

Question 21/1: Impact of telecommunication development on the creation of employment

1 Statement of the situation

Pursuant to the ITU Constitution, one of the functions of the Telecommunication Development Sector (ITU-D) is to raise the level of awareness concerning the important role of telecommunications in national economic and social development programmes (No. 121 of the Constitution).

Similarly, ITU-D is to "offer advice, carry out or sponsor studies, as necessary, on technical, economic, financial ... and policy issues ..." (No. 127 of the Constitution).

Given that the expansion and improvement of telecommunications are highly significant factors both for countries' social, economic, cultural and political development and for the balanced integration of the different communities within each country, the proposed Question is one of the most pressing issues for many countries, especially developing countries and least developed countries (LDCs), for whom the creation of employment and technology research and development are among the most immediate challenges to be met.

Access to a decent job is a natural antidote to social exclusion, with the result that the impact of telecommunication development on job creation is therefore worth analysing, gauging and possibly promoting in the quest to improve conditions of life.

On the occasion of the first phase of WSIS, in the Geneva Declaration, the representatives assembled at the Summit signified their awareness that *"ICTs should be regarded as tools and not as an end in themselves. Under favourable conditions, these technologies can be a powerful instrument, **increasing productivity, generating economic growth, job creation and employability, and improving the quality of life of all ...**"*, and in the action lines adopted in the Geneva Plan of Action it was acknowledged that *"... ICT applications can support sustainable development, in the fields of public administration, business, education and training, health, **employment**, environment, agriculture and science within the framework of national e-strategies ..."*, while *"... government policies should favour assistance to, and growth of, SMMEs, in the ICT industry, as well as their entry into e-business, **to stimulate economic growth and job creation as an element of a strategy for poverty reduction through wealth creation**"*.

2 Background

The growth, development and expansion of telecommunications, alongside large-scale technological development, has yielded many benefits for communities in countries, although not to the same degree for everyone, and not in all aspects of general welfare.

Unemployment statistics are one of the most significant indicators of a country's socio-economic situation, and a concern which is shared by the international bodies evaluating specific situations.

Increasing investment in the telecommunication sector in developing countries and LDCs depends on several factors relating to the level of technological development, local market potential and commercial business policy. In this context, the aim of the analysis we are proposing here is to measure the effect of this investment on the local labour market and evaluate the quantitative and qualitative impact of the new jobs created in terms of strengthening national economies.

Thus, ITU must not overlook the contribution that can be made to job creation, from the specific standpoint of the world telecommunication sector, through its inclusion as a subject for study and research for developing countries and LDCs.

3 Expected outputs

The anticipated output of this study Question would be a comprehensive report containing a qualitative and quantitative evaluation of direct and indirect jobs created by telecommunication development in national labour markets, distinguishing in principle between four subsectors: 1) marketing and sale of services and equipment, 2) network installation, 3) manufacturing of network and terminal equipment, and 4) technology research and development.

The report would be useful both for various entities in the Member States and for various public and private institutions that manage job creation and R&D programmes and policies.

It would also be of benefit to equipment suppliers and service operators, by providing information that could guide them in their investments through a more comprehensive understanding of the markets in which they operate or plan to develop business operations.

4 Timing

These activities should be included in the work programme for ITU-D Study Group 1 for 2006-2010 as a new Question.

However, if the report referred to under "Expected outputs" above were to be completed before 2010, it would be submitted to TDAG for consideration, both for approval and so as to determine any further work required to pursue and explore in greater depth particular points emerging from the report.

5 Proposers

Argentine Administration.

6 Sources of input

The main inputs would come from indicators and data available in the Member States and information that might be provided by Sector Members, which would provide a basis for processing and elaboration. Further sources might also include interviews, existing reports and surveys in order to gather data and relevant information.

At the same time account should be taken of the work being carried out both in regional organizations and in other international organizations (ILO, OECD, etc.) dealing with employment issues.

7 Target audience

Target audience	Developed countries	Developing countries	Least developed countries (LDCs)
Telecom policy-makers	Interested	Very interested	Very interested
Telecom regulators	Interested	Very interested	Very interested
Service providers/operators	Interested	Very interested	Very interested
Manufacturers	Interested	Very interested	Very interested
Other State entities	Interested	Very interested	Very interested

a) Target audience

The proposed work will be useful for bodies in the Member States, such as the telecommunication administrations and administrations dealing with planning and management of public employment policies, and for the private sector, which will have better information on the basis of which to design business plans.

b) Proposed methods for the implementation of the results

At the end of the study period, a comprehensive report on the above Question could be distributed to authorities, organizations and enterprises that so wish in the telecommunication sector. The whole report or a summary could also be published on the ITU website.

8 Proposed methods of handling the Question

a) The Question will be studied within Study Group 1.

b) Study of this subject will require the collection of data, analysis and the formulation of conclusions based on the experience of various Member States.

To this end, for optimum organization within Study Group 1, it will be necessary to set up a working party, with terms of reference to be assigned by the study group.

9 Coordination

On the basis of the evaluation of the subject to be conducted, it might prove useful to set up some form of coordination with other international organizations working in the development and employment fields.

10 Other information
