



ADDRESSING THE LABOUR  
AND EMPLOYMENT IMPLICATIONS FOR  
**A JUST TRANSITION TO A  
GREEN ECONOMY IN GUYANA**

A think piece by the  
Decent Work Team for the Caribbean



International Labour Organization  
Decent Work Team and Office for the Caribbean



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# TABLE OF CONTENTS

<b>ACRONYMS</b> .....	ii
<b>FIGURES AND TABLES</b> .....	ii
<b>ACKNOWLEDGEMENTS</b> .....	iii
<b>EXECUTIVE SUMMARY</b> .....	v
<b>OBJECTIVE AND METHODOLOGY</b> .....	vii
<b>I. INTRODUCTION AND BACKGROUND</b> .....	1
<b>II. LEGAL AND INSTITUTIONAL FOUNDATIONS FOR A JUST TRANSITION TOWARDS ENVIRONMENTALLY SUSTAINABLE GUYANA</b> .....	3
Legislation.....	3
Policies and institutions .....	4
<b>III. GUYANA’S LABOUR FORCE – KEY CHARACTERISTICS</b> .....	7
<b>IV. POLICY PRIORITIES</b> .....	11
<b>V. SUGGESTED POLICY TOOLS</b> .....	15
Data availability through improved collection tools and economic modelling (GJAM) for national and regional financial and green planning. ....	15
Skills development policies.....	17
An enabling environment for enterprise development. ....	18
Compliance with labour legislation and international labour standards.....	18
Labour Market and social protection policies to cope with job losses and displacement .....	19
Social dialogue and tripartism .....	20
<b>VI. CONCLUSIONS</b> .....	23

# ACRONYMS

ALMP	Active Labour Market Policies
CCAP	Climate Change Action Plan
EESE	Enabling Environment for Sustainable Enterprises
GDP	Gross Domestic Product
GJAM	Green Jobs Assessment Model
GLFS	Guyana Labour Force Survey
GSA	Guyana School of Agriculture
GSDS	Green State Development Strategy
GUYSUCO	Guyana Sugar Corporation
ILO	International Labour Organization
INDC	Intended Nationally Determined Contribution
LCDS	Low Carbon Development Strategy
LMIS	Labour Market Information System
NAREI	National Agricultural Research and Extension Institute
NTC	National Tripartite Committee
PLWD	Persons Living With Disabilities
SDG	Sustainable Development Goals
STEM	Science, Technology, Engineering and Mathematics
TVET	Technical and Vocational Education and Training
UNEP	United Nations Environmental Programme
UNFCCC	United Nations Framework Convention on Climate Change

# FIGURES AND TABLES

Table 1: Summary indicators of poverty (2010) .....	Page 9
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Figure 1 – A Conceptual Framework: Labour and Employment Imperatives for a Just Transition to Green economy in Guyana .....	Page 16
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## EXECUTIVE SUMMARY

The people of Guyana will be key drivers of the country's transition to a climate resilient, knowledge-based and diversified green economy. To gather national preferences about what such transition should consist of, and in line with the 2015 ILO document *Guidelines for a just transition towards environmentally sustainable economies and societies*, the ILO DWT and Office for the Caribbean organized four multi-stakeholders seminars during the first half of 2018. The opinions gathered during those events, together with an analysis of existing policies, institutions, and labour force trends represent the basis for this think piece which is aimed at defining priority areas and tools for addressing the labour and employment implications for a just transition towards an environmentally sustainable Guyana.

The current Guyanese economy is narrow in scope, low in complexity, and relies heavily on a handful of primary commodity exports to drive growth. It has limited manufacturing value-added capabilities. Such an economic structure is susceptible to more intense and variable weather patterns, fluctuations in global commodity prices and unstable job growth. The economic landscape is accompanied by a low employment to population rate (about 50 per cent), high outmigration of skilled labour force and significant labour market segmentation with women, youth and people living with disabilities and in rural areas having access to significantly less and less productive employment opportunities. In addition, a high share of the population (at least 48 per cent) is in informal employment. While a number of labour, environment, social protection, private sector development related legislative and policy frameworks exist and can be built upon, it is clear that the future of Guyana will hinge on change in some relevant policies and programmes.

To support the new or revised policy measures that are to be considered, a sound knowledgebase grounded on regularly updated education, labour market and occupational indicators will be the starting point and will enable meticulous monitoring and evaluation of policy options and programmes. As a corollary, the development of economic modelling tools to estimate employment stocks and flows by industry, occupations, and to anticipate future skills requirements shall be considered.

Of certain importance will be the issue of up-skilling and/or retraining of workers for the new production frontiers crafted through the greening of industries and sectors. Such attention to the human capital development will have to account for existing labour market segmentation, allowing access to most disadvantaged workers and inactive shares of the population as well as for a number of significant changes into the definition and implementation of the education and vocational training policies. Those will include tripartite participation to policy-making and programme implementation (apprenticeships, work-based training), introduction of 'green' elements into the educational curricula and monitoring indicators, and capturing private sector views to define relevant training needs for present and future 'green jobs'.

Enterprises and companies shall be assisted in making the transition to the "green" "formal" economy, improving the general business enabling environment and designing specific support linked to greening choices and productivity enhancement through incentives and sanction mechanisms, while ensuring a level playing field. Low productivity is the main cause of the working poor phenomenon: people who work long hours, often in the informal economy or in subsistence agriculture, but still do not earn enough to feed their families. Of relevance

appear to be the implementation of the Small and Medium Size Enterprises (SMEs) Policy and the opening of one-stop-shops assisting with greening options.

Reintegration of workers into the labour market will not only consist of access to training but shall include a full set of support measures including job search assistance, subsidized or facilitated employment, and support for entrepreneurship along the path of active labour market policies. At the same time, social protection in the form of temporary income support, access to public work schemes or universal social protection floors will have to be ensured to guarantee the smoothest transition for workers and their families, as well as the least disruptive one for the entire economy, in case of substantive drop in purchasing power.

Compliance with labour legislation will need to be ensured vis-a-vis a changing scenario where traditional collective bargaining mechanism may change, baseline criteria for occupational health and safety may need to be redefined and employment relationships may quickly become obsolete in view of changing industrial structure or technology. The increase in non-standard forms of employment, which is mainly driven by demographic shifts, macroeconomic fluctuations, and technological changes, creates additional challenges for working conditions and for performance of companies, which shall not be left unattended.

It remains critical that all these above-mentioned changes and revisions be discussed and agreed to in a tripartite setting and involve the social partners who, together with their constituency, should be capacitated to understand the possible impact of the transition process, as well as to best decide on policy options, taking into account trade-offs, transitional or long-lasting implications. In line with the June 2018 message by President David A. Granger regarding the Government's interest to pursue a social contract in support of Guyana's green socioeconomic aspirations and a more socially cohesive cultural mosaic, the National Tripartite Council shall be given prominence in managing the just transition process. Systematic implementation and monitoring mechanisms with the participation of social partners will be paramount to ensure not only the Green State Development Strategy (GSDS) is implemented, but that it is so while ensuring inclusion and equity.

# OBJECTIVE AND METHODOLOGY

The objective of this think piece is to explore the inter linkages between the GSDS and the world of work with the aim of making recommendations on how to best ensure decent work principles in the development and implementation of the national plan. The think piece is premised on the conviction that the greening of economies presents many opportunities to also achieve social objectives, but only if the process is well managed.

The paper hinges on a number of documental sources and findings from ILO-led research and workshops. Specifically, it is based on and informed by:

- The “Guidelines for a just transition towards environmentally sustainable economies and societies for all “. The document, developed by the International Labour Organization in 2015, intends to help countries that are moving towards environmentally sustainable economies in applying decent work principles during the transition, thereby allowing them to achieve most desirable outcomes. The Guidelines cover nine priority policy and institutional areas.<sup>1</sup>
- An assessment of Guyana’s labour force based on the results of the most recent Labour Force Survey (2017); the Ministry of Social Protection – Department of Labour Skills Needs and Supply Survey 2016 as well as Establishment Survey Reports from 2016 to 2018 from the same source.
- Four Just Transition workshops organized by the ILO as a contribution to the process of developing the Green State Development Strategy during the first half of 2018. The workshops benefited from the participation of:
  1. the seven GSDS thematic expert groups;
  2. private sector representatives (including, inter alia, the Private Sector Commission, Georgetown Chamber of Commerce, Consultative Association of Guyanese Industries, Guyana Manufacturing and Services Association);
  3. workers’ representatives (including the Guyana Trades Union Congress, the Federation of Independent Trades Unions of Guyana and the Guyana Public Service Union to name a few); and
  4. Technical and Vocational Education and Training (TVET) institutions and policymaking bodies, including the Ministry of Education and the Board of Industrial Training.

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<sup>1</sup> Those are: (1) Employment-centered macroeconomic and growth policies, (2) Environmental regulations in targeted industries and sectors, (3) Creating an enabling environment for sustainable and greener enterprises, (4) Social protection policies to enhance resilience and safeguard workers from the negative impacts of climate change, economic restructuring and resource constraints, (5) Labour market policies that actively pursue job creation, limit jobs loss and ensure that adjustments related to greening policies are well-managed, (6) Occupational safety and health policies to protect workers from occupational hazards and risks, (7) Skills development to ensure adequate skills at all levels to promote the greening of economy, (8) The establishment of mechanisms for social dialogue throughout policymaking processes at all levels and (9) Policy coherence and institutional arrangements for the mainstreaming of sustainable development and ensuring stakeholder dialogue and coordination between policy fields.

- Key informant interviews carried out by ILO consultants. Groups engaged included representatives from: GSDS Multi-stakeholder Expert Group #1 - Diversifying the Economic Base, Accessing New Markets and Creating Decent Jobs for all; Group # 5 – Human Development and Wellbeing; and Group # 6 – Governance and Institutional Pillars, the Ministry of Social Protection – Department of Labour, the Guyana Teachers Union, the Cyril Potter College of Education, the Critchlow Labour College, the Ministry of Finance, the Economics Department of the University of Guyana and the Guyana Bureau of Statistics.

The paper is organized as follows: the first part presents a short introductory section and background, followed by a brief overview of the most relevant legal and institutional foundations and policies for green jobs, and the main characteristics of the labour force to consider during the greening process. In the second part, an analysis of policy priorities emerging from the existing context is presented, accompanied by suggested interventions and tools most instrumental in helping Guyana toward a “Just Transition”.



# I: INTRODUCTION AND BACKGROUND

There are a number of likely impacts of a green economic transition on jobs and employment:

- new jobs may be created in emerging (green) sectors adding to existing ones;
- jobs may be eliminated without direct replacement as sectors become obsolete;
- unsustainable or suffer competition from abroad;
- jobs may be maintained but transformed in terms of tasks, contents and capital required; and
- as a consequence of any of the above-mentioned, employment may shift from one sector to another (e.g. from fossil fuels to renewables) with or without net gains or losses in terms of total number of persons employed.

What the employment landscape evolution in Guyana will be is to be further established. On the one hand, there shall be a knock on effect when industries will be shifting from high carbon emitting, hazardous and resource intensive production patterns to more circular and environmentally sustainable processes. On the other, while greening has the potential to create new employment and business opportunities it may also entail disruption and economic restructuring, requiring enterprises to adapt and possibly jobs to be lost.

Two recent and concrete examples can be used to describe the above process of change and potential repurposing. The first useful analogy is the Guyana's sugar industry. In addition to improving circularity, reducing environmental risks and diversifying GUYSUCO's business profile, the industry's contraction is also the result of unsustainable production costs and losses, which ultimately diminished the industry's competitiveness, leading to the closure of 7 of 10 sugar estates. In turn, this led to direct and in-direct job losses with a number of sugar-dependent communities and households losing their primary source of income. At the same time, some of those transitioned to new livelihood and employment remained vulnerable. The second useful reference could be that of the gold and mining industry.<sup>2</sup> The latter reportedly directly employed 17,363 persons in 2013, while indirect employment was estimated at 21,626 persons.<sup>3</sup> It is likely that greening this sector will have both employment and social impacts ranging from land reclamation, to the reduction and elimination of mercury, and the introduction of sustainable mining practices. While it is not yet easy to quantify loss, gain and net effects of these changes on production and employment, all of these shall be threatening some jobs, introducing others and increasing the demand for new skills.

It is against this framework that the GSDS commits to 6 principles that will “*ensure an integrated human approach for the transition to inclusive green growth and better quality of life for all Guyanese.*”<sup>4</sup> What is argued for and illustrated in the present paper is how this integrated approach and commitment to the goal of decent work can be realized through addressing the existing and future challenges in the labour market and social protection system (in line with priorities included within the 2017-2021 Guyana's Decent Work Country Programme) integrating the Sustainable Development Goals (SDGs) and, in particular, SDG 8. It will require focusing on the creation of decent jobs as an upfront policy priority; sound management of labour disruptions; adequate skilling and education of the labour force; and improvement in overall business productivity.

<sup>2</sup> The ILO report, Enabling Environment for Sustainable Enterprises, reported that Guyana experienced a drop in the price of its gold sold on the international market due a downturn in global commodity prices from 2014 until the third quarter of 2016.

<sup>3</sup> See Sukrishnalall P. et al (2017) “ Toward the Greening of the Gold Mining Sector of Guyana: Transition Issues and Challenges (IDB Technical Note ; 1290)

<sup>4</sup> Guyana Framework for Green State Development Strategy (2017).



## II: LEGAL AND INSTITUTIONAL FOUNDATIONS FOR A JUST TRANSITION TOWARDS ENVIRONMENTALLY SUSTAINABLE GUYANA

The legal and institutional foundation to Guyana's just transition to an environmentally sustainable economy is found in the country's Constitution, its labour laws, the international labour standards it ratified, as well as existing policies for environmental sustainability (e.g. Climate Resilience Strategy and Action Plan, National Integrated Disaster Risk Management Plan and Draft Education for Sustainable Development Policy – 2015) and for decent work (Decent Work Country Programme, 2017-2021). Below, we present a short review of the most relevant instruments.

### LEGISLATION

**General legislation.** The commitment to a “fair, just and inclusive transition” and “environmental sustainability” was indirectly expressed in the Preamble of Guyana's Constitution.

“We the Guyanese People, proud heirs of the indomitable will of our forbearers, in a spirit of reconciliation and cooperation, proclaim this Constitution to: ...Forge a system of governance that promotes concerted effort and broad-based participation in national decision-making in order to develop a viable economy and harmonious community based on democratic values, social justice, fundamental human rights and the rule of law...

Celebrate our cultural and racial diversity and strengthen our unity by eliminating any and every form of discrimination...

Demonstrate our commitment to protect our natural environment and endowment...”

Article 2 of the Constitution further recognizes human capital and labour as a source of economic and national wealth, while Article 22 establishes that every citizen has the right to work and be free to select work in accordance with social requirements and personal qualifications; has the right to be rewarded according to the nature, quality and quantity of his work; and importantly that women and men have the right to equal pay for equal work. Article 147 addresses the legal basis for the right to workers' representation, i.e. the formation and/or membership of labour unions.

**Labour legislation.** Guyana became a member of the International Labour Organization in 1966. The country's **Labour Laws** detail and protect the rights of workers pertaining to social protection, rights to and at work, occupational safety and health, decent work, fair wages and compensation, organized labour association and representation, social dialogue and safeguards against unjust labour practices including cessation of work. Guyana has ratified a total of 47 International Labour Conventions and one Protocol including each of the Eight Fundamental Labour Conventions; three of the four Governance (Priority) Conventions; 36 out of 177 technical Conventions; and the 1995 Protocol to the Labour Inspection Convention.

## POLICIES AND INSTITUTIONS

### Labour policy and oversight

The **Department of Labour in the Ministry of Social Protection** is the primary Body for policymaking, operations and oversight of the labour sector, including compliance with local labour laws and International Labour Standards. The focus of the Department's work over the past decade has been on occupational safety and health, regulating and adjusting national minimum wage levels, responding to workers' rights issues and advancing implementation of International Labour Conventions that Guyana has either endorsed or ratified. The Department also periodically undertakes and publishes results of establishment surveys as, in addition to its oversight role, the Ministry also has responsibilities to manage labour market information (LMI). The goal for LMI is to have regular and up-to-date statistics which is the responsibility of the **Guyana Bureau of Statistics**.

At sectoral and regional levels are a number of **employers' and industry associations, labour unions and workers' representative bodies** including the Private Sector Commission, Linder Chamber of Industry, Commerce and Development, Georgetown Chamber of Commerce, Guyana Trades Unions Congress, Federation of Independent Trades Unions of Guyana, Cooperative Societies, Guyana Agricultural Workers Union, Consultative Association of Guyanese Industries and the Guyana Teachers Union.

The Ministry of Social Protection is also in charge of developing and implementing social protection mechanisms as well as social services. The contributory social security scheme is administered by the National Insurance Scheme, which is under the supervision of the Ministry of Finance.

Other **line Ministries** than the Department of Labour in the Ministry of Social Protection, such as those of **Agriculture, Business and Tourism, Finance, Education, Indigenous Peoples' Affairs, National Resources, Public infrastructure, Public Telecommunications** will have an important responsibility in ensuring incentives and opportunities for green job creation and the promotion of decent work.

Additionally there are important interagency bodies like the **National Tripartite Committee (NTC)** and **National Advisory Council on Occupational Safety and Health** which set out to improve regulatory oversight, and to promote sectoral and industry alignment with labour principles and policies for decent and productive work.

All of the bodies mentioned will have a role in the just transition process through implementation of the GSDS and other policies and programmes as well as by ensuring social dialogue is the cornerstone for the transition.

In terms of policies, it is worth noting that Guyana's Decent Work Country Programme (DWCP) for the period 2017-2021 outlines the tripartite commitment of the Government and employers' and workers' organizations to achieve its national development goals, in collaboration with the ILO, as well as to articulate a programme of action in critical areas which are expected to lead to positive changes in the world of work.

## Education policy and oversight

The overall educational system will drive the development of the Nation's human capital and the commitment of the future generations to the principles of the green economy. At every educational level, students will be called to be prepared for the new challenges through the development of the suitable foundation, technical and non-cognitive skills. Within the context of the labour market driven short-term adaptation to change, the following instruments and bodies appear to be of particular relevance:

- **The Guyana's Draft Education for Sustainable Development Policy** analyses the needs for climate change education and sustainable development knowledge and practice in instructor training, planning and student curricula. Several curricula were piloted targeting students at all levels throughout the education system, planners, administrators and policymakers. The Policy identifies eight sector-specific policy areas to focus upon: (i) solid waste management; (ii) environmental education; (iii) climate change education; (iv) agriculture; (v) energy; (vi) water; (vii) disaster risk management; and (viii) biodiversity and biodiversity management.
- **Public and private industry-specific training institutions.** For example, the Mining School – an establishment of the Geology and Mines Commission – offers technical and non-technical training courses and programmes in sustainable mining and mercury-free mining. In the agricultural sector, the Guyana School of Agriculture (GSA) and the National Agricultural Research and Extension Institute (NAREI) provide training and policy advice on climate resilient farming techniques and crop varieties, drainage and irrigation and agroforestry inter alia. Training provided by the GUYSCO Centres School is delivered through apprenticeship and non-apprenticeship modules and include subject matters such as factory process sugar boiling and instrumentation, engineering fitting and machinery and sugar crop cultivation and harvesting.
- **The Board of Industrial Training (BIT)** which comprises both public and private sector as well as academia and oversees cross-sectoral basic and technical training for Guyana's industries.
- **The Technical and Vocational Education Training (TVET) Council** which is tasked with regulatory oversight of all accredited and non-accredited TVET institutions. The Council also provides policy advice on and oversight of curriculum development and apprenticeship schemes which include school and workplace-based partnerships.

## Environmental sustainability policies

Guyana's framework for environmental sustainability includes a mix of international treaty obligations, local laws and policies. Its ratification of the **UN Framework Convention on Climate Change (UNFCCC)** in 1994 has substantially guided its economic, environmental and social policy actions. Subsequently, in 2015, Guyana submitted its **Intended Nationally Determined Contribution (INDC)** to the UNFCCC. The INDC Report covers and prioritises mitigation actions in forestry and energy – the two leading emissions sources for Guyana, while agriculture – an adaptation priority – is also recorded.

A supplement to the INDC, the **Climate Resilience Strategy and action Plan (CRSAP)** lays out a roadmap for multi-sectoral adaption and mitigation priority actions over the period 2015-2020. The *Forest Act of 2009* supports Guyana’s global commitment to mitigate the effects of climate change.

Within CARICOM, Guyana is signatory to the **Regional Framework for Achieving Development Resilient to Climate Change (2009)** and the **Liliendaal Declaration (2009)**; an implementation plan was established to support Guyana’s regional policy, coordination and reporting commitments within the former Framework.

Established in 2009 and updated in 2013, **Guyana’s Low Carbon Development Strategy (LCDS)** laid out the country’s priorities to steer the economy to a low carbon emitting pathway, emphasizing reduced deforestation and degradation, reform of forest dependent sectors and investment in high priority low carbon sectors (e.g. aquaculture and ecotourism) and renewable energy, in particular hydro-electricity.



### III: GUYANA'S LABOUR FORCE – KEY CHARACTERISTICS

Overall, the current Guyanese economy is narrow in scope, low in complexity, and relies heavily on a handful of primary commodity exports to drive growth. It has limited manufacturing value-added capabilities. Such an economic structure is susceptible to intense and variable weather patterns, fluctuations in global commodity prices and unstable job growth. The combined effects of these risks tend to result in lowly diversified employment by industry with a high relevance of public sector employment, low levels of labour productivity, and periods of high cyclical unemployment. Changing the economic structure will take time and multiple measures, and this is being fully developed in the thematic areas of the GSDS. To get a better picture of what will be needed in terms of labour and employment to optimally use emerging opportunities, it is useful to take a closer look at some key characteristics of the labour force.

***Low labour force participation and utilization and high informality***The most recent Labour Force Survey (2017) shows a low employment-to-population ratio of 49.2 per cent, indicating that less than half of the working age population of 550,831 (271, 008 persons) are employed<sup>5</sup>. This means that more than half of the labour force is either unemployed, in school, or otherwise inactive. In addition, amongst the labour force currently employed, at least 48.2 per cent are being informally employed with implications in terms of labour rights and, possibly, productivity.

Labour underutilization, which assesses the human capital absorptive capacity of an economy using three indicators (time-related underemployment, unemployment and potential labour force), was, in 2017, pegged at 28.4 per cent of the working age population. This essentially means that almost 30 per cent of Guyana's working age population does not have access to employment or experiences critical barriers in accessing a full-time job. All things being equal, such a large percentage of inactive and underutilized labour translates into diminished revenue, scaling opportunities, and incomes.

*Employment concentrated in agriculture while some high emissions industries are losing workers*

The 2017 Labour Force Survey also highlights some significant trends in terms of employment by economic sector. Agriculture, forestry and fishing remain the main employers with 17.8 per cent of the total vs 17.5 per cent in 2012, followed by wholesale and retail trade 17.1 per cent vs 15.4 per cent in 2012, and public administration and defence, 8.8 per cent (vs 7.2 per cent in 2012). Interestingly, construction, manufacturing, and transportation and storage all appear to be on a declining trend, together with mining and quarrying.<sup>6</sup> The implications from such breakdown are notable. Apart from agriculture, forestry and fisheries, the sectors on a declining trend may be the ones most affected by a green oriented restructuring (not considering the forthcoming extractive industry and the impact it might have on total employment) and any effort to support dismissed workers may actually build upon whichever measure is already considered to accommodate inter sectoral reallocation of labour.

<sup>5</sup> The data cited come from Guyana Bureau of Statistics (2018) "Guyana Labour Force Survey 2017, Third Quarter Report".

<sup>6</sup> See Guyana Bureau of Statistics (2018: Table 10) "Guyana Labour Force Survey 2017 Third Quarter Report", for more detail.

## *High outmigration of skilled people*

In addition to the low employment-to-population ratio -- 49.2 per cent -- and the distribution of employment by industry, the rate of outmigration of tertiary level education and trained persons -- 85 per cent - 90 per cent<sup>7</sup> -- points to a situation where the country's human capital feeding into the labour force is marginally skilled, and mostly engaged in labour intensive and informal activities to meet subsistence needs.<sup>8</sup> In terms of labour demand, this low population-to-employment ratio is caused by limited decent work opportunities, the low skills profile of the labour force, marginal competitiveness of the economy, and limited commercial investments.

## *Challenges of disadvantaged groups*

*Women:* Comparable levels of educational enrolment among men (11.5 per cent) and women (13.6 per cent) stand in contrast to other numbers. Women account for 56.4 per cent of the total inactive labour force, which is recorded at (43 per cent), and are concentrated at lower income levels. They are more likely to experience longer periods of transition time in-between jobs<sup>9</sup>. A higher proportion of women are also found to be contributing family workers. Furthermore, young women between the ages of 15-25 account for 63 per cent of youth not in education or employment. These findings suggest that women, on average, experience more profound labour market and employment barriers than men.

- *Youth:* A 2015 Caribbean Development Bank (CDB) reported on the policy imperatives for investing in youth estimated youth unemployment costs Guyana 1.70 per cent of its GDP.<sup>10</sup> According to the latest labour force survey, 16,462 youth aged 15-24 or 21.6 per cent of the active total labour force are unemployed. Perhaps the most alarming statistical indicator of pervasive youth unemployment and inactive youth is that some 35.2 per cent of Guyanese youth, ages 15-24, are not in employment, education or training (NEET). This can be a reflection of the low absorptive capacity of Guyana's labour market, but also of the quality of jobs available.
- *People with disability* – The National Commission on Disability along with the Ministry of Social Protection estimates that 7 per cent of Guyana's population lives with disabilities. The flagship report, "Raising the Profile of Disability in Guyana: An agenda for Action" further posits that 15 per cent of Persons living with disabilities (PLWDs) have never attended any form of schooling. In terms of employment, 42 per cent of unemployed PLWDs lost their job as a result of acquiring some form a disability and at least 9 per cent of unemployed PLWDs are skilled, qualified and can work. In the same report, the most frequent categories of work experience cited by PLWDs include semi-skilled or unskilled work and domestic workers.

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<sup>7</sup> The figure refers to the year 2000 and stems from World Bank estimates. See <http://siteresources.worldbank.org/INT-PROSPECTS/Resources/334934-1199807908806/World.pdf>. It is reasonable to assume that the outmigration rate did not dramatically change since.

<sup>8</sup> The informal labour force is measured at 48.3 to 52.6 per cent of the overall labour force.

<sup>9</sup> The GFLS (2017) notes that 5.4 per cent of women as compared to 3.4 per cent of men were in long-term unemployment

<sup>10</sup> Youth are the future: The imperative of youth employment for sustainable development in the Caribbean. Caribbean Development Bank, 2015.

## High regional disparities

The location of Guyana's employed population is almost three times more weighted in urban (72.2 per cent) compared to rural areas (27.8 per cent). By the same token, approximately 69.3 per cent of the unemployed population resides in urban locations whereas 30.7 per cent of the rural labour force is unemployed. The foregoing is largely influenced by Guyana's overall urban/rural population distribution; some 85-90 per cent of the population reside in urban and rural coast locations where there is likely to be greater competition for employment and jobs. The data also suggests that less skills training and educational opportunities are available and accessible to the rural population; Guyana has also documented its internal labour migration context and concomitant social implications; the prevailing flow depicts hinterland and coastal rural residents traveling to urban coast and some coastal rural areas for work. Another factor influencing the distribution of employment opportunities and job creation is the configuration of local economies. Both coastal and hinterland rural communities and regions are primarily dependent on the agricultural, forestry and mining sectors and commodities for employment and subsistence.

## High poverty and inequality

Guyana's history with ethno-political conflict and entrenched ethnic voting, and the resulting historical perceptions of exclusion and economic favouritism amongst its groups has had a deleterious effect on economic development, efforts to abate poverty and the accumulation of human capital. According to the Guyana Poverty Reduction Strategy Paper (2011-2015), more than 36 per cent of Guyanese continue to live in poverty -- four in ten persons, surviving on an income of US\$1.75 or less per day -- and 19 per cent, approximately two in every ten Guyanese experience chronic poverty daily. Guyana's Household Income and Expenditure Survey (2006), using consumption as a proxy for income and welfare, recorded a Gini coefficient measure of 0.35 for Guyana. The rural hinterland regions recorded the highest inequality measure with an index of 0.38 and the urban coastal areas measure of 0.34. A more recent measure of inequality by Constantine et. al. (2016) using the Palma and P90/P10 ratios noted that elevated levels of distribution of inequality between population groups remains a significant barrier to opportunities for household poverty reduction<sup>11</sup>. The 2011-2015 Poverty Reduction Strategy Paper noted some important geographic indicators of inequality and exclusion:

TABLE 1: **SUMMARY INDICATORS OF POVERTY (2010)**

<i>Rural Interior</i>	<ul style="list-style-type: none"><li>• 12 per cent of the country's population live in communities in the rural interior areas.</li><li>• 73.5 per cent of the population, or more than seven in ten people, live in poverty.</li><li>• 54 per cent of the population, or more than five in ten people, live in extreme poverty.</li></ul>
<i>Rural Coastal</i>	<ul style="list-style-type: none"><li>• 60 per cent of the country's population live in communities in the rural coastal areas.</li><li>• 37 per cent of the population, or almost four in ten people, live in poverty.</li><li>• 17.1 per cent of the population, or almost two in ten people, live in extreme poverty.</li></ul>
<i>Urban Coastal</i>	<ul style="list-style-type: none"><li>• 28 per cent of the country's population live in communities in the urban coastal areas.</li><li>• 18.7 per cent of the population, or almost two in ten people, live in poverty.</li><li>• 7.3 percent of the population or, roughly one in ten people, live in extreme poverty.</li></ul>

Source: 2011-2015 Poverty Reduction Strategy Paper

<sup>11</sup> Constantine et. al., (2016:6). "The Rise of Income Inequality in Guyana". Working Paper. DOI: 10.13140/RG.2.1.3972.3760. [https://www.researchgate.net/publication/306058212\\_The\\_Rise\\_of\\_Income\\_Inequality\\_in\\_Guyana](https://www.researchgate.net/publication/306058212_The_Rise_of_Income_Inequality_in_Guyana).

The results from the 2017 Guyana labour force survey also indicate the aggregate distribution of employment according to ethnic composition as: (A) Africans – 28.2 per cent; (B) Amerindians – 8.9 per cent; (C) East Indian – 42.8 per cent (D) Mixed – 19.8 per cent and (E) Other – 0.3 per cent. Though employment is but one source of inequality, the interactions between growth, inequality and poverty are strong.

### *Not sufficiently conducive environment for business growth*

Guyana has about 22,000 small and medium-sized enterprises (MSEs) accounting for almost 30 per cent of Guyana's GDP, and 70 per cent of registered businesses.<sup>12</sup> They are and will be the main source of job growth. The third objective of the first pillar of the GSDS -- Green and Inclusive Structural Transformation: Diversifying the Economic Base, Accessing New Markets and Creating Decent Jobs for All -- notes that inclusive participation of the labour force in Guyana's green transition, will in large be partly driven by a favourable business environment: *"the structural transformation process will require an enabling business environment, to include: inter alia, measures to improve business investment and growth, broaden access to the technical and financial resources required (especially for micro, small and medium enterprises), and engender decent employment conditions for inclusive participation in the benefits of growth..."*<sup>13</sup> . If one is to refer to a commonly utilized indicator of quality of business environment, the World Bank's Ease of Doing Business Index of 2017 ranked Guyana as 126 out of 190 countries. Even though such ranking may not exactly depict the situation faced by smaller enterprises, the low ranking has important implications for potential local and international investment expected to achieve the planned greening its economy.

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<sup>12</sup> Project Appraisal Document. Micro and Small Enterprise (MSE) Development and Building Alternative Livelihoods For Vulnerable Groups.

<sup>13</sup> Inter-American Development Bank. (2017) Toward the Greening of the Gold Mining Sector of Guyana: Transition Issues and Challenges. Pg. 15.

## IV: POLICY PRIORITIES

The situation outlined in Sections II and III, together with the overall framework of reference represented by the Guyana Decent Work Country Programme 2017-2021,<sup>14</sup> and consultations held in preparation for this report, help to identify some key policy areas which warrant special focus. On the one hand, it is shared and understood that the greening process itself will likely involve some job loss and skills mismatches, especially in high emitting sectors and in already inefficient industries e.g. sugar, with some jobs in these sectors to be reclassified and adapted. On the other, it is clear that sectors prioritized for greening, including the manufacturing sector, will drive new job creation.<sup>15</sup>

Against such backdrop, a number of prevalent transition bottlenecks and labour market segmentation factors have to be addressed. Those are related to the impervious school-to-employment transition, the not so common informal-to-formal employment transition, and the still marginal potential-to-actual labour productivity transition. In addition, critical structural challenges such as data collection and monitoring, respect for workers' rights, capacity of governments and social partners and multi-stakeholder bodies (e.g. NTC) to cope with changes the transition may generate, wage disparities, unequal access to opportunities due to residential location and transport infrastructure or the lack of possibilities for tertiary graduates causing high outmigration, will have to be coped with. Suggested priority areas are:

### *Up-skilling and (re)training people*

To enable them to cope with changes in the industrial production. Given the relatively young median employment age, it is paramount to address the need for capacitating the people who already transited from school to employment.

### *Measures to tackle gender inequalities*

If the strong potential of the female labour force is to be better used, policies and interventions must be in place to facilitate their successful entry, re-entry and retention in the labour market, specifically to address instrumental policies such as maternity assistance, gender pay equality, and non-discrimination.

### *Inclusion of persons living with disabilities*

Following Guyana's signing on to the UN Convention on the Rights of Persons with Disabilities in 2013, and the passing the Persons with Disabilities Act in 2010, it is important to pursue the implementation of Article 5 of the Act. It protects the rights to secure decent work, fair and liveable wages, and recourse for discriminatory actions against PLWDs. A previous analysis recommended a dual approach to strengthen the sector-specific employability of PLWDs and

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<sup>14</sup> Key goals therein mentioned are: 1) Addressing poverty and inequality through improved working conditions and respect for International Labour Standards; 2) Increasing prospects for sustainable livelihoods through improved social protection and better economic opportunities; and 3) Improving the climate of industrial relations and social dialogue

<sup>15</sup> The GSDS framework document identifies key risk factors caused by the greening process: (1) Employment displacement caused by economic restructuring; (2) Limited employment mobility and access to skills training resulting from the gendered division of labour; (3) Age-related barriers to participating in Guyana's green transition; (4) Geographical proximity to economic services and labour force participation opportunities; (5) Access to education and skills training; (6) Equitable wealth distribution and income levels; and (7) The multiplier effect of inequalities arising from marginalization related to physiological factors.

reduce attitudinal and other barriers to contributing to productive, income-generating work. The focus for policy-makers must be to ensure that basic education and specific sector and industry-aligned vocational and technical skills training is available whilst promoting social protection measures that facilitate access and accessibility to employment as well as targeted employee insurance.

#### *Reduction of youth labour market disadvantage*

Youth are clearly among the most vulnerable and yet they are also the possible key driver of a successful green transition. Introducing impactful, targeted and well-coordinated interventions in support of youth must be a central policy priority and will involve a combination of skills and entrepreneurship support and other active labour market programmes. Measures such as incentives or quotas or sanctions to address the issue of outmigration remain a priority.

#### *Local economic development*

Guyana's Local Government System comprises ten Regional Democratic Councils, 65 Neighbourhood Development Councils and nine municipalities. In 2012, the Ministry of Communities, in collaboration with Guyana's Local Government Organs, established an inter-regional Local Economic Development Committee, while sub-committees have been established in each region. With support from the Ministry of Communities, among others, these committees are tasked with identifying, designing and implementing green local and regional development plans which should themselves address the issue of employment and human capital development. An example of this is the Green Bartica Development Plan, which considers among other things, a low carbon, environmentally sustainable and climate resilient economy in one of Guyana's newest towns, Bartica.

#### *Rural integration*

Considering the likelihood that most new jobs and markets are located in the urban coastal areas, and notwithstanding the direct connection of many rural workers to seasonal occupations linked to rice, sugar and artisanal mining industries, the prevalence of retail trade, micro and small enterprises and self-employed workers is likely to be significant. This further suggests opportunities to encourage integration of Guyana's green transition through the support of cottage and linkage industries and entrepreneurial facilitation targeted for selected groups. A regional approach to transitioning the national economy will further encourage intra-regional trade and competition as well as greater economic autonomy thereby facilitating the growth of new regional markets, revenue streams and job creation.

#### *Income inequalities and homogenous access to decent work*

Since a key principle and objective of the GSDS is the promotion of social inclusion and cohesion as Guyana transitions to an inclusive, green economy and society, the importance of reducing income inequalities by promoting policies that seek to address detrimental gaps and unsustainable advantages, especially those derived politically and on the basis of ethnic affinity in access to employment, wealth and enjoyment of social gains is a prerequisite for social economic and macroeconomic growth.

## *Enterprise productivity and transition to the formal economy*

This includes a need to address barriers to enterprise development and growth through a more enabling environment not only for all economic actors but preferentially for sustainable businesses. The Enabling Environment for Sustainable Enterprises Report 2017 (ESEE) for Guyana further highlights the main barriers to FDI and domestic business development and performance to be the costs of inputs and services, low market demand and security concerns and sets forward a plan on how to overcome this crucial obstacle. Among its key policy recommendations are:

1. legal and regulatory environment reform;
2. scaling investment in education and skills training; and
3. strengthening social dialogue, bi-partite mechanisms and the NTC, to encourage enterprise partnerships and policy contributions.

These will be primordial conditions to a successful green transition that produces more investment, and thus more jobs, by operating in an enabling business environment.

## *Better and more consistent collection, analysis and use of labour and employment data*

Data on the labour force have been scant for over 2 decades however, in 2017, a full Labour Force Survey was conducted, collecting the much needed critical information. The GLFS Report provides aggregate figures on employment and unemployment inter alia. Transitioning to a low carbon and climate resilient economy will affect employment in communities and regions that depend on forests, carbon-intensive agricultural practices and other high emitting economic activities as income and livelihoods sources. Just like diagnostic and planning tools (including modelling various scenarios) help determine the short- and long-term environmental effects of business as usual versus sustainability policies, similar planning is needed for the impact on jobs, skills and productivity both nationally and at the level of communities. In turn, this will enable the planning for transitional programmes where that is appropriate, and, perhaps most importantly, it will allow for the monitoring of those programmes and whether they deliver the appropriate results. This level of planning will require the collection of disaggregated labour data, possibly with specific modules within the GLFS (e.g. on green sectors or processes, climate resilience and sustainability) or the establishment surveys and devotion of resources for its analysis.



## V: SUGGESTED POLICY TOOLS

Figure 1 summarizes the conceptual framework presented in the paper. On the basis of key identified challenges, the Guyanese legal, institutional and policy setting and the 2015 Guidelines For A Just Transition Towards Environmentally Sustainable Economies And Societies For All, priority areas were agreed to with national stakeholders during consultations held in the first half of 2018. For each of those areas, specific tools were proposed to achieve the desired results.

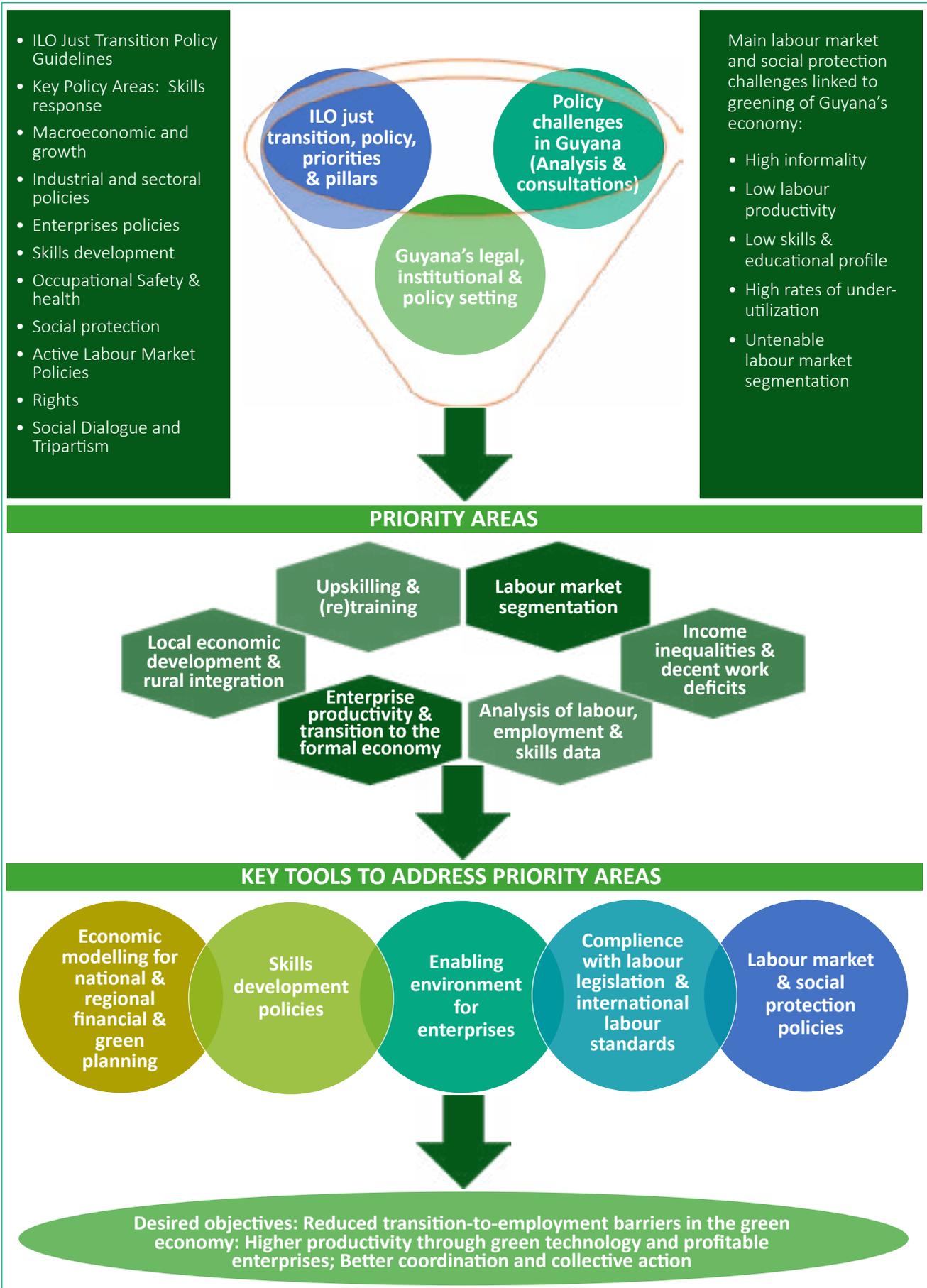
The following section provides an overview of the proposed tools and elaborates on possible design and modalities.

### **DATA AVAILABILITY THROUGH IMPROVED COLLECTION TOOLS AND ECONOMIC MODELLING (GJAM) FOR NATIONAL AND REGIONAL FINANCIAL AND GREEN PLANNING**

A low carbon, more complex economic system and labour structure, as well as the extent of SMEs in Guyana and the importance of downstream greening of the economy implies a need for complex data sets that facilitate measurements of the impacts of greening and restructuring on wages, labour efficiency at establishment, industry and sector levels and skills requirements. In turn, these indicators will influence investment prospects and human capital requirements. There are two main requirements at this stage:

1. Regular establishments and labour force surveys and administrative data enabling to derive indicators for occupations and skills that contribute to a low carbon, climate resilient and environmentally sustainable economy, including but not limited to wages trends, TVET enrolment, industrial relations, employment composition and productivity and employee insurance contributions.
2. A Green Jobs Assessment Methodology to test policy options. As an example, the ILO Green Jobs Assessment Model (GJAM) can assist the Government to prepare short- to medium-term financial budgets and monitor and evaluate the employment effects and skills requirements inter alia, of a just transition to an environmentally sustainable economy. Specifically, the GJAM can allow for the anticipation and planning of labour policies, skills requirements, employment targets, labour efficiency measures and job creation policy actions during budget cycles. This tool is also applicable for the testing of the labour and employment effects of investments across all economic domains and quantify linkages between industries at each level of the supply chain. Developing capacity for the GJAM could cover three main areas:
  - I. Institutional capacity in Guyana to collect and manage statistics for the coherent production of a System of National Accounts (SNA) and System of Environmental Economic Accounts (SEEA) with a particular focus on Environmental Goods and Service Industries, Green Jobs and the Green Economy.
  - II. Institutional capacity in Guyana to build a Green Jobs Assessment Model based on Input Output and Social Accounting Matrix (with a stepwise approach to complexity from a simple EXCEL run multiplier based model to a more complex structural model).
  - III. Institutional capacity to use the Green Jobs Assessment Model for better policy planning.

**FIGURE 1**  
**A CONCEPTUAL FRAMEWORK: LABOUR AND EMPLOYMENT IMPERATIVES FOR A JUST TRANSITION TO A GREEN ECONOMY IN GUYANA**



## SKILLS DEVELOPMENT POLICIES

Skills can make all the difference. If the workforce is skilled at the right level, it will attract new investment. As important as a highly versatile workforce is, the same applies to mobility of skills across sectors and its continued upgrading must be integral to a dynamic skill system. The transition to the green economy shall include a number of changes within the current and future skills development policies and institutional setting, such as:

- **Integrated, multi-stakeholder discussions on skills development.** Guyana should introduce a mechanism to facilitate policy coordination and integration of the skills element at the planning, design and implementation stages. This will ensure that industry specific skills programmes are incorporated into annual national plans and budgets as adequate resource allocations will be critical. Along the same lines, Regional Development Plans should include minimum investment for skills training and job experiences aligned to their green components. National stakeholders also referred to the creation of a Skills Development Council which will, under the leadership of the National Tripartite Council (NTC), provide for the design and implementation of a time bound green social contract.
- **Private sector led training.** Facilitate private sector investment in green occupation/ jobs training programmes and institutions aligned to emerging key green sectors, markets and industries.
- **Revision of existing skills development policies.** This should be achieved by establishing a “*Greening TVET Framework*” focused on reorienting the TVET culture, curricula, research and innovation, revenue generation enterprise-related services and occupational training strategies including apprenticeship.
- **Establish a service/system for skills anticipation.** This will allow for systematized and evidence-based labour and skills data to inform labour market planning and introduction of new programmes and curricula or adjustment of existing ones to include green skills.
- **Introduce retraining and development of portable skills through certification to encourage occupational mobility.** This will help reduce skills emigration as well as green skills shortages since it will retain workers and prevent high unemployment.
- **Use social dialogue to inform skills needs.** This can be done through industry specific or thematic/issue skills councils and the adoption of green skills and employment focus by employers’ and workers’ organizations. Businesses, including MSME’s and cooperatives, should engage with Government and training providers on the management and skills upgrading of the workforce, and in particular, green skills. Enhance labour market links in TVET and secondary education.
- **Prioritize training for disadvantaged groups.** This can be done by introducing programmes to specifically include vulnerable groups and will ensure that green growth opportunities provide for inclusiveness and promote social cohesion. Further develop and scale up modalities that interlink access to finance, skills training and innovation to enable enterprise development. Implement mobile skills training initiatives that are responsive to regional and local development priorities; and where economically feasible, expand skills training centres for underserved regions and communities.

## AN ENABLING ENVIRONMENT FOR ENTERPRISE DEVELOPMENT

Enterprises are at the heart of economic activity and at the core of the paradigm shift needed to achieve sustainable development. Employing a large part of the workforce, enterprises are also a potential main driver of employment and wealth creation, but that requires moving away from informality into a more formalized setting, with better productivity and competitiveness. Although the transition to a green economy will indeed disrupt current employment patterns and cause job loss in certain industries, much of this challenge can be overcome if starting up and growing green businesses is easy to do. The transition to the green economy shall include a number of changes within the current and future interventions such as:

- **SME policy.** Developing and implementing an SME policy that (i) facilitates implementation of the National Action Plan adopted to provide an enabling environment for sustainable enterprises (EASE 2017) paying special attention to MSME's, including cooperatives and entrepreneurs in making the transition; (ii) uses trade and investment policies to reach social, economic and environmental sustainability, to facilitate access to environmentally friendly technology and to encourage and facilitate green innovation and jobs; (iii) uses public procurement to incentivize a shift to environmentally sustainable goods and services and promote social inclusion by ensuring that enterprises, in particular MSME's and disadvantaged groups, are able to apply for public purchases.
- **Market oriented support for greener production and investments allowing for knowledge-sharing.** Introduce incentive schemes such as employment subsidies for enterprises that innovate in greening and tax breaks for the use of low carbon, clean technologies. At the same time, the country should promote the structured transfer of technology, knowledge and skills development spill-over from projects and time-bound large-scale investments.
- **Establish one stop shops** for services to establish environmental management and compliance systems, and for green start-ups to conduct training to foster a culture of eco entrepreneurship.
- **Transition to the formal economy.** Establish targeted programmes in sectors with high informality, using an integrated set of support measures, and including the cooperative model to support the process of formalization.

## COMPLIANCE WITH LABOUR LEGISLATION AND INTERNATIONAL LABOUR STANDARDS

**Collective bargaining and representation.** In Guyana, only 15.3 per cent of workers are members of a labour union.<sup>16</sup> In addition, high informality and high inactivity rates suggest that many individuals are without access to labour-related recourse and representation. To rectify this, trade unions have an important task in diversifying and expanding the membership base. The role of trade unions in ensuring compliance with labour standards in the transitioning process is key, as otherwise this burden would entirely fall on enterprises. Strategic engagement with trade unions is also an opportunity for consensus building around important policy decisions

<sup>16</sup> See Guyana Bureau of Statistics (2018: Table 10) "Guyana Labour Force Survey 2017 Third Quarter Report" for more detail. For comparison purposes, the Consultative Association of Guyanese Industry (Employers' Organization) has 65 members.

as it would guarantee that the voice of workers is reflected in new emerging policies that directly or indirectly affect them. The key element to consider is to what extent changes in the industrial composition will beget changes in the collective bargaining processes and, in that case, how to ensure that the current (or an upgraded) infrastructure for collective bargaining is maintained. In other words, changes in the private sector and employment intensities by company (more or less employees per economic unit) or by sector (shift of workers from one sector to the other) may affect workers' and employers' representativeness and capacity to undertake fruitful collective bargaining. As such, flexibility and opportune modifications to the existing processes are to be guaranteed and implemented should the need arise.

**Occupational safety and health.** Occupational safety and health (OSH) is a key element of working conditions that promotes a culture of prevention to design safe and healthy workplaces as a foundation of sustainable development and growing productivity. The Government of Guyana has embarked on the modernization of its OSH system that includes the revision of the OSH Act and Policy, the reinforcement of capacities of the OSH Department and awareness-raising in sectors with high incidence of work accidents. Such modernization shall take into account changes in capital and skills requirements driven by the shift to a greener economy.

**Newly emerging forms of employment.** Transition to a green economy may bolster the ongoing changes in terms of newly emerging forms of employment. The change into the industrial fabric as well as the appearance of new investors, together with the general societal and economic developments, may result in the emergence or expansion of new forms of employment in Guyana. These will transform the traditional relationship between employer and employee, by allowing, for intermediaries or IT-based exchanges, unconventional work patterns and places of work, or by the irregular provision of work. Against such framework, it remains crucial to incorporate the new forms of employment within the legal framework through tripartite revision of labour legislation and ensure protection for both workers and complying employers.

## **LABOUR MARKET AND SOCIAL PROTECTION POLICIES TO COPE WITH JOB LOSSES AND DISPLACEMENT**

Active labour market policies, (ALMPs) will help to facilitate the transition of workers to new sectors and from unemployment/inactivity to newly generated employment by allowing for retraining, better match with employers, facilitated hiring conditions (subsidies or other forms of reduction in labour cost) and support for new or growing enterprises.

In terms of training, schemes offered shall include apprenticeships and competency-based classes linked to specific market skills and labour needs. The key design element will consist in warranting specific attention to factors behind segmentation (gender, age, disability, geographical reference) highlighted in the previous sections. Additionally, calculated preference and incentives which may be offered to employers shall be aligned to fulfil occupation needs consistent with greening of the economy.

As mentioned, training and job creation services must be interlinked with publicly and privately operated placement services. The latter must be better equipped to analyze labour markets by screening and supporting the skills requirements of emerging occupations through systematic sharing of the results of the labour market analysis and forecast.

ALMPs that offer benefit payments for qualifying unemployed individuals or persons or workers who lose employment due to redundancies or reclassified jobs occasioned by greening should, where appropriate, promote mutual obligation requirements and reward individuals who demonstrate they have been actively seeking work and/or to improve their employability.

In addition to facilitating reintegration into the labour market, there are measures needed to cushion the impact of transitions and possible job losses on people, most notably from a financial standpoint. Such support can take the form of:

- **Unemployment insurance (UI)** schemes. At the societal level, UI, by partially compensating for lost earnings, can help to break the negative cycle of increased unemployment leading to reduced consumption, which leads to a further reduction in economic activity. For single individuals and families, in the case of the transition to the green economy accompanied by losses in revenues, the financial support will allow for consumption smoothing but also individual driven maintenance or upgrade of skills and job search.
- **Employment intensive investment approaches and Public Employment Programmes (PEP)** which can complement employment creation by the private sector and offer an additional policy instrument with which to tackle the problem of unemployment and underemployment, especially in times of crises and transitions, as part of wider employment and social protection policies. PEPs should ideally be designed to incorporate green outcomes (disaster risk reduction, emission reduction) and to provide employment without compromising the quality of assets, basic income-security, decent conditions of work, and human capital investment.
- **A Social Protection Floor** ensuring universal access to a basic set of guarantees above the established floor which will smoothen the transition for each citizen, by limiting poverty and social exclusion through an adequate combination of contributory and non-contributory schemes which promote development, equality and equal opportunity and support the transition from informal to formal employment.

## **SOCIAL DIALOGUE AND TRIPARTISM**

In June 2018, President David A. Granger signalled his Government's interest in pursuing a social contract in support of Guyana's green socioeconomic aspirations and a more socially cohesive cultural mosaic. Strong social consensus on the goal and pathways to sustainability is indeed fundamental. Social dialogue should be an integral part of the institutional framework for policy-making and implementation at all levels. It should be used at all stages, from policy design to implementation and evaluation. Instrumental to this is the creation, development and formalization of dialogue mechanisms and structures at all levels to discuss the best means to implement national, social, economic and environmental goals. Such mechanism should be based on:

Bring the **National Tripartite Committee (NTC)** into focus. To optimally function, the NTC should be informed by research, guided by principles of trust and dialogue, and fully integrated in the overall governance structure overseeing the green transition. It must also be broad-based and cover topics like innovation, environment and climate change, workers' rights, working conditions and equality in the workplace and inclusive participation and decentralization of Guyana's green agenda. A strong NTC will foster productive and mutually beneficial relationships leading to collaborative agreements and other tools that encourage inclusiveness, democratic ownership and accountability;

**Capacity-building** for tripartite structures to interpret economic and social changes linked to the transition to the green economy, understanding potential trade-offs and short- and long-term impact of policy choices and design most suitable policies and programmes;

**Policy coherence.** Strictly linked with the issue of social dialogue is policy coherence. With respect to the latter, the main recommendation stemming from this think piece is to integrate all of the provisions for a just transition into the GSDS and other national, environmental and climate change action plans rather than assigning them to only one Ministry (Social Protection or Education). At the same time, what is needed is close collaboration between relevant national ministries, to keep track and monitor developments concerning the implementation of the just transition guidelines into all policies<sup>17</sup>. In the last time, it appears crucial to include the Ministry of Finance into the previous monitoring mechanisms as policies and programmes shall adapt to changes in the fiscal and political landscape.

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<sup>17</sup> The guidelines provide a standard and basis for assessing the integration of just transition principles in policy and, determining targeted indicators according to the specific policy concerns being addressed.



## VI: CONCLUSIONS

A smooth transition to, and the sustaining of, a green economy cannot be achieved in the absence of a just transition for all. The ILO's *Guidelines for a just transition towards environmentally sustainable economies and societies for all* provide a meaningful framework for designing the steps forward for Guyana. In particular, they call for a number of policy instruments necessary to mitigate environmental, social and economic challenges resulting from restructuring and greening Guyana's economy.

The actual direction and implication of the changes in the Guyana's policies and revised environmental management choices on its economic structure are not yet (or well) known. The first recommendation is thus to keep track of changes in the national output, environment and in the distribution of the labour force and its skills profile in order to adequately respond.

Considering that 550,831 persons out of the estimated 750,000 Guyanese are of working age, and that half of the figure are not active in the labour force for one or more reasons, it stands to reason that this scenario, unless redressed, will undermine income generating possibilities and labour productivity during the transition of the economy along a green path. In addition, in view of the other employment and labour force challenges such as a low skills profile, labour market segmentation (women, youth, persons with disability particularly affected), pull factors (toward the coastal areas and toward foreign countries) and the magnitude of Guyana's emerging oil and gas sector, a just transition to an environmentally sustainable Guyanese economy and society, must emphasize the need for an adequately skilled and involved labour force.

Noting that restructuring or diversification in the economy may trigger job losses or reduced productivity, it is key to consider that periods of adjustment shall be expected. Such periods will have to be accompanied by adequate labour market and social protection policies allowing for the smoothest transition for workers through activation policies and guarantees of basic needs such as income replacement and healthcare. At the same time, enterprises themselves and their stakeholders will have to be assisted in the transition and the provision of targeted support. Amongst others, some of the provisions of the already discussed SME policy will have to be adapted to the requirements of a green economy.

Lastly, it is to be remembered that a just transition shall not leave aside developing and implementing tools allowing for compliance with International Labour Standards and with the Guyanese legislative framework. While both may require change or adaptation, such renovation will have to be driven by tripartite institutions. Capacity-building for such institutions and their constituency should be provided in order to enable their members to best decide on policy options prompted by the transition process. In turn, national decisions shall account for the possible emergence of new players (investors or companies) or, as it appears ongoing, of new forms of employment challenging the traditional industrial relations framework.