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The labour market in Cameroon: Recent developments

Submitted by:

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I. Economic environment

After about ten years of economic recession, Cameroon returned to its growth path since the financial year 1994/1995. Indeed, when the crisis was officially declared in 1986/87, a number of measures were taken immediately in order to reduce the government spending: recruitment was stopped in the public service, the financial bills for salary increase were suspended, some benefits of senior officials (water, electricity, telephone, housing, etc.) were reduced. This policy was then called internal adjustment. These internal adjustment measures were not able to reverse the recession tendency of the Cameroonian economy. Then a structural adjustment programme was adopted in October 1988 and implemented more or less seriously until the CFA Franc was devalued in 1994.

We then entered the period of the second generation of reforms whereby the process of privatization of public enterprises took on a faster pace. The banking landscape acquired new institutions, both formal and informal (creation of many savings and credit cooperatives). Foreign trade was increasingly liberalized, with a tendency for the fiscal weight to diminish in this sector. A new constitution was adopted in January 1996 and established the decentralization principle as the model of management to be used by the State. A triennial economic programme covering the period 1997-1999 and based on the Facilitation for Poverty Reduction and Growth (FRPC) was adopted. One of the major objectives of this programme, which was completed in June 2000, was poverty reduction. In October 2000, Cameroon was admitted to the Highly Indebted Poor Countries initiative. The country therefore benefited from a reduction of its foreign debt. With the implementation of these reforms and a more or less enabling international environment, macroeconomic data show a reversal of the decreasing tendency of the current Gross Domestic Product (GDP), as indicated in the table below:

Table 1: Recent development of GDP and its use (10⁹ CFA Francs)

Aggregates	1994/95	1995/96	1996/97	1997/98
1. Final consumer expenditure	3 584,97	3 824,63	4 406,38	4 762,75
4. Investment	599,80	617,70	693,01	772,57
5. Exports	1 077,27	1 183,09	1 289,77	1 380,05
6. Imports	796,94	835,34	1 1018,59	1 171,38
GDP (1 + 4 + 5 + 6)	4 465,08	4 793,08	5 370,58	5 744,00
7. Debt service as a % of exports	19,0	33,7	26,1	34,5
8. Outstanding external debt as a % GDP	97,3	91,1	83,0	74,3

Source: Directorate of Statistics and National Accounts (DSCN) and the Autonomous Redemption Fund (CAA)

The above table shows that all the aggregates that make up the GDP have been increasing markedly since 1994/1995. In particular, the increase of the final consumer expenditure could indicate an improvement of the consumers' standard of living. This is not necessarily the case, since the general price increase was not accompanied by any similar change in the revenues of households.

Table 2: Development of the retail consumer price index (base 100 in 1993)

Expenditure items	1995	1996	1997	1998	1999
Food, beverages and tobacco	154,9	159,0	170,2	176,6	178,6
- Foodstuffs	155,5	160,3	171,6	177,2	179,0
- Beverages and tobacco	147,6	150,8	160,9	167,3	172,2
Clothing and footwear	140,5	145,4	151,1	161,6	174,1
Household expenditure	135,0	134,4	134,0	139,4	143,5
Health and personal care	129,6	131,5	134,3	137,7	137,9
Transport and communication	140,3	155,9	160,0	159,9	159,0
Education and leisure	130,8	141,6	147,2	145,2	147,6
NATIONAL INDEX	144,5	150,2	157,3	162,4	165,4
Real growth rate	3,3	5,0	5,1	5,0	n.a

Source : DSCN and Banque des États de l'Afrique Centrale (BEAC)

Considering that in 1993 the public service salaries were reduced by up to 60% in some instances, it is understandable that the buying power of civil servants was significantly reduced between then and 2000.

II. Labour market data

The government recognizes that the employment situation remains of great concern in Cameroon (Ministry of Finances, Economic and Financial Report 1999/2000, p.45). Unemployment affects more than 25% of the active population, particularly the youth in urban areas.

In terms of institutional developments, the government has adopted a National Employment Policy Bill. In support of this bill, an employment observatory has been set up. Its main objective is "*to facilitate employment and the optimal utilization of human resources*". Reforms have been undertaken through programmes in vocational training centres. These reforms are intended to "*adapt training to the requirements of the labour market*".

Since about three years, the State seems to tolerate the existence of public service independent unions, without necessarily going as far as reconsidering the application texts of the 1990 Act on the freedom of association, which postponed the texts on the unions. In the teaching circles where the unionisation remains low (about 20%), the unions that are not in the pay of the local authorities are from time to time invited by the public authorities to attend some meetings at the ministries in charge. But this apparent consultation with the unions has not yet led to any significant improvement of the workers' working and living conditions. The government of Cameroon appears to have mastered the art of not respecting any commitment made vis-à-vis its employees and other social forces. The State is not in a hurry to implement all the pieces of legislation made in the education sector, especially the act on school orientation.

As regards the payroll, according to the economic and financial report cited above, the number of workers in the member enterprises of GICAM (an employers union) decreased by 0.8% in 1998/1999. Conversely, the number of workers in the member enterprises of SYNDUSTRICAM (another employers union) increased by 0.23%. In the public sector, the number of employees grew from 160 197 in July 1997 to 161 340 in March 2000. The tables below show the statistical trend of the labour market in Cameroon.

Table 3: Demographic data

Indicators	1993/94	1994/95	1995/96	1996/97
Total population	12 927 000	12 277 000	13 658 500	14 045 000
- male	6 367 000	6 540 000	6 729 500	6 921 000
- female	6 560 000	6 737 000	6 929 000	7 124 000
Total active population	5 035 300	5 108 000	5 254 600	5 403 500
Occupied active population	4 783 500	4 852 600	4 991 900	5 123 300
Pop. per age group (in %)	100,0	100,0	100,0	100,0
- below 6 years	20,6	20,2	20,0	19,9
- 06 to 14 years	25,1	25,0	24,9	24,8
- 15 to 54 years	46,9	47,4	47,7	47,8
- 55 ans +	7,4	7,4	7,4	7,4

Source: DSCN

Table 4: Distribution of employment by activity sector (10³)

Items	1993/94	1994/95	1995/96	1996/97
Total employment	3910,09	4028,34	4108,74	4188,74
• Agriculture	2323,57	2397,42	2462,54	2483,51
• Industry	429,13	456,20	469,23	507,69
• Services	1102,69	1119,14	1120,63	1113,35

Source : DSCN

Table 5: Employment in the public service

Status	1993/94	1994/95	1995/96	1996/97	1997/98
Civil servants	78 058	73 290	90 822	90 762	94 671
Contract workers	9 477	9 112	8 991	8 625	8 031
Decision makers	37 530	35 602	31 228	29 069	25 497
Others	n.a	n.a	4 852	4 399	2 623
Ensemble	125 065	118 004	135 903	132 855	130 275

Source : DSCN

Table 6: Jobs created by the National Employment Fund (FNE)

	1994/95	1995/96	1996/97	1997/98
Placements	6 228	3 190	2 297	2 916
Jobs generated by FNE-financed projects	1 132	1 116	393	1 070
Total	7 360	4 306	2 690	3 986

Source: FNE

Table 7: Distribution of job seekers at the FNE in 1997/1998

Sex	Level of studies			Total
	Tertiary	Secondary	No certificate	
Men	1 527	2 896	843	5 266
Women	897	1 948	247	3 093
Total	2 424	4 845	1 090	8 359

Source : FNE

Table 8: Distribution of job seekers by sex and reason for unemployment

Sex	Reason for unemployment				Total
	First job	Fired	Resignation	Other reasons	
Men	2 528	1 106	263	1 369	5 266
Women	2 041	340	155	357	3 093
Total	4 569	1 446	418	1 926	8 359

Source : FNE

Table 9: Distribution of job seekers by sex and age group (1997/98)

Sex	< 20 years	20 to 30 yrs	30 to 40 yrs	40 to 50 yrs	> 50 years	Total
Men	53	3 160	1 475	474	105	5 266
Women	62	2 196	649	155	31	3 093
Total	115	5 356	2 124	629	136	8 359

Source: FNE

Table 10: Distribution of job seekers by sex and period of unemployment

Sex	< 12 months	12 to 24 months	24 to 36 months	36 to 48 months	> 48 months	Total
Men	1 896	1 790	737	316	474	5 266
Women	1 237	974	433	170	278	3 093
Total	3 133	2 765	1 170	486	752	8 359

Source: FNE

Table 11: Gross monthly salary grid trend for civil servants since 1979

Categories	D		C		B1		B2		A1		A2	
	105	210	185	330	300	575	375	585	430	945	465	1140
December 79	24 086	48 173	42 438	75 701	68 819	126 815	76 850	143 541	98 541	204 922	106 670	247 208
February 81	26 502	53 004	46 694	83 292	75 720	132 250	84 534	157 550	108 532	217 350	117 363	262 200
December 81	30 640	60 938	53 684	95 762	87 056	167 057	97 213	191 869	124 781	257 607	134 937	306 912
December 82	35 640	70 690	62 274	111 084	100 986	189 182	112 767	219 295	144 746	292 153	156 528	346 422
November 83	40 646	81 293	71 605	127 746	116 133	216 496	129 681	250 142	166 457	329 671	180 006	389 318
July 85	45 117	90 234	79 344	141 797	128 907	238 953	143 946	274 311	184 766	357 885	199 805	420 566
January 93	45 117	82 914	72 339	120 528	109 571	195 926	122 354	219 417	155 204	286 230	167 837	336 341
November 93	29 326	49 842	45 167	66 627	61 939	97 838	67 394	107 470	81 142	134 242	86 332	154 287
February 97	35 700	71 400	62 900	105 750	102 000	135 625	106 375	148 265	118 250	177 645	122 625	199 680
July 2000	32 800	79 380	68 040	118 050	102 06	152 025	109 620	173 075	125 025	213 275	133 550	243 600

Source : DSCN

Table 12: Gross monthly salary grid trend for administration contract workers since 1979

Categories	VII		VIII		IX		X		XI		XII	
	1	12	1	12	1	12	1	12	1	12	1	12
December 79	45 729	86 802	60 027	113 938	69 669	132 247	83 488	158 480	93 353	171 509	121 042	229 762
February 81	49 387	93 747	64 829	123 053	73 449	140 181	88 497	167 988	95 274	181 799	128 304	243 547
December 81	55 313	104 997	72 607	137 820	81 235	154 201	97 348	189 789	105 351	199 979	141 134	267 907
December 82	62 503	118 645	52 047	155 735	91 793	174 244	107 080	203 264	115 886	219 975	155 247	294 691
November 83	70 003	132 882	91 892	174 423	102 808	195 153	117 788	223 590	124 474	241 972	170 771	324 160
July 85	77 703	147 499	102 000	193 609	114 116	216 619	130 744	248 184	141 496	268 588	189 555	359 817
January 93	68 378	129 799	86 700	162 567	95 857	181 959	107 210	203 510	113 196	214 870	151 644	287 853
November 93	42 979	70 521	51 905	84 981	56 026	92 112	60 924	100 048	63 498	105 605	79 683	134 892
February 97	57 162	93 289	69 034	110 814	74 445	119 158	80 826	129 197	84 159	134 320	104 616	166 535
July 2000	64 105	107 232	78 540	127 782	85 016	138 636	93 090	151 640	97 632	159 004	122 453	198 799

Source : DSCN

Table 13: Unemployment rate by standard of living and region

	Poor	Intermediate	Well-off	Total
Yaoundé	40,1	30,1	24,6	30,6
Douala	45,4	17,0	19,6	23,6
Other towns	24,2	9,7	13,1	13,6
Forests	4,4	3,2	5,7	4,2
Highlands	8,2	2,7	0,0	5,6
Savannah	0,9	2,3	0,0	1,3
Total	8,2	6,8	12,1	8,4

Source: DSCN Cameroonian Survey of Households (ECAM) 1996.