The job creation challenge is immense...

28 million jobs will be needed each year in Sub-Saharan Africa and South Asia simply to meet the growing number of youth entering working age. This will require substantial increase in the rate of creation of wage employment and entrepreneurs.

Source: Merotto et al (2019), WDI
It is also complex. It’s not just about growth...

Source: Merotto et al. (2019)

Source: Farole, Ferro, and Gutierrez (2017)
... and even when growth delivers jobs, not everyone benefits to the same degree

Example: women and youth in Bangladesh

Example: regional variation in Kazakhstan
The three objectives of the jobs agenda at the World Bank

**JOB CREATION**
- Job Creation in Existing Enterprises
- New Enterprises
- Entrepreneurs / Self-employed

**JOB QUALITY**
- Worker Productivity
- Working Conditions and Benefits
- Earnings / Livelihoods

**ACCESS TO JOBS**
- Labor Force Participation
- Working of Labor Market (LM)
- Access and Opportunity for Jobs
Delivering on the jobs agenda requires an integrated and multi-disciplinary approach.

Framework for Jobs and Economic Transformation (JET) in IDA

- **Creating and Connecting to Markets**
  - Macro stability and debt management
  - Trade (GVCs), FDI, and regional integration
  - Infrastructure: transport, energy, digital, urban, industrial
  - Financial sector / access to finance
  - Business environment / investment climate: land and product markets (esp competition)
  - Sector-level policies: agricultural value chains, manufacturing, digital economy, tourism

- **Building Capabilities and Connecting Workers to Jobs**
  - Early childhood development
  - Education and skills development
  - Labor markets
  - Entrepreneurship and SME support
  - Social protection and productive inclusion

**JOBS AND INCLUSIVE GROWTH**

- Job-creating private investment

- More productive workers and entrepreneurs
This starts with integrated diagnostics, with a strong focus on understanding demand for labor through enterprise-level analysis.
Which leads to integrated jobs strategies

**MACRO ECONOMY AND THE BUSINESS ENVIRONMENT**

- **Job creation**
  - Direct or indirect jobs
  - Short- or long-term jobs

- **New enterprises**
  - Creation of new firms, often through interventions making it easier to do business, such as access finance

- **Entrepreneurs/self-employed**
  - Existing and new enterprise owners who employ at least one non-family worker; farmers; and self-employed

**LABOR MARKETS AND SKILLS**

- **Job Creation**
- **Job Quality**
- **Job Access**

- **Worker productivity**
  - Ratio of volume measure of output (GDP or gross value added) and labor input use (total hours worked or total employment)

- **Working conditions and benefits**
  - Physical work conditions
  - Social insurance/protection

- **Earnings/livelihoods**
  - Improved income or savings from livelihood/income generation activities

**SECTORAL AND REGIONAL POLICIES**

- **Labor force participation**
  - Extent to which population is economically active (employed or actively looking for work)

- **Working of Labor Market**
  - Functioning of labor market in balancing supply of labor (workers) and demand for labor (employers)

- **Access and Opportunity for Jobs**
  - Access to employment opportunity for disadvantaged groups (e.g., women, youth, bottom 40 percent)
Examples

**MACRO ECONOMY AND THE BUSINESS ENVIRONMENT**
- Business regulatory environment and competition
- Trade and investment policy and GVC integration
- Public investment efficiency

**LABOR MARKETS AND SKILLS**
- Youth labor market transitions
- Skills relevance
- Overseas migration
- Access to social insurance and protection
- Women’s LFP and occupational segregation

**SECTORAL AND REGIONAL POLICIES**
- Industrial policy for diversification
- Firm-level productivity
- Domestic supply chains
- Urbanization incl secondary cities

**EXAMPLE OF JOBS STRATEGY AGENDA: BANGLADESH**

**EXAMPLE OF JOBS STRATEGY AGENDA: KAZAKHSTAN**
And increasingly involves integrated jobs lending

- Improve design of supply-side (training and intermediation) interventions
- Integration with demand-side interventions to increase the number of good jobs (formal or informal) linked to modern sector that workers in the traditional economy can access
- Explicit focus on internalizing Jobs-Linked Externalities
Jobs lending footprint of the World Bank Group

- 28% of current WB projects have a **jobs component**
- 12.6 Million beneficiaries during FY18
  - Women: 4 million
  - Men: 8.6 million
- 580 Current job-related projects
- 75 $US billion investment
  - IDA countries: 39 $US billion
  - Other: 36 $US billion
- 113 projects in 31 FCV countries
  - $US 7 billion investment
The Jobs Group and our work

Jobs Group =
cross-cutting unit mapped to Social Protection & Jobs (SP&J) Global Practice

Mandate: Provide cross-cutting support to client countries, working with the IFC, Global Practices, and Country Management Units on design and implementation of multi-sectoral jobs strategies and operations to achieve better jobs outcomes.

- JOBS DIAGNOSTICS AND STRATEGIES
- SUPPORT TO JOBS OPERATIONS
- RESEARCH & ANALYTICS
- KNOWLEDGE MANAGEMENT & COMMUNICATIONS
- M&E SYSTEMS
- PARTNERSHIPS