

**SPEECH BY H. E. PROFESSOR J. E. A. MILLS, PRESIDENT OF THE  
REPUBLIC OF GHANA ON THE OCCASION OF THE 14<sup>TH</sup> ILO SEMINAR  
FOR LABOUR-BASED PRACTITIONERS AT THE INTERNATIONAL  
CONFERENCE CENTRE ON MONDAY 5<sup>TH</sup> SEPTEMBER, 2011**

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**LADIES AND GENTLEMEN**

I am grateful for the opportunity to participate in the opening session of the 14<sup>th</sup> ILO Regional Seminar for Labour-Based Practitioners. I am reliably informed that the regional seminars are held bi-annually; bringing together employment intensive practitioners, policy makers, planners, implementers, researchers and academics from all over the world. It is therefore a forum to discuss and exchange views on specific themes related to employment intensive investments and local level planning. Permit me therefore to extend to our august visitors the warm Ghanaian welcome, especially to those visiting Ghana for the first time. Akwaaba. I hope you will enjoy the proverbial Ghanaian hospitality during your brief stay in the country.

Permit me to also commend the International Labour Organization (ILO) for their partnership with the Ministries of Roads and Highways, Employment and Social Welfare and the Ministry of Local Government and Rural Development which culminated in the choice of Ghana to host this Regional Seminar. I am grateful for the show of support manifested through the numerous ILO-supported programmes being implemented in various parts of the country.

Distinguished Practitioners, the theme for the seminar "Public Works for Decent Jobs and Poverty Reduction: Policies and Practices" is most appropriate taking into consideration current global challenges in job creation. The persistence of poverty, unemployment and underemployment is a major challenge that development practitioners and policy makers continue to face even after more than half a century of development efforts. While 1.3 billion people of the world (i.e. about a third of the world's population) are living on incomes of less than one US dollar a day, 1 billion of the world's workforce of 3 billion are either underemployed or unemployed. Notwithstanding this alarming statistics, some 50 million new job-seekers enter the labour market every year. And the prospects are not very bright for many of them.

In order to get out of the vicious cycle of poverty, the poor (especially in developing countries) require access to decent employment capable of generating decent incomes. Adoption of labour-based methods in infrastructure can provide the vital link between poverty and decent work. This is due to the fact that investment in basic services like roads, irrigation, market, housing and schools can contribute to growth while creating jobs for the poor. Such an investment and growth strategy would therefore be pro-poor as it would create poverty reducing jobs as well as provide much needed services. The choice of the infrastructure sectors as a strategic point of entry and catalyst for pro-poor growth is grounded on several factors. First, investment in infrastructure is crucial for growth in other sectors of the economy. Second, the relative weight of this sector in the overall economy is quite high. For example, infrastructure construction, accounts for three to eight per cent of GDP. A large proportion of public investment (sometimes up to 70%) goes into this sector. Third, the range of technological options available for this sector is quite high. For e.g., the share of the cost of equipment in total cost of unpaved construction could vary from 30 to 80 per cent, while that of labour could range from 10 to 60%. The employment potential of infrastructure projects is immense but this potential is not often realised because many projects are equipment-intensive leading to high demand for foreign exchange.

This result in capital flight and limited funds available for local investment and employment generation.

Distinguished Practitioners, Ladies and Gentlemen, Ghana as a developing country is not an exception to the global picture I have just painted. One of the major problems which has bedeviled successive Ghanaian Governments since independence is the issue of providing employment for the teeming unemployed population in Ghana. It has also been recognised under the Ghana's Shared Growth and Development Agenda (GSGDA) 2010-2013 that infrastructure development is critical to Ghana's poverty reduction strategies and is an avenue for the provision of employment opportunities.

It is significant to state that since 1986, the Department of Feeder Roads (with the support of UNDP/ILO) has demonstrated, through the training of engineers and contractors, that it is technically feasible and cost-effective in Ghana to carry out a wide range of civil engineering works using Labour-Based (LB) methods.

The success story of Ghana and other Sub-Saharan countries in the use of employment intensive methods calls for a more aggressive approach to ensure its sustainability. There is therefore the urgent need for

development Agenda (GSGDA) 2010-2013. The document has identified various strategies for promoting more and better jobs on both the formal and informal sectors. This includes supporting selected industrial products to be produced domestically in labour-intensive environments. It also seeks to develop and implement a labour-based housing and public works scheme to reduce unemployment, instituting labour based constructional projects in urban and rural roads, drainage and environmental sanitation systems. The document also intends to review and enhance the job creation capacities of previous and current strategies like the Youth in Agriculture Programme and National Youth Employment Programme to generate more productive jobs. The National Youth Employment Programme for instance continues to expand its operations and is giving employment to lots of the youth.

Currently, the Government has revamped the labour based technology programme in road construction and is in the process of drafting a policy to ensure its sustainability. So far thirty-three (33) contracts covering 402km, have been awarded on contract throughout the country at an estimated cost of GHS29.0 million (about US\$20.0million).

The ~~issue~~ of tackling youth unemployment is ~~therefore~~ very critical to sustaining Ghana's middle income status and the theme for the Government's 2011 Budget-Stimulating Growth and Development for Job Creation puts Ghana on the right path to achieving accelerated economic growth. The policy statement emphasizes the fact that job creation will require the expansion of infrastructure, investing in Ghana's human capital and providing transparent and accountable governance.

Finally, Distinguished Practitioners, you would agree with me that in the current economic and social situation in developing economies especially in Sub-Saharan Africa, the benefits of labour-based methods of road works are enormous. They created two to five times more employment, were in financial terms at least 10-30 per cent less expensive, reduced the foreign exchange required by about 30-50 per cent and the last but not the least, were in all respect comparable terms of quality standards. It is therefore my expectation that this forum would be used to further promote the widespread and cost effective use of employment-intensive approaches to infrastructure development and governments of developing economies especially

Sub-Saharan countries would show more commitment to develop sustainable policies to sustain the programme. I wish to pledge my government's support in that direction.

On this note, permit me to declare the 14<sup>th</sup> ILO Regional Seminar for Labour Based Practitioners, duly opened.

Let me once again welcome you to Ghana and wish you fruitful deliberations. Thank you and God bless you all.