

REPUBLIC OF RWANDA



LABOUR MARKET POLICIES, GENDER AND POVERTY
ERADICATION: THE EXPERIENCE OF RWANDA

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1. Introduction

According to the United Nations Department of Economic and Social Affairs (DESA), Population Division, the world population reached 7.3 billion as of mid-2015, of which 50.4% are male and 49.6% are females. The estimations indicate that the world population will increase by more than one billion people within the next 15 years, reaching 8.5 billion in 2030, and to increase further to 9.7 billion in 2050 and 11.2 billion by 2100. More than half of global population growth between now and 2050 is expected to happen in Africa.

In Rwanda, the population has regularly increased over time and in 34 years' period, it has doubled from 4.8 million in 1978 to 10.5 million in 2012 as found in the recent population and housing census (2012). Of this population, majority are women representing 52%. It is assumed that the female population will continue to surpass that of males everything remaining the same. Therefore, engendering employment policies and poverty eradication strategies is very key to attaining women's economic empowerment and Rwanda's sustainable development.

In this line, Rwanda has put in place favourable and inclusive policy and legal frameworks as well as strategies related to employment and poverty eradication with a special target to the poor and most vulnerable population in both rural and urban areas. This paper summarises the country's initiatives in relation to the labour market policies, gender and poverty eradication strategies, and strategic recommendations based on lessons learnt from the implementation of gender responsive policies and initiatives

2. Gender responsive legal and policy framework on Labour and employment.

The Government of Rwanda has established a conducive and favourable legal and policy frameworks including those related to labour and employment in both public and private sectors. The 2003 Rwandan constitution as revised in 2015, especially in its art.30 provides for the right to free choice of employment and equal pay for equal work. It stipulates that "All individuals, without any form of discrimination, have the right to equal pay for equal work".

In addition, the Law N° 13/2009 of 27/05/2009 regulating to the labour in Rwanda provides for equal opportunities and equal pay for women and men and prohibits GBV, harassment, and discrimination on the grounds of gender, marital status or family responsibilities. In addition, the law grants maternity leave for 12 weeks with full pay and the payment of maternity leave benefits to the father or the guardian of the new-born in case of death of the mother before the expiration of the maternity leave.

The Country's long term development VISION-2020 envisages Rwanda to become a knowledge based economy and a middle-income country by 2020 with employment as one of the fundamental pillars. Through this long-term vision, the government of Rwanda has committed to fight against poverty and practice a positive discrimination policy in favour of women with a special focus on TVET (Technical, and Vocational Education and Training) Higher learning education and employment opportunities. It further emphasises that gender will be integrated as a cross-cutting issue in all development policies and strategies.

The 7year Government Programme also envisages to build youth capacities (knowledge and skills) so that new jobs are created and unemployment rate is maintained. A Labor Market Information System was created and it provides quantitative and qualitative information on the labor market and informs on career planning, job market opportunities. More importantly it links education system with labor market needs and trends.

The current Economic Development and Poverty Reduction Strategy (EDPRS 2) 2013-2018 built on four thematic strategies including Productivity and Youth Employment with a strong focus on ensuring that growth and rural development are underpinned by appropriate skills and productive employment.

To operationalise EDPRS2 targets on job creation, the National Employment Program (NEP) was designed to strengthen the coordination of Employment programs, improve planning of different stakeholders engaged in job creation and employment promotion, and facilitate the creation of 200,000 off-farm jobs every year. NEP targets mainly unemployed Youth and Women especially those with no employable skills, people with disabilities (PwDs). Women and youth Cooperatives and MSMEs that need technology and skills upgrading

3. Gender responsive mechanisms/initiatives and home grown solutions geared towards poverty eradication.

The Government of Rwanda drew on its culture and traditions to enrich and adapt its development programs to the country's needs and context using Home Grown Solutions. One of these Home Grown Solutions is the Girinka programme /One Cow per Poor Family that targets to uplift less privileged families from poverty and it is greatly transforming the lives of both male and female especially those in the rural areas. This program has a three-fold poverty reduction impact: changing the nutritional and economic status of households through the production and sale of milk; improving crop production by providing manure and reducing the care burden for women through increased usage of biogas.

In addition, the Government initiated Vision 2020 Umurenge Programme (VUP) as an Integrated Local Development Program to Accelerate Poverty Eradication, Rural Growth, and Social Protection. The Program (VUP) provides public works and financial assistance to the poorest families to accelerate the rate of poverty reduction among poor households including those headed by female.

The establishment of Umurenge SACCOs in 2009 and their focus on reaching out to remote locations less attractive to banks has significantly contributed to changing the financial services landscape by providing formal financial services to many people who would otherwise not have access. SACCOs have improved financial inclusion of women in rural areas.

Further to note is the introduction on Technical vocational education (TVET). This has emerged as one of the most human development strategies that Rwanda has embraced to train and modernize the technical workforce for national development. In line with the National Employment program, TVET has boosted skilled labour and also increased the creation of off-farm jobs especially for women and youth.

The combined efforts resulting from the initiated pro-poor programs and home grown solutions has led to accelerated job creation and private sector development with participation of women and youth not only as recipients but also as actors of development with few examples below.

In 2005-2010, over one million people were taken out of poverty. The proportion of poor women-headed households reduced from 66.3% in 2001 to 47% in 2010/2011 while that of men were standing at 44.3%. This number has increasingly reduced and Integrated Household Living Conditions Survey (EICV 2013/2014) indicated that this number has dropped to 43.8% and 36.9% women and men headed household respectively. The female headed households classified as extremely poor dropped from 26% in 2010/11 to 19.5% in 2013/2014 compared to a decrease for male headed household from 23.6% to 14.6%¹ in the same period.

As a result of the above programs, women's owned establishments/enterprises registered an increase of 26.3% compared to 23.9% for men from 2011 to 2014. In addition self-confidence and esteem among women contributed to dare venture into business especially in new technologies embracing the use of ICT. Women have also been encouraged and supported to venture into sectors previously dominated by men, including the formal trade sector, construction, manufacturing and mining with a market share of 40% firms owned by women in formal sector².

4. Key challenges

Despite these tremendous achievements, women still face challenges that hinder the access to decent work and these include:

- a) Limited entrepreneurial and innovation skills among women continues to limit women's engagement in bigger investments thus impeding their low participation in the private sector development.
- b) Women mass engagement in the informal sector has also proved to be a challenge to realise women's full economic empowerment.
- c) Women especially those in the rural areas spend much of their time on households care activities such as cooking, child care, thus are unable to focus on income generating activities.
- d) Predominant representation of women in subsistence farming and high illiteracy rate among women affect the level of their participation in decent employment opportunities resulting in high dependency on family and husband revenues.

5. Key recommendations

¹ NISR, EICV 4 (2013/2014)

² Ministry of Public Services and Labour, *Analytical report for Rwanda manpower survey*, June 2013

Based on Rwanda's experience and the general trend in Sub-Sahara Africa, 3 focus areas could improve and accelerate gender equality in the labour market and poverty reduction:

Develop employability capacity and skills: As noticed, women tend to evolve in Agriculture and informal sector work. It is imperative that women are encouraged and supported to develop new skills focusing on off farm jobs and formal sectors. It is important that women and girls are pulled out of the shadow of the informal, the subsistence and the non-paid care work

Improve Business policy environment: Specific incentives, or affirmative initiatives for business start-ups especially for SMES of women could be devised and promoted in order to attract and maintain women in other sectors than the subsistence and low wages work. (For instance reducing taxes or providing them a period of grace in order for their businesses to take off and be sustained).

Enhance Public Private Partnerships: The partnership between the private and public sector could increase decent job creation and employment especially for women and youth. In Rwanda the dialogue between the public and private sector has proved to be a strong trigger for growth and employment boost. The commitment of the private sector to give attention to gender equality in recruitment and employment could change the mind set and reduce exclusion and low representation of women or men in some specific category of work. Expanding and broadening opportunities for both men and women would be a strong basis on eradication of discrimination in the job market environment.