

# A Global Perspective on Youth Employment

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- Why we should be concerned about youth employment?
- Global trends in youth unemployment
- Policy response

## Youth – important today and in the future



- Demographic dividend has been an important factor driving development in the Industrial Revolution and East Asia
- India has the largest youth population 66%
   of the total population is below the age of 35
  - In 2015, one in every five young people will be an Indian



#### Why should we worry?

- Young people are around three times more likely to be unemployed than adults
- Young people typically work in insecure, unprotected jobs
  - Advanced economies temporary, casual work
  - Developing countries informal economy and casualization of formal sector
- In some countries, inactivity (NEET) is a major challenge
- Isn't this just a 'rites of passage'?





- Young people are vulnerable to poor outcomes in the labour market because
  - They (may) lack education and skills
  - They do not have work experience
  - They are unable to search for jobs
  - They do not have the **financial resources** to find employment
  - They are more likely to be in precarious jobs





- Rising levels of youth unemployment/underemployment have economic costs
- Social impact of joblessness
  - Increased crime, mental health problems,
     violence, drug taking and social exclusion
- Political implications
  - Arab spring



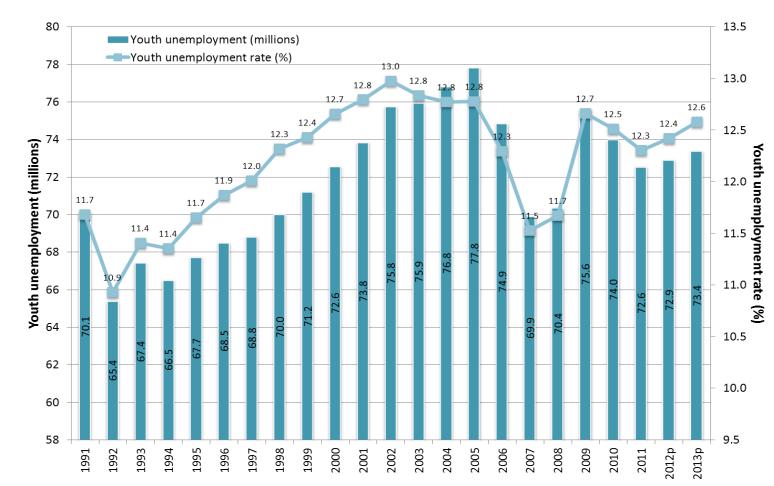


- Spells of unemployment, particularly longterm durations, can lead to scarring effects in terms of a higher likelihood of being unemployed later in life and a wage penalty
- Respond
  - Prevention through education
  - Target and support jobless/underemployed youth



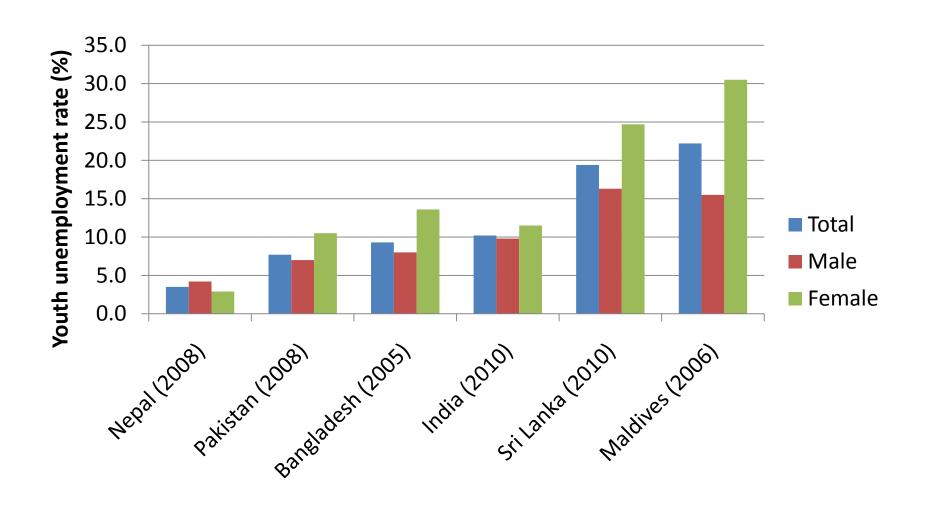
#### Global youth unemployment

#### 73.4 million youth unemployed



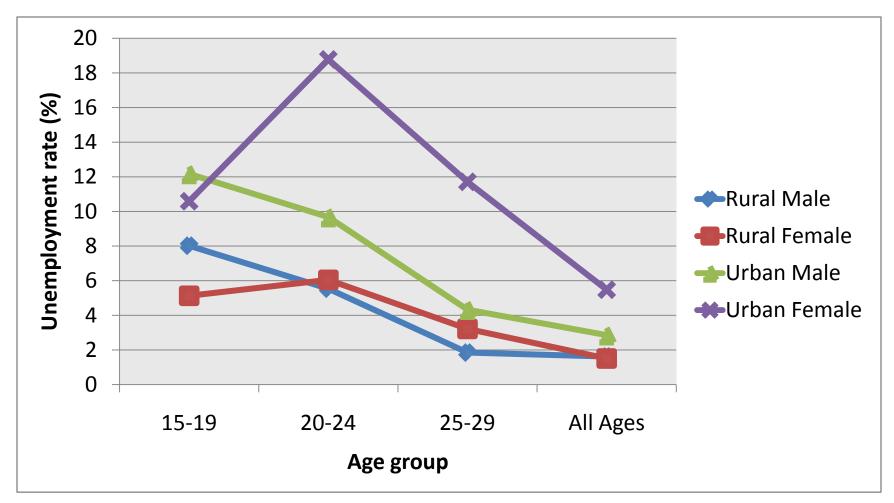


#### Youth unemployment in S Asia



# Youth unemployment is high in urban areas in India (2009-10)





#### Policy areas



- 1. Stimulate demand and create jobs for youth through pro-employment macroeconomic policies
- 2. Invest in **education and training** to enhance employability and facilitate the school-to-work transition
- 3. Improve labour market integration of young people through targeted **labour market policies**
- 4. Provide career options to young people by supporting entrepreneurship and self-employment
- 5. Ensure that young people receive equal treatment and are afforded **rights at work**

### Jovenes programmes in Latin Americational Labour Office

- Joven Programme started in Chile in 1990 before moving to other LAC (Argentina, Colombia, Peru, and Uruguay)
- Target youth from low-income households with low levels of education and work experience
- Consist of training, work experience and JSA
- Evaluations have shown that these programmes are successful in improving outcomes for participants



### THANK YOU!