

# Youth Employment Policy Brief: Nepal



Inclusive growth for youth

April 2014

International  
Labour  
Organization

## Quick Facts



- Population: 27.4 million (2012) <sup>1</sup>
- Proportion youth (15-24 yrs.) in total population: 20% (2012) <sup>1</sup>
- Total unemployment rate: 2.7% (2012) <sup>1</sup>
- Youth unemployment rate: 4.5% (2012) <sup>1</sup>
- Youth labour force participation rate: 75.5% (2012) <sup>1</sup>
- GDP (2012): US\$18.96 billion <sup>2</sup>
- GDP growth (2013): 3.6% <sup>2</sup>
- Major industries: Agriculture, Garment, and Tourism <sup>2</sup>

### China has ratified 11 [ILO Conventions](#) including seven core Conventions:

- Forced Labour Convention (No.29)
- Right to Organise and Collective Bargaining Convention (No.98)
- Equal Remuneration Convention (No. 100)
- Abolition of Forced Labour Convention (No. 105)
- Discrimination (Employment and Occupation) (No.111)
- Minimum Age Convention (No. 138)
- Worst Forms of Child Labour Convention (No. 182)

Sources: (1) [ILO](#); (2) [World Bank](#)

Nepal has experienced a complex political crisis and a great number of unemployed young people were recruited for the power battles within the country. On its route to establish a sovereign state and sustain economic recovery, one of the government's top priorities was to provide decent job opportunities to these unemployed youth, even though an uneven state presence, low education levels and damaged infrastructure compounds the difficulty in achieving the target.

### Youth unemployment and underemployment

The Government of Nepal defines youths as people aged between 15 and 40 years old and approximately, 400,000 young people enter the labour market each year. ([Dev Raj Dahal, 2010](#)) Most of them are unable to secure employment because of the lack of job opportunities and self-employment structure. Open youth unemployment rate is low (about 4.5 per cent in 2012) but the vast majority of Nepalese involved in subsistence agriculture. ([ILO, 2008](#)) Many young people are inadequately trained and inexperienced, which made it difficult to escape the poverty cycle.

### Young women

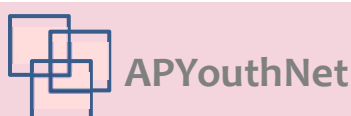
Even though labour force participation rates of young women have increased over the last decade, there is a serious gap in employment rates and transition to decent work between young men and women. ([ILO, 2008](#)) Traditional perceptions of gender roles exist in Nepalese society. Young women are forced to spend most of their time in unpaid household work, hindered for early marriages and confined to a limited choice of occupations. ([ILO, 2008](#))

### External labour migration

More than 80 per cent of young people are engaged in agriculture as self-employed, cultivating small landholdings. ([ILO, 2008](#)) Young people are attracted to external migration because of higher wages, as well as better employment and skills development opportunities. The Ministry of Labour and Transport Management estimates that there are 2.27 million Nepalese people currently abroad for work and Middle East, Malaysia and Republic of Korea are the main choice of destinations. ([NIDS and NCCR, 2011](#)). Most young migrant men are employed as guards and watchers and women work as domestic workers. ([Piyasiri Wickramasekara, 2013](#))

### Child labour

Child labour is a widespread phenomenon even though the law prohibits burdensome forms of child labour. 40.4 per cent of children aged between 5 and 17 years old are classified as children in employment. ([ILO, 2011](#)) Most children are found working in agriculture and more girls (47.6 per cent) are engaged in child labour than boys (36.1 per cent). ([ILO, 2011](#)) Commercial sex abuse, the worst violence against children, is another big concern as young girls are sold at brothels within the country and to India by human traffickers.



## Education and skills development

47 per cent of working age population has never attended any school or education. ([British Council, 2011](#)) Young women often quit education due to marriage (29.9 per cent), while the need to supplement family income (34.4 per cent) is the top reason for young men to stop education. ([ILO, 2008](#)) Approximately, 46.4 per cent of young people received some form of vocational training, but they often lament that the workshops allocate insufficient time, conducted in inaccessible places for rural youths and rarely tied up with job guarantees. ([ILO, 2008](#))



## Government priorities

The [National Youth Policy](#) designed in 2010 defines youths and their roles in the society. It highlights the capacity inherent in youths for building a prosperous, modern and just country through meaningful participation, capacity and leadership development. It shows the government's commitment to developing rural areas and agro-industry by entrepreneurship and other forms of vocational training for young people to enhance employment to tackle the youth employment crisis.

## The ILO's involvement

Since Nepal joined the ILO in 1966, the ILO office in Nepal has contributed to employment generation. Under the [Decent Work Country Programme during 2013-2017](#), the ILO aims to improve the access of young men and women to employment services and assist the Ministry of Labour and Employment to establish and strengthen Employment Information Centres which provide information and counseling services. To further aid this process, it will also support the establishment of the Labour Market Information Analysis System (LMIAS) and the adoption and implementation of the National Action Plan for Youth Employment.

## Policy and programme recommendations

As part of the [United Nations System-Wide Action Plan on Youth](#) and [Nepal's National Youth Policy](#), a range of activities are planned to support youth employment in Nepal.

- Provide an integrated programmes of quality entrepreneurship training, business development services and improved micro-finance opportunities to rural youths to promote decent self-employment opportunities.
- Provide information sessions and trainings on migration for youths and support a comprehensive legal migration system to prevent exploitation of the Nepali young workers abroad.
- Develop more market driven technical and vocational training and education to help young people secure the job opportunities and make the education and training available to rural young people in agriculture, tourism and construction sectors.
- Establish more employment service centers and provide career guidance available to young people.
- Strengthen the capacity of the social partners and promote tripartite solutions to youth employment at the local level.

## References

**British Council, 2011, *Youth Survey of Nepal***

**Dev Raj Dahal, 2010, *Social Transformation in Nepal***

**Government of Nepal, 2010, *National Youth Policy***

**ILO, 2008, *School-to-work transition: evidence from Nepal***

**ILO, 2011, *Nepal Child Labour Report***

**ILO, 2013, *Decent Work Country Programme 2013-2017***

**Nepal Institute of Development Studies (NIDS) and National Centre of Competence in Research (NCCR), 2011, *Nepal Migration Year Book 2010***

**Piyasiri Wickramasekara, , 2013, *youth employment and migration in Asia***

**For more information:**  
[www.ilo.org](http://www.ilo.org)



This policy brief was prepared by:  
**ILO Regional Office for Asia and the Pacific Youth Employment Programme**  
UN Building, 11th Floor, Rajdamnern Nok Avenue, Bangkok 10200, Thailand  
Email: [BANGKOK@ilo.org](mailto:BANGKOK@ilo.org)  
<http://www.apyouthnet.ilo.org>

*The responsibility for opinions expressed in articles, studies, and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them, or of any products, processes or geographical designations mentioned.*