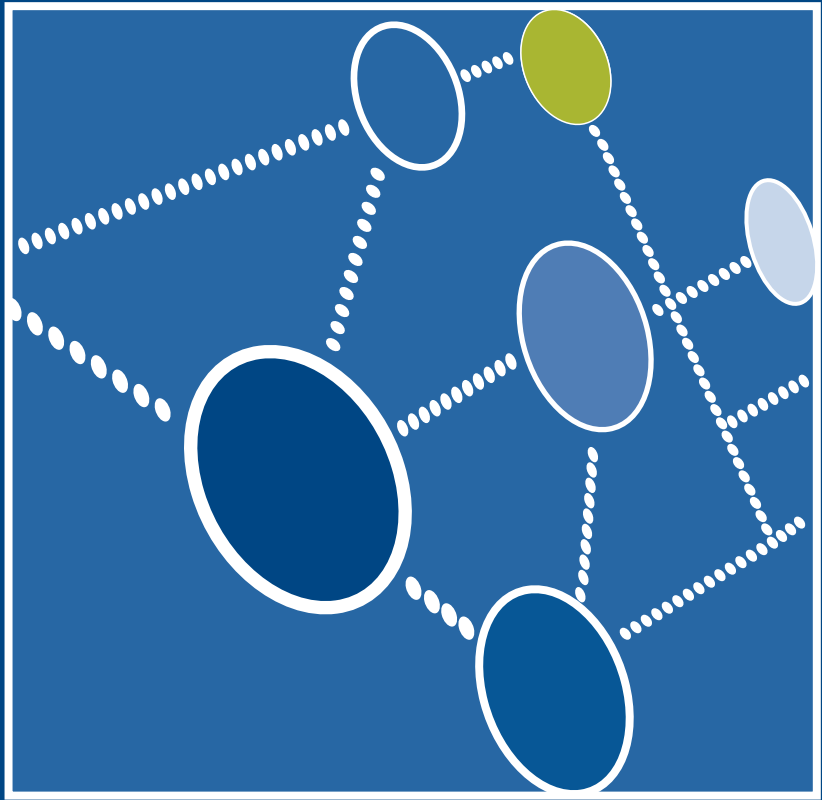
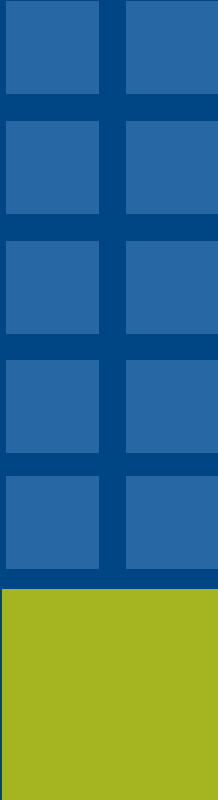


DECEMBER 2011



# EMPLOYMENT POLICIES FOR UGANDA

YOUNG LEADERS' PERSPECTIVES



Konrad  
Adenauer  
Stiftung



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A STUDY CONDUCTED BY THE YOUNG LEADERS  
THINK TANK FOR POLICY ALTERNATIVES

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# EXECUTIVE SUMMARY

Youth (un)employment is a prevalent problem in 21<sup>st</sup> Century Uganda. A 2010 International Labour Organisation (ILO) report reveals that the share of unemployed youth among the total unemployed persons in the country is as high as 83%.

Youth (un)employment, therefore, poses a serious political, economic and social challenge to the country and its leadership. The persistence of this problem is also partly contributing to Uganda's slow progress towards meeting some of its Millennium Development Goals.

In this publication, the Young Leaders Think Tank for Policy Alternatives presents an in-depth analysis of the problem of youth (un)employment and also offers viable policy alternatives that can alleviate it.

This publication will be beneficial to key policy makers and implementers since it clearly portrays the interests of the young generation in policy issues and also strengthens the need for national policy consultations involving them.

Some of the salient facts about employment in Uganda as adopted from a cross-section of reports are as follows:

- The Ugandan labour force consists of persons aged between 14 to 64 who are either employed (in paid employment, self-employed and unpaid family workers) or unemployed (without work and available for work).
- Currently the Uganda labour force is estimated to be 9.8 million for persons aged 14-64 years, of which 53% are female. About 75% of the labour force is below 40 years.
- About 85% of the labour force is based in rural areas and about 30% is illiterate.
- The current labour force participation rate is at 80%. Participation levels by selected background characteristics show that rural women have higher participation rates than their urban counterparts.
- The 2009/2010 Uganda National Household Survey also revealed that the unemployment rate was at 4.2% in 2009/2010 compared to 1.9% in 2005/2006.
- The survey also showed that the general proportion of youth (International definition, 15-24 years) rose from 27% in 2005/2006 to 28% in 2009/2010.
- On the other hand, the proportion of the youth (national definition, 18-30 years) rose from 44% in 2005/2006 to 48% in 2009/2010.

Some of the major reasons behind the high youth unemployment rate include, among others, the lack of employable skills, access to resources like land and capital among the youth. Critics have also said that young people have a negative attitude towards certain types of work, which has also contributed to their inability to find gainful employment. Besides, existing policies also continue focusing on creating job seekers instead of job creators.

In a 2010 Economic Report of Africa entitled, *"Promoting High Level sustainable growth to reduce unemployment in Africa"*, the United Nations Economic Forum for Africa noted that African countries can pursue several short-term and long-term policies to achieve the needed structural transformation that generates high growth with increased employment creation. These policies should be based on a comprehensive development planning framework that embodies well designed and implemented macro-economic and sectoral strategies.

With this in mind, the Young Leaders Think Tank for Policy Alternatives realises that a single policy strategy has no capacity to effectively resolve the problem of youth (un)employment. Uganda, therefore, needs to adopt a multi-sectoral approach which involves transformation of every sector in the economy, including the education, health transport and the agricultural sectors among others. This approach requires a combination of initiatives which directly involve the state, private sector actors, as well as the mobilisation of civil society to take a proactive interest in addressing the problems presented by youth (un)employment.

Policies and proposals for confronting youth (un)employment should be guided by the underlying issues that explain why youth employment is very low. It is, therefore, important for the Government to extend interventions to raise the quality of basic and higher education. The Government should also provide an environment that cultivates not only academic but also technical and vocational skills development. The Government of Uganda also needs to work in concert with potential employers, interested individuals and young people themselves in developing and implementing initiatives that can avail the youth with employment opportunities and enhance their potential.

## ACRONYMS

BTVET	Business, Technical, Vocational, Education Training
DFCU	Development Finance Company of Uganda
FY	Financial Year
GDP	Gross Domestic Product
ILO	International Labour Organisation
MTN	Mobile Telephone Network
NSSF	National Social Security Fund
PSPS	Public Service Pension Scheme
PWD	Persons with Disabilities
UNCTAD	United Nations Conference on Trade and Development
UNHS	Uganda National Health Survey
URA	Uganda Revenue Authority
USSIA	Uganda Small Scale Industries Association
SACCO	Savings and Credit Cooperative

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Unemployment Rates by Sex and Residence (%) adopted from Uganda National Household Survey Report 2009/2010

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# INTRODUCTION

The “*Young Leaders Think Tank for Policy Alternatives*” is an initiative of the Konrad-Adenauer-Stiftung to enhance youth participation in governance and policy formulation in Uganda. The Think Tank is a group of 20 highly qualified and committed young Ugandans who interact and work together on a regular basis in order to analyse policy issues and develop policy alternatives from the perspective of the young generation.

The *Konrad-Adenauer-Stiftung* (KAS) is a German political foundation that works worldwide in the area of civic and political education. For over 30 years, KAS has been active in development cooperation in Uganda, undertaking programmes and activities geared towards fostering democracy, promoting respect for human rights and supporting the rule of law. The activities of KAS have in particular involved working with Ugandan partners, including civil society organisations, government institutions, the media and politicians in contributing to the promotion of democratic governance.

Given its current demographics, Uganda is an extremely young country in international rating and with the high birth rate in the country the population will continue to grow significantly, and young people will make up a growing percentage of the Ugandan population. This development comes with a number of chances and challenges, and whether the chances will be exploited and the challenges be managed well depends heavily on the willingness and ability of political actors to ensure the successful involvement of the growing number of young people in the process of national development and in decision-making. In order to avert negative developments, future policies have to be designed in a way that they ensure sustainability and inter-generational justice.

In this light, the *Young Leaders Think Tank for Policy Alternatives* aims at:

- Providing a platform for young leaders to discuss policy matters in a constructive and non-partisan manner;
- Enabling young leaders to develop and formulate alternative policy suggestions reflecting the interests and concerns of young Ugandans;
- Giving a voice to the young generation by publishing position papers and organising public dialogues;
- Strengthening the skills of young leaders in analysing and debating policy issues and formulating and presenting positions;
- Encouraging young multipliers to lead by example in focused, issue-related and constructive political interaction and debating.

The members of the Young Leaders Think Tank for Policy Alternatives have worked intensively on the topic of (un)employment in Uganda with particular focus on the challenges for the youth. Based on an analysis of the situation and the existing policies, the members have discussed and formulated policy recommendations that could help in addressing challenges of youth (un)employment in the country. The recommendations have already been shared with some outstanding experts and policy makers, among them the former German President Prof. Dr. Horst Köhler and the Deputy Speaker of the Ugandan Parliament Rt. Hon. Jacob Oulanyah.

In addition, the situational analysis and policy recommendations were presented to the public and discussed with youth representatives, policy makers and other relevant stakeholders at a public held in Kampala on 5<sup>th</sup> September 2011. The Young Leaders Think Tank for Policy Alternatives would like to acknowledge the contributions made by members of the public who participated in the public dialogue and whose candid remarks were very relevant in the compilation of this publication. It is the hope of the Think Tank that the paper will provide a basis for a continuous and constructive dialogue on the challenges of youth (un)employment in Uganda and ultimately inspire meaningful employment policies in the near future..

# CHAPTER 1

## BACKGROUND

### 1.0 Introduction

Under this chapter, the Young Leaders Think Tank for Policy Alternatives provides an analysis of the problem of youth unemployment by providing statistical data that shows the magnitude of the problem. The chapter also provides an analysis of the causes and consequences of youth (un)employment.

### 1.1 General unemployment perspective

Unemployment as defined by the International Labour Organisation (ILO) occurs when people are without jobs and they have actively looked for work within the past four weeks. However, this definition does not squarely apply to the Ugandan context in which the average person can remain unemployed for a period of up to six months or longer.

The unemployment rate is a measure of the prevalence of unemployment and it is calculated as a percentage by dividing the number of unemployed individuals by all individuals currently in the labour force.

In the year 2010, Uganda registered a GDP growth of about 5.2% but this has not been rapid enough to create the jobs needed to keep pace with its population growth which, according to the Population Reference Bureau, a Washington D.C.-based research and advocacy group, is way ahead of the world's, which is at 1.2% leading to a persistent high rate of unemployment. The policy conclusion drawn is that Uganda needs faster growth to increase the demand for workers and reduce unemployment, which is one of the most pressing social economic challenges facing the Government today.

There are three primary causes of unemployment; **structural causes** (changes in market conditions often turn many skills obsolete); **frictional causes** (transaction cost of trying to find a new job); and **cyclical unemployment** (economic contraction). There are arguments that a large share of current high youth unemployment is "structural," in a sense that most of the unemployed youth have skills which are not compatible with the available jobs. It is further argued that many of the unemployed youth either possess inadequate skills or possess skills that have greatly deteriorated or are not applicable to the available industries.

It is, however, important to note that the Government has made considerable effort in dealing with the unemployment crisis in the country. Some of these achievements include the enactment of progressive laws such as the Employment Act, establishment of various bodies such as the BTNET Board to manage new approaches towards the unemployment problem, the Minimum Wages Advisory Board to deal with workers' concerns and increased budgetary support towards programmes such as BTNET that are aimed at dealing with the unemployment problem.

Despite the existence of such milestones, the problem of youth (un)employment still continues to exist. This signifies that the Government, together with other stakeholders, needs to do more to resolve the problem by expanding and refining its policy strategies.

## **1.2 Situational Analysis**

According to the ILO, the number of unemployed youth worldwide increased by 10.2 million in 2009 compared to 2007, the largest hike since 1991.<sup>1</sup>

The 2009/2010 Uganda National Household Survey revealed that the unemployment rate was at 4.2% in 2009/2010 compared to 1.9% in 2005/2006. The survey also showed that the general proportion of youth (International definition, 15-24 years) rose from 27% in 2005/2006 to 28% in 2009/2010. On the other hand, the proportion of the youth (national definition, 18-30 years) rose from 44% in 2005/2006 to 48% in 2009/2010. According to a 2008 World Bank Report, Uganda is among the countries with the youngest population and the highest youth unemployment rate of 83%.

To further lend credibility to these findings, in the 2011/2012 budget of Uganda, the Minister of Finance, Planning and Economic Development recognised that because of the high levels of unemployment, the Ugandan economy can only absorb 20% of its youth.

The 2009/2010 Uganda National Household Survey also revealed that the labour force in the country was at approximately 11.5 million persons, reflecting an increase of two million from 9.5 million in 2005/2006; an annual growth rate of 4.7%. This is above the national population of 3.2% per year. According to the survey, the high growth rate of the labour force poses a challenge to the country since it requires that jobs should be secured to match the increasing labour force.

The survey also used the Labour Force Participation Rate to assess the employment situation in Uganda. Labour Force Participation Rate means the number of persons in the labour force expressed as a percentage of the working-age population. The labour force participation rate for youth (International definition, 15-24 years) rose from 44% in 2005/2006 to 60% in 2009/2010. The Labour Force Participation Rate for the youth as nationally defined, 18-30 years increased from 77% in 2005/06 to 86% in 2009/10. Consequently Uganda required about 15.6 million jobs for her active population aged 15-64 years by 2010. But due to the current unemployment rate of over 3.5% and a whopping youth unemployment rate of over 32.2% then about 4.37 million people have remained jobless.

According to a 2011 statistical abstract, the total labour force in Uganda increased from 10.8 million persons in 2005/06 to 13.4 million persons in 2009/10, an increase of 23 percent; by industry, agriculture employed 66% of the working population, while by occupation, 60% of the working population were agriculture and fishery Workers; by employment status 79% were self-employed in 2009/10.

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<sup>1</sup> [http://www.ilo.org/global/about-the-ilo/press-and-media-centre/press-releases/WCMS\\_120465/lang--en/index.htm](http://www.ilo.org/global/about-the-ilo/press-and-media-centre/press-releases/WCMS_120465/lang--en/index.htm)

**Figure 1**

**Unemployment Rates by Sex and Residence (%) adopted from Uganda National Household Survey Report 2009/2010**

Background characteristic	2005/06		2009/10	
	No.	Unemployment Rate	No.	Unemployment Rate
<b>Sex</b>				
Male	89,600	1.7	162,500	3.0
Female	120,100	2.1	317,800	5.2
<b>Residence</b>				
Urban	104,900	6.4	198,100	9.5
Rural	104,800	1.1	282,200	3.0
<b>Regions</b>				
Kampala	17,400	8.3	87,100	11.4
Central	3,600	1.7	154,000	5.7
Eastern	1,500	0.7	91,000	3.0
Northern	6,900	3.3	89,200	4.1
Western	1,500	0.7	59,000	2.1
<b>Youth</b>				
15-24	110,400	4.4	174,700	5.4
18-30	143,800	3.4	256,700	4.7
<b>Uganda</b>	209,700	1.9	480,300	4.2

### 1.3 Causes of the high youth unemployment rate

The National Youth policy recognises that the major causes of a high youth unemployment rate are lack of employable skills, lack of access to resources like land and capital, lack of focus by the existing programmes on the informal sector and agriculture, overemphasis on experience, lack of apprenticeship schemes, negative attitudes by the youth towards work, especially in agriculture, lack of a comprehensive employment policy and negative cultural attitudes such as gender discrimination and others.

The high youth unemployment rate in Uganda and Africa at large can also be attributed to the slow economic growth and small formal labour markets, high population growth rate, lack of sufficient experience and skills, lack of decent work, the rigid education system, rural-urban migration, limited social networks, youth's limited access to capital support systems et cetera. A number of analysts also hold the opinion that the poor Government policies are partly to blame for these youth problems. In recent times the Government has come up with a number of solutions to youth problems and these are embedded in policies such as the National Youth Policy, Employment policy and so on.

The poor attitude towards certain jobs that both young people in employment and unemployed ones exhibit is also partly responsible for the youth unemployment. Gaspar Mbowa, the MTN company youth segment manager, says that on average, about 70% of the young people the company employs to man

their call centres show commitment to the work but 30% will care less about their output at work since this is not a permanent placing for them in the company<sup>2</sup>. The 30% will, therefore, be slow and strictly work within the specified working hours (8:00am to 5:00pm). He also attributes the problem to the education system which is largely theoretical and, therefore, does not quite prepare young people for the working environment.

Another cause of the high unemployment rate in Uganda is the societal and cultural aspect that generally encourages young people, particularly the girl child, to continue depending on parental support even at an old age. The end result is that many of Uganda's youth do not have the capacity to think for themselves or let alone find creative ways of earning a living.

## **1.4 Consequences of youth (un)employment**

Unemployment has social as well as economic consequences for young people. Unemployed young people are forced to find alternatives to generate income, including activities in the survival-type informal sector and, in extreme cases, criminal activity.<sup>3</sup> Urban unemployment is further exacerbated by rural-urban migration. Rural migrants believe that more jobs and social opportunities are available in urban areas, but once in the cities they find themselves without a job and with limited social networks. Trapped and discouraged by bleak job prospects, some turn to the sex, criminality and drug industries to survive.

Youth joblessness also implies missed opportunities in exploiting human resources to produce goods and services. In addition, smaller tax revenues result from a smaller tax base for income tax and indirect taxes such as the value added tax. A further implication is related to security. An increase of one percentage point in the ratio of people aged 15-29 to people aged 30-54 increases the likelihood of conflict such as civil unrest or war by 7%. Higher crime rates also have a direct economic cost in terms of loss of foreign direct investment.

The youth now lack the capacity to access health services, lack leadership and management skills, are prone to poverty et cetera because they are unable to engage in meaningful and gainful employment. Many of them have also resorted to corrupt tendencies in order to quickly go up the ladder of success. To them, the meagre sums that they earn are a justification for this form of behaviour which is a vice that Uganda needs to get rid of. The youth have also lost faith in the capacity of their country to offer them the necessary protection against exploitative employers.

## **1.5 Recent Developments: The 2011/2012 Budget**

The 2011/2012 budget is one of the most significant attempts by the Government of Uganda to deal with the problem of youth (un)employment.

In this budget, the Minister of Finance mentioned some of the aspects that continue to constrain development in the country. These include poor business and entrepreneurial attitudes, the lack of a good work ethic, integrity and patriotism in both the public and private sectors; negative perceptions

<sup>2</sup> Daily Monitor Newspaper February 9th 2011 by Edgar Batte, "Employers wary of unstable recruits"

<sup>3</sup> <http://www.uneca.org/era2005/chap5.pdf>



in use and appreciation of natural resources; limited adoption of science, technology and information and communication technology in business and social spheres and negative attitudes towards work and entrepreneurship in favour of paid employment and poor time management.

The minister further noted that Uganda's human resource base is still characterised by the following: Qualitative and quantitative deficits in skilled human resources, especially in technical areas; low school completion rates and limited capacities in vocational and technical education, which ultimately is reflected in low productivity of Uganda's labour force; as well as inadequate qualified persons in some sectors. For instance, Uganda has low health personnel-to-population ratio with only one doctor to 25,000 patients; and one nurse to 1,630 patients; as well as inadequate social infrastructure and associated low service delivery with low health facility-t- population and high student classroom ratios.

The finance minister also noted that one of the biggest challenges facing the economy is the rising unemployment. She stated that the youth are highly adaptable and only require attitudinal transformation, together with technical and business management skills to fit into the existing job market and create avenues for generating their own small scale enterprises. She highlighted some of the Government priorities as employment creation, especially for the youth, women and in small and medium enterprises, human resource development, enhancing agricultural production and productivity.

A total of Shs 44.5 billion was, therefore, allocated towards creating jobs in this financial year (2011/2012) and a number of interventions that will be implemented to address the current employment challenges were highlighted. These include establishment of a youth entrepreneurship venture capital fund together with dfcu Bank to support youth starting or expanding their business enterprises. Finances were also allocated to Enterprise Uganda to undertake a youth entrepreneurial training programme to instil business management skills in the youth, to enable them to join the job market or create their own enterprises and also enable it to undertake Business Development Skills clinics in collaboration with the private sector and the Uganda Small Scale Industries Association (USSIA), with special focus on imparting technical skills to youth, using non-formal vocational training programmes; establishing dedicated work spaces in markets in which youth and other small scale manufacturers under the Job Stimulus Programme will undertake manufacturing and other processing activity.

The Minister of Finance also allocated money to the extension of free Universal education to A-level and BTVET. She also pledged that the Government would support private sector vocational institutions with equipment, key staff and salaries as well as enhanced inspection of schools; develop and retain a pool of national expertise in the emerging mining, oil and gas industries.

However, it is important to note that some of the projects such as the distribution of the 44.5 billion shillings to different youth groups has not yet been implemented as of November 2011.

# CHAPTER 2

## LEGAL FRAMEWORK

### 2.0 Introduction

In this Chapter, the Young Leaders Think Tank reviews the different laws that address issues of employment in Uganda. This is done so as to understand the various rights and duties of employees and employers in employment-related matters. A review of key international statutes that Uganda has ratified is also given in this chapter.

### 2.1 The 1995 Constitution of the Republic of Uganda

The Constitution of the Republic of Uganda, which is the supreme law of the country, contains provisions that are aimed at protecting workers' rights.

Article 40 of the Constitution makes provision for economic rights. Under this law, Parliament is mandated to enact laws to provide for the rights of persons to work under satisfactory, safe and healthy conditions, to ensure equal payment for equal work without discrimination; and to ensure that every worker is accorded rest and reasonable working hours and periods of holidays with pay, as well as remuneration for public holidays. Article 40 further guarantees the right of every Ugandan to practise his or her profession and to carry on any lawful occupation, trade or business. The Constitution further provides for the right of every Ugandan to form or join a trade union of his or her choice for the promotion and protection of his or her economic and social interests; to collective bargaining and representation; and to withdraw his or her labour according to law. The same provision also provides for the protection of women during pregnancy and after birth of children.

### 2.2 Employment Act No. 6 of 2006

Employment relations in Uganda are primarily governed by the Employment Act No. 6 of 2006. A number of its provisions have a direct bearing on the question of youth unemployment.

Section 6 (1) of the Employment Act provides that it shall be the duty of all parties including the minister, labour officers and the Industrial Court to seek to promote equality of opportunity with a view to eliminating any discrimination in employment. In relating this provision to employment and the youth in Uganda, the law presupposes that the youth are entitled to access employment opportunities in the same manner as senior citizens in the country.

The Employment Act has also established the Labour Advisory Board. As per Section 22 (4) of the Act, its role, among others, is to advise the Minister responsible for labour matters on aspects of vocational guidance

and counselling, matters concerning the operation of the employment service and the development of the employment service policy, as well as the formulation and development of a national policy on vocational rehabilitation. From this provision, it is clear that the Labour Advisory Board's role is pivotal to solving the problem of widespread unemployment in the country.

Section 97 (2) (c) of the Employment Act also gives the line minister permission to make rules that limit the range of jobs available to migrant workers. This same provision is reiterated under Section 6 (5) of the Employment Act. This paper will review whether this is a viable provision in light of some specific causes of unemployment in the country.

### **2.3 The Workers Compensation Act Cap. 225**

The Workers Compensation Act Cap. 225 entitles employees to automatic compensation for any personal injury from an accident arising out and in the course of his employment, even if the injury results from the employee's negligence. The Act further details that, for an injury that leads to death, the compensation should be equivalent to an employer's monthly pay multiplied by 60 months.

"Under this Act, compensation is automatic. The compensation is to be paid by the employer whether the worker was injured as a result of his own mistake or not," it states.

In case an employee fails to resolve a dispute with their employers, they can contact the Directorate of Labour in the Ministry of Gender, Labour and Social Development from where the matter can be resolved.

### **2.4 The Occupational Safety and Health Act No. 9 of 2006**

This Act applies health and safety measures to every workplace or working environment as defined in Section 2 of the Act. The act extends to both the private and public sector employers. The Act necessitates that the employer provides compensation for any injuries sustained, diseases contracted or death suffered in the course of and as a result of employment. It also provides for general health and welfare provisions, including the provision of sound construction sites, proper ventilation of working environment, cleanliness, proper lighting, water, toilet services and first aid facilities for the workers.<sup>4</sup> The Act applies to all workers and employers but excludes men and officers of the armed forces.<sup>5</sup>

### **2.5 The Labour Unions Act No. 7 of 2006**

The Labour Unions Act 2006 introduced a new array of rights for employees. Under the Act, employees are granted the right to organise themselves into labour unions and participate in the management of the said unions; collectively bargaining; engage in other lawful activities for the purpose of collective bargaining or any other mutual aid practice; and withdraw their labour and take industrial action<sup>6</sup>. Employers are also prohibited from interfering with the right of association of the different unions<sup>7</sup>; contravention of this legal position is an offence on the part of the employer according to Section 5 of the Act.

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4 Part 8 of the Act

5 Section 2 of the Act

6 Section 3 of Labour Union Act 2006.

7 Section 4 Labour Union Act 2006

It is argued that in spite of the inception of these labour laws, the negative attitude of the Government towards the formation of trade unions in general can be observed by the minimal allocations of funds by the Ministry of Finance to the ministry responsible for labour.

The decentralisation process in the country presents a major challenge in view of the absence of labour officers in the different districts. In districts with labour officers, they are all government employees, breeding the question of impartiality in the performance of their duties.

Notice should be made of the fact that even in the existence of this law; many of the neoliberal companies have blatantly refused to acknowledge the existence of trade unions on top of systematically eradicating any attempts to create them in the said companies.

It is our opinion as well that the introduction of casual labourers presents a major challenge in the formation of sustainable trade unions. A casual labourer is defined in the Employment Act<sup>8</sup> as a person who works on a daily and hourly basis where payment of wages is due at the completion of each day's work. This has in effect created an army of workers whose employment is determined on a day-by-day contract and who can be hired and terminated at will.

## **2.6 The Labour Disputes (Arbitration & Settlement) Act No. 8 of 2006**

The main purpose of this Act is to provide for avenues of resolving disputes involving workers. The Act provides for the establishment of the Industrial Court, which is mandated to arbitrate on labour disputes referred to it under the Act and to adjudicate upon questions of law and fact arising from references to the Industrial Court by any other law. This court is, however, not yet operational. The Act also provides for other dispute resolution mechanisms such as references to the labour officer or a board of inquiry.

## **2.7 The Minimum Wages Advisory Boards and Wages Councils Act Cap. 164**

This Act provides for the establishment of minimum wages advisory boards and wage councils, and for the regulation of the remuneration and conditions of employment of employees.

Under Section 3 of this Act, the responsible minister may from time to time, by notice duly published, appoint this board for any specified area or for any employees or groups of employees in any occupation in which he or she considers that it may be desirable to fix a minimum wage and to determine other conditions of employment. This area remains a challenge in Uganda because the set minimum wages applying to various sectors of the economy are not reflective of the current economic realities. This has led to bodies such as the Federation of Uganda Employers to recommend that the Government comes up with a comprehensive minimum wage policy.<sup>9</sup>

In 1995, the Government of Uganda constituted the Minimum Wages Advisory Council under General Notice No. 176/1995 in accordance with section 3(1) of the Minimum Wages Advisory Boards and Councils Act Chapter 164 Laws of Uganda 1964. The Board was to inquire into the wages of unskilled labour in Uganda and submit recommendations having regard to the existing circumstances, recommend different wages which should apply as between different areas, among others.

<sup>8</sup> Section 2, of the Employment Act 2006

<sup>9</sup> [http://www.psfuganda.org/forms/policy/MINIMUM\\_WAGE\\_BRIEF\\_revised.pdf](http://www.psfuganda.org/forms/policy/MINIMUM_WAGE_BRIEF_revised.pdf)

The board recommended that the economy could support a minimum wage of Shs. 75,000 per month for the unskilled labour uniformly applicable throughout Uganda. The recommendations were forwarded to the President so that he could assent to the amount recommended but he did not do so. Consequently, the recommendations were never implemented to date.

The board also recommended that a board be constituted periodically to review the wage set in relation to the economic growth but to-date no such board has ever been constituted, over 20 years down the road.<sup>10</sup>

## **2.8 Business, Technical, Vocational Education and Training (BTJET) Act 2008**

The BTJET Act was put in place to address the redundancy of the different institutions for vocational training in Uganda and unemployment that was resultant from the scholar-oriented education system that provided minimal or no practical skills for students.

Whereas it has led to the equitable distribution of vocational and skills training centres in Uganda, it is important to note that the sector still falls short due to several shortcomings among which are:

- Government funding to this sector is very minimal, especially to the industrial training for the students yet it is a core component of the Act. The parents and donors to the students still shoulder the bulk of the burden in supporting the students in the attainment of the said qualifications. This is very tedious since the majority of these people cannot afford since the training is very expensive and the involved persons are the marginalized poor population.
- The absence of sufficient training and practice facilities/equipment makes it extremely hard for the students to attain the best form of training and experience required.
- The purchase of the equipment to facilitate the work in the sector is very expensive and cannot be secured by the people pursuing this training.

## **2.9 The Employment (Recruitment of Ugandan Migrant Workers Abroad) Regulations, No. 62 of 2005**

The main objectives of these regulations as per Section 2 are to promote full employment and equality of employment opportunities for all and to uphold the dignity and rights of Ugandan migrant workers; to allow deployment of Ugandans to countries which have existing labour and social laws or are signatories to international agreements protecting the rights of migrants; to protect every Ugandan desiring to work abroad by securing the best possible terms and conditions of employment; to provide a mechanism for issuing licenses to recruitment agencies. These regulations are particularly important when it comes to some of the recommendations that we purport to raise in the policy alternatives.

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<sup>10</sup> <http://www.enteruganda.com/brochures/platformforlabour.html>

## 2.10 International Conventions

Uganda has been a member of the International Labour Organisation since 1963. Uganda ratified the R111 Discrimination (Employment and Occupation) Recommendation, 1958 on 2<sup>nd</sup> June 2005. However, this convention has not yet been domesticated. Under this recommendation, every member state should formulate a national policy for the prevention of discrimination in employment and occupation, which policy should have regard to the following principles:

- (a) the promotion of equality of opportunity and treatment in employment and occupation is a matter of public concern;
- (b) all persons should, without discrimination, enjoy equality of opportunity and treatment in respect of:
  - I. access to vocational guidance and placement services;
  - II. access to training and employment of their own choice on the basis of individual suitability for such training or employment;
  - III. advancement in accordance with their individual character, experience, ability and diligence;
  - IV. security of tenure of employment et cetera.

Uganda also ratified the Employment Policy Convention 1964 on 23<sup>rd</sup> June 1967. According to Article 1 of the Convention, with a view to stimulating economic growth and development, raising levels of living, meeting manpower requirements and overcoming unemployment and underemployment, each member shall declare and pursue, as a major goal, an active policy designed to promote full, productive and freely chosen employment. The said policy shall aim at ensuring that there is work for all who are available for and seeking work; such work is as productive as possible. There is freedom of choice of employment and the fullest possible opportunity for each worker to qualify for, and to use his skills and endowments in, a job for which he is well suited, irrespective of race, colour, sex, religion, political opinion, national extraction or social origin. The said policy shall take due account of the stage and level of economic development and the mutual relationships between employment objectives and other economic and social objectives, and shall be pursued by methods that are appropriate to national conditions and practices.

According to Article 3 of the Convention, in the application of this Convention, representatives of the persons affected by the measures to be taken, and in particular representatives of employers and workers, shall be consulted concerning employment policies, with a view to taking fully into account their experience and views and securing their full co-operation in formulating and enlisting support for such policies.

# CHAPTER 3

## KEY EXISTING POLICIES

### 3.0 Introduction

This Chapter provides information on the key policies that seek to address the question of youth (un) employment in the country. These include the National Youth Policy, the National Employment Policy and the National Development Plan.

### 3.1 National Youth Policy

One of the principles underlying the National Youth Policy is the promotion of the principle of equity in opportunities and in distribution of programmes, services and resources. The policy serves to promote equal access to socio-economic and employment opportunities commensurate with ability, potential and needs of youth. In as much as such a principle exists on paper, some of the programmes and partnerships that the Government proposes to set up are mainly accessible to the urban and not the rural youth. This ultimately worsens the problem of rural-urban migration, which is one of the major causes of youth unemployment in the country.

The policy also recognises the right of youth to seek meaningful employment without discrimination. In reality, the youth are marginalised by various employers, Government inclusive, because they lack the relevant long-term experience that such employers require. Many youth have, therefore, been denied the opportunity to utilise the skills that they have acquired in school. The policy does not provide specific and meaningful ways in which the Government intends to ensure that this right is not infringed upon by the various stakeholders in the employment sector.

As part of the policy, the youth are under an obligation to contribute to social economic development at all levels, create gainful employment and take advantage of available education and training opportunities. The capacity of the youth to fulfil these obligations is continuously curtailed by the fact that they lack adequate financial resources. The policy provides that one of its priorities is to advocate for the formulation and implementation of an appropriate National Employment Policy that addresses and responds to the concerns of the youth such as the promotion of income generating activities among the youth by supporting appropriate micro-credit financial institutions that extend credit facilities to the youth and advocate for creation of a Youth Trust Bank. The Ministry of Gender, Labour and Social Development needs to play a more proactive role in ensuring that such financial measures are actually put in place to address the problem of youth unemployment.

In as much as the policy looks at education, training and capacity building as one of the strategic areas necessary for it to fulfil its mission, goals and objectives, it does not look into prospects of amending or

reviewing of the current Ugandan curriculum so as to reduce on the widespread problem of a mismatch between the skills and knowledge schools are dispensing and the existing needs of the labour market.

The other challenge surrounding the National Youth Policy is that it is a static document and is, therefore, not quickly adopted to cover the trends in the Ugandan economy and plan accordingly. The 2011 budget proposals, for example, are not adequately included within the policy. However, the latest information received is that the policy is currently under review and it is hoped that the new policy document will cover the emerging trends.

One of the priorities of the National Youth Policy in terms of education, training and capacity building is to support vocational training in order to enable the youth to acquire a range of skills and essential tools. Indeed, vocational training has the capacity to solve the youth employment problems. However, the reality on the ground is that the Government is doing very little to support the young people who take up vocational jobs. There is no policy in place to give them tax subsidies and the Government has also failed to control inflation which negatively affects their business enterprises. The result is that other young people who are not involved in these kinds of businesses have a negative attitude towards vocational institutes and businesses of this nature.

The policy also provides for the promotion of functional literacy programmes and special training for youth who are illiterate and migrants, including pastoralists, internally displaced persons, refugees, street children and the disabled. This in itself is a good policy insofar as it ensures that all young people in the country have employable skills they can utilise to start up various income-generating projects. However, the policy is lacking in the sense that it does not mention clear available statistics relating to the real figures under each category of young people so as to ensure that this policy strategy is well executed in terms of planning and programming. The policy makers also neglected to clearly mention the components to be taught as part of the functional literacy programmes and, therefore, there is no guarantee that the programmes taught differ from the already existing education system.

The National Youth Policy also provides for the formulation and implementation of an appropriate National Employment Policy that, among others, encourages the adoption of modern agriculture knowledge; provides youth who are farmers with market information and agricultural extension services. The recent Employment Policy, however, does not mention this aspect. It instead concentrates on advocating for mechanisms to increase yield and, therefore, create employment opportunities without providing for avenues through which the farmers can access the markets for their products.

Further, the policy looked at pushing for the formulation of a National Employment Policy that would establish a Youth Trust Bank in order to ensure that young people have access to small interest loans to start up and also maintain their businesses. It is true that many initiatives that give young people financial support exist but these are loosely located and managed by small scale firms or joint partnerships with the Government and some other organisations. A bank of this nature would be a permanent structure and, therefore, offer a long-lasting solution to the financial challenges that young people in business and those interested in setting up business projects face.

As a strategy to solve youth employment problems, the National Youth Policy plans that the Government shall support appropriate micro-credit financial institutions that extend credit facilities to the youth. The



policy, however, does not put in place appropriate guidelines governing arrangements of this nature and is also devoid of guidelines to ensure that the finances availed to such institutions are used for the right purpose. There is also fear that the decision on which micro-institutions to support may be influenced by politics and not capacity to deliver.

It is no wonder that the youth are demanding control over the Ug. Shs 44 billion shilling Youth Stimulus Plan allocated under the 2011/2012 budget. The Youth MPs and the National Youth Council Chairman rejected the move to place this money in the hands of private players like dfcu Bank and Enterprise Uganda.<sup>11</sup>

The National Youth Policy also advocates for career guidance as one of the mechanisms that are needed to deal with youth employment problems. However, this mechanism has not been widely implemented by the line ministries who are among the custodians of this policy. The result is that many students are still undertaking studies in courses whose capacity to yield or create employment opportunities is minimal. Higher institutions of learning are, therefore, churning out more graduates than the market can absorb.

Further, the National Youth Policy mentions a number of priority target groups. However, it does not specifically mention "graduate youth" and "youths in vocational institutions". The argument is that these are catered for in the "youth in schools/training institutions". However, because of the unique nature of the challenges that these two groups face, each of them needs to be a priority in itself.

The membership of the committee established under the National Youth Policy should not only be limited to representatives of youth NGOs but should also spread out to a selected number of NGOs and CSOs involved in community work. Because of their practical involvement in society, the input of these groups would improve on the National Youth Policy since they understand the general society challenges and would offer mechanisms in which employment can be used as a strategy to solve them.

Furthermore, the policy advocates for youth involvement in the leadership and management at all levels of Government and in the civil society. Since the youth face a number of problems in the employment sector, young people who are knowledgeable in youth policy matters should be appointed in key ministries such as the Ministry of Gender, Labour and Social Development so as to implement youth programmes. The youth MPs who have the mandate to play this role should concentrate on legislative and monitoring matters and other youth should take on the implementation mantle.

The Youth Policy recognises that the trend of rural-urban migration by the youth is mainly caused by the search for better social services and amenities like education and health services, search for employment and and/or business opportunities. However, today many employers in the country still do not offer any form of health insurance to their employees. The salaries received by many workers including young people are too low to ensure that they access proper social services.

The policy rightly notes that one of the major causes of unemployment and poverty in the country is the negative attitude by the youth towards work, especially agricultural work. However, the Youth Policy does not put in place a sustainable number of clear youth programmes relating to the agricultural sector.

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11 Daily Monitor 15<sup>th</sup> June 2011, "Youth Demand Control of Shs. 44 billion "Stimulus Fund"

## 3.2 National Employment Policy

This policy was launched on May 1<sup>st</sup> 2011, during the commemoration of World Labour Day. The policy will stimulate Government objectives and processes for generating jobs and ensuring a better employment environment for all workers.

In his speech, President Yoweri Museveni noted that the Employment Policy addresses critical challenges facing the country such as the attainment of full employment, coupled with decent work and equitable economic growth.<sup>12</sup> He added that fast growth in opportunities for permanent employment in the private sector remains the most effective route to sustainable poverty eradication. The main thrust of the policy is, therefore, in the generation of productive and decent jobs for Ugandans.

One of the main criticisms of this policy is its failure to set a minimum wage for all workers across the country. In the absence of a minimum wage, many youth in employment are getting frustrated and, therefore, opting to quit their jobs because they are incurring high costs but are not paid sums commensurate to the amount of work that they do. Some of the youth who are unemployed are discouraged by the current state of affairs and, therefore, deliberately choose not to engage in any form of employment.

Despite the fact that the goals and objectives of the employment policy are viable and will greatly deal with the existing unemployment challenges in the country particularly for the youth, there is need for the Government of Uganda to address the current problem of the high population growth rate. According to the World Population Prospects, the official UN population prospects report, Uganda is ranked as one of the countries with the highest fertility rates. Uganda's 3.2% population growth rate is the third highest in the world after Yemen and Niger. With the fast rate at which Uganda's population is increasing, the current employment policy will not become an effective tool in reducing youth unemployment. The increase in the population intensifies the pressure on existing economic resources and consequently affects the capacity of the economy to employ the large labour force.

The Employment Policy also makes mention of vulnerable groups and recognises the importance of and need for special considerations towards enhancing their employability. These groups include persons with disability and this aspect is important because of the number of young people who are disabled and continue to face numerous challenges when it comes to accessing employment opportunities.

The Uganda Census Report 2002 indicated that the number of Persons with Disabilities (PWDs) was 837,600. The mid-term projections put PWDs at 1.5 million people by 2007. They still face stigmatisation and discrimination in their search for and even during their tenure of employment. Even among those who are self-employed, their products and services do not easily find markets due to negative societal attitudes and other impediments. And as is rightly asserted in the same employment policy, PWDs face infrastructural barriers. Most public buildings are still not PWDs user friendly. Public transport and the road infrastructural designs do not meet the requirements of PWDs. In the media and ICT arena, the PWDs are constrained in their access to information. This makes the already constrained employment arena for PWDs even more challenging. There is need for a deliberate effort by the Government to address these systemic impediments through integrating PWDs' needs in the planning, infrastructural development and employment creation processes being undertaken.

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<sup>12</sup> Found at <http://www.newvision.co.ug/D/8/13/753583/Employment%20Policy>

It is also highlighted and observed in the Employment Policy of Uganda that less than 5% of the economically active population is covered by the two main pension schemes - the National Social Security Fund (NSSF) and the Public Service Pension Scheme (PSPS). The number of contributors to the NSSF in 2008/9 was approximately 333,000 and at retirement age contributors are supposed to receive a lump sum equivalent to about one year's salary; the scheme is more like a savings account than an old age social security scheme.

The above setup is a hindrance to employment creation as in most cases, one cannot viably and profitably utilise his/her savings until they are 55 or, under special considerations, 50 years<sup>13</sup>. Youth are unfortunately the biggest victims of such stringent conditions. There is therefore need to revise the NSSF Act to open up the pension and scheme arena to provide more completion and enable workers get the best rates on the markets and also allow for one's savings with any social security or pension scheme service provider to be utilised as collateral for workers willing and able to utilise their savings for entrepreneurial purposes. This will greatly contribute to the creation of more jobs.

The employment policy reiterates that Labour administration involves establishing an administrative structure and system that promotes and protects the rights of workers, ensures safety and health at the workplace and guarantees industrial harmony. However, apart from setting minimum standards and safety nets for workers, the employment policy needs to be an avenue for establishment of a minimum wage to enhance equitable employment opportunities. This will enhance specialisation, skills development and protect workers from exploitation.

The policy commits to promotion of affirmative action, adequate safety nets and social protection for the poor and vulnerable groups to hedge against risks associated with the operation of the market system. This, however, needs to be accompanied by commitment to address workers' issues like minimum wage setting, liberalisation of the social security and pension scheme sector and of course address the youth unemployment challenge that this paper seeks to highlight.

Furthermore, whereas the policy acknowledges that individuals, groups and the community at the grassroots level are central to employment creation and key actors in the economy, there is little continuous engagement with the communities to monitor progress, ensure adherence and corrective measures as provided for in the laws and policies of Uganda.

Regarding the issue of foreign employment, remittances into the economy were estimated at US \$ 1,392 million in FY2007/08.<sup>14</sup> This represented a significant increase of 215.5% from US\$ 646 million in FY2006/07. Remittances in the first half of 2009 were, despite the global economic crisis, actually higher than in the first half of 2008.

Most remittance flows (73%) into the country were found to benefit urban households, while only 17% went to rural households. 18.7% of urban households, but only 2.8% of rural households were found to benefit from overseas remittances. No information is available on the share of remittances in total household income, but only 0.2% of households reported remittances as their main source of income (UNHS (2006/7)). According to the above survey most recipients of remittances state that consumption is the main purpose (37%); a sizeable share also list investment (20%) and education (19%). A high

<sup>13</sup> <http://www.nssfug.org/uploads/NSSF%20Act.pdf>

<sup>14</sup> <http://www.mglsd.go.ug/wp-content/uploads/2011/04/Employment%20policy1blank.pdf>

proportion of remittances devoted to investment are directed towards construction and the renovation of houses. The formalised externalisation of labour has contributed to the increase in remittances. The establishment of the External Employment Unit in the ministry responsible for Labour by Statutory Instrument No. 62 of 2005, The Employment (Recruitment of Ugandan Migrant Workers Abroad) enhanced coordination, licensing of private recruitment agencies and facilitating access to job opportunities abroad. By December 2009, 11 external employment recruitment agencies had been licensed and over 11,000 Ugandans formally recruited and deployed abroad. The Government of Uganda needs to continue linking and cooperating with Governments of receiving countries. The regulation and the monitoring of recruitment for work abroad will continue to be important, if social costs experienced by workers are to be avoided. These social costs include, among others, breach of contracts, unsafe working conditions and sexual harassment. Measures to address these social costs and to promote emigration of Ugandans into jobs of higher remuneration are necessary.<sup>15</sup>

### **3.3 National Development Plan (2010/11-2014/15)**

The National Development Plan prioritised the question of job creation and employment. Evidence of this is shown by the theme of the development plan which is "Growth, employment and socio-economic transformation for prosperity".

Furthermore, in the plan, it is noted that socio-economic transformation will be assessed by improved employment levels, higher per capita income and improved labour force distribution in line with sectoral human development, among others.

According to the plan, attaining a relatively higher per capita income level in the face of a rapidly rising population will require a massive increase in skilled labour and its redeployment to the production of value added export-oriented goods and services. Skilling and tooling our human resource will also present an opportunity for the achievement of development goals such as the reduction of poverty and improvements in health, education, housing, gainful employment, gender equality and conservation of the environment.

One of the commendable strategic actions that the Government of Uganda intends to undertake under the plan is to increase the quantity and strengthen the quality of the human resource in the country. This will be done through the following strategic actions:

- revitalising and strengthening national manpower planning and development
- deepening and implementing individual performance-based contracts to cover most public servants
- redesigning the curricula and methods of training to suit the demand side of human resource requirements and integrating entrepreneurship, innovation and creativity in the whole education system
- reviewing and strengthening the national education system to produce a globally competitive human resource in terms of skills and training

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<sup>15</sup> <http://www.mglsd.go.ug/wp-content/uploads/2011/04/Employment%20policy1blank.pdf>

- establishing fully functioning vocational and technical training programmes to complement the formal education, designing and implementing a national skills programme to impact skills to the unemployed youth
- designing and implementing skills development programmes to focus on the development of middle level technicians as well as managers
- strengthening and improving the quality of UPE, USE, tertiary education and inculcating good morals, ethics, patriotism and values among both teachers and students
- implementing affirmative action to promote science subjects in order to improve the ratio of science to arts from 1.5 to at least 2.5
- establishing a soft skills training centre which will provide compulsory training in specialised skills for both the public and private sector including certification
- strengthening professional bodies to enhance professionalism in human resources for both private and public sectors and fully involving professional bodies and the private sector in setting curricula and quality assurance and
- promoting and supporting accreditation and certification of the human resource.

The National Development Plan is, therefore, an ambitious plan that addresses the question of youth unemployment in the economy. The strategic actions proposed under the plan are progressive and could achieve the set targets if they are properly managed by the different stakeholders.

# CHAPTER 4

## POLICY RECOMMENDATIONS

### 4.1 Tax incentives for companies that provide internship opportunities and create jobs for young people

*The United Nations Conference on Trade and Development (UNCTAD, 2003) defines an incentive as “any measurable advantage accorded to specific enterprises or categories of enterprises by (or at the direction) of Government.” Incentives can be fiscal or non-fiscal, direct or indirect. Fiscal incentives include direct ‘cash’ grants or tax breaks. Non-fiscal incentives can include fast-track approval processes or exemptions from certain regulations.*

The Government of Uganda should introduce modest tax incentives for enterprises run by private investors that avail internship placements and also create jobs for young people. In 2008, this idea was raised by the then Minister of Gender, Labour and Social Development but its implementation process has been slow.<sup>16</sup>

It is common knowledge that many youth in Uganda have failed to become gainfully employed in the formal sector because of their lack of requisite work experience.

Many young people at various universities in the country are finding it increasingly difficult to get internship placements with organizations or companies operating in the country. This is because such employers are at liberty to reject or accept their internship applications. Some of these companies argue that they do not possess sufficient funds to run such internship programmes. The result is that many young people are denied the opportunity of having hands-on training in their various fields of study.

The irony however is that these very employers continue to advertise positions which require applicants to have long term work experience well knowing that only a few young people possess such experience. Young people are therefore unable to apply for these jobs and thus end up frustrated and develop a negative attitude towards work.

It is on this basis that the Young Leaders Think Tank for Policy Alternatives recommends that the Government of Uganda through bodies such as URA introduces and implements a tax incentives program for enterprises which create jobs for young people and those that have internship programs targeting this age group.

Tax incentives should target companies that establish business enterprises in areas outside the capital city, Kampala, and therefore have potential to avail the young rural population with employment opportunities.

<sup>16</sup> Found in the Daily Monitor 27th August 2008, “Companies that recruit interns to get tax incentives.” (See <http://allafrica.com/stories/200808270194.html>)

## **4.2 Creation of national job centres**

The Young Leaders Think Tank for Policy Alternatives further recommends that the Government of Uganda sets up national job centres across the country.

The initiatives of this nature that currently exist in the country are owned by private individuals and mainly benefit young people in Kampala. These private job centres, however, have high cost implications on young job seekers in the long run. In October 2010, the press reported that the Government in partnership with the private sector would be setting up call centres all over the country where jobs would be outsourced on the internet to about 2000 Ugandans.<sup>17</sup>

There is need to have at least one job centre that is run by the Government and its structures at district level so as to serve the interests of young people from all parts of the country; both rural and urban.

In countries like Japan, public employment security offices (the equivalent of national job centres) have been established to offer students information on how to apply for jobs, vocational guidance and training to young workers and job seekers outside school. The other job assistance services that they offer are job search courses, counselling and monitoring services to unemployed persons.

The job centres in Uganda would, therefore, coordinate demand and supply on the labour market; give the private sector and Government employment agencies the opportunity to advertise vacancies; give young job seekers information on available placements.

The national job centres would facilitate forums which would bring together employers, training institutions, young job seekers and employees. Such forums would ensure that these key stakeholders maintain close contact and thus continuously assess the skills possessed by young people and those needed by potential employers.

## **4.3 New directions in the education system**

The high youth unemployment levels in Uganda are partly because of the mismatch of courses taught by education institutions and the actual skills needed by the job market.

The Ugandan education system, particularly at secondary school level, has constantly been criticized by different stakeholders because of its concentration on the theoretical rather than the practical training aspects.

The Think Tank, therefore, recommends that the Government of Uganda through its line ministries such as the Ministry of Education and Sports needs to formulate a policy which would allow for the revision of the education curriculum after certain definite periods. The secondary school education curriculum should particularly entail practical training on different aspects. If such reforms are made, the education system would be able to mould young people whose skills are required by the labour market and thus enhance their employability.

In countries such as Kenya, Nigeria and South Africa, apprenticeship-structured programmes that integrate theoretical learning with working experience have been introduced. These programmes involve partnerships between Governments, service providers and the private sector and are a good example

17 New Vision Newspaper 10th October 2010

of the kind of feedback mechanisms needed to address the skills mismatch in Africa. Expanding similar mechanisms to formal schools is a promising way to enhance the skills match.

In addition, there should be a policy that makes it compulsory for all universities and secondary schools to offer their students career guidance services. Universities should also establish Graduate Development Programmes that enhance the employability of their graduates by providing them with job preparation information, for example, work related life skills, computer literacy, curriculum vitae preparation, interview readiness and so on. All these steps would ensure that students make informed decisions about the courses to study while at the university and also prepare them for the existing job market.

The education system should also focus more intensively on the non-traditional professions and courses such as geo-marketing that has potential to employ a number of people. There should be a move to also intensively engage students in Music, Dance and Drama and Sports which are some of the modern day means of earning income in the world economy.

#### **4.4 Create an enabling environment for young people to start up enterprises**

The Think Tank also recommends the formulation of a policy that ensures that every financial institution operating in the country establishes a facility that can enable youth entrepreneurs to access business loans at low interest rates.

Sections of youth remain unemployed because despite having the zeal to start up income-generating business projects, they lack sufficient funds to facilitate these processes.

This would encourage equitable access of finances by young people who seldom have large capital amounts and assets to finance loans intended to build their business enterprises. In countries such as Malaysia, it has been realised that self-employment is a necessary tool in building sustainable economies with potential to absorb the existing labour force.

#### **4.5 Carry out an annual manpower survey**

There should be a policy that makes it mandatory for the Government to carry out an annual manpower survey in order to inform its programming and planning processes.

Despite having a number of viable employment plans for the youth as evidenced in the 2011 budget, the Government has not carried out a survey to establish the number of employees in any given sector or profession and the number of employers in the country.

The last general manpower survey in Uganda was done in 1989. In November 2010, the press reported that a manpower survey was to be carried out to enable Ugandan workers compete favourably in the East African region.<sup>18</sup> It is highly unlikely that this exercise has commenced.

This could partly explain the reason why many young people are pursuing different courses of study without having relevant information on the exact sector or profession that needs their services. Many of them, therefore, remain unemployed because they have pursued certain professions that are already saturated with workers.

<sup>18</sup> New Vision newspaper dated 20th November 2010 Found at <http://www.newvision.co.ug/D/8/13/738937>



A manpower survey would, therefore, be relevant to both the future and current young generation by providing them with vital information to make informed decisions on their career paths.

#### **4.6 Establish, monitor and enforce strict recruitment policies**

There should be standard recruitment procedures embedded in a given Government policy. These should be strictly followed by both public and private entities.

The procedures should ensure that all positions are advertised by employers and that these are offered on merit to the best candidate. Recruitment should be done within a reasonable time.

The complaint by many young people today is that academic merit and general credibility have now been shoved to the back in the recruitment process.

The Public service has been criticised for the delays in its recruitment process; on average, it takes approximately one year for one to know the results of any interview conducted by a Government Agency.

These practices have left many young unemployed people frustrated and denied them the opportunity to engage in meaningful employment.

#### **4.7 Establish global labour exchange partnerships**

This policy should provide for a programme in which the Government forms labour exchange partnerships with more developed countries such as USA, Japan, South Africa, Germany and others. There is also great potential to implement this policy recommendation under the ambit of the relatively new East African Community partnership that would allow for meaningful exchange of skills.

As part of this partnership, Uganda could send some of its unemployed youth to work in these countries for a specific period. This would enable them to learn important work skills that can make them more marketable in the employment world and also given them an opportunity to observe the work culture in these countries.

The young people from the developed world who come to work in Uganda would also be able to share their skills with the young workers here. The general benefit of such a process is that it would allow for beneficial exchange of skills and provide a learning platform for the Ugandan youth.

This policy would require the establishment of a monitoring body to ensure that it attains its goals and targets and the young people involved in this arrangement are not exploited.

#### **4.8 Establish national youth development groups**

Given the fact that many Government offices at sub-county level are underutilised, youth development groups can be established at village level in every sub-country. These can work in liaison with Community Development Officers (CDOs), National Agricultural Advisory Services (NAADs) coordinators, and youth council leaders to keep young people constructively preoccupied.

These groups can engage in different projects such as commercial agriculture, agro-processing, fish farming, value addition, carpentry, metal works and metal fabrication, tailoring and design, art and crafts and such other projects that promote skills development and can generate income to their young members.

These groups can then form sub-county youth SACCOs where they can save and the Government can channel funds for youth development such as the recent youth stimulus fund.

The Government can also facilitate the establishment of an annual youth fair as is the case in Kenya, where these groups can showcase their works arising out their private employment ventures.

With such in place, Enterprise Uganda or any other organisation can then train the youth in business management skills while other institutions like NAADs and the Ministry of Agriculture would equip them with technical and modern farming skills as well as vocational skills for development. All this would ensure the equal distribution of the youth stimulus fund across the country.

#### **4.9 Youth attitude change programs**

A comprehensive youth employment policy should include programmes that are aimed at promoting an attitude change among young people. The youth should be enlightened on a number of things which include the opportunities presented by vocational institutions in terms of creating employment, the potential of Uganda's informal sector and the reality of rural-urban migration.

Many youth still hold the view that without there is no future without university education and therefore have a negative attitude towards technical and vocational institutions which have helped so many world economies develop over the years.

Fred Muwema, a city lawyer, notes that attitude is a key performance indicator and it influences productivity. Productivity on the other hand is a cornerstone for economic growth which means the Government must concern itself with shaping its people's attitude if they are to be an effective tool of development.<sup>19</sup>

Such programmes would enable young people in employment to work hard and sustain their jobs and, therefore, earn promotions at work which are usually a preserve of the older generation.

They will also be beneficial to the unemployed young people by enabling them to embrace vocational work and training which is ordinarily looked at as a preserve of the "uneducated".

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<sup>19</sup> Commentary: Daily Monitor Newspaper June 23rd 2011, Fred Muwema, "Youth require attitude change more than money"

## CONCLUSION

As shown above, youth unemployment and underemployment continue to impose heavy social and economic costs and result in the loss of opportunities for economic growth in Uganda and Africa at large. A World Bank publication entitled, *"African Development Indicators 2008/2009: Youth and Employment in Africa-the Potential, the Problem, the Promise"*, notes that success in addressing youth unemployment in Africa will not be achieved and sustained through fragmented and isolated interventions. Instead, an arching guideline for addressing the youth employment challenge is the need for an integrated strategy for rural development, growth and job creation. These mechanisms should be adopted in Uganda as it takes on the task of dealing with the youth (un)employment challenge.

# Young Leaders Think Tank for Policy Alternatives

## The Founding Members

**Adellah Agaba** holds a Bachelors Degree in Law from Uganda Christian University. Currently she is working with Uganda Debt Network under the Governance and Rights Programme as a Programme Assistant. Uganda Debt Network is a Civil Society Organisation which advocates for pro-poor policies and full participation of poor people in influencing poverty - focused policies, monitoring the utilisation of public resources and ensuring that they are managed in an open, accountable and transparent manner to benefit all Ugandan people.

Previously she worked with Advocates for Public International Law in Uganda (APILU) in advocating for respect of International law and its policies alongside the domestic law by all state parties who are signatories to the treaties under International law.

**Ahmed Hadji** holds a Bachelor of Arts in Social Sciences Majoring in Social Administration and Gender policy development and analysis and is Presently finalizing in a Post graduate in Project Planning and Management at Uganda Management Institute(UMI).

He is currently a Program Advisor and Team Leader with African Youth Development Link and Technical Programs Manager with Youth plus Policy Network. He is also involved as Program Advisor and implementer in a Young Women Leadership Mentoring Program in Ugandan Universities funded by the International Republican Institute (IRI) Uganda.

In addition, he was contracted by the Ministry of Gender, Labour and Social Development to spearhead the Good Governance thematic consultative task force in the Review of the current National Youth Council 2001 by analyzing and proposing key governance related youth issues to be highlighted in the next National Youth Policy.

**Bernard Mukhone** is a businessman and CEO of Elegant Group of Companies. He holds a Bachelors Degree (B.A.) in Social Sciences from Makerere University. In 2010 he was awarded a scholarship by the Konrad-Adenauer-Stiftung in Uganda under which he currently pursues a Masters degree (M.A.) on Local Governance and Human Rights at Uganda Martyrs University (UMU) in Nkozi. He has previously worked as Interviewer and Team Leader with Mildmay Uganda and as a Project Assistant with the Konrad-Adenauer-Stiftung in Uganda, where he was a lead implementer of an EU-funded project under the title "Strengthening Political Pluralism, Democratic Participation and Representation at Local Government Level in Uganda".

**Asimwe Esther** is a third year law student at Uganda Christian University in Mukono. She strongly believes in the power of the youth to cause a fundamental change in their various societies and in the fact that for such a change to take place, both men and women are to be given equal opportunities.

Esther has undertaken several trainings organized by different organizations in Uganda including Forum for Women in Democracy (FOWODE), Open Society Institute (OSI) and Youth Action Fund Uganda (YAF) which have left her empowered. She is currently the President of Fowode (Forum for Women In Democracy) Young Leaders Alumni Association (FYLAA) an association that aims at transforming society through building a strong cadre of leaders who will promote gender equality and social justice through capacity building, networking and research.

**Brian Bwesigye** is a Makerere University law graduate, an activist and writer with a keen interest in Cultural Studies and Multiculturalism, Indigenous Minority Peoples Rights, Civil Liberties, Political Rights and International Justice. Bwesigye has a track record in student activism and advocacy having been a Student President of the Uganda Law Students' Society (2008-2009) and having represented Makerere University at various international competitions ranging from the International Moot Competition on International Humanitarian Law, Arusha, Tanzania (2008), through the All Africa Human Rights Moot Court and Theater Competition, Lagos, Nigeria (2009) to the International Criminal Court Trial Competition, The Hague, Netherlands (2010). Outside university, Bwesigye has volunteered as a Human Rights and Advocacy Assistant for the Global Batwa Outreach (2011), has served as an intern and focal person for Democracy and Governance at Advocates for Public International Law Uganda (2010) and also undertook an internship at the Refugee Law Project of Makerere University's School of Law (2009). Bwesigye, as at December, 2011, is pursuing postgraduate legal studies in Human Rights at Central European University, Budapest, where he is the Vice President of the Students Union Board.

**Bunnya Wakib** holds a Bachelor of Science in Land Surveying and Geo-information Systems from Makerere University. He is the Founder and Executive Coordinator of the Open Space Centre Uganda and a Board member of Action for Fundamental Change and Development. He has been a grantee for the one year Open Space Forum project under the Youth Action Fund initiated by the Open Society Institute for East Africa and organized public lectures, debates and opinion polls in universities with the aim of promoting youth participation in democratic governance. In 2010 he was part of the 10 member delegation that represented Uganda at AFRICAMP 2010 in Nairobi which brought together over 200 youth across sub-Saharan Africa to lay strategies for popularization of the African Youth charter, the African Charter on Democracy, Elections and Governance and receive hands-on training in new media.

**Edna Akullo** is currently a student at the Makerere University Kampala, pursuing a Master of Arts in Gender Analysis in Economics and a Pearson Fellow for Social Innovation 2011. She holds a Bachelor of Arts degree in Economics from the University of Dar Es Salaam, Tanzania.

She worked as the Research and Training advisor at the Advocates for Public International Law Uganda (APILU) and researched in the area of UNSCR 1325 on women, peace and security in Uganda. She assisted in the strategic and operational planning work at APILU. In addition, she worked at the ministry of

constitutional Affairs and Good Governance, Zanzibar, running several projects while in Tanzania, and also at the Mashiah Foundation in Jos, Nigeria.

She is currently running an education project under the Pearson Fellowship called Self Help Foundation Project which aims at rebuilding post war communities of Northern Uganda through education and bridging the information and skills gap in as well as encouraging the grassroots to embrace education.

**Emmanuel Kitamirike** is a proud alumni of Makerere University and Uganda Management Institute with a Bachelors in Education and Postgraduate in Project Planning and Management respectively. He is Chief of party at the Uganda Youth Network, the country's Youth CSO umbrella body. As team leader, Emmanuel has been focal in ensuring that the Network responds to the aspirations and demands of the youth populace by leading robust and ground breaking initiatives including the National Youth Manifesto process that has mainstreamed youth voices into the broader governance and development spectrum. He has seven years of youth programming with versatile skills and experience in policy engagement and strategic development in the arenas of governance and civic participation. He is highly skilled in project conceptualization, development and implementation with hands on experience in building networks/ partnerships and resource mobilisation. He sees himself as a merchant of meaningful youth democratic engagement and effective representation. He is the country and youth CSO focal person for the ongoing review of the National Youth Policy and the East African Youth Policy respectively. He has five years of leadership and management experience with a personal interest in research and information dissemination for evidence based advocacy. ([www.uyonet.or.ug](http://www.uyonet.or.ug))

**Gertrude Benderana** is a journalist and currently working as a Project Manager with Uganda Media Development Foundation (UMDF), an NGO that aims at addressing the professional, structural and industry challenges in the media sector. Among other things, she is organising trainings for young journalists in order to strengthen their professional skills and enable them to fulfil their role in a democratic society. Among other things, she has also worked on policy dialogue to strengthen political parties' relations with the media. She is a blogger and an active member in several networks such as the Peace and Collaborative Development Network and the Africa Media Network, and a contributor of NAABUUR, the Global Neighbor Network.

**Helena Okiring** holds a B.A. in Procurement and Supplies Management from Makerere University Business School and works as a Project Officer for Uganda Youth Network. She is a self driven individual inspired by an inward desire to lead an exemplary, significant life. She aspires to be an Agent of Positive Social Change and Transformation where ever she can be and has chosen to dedicate her life towards pursuits and ambitions that can better life for Humanity with in and beyond her life time and generation. She embraces every opportunity to learn as a means to build her capacity for Community Leadership and Social Transformation.

**Hope Kyarisiima** is passionate about harnessing the power of the youth and mind to alleviate the plight of young people. An information manager by profession, Hope is currently a Country Program Administrator at Salama SHIELD Foundation in Uganda. She believes that young people have the potential to shape their future through influencing policies, economic empowerment and being active in civic society and this

potential can be developed through confidence building and encouraging them to fully participate in all societal processes of development. Her vision is an assertive, confident and independent youth in Africa. She loves reading, travel and interacting with people from diverse backgrounds.

**Ivan Otim** is a social worker and social administrator, currently with Students for Global Democracy Uganda. Through Students for Global Democracy Uganda that was initiated way back in 2006, platforms were created in student communities, secondary schools and tertiary institution as platforms of empowering young Ugandans, principally students with the knowledge of democracy, governance and sustainable development. This has been a process that has grown through initiating student clubs and chapters to allow systematic thinking and team learning to co-create a transforming, conversational and collective thinking amongst youth in school. Over the past years, in schools and communities through community outreach programs, Ivan has worked on implementing a series of programs which have comprised advocacy campaigns on respect, promotion, protection and education initiatives on human rights, democracy, governance, environment, and policy issues among others through a participatory community driven approach with all stakeholders through engaging students, members in schools and community members.

**Kaviri Ali** is a Youth Activist and an active participant in the civil society movement in Uganda. He is currently pursuing a bachelors' degree of Community Based Rehabilitation (CBR) at Kyambogo University and working as an intern with the International Republican Institute (IRI) as well as an administrator at Peoples Progressive Party (PPP) secretariat. In addition, he has been "Mr. FOWODE" since 2010 and also works as external coordinator for Uganda youth Network (UYONET) at Kyambogo University. He was involved as a volunteer with the NGO FORUM in the "Return Our Money Campaign". He is a God fearing individual, committed to making a difference not only in his personal life but also for those around him. He has a keen interest in social and community affairs as well as promoting gender equality issues, social justice and social transformation. Further fields of interest are politics, governance, research, public relations, and development.

**Loyola Karobwa** is a Law student at Makerere University and The East African School of Taxation. She is a founding member of Youth Arise For Africa, a non-partisan registered organization whose mission is to foster young leaders in all fields, with the target group being youths in the education system. She is also a member of Rotary International and the Rotaract Club of Kampala Ssesse Islands. The ultimate aim of Rotaract is "Service above Self". It is a platform to bring good to society through service.

Loyola strongly believes in doing her part for her country, her continent and this world. She upholds the values of democracy, protection of human rights and supporting the rule of law. She believes the way to better this world is by setting up structures, policies and laws that are effective and sustainable to achieve economic, social and political development.

**Mula Anthony** is currently employed with State-House as An Economic Assistant to H.E the Vice President of the Republic of Uganda since 2008. Prior to the above assignment, Anthony worked as a business representative of Pacific Consultants Ltd in 2006 and 2007. Anthony is also a member of the International Monitoring and Evaluation Strategy Program and a member of the National Monitoring and Evaluation

Integrated Program since 2009. He is also a member of the Uganda Red Cross Society since 1998. Apart from his public office duty as an Economic Assistant to H.E the Vice President, Anthony heads Advocacy for Violence-free Elections (AFOVE) as President, a civil Society Organization that was instrumental in advocating for violence-free elections during the 2011 general elections in Uganda, and he is the National Chairman of Youth Leadership of National Guidance (YLNG).

He enrolled for a post graduate diploma in Financial Management at Uganda Management Institute (UMI) in 2010 that is expected to lead him to the award of a Masters degree in 2012 on completing his Academic research.

**Ojijo O.M.P. Al Amin** is a public speaker & trainer on financial literacy, personal development & political leadership; a lawyer specializing in legal research, e-commerce & e-governance; a talented performance poet; a socialist politician; a believer in open religion; and author of 17 books on religion, sexuality, poetry, politics, economics, law, history, entrepreneurship, network marketing, languages (swahili & luo), financial literacy, investments, talent identification & career skills development. As an entrepreneur, Ojijo owns companies selling e-commerce & network marketing (BankIt™-[www.nataka.biz](http://www.nataka.biz)); public speaking ([www.allpublicspeakers.com](http://www.allpublicspeakers.com)); and legal research, training, tuition & consultancy ([www.alrecgroup.com](http://www.alrecgroup.com)). Ojijo also gives back to the community by training financial literacy, talent identification and career skills development (founding director of InformedInvestor- [www.informedinvestors.biz](http://www.informedinvestors.biz)); networking Africans who want to help fellow Africans and teaching political leadership and Kiswahili language (founding director of Africans Helping Africans (AHA) Initiative-[www.ahainitiative.net](http://www.ahainitiative.net)); and promoting African cultures and history (founding director of Know Your Culture Foundation [www.kycf.org](http://www.kycf.org))

**Okello Eugene Pacelli** holds a Bachelor of Laws degree with second uppers class of Makerere University and a Diploma in Legal Practice of Law Development Centre. He is interested in expanding professional experience relating to his career, whether in the area of human rights and democratization, Intellectual Property, International Law, Banking and Negotiable Instruments, Legal Research, lobbying for policy and Legal reforms, Leadership and Development or other related fields. He is a member of the Knights of St. Charles Lwanga, a church based youth group carrying out volunteer out reaches to the orphans and other vulnerable groups such as the elderly and those who need material supports, and an alumni of the scholarship exchange programme "Go Africa – Go Germany" organized by the German Federal Agency for Civic Education and initiated by the President of the Federal Republic of Germany.

**Oketa Jasper Obwot** holds a Bachelors Degree in Law from Makerere University and a Post Graduate Diploma in Legal Practice of Law Development Centre. After having worked as a legal intern at the Directorate of Public Prosecution, he is currently working as a legal associate with Impala Legal Advocates and Legal Consultants.

He is actively involved in the Africa Youth Leadership Forum, a group of young like minded youths who believe and practice the position that every leader should be accountable to his peers and as such must develop a network of friends with whom he/she can freely account. This movement is under the umbrella of the national parliamentary prayer breakfast which organizes contemporary leaders in thanks giving and unity in the name of prayer.



He is also an active member of the international Human rights movement ICMICA which is a catholic founded organization of young catholic professionals who recognize the need for human rights observance and participate as an observer organization in the OHCHR in Geneva.

**Rhoda Gati** is a lawyer in private practice currently working with one of the top law firms in Uganda, A.F. Mpanga Advocates, as a legal assistant.

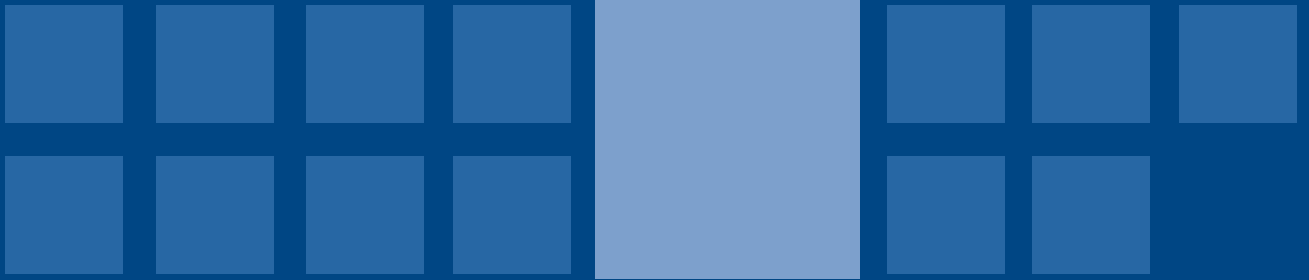
After she finished her LLB and before she joined the Law Development Centre for her post graduate diploma, she volunteered with Children's AIDS Fund Uganda, where she was directly involved in activities of raising AIDS awareness at Makerere University, which included organizing and providing platforms where university students would share experiences and knowledge about HIV and AIDS. She was also personally tasked to hold discussions with small groups of youth to discuss issues pertaining to health and sexuality. This experience enhanced her knowledge of STIs and HIV and AIDS and greatly improved her interpersonal and communication skills, which qualities she says she will put to use if given an opportunity to participate in the Think Tank.

She also worked with Human Rights and Peace Centre as a research assistant, where she was tasked to conduct field research in the area of Human Rights and Good Governance in Kyenjojo District. Her specific task was to interpret questionnaires to the people at the grass root levels and educate them about their human rights.

**Sharon Esther Nakandha** is a graduate of law from Makerere University and has also graduated from the Law Development Center with a Diploma in Legal Practice. She currently works with Avocats Sans Frontières (Lawyers without Borders) as an Assistant Program Manager of the International Criminal Justice Program. Sharon has a keen interest in human rights, democracy and development related issues. Some of her analytical commentaries in this area have been published in the Daily Monitor, one of the leading newspapers in Uganda. She has also been engaged in a number of youth leadership activities that have given her an opportunity to acquire skills that can enhance development nationally and at the global level.







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