



International  
Labour  
Organization

# The ILO in Papua New Guinea



# Key Facts and Figures

Population (2012): 7.2 million  
GDP per capita (2012): US\$ 2,498  
Labour force (2012): 3.2 million

- 1.7 million male
- 1.5 million female

Labour force participation rate (2012): 72.3%

- 74.0% male
- 70.5% female

Employment to population ratio (2012): 70.6%

- 72.7% male
- 68.6% female

Unemployment rate (2012): 2.3%

- 1.8% male
- 2.8% female

Youth unemployment rate (2012): 5.1%

- 4.2% male
- 6.0% female

PNG has experienced a decade of sustained economic growth fuelled by a resource boom and a high demand of commodities. Real per capita income increased to US\$2,500 in 2011, making it a lower middle-income country.

Infrastructural investment such as the construction of a major liquefied natural gas pipeline is expected to greatly boost



the country's export revenue by 2020. Other industrial sectors including construction, transport, storage and communication are also expected to perform well.

PNG's macroeconomic success masks growing unease about the unbalanced distribution of the benefits of growth and the government's inability to translate wealth and macroeconomic stability into better public services. The majority of the population still live in rural areas where road networks are not covered.

Challenges are pervasive in the labour market. The private sector accounts for more than 90% of employment, however employment expansion is constrained by infrastructure problems and relatively low labour productivity. The recent investments in developing infrastructure have supported growth in formal employment, but also created shortages of skilled labour.

Youth unemployment is about three times higher than for the general population, largely due to the low absorption of school leavers into the formal employment sector. A growing number of children are engaged in the worst forms of child labour, illicit activities and hazardous work. Many children below the age of 18 work as domestic servants, on plantations, and in the tourist industry.

PNG's long-term development strategy, "Vision 2050", stresses the importance of human capital development, and the empowerment of women, youth and vulnerable groups.

Sources: ILO KILM.

## Ratified Conventions

Papua New Guinea has ratified 26 ILO Conventions including all eight Fundamental Conventions:

- C.29 - Forced Labour Convention, 1930
- C.87 - Freedom of Association and Protection of the Right to Organise Convention, 1948
- C.98 - Right to Organise and Collective Bargaining Convention, 1949
- C.100 - Equal Remuneration Convention, 1951
- C.105 - Abolition of Forced Labour Convention, 1957 (Not in force)
- C.111 - Discrimination (Employment and Occupation) Convention, 1958
- C.138 - Minimum Age Convention, 1973
- C.182 - Worst Forms of Child Labour Convention, 1999

## The ILO - Who We Are

The International Labour Organization (ILO) is the UN specialized agency dealing with work and workplace issues, and related rights and standards. Its overarching goal is to achieve decent work for all so everyone benefits from working conditions that offer freedom, equity, security and human dignity. In working towards this goal the ILO has four principal strategic objectives:

- To promote and realize standards, and fundamental principles and rights at work.
- To create greater opportunities for women and men to secure decent employment.
- To enhance the coverage and effectiveness of social protection for all.
- To strengthen the relationship between workers, employers and governments, and encourage social dialogue.

Founded in 1919, the ILO is the only surviving major creation of the Treaty of Versailles, which established the League of Nations. It became the first specialized agency of the United Nations in 1946.

# The ILO in Papua New Guinea

PNG became a member of the ILO in 1976, a year after it gained independence. The ILO work in PNG is managed by ILO Country Office for South Pacific Island in Fiji. The ILO is also a member of the United Nations Country Team in PNG, one of the countries where the UN is committed to Delivering as One.

## Current areas of work

PNG's first Decent Work Country Programme (2009-12) was formulated around the following key priorities:

- Capacity building for tripartite partners.
- Labour law reform.
- Promotion of decent work.
- Skills development.

This first DWCP has delivered satisfactory outcomes in the priority areas and most notably it has strengthened social partners' capability to provide quality services to their members, enforced international and national labour standards, and institutionalized social dialogue mechanism. It has also helped PNG adopt and implement youth employment policies, update labour market information, revise labour laws, implement new Industrial Relations Act, and eliminate child labour.



However, PNG still faces challenges to create more jobs for the labour force, strengthen labour legislation and institutional frameworks, improve social protection and further enhance tripartite capacity. The 2013-2015 DWCP aims to address these challenges, and focuses on the following objectives:

- Completion and implementation of national labour law reform, including migration law and policy.
- A national employment strategy and implementation framework that creates and improves access for young women and men to decent employment.
- Tripartite capacity is strengthened.

The ILO has carried out a wide range of projects to support these objectives:

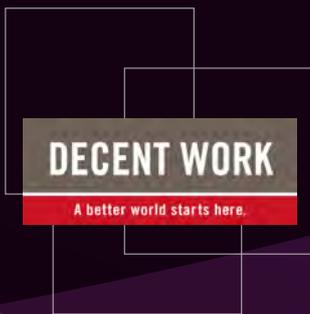
- **Start and Improve Your Business Project (SIYB).** A set of tools for enterprise development produced and more than 100 trainers trained.
- **HIV/AIDS in the Workplace.** A toolkit for the development and implementation of HIV/AIDS workplace policies developed, and assistance given to develop a legislative framework and workplace policy.
- **Tackling Child Labour through Education Project (TACKLE).** Legal frameworks and policies strengthened, capacity to implement child labour laws enhanced, replicable models for direct interventions to remove children from hazardous work created and access to appropriate educational alternatives provided.
- **Sub-regional Programme on Education, Employability and Decent Work for Youth in the Pacific Island Countries.** Labour market information assessment completed, constituents introduced to the process in formulating a national action plan on youth employment, a series of training on rural economic empowerment, youth entrepreneurship, and labour market information organized.
- **Australia's Seasonal Work Programme (SWP).** Safe and timely recruitment of workers facilitated, the capacity of the government to formulate and implement seasonal migration law and policy strengthened, pre-departure and reintegration training resources developed.

## Social partners

ILO's tripartite constituents in PNG include the Department of Labour and Industrial Relations (DLIR), the Employers' Federation of PNG (EFPNG) and the PNG Trade Union Congress (PNGTUC). The ILO supports DLIR in building capacity in the areas of finance and labour market information. The ILO assists the EFPNG and PNGTUC, in improving, bargaining practices, dispute resolution and the elimination of discrimination and harassment in employment as well implementing good practices relating to OSH.

## The International Labour Organization

The International Labour Organization (ILO) is the UN agency for the world of work. It was founded in 1919 as part of the Treaty of Versailles that ended World War I, to reflect the principle that universal and lasting peace can only be achieved if it is built on social justice. The ILO is the only 'tripartite' United Nations agency that brings together representatives of governments, employers and workers to shape policies and programmes for social justice and decent working and living conditions for all women and men. For this it was awarded the Nobel Peace Prize in 1969. The ILO is also responsible for drawing up and overseeing international labour standards (Conventions and Recommendations). This unique arrangement gives the organization an edge in incorporating 'real world' knowledge about employment and work into its activities.



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