

ENABLING SUCCESS:

Supporting Young People in their Transitions from Learning to Decent Work

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Prepared for the *Regional High-Level Meeting on Young People's Learning, Skilling, Social Inclusion, and Transition to Decent Work*, Amman, Jordan, 23-24 May 2022

Overview

The ILO Regional Office for Arab States and the UNICEF MENA Regional Office with technical support from ETF commissioned Legacy Social to prepare a regional study on youth transitions from learning to earning and decent work.

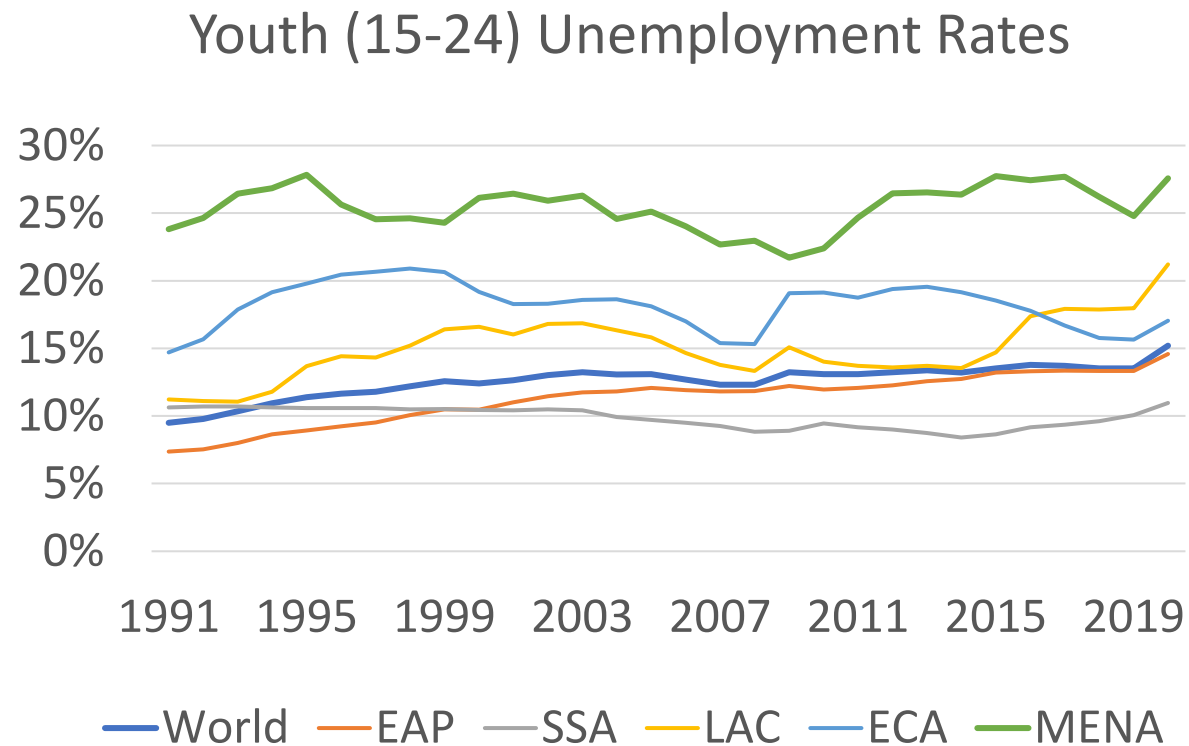
The report provides an original literature review on youth transitions, identifies bottlenecks in policy and programmatic responses, highlights successful practices, and provides policy recommendations.

Outline

- ✓ Overview of Young People's Transition
- ✓ Deficits in Opportunity, Skills, and Agency
- ✓ Challenges and Opportunities Ahead
- ✓ The Way Forward: A New Call to Action

1. Overview of Young People's Transition

Young people in the MENA region face difficult and delayed transitions from learning to decent work



- Youth unemployment rates have been the highest in the world... for over 30 years; 28% in 2020.
- Higher than world average (15%) in all countries, except Qatar.
- Youth unemployment rates are high across all sub-regions.
- Wasted potential; frustration, culminating in social unrest.

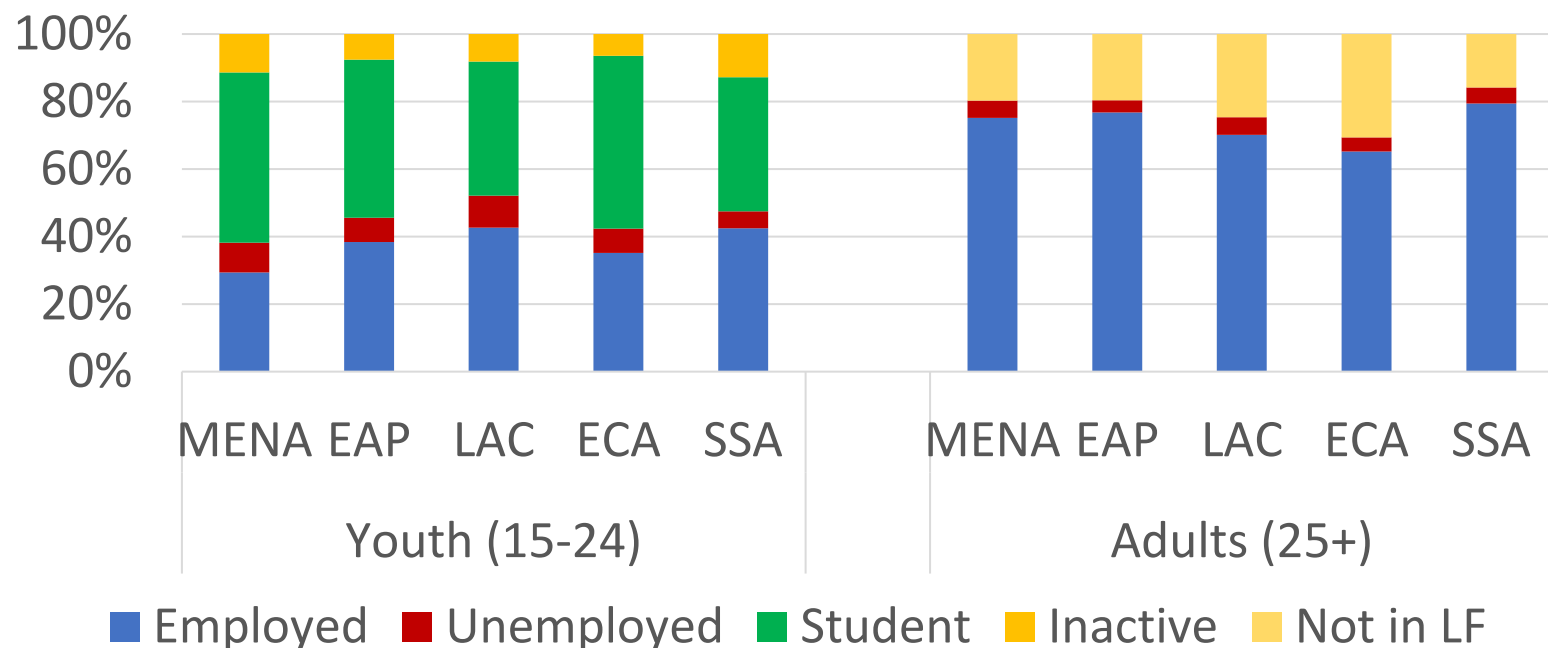
Source: ILOSTAT Explorer <https://www.ilo.org/shinyapps/bulkexplorer4/>

Regions: EAP: East Asia & Pacific / SSA: Sub-Saharan Africa / LAC: Latin America & Caribbean / ECA: Europe & Central Asia

1. Overview of Young People's Transition

Young men face delayed transitions and high rates of unemployment, but eventually find work

Male Labour Force Participation (2020)



- Low labour force (LF) participation (38%)
- High unemployment rates (23%)
- Most are in education or training (50%)
- Adult men: LFP (80%) on par with world ave.

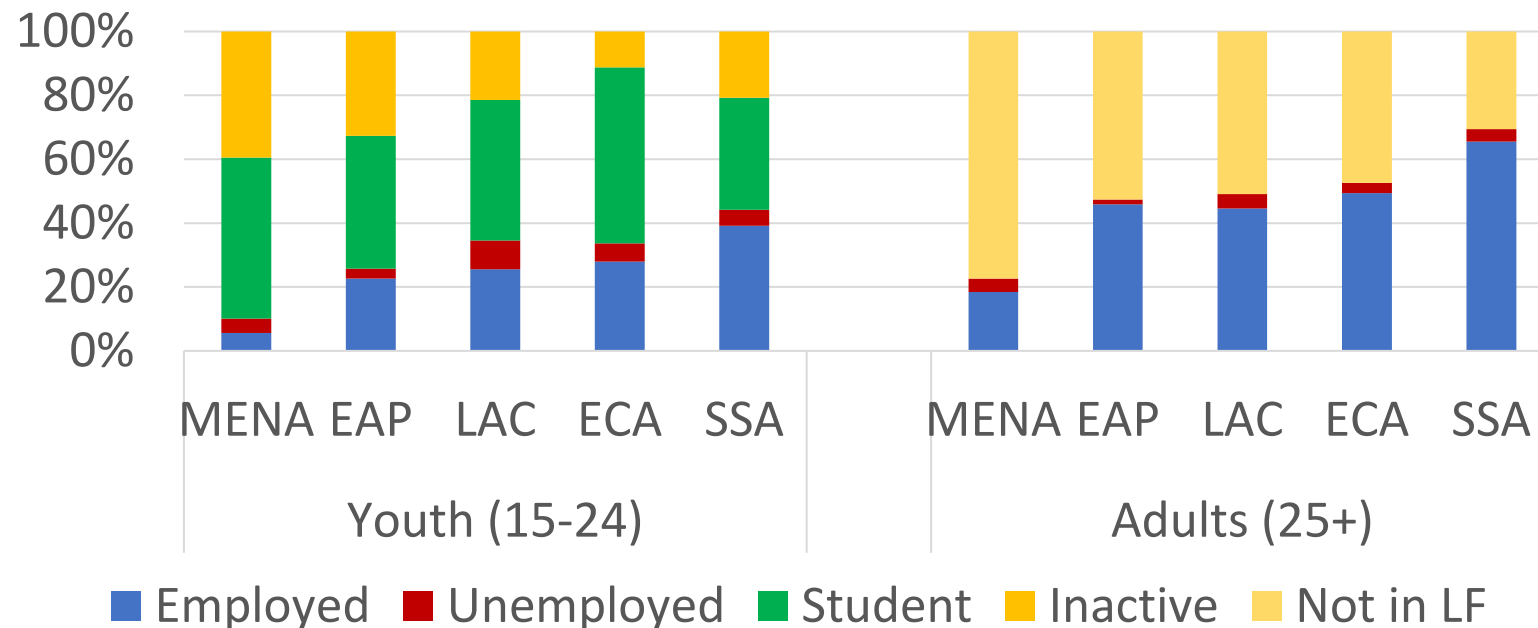
Source: ILOSTAT Explorer <https://www.ilo.org/shinyapps/bulkexplorer4/>
Labour Force Participation Rate = (Employed + Unemployed) / Population

Student = In education or training
Unemployment Rate = Unemployed / Labour Force

1. Overview of Young People's Transition

Young women face very difficult transitions; most ultimately drop out of the labour force altogether

Female Labour Force Participation (2020)



- Lowest LFP rates in world, by far (10%)
- Highest unemployment rates, by far (45%)
- Among highest rates in education/training (50%)
- Adult women LFP (23%) less than half world ave

Source: ILOSTAT Explorer <https://www.ilo.org/shinyapps/bulkexplorer4/>
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1. Overview of Young People's Transition

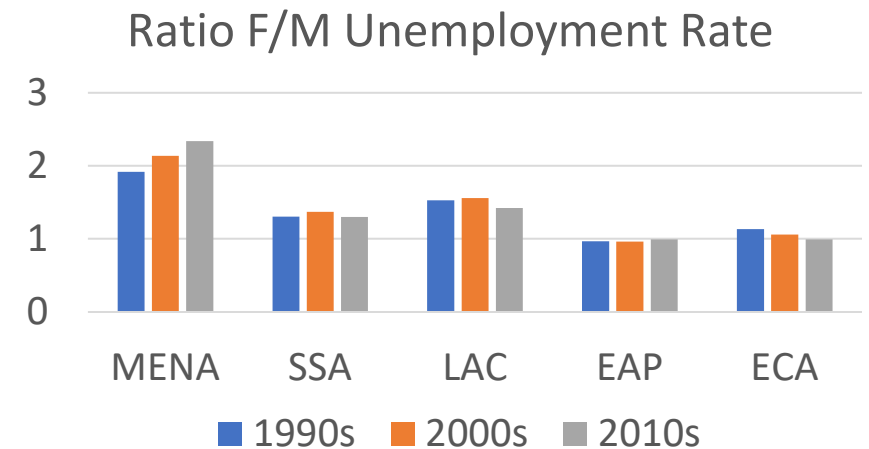
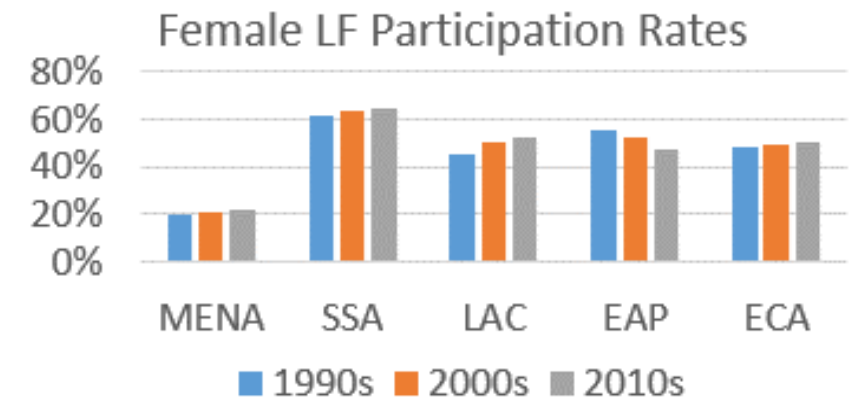
Women in MENA face many barriers that limit their participation and their ability to find decent work

Low Female Labour Force (LF) Participation

- Social norms regarding female work (gender roles)
- Weak social support structures (ex. day care)
- Limited socially acceptable jobs (e.g. distance)
- Reliance on family networks gives families a say

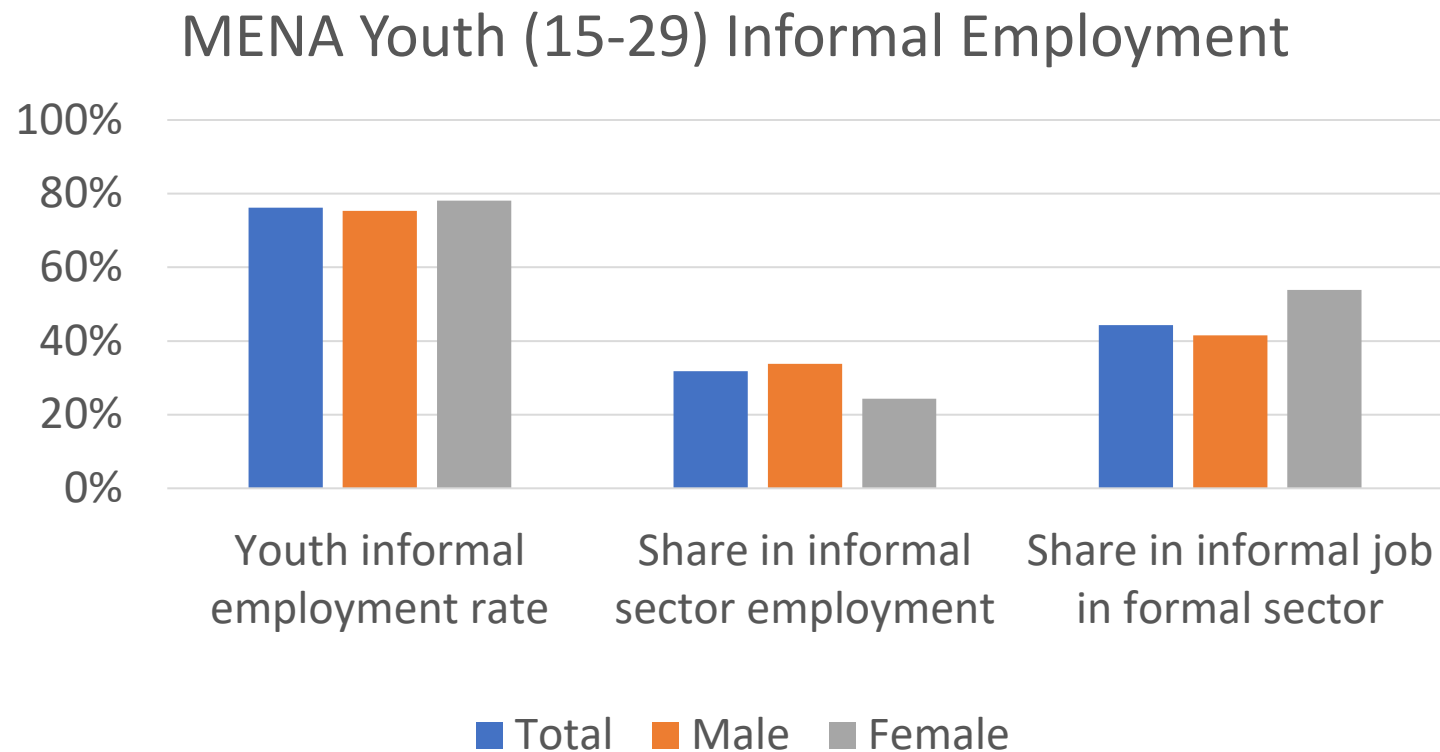
High Female Unemployment Rates

- Women who want to work can't find acceptable jobs
- Preference for jobs with good work conditions
- Strong preference for jobs in the formal sector
- Discrimination is a factor in hiring and wage setting



2. Deficits in Opportunity, Skills, and Agency

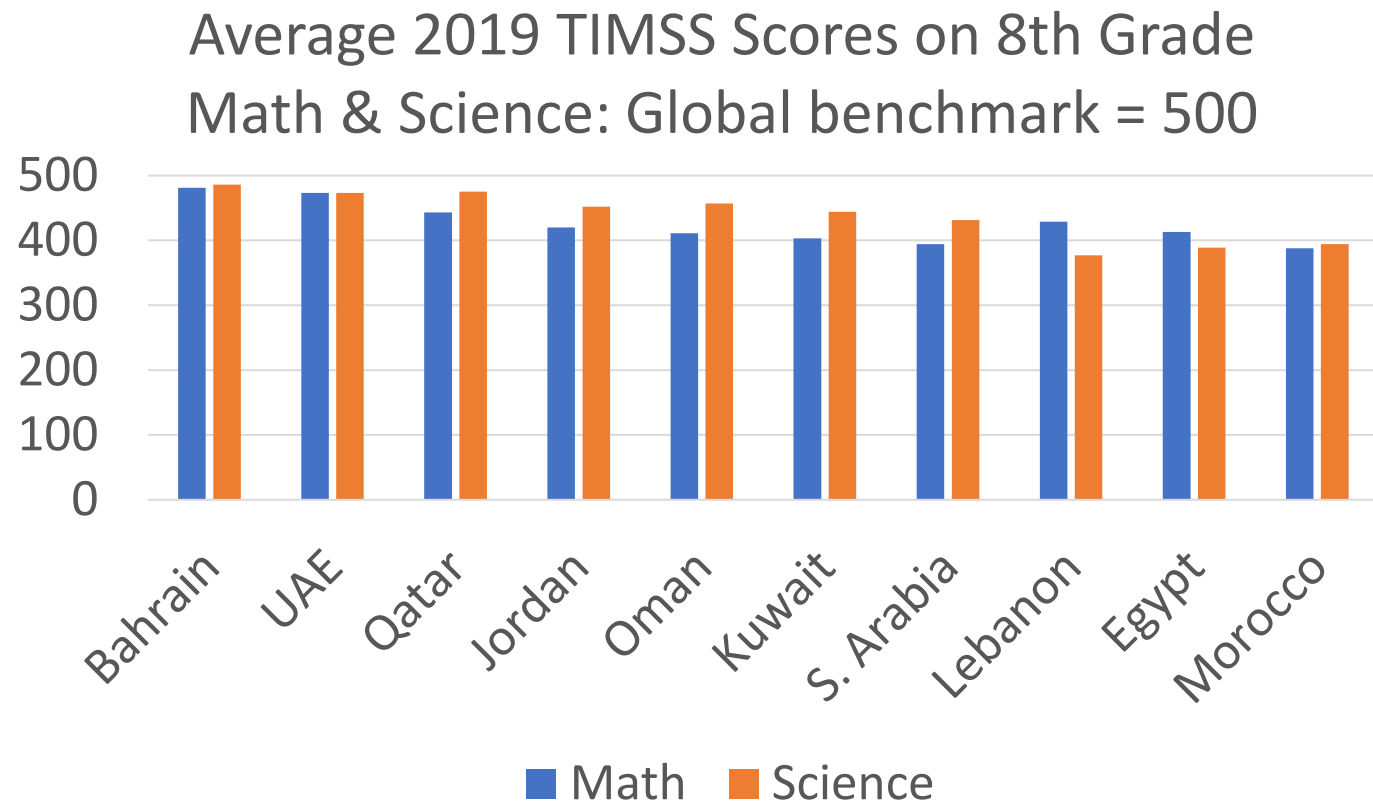
Lack of decent jobs in the public and formal private sectors pushes youth to accept informal work



- Large public sector; good pay, but not enough jobs
- Over-regulated private sector, weak job creation
- Large informal sector; weak job quality
- Informal employment among youth (76%).
- Young women more likely to work in an informal job in the formal sector.

2. Deficits in Opportunity, Skills, and Agency

The region's education systems are not providing youth with the knowledge they need to succeed



Source: Trends in International Mathematics & Science Study (TIMSS)

- Large influx of youth; focus on building schools.
- Knowledge transfer: pass exams and get credentials.
- Test scores lower than international benchmarks.
- Access is an issue for disadvantaged youth.
- Government spending on education: 11% versus 14% global average.

2. Deficits in Opportunity, Skills, and Agency

Young people are leaving school without the skills they need to succeed in today's economy

Rates of Return to Education and Average Years of Schooling by Region (2000s)		
	Overall Rate of Return	Average Years of Schooling
LAC	11.0	7.3
SSA	10.5	5.2
EAP	8.7	6.9
SA	8.1	4.9
OECD	8.0	9.5
ECA	7.3	9.1
MENA	5.7	7.5
World	8.8	8.0

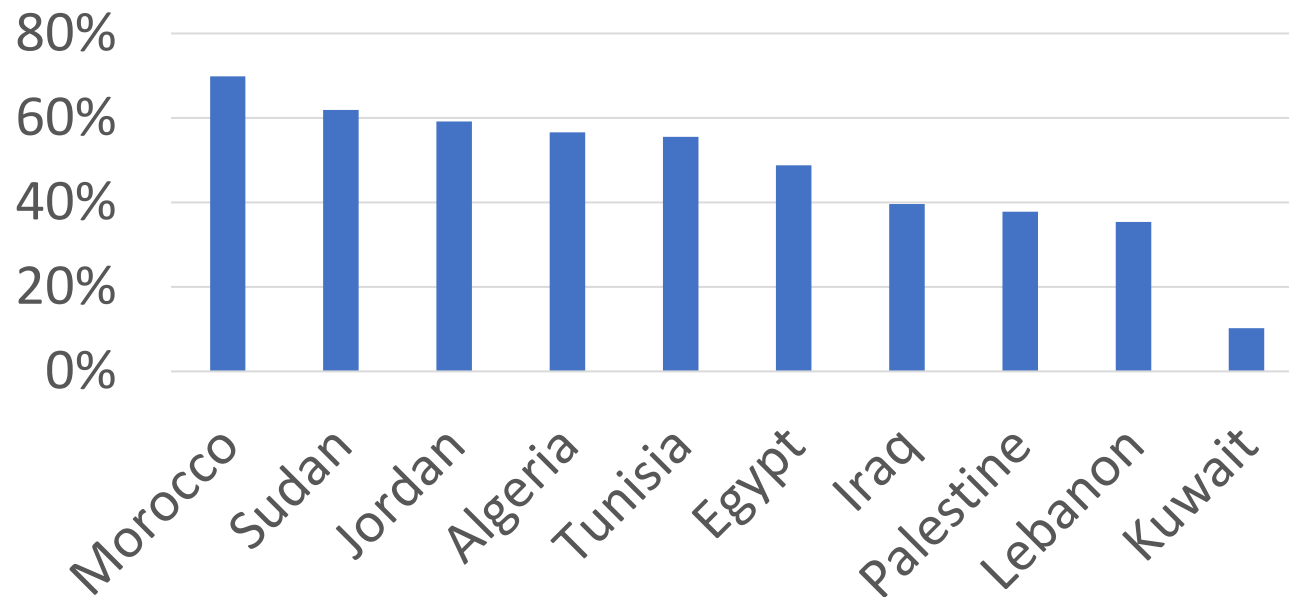
Source: Tzannatos, Diwan, and Abdel Ahad (2016)

- Stronger skills are associated with higher productivity and wages (returns to education).
- Youth in MENA complete more years of schooling but have lower (private) rates of return.
- Studies find limited impact of education on economic growth, suggesting low social returns.

2. Deficits in Opportunity, Skills, and Agency

Little space for initiating change, leading to dependency and interest in migrating for lack of economic opportunities

Ever Thought About Emigrating
(2018), Youth (18-29)

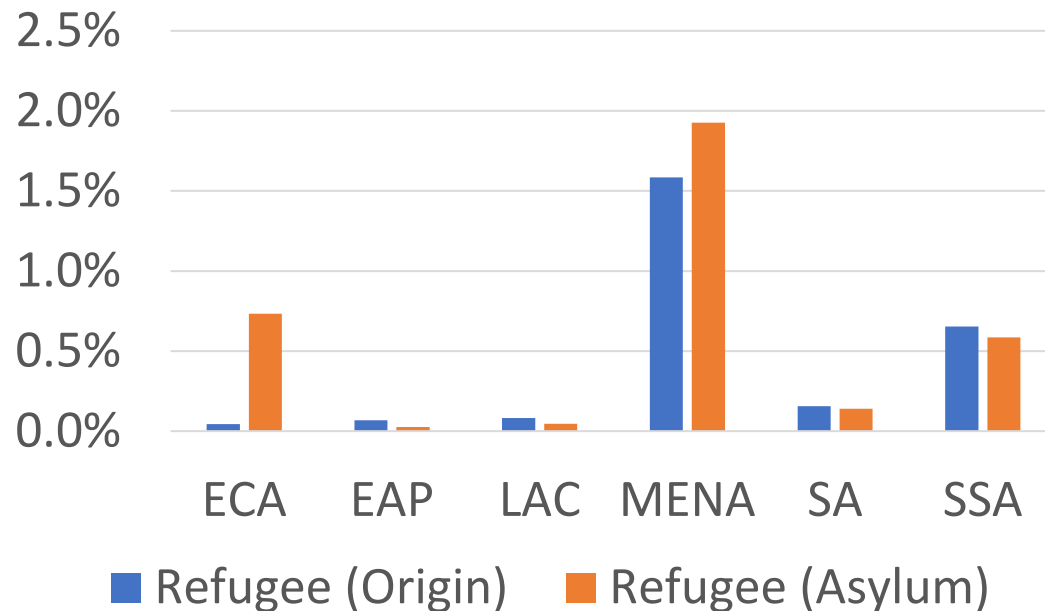


- Limited space to initiate and participate in change.
- Limited support for young entrepreneurs.
- As such, majority of youth have considered migrating.
- Space for participation even less for disadvantaged youth (women, refugees, disabled)

2. Deficits in Opportunity, Skills, and Agency

A large share of youth in the region live in conflict affected countries and marginalized communities

Population Shares of Refugees
(2020)

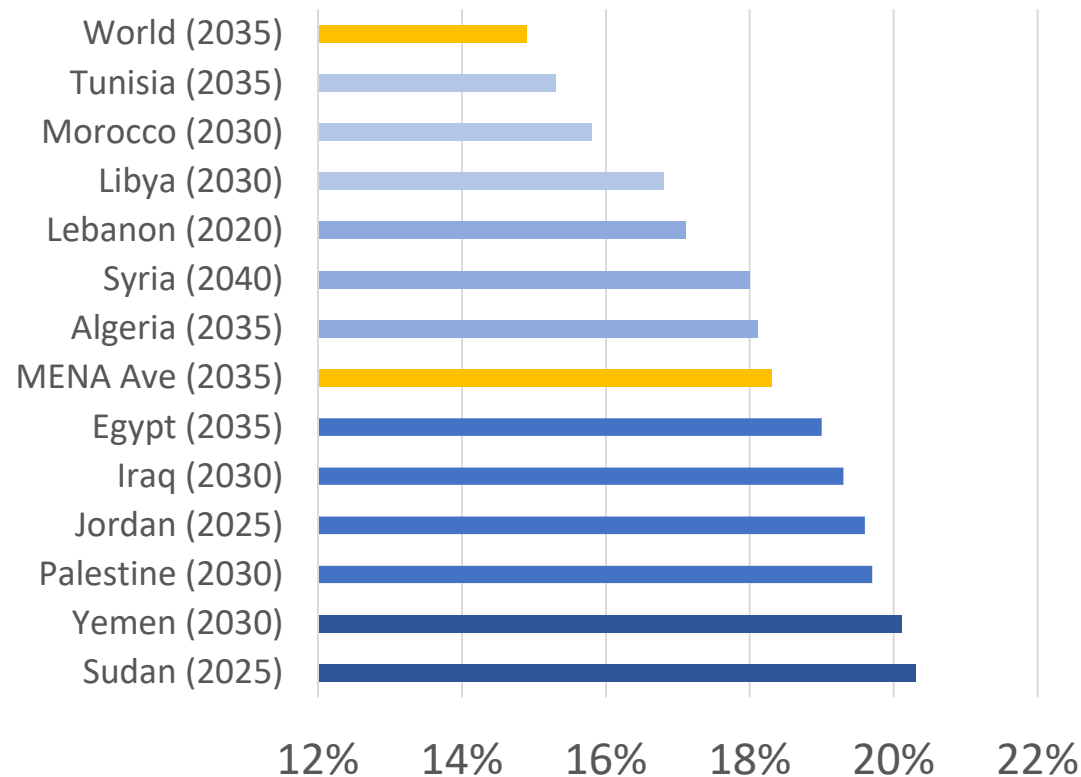


- Countries affected by conflict:
 - High out of school rates among youth and adolescents (up to 40%)
 - High rates of youth joblessness and unemployment (up to 75%)
- Marginalized communities:
 - Limited opportunities in rural areas and peripheral communities
 - Weaker infrastructure (internet access, etc.) and support services
 - Crises such as COVID19 pandemic exacerbate these inequalities

3. Challenges and Opportunities Ahead

A second youth bulge will increase labour supply pressures, but also presents a unique second chance

Peak Share of Youth (15-24) in the Population, by Country



Source: UNPP (2021)

- The population share of youth in MENA peaked at 22% in 2005, the highest in the world at the time.
- A second smaller wave is coming, peaking at 18% in 2035. But large differences across countries.
- This wave will increase pressures on education systems and labour markets of the region.
- If youth get decent jobs, it means higher savings, investment, and economic growth (demographic gift).

3. Challenges and Opportunities Ahead

The digital revolution will create new opportunities, but only for those with the skills to master them



Source: Al Fanar Media (2022)

- Around 45% of work activities in MENA could be automated.
- Technological innovation can also improve lives and livelihoods.
- The MENA region is falling behind other developing regions:
 - Declining technological access
 - Weak technological adoption
 - Limited soft skills development
- The result: a shortage of skills with an abundance of unskilled workers

3. Challenges and Opportunities Ahead

Climate change will increase migration, but will also create new opportunities and jobs



Source: Gulf News (2017)

- MENA is the most water-stressed region of the world, by far.
- Young people in rural areas will face shrinking work opportunities.
- Climate-induced migration will strain education systems, infrastructure, public services, labour markets, etc.
- But, greening economies could lead to a net gain of 18 million jobs by 2030.
- Attracting these jobs will require a skilled workforce, which MENA lacks.

4. The Way Forward

Education and TVET systems must better prepare young people by investing in market-relevant skills

Past Efforts: Build schools, increase access, improve curricula and increase its relevance, teacher training, modernize equipment, deemphasize national exams.

Future Reforms:

- ✓ Encourage critical thinking and inquiry
- ✓ Greater teacher autonomy; adaptive curricula
- ✓ Better connect TVET with practical experience
- ✓ Build pathways between education tracks
- ✓ Engage private sector in identifying/delivering skills
- ✓ Increase financing for educating, especially TVET
- ✓ Build lifelong learning skills while in school
- ✓ Leverage private digital platforms



Source: GIZ (2020)

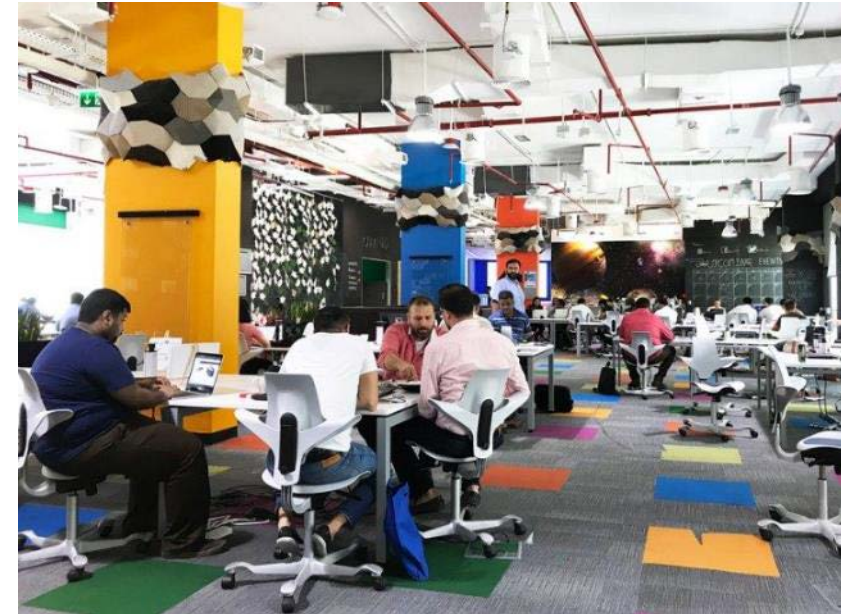
4. The Way Forward

Governments should enable the private sector to grow, create decent jobs, and promote career advancement

Past Efforts: Improve business climate, support youth entrepreneurship, skills development, access to finance, business incubators, stable macroeconomic conditions.

Future Reforms:

- ✓ Support export-oriented growth sectors
- ✓ Create and develop special economic zones
- ✓ Engage private sector in skills governance
- ✓ Improve access to finance for all youth
- ✓ Mentorship, especially for young women
- ✓ Introduce incubators in marginalized areas
- ✓ Incentivize firms to develop skills, formalize jobs, and create pathways for advancement



Source: Dtech.ae (2022)

4. The Way Forward

Governments should support youth transitions through career guidance and opportunities to gain experience

Past Efforts: Some labour market information; some private career guidance and internships. Direct financial support to youth has not been found to be effective.

Future Reforms:

- ✓ More accessible labour market information
- ✓ More inclusive career planning and guidance
- ✓ Subsidize services (day care, transportation)
- ✓ Integrate employment skills into curricula
- ✓ Integrate internships and work-based learning
- ✓ Tackle the social stigma of unpaid work
- ✓ Increase access to volunteer opportunities



Source: RAND (2014)

4. The Way Forward

Governments should involve youth in policy/program design and improve their implementation capacities

Past Efforts: Youth consultations in some policy and project formulations. Advancements in identifying issues, program design, and assessing impact.

Future Reforms:

- ✓ Involve youth in identifying issues, proposing solutions, implementation, monitoring outcomes
- ✓ Introduce human-centred design and social innovation in policy and program formulation
- ✓ Harmonize youth policies in national plans and budgets; increase inter-agency coordination
- ✓ Improve monitoring and course-correction and create innovative, learning organisations



Source: <https://www.unicef.org/>

Thank you!