



How to create **more and better jobs** thanks to employment impact assessments

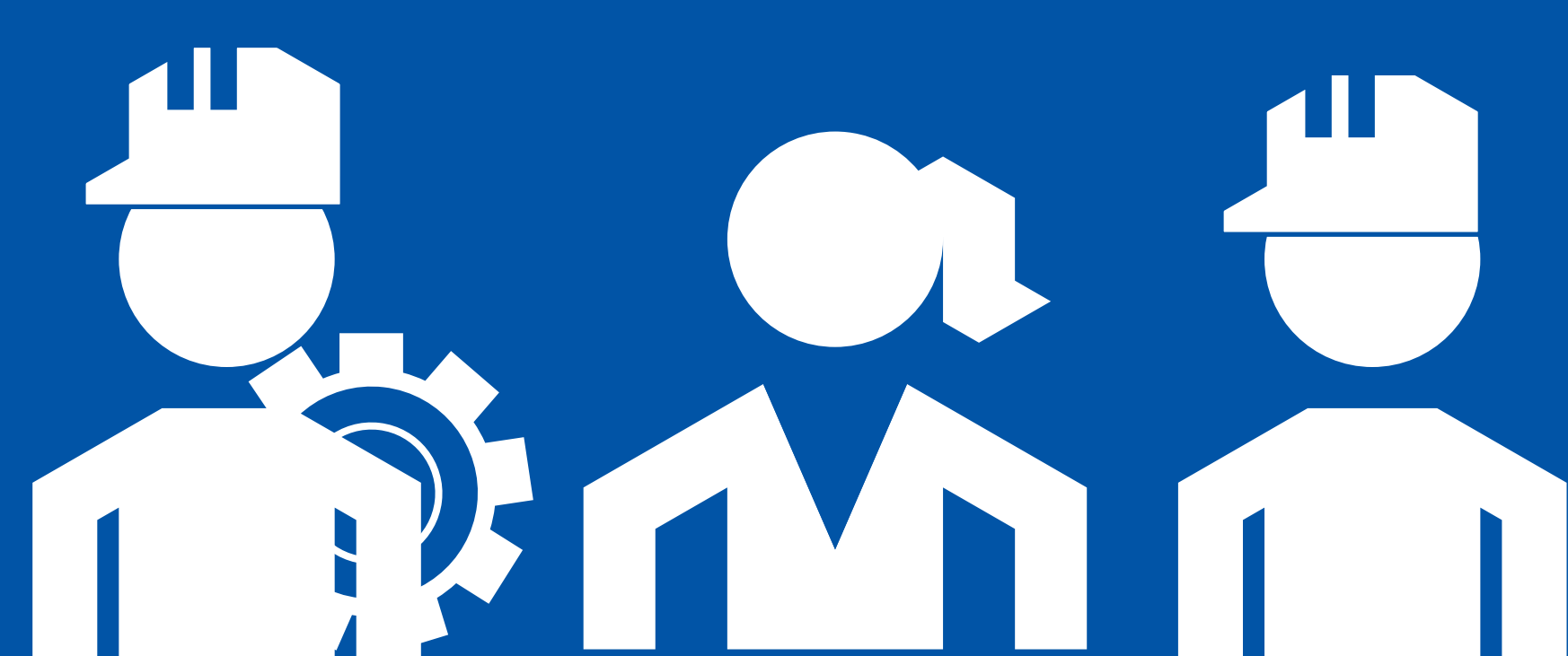


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What are employment impact assessments?

Employment Impact Assessment (EmpIA) is a process to assess the employment potential and impacts of **sectoral policies and/or investments**, analysing both the quantitative effects (number of jobs created) and the qualitative effects (types and quality of jobs created).

What do employment impact assessments frequently measure?



Direct effects
Indirect effects
Induced effects
Capacity effects

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When can employment impact assessments be conducted?

- ▶ Ex ante (before the start of a project / policy)
- ▶ During implementation
- ▶ Ex post (after the completion of a project / policy)

Who can benefit from employment impact assessments?

Various government offices, ministries, and agencies
Workers' and employers' representative organizations
Universities, national statistics offices and think tanks

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What role can employment impact assessments play?

- ▶ Make job creation a consideration in each policy/investment project by institutionalizing it
- ▶ Improve on-going or future policies and investments by identifying employment gaps or biases, decent work deficits and skills requirements
- ▶ Orientate decisions towards policies/investments with higher employment-intensive methods and domestically produced inputs





International
Labour
Organization

Better understanding Employment Impact Assessments



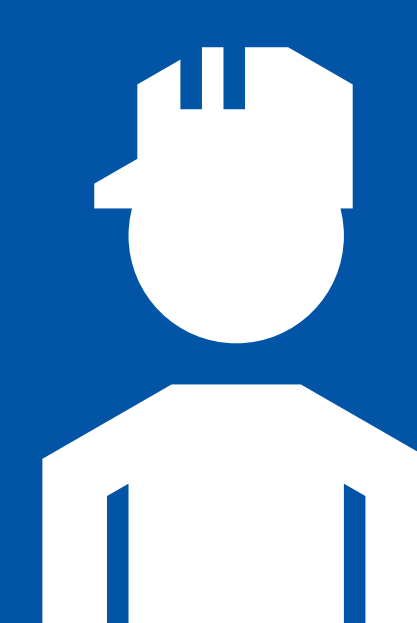
What are the different employment effects measured by employment impact assessments?

Direct effects

Employment created directly by an investment project

Indirect effects

Employment created through the increased demand for inputs from supplying sectors generated by the project, such as tools, materials and equipment



Induced effects

Employment created as the result of household's benefitting from additional income and consuming more goods and services in the economy

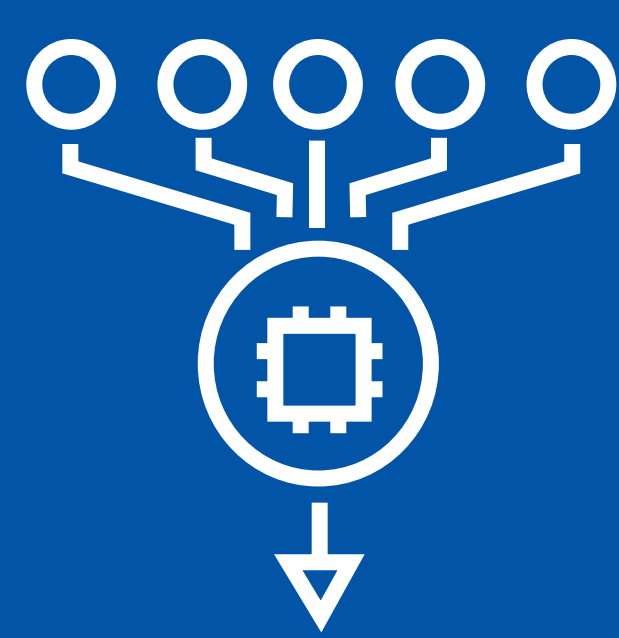
Capacity effects

Employment created once the project / new policies have been implemented (for example increased economic activity along a rehabilitated road)



What are the different methodologies used?

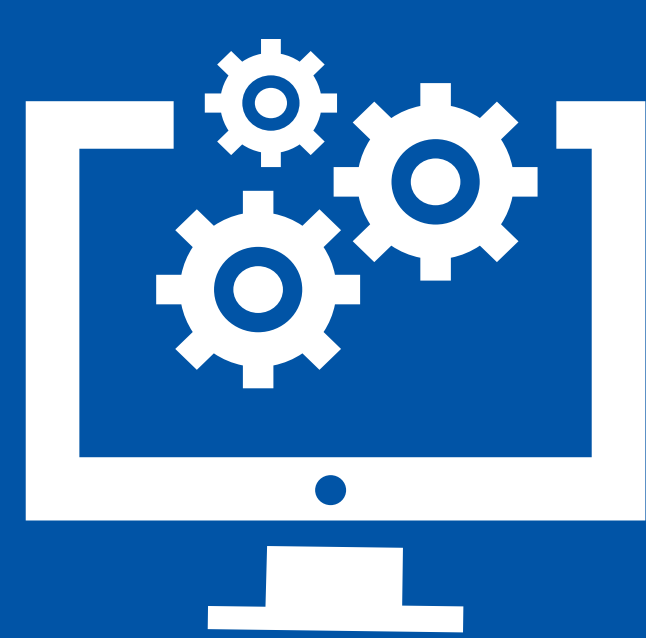
Input-Output
multiplier



Ex ante
During
Ex post



Advanced
modelling



Ex ante
During
Ex post



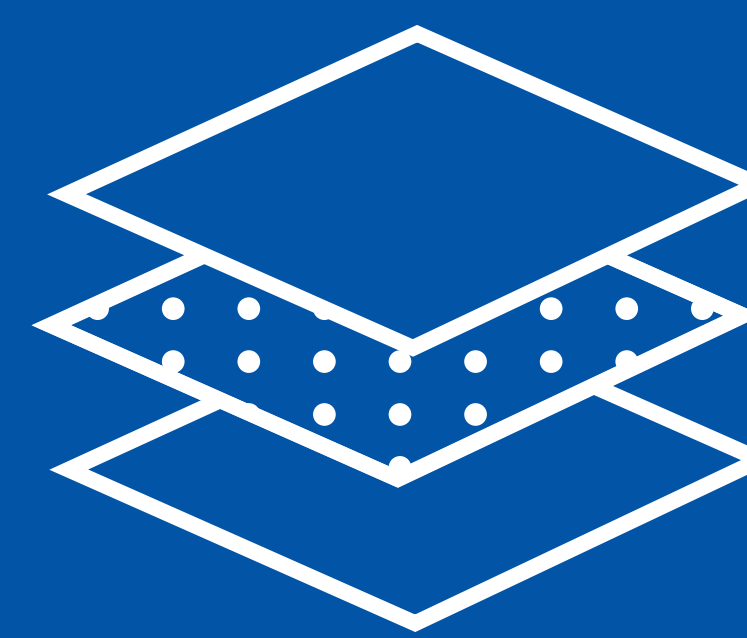
Surveys/
Interviews



During
Ex post



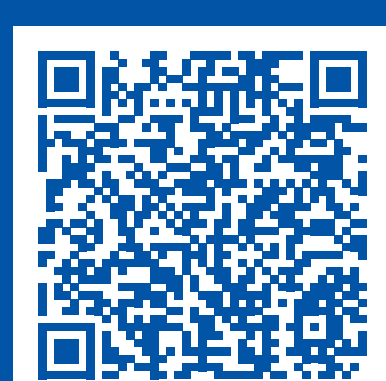
GIS



Ex post



See EmpIA of an
electricity project
in Côte d'Ivoire



See EmpIA of a road
upgrading project
in Zambia



See EmpIA of a road
rehabilitation project
in Senegal



See EmpIA of a feeder
roads programme
in Rwanda

What can employment impact assessments inform, and how?

Policy and project preparation and formulation phases



Policy and project implementation and evaluation phases

Ex-ante EmpIAs can inform the preparation of ministries' budgets, the draft of public policies and the planning of individual projects by assessing how different levels of public expenditures can influence employment outcomes, the general principle being to allocate public expenditures to interventions with the best employment outcomes.

These labour market outcomes can be the number of jobs projected to be created, the participation and employment rates for different population groups, the labour productivity across sectors, the share of informal employment, etc.

EmpIAs can therefore guide the drafting of programme KPIs as well as data collection protocols which will enable future evaluations.

During and ex-post EmpIAs enable to assess whether outcomes have been met and to identify adjustments in the programme design and implementation to optimize impact and increase cost-effectiveness.

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