

**REPORT OF THE INTERREGIONAL WORKSHOP
ON EMPLOYMENT GENERATION IN URBAN WORKS PROGRAMMES
THROUGH EFFICIENT USE OF LOCAL RESOURCES
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1. INTRODUCTION

1.1 Background

A well-known phenomenon in the developing countries is the existence of acute unemployment in the urban areas, and particularly among the youth and women. The phenomenon exhibits itself in an event of more or less continuous search for paid work, or a state in which one is seeking work while having no source of income. Unemployment is generated and precipitated through a number of factors including growth of labour force; the inability of the economy to grow at a rate that would stimulate enough employment creation to absorb all job seekers; lay-offs in the public sector as a consequence of economic austerity programmes; job selectivity among school leavers; seasonality of jobs; skills imbalance which results in vacancies co-existing with surplus labour; inappropriate technological applications; and failure of development programmes to focus more sharply on areas with greater employment potential. The impact of each of the above factors on employment will differ from one country to another, but what is pertinent is that demand for labour depends on the quantity of goods and services being produced, supply and demand of these goods and services, the marginal productivity of labour, and production techniques applied (whether labour or capital saving). The present report is concerned with the last of these factors.

Rapid growth of labour force in the urban areas is largely due to push-factors in the form of continued rural underdevelopment, unfavourable terms of trade for agricultural products in the world market, and natural as well as natural and man-made disasters including droughts and civil wars and high natural growth rates. Urban migration is thus a calculated risk by the migrant forced by deteriorating circumstances at home.

Characteristic of the urban labour markets in many developing countries is the high structural unemployment rates among the youth. As observed by the ILO Report on Kenya (ILO, 1972:12) as education expanded fast among a population itself fast expanding, thousands of young people with their parents and other supporters are finding their certificates almost worthless, at least for obtaining jobs. Certain skills are over-supplied while others are undersupplied. This is largely a consequence of educational systems in the developing countries that laid emphasis on "white-collar" jobs. In this scenario women are worse off than men. In many countries girls have been excluded from vocational and technical education which prepare students for immediate absorption into the labour market. Due to relatively low level of performance in education, women in any developing country compare unfavourably with men in numbers employed within the formal sector.

Urban unemployment has been the concern not only of the national governments but also of international agencies. It has been observed that the majority of urban population in developing countries find themselves living in increasingly difficult circumstances. Government social services in these communities have in most countries been cut back while the opportunities for earning cash incomes in the informal sector which is the main employer of the urban poor have been reduced in these hard economic times. Low-cost approaches to services and income-generating activities are therefore especially important. A review of UNICEF's experience in urban support concluded that the community-based approach was a viable strategy to provision of urban services. The capacity and necessity for communities to participate in solving their own problems was recognised and found appropriate within the context of limited resources, access and coverage. Services provided should be simple and low-cost at the community level; community workers should be selected by the community; and services should be planned and carried out to