job, while underemployment means the job you have is inadequate. However, most often, underemployment is connected to jobs that are lower-paid or for a limited number of hours.
Sustainable Development	Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.
Social Protection	Social protection consists of policies and programs designed to reduce poverty and vulnerability by promoting efficient labour markets, diminishing people's exposure to risks, and enhancing their capacity to manage economic and social risks, such as unemployment, exclusion, sickness, disability, and old age.
Industrial disputes	Industrial dispute is a dispute or difference between workmen and employers or between workmen and workmen, which relates to employment or non-employment or the terms of employment or with the conditions of labour.
Labour Market	A labour market is the place where workers and employees interact with each other. In the labour market, employers compete to hire the best, and the workers compete for the best satisfying job. A labour market in an economy functions with demand and supply of labour.

Social Partners	Refers to tripartite partners, The PNG Trade Union and Employers Federation of Papua New Guinea and the government of PNG
Decent Work	The ILO defines, decent work as opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express ...
Formal Economy	A formal sector is defined as the sector which encompasses all jobs with normal hours and regular wages and is recognized as income sources on which income taxes must be paid.". The informal sector is a system of employment that does not abide by any form of legal. (www.businessdictionary.com)
Labour Migration	IOM defines labour migration is defined as the movement of persons from their home State to another State for the purpose of employment.
Industrial Relations	Industrial relations may be defined as the relations and interactions in the industry particularly between the labour and management as a result of their composite attitudes and approaches in regard to the management of the affairs of the industry, for the betterment of not only the management and the workers but also of the industry and the economy as a whole. The term industrial relations explains the relationship between employees and management which stem directly or indirectly from union-employer relationship.
Civil Societies	According to the World Bank: "Civil society ... refers to a wide array of organizations: community groups, non-governmental organizations [NGOs], labour unions, indigenous groups, charitable organizations, faith-based organizations, professional associations, and foundations."

Private Sector	The private sector is the part of a country's economic system that is run by individuals and companies, rather than the government. Most private sector organizations are run with the intention of making profit. The segment of the economy under control of the government is known as the public sector
Full Employment	Full employment is an economic situation in which all available labor resources are being used in the most efficient way possible. Full employment embodies the highest amount of skilled and unskilled labor that can be employed within an economy at any given time.
Productive Employment	Productive employment is defined as employment yielding sufficient returns to labour to permit the worker and her/his dependents a level of consumption above the poverty line. The deficit of productive employment consists of those who are in the labour force but do not have productive employment.
Freely Chosen Employment	All human beings have the right to decide whether or not to engage in work. Any actions taken to impede on this right are considered a violation of a person's right to freely choose their employment. According to ILO Convention 29, forced labor is "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily".
Economic Recession	A recession is a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in real GDP, real income, employment, industrial production, and wholesale-retail sales.
Employment & Working Conditions	Rules, procedures, and stipulations that employees must abide by as part of their contract. Breaking conditions of employment can result in disciplinary procedures or dismissal.

Labour Force	The labour force, or currently active population, comprises all persons who fulfil the requirements for inclusion among the employed (civilian employment plus the armed forces) or the unemployed. ... The unemployed are defined as people without work but actively seeking employment and currently available to start work
Human Dignity	The concept of human dignity is the belief that all people hold a special value that is tied solely to their humanity. It has nothing to do with their class, race, gender, religion, abilities, or any other factor other than them being human.
Formal Economy	Refers to all economic activities operating within the official legal framework that are paying taxes on all generated incomes
Collective interests	A collective interest is an interest that is shared by every member of a group in virtue of being a member of that group. Anyone who does not share that interest, will not be a group member.
Inclusive Participation	Inclusive participation is about recognizing differences between individuals/groups, and is achieved when all members feel engaged, welcomed, and provided with practical opportunities to participate.
Good Governance	Good governance is a way of measuring how public institutions conduct public affairs and manage public resources in a preferred way. Governance is "the process of decision-making and the process by which decisions are implemented.
Labour Administration	The ILO defines labour administration as public administration activities in the field of national labour policy that administers and regulate labour market forces and improve working conditions
International Labour Standards	International labour standards are a comprehensive set of legal instruments that establish basic principles and rights at work, with a goal to improve working conditions on a global scale. The

	Conventions and Recommendations of the ILO form the international labor standards
Informal Economy	A formal sector is defined as “a sector which encompasses all jobs with normal hours and regular wages, and is recognized as income sources on which income taxes must be paid. The informal sector is a system of employment that does not abide by any form of legal ” (www.businessdictionary.com)
Gender Issues	Gender issues include all aspects and concerns related to women's and men's lives and situation in society, to the way they interrelate, their differences in access to and use of resources, their activities, and how they react to changes, interventions, and policies.
Foreign Direct Investment	A foreign direct investment (FDI) is an investment made by a firm or individual in one country into business interests located in another country. Generally, FDI takes place when an investor establishes foreign business operations or acquires foreign business assets in a foreign company.
Semi-skilled	Semi-Skilled labor does not require advanced training or specialized skills, but it does require more skills than an unskilled labor job. People who perform semi-skilled labor usually have more than a high-school diploma, but less than a college degree.
Unemployment Benefits.	Insurance programs and cash benefits are some unemployment benefits provided to workers who become unemployed through no fault of their own.
Tripartite Institutions	Tripartism is economic corporatism based on tripartite contracts between employers' organizations, trade unions, and the government of a country. Each is to act as a social partner to create economic policy through cooperation, consultation, negotiation, and compromise

Epidemic	An Epidemic is a disease that affects many people within a community, population, or region. A pandemic an epidemic that is spread over multiple countries or continents.
Financial Inclusion	Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit, and insurance – delivered in a responsible and sustainable way.
Labour Mobility	Labor mobility refers to the ease with which laborers can move around within an economy and between different economies. Labour mobility affects how labor, one of the major factors of production, affects growth and production.
Skills Transfer	Skills transfer is the method in which an employee is taught how to perform a new task or skill. An effective skills transfer requires that the individual transferring skill needs to understand and be able to translate this skill to their peer.
Public Employment Scheme	Public Employment Services (PES) are the authorities or institutions that connect jobseekers with employers. PES help match supply and demand on the labour market through information, placement, and active support services at local, national and regional level.
Financial literacy	Financial literacy is the ability to understand and effectively use various financial skills, including personal financial management, budgeting, and investing.
Skilled Workers	A skilled worker is any worker who has special skill, training, knowledge, and (usually acquired) ability in their work. A skilled worker may have attended a college, university, or technical school. Alternatively, a skilled worker may have learned their skills on the job.
Minimum Wage	The ILO defines Minimum wages as “the minimum amount of remuneration that an employer is required to pay wage earners

for the work performed during a given period, which cannot be reduced by collective agreement or an individual contract". This definition refers to the binding nature of minimum wages, regardless of the method of fixing them. Minimum wages can be set by statute, decision of a competent authority, a wage board, a wage council, or by industrial or labour courts or tribunals. Minimum wages can also be set by giving the force of law to provisions of collective agreements.

Executive Summary

In 1976, Papua New Guinea ratified the Employment Policy Convention, 1964 (No. 122). The Convention calls upon countries to “declare and pursue, as a major goal, an active policy designed to promote full, productive and freely chosen employment” (Article 1). The Convention indicates that ratifying countries should develop and implement an employment policy that ensures that: “(a) there is work for all who are available for and seeking work; (b) such work is as productive as possible; (c) there is freedom of choice of employment and the fullest possible opportunity for each worker to qualify for, and to use his skills and endowments in, a job for which he/she is well suited, irrespective of race, color, sex, religion, political opinion, national extraction or social origin” (Article 2). As a signatory to Convention No. 122, Papua New Guinea has committed to developing and implementing a National Employment Policy.

In addition, commitment to other international policy instruments is helping the country promote sustainable development through decent work. With the adoption of the Sustainable Development Goals in 2015, the Government of Papua New Guinea has explicitly pledged to expand opportunities for decent employment. Goal 8 of the 17 UN Sustainable Development Goals refer to the need for governments and other important parties to promote an “inclusive and sustainable economic growth, employment and decent work for all”.

The National Employment Policy 2021-2031 is a 10-Year Policy that provides a significant platform for employment sector developments and is aligned to key national policy framework and development strategies. Hence, these include, aligning to the Preamble of the Constitution that lays out the five National Goals and Directive Principles, the Vision 2050 (covering the period 2010–2050), the Papua New Guinea Development Strategic Plan (PNGDSP) 2010–2030, and the Medium-Term Development Plan III (MTDP III) 2018–2022 and guided by the 21 principles of the Strategy for Responsible Sustainable Development (StaRS). Although these policy instruments do not make explicit reference to employment, the National Employment Policy is linked to the broader goals formulated in these plans.

The goal of the policy is to reduce poverty through fostering employment growth, and the objectives are aimed toward increasing opportunities for decent and paid employment; strengthened the effectiveness of labour market governance and promote social inclusion and security of employment for the work force. The policy has ten (10) thematic areas with number of amicable strategies and measures to achieve the outcomes. The policy calls for a structural reform, including several legislative reviews, and stakeholders' key roles and responsibilities to enhance the effective implementation of it.

The National Employment Policy integrates the objectives of the existing and recent Government policies on employment-related issues. These include the National Informal Economy Policy 2011–2015, the National Population Policy 2015–2024, the National SME Policy 2016, the National Trade Policy 2017, the National Youth Employment Framework 2016, the National Training Policy 2016, and the National Occupational Safety and Health Policy.

The National Employment Policy is subject to review after five years of its implementation.

SECTION ONE: BACKGROUND

1.1 Intent of the Policy

The intention of the National Employment Policy (NEP) is to reduce poverty and improve the livelihoods and foster inclusive and sustainable socio-economic development through promoting decent employment that fosters sustainable livelihoods for labour force in Papua New Guinea (PNG).

The policy focuses on promoting decent work and creating income earning opportunities and, emphasizes the need for increased options for self – employment to improve living standards of Papua New Guineans through an effective labour market management. NEP provides a sound policy platform for an effective regulation of the Labour Industry.

1.2 Audience

The National Employment Policy is for the benefit of the people of Papua New Guinea across all sectors of the economy. The policy recognizes the Human Capital as a catalyst for socioeconomic development and growing the economy.

1.3 Policy Development Process

The National Employment Policy is derived from PNG's cultural heritage of good hard work. In formalization of traditional hard work principle, the Decent Work agenda provides the springboard for the National Employment Policy and was developed from several research outcomes that indicated a need for the prescribed policy to be formulated. In 2012, the ILO commissioned a research team from Massey University in New Zealand to conduct a situational analysis of PNG's Labour Market. The range of areas were covered in terms of their employment impacts and implications. A two-phase investigation was undertaken, involving desk-based research and interview fieldwork with stakeholder informants in PNG, and all data were subject to a qualitative and thematic analysis.

The analysis specifically sought to respond to the ILO's Consultancy brief by contributing to a better understanding of the existing situation, challenges and opportunities relating to

employment policy issues in PNG, providing baseline information for PNG, especially to the Department of Labour and Industrial Relations, and identifying issues relating to the ILO Employment Policy Convention of 1964. This Convention was adopted amid the growing concern that economic growth was not addressing the problems of unemployment and underemployment in developing countries, though it is also applicable to industrially advanced countries.

The report covers considerable ground to help inform considerations relating to employment policy in PNG. One of the strong recommendations from the research outcome was to develop a distinct and comprehensive policy that addresses wide range of issues identified in the research. Hence, the Employment Policy was recommended to be developed to guide the development of the Labour Industry in the country.

In 2012, the outcome of the report was submitted to NEC for deliberations and the directive from the NEC was for the Department of Labour and Industrial Relations to establish a National Task Force to work on the Employment Policy. The Government through another National Executive Council (NEC) Decision No. 384/2018 directed the Department to implement three important projects and one of them was to formulate the National Employment Policy.

Since then, the Department has formed an Inter-Agency Taskforce to commence the drafting of the policy. The drafting was headed by the Policy Development and Research Division with the leadership of Deputy Secretary, Policy and the much-needed assistances from the Department of National Planning and Monitoring (DNPM) and ILO. There was a workshop hosted by DLIR for stakeholders in 2017 to validate the initial conception of the NEP that has a PNG focus on employment issues. A draft of NEP was produced.

The challenges presented by the COVID 19 Pandemic has demanded for a need to formulate the National Employment Policy to address the issues surrounding unemployment, social protection, economic recession, and industrial disputes.

Overall, the policy has been formulated based on the situation analysis compiled by Massey University, New Zealand, ILO Ratified Conventions, and issues emerging from COVID 19 Pandemic. Apart from the above research outcomes, several comprehensive consultations were conducted with the following group of stakeholders:

- *National Government Agencies*
- *Subnational Government Agencies*
- *Private Sectors*
- *Development Partners*
- *Trade Unions*
- *CSOs*
- *Churches*
- *MMSMESME Holders*

To further enhance the drafting of NEP to meet the needs and aspirations in various areas of labour and employment, Dr. Leo Marai from the University of Papua New Guinea who is a Consultant expert in decent work and employment policy was engaged in completing the 1st draft of NEP in collaboration with DLIR Policy Division staff, ILO representatives and DNPM representative.

2.1 Policy Goal

The overarching goal of the National Employment Policy is to reduce poverty through fostering employment growth based on decent work that fosters social inclusion and sustainable livelihoods and development in PNG.

2.2 Objectives

Objective 1: Increased decent and paid employment opportunities.

Objective 2: Strengthened effectiveness of labour market governance.

Objective 3: Foster social inclusion and employment security of workers.

2.3 Policy Outcomes

- i. Institutions and legislations are reformed to enhance inclusion, equity, security, and efficiency in the PNG's labour market.
- ii. The people of PNG have increased decent and paid employment opportunities.
- iii. Informal workers and enterprises have improved working conditions.
- iv. Women of PNG have increased decent and paid employment opportunities.
- v. Rights of disable individuals are taken into consideration in terms of employment and working conditions.
- vi. Skills of the PNG's labour force are improved to be more responsive to labour market demand.
- vii. Labour mobility management system is strengthened to facilitate increased employment opportunities for Papua New Guineans at home and abroad.
- viii. The Interest of the Employees are equitably served and appropriately compensated with decent remuneration.
- ix. Labour market information system is strengthened to inform consumers and policy formulation in PNG.

2.4 The Guiding Principles

The implementation of the National Employment Policy is based on the following fundamental principles.

i. Leave no one behind

The NEP fosters inclusive and equal participation of Papua New Guineans who are eligible to work in all sectors. No one will be left behind because of his or her status, colour skin, gender, or disabilities. Their interests are served accordingly.

ii. Christian Values

The Christian Principles and Values are the fundamental things that are to be always embraced during the implementation of this policy. The policy acknowledges that both man and woman were special creations of God, created after His image and likeness, responding to, and having fellowship with God and uniquely reflecting His Love, Glory and Holiness. Both man and woman knew God and obey and follow His 10 Commandments.

iii. Decent Work

The Decent Work is the fundamental pillar that forms the basis for the NEP. It focuses on the healthy lifestyle and prudent management of labour-force in PNG. NEC Decision No# 384/2018 provides the basis for PNG to achieve the tripartite set of priorities in line with national development objectives in considering decent work policy concept, for equitable social and economic growth.

iv. Respect for Human Dignity

There shall be a sense of self-respect and self-worth, physical and psychological integrity, and empowerment for categories of workers in PNG. Human dignity is inherent to every human being, inalienable and independent of the state. This policy emphasises on the importance of respect for fellow worker and dignity.

v. Equal Participation

The GoPNG believes in equal participation, hence the objective is promoted and to be achieved through several national policies and strategies such as GoPNG-CSO Partnership Policy, and Open Government Partnership Initiative. NEP promotes and foster equal participation in socio-economic developments. NEP promotes equal participation of men, women, youths, and people with disabilities in a decision-making and service delivery process at all levels.

vi. Promoting and safeguarding national interest

The national interest will be protected, preserved, and promoted in the labour market in PNG and through bilateral and multilateral relationships, dialogs, interactions, and treaties relationship with other countries in the labour mobility front.

vii. Good Governance

The Government through the NEP will serve the collective interests, believes in responsibilities, accountability, transparency, and invites wider community participation and share their grievances guided by the common principle of good governance. Inclusive participation will be promoted throughout the implementation course of this policy.

viii. Effective leadership

A sound and effective leadership is promoted to effectively implement this policy. The policy ensures that the effective leadership is promoted to efficiently achieve the outcomes of the policy.

ix. Prudent Management

The NEP focuses on promoting and embracing prudent management that enhances an effective and efficient use of resources to optimise social-economic benefits.

x. Effective Reporting

A sound and effective Monitoring and Evaluation (M&E) system is a fundamental operation that all adds to prudent management of any organisation. Government shall ensure that the implementation of the NEP is

monitored and reported on a timely basis as incorporated in the M&E Section of this policy.

xi. Partnership Dialogue

The NEP promotes and embraces partnership and dialogue between GoPNG and CSO and, GoPNG and Private Sector. Hence, this policy will be effectively implemented through such partnership and dialogue processes. Partnership is promoted through other significant national policies, strategies, and plans such as GoPNG-CSO Partnership Policy, Open Government Partnership Initiative.

2.4 Core Government Policies and Legislations

The National Employment Policy is framed around the margin of the relevant international laws, policies, conventions and national policy and legal framework.

The NEP is formulated within the margins of the National Planning Framework that sets the policy platform for the country. National Employment Policy takes que from the PNG Development Strategic Plan (DSP) 2010-2030 and Medium-Term Development (MTDP) Plan 2018-2022 that encompasses the aspiration of the PNG's Vision 2050. The policy also complements other significant strategies, policies and development plans described below.

Policy Context	Legislations
<p>SDG 2030</p> <p>UN Sustainable Development Goal 2030 provides an overarching policy framework with 17 Goals to be achieved by 2030. The SDG 8 aims to promote inclusive and sustainable economic growth, full and productive employment, and decent work for all. These SDGs indicators have been localized and embedded into the</p>	<p>ILO Employment Policy Convention:</p> <p>Ratified Employment Policy Convention, 1964 (No. 122) calls for member countries to ensure that (a) there is work for all who are available for and seeking work; (b) such work is as productive as possible; (c) there is freedom of choice of employment and the fullest possible opportunity for each worker to qualify for, and to use his skills and endowments in, a job for which he is well suited, irrespective of race, color, sex, religion, political opinion, national extraction or social origin"</p>

<p>cascading policies of the Papua New Guinea.</p>	<p>2019 ILO Outcome Document on the future of work.</p> <p>Priority 1. Promote reform of labour law and labor Administration in line with International Standards.</p> <p>Outcome. Labour law reform complies with International labour standards on social protection.</p> <p>Priority 2. Promote productive and decent employment opportunities particularly for young women and men.</p> <p>Outcome. Increase decent employment opportunities created because of National Employment Policy and enhanced labour market information.</p> <p>Priority 3. Promote effective Social dialogue and tripartite cooperation.</p> <p>Outcome. PNG Workers Organizations better able to effectively serve and represent their members and engage in Social Dialogue.</p> <p>(DLIR to input)</p>
<p>Vision 2050</p> <p>Vision 2050 sets the overarching development aspirations of the country which is to be fair, wise, healthy, and prosperous nation by 2050. The Vision will be achieved through the NEP that stressed on the importance of decent work for all in Papua New Guinea.</p>	<p>PNG National Constitution</p> <p>The NEP takes its cue from the Preamble of the National Constitution that provides the directive for successful implementation of the Constitution through enabling legislations and policies.</p>
<p>PNG Development Strategic Plan (DSP) 2030.</p> <p>The DSP 2030 clearly sets out the 20-year strategies and targets to achieve Vision 2050. The goal of the DSP is for PNG to be among the middle-income country in the world by 2030. NEP is aspired to achieve the DSP Goal through having a vibrant labor market that</p>	<p>Organic Law</p> <p>The Organic Law takes its cue from the National Constitution; hence Organic Law simplifies the Constitution for ease of implementing the Constitution. For instance, the Organic Law on Certain Constitutional Office Holders sets out the Employment Conditions. The National Employment and Decent Work promote and implement Section 4 – 11 of the above Organic Law.</p>

<p>promotes decent work for all Papua New Guineans.</p>	
<p>Medium Term Development Plan III (2022)</p> <p>The focus of the MTDP III 2018-2022 is to grow the economy. Hence the theme of the MTDP III is "Securing our Future through Inclusive Economic Growth". Employment is a macroeconomic indicator that features importantly in the Key Result Area 1.1.3 of MTDP 2018-2022 which calls for "the Government to create more employment and build capacity of the productive workforce".</p>	<p>Relevant Labour Legislations</p> <p>Industrial Relations Act</p> <p>Employment Act</p> <p>Industrial Organizations Act</p> <p>Employment of (Non – Citizens) Act</p> <p>Occupational Health & Safety Act</p> <p>Independence Trust Act</p> <p>Public Service Conciliation & Arbitration Act</p> <p>Teaching Service Conciliation & Arbitration Act.</p> <p>Workers Compensation Act</p> <p>Apprenticeship & Trade Testing Act</p> <p>Employment Placement Services Act</p> <p>National Training Council Act</p> <p>Trade Licensing Act</p> <p>Employment Statistics Act</p>
<p>PNG Decent Work Country Policy and Programme;</p> <p>The Department of Labor and Industrial Relations will take carriage of the DWCP and through the existing implementation platforms will review progress and coordinate the implementation of the DWCP.</p>	<p>PNG Planning and Monitoring Responsibility Act 2016</p> <p>Section 4 of the PNG PMR Act provides for the National Planning Framework of the country. It encourages all policies and plans to align to the overarching national policies and integrate with each other.</p>

<p>Other Sector Policies</p> <p>NEP complements the existing policies such as Information Economic Policy, National Trade Policy, Competition Policy, Investment Policy etc so that the policies are intergraded to each other and enhance its smooth implementation.</p>	<p>Seamen's Act</p> <p>Lukautim Pikinini Act</p>
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SECTION THREE: POLICIES AND STRATEGIES

3.1 CURRENT SITUATION

At the time of PNG's last population census in 2011, the total population was 7.3 million. The country is undergoing rapid population growth. The population is projected to exceed 10 million by 2030 and reach nearly 14 million by 2050. Papua New Guinea's population growth and the associated youth bulge are the two major demographic challenges facing the country. Estimates indicate that, in 2024 young people aged 15-24 years will account for nearly one-third (32.5 per cent) of the adult working age population of 15-64 years. The large youth bulge in the adult working-age population will remain in the future, only falling slightly to 29.6 per cent in 2030.

Based on the available data in 2011, 3.2 million Papua New Guinean citizens were employed. Agriculture continues to be the mainstay of the economy, contributing approximately 19 per cent of GDP and accounting for 77 per cent of total employment (or 2.5 million jobs). The second largest industry in terms of employment was the wholesale and retail trade sector, which employed 11 per cent of all workers. Two in three of the employed population were concentrated in non-monetary jobs, typically in subsistence farming and fishing for own consumption.

The formal economy is dominated by large companies involved mainly in the mining, oil and gas industries and agri-business. Like agriculture, the extractive industries contribute around one-fifth of GDP, but only employ a mere fraction of the number of workers. Although the extractive industries have been the main driver of economic growth, their contributions to employment generation have been minimal and volatile.

The level of skills and qualifications in the PNG's labour market is low by international standards. In 2010, around 72 per cent of the labour force had only basic education up to and including Grade 8. The Government's priority has been the primary education as the foundation for subsequent learning, with a commitment to universal tuition-free education at this level until slide change made by the Marape Government who emphasis on the

quality education with introducing the Tertiary Students Loan Scheme. Employers are concerned about severe shortcomings in both the quantity and quality of technical and vocational education and training (TVET) and higher education. Publicly funded training provision often does not meet the needs of employers who usually turn to expensive foreign workers to meet their skill needs.

Given skill shortages in the labour market, the number of non-citizen workers employed in Papua New Guinea's private sector has increased substantially over the last decade. In May 2015, the total number of non-citizen workers holding work permits in Papua New Guinea was 41,096.

The COVID 19 Pandemic has affected the economies in the World with series of issues that cut-across all sectors. It has challenged the abilities of the Governments and their people on how fast they can respond with strategic measures to address them. The Pandemic is a health issue but has adversely affected the economic activities of many economies in the World. In PNG, it presented with challenges that has never faced before. Papua New Guinea as a developing country, the Pandemic has hit hard with several issues in health, economic including labour market and trade, education, youth, security, and law and order that has forced the Government to declare state of emergency with thorough lockdown with strict regulations on the movement of people. As a result, economic activities have slowed down with rise in unemployment and social security issues. In the absence of Social Protection Policy and National Employment Policy, some of the issues are unattended and remain active.

Papua New Guinea's natural resources provide considerable potential to derive greater benefits from economic development in employment, human resource development (HRD) and trade. Yet, socio-economic, and political challenges remain, including over-reliance on extractive industries; relative under-investment; infrastructural development costs; land tenure issues; law and order problems; and lack of access to capital especially for small firms and informal undertakings. A National Youth Policy (NYP) has been introduced to coordinate initiatives in this area and addresses gender issues. It emphasizes rural community development and relevant skills training, to augment

employment opportunities for youth. There is a framework for, but little data on the employment needs and issues of people with disabilities in PNG.

There is a high and growing level of foreign direct investment (FDI), focused on the primary extractive industries. High capital intensity means relatively few direct employment effects, and the low skill-base of the country means in any case that much of the work is conducted by non-PNG citizens. There are also issues around the effects on other sectors, where projects draw off skilled labour from elsewhere, and transition difficulties for workers when seeking to return to their original employment.

The MTDP III 2018-2022 stresses the need for FDI to support broader-based, private sector-led growth. It also emphasizes sustainable jobs and incomes, with explicit evaluation criteria for FDI proposals concerning job creation, skills development and participation by PNG citizens, and the promotion of a broader portfolio of FDI (such as agri-business) which might better serve longer-term local employment.

The current focus of the Marape Government is to encourage FDIs in the renewable sector such as agriculture, forestry, fisheries, and tourism sectors so that the inclusive and sustainable economic growth is achieved without compromising the benefits of the future generations. The government also encourages the FDIs to increase the size of employment opportunities for Papua New Guineans.

In consideration of the above issues, the Government through DLIR over the years has failed to provide the leadership to the development of the labour industry in PNG. The industry has been operating in a policy vacuum resulting in poor coordination and administration and implementation among the stakeholders. As such, the Government has not accurately report at the international front on the PNG's labour indicators and outcomes. To date, the labour data are not coordinated and shared among the stakeholders including developments in the industry that are not informative to influence the policy formulation, decision making, and resource allocation. Therefore, this National Employment Policy will provide the platform for relevant stakeholders to work together to leapfrog its development.

3.2 ANALYSIS OF ISSUES

There are number of core issues that need to be addressed through the National Employment Policy 2030.

3.2.1 Institutional Framework and Coordination

Due to institutional constraints, the generation of decent employment and development of the labour market have not been centralized as major goals and objectives in national policies and development plans to the extent required. The DLIR is always faced with capacity issues to influence wider policy development and legislative reform vis-à-vis other Government departments and agencies.

In recent years, the DLIR has focused mostly on industrial relations issues and devoted comparatively few resources to employment generation. The organizational structure of the DLIR currently lacks focal points or desks dedicated to employment services promotion for women, youth, or persons living with disabilities or other vulnerable groups. The recent emergent of COVID 19 Pandemic has presented real challenges and issues for the labour force livelihoods in terms of employment protection. During the SOE and lockdown, more people lost their jobs and because of no employment policy as well as social protection policies, the issues remain unresolved.

Despite the importance of a sound legal framework, progress towards reforming labour legislations has been limited. The labour legislation review process has been ongoing for more than eight years and is continuing. Labour legislation applies only to the formal economy and hence only to a small proportion of the Papua New Guinea labour force. Furthermore, many other related legislations remain outdated. Given the lack of awareness among some employers and workers of legislative requirements, better access to information and services about employment legislation should be made accessible through Government websites and online networks.

The enforcement of existing legislations such as the Work Permit Guidelines has been weak, owing to financial and human resource constraints. In addition, the absence of a monitoring and evaluation unit within the DLIR has limited the ability to assess the results of existing policies and plans.

3.2.2 Youth Employment

Each year the number of school leavers exceeds the number of new jobs created. According to the National Youth Policy 2020-2030, 80% (100,000) of young people are pushed out of the school system annually. There are also limited number of opportunities for post-secondary education. Furthermore, many young people leave school without the necessary skills or experiences to find employment and spend a long time trying to find paid work.

Initiatives to support youth employment have been limited, with public employment services virtually defunct and no national strategy for matching jobseekers with vacancies. The Government has recognized the need to address the situation of youth employment. The National Youth Policy 2007–2017 was adopted to improve position of young people aged 12-25 years in the economy. In 2014, Parliament approved the National Youth Development Authority Act 2014, setting up the National Youth Development Authority (NYDA). The NYDA is tasked with coordinating all youth-related policies and promoting youth issues. Youth employment is one of the areas the NYDA is required to address, and in 2016 the NYDA developed the draft National Youth Employment Framework (NYEF).

Some specific initiatives in youth employment include the donor-funded “Urban Youth Employment Project” implemented in the National Capital District.¹ This project aims to provide urban youth in Port Moresby with income from temporary employment and to increase their employability through a Skills Development and Employment Scheme. In addition, the National Development Bank (NDB) runs the Young Entrepreneurship Scheme (YES) which is a youth loan scheme that started in 2015. YES, also offers entrepreneurial training, mentoring and business support services in addition to funding assistance.

3.2.3 Employment in the Informal Sector

The informal economy accounts for most of all jobs in Papua New Guinea. It generates incomes for families, women, young people, and persons living with disabilities mostly in the agricultural sector. It helps to reduce poverty and crime and contributes to the long-term development of Papua New Guinea. However, working conditions in the informal

¹ For further information on the Urban Youth Employment Project, see: <http://bit.ly/2CY00sZ>.

economy are typically poor and incomes are low and volatile. Initiatives to promote better working conditions in the informal economy would help to improve the livelihoods of disadvantaged groups including women, young people and persons living with disabilities and other vulnerable groups.

The informal economy is regulated by the Informal Sector Development and Control Act 2004 which encourages the development of the informal economy. It does this by promoting public health, safety, and cleanliness in the informal economy. The National Informal Economy Policy 2011–2015 was launched to implement the 2004 Act and to support informal economic activities. The policy was reviewed, and the review report was endorsed and launched by the Government. The Policy focuses on two types of activities: financial inclusion and the provision of public goods and services. The financial inclusion program is currently implemented by Bank of PNG through Center for Excellence in Financial Inclusion (CEFI).

3.2.4 Gender Inclusive Development

In 2015, Papua New Guinea was ranked 154 out of 188 countries in the United Nations Development Programme Gender Inequality Index, reflecting the unequal treatment of women in access to reproductive health, essential decision-making that affects their lives, and access to economic opportunities. Women in Papua New Guinea also face distinct disadvantages in the labour market. Although their labor force participation is nearly on par with that for men, women lag considerably in their access to decent jobs. For example, 26.6 percentage of employed men were paid wage employees, while the comparable ratio for women was merely 11 per cent.² Likewise, women were nearly three times as likely as men to depend solely on informal activities for their employment. Men also widely outpaced women in terms of SME ownership. These trends are partly a function of women's lower levels of education and literacy as well as other gender-related social barriers.

In this context, different national policy frameworks prioritize the promotion of gender equality. The PNGDSP 2030 notes that PNG cannot reach its potential if inequality continues to exist and expresses a commitment to improving gender equality. One of its goals is that "All citizens, irrespective of gender, will have equal opportunity to participate

² Source: Microdata processing of 2009-10 Papua New Guinea Household Income and Expenditure Survey.

and benefit from the development of the country". The PNGDSP includes targets on gender parity in school enrolments and graduation from tertiary education. It also includes a target for improved opportunities for female formal wage employment by 2030. Via the Universal Basic Education Plan 2010–2019, under the overall leadership of the Department of Education, the Government acknowledged the importance of investing in female education, especially in the early years.

Similarly, the National Population Policy 2015-2024 includes objectives on gender equality in employment. This includes objectives to increase considerably the proportion of women in higher occupations and to significantly improve gender equality with regards to rural cash income by 2024. By contrast, the MTDP III, Papua New Guinea's most recent national planning document is less explicit about gender-related development challenges. Nevertheless, it includes some targets on population, fertility, and family planning.

Some initiatives have aimed at helping women in business. These include the "Women in Business" initiative which was established in 2011 by the Small Business Development Corporation. The aim of these initiatives was to increase the number of women in business, by providing training and seed capital to start up small ventures. In 2014, the Papua New Guinea Women's Micro Bank, which was the first female only micro bank in the Pacific, was established. Moreover, access to capital has also been improved through other measures such as the National Development Bank's establishment of a "Women in Business Desk". This facility has helped foster enormous growth in loans to companies owned and managed by women.

3.2.5 Skills Transfer and Development

Papua New Guinea's labour market is characterized by a shortage of adequately skilled workers that needs transfer of skills and training. The share of TVET and university graduates in the labour force is low compared to other countries in the region. Approximately 30 per cent of the labour force cannot read and only 12.1 per cent had any post-secondary education.³ Moreover, the quality of most TVET, particularly in public institutions, is below what employers require, and training is not linked to labour market needs and has resulted in increased mismatched unemployment. Instead, the training offered is often determined by the availability of staff and rigid budgets based on past

³ Source: Microdata processing of 2009-10 Papua New Guinea Household Income and Expenditure Survey.

practice. Consequently, the skills of graduates often do not match employers' expectations, and employers must go to considerable lengths to recruit and employ foreign workers. Reducing Papua New Guinea's reliance on foreign workers requires improving the responsiveness and quality of TVET as well as other training institutions.

Enterprise training is also seen as highly relevant by the policy makers. This is most likely to be formally provided in larger urban-based companies. Employers have concerns over losing trained staff elsewhere. There is a well-developed but small-scale formal apprenticeship programme focused on specific occupations.

Employers identify the expense of the state-endorsed scheme as an issue and have concerns about the relevance and quality of the education and training provided by many TVET institutions. There are also some innovative partnerships around vocational training between PNG industry associations and international partners.

In pursuit of PNG's Development Cooperation Policy 2018-2022, PNG will engage a national employee to every international employee working in PNG to mentor and enhance the transfer of skills to the national co-worker. This objective will further be pursued through the NTP.

Skills development and training will be pursued through various policies and programmes coordinated and managed by the DLIR through NATTB, IFS and NTC statutory offices. The policies such as National Training Policy will take cue from this policy to address the training needs of the workforce in the country. The training policy will consider and address skill gaps, and inclusive of gender (SDG-5) and people with disabilities (SDG- 8) with the aim of achieving these SDGs.

The target of increasing skilled workforce in PNG will not only be pursued through DLIR but also other relevant key stakeholders such as DHERST, tertiary institutions, private sector institutions and development partners. These institutions and agencies will work closely to meet the targets of NEP and NTP. Such collaborations will be promoted through MOA or MOU between the Government and training institutions including development partners. The government will introduce several training programmes based on the DLIR's Labour Force Survey, National Census and Household Income and Expenditure Survey outcomes and their recommendations for training.

3.2.6 Labour Mobility Management Service

The Labour Mobility Management Service refers to the administration of movement of workforce from one sector/industry to another sector/industry within the country, or from one country to another in pursuit of better living. The movement of labour from one country to another is called labour mobility. This movement of labour force from country to country is based on several reasons such as looking for better paid jobs, good working and living conditions. The transfer of skilled workforce from host country to the country of their investments is happening in the private sphere globally including PNG. For instance, for multinational companies, they bring in their skilled workforce to the country of investment to initiate and advance their investments. This also applies to the labour force from within the country, where workers move from one sector/industry to another sector/industry for better paid job, and better working and living conditions.

The Employment of (Non-Citizens) Act 2007 and Employment of Non-citizens Regulation 2008 regulates the employment of non-citizen workers in the private sector. Employees who intend to bring in skills labour from abroad to work in country must apply for a work permit through the DLIR before engaging the non-citizen. Non-citizen workers are required to have a work permit. On paper, Papua New Guinea's Work Permit System is relatively balanced and has the twin objectives of allowing businesses to bring in skills from abroad while reserving unskilled and low-skilled occupations for Papua New Guineans.

When the Work Permit Guidelines were published in 2009, the plan was to revise the guidelines every two years. However, there has been no review to date and the classification of occupations open to foreign workers has become outdated. More occupations can now be included in the list of occupations reserved for Papua New Guineans because they are now trained to work in these professions.

The Work Permit Guidelines are typically not enforced during the work permit application or re-employment process of non-citizen workers. During the application process, verification is rarely performed to determine whether a labour market test was conducted for those occupations, which require advertising locally for qualified Papua New Guineans. Moreover, some non-citizen workers are employed in jobs that are different from those specified in their work permits and may even work in jobs that are reserved for Papua

New Guineans. Labour Inspectors are often unable to check the compliance of companies with work permit regulations. This applies especially to the skills transfer requirement to Papua New Guinean workers and validity of exemptions, especially outside of the main urban areas.

On many occasions, work permit requirements have been waived, including the English language requirement and the requirement for some professions to register with professional bodies in PNG. The waiving of language requirements can have harmful effects on workplace operations. If non-citizen workers cannot communicate with Papua New Guineans due to language barriers, skills transfers are much less likely to occur. At present, it is impossible to know how many work permit holders in PNG have been exempted from either the language or professional registration requirements.

Papua New Guinea is one of the countries in the Pacific that benefits from the Seasonal Workers Programme (SWP) that started in 2010. The purpose of SWP is to provide the opportunities for decent temporary work overseas for youths and citizens, both men and women to grow PNG's economy both through remittances and through skills and knowledge transfer to build sustainable industry at home. DLIR as the responsible agency had managed the SWP from 2010 to 2019. Currently, the program is managed at the Department of Treasury.

In 2019, the Marape Government committed to using the opportunity for temporary work overseas to help up-skill and employ workers, with a focus on younger unemployed workers. A new approach to recruitment began, emphasizing placing the best workers with experience onto farms and businesses overseas so that they could make best use of new skills at home. The focus would be on rural areas with strong agriculture practices, and regional cities where workers with manufacturing and service industry experience could be drawn upon. Consultations with employers found that the cyclical nature of work in Papua New Guinea meant that there were typically more experienced workers in the community than were currently employed, leaving a pool of labour that could be drawn upon without undermining the existing industry base.

3.2.7 Minimum Wage

The Minimum Wage refers to the minimum wage ceiling that anyone country's employee is required to be paid above that ceiling. The purpose of a Minimum Wage is to stabilize the economy and protect the labour force from exploitation. The Minimum Wages Board is established to review minimum wages in response to CPI, market fluctuations and the impact on the economy. Minimum wage can also be one element of a policy to overcome poverty and reduce inequality, including those between men and women, by promoting the right to equal remuneration for work of equal value. Minimum Wage system should not be used in isolation but should be designed in a way to supplement and reinforce other social and employment policies. Minimum Wage sets the threshold or the floor and is complementary to the Employment Act.

Over the years, the process of establishing a Minimum Wage Board has been on ad - hoc bases. It requires the Head of the State, acting on advice, to establish and determine the composition of the Board. This has contributed to the long delays in determining an appropriate level of a minimum wage. The application of the determination of a Board is normally general and may not be appropriate to certain industries. There is a need to permanently provide for the establishment of the Board by legislation with a define responsibility and ensure flexibility to enable the Board to make determinations that are relevant to different industries.

3.2.8 Labour Market Information System

A Labour Market Information System (LMIS) can be defined as an inter-connected set of procedures and mechanisms involving multiple stakeholders at different (national, regional, sectoral, local, governmental) levels for collecting, processing, storing, analysing and disseminating labour market data and insights, thus facilitating action and value creation towards the improvement of the labour market.

The DLIR, NSO, DoE and DHERST are the mandated agencies that play a crucial labour market information role in generating, storage and dissemination of labour market information to stakeholders including government agencies, private sector and investors

for evidence-based policy formulation and investments. However, the above agencies are not working together in collecting, processing, and sharing of labour market information.

There is a weak LMIS due to lack of centralized Labour Market Information database to coordinate the effective flow and dissemination of labour market information to the stakeholders and society at large. The assessment of labour market in PNG is currently a challenge because data is very scarce and most of it is outdated and debatable. For example, the contribution of agriculture to GDP is given with different numbers ranging from 1.8% (BPNG) to 35.4% (PNGDSP 2030).

Some labour market information is derived from the Population and Housing Census and the Household Income & Expenditure Survey (HIES). In addition, there are two sets of administrative data on the foreign workforce in PNG, namely arrival and departure data and work permit data. The National Statistical Office releases annual statistics on persons entering and leaving PNG, which provide an overview of movements into and out of PNG by purpose, country of origin and other criteria. In addition, the DLIR maintains sound data records of work permits issued, which gives a good indication of the size and characteristics of the non-citizen workforce in the private sector. However, information from these work permit records were not published.

The changes in formal employment are monitored through the Bank of Papua New Guinea's Employment Index, published in its Quarterly Economic Bulletin (QEB). The indices, disaggregated by industry and by region, are compiled from figures obtained from a quarterly survey of about 500 private companies in the formal economy. In addition to the QEB employment data, some Government departments have conducted employer or business surveys during the past ten years. In 2008, the National Training Council (NTC) conducted a survey of public and private sector organizations to investigate training needs. In 2010, the Department of National Planning and Monitoring (DNPM) and the DHERST prepared a National Labour Market Assessment. This resulted in the publication of two National Labour Market Assessment reports, including a Demand Data and a Supply Data Report.

The scarcity of labour market data is not only a result of weak institutional coordination but also due to non-enforcement of existing legislation. Under the Employment Act 1978, employers have an obligation to provide regular employment figures to the DLIR, but this

regulation has not been enforced. Furthermore, the Employment Statistics Act 1976 provides a legislative framework for the collection and analysis of employment statistics. However, the reporting requirements under this Act are not stipulated clearly and requires a review.

Overall, minimal progress has been achieved over the years to improve labour market data collection and analysis in PNG. In this regard, greater technical and financial resources are needed to expand the employment modules of the Census and HIES questionnaires and to develop LMIS that consolidates labour market data from disparate official surveys and administrative sources. The LMIS will be enhanced through a Labour Market Information Policy.

3.2.9 Renewable Resources and Sustainable Development

The Renewable Sector emerges to be the driver of the sustainable growth and development in the world today. Sustainable development is commonly defined as development that meets the needs of the present without compromising ability of the future generations to meet their own needs. The industrious countries begin to adopt some innovative ways to continue their economic growth and developments without harming or destroying their environments.

The PNG Government's approach to attain sustainable economic growth and development has begun six years ago with an introduction of National Strategy for Responsible Sustainable Development (STaR) 2014. The Government through STaR has made a paradigm shift in its approach to development and investment, hence diversifying its investment from non-renewable to renewable sector. The GDP component of economic lost through externalities are considered while pursuing development and likely environment damages are minimized.

Investments in renewable sector such as agriculture, tourism, fisheries, and forestry are potentially considered to be the driver of the sustainable employment opportunities. Both soft and hard infrastructures will be provided to leapfrog investments in the sector to foster growth in sustainable employment opportunities.

However, due to lack of enforcement and implementation of relevant legislations and policies in protecting and accounting for environment damages, the country continues to

lose social and monetary benefits. The externalities are not calculated in GDP terms and are not compensated by FDIs.

The Government through the Environment Conservation Authority (ECA) and other relevant State Agencies need to step up in enforcing legal compliances and implement relevant policies. The agencies fail to work together to guide FDI investments through policy and legislation implementation and /enforcement.

Apart from non-compliance from FDIs, both natural and man-made disasters coupled with challenging landscape and terrain continue to affect the investments and the environment. The employment opportunities generated through investments in extractive sector is not sustainable and the economic value of damages caused to environment is unaccounted for.

3.2.10 Natural Disasters and Epidemics

The natural disasters including floods, tsunamis, earthquakes, tropical cyclones, and tornadoes are hazardous and can affect growth and development including employment segment of an economy. The epidemics such as global and national pandemic are also dangerous to growth and development. Health is the wealth-being of the people and the productivity rate depends on the healthy workforce. Health and productivity have positive correlation, hence healthier an employee is, the long hours he or she able to work and productivity increases.

The recent Global COVID-19 Pandemic has hit hard on global economy. The cascading effects are felt by more than 200 countries in the world. International trade, travel, tourism, and service sectors have been affected. The employment segment of the global economy has been affected. The employees working in the affected sectors have lost jobs causing the global unemployment to increase drastically.

The global impact has cascaded into the PNG's socio-economic space causing sharp decline in economic activities and unprecedented rise in unemployment. Most Micro Small Medium Enterprises (MSMEs) closed-down their operations, laying off employees without leave-off payments. Most people lost jobs and their families suffered. Moreover, the

restrictions imposed on travel and closer of businesses have prevented access to essential goods and services and depriving peoples of livelihoods. Hence, all these issues happened in a policy vacuum, where social welfare of workforce were not seriously taken into consideration.

3.3 STRATEGIC POLICY MEASURES AND EXPECTED OUTCOMES

3.3.1 Institutional Framework and Coordination

Papua New Guinea is faced with an institutional constraint in generating decent employment and labour market information across sectors and consumers on time. The importance and objectives of generating decent development through labour market information is not clearly reflected in the overarching policies and strategies. The DLIR is always faced with capacity issues to influence wider policy development and legislative reforms vis-à-vis other Government departments and agencies.

The organizational structure of the DLIR currently lacks capacity to cater for employment promotion for women, youth, or persons living with disabilities including health pandemics such as COVID-19.

Moreover, the enforcement of existing work legislations such as Work Permit Guidelines is weak due to financial and human resources constraints. In addition, the absence of a monitoring and evaluation unit within the DLIR has limited the ability to assess the results of existing policies and plans.

Through this National Employment Policy, DLIR will focus on undertaking structure reform, hence forthwith the review and formulation of policies and legislations in the Labour Industry.

Policy Outcome: *Institutions, legislations and policies are reformed to enhance effective coordination and management of developments in the labour market.*

Policy Measures:

1. A study is conducted to identify restructuring of the DLIR to better promote employment issues, and successfully implement and monitor of the National Employment Policy.
2. New Section or Unit is established within the DLIR to coordinate the implementation and monitoring of the NEP.
3. Labour Laws are reviewed to include occupational safety and health concerns with explicit consideration for youth and gender parity issues.
4. New Corporate Plan of the DLIR is developed to reflect the implementation requirements of the NEP.
5. Employment Services for jobseekers are enhanced including assistance with preparing applications.
6. Assessment study is conducted to determine the most suitable role of the National Employment Service Division (NESD).
7. Sections or Units for gender, youth and persons living with disabilities are established and operationalized within the DLIR.
8. Institutional mechanisms are developed to allow better representation of participants in the informal economy in the decision-making and policy processes.

3.3.2 Youth Employment

For the last 10 years, the number of school leavers each year exceeds the number of new jobs created and there are also only a limited number of opportunities for post-secondary education. Many young people leave school without the necessary skills or experience to find work and spend a long time trying to find paid employment.

There are limited Initiatives to support youth employment, with public employment services virtually defunct and no national strategy for matching job seekers with vacancies. The Government has recognized the need to address the situation of youth

employment. The National Youth Policy 2007–2017 was adopted to improve position of young people aged 12-25 years in the economy. In 2014, Parliament approved the National Youth Development Authority Act 2014, setting up the National Youth Development Authority (NYDA). The NYDA is tasked with coordinating all youth-related policies and promoting youth issues. This overarching NEP will enhance these related youth policies.

Policy Outcome: *Young people of Papua New Guinea have increased participation in decent and paid employment opportunities.*

Policy Measures:

1. Strategy to mainstream youth issues into future development plans and national policies.
2. Strategy to improve and broaden career guidance in schools is developed.
3. Start and Improve Your Business (SIYB) and Know About Business (KAB) training in school curriculum is expanded.
4. Feasibility study is conducted into commercial banks being required to introduce "Youth Entrepreneurship Funds" and to provide a certain percentage of their SME Credit Volume to youth and creating a District Loan Scheme for youth.
5. A study is conducted to determine the best strategy to introduce a work experience and cadetship scheme, including for young women and young persons living with disabilities, with consideration for the question of insurance, and creation of a paid youth volunteer scheme.
6. A study is conducted to assess the feasibility of introducing a public employment scheme with capacity development elements – including possibly a public works component in which local resource-based and climate/natural disaster resilient work methods, standards and technologies are used that maximize local job creation – with a special emphasis on young women and young persons living with disabilities, with consideration for tight budget conditions.

3.3.3 Employment in the Informal Sector

The informal economy in PNG accounts for most of all jobs in PNG. The agriculture sector is the biggest contributor to jobs. The informal sector provides incomes for workers and their families. It helps to reduce poverty and crime and contributes to the long-term development of PNG. However, the working conditions in the informal economy are usually poor and incomes are low and unstable. By introducing initiatives to promote better working conditions in the informal economy would help to improve the livelihoods of disadvantaged groups including women, young people and persons living with disabilities.

Policy Outcome: *Informal workers and enterprises have improved working conditions.*

Policy Measures:

1. Research is conducted to assess skills needs of enterprises in the informal economy including the specific needs of young persons, women and persons living with disabilities to inform the review of the Informal Sector Development and Control Act 2004.
2. A study shall be conducted to determine ways to improve financial inclusion in the informal economy through expansion of Microfinance Schemes.
3. Training programmes to improve financial literacy are developed and conducted among informal and SME business owners, targeting specifically young persons, women, and persons with disabilities.
4. A study shall be conducted to define the main training requirements of informal entrepreneurs, including those of young persons, women and persons living with disabilities.
5. A study shall be conducted to determine best practices in enhancing legal assistance programmes to enterprises and workers in the informal economy.
6. A study shall be conducted to assess the feasibility of introducing a Public Works Program (PWP) for the rural poor in which local resource based (LRB) work

methods and technologies to maximize job opportunities and provide for climate and natural disaster resilient design solutions for basic rural infrastructure.

3.3.4 Gender Inclusive Development

Papua New Guinea was ranked 154 out of 188 countries in the United Nations Development Programme Gender Inequality Index in 2015, reflecting the unequal treatment of women in access to reproductive health, essential decision-making that affects their lives, and access to economic opportunities. Women in PNG also face distinct disadvantages in the labour market. Women have been underrepresented and marginalized in jobs and access to business and employment generation across sectors.

Some recent initiatives have aimed at helping women in business. These include the "Women in Business" initiative that was established in 2011 by the Small Business Development Corporation (SBDC). The aim of these initiatives is to increase the number of women in business, by providing training and seed capital to start up small ventures.

To address gender inclusion, different national policies frameworks prioritize the promotion of gender equity in employment and business opportunities.

Policy Outcome: *Women of Papua New Guinea have increased participation in business and decent paid employment opportunities.*

Policy Measures:

1. Strategy is developed to improve access to training for women in non-traditional sectors.
2. Strategy is developed to improve female employment in male-dominated sectors and occupations.
3. Women have increased access to finance through commercial banks establishing women desks and introducing a "Women Entrepreneurship Fund".

4. Targeted training programmes are conducted to enhance women's financial literacy and management skills.
5. Awareness-raising programme is developed to address the attitudes of men towards women and conflicts among women in business.
6. Mentoring programmes targeting women are enhanced and expanded.

3.3.5 Skills Transfer and Development

The Papua New Guinea's labour market is characterized by a shortage of adequately skilled workers that needs transfer of skills and training. The share of TVET and university graduates in the labour force is low compared to other countries in the region. Approximately 30 per cent of the labour force cannot read and only 12.1 per cent had any post-secondary education.⁴ Moreover, the quality of most TVET, particularly in public institutions is below what employers require, and training is not linked to labour market needs and has resulted in increased mismatched unemployment. Instead, the training offered is often determined by the availability of staff and rigid budgets based on past practice. Consequently, the skills of graduates often do not match employers' expectations, and employers must go to considerable lengths to recruit and employ foreign workers. Reducing Papua New Guinea's reliance on foreign workers requires improving the responsiveness and quality of TVET as well as other training institutions.

In pursuit of PNG's Development Cooperation Policy 2018-2022, PNG will engage a national employee to every international employee working in PNG to mentor and enhance the transfer of skills to the national co-worker. This objective will further be pursued through the NTP.

Skills development and training will be pursued through various policies and programmes coordinated and managed by the DLIR through NATTB, IFS and NTC statutory offices. The policies such as NTC will take cue from this policy to address the training needs of the workforce in the country. The training policy will consider and address skill gaps, and inclusion of gender (SDG-5) and people with disabilities (SDG 9) with the aim of achieving these SDGs.

⁴ Source: Microdata processing of 2009-10 Papua New Guinea Household Income and Expenditure Survey.

The target of increasing skilled workforce in PNG will not only be pursued through DLIR but also other relevant key stakeholders such as DHERST, tertiary institutions, private sector institutions and development partners. These institutions and agencies will work closely to meet the targets of NEP and NTP. Such collaborations will be promoted through MOA or MOU between the Government and training institutions including development partners. The government will introduce several training programmes based on the DLIR Labour Force Survey, National Census and Household Income and Expenditure Survey outcomes and their recommendations for training.

Policy Outcome: *Skills of the Papua New Guinea labour force are improved to be more responsive to labour market demands.*

Policy Measures:

1. Strategy is developed to expand training in areas of high labour market demand based on analysis of work permit data.
2. A study is conducted to review the scholarship allocations in consideration of labour market demand and to ensure institutions are aligned with the Papua New Guinea National Qualifications Framework (PNGNQF).
3. Strategy is developed to establish an independent institution to coordinate industry engagement with training institutions.
4. A feasibility study is conducted to introduce legislation requiring companies to offer apprenticeships or workplace attachments including a certain proportion to women and persons living with disabilities.
5. A study is conducted to make a skill gap assessment to provide an appropriate training and use the assessment report to determine the courses/programs offered at Tertiary Institutions.
6. Work Permit Guidelines (2009) are revised, and effectively managed and implemented including an updated classification of occupations. Compliance mechanism is developed to coherently and systematically check the requirements of the Work Permit System including skills transfer and other requirements.

3.3.6 Minimum Wage

The Minimum Wage refers to the minimum wage ceiling that anyone country's employee is required to be paid above that ceiling to ensure that the workers are not underpaid for their work. The Minimum Wage is coordinated through a Minimum Wage Board that ensures a just and equitable share of the payment is made to the employees.

Over the years, the process of establishing a Minimum Wages Board has been on ad-hoc bases. There is a need to permanently provide for the establishment of the Board by legislation with a define responsibility and ensure flexibility to enable the Board to make determinations that are relevant to different respective industries.

Policy Outcome: *The Interest of the Employees are equitably served and appropriately compensated with remuneration.*

Policy Measures:

1. Conduct a survey to determine the working conditions and the remuneration packages of the employees in Papua New Guinea.
2. Review the Terms of Reference, Guidelines, and NEC Decision and permanently re-establish the Minimum Wage Board by an Act of Parliament.
3. The legislation must be drafted to re-establish the Minimum Wage Board.

3.3.7 Labour Market Information System

A robust labour market information and analysis system is healthy for PNG's evidence-based policy development and monitoring and human resource planning. A comprehensive labour force survey needs to be conducted.

Some of the current labour market information is derived from the Population and Housing Census and the Household Income & Expenditure Survey (HIES). In addition, there are two sets of administrative data on the foreign workforce in PNG, namely arrival and departure data and work permit data. The National Statistical Office releases annual

statistics on persons entering and leaving Papua New Guinea that provides an overview of movements into and out of Papua New Guinea by purpose, country of origin and other criteria. In addition, the DLIR maintains sound data records of work permits issued, which gives a good indication of the size and characteristics of the non-citizen workforce in the private sector. However, information from these work permit records is not published.

Policy Outcome: *Labour market information system is strengthened to inform policy formulation in Papua New Guinea.*

Policy Measures:

1. Labour Market information Policy is developed to regulate the development and operation of LMIS.
2. Labour Market Information System Institutional plan is developed to implement a regular labour force (and other) surveys that covers both the formal and informal economies.
3. Strategy is developed to strengthen institutional capacity of DLIR to better lobby for resources and political commitment towards establishing a labour market information service.
4. Labour market information and statistical systems, policies and processes are reformed to ensure that income, employment and industrial relations indicators are available for economic and social analysis & policymaking, monitoring policy implementation and assessing the country's overall economic development performance.

3.3.8 Labour Mobility Management Service

The Labour Mobility Management Service refers to the administration of movement of workforce from one sector/industry to another sector/industry within the country or from one country to another in pursuit of better living. The movement of labour from one country to another is called labour mobility. This movement of labour force from country to country

is based on several reasons such as looking for better paid jobs, good working and living conditions. The transfer of skilled workforce from host country to the country of their investments is happening in the private sphere globally including PNG. For instance, for multinational companies, they bring in their skilled workforce to the country of investment to initiate and advance their investments. This also applies to the labour force from within the country, where workers move from one sector/industry to another sector/industry for better paid job, and better working and living conditions.

In 2019, the Government committed to using the opportunity for temporary work overseas to help up-skill and employ workers, with a focus on younger unemployed workers. A new approach to recruitment began, emphasizing placing the best workers with experience onto farms and businesses overseas so that they could make best use of new skills at home. The focus would be on rural areas with strong agriculture practices, and regional cities where workers with manufacturing and service industry experience could be drawn upon. Consultations with employers found that the cyclical nature of work in Papua New Guinea meant that there were typically more experienced workers in the community than were currently employed, leaving a pool of labour that could be drawn upon without undermining the existing industry base.

A SWP Unit with database and guidelines will be created in the DLIR to coordinate the advancement of the Scheme. The department will report to the government on the outcome of the Scheme on an annual basis. Nationally, the SWP will be coordinated through the Provincial Labour Offices. The coordination of the Scheme at the national level will be done through the SWP inter-Agency Steering Committee, which will be co-chaired by DLIR and Department of Treasury. The movement of labour force in and out of the country through various programmes will meet the requirements of the labour laws and the work permits.

Policy Outcome: *Labour mobility management service is improved and strengthened to facilitate increased employment opportunities for Papua New Guineans at home and abroad.*

Policy Measures:

1. To identify and facilitate decent work opportunities in key labour markets where PNG workers are protected by credible labour laws and regulations.
2. To develop a cohort of work-ready citizens able to perform at the highest standard nationally and as ambassadors for PNG abroad.
3. To adopt a whole-of-government approach for the management of labour mobility and ensure cooperation, collaboration and information sharing between departments.
4. A study is conducted to identify improvements to all aspects of seasonal work schemes including during pre-departure, overseas work and after return, and to increase participation of women and persons living with disabilities.
5. Department of Labour and Industrial Relations to design a program to effectively facilitate seasonal labour mobility program. (Bilateral Agreements, RSA, SWP, MSG, PLM).

3.3.9 Renewable Resources and Sustainable Development

The investments in renewable sector are the driver of the sustainable growth and development in the world today. Sustainable development is commonly defined as development that meets the needs of the present without compromising ability of the future generations to meet their own needs. PNG Government's approach to attain sustainable economic growth and development began six years ago with the introduction of National Strategy for Responsible Sustainable Development (STaR) 2014. The Government through STaR 2014 has made a paradigm shift in its approach to development and investment, hence diversifying its investment from non-renewable to renewable sector. The GDP component of economic lost through externalities are considered while pursuing development and likely environment damages are minimized.

Investments in renewable sector such as agriculture, tourism, fisheries, and forestry are potentially considered to be the driver of the sustainable employment opportunities. Both

soft and hard infrastructures will be provided to leapfrog investments in the sector to foster growth in sustainable employment opportunities.

Policy Outcome: *Generate more sustainable employment opportunities through increased investments in green economy guided by sound policy and legislative framework.*

Policy Measures:

1. Review and formulate National Conservation Policy to safeguard the environment while pursuing the developments.
2. Formulate Investment Strategy to increase investments in the renewable sector or green economy to achieve sustainable employment opportunities.
3. Review and formulate Climate Change Policy to guide developments and address climate-change related issues.
4. Establish Environment Accounting System to weigh out the cost of the investments in terms of externalities.
5. Review, formulate and enforce relevant legislations such as Environment Conservation Act, Climate Change Act, and Investment Act.
6. Imposition of Penalties, Tax Incentives, Subsidies, Infrastructures, and Investments.
7. Set and impose an appropriate penalty rate for damage cause to the environment.
8. Provide tax incentive such as tax holiday to investments in renewable sector.
9. Subsidies provided to local investors in the renewable sector.
10. Increase climate resilient infrastructure investments that enables or stimulate investments in renewable sector.

3.3.10 Natural Disasters and Diseases

Natural Disasters including floods, tsunamis, earthquakes, tropical cyclones, and tornadoes are hazardous and can affect growth and development including employment

segment of an economy. The diseases such as global and national pandemic are also dangerous to growth and development. Health is the wealth-being of the people and the productivity rate depends on the healthy workforce. Health and productivity have positive correlation, hence healthier an employee is, the long hours he or she able to work and productivity increases.

The social welfare and job security of employees should be protected and considered in the event of natural disasters and diseases (epidemics).

Policy Outcome: *Welfare and Job Security of Employees are addressed and protected.*

Policy Measures:

1. Formulate Sound Policies such as Job Security Policy and implement GESI Policy.
2. Establishment of Job Security Board.
3. Establishment and operation of the Minimum Wage Board.
4. Awareness of the importance of welfare and job security.
5. Review, drafting and enforcement of sound Legislations such as Welfare Act, and Job Security Legislation.
6. Conduct awareness on the importance of Job Security Act/Regulation.

4.1 DEPARTMENT OF LABOUR AND INDUSTRIAL RELATIONS

The Department of Industrial Relations is the lead agency dealing with employment issues in PNG and is mandated to lead the implementation of the National Employment Policy 2030. Implementation and monitoring of the NEP will be coordinated through the Coordination Unit and Policy Division and report to the NEP Board through the Office of the Secretary.

4.1.1 NEP Coordination Unit

The NEP Coordination Unit is established by the virtue of the National Employment Policy 2030 to enhance its effective implementation, monitoring, and reporting of the policy. The Unit will be headed by an Assistant Manager who will report to the Manager, Policy Division. The Unit will provide Secretariat Service to the NEP Inter-Agency Standing Committee, hence prepare all documents for the NEP Board Meetings. The monitoring, analysis and reporting of the implementation of the NEP will be the sole responsibility of the Unit. The Unit liaise with other Units/Branches and Divisions as part of coordinating the implementation of the NEP.

The responsibilities of the Coordination Unit are to:

- Coordinate and monitor the implementation of policy, in collaboration with key agencies and development partners.
- Network with provinces and districts and determine measures to involve sub-national levels of Government in the implementation of the National Employment Policy.
- Promote the integration of employment issues into broader national policies and development plans.

Mobilize financial and technical assistances for various activities under the National Employment Policy in collaboration with the respective implementing agencies.

4.1.2 NEP Inter-Agency Steering Committee

The NEP Inter-Agency Steering Committee (ISC) will be established to coordinate the implementation of the National Employment Policy. The policy is cross-cutting and as such includes, various departments, statutory agencies, trade union, CSO and private sectors will implement and report on the policy. The Committee/ISC will be at the Deputy Secretary level for Government Departments and Statutory Authorities or alternatives will be the Director or First Assistant Secretary level. The engagement of the private sector will be at the manager level. A specific terms of reference will be drafted to guide the operation of the ISC. There will be a minimum of four (4) ISC Meetings in a year and Secretariat Service will be provided by the NEP Coordination Unit.

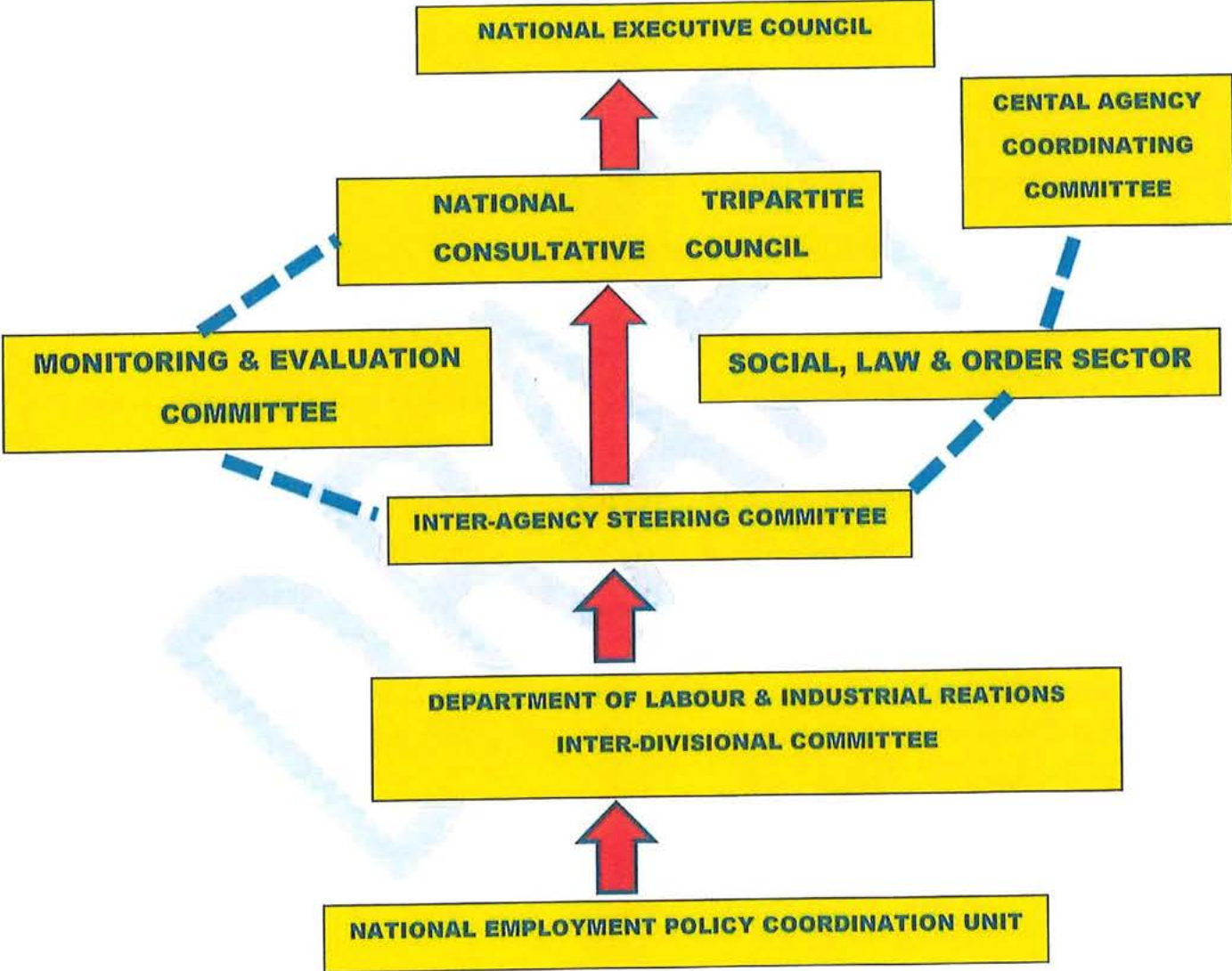
The following agencies are the members of the Board and are key players to enhance the effective implementation of the National Employment Policy include:

- Bank of Papua New Guinea (BPNG)
- Department for Community Development and Religion (DfCD)
- Department of Education (DOE)
- Department of Higher Education, Research, Science and Technology (DHERST)
- Department of Trade, Commerce, and Industry (DTCI)
- National Apprenticeship and Trade Testing Board (NATTB)
- National Development Bank (NDB)
- National Statistical Office (NSO)
- National Training Council (NTC)
- Investment Promotion Authority (IPA)
- Department of Treasury
- National Youth Development Authority (NYDA)
- SME Corporation (SMEC)
- Department of Provincial and Local Government Affairs (DPLGA)
- National Economic and Fiscal Commission (NEFC)
- Internal Revenue Commission (IRC)

- Consultative Implementation & Monitoring Council (CIMC), Informal Economy Committee (IEC)
- Commercial Banks
- Private sector including the Employers' Federation of Papua New Guinea (EFPNG), the Papua New Guinea Chamber of Commerce and Industry (PNGCCI) and the Business Council of Papua New Guinea (BCPNG)
- Trade Unions including the Papua New Guinea Trade Union Congress (PNGTUC)
- Training Institutions
- Sub-national levels of government including provincial administrations, district development authorities and local level governments.

There would be maximum of 21 members. The specific terms of reference and the legislation will be developed as directed by this policy. The diagram below depicts the proposed administrative structure of the NEP.

NEP ADMINISTRATIVE STRUCTURE



The functions of each of the agencies in terms of the reporting of the implementation of NEP along the channels of the structure are described below:

National Executive Council (NEC) – The NEC is the executive arm of the Government that is responsible to make macro decisions regarding the National Employment Policy. The implementation report of the NEP shall be report to the NEC on an annual basis through the Minister responsible for this Policy. NEC shall review the report and direct responsible agency for further funding and direct agencies for improved implementation.

National Tripartite Consultative Council (NTCC) – The implementation report shall be made available to the NTC through the Office of the Minister and alternatively the Department of Labour and Industrial Relations Secretary.

Central Agency Coordinating Council (CACC) – The Implementation report shall be made available to the CACC to the Office of the DLIR Secretary. The CACC shall recommend the report recommendation to the NEC for consideration.

Social, Law & Order Sector (SLOS) - The implementation report shall be made available to the SOLS Committee through the Office of the DLIR Secretary.

NEP Inter-Agency Steering Committee (IASC) – This Committee is the core team that is comprised of relevant agencies that meet on a quarterly basis to report on the implementation and highlight issues and recommend for improved implementation and funding.

Inter-Divisional Committee – it refers to the internal inter-divisional committee within the Department responsible for this policy. The inter-divisional committee meet a week prior to the IASC Meeting.

NEP Coordination Unit - It is the Unit responsible to coordinate the implementation of the National Employment Policy. The Unit also perform as the Secretariat to the IASC and the Monitoring and Evaluation Committee.

4.1.3 Responsibilities of other Key Organizations

The table below summarizes the roles and responsibilities that are expected to be carried out by the organization and agencies, principally in the National Employment Policy delivery.

Organization	Role and Responsibility
Department of Labour and Industrial Relations	<ul style="list-style-type: none"> • Formulation and implementation of NEP • Establish the NEP structure to chair the NEP Interagency Standing Committee • Mobilizes resources, manpower, and provide budget. • Monitor and evaluate the NEP. • Develop and implement the technical regulations of the NEP. • Provide advisory and technical support to NEP implementing agencies. • Establish and maintain collaborative partnerships for dialogue and networking and cooperation for consultation and dialogue. • Implementation MOU on data sharing with other agencies
National Statistical Office (NSO)	<ul style="list-style-type: none"> • Formalize and strengthen the labour market data or information. • Provide employment data through the Household Labour Force Survey • Provide Household and Expenditure Income Survey
Department of National Planning and Monitoring	<ul style="list-style-type: none"> • Provide budgetary support.

	<ul style="list-style-type: none"> • Coordinate development partner's support. • Monitor the progress of the NEP in relation to the MTDP and the SDGs
Department of Treasury	<ul style="list-style-type: none"> • Provide sufficient recurrent budgetary support. • Coordinate other finance policies to support the implementation of the NEP. • Provide the link up of the causes and effects of the labour market policy
Department of Personnel Management	<ul style="list-style-type: none"> • Provide support in human resource and budgetary support. • Facilitate the organizational structure of DLIR. • Coordinate, facilitate and provide public service employment data
Department of Finance	<ul style="list-style-type: none"> • Provide sufficient recurrent budgetary support. • Coordinate other finance policies to support the implementation of the NEP. • Provide the link up of the causes and effects of the labour market policy
Bank of Papua New Guinea	<ul style="list-style-type: none"> • Provide information on employment trends in the labour market. • Review the impacts of the employment on the informal sector. • Provide analysis on employment indexes
Department of Higher Education, Research Science and Technology (DHERST)	<ul style="list-style-type: none"> • Provide information on the National Qualification Framework.

Department of Education	<ul style="list-style-type: none"> • Provide data on school leavers and dropouts.
National Youth Development Authority	<ul style="list-style-type: none"> • Collaborate on establishment of National Youth Service. • Provide and profile youth employment data. • Collaborate to create job opportunities for youth unskilled labour.
Technical and Vocational Education Training	<ul style="list-style-type: none"> • Manage and train labour force.
PNG Universities (UPNG, UNITECH, UOG, UNRE, DWU, PAU)	<ul style="list-style-type: none"> • Partnership in contributing towards students' career development. • Provide graduates for the economy.
Pacific Institute of Leadership and Governance	<ul style="list-style-type: none"> • Training (and retraining) of PNG workforce.
Department of Commerce and Industry	<ul style="list-style-type: none"> • Provide support for entrepreneurship development. • Provide business support for MSMEs. • Facilitate new areas (industries) to grow employment opportunities in PNG (e.g., Cottage industries, etc.)
Tourism Promotion Authority	<ul style="list-style-type: none"> • Provide job opportunities for self-employment that are decent and productive.\) • Promote decent and productive employment that are not exploitative and vulnerable to the national workforce.
State Owned Enterprises (SOEs) (Telikom, PNG Water, Air Niugini, PNG Power Ltd, PNG Ports, B-Mobile)	<ul style="list-style-type: none"> • Directing revenues towards employment creation.

Immigration and Citizenship Authority	<ul style="list-style-type: none"> • Provide data on non-citizens that are employed and unemployed.
Small Medium Enterprise Corporation (SMEC)	<ul style="list-style-type: none"> • Provide data on number of SMEs and
Investment Promotion Authority (IPA)	<ul style="list-style-type: none"> • Provide data on foreign and local employees in registered companies
Research Institutes (NARI, NRI, MRI, INA)	<ul style="list-style-type: none"> • Provide labour market and other related data. • Provide data on latest development in the labour market.
Specialized Training Institutions (IBS, ITI, TAFE, Jubilee)	<ul style="list-style-type: none"> • Provide human resource graduates data. • Provide data on the type of courses offered.
PNG Business Council	<ul style="list-style-type: none"> • Provide labour market data in the private sector. • Provide data on business activities
Non-Government Organizations (NGOs)	<ul style="list-style-type: none"> • Provide labour market and other related data
Faith-based Organizations (FBOs)	<ul style="list-style-type: none"> • Provide labour market and other related data.
Development Partners	<ul style="list-style-type: none"> • Provide labour market and other related data. • Provide data on socio-economic assessment studies (health, gender, social, family and youth and geographical area). • Annual assessment. • Provide technical support. • Provide financial support.
Mass Media	<ul style="list-style-type: none"> • Disseminate labour market information

Employment Agencies	<ul style="list-style-type: none"> • Provide human resource data.
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For each of the ten identified policy outcome areas, various agencies have been identified that will collaborate with the DLIR in the implementation of activities and delivery of outputs (Annex 2). In addition to the key role of DLIR, a few other departments will be centrally involved. The Department of Treasury and the Department of Finance are instrumental in ensuring that the budget implications of the implementation of the National Employment Policy are fully considered and addressed. The Department of National Planning and Monitoring is also critical in ensuring that the priorities of the National Employment Policy are appropriately addressed in the annual Capital Investment Budget. It is also responsible for ensuring that employment issues are integrated into future national policies such as the next Medium-Term Development Plan and planning processes at the national, provincial, district and local level government (LLG) levels.

It is essential to ensure policy coherence across the different agencies involved in the implementation of the National Employment Policy to achieve the stated outcomes and objectives. All agencies will commit to engage in a collaborative approach to implement the NEP, given the central role that the generation of decent employment can play in realizing the national priorities and goals of inclusive and sustainable development.

There are several policies implemented by other Government Departments that incorporate employment issues. These include the Youth Employment Framework, the National Informal Economy Policy, the SME Policy, the National Training Policy, and the National Population Policy. The National Employment Policy is aligned with these other policy instruments. The implementation of the NEP will be closely coordinated with departments holding responsibility for the implementation of the other relevant policies that address employment issues.

Wide-ranging changes in national and sub-national governmental arrangements have been undertaken in recent years with the aim of improving service delivery at all levels of Government in Papua New Guinea. Provincial and district administrations are now directly responsible for the delivery of important services. The District Development Authority (DDA) Act 2014 established the District Development Authority (DDA) as the mechanism

for the delivery of development funds to districts and LLGs. Given the increasing importance of lower levels of Government in Papua New Guinea, agencies at these levels will be involved in the implementation of the NEP.

The implementation of the NEP requires a comprehensive and efficient monitoring strategy. As part of the restructuring process within the DLIR, as outlined under Outcome 2.3 of the NEP, a Monitoring and Evaluation Unit will be established and operationalized and tasked with monitoring and evaluating the implementation of the NEP.

4.2 RESOURCING

The National Employment Policy is well aligned to the overarching policies of the Government and integrated with its complementing policies and legislations. The policy lays an outstanding platform for the Labour Industry to address its longstanding issues surrounding various areas in employment.

The policy will need commitment and funding support from the Government, private sector, and development partners. The Departments of Finance and Treasury are to fund the operational cost of the National Employment Policy including the new Structure of the DLIR. The Department of National Planning and Monitoring is to fund the projects reflected under each of the programs under ten (10) policy areas. The Private Sectors and Development Partners are expected to leverage the funding support from the Government.

The NEP Coordination Unit will prepare all budget submissions for the succeeding fiscal year. The budget will be two (2) forms, hence Operational and the Capital Investment. Both component of the submissions will be submitted to the Departments of Treasury and National Planning and Monitoring each year. Where there is a need be, the NEP Board will endorse some of the projects to be considered and funded by the Government in the successive year.

4.3 ORGANISATIONAL RESPONSIBILITIES OF DEPARTMENT OF LABOUR AND INDUSTRIAL RELATIONS

The following table below depicts the Divisions/Branches/Units within the Department of Labour and Industrial and their key responsibilities as required for the implementation of the National Employment Policy.

Divisions/Branches	Major Deliverables
Policy Division	<ol style="list-style-type: none"> 1. Formulate the New DLIR Corporate Plan 2. Restructure of DLIR 3. Coordinate the review of all Labour Laws 4. Coordinate the review and formulation of Labour Policies
National Employment Division	<ol style="list-style-type: none"> 1. Labour Market Information Policy 2. Labour Market Information System 3. Review of the Placement Act 4. Formulation of Labour Mobility Policy
National Training Council	<ol style="list-style-type: none"> 1. Formulation of National Training Policy 2. Review of National Training Council Act
Occupational Health and Safety Programme (DLIR)	<ol style="list-style-type: none"> 1. Formulation of the OSH policy 2. Review of the Industrial Health and Safety Act
Industrial Relation Division	Review of the Industrial Relations Act
Office of the Industrial Registrar	Review of the Industrial Organization Act
NATTB	Review of the National Apprentice and Trade Testing Act
IFS	Review of Independent Fellowship Scheme (IFS) Act
Office of Workers Compensation	Review of the Workers Compensation Act
Foreign Employment Division	<ol style="list-style-type: none"> 1. Review of the Classification of Occupation Program 2. Establishment of Online Lodgment of Work Permit Application 3. Review and reinstatement of the 3 Year Training and Localization Plan

SECTION FIVE: IMPLEMENTATION SCHEDULE

The National Employment Policy 2030 has a lifespan of 10 years, and there will be two (2) Phases for the implementation of the policy (see implementation schedule below). The first five years will be Phase 1, and the next five years will be Phase 2. The policy will be reviewed in 2026, after the 5 years of its implementation in Phase 1.

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Implementation Phase 1: 2021 - 2025

OBJECTIVE	Outcome	Activity	2021				2022				2023				2024				2025				COST	RESPONSIBEL AGENCY				
			1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4						
Strengthened effectiveness of labour market governance	Labour market information system is strengthened to inform policy formulation in Papua New Guinea.	Review of Industrial Organisation Act																									1,000,000	DLIR
Strengthened effectiveness of labour market governance	Institutions and legislations are reformed to enhance inclusion, equity and efficiency in the Papua New Guinea labour market	Review of the National Apprenticeship and Trade Testing Act																									1,000,000	DLIR
Strengthened effectiveness of labour market governance	Institutions and legislations are reformed to enhance inclusion, equity and efficiency in the Papua New Guinea labour market	Review of Independent Fellowship Scheme (IFS) Act																									1,000,000	DLIR
Foster social inclusion and employment security of workers	Informal workers and enterprises have improved working conditions	Review of Workers Compensation Act																									1,000,000	DLIR
Increased decent and paid employment opportunities	The people of PNG have increased decent and paid employment opportunities	Review of Classification of Occupation Program																									500,000	DLIR

Implementation Phase 1: 2021 - 2025

OBJECTIVE	Outcome	Activity	2021				2022				2023				2024				2025				COST	RESPONSIBLE AGENCY				
			1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4						
Foster social inclusion and employment security of workers	Informal workers and enterprises have improved working conditions	Establishment of Online Lodgement of Work Permit Application System																										
Increased decent and paid employment opportunities	The people of PNG have increased decent and paid employment opportunities	Review and reinstatement of the 3-Year Training and Localization Plan																									1,000,000	DLIR
																											1,000,000	DLIR

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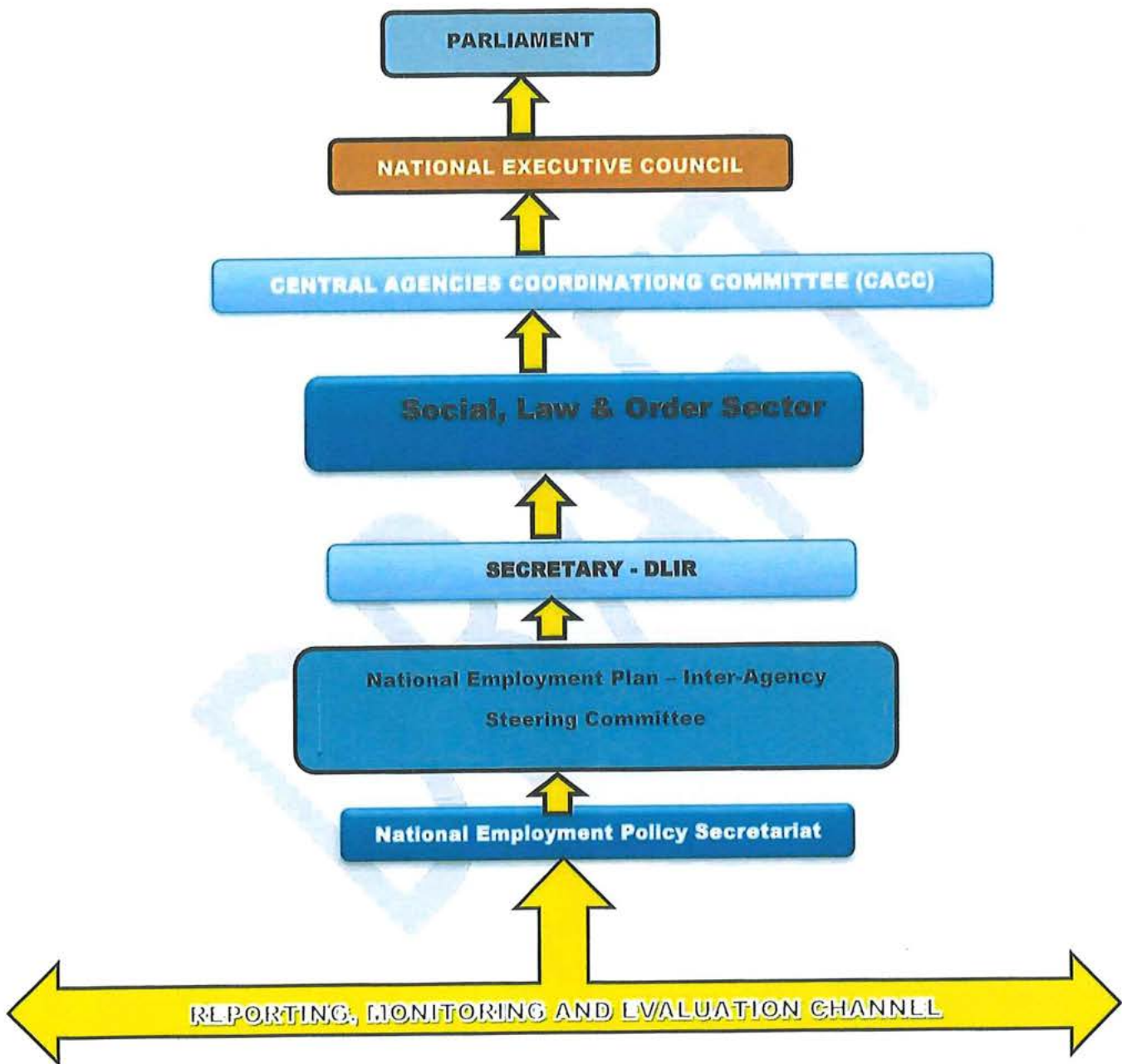
SECTION SIX: MONITORING AND EVALUATION

The National Employment Policy identifies a set of indicators to monitor progress towards the overall objectives and the achievement of the stated outcomes (see Schedule 1). Baseline values have been estimated from official national household surveys and administrative database based on the most recent available data. The Coordination Unit of the NEP will work closely with the National Statistical Office, other government agencies and relevant stakeholders to review annually the indicators and targets for 2023. This process will involve data compilation from different official sources and rigorous analysis and results. This approach will also help to periodically revise strategic actions needed and inform the mid-term and final evaluations of the NEP.

To achieve and sustain outcomes envisioned in the NEP, full implementation of different activities, with multi-stakeholder engagement, is integral. This includes a regular inter-agency review of programmes and activities identified in the National Employment Policy work plan. The defining work plan will be formulated and maintained by the Coordination Unit, in consultation with other responsible implementing agencies, and used as the main operational tool of the NEP. The work plan, under each expected output to be produced, includes information on detailed activities to be undertaken, a timeline for implementation, responsible implementing agencies and budgetary requirements. Budgetary sources for implementation of the various programmes and activities of the NEP can be from the Government of Papua New Guinea, the International Labour Organization, development partners or other stakeholders.

The implementation of the NEP will be coordinated and reported through the following Structure.

MONITORING AND EVALUATION REPORTING STRUCTURE OF
NATIONAL EMPLOYMENT POLICY



The relevant agencies from both government and private sectors that are responsible for the implementing the National Employment Policy are required to report on its implementation status through a quarterly NEP Inter-Agency Standing Committee Meetings. The reports shall be submitted to the Office of the Secretary-DLIR. The consolidated reports shall be presented to the SOLS Meeting through the Secretary-DLIR then to CACC and NEC for further considerations and decision-making. All implementation reports shall be channeled through the above structure.

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Results Chain	Indicators											Assumption		
	Indicator s	2020 (base line)	2021	2022	2023	2024	2025	2026	2027	2028	2029		2030	Means of Verification
Objective : Strengthened effectiveness of labour market governance	Effective Labour Market System in PNG	2%	5%	15%	30%	50%	70%	90%	100%	100%	100%	100%	LMS	Lack of coordination and enforcement or implementation
	Effective flow of Labour information among agencies													
	Effective social security system in PNG													
Outcome: institutions and legislations are reformed to enhance inclusion, equity, and efficiency in the PNG labour market	Sound policy platform created	10%	30%	50%	80%	100%	100%	100%	100%	100%	100%	100%	LMS	Lack of skills
	Relevant legislations drafted and enforced													

Activities : Formulation of Labour Market Information Policy	Labour market policy formulated	Nil	LMI Policy formulated	Engagement of Experts	LMI Policy implemented	Mobilisation of Materials	LMI Policy implemented	Initiation of creation of database	LMI Policy implemented	Completion of the establishment of Database	LMI Policy implemented	LMI Policy reviewed	LMI Policy implemented	LMI Policy implemented	LMI Policy implemented	LMI Policy implemented	LMS	Lack of coordination
	Centralized database is established	Nil															LMS	Lack of funding
Objective : increased decent and paid employment opportunities																		
Outcome: People of																		

