

## MANAGEMENT OF NATIONAL EMPLOYMENT CENTRE (NEC)

PARLIAMENTARY PAPER	QUESTION	RESPONSE
General Questions	Background information <ul style="list-style-type: none"> <li>• Role and functions of NEC</li> </ul>	<p>*NEC was established under the NEC Act 2009 to provide social justice to unemployed persons through provision of targeted skills and competencies, as well as facilitate their participation towards sustainable employment.</p> <p>*NEC's primary objective is to boost employment creation and improving productivity nation-wide through a better governance framework and its core function is to consolidate all employment creation agencies in a "one-stop" quality service for all unemployed persons.</p> <p>*There are four (4) employment creation services established under the NEC Decree 2009 which includes the Formal Employment Service (FES), Fiji Volunteer Service (FVS), Self Employment Service (SES) and Foreign Employment Service (FORES).</p> <p>*To date only three of the Employment creation services have been launched namely: FES, FVS &amp; FORES.</p> <p>*Since 2011, the NEC operates from within the 7 Offices of the Ministry of Employment nation-wide comprising of Central/Eastern Division – Suva, West - Sigatoka, Nadi, Lautoka &amp; Ba and North - Savusavu &amp; Labasa.</p> <p>*NEC overall achievement since 2010 is attached as <b>Appendix 1.0</b>.</p>
	<b>(a) Key arrangements for NEC Existence and Operations</b>	
	1. Seven regulations have been developed as required by the NEC	*We have obtained the vetted copies from SGs Office, which we will go through before it is submitted to the Board thereafter gazetted. Timeline is 31 July,

	Decree 2009 which was subsequently reviewed in 2011. However, the Regulations are still waiting vetting from the SG's Office before gazetting.	2018 or before. The strategic intent in the design of the Regulations were to test the draft first on the ground, (given we starting NEC from ground zero) and from the practical learning, fine tune the regulations before gazetting.
	2. The NEC Board since 2011 has not been having the required number of meetings as prescribed under the NEC Decree 2009.	*Reason the NEC Board was not convened was due to the limited and restrictive environment surrounding the start of the NEC. Initially, there were no permanent staff appointment for NEC in the roll-out from 2010 until 2013, given that former PSC froze the new posts in the civil service. While the modernise NEC legal framework was gazetted, the posts and the budget was not approved to ensure the proper running of a new labour market institution with its governance framework. However since 2015, we managed to conduct consistent NEC Board meetings as per the NEC Act.
	3. The establishment of Self Employment Services (SES) is still awaiting implementation of Cabinet Decision 85 of 13 <sup>th</sup> March 2012.	*There is an overlap of this amongst other competing Govt Agencies, particularly the Ministry of Trade and Industry.
	4. The required number of staffing for NEC endorsed by Cabinet has not eventuated. The limited number of staff for NEC currently under the Ministry of Labour has greatly affected its operations in the centres.	*In 2013, a total of 16 established post was approved with its budget allocation and with the expansion of the Services in the Divisions, In addition, Volunteers were engaged to assist in the roll-out.
	5. NEC has not been effective in engaging strategic partners	*Since 2015, NEC have been effective in engaging strategic partners (Police/Foreign Affairs/Training Institutions/Health/ILO/Regional Countries/Volunteer Organisations/UNV)

	6. Practical application of Section 44 of the Decree is somewhat difficult	*The NEC roll-out was done in the spirit of the new Employment Relations Act 2015 which promotes good faith employment relations, social justice and safe and productivity driven workplaces. Our strategic intent were to ride on these new culture and promote the NEC roll-out and appeal on the corporate social responsibility of employers rather than the “big stick” approach. The reality is to change a culture is not always easy, but the workplace environment is changing for the good, however, not as fast as expected.
	7. Training package for competency based and value based skill is not broken down into module to adequately cover ISO 9001 to ISO 2600.	*Working with Fiji Higher Education on the review of the Training Package (LST). The NEC as a new labour market institution is ISO 9001:2008 certified since July 2016.
	<b>(b) Managing key activities of NEC</b>	
	1. Identification cards are not issued to the unemployed persons who have been registered with NEC.	*Lack of finance – currently issuing NEC Numbers through letter heads. The budget requested initially to roll-out NEC was not allocated, thus we have to cut back on many areas of operations.
	2. No evidence existed to indicate that a criterion is in place governing engagement of consultants providing professional counselling services	*Yes no framework but working on it now with Fiji Higher Education on the content of both the Professional Counselling and Aptitude Test.
	3. The NEC database has limited ability to generate some essential and required reports	*Currently the vendors are working on the revamp of the database to generate the required reports needed by the Hon. Minister, PS, internal clients, CSOs, NGOs, other Government Ministries and stakeholders.
	4. NEC was not able to meet their 2012 awareness target and conduct awareness for tertiary institutions	*This is largely due to limited budget and manpower. <b>However, now with increased staff and budget we are exceeding targets.</b>

	5. The Centre has not been able to conduct the LST regularly throughout all the centres. The unavailability of a suitable venue has been a major hindrance.	*This is due to limited budget and manpower. <b>However given the increase in staff and budget the Centre is meeting its Annual targets.</b>
	6. The current system of identifying the suitable employment skill training is not effective as there are still more NEC clients being absorbed into the permanent workforce.	* This is directly related to issue (3) above.
	<b>(c.) Monitoring and Reporting activities of NEC</b>	
	1. The Centre has not prepared quarterly or bi annual performance reports as required under the given legislation	*The Centre provide reports to the NEC Board. The non-functioning of the NEC database which was suppose to generate reports did not eventuate thus the non submission of these performance reports. However, the NEC reports were submitted on a quarterly basis within the Ministry process and to account for its Annual targets are per the Ministry Corporate Plan.
	2. Audit was not able to ascertain whether reports from the two agencies providing services not managed by NEC were prepared and submitted quarterly, bi-annually and annually by the responsible agencies	*The Reports were in fact submitted by both the two agencies upon completion of their activities. FNU provides individual reports on each client as well as the provider providing counselling services.
	3. Review of the NEC Board papers prepared for the Board's recent	*With the absence of a Director, NEC Board Papers are vetted by the Team Leaders, Manager before it is submitted DS. Amendments made and forwarded

	meeting found errors in the performance update of certain activities of the NEC.	to PS for her final comments. The NEC is still without a Director, however, we hope to get a new person in to ensure the quality of service delivery.
	4. Apart from NEC the other ECS agencies do not submit their annual report to NEC Secretariat that will enable them to integrate it as an integrated report of all the ECS.	*This is still a challenge given the non-implementation of the earlier Cabinet Decision of March 2012.
	5. The mechanism in place to monitor absorption of clients into permanent employment is not quite effective	*Currently working on a process to identify clients absorbed into permanent employment and under work attachments. The non –functioning of the database is a major factor to this which will soon be resolved.
	<b>(d) Overall conclusion</b>	
	In view of the limited funding and staffing, the audit acknowledges the great work done by the Ministry of Labour so far on the establishment and operations of the NEC. The NEC Board has also played a critical role over the years on the establishment and implementation of the NEC. Cabinet's commitment on the program is also evident through the endorsement of Cabinet Papers on the NEC submitted by the Ministry. However, the success and sustainability of the program is heavily reliant on the finalisation of the draft Regulations and the co-operation and	The NEC is certified to ISO 9001:2008 in July 2016. This is a mandatory requirement to ensure good governance and quality service delivery.

	commitment of other agencies that are part of the initiative	
	<b>(e) General Recommendation</b>	
	The Ministry of Labour should continue to follow up with the various agencies to ensure the full implementation of the Cabinet Decisions and requirements of the NEC Decree 2009 in respect to the set up and operations of NEC	The Ministry notes and acknowledges the oversight of the OAG for continuous service delivery.

## Appendix 1.0

## Achievement of NEC since 2010

Activities	2010	2011	2012	2013	2014	2015	2016	October 2017	Accumulative 2010 - 2017
Registration	9,549	13,097	3,696	6,225	6,177	10,124	3,251	3,834	55,953
Professional Counselling	3,825	9,976	2,832	1,284	1,011	-	-	718	19,646
Aptitude Assessment	3,338	9,976	2,830	1,252	1,011	-	-	718	19,125
Life Skills Training	2,351	5,431	1,333	1,014	712	192	410	910	12,353
Employment Skills Training	152	2,360	184	-	250	-	35	155	3,136
Pre-Departure Training							66	210	276
Post-Arrival Training							-	68	68
Work Attachment	72	1,012	762	1,256	962	832	413	519	5,828
Volunteer	14	242	112	91	297	49	24	24	853
Local Employment	145	444	990	652	3,221	415	426	1,122	7,415
Foreign Employment	-	1	20	15	28	124	60	348	596
Public Awareness	-	68	65	78	138	190	117	194	850
MOU with Employers	-	65	58	70	119	84	59	42	497