



The Challenges of Youth Employment

*by Elizabeth Tinoco**

The employment situation of young people poses a political challenge on a global level, as young people's desires to work and build a life apart from their jobs conflict with the realities of a labour market in which they must deal with high unemployment and informality.

In recent years, the ILO has intensified its efforts in the understanding and diagnosis of, and policy proposals for the youth. We are particularly concerned with young people's capacity building, their civic participation, their role in development, the protection of their risks, their social inclusion (especially within productive employment) and the affirmation of their multiple identities.

Our commitment to youth stems from the conviction that this is not only a critical age in terms of reproduction and intergenerational reversal of inequalities that affect social inclusion and exclusion in our societies. We also know that youth is the link between the present and the future, and the expression of intergenerational solidarity: it's the new generations that will have to face the challenges that the ILO emphasises today with regards to the path towards decent employment.

The ILO estimates that in 2013, around 74.5 million young people between 15 and 24 years were unemployed: almost one million more than in the year before that. The global youth unemployment rate has risen to 13.1 per cent: this value is three times higher than the unemployment rate for adults. In fact, youth unemployment has reached an all time high in relation to adult unemployment, with particularly high values being recorded in the Middle East and North Africa as well as in some countries in Latin America and the Caribbean and Southern Europe. It is noteworthy that in the countries for which data are available, the percentage of young people who neither work, nor study and receive training (NEET) has continued to rise sharply since the beginning of the crisis. In some countries, it is estimated that this situation applies to about one quarter of young people between 15 and 29 years old.

In Latin America and the Caribbean, there are some 108 million young people aged between 15 and 24 years old. While many of them are still solely engaged with their studies, more than half are already part of the workforce. That is to say, they are taking their first steps into the working world. However, young people are at a disadvantage. 40 per cent of the unemployed population in the region is between 15 and 24 years old: they are facing unemployment rates that are between 2 and 4 times higher than those of adults.



Without taking decisive action, these rates shall remain as high until at least 2018. If no measures are taken, young people around the world will ultimately not be able to obtain their place within the labour market nor be able to develop their economic potential and that of their families. While this is already a tragedy in itself, it also has implications for our economies. It implies that our societies are not able to incorporate the dynamism and innovations that young men and women bring into the labour market, which are essential for growth and sustainable development.

Over the past years, many countries in Europe and Latin America and the Caribbean have been developing policies to promote decent work for youth in an effort to address the particular challenges of youth employment. From this extensive experience, we can conclude that there are no simple and collective solutions to the problem. Instead, a variety of sustainable procedures are needed to reverse such complex and structural conditions. The past few years have seen a wide range of interventions on both sides of the Atlantic.

In the case of European countries, the European Commission and national governments across Europe have implemented the so-called “Youth Guarantee”: an innovative response to an exceptional crisis that is affecting a large part of the countries in the region. The Youth Guarantee offers protection during times of difficulty and provides young women and men with the competencies needed to navigate today's labour markets, in which entering is now more difficult than ever.

In January this year, the European Commission approved a resolution to advance one billion euros towards the acceleration of action for Youth Employment. According to the European Commissioner for Employment, these funds will enable an increase of up to 30 times the pre-financing to promote youth employment and will help up to 650,000 young people to find employment more quickly.

These initiatives are aimed at those most affected among young people and among regions and countries. They allow for flexibility to combine different types of measurements that work best in different national contexts, while maintaining the overall objective of providing 'guaranteed access' to employment services, training and/or employment. The ILO collaborates with the European Youth Guarantee in various ways: by formulating recommendations for policy makers and practitioners, by proposing methodologies to estimate the costs of the Youth Guarantee and by providing an analysis of the necessary investments. The youth guarantees are no panacea, as they need to be included in employment-intensive policies for inclusive growth in order to produce the stimulation of demand that the world economy needs to overcome the crisis and embark on a more sustainable path.



The responses from Latin America are diverse as well. At the 18th American Regional Meeting of the ILO, (October 2014) the Governments, Employers and Workers of the region made an appeal to adopt various agreements to combat inequality through integrated public policies, both economic and social, that promote social inclusion, decent work and productive employment with special emphasis on the youth.

In recent years, a large part of the countries in Latin America and the Caribbean has been developing policies to promote decent work for youth, in order to address the particular challenges of youth employment. Many of these efforts have played an important role on different levels to revert this situation:

At the policy level, legislation has been passed that is aimed at improving employment conditions for young people as well as their access to the labour market. This is the case in Brazil, Chile, Colombia, Costa Rica, Honduras, Nicaragua, Peru, and most recently in Uruguay.

In the field of social protection, a large share of our countries have designed and implemented programs for youth that face employment issues as well as conditional cash transfer programs that support student enrolment and retention.

In the framework labour administration policies, public employment services have been reinforced, in many cases, by adapting them to the young population. This applies to Argentina, Costa Rica, Honduras and Peru, among other countries.

With regards to initiatives for youth entrepreneurship, concrete efforts have been made to facilitate the transition from school to business with the aim of encouraging young people to generate their own jobs. Programs developed by SENA in Colombia, SENAI in Brazil, the INA in Costa Rica ... provide young people with coaching: from identifying the business, developing the idea and the administrative procedures up to the company's consolidation and take-off.

In any event, even though there are no "magical" or single solutions for this problem, the exchange of experiences concerning initiatives such as these running both in Europe and in Latin America, along with political and financial commitment as in the European case, is definitely a good model for the way to go.



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