



Employment of last resort: an opportunity for displaced population of Colombia

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Displacement: A humanitarian crisis in Colombia

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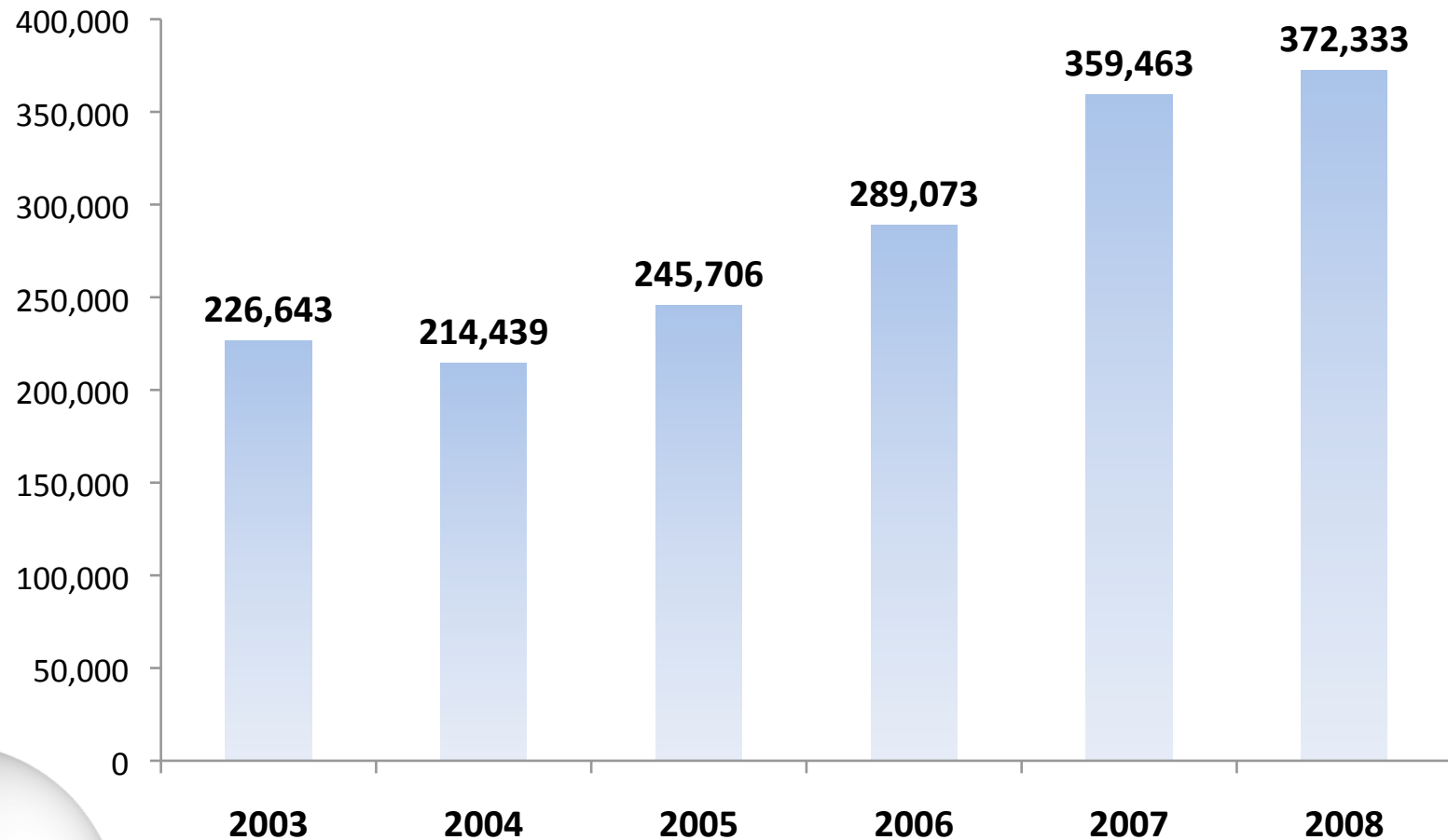
A diagnosis

- Up until March 2009, displacement in Colombia rose to 2.98 million people.
- However, Codhes (Human Rights and displacement advisory group) asserts that up until 2008, displacement in Colombia may have exceeded 4 million people.





Colombia's annual displacement rate



Source: Agencia Presidencial para la Acción Social





A Diagnosis

- 40.3% of the displaced population are between 0 and 19 years old.
- 26.7% of them are between 20 and 39 years old.
- There is no available statistics data about the age range of 15.8% of the displaced population.





A Diagnosis

- 48,8% of the displaced population are women.
- The approximate number of displaced households is 662,000
- **47% are headed by women.**





No going back opportunity

- According to Codhes, the largest amount of abandoned land by displaced people is in the Caribbean Region (38.2%), followed by the Amazon and the Pacific Regions (34.5%) and the Andean Region (27.3%).



No going back opportunity

- In the Caribbean Region, 48.6% of displaced people reports land ownership before displacement.

Each family abandoned 13.7 hectares of land on average.

- In the Andean Region, each family abandoned 11.8 hectares of land on average and left 2.5 hectares of crops.





Colombia's displacement ranking in the world

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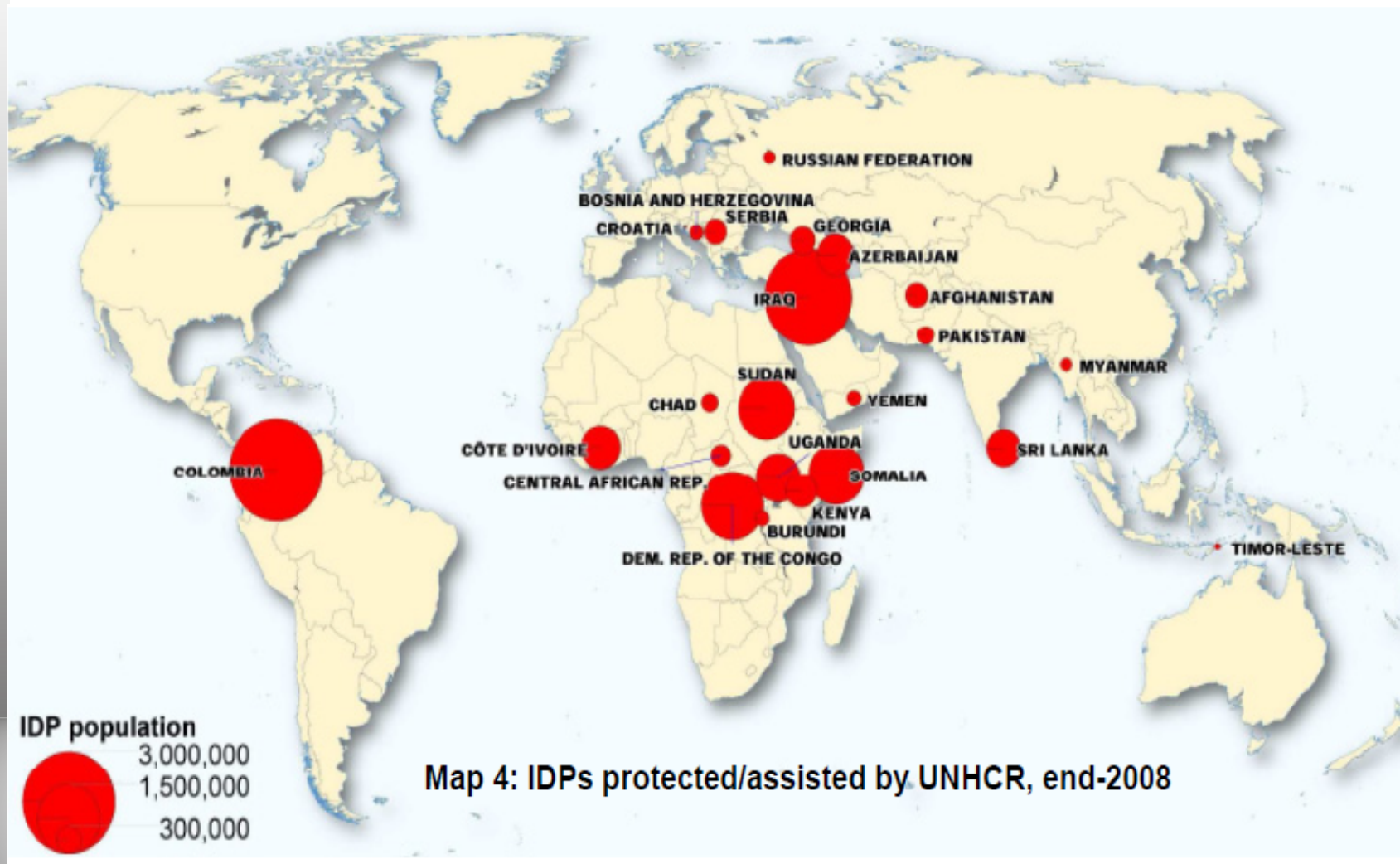
Internally displaced persons (IDP)

- Colombia has the largest number of internally displaced population around the world.
- Followed by Iraq with 2.6 million of internally displaced persons.
- Congo and Somalia have 1.5 million and 1.3 million IDP respectively.





Internally displaced persons



Source: UNHCR

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A Possible Way Out

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A Possible Way Out

- Internal displacement is one of the big issues around the world.
- In Colombia, there is no analysis in either the agricultural sector nor from the labor market perspective that will support a way out.





Employment of last resort: A Transitory or A permanent choice

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Employment of last resort

- It is impossible to return the land of the displaced population of Colombia.
- Security risks continue and the displaced people are afraid to go back.
- Last resort or employment of last resort will be the main answer to this humanitarian crisis.





Cash income transfers vs. last resort or employment of last resort

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Advantages and disadvantages

- Fiscal resources
- Human development
- Informal employment stimulus
- Preparation for formal employment
- How should the transition be?



Employment of last resort: an opportunity for the displaced population of Colombia

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Characteristics

Establish a Legal minimal wage with:

- Cash transferences for workers
- Creation of Investment projects
- Stimulus for formal employment





Investment projects

Investment projects encourage formal employment when:

- They dignify the labor market
- When employment of last resort is used to reactivate the economy





The importance of wages' structure

- Focused to poorest people's needs
- Maintenance of stimulus to promote formal employment, when possible.
- Secure the highest coverage for the poor, within a fix budget





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