preparing National Action Plans on youth employment

promoting youth employment: issues and policy instruments

module 2
• issues
  – definitions
  – factors affecting youth’s entrance in the labour market
  – youth employment trends
  – employment problems: causes
  – the benefits of investing in youth employment

• policy instruments for youth employment: lessons learned
  – economic policies for employment expansion
  – skills, technology and employability
  – enterprise development
  – labour market policies and institutions
  – governance, empowerment and organizational capital
**youth: definitions**

- **UN definition:** 15-24 years old
  - → 15-19 = teenagers
  - → 20-24 = young adults

- **different statistic definitions are used at the country level**
The opportunities for youth to enter the labour market are influenced by factors such as:

- family background
- educational level
- location (e.g. urban vs. rural)
- ethnic background, caste, religion
- gender
- disability, health problems
- language
• youth labour force participation is declining globally
• youth unemployment is increasing in many regions
• youth unemployment rates are invariably higher than comparable rates for adults
• youth unemployment is not the only or the worst of youth employment problems:
youth employment trends (cont)

• unemployment
• under-employment
• precarious employment
• low levels of productivity
• low earnings, poverty
• unsafe and/or unhealthy work
• child labour, forced labour
• discrimination
• lack of «voice» and representation
• …
employment problems: causes

- weak overall demand for labour
- failing of labour market institutions
- lack of needed skills and/or experience
- structural and/or technological change
- discrimination
- mobility constraints
- information constraints
- ...

unemployment and/or under-employment
access by youth to productive and decent work has several benefits:

• economic returns
  – decent job as a key factor in breaking the vicious cycle of poverty
  – youth have more to spend as a consumers and more to contribute as taxpayers
  – youth’s energy, innovation and creativity are an asset for companies
  – unemployment and/or under-employment often motivate youth to emigrate (with possible consequent "brain drain")

• societal & individual gains
  – unemployment could lead youth to frustration, exclusion and depression
  – productive employment can reduce youth’s anti-social behaviour
  – decent jobs help youth to exercise their rights as citizens, fostering social inclusion and advancing democratization
policy instruments for youth employment: lessons learned
• need to prioritize employment in economic and social policy-making
• review impact of macroeconomic and social policies on youth employment
• identify and develop sectoral policies in sectors with youth employment creation potential
• use investments in infrastructure, including through labour-based public works, to promote employment among low-income and low-skilled youth
• education makes young people trainable, and training makes them employable
• make vocational education and training (VET) responsive to labour market requirements
• strengthen links between education and training and the world of work
• involve the social partners in design and implementation of VET policies and programmes
• improve business environment and enterprise development policies as a way to expand job opportunities for youth
• include entrepreneurship training in youth employment strategy
• ensure that entrepreneurship initiatives for youth are part of a broader strategy for business development
• improve the targeting of youth entrepreneurship initiatives, including micro-credit programmes
• lowering the wages of young people unlikely to be an effective means of combating youth unemployment
• no conclusive evidence that increasing flexibility for youth improves decent employment outcomes
• design ALMPs as an integrated package of services and target them to the most disadvantaged youth
• improve the capacity of Public Employment Service to bridge demand and supply of labour and to tailor their services to young jobseekers
• progress in improving the employment situation of young people requires broad-based and sustained commitment by several actors

• success also requires an integrated and coherent approach, combining general as well as targeted interventions

• well-designed and well-implemented NAPs can be a useful mechanism to reach such an approach