

## Pacific Dialogue Youth Forum

*September 2015*

Guest speaker: Mr Viliame Cagilaba, Director, National Employment Centre (NEC)

Topic: Pathways to Employment

### Summary

The National Employment Centre (NEC) is within the Ministry of Employment, Productivity and Industrial Relations, which aims for 'Decent Employment and Productivity for All'.

1. The Vision statement of the NEC is 'Productive utilisation of human capital for decent employment opportunities, and its key performance indicators (KPIs) are to

- reduce the unemployment rate from 8.6% to 4.3% by 2020, and
- increase the amount of people in paid employment by 3% each year.

2. One of the reasons for the creation of the National Employment Centre is the People Charter of 2008, which recommended Fiji achieve higher economic growth while ensuring sustainability, and reduction of poverty to a negligible level by 2015. Accordingly, the NEC Decree was gazetted on 22<sup>nd</sup> December 2009.

3. In 2015, the NEC has a budget of \$1.52 million.

4. The NEC handles formal employment services, Fiji volunteer services, foreign employment services and self-employment services (including 'green jobs'). With all of those services, it links labour market supply and demand.

5. For leavers from any school level who are 15 years old and above, or retirees, they MUST register at NEC. After that registration there are aptitude tests and life skills training, and then work attachments based on skills training results. Job seekers can be channeled into formal employment, volunteer service, self employment or foreign employment options.

6. There is a COST for registrants in the NEC. On average, it amounts to \$1,500: that amount covers registration, aptitude test, professional counseling, life skills training, employment skills training, and administration. Offsetting those costs is a transport allowance. The NEC also engineers a work / volunteer /business attachment whereby, over six months, the employee is remunerated \$60 per week on a 50:50 basis.

7. Job seekers were first registered in 2010 (9,549 people) and since then to the end of 2014, the new registered job seekers ranged from 3,696 in 2012 to 13,097 in 2011. In the six months of this year to end of June, 2,327 people have registered. The total number on the NEC's 'books' is 41,071.

8. From that total of 41,071, 4,463 have had work attachments. Looking at the 'end result', 944 have joined the Fiji volunteer service, 5,686 have become formally employed, and 244 have secured foreign employment. However, the total of all of those people (6,874) is only 17% of the people who actually registered in the NEC.

9. What kinds of people register in the National Employment Centre?

Well, since 2010, 27% have been high school leavers, 29% have been primary school leavers, 5.6% have trade certificates, and 11.6% have diplomas, degrees, or higher degrees (4,783 people).

10. The NEC has secured 521 Memoranda of Understanding (MOUs) with 521 employers since 2010. These MOUs are agreements for employers to take on (host) NEC-registered people once the people have passed the process outlined at the NEC.

11. What are the challenges that the NEC meets?

Mr Cagilaba listed six challenges, but the ones that 'stick out' are

- mismatch of labour supply and jobs,
- increase in unemployment,
- an inefficient labour market information system.

We would add another – the small amount of money given by the government to support the NEC (only \$1.5 million this year).

12. In concluding his presentation, Mr Cagilaba pointed out the need to enhance public-private partnerships, and the need to enhance 'green productivity'.

The primary question from the floor, was that the NEC did not appear to give much emphasis on job prospects for tertiary graduates: it seemed to promote farm work overseas, volunteering and farming more than expert jobs for graduates. Again however, Mr Cagilaba pointed to the poor response from employers (to enter into MOUs with the NEC), the NEC's low budget allocation, and also the inefficient labour market information system they had.

Overall however, it was concluded that the creation of an NEC was a positive move. The next challenge it (and job seekers) face, is to get the NEC 'moving'. !!