

United Nations Department of Economic and Social Affairs Division for Social Policy and Development

## Promoting the inclusion of young people through social protection Social Development Brief #5

Social protection is a potent policy tool to protect people from poverty throughout the life cycle. It can also reduce inequality and social exclusion. However, as the <u>Report</u> on the World Social Situation 2018 (United Nations, forthcoming) makes clear, access to social protection varies significantly depending on a person's background or identity, including their age, race, and gender. This can limit its potential to promote inclusion.

In 2015, young people aged 15 to 24 years accounted for 1.2 billion, or 16 per cent, of the world's population (United Nations, 2017). Creating a social and economic environment that enables these young people to thrive in adulthood—including through pathways to decent work—is central to promoting their inclusion. But when opportunities for work are lacking, social protection can play a vital role in addressing exclusionary risks. Unfortunately, the specific needs of young people are rarely the focus of social protection systems, even though failing to invest in youth can have long-term implications for society.

### Risks and disadvantages faced by young people

The transition to adulthood can be a time of enormous opportunities-but also risks. Young people are three times more likely than adults to be unemployed (ILO, 2017a). And even if they do find a job, young people are overrepresented in so-called vulnerable employment, often in the informal sector. Youth unemployment and under-employment have a high cost for society, in terms of lost human and productive potential and decreased fiscal revenues. They also undermine trust in the political and economic system and social cohesion and stability. Young people are often targeted by political movements that channel their desire for change and the lack of other options for civic engagement into civil disobedience and violence. Finally, young people face risks as they make other important decisions about leaving home and school, accessing skills training or further education, becoming sexually active, getting married and starting a family.

### Gaps in social protection coverage for young people

Although few social protection schemes formally exclude youth, most of the programmes available to young people require contributory payments. Because of their age and their high participation in informal employment, young people have shorter formal work histories than adults. As first-time job-seekers, they have paid less into contributory schemes such as unemployment and health insurance and therefore tend to benefit less from them than adults. In Latin America and the Caribbean, for instance, only 55 per cent of young people in formal employment were effectively covered under a health-care scheme in 2013, compared with 71 per cent of wage-earners aged 25 years and above (ECLAC, 2015). In OECD countries, on average, eligibility for unemployment benefits requires payment of insurance contributions for a minimum of 10 months. In Ireland and Slovakia, workers must contribute for 24 months. In fact, only 20 out of 201 countries provide unemployment benefits for first-time job seekers (ILO, 2014).

In principle, young people may have access to tax-financed (non-contributory) schemes where available, including unemployment assistance and minimum income benefits or health care. However, while most high-income countries provide tax-financed universal health-care coverage for a core set of services, health coverage is much less common in low-income countries, leaving many young people without access to comprehensive health care. In addition, cash transfer programmes for children and families often elude young people, either because of their age (benefits are typically cut off after age 18) or because they no longer live with their parents.

# The role of social protection in addressing the challenges faced by young people

To ensure income security and promote the inclusion of young people, social protection should cover them and provide sufficient benefits in case of unemployment, regardless of their work history. It should also address the needs of young workers under non-standard contracts or in the informal sector.

Extending unemployment benefits to first-time job seekers can help improve the income security of young people. In recent years, several high-income countries including Austria, Portugal and Slovenia have extended access to existing unemployment benefits or established new schemes. Voluntary unemployment insurance schemes, for instance, may benefit young people disproportionately, given their high rate of participation in the informal economy and in jobs under non-standard contracts.

Universal access to affordable and high-quality health care—including sexual and reproductive health care—is vital to ensure that health risks faced by young people do not result in disease and exclusion. Some countries in developing regions, such as China, Colombia, Rwanda and Thailand, are strengthening tax-financed or mixed health-care systems to extend coverage (ILO, 2017b).

While necessary, social protection alone is insufficient to achieve the social inclusion of young people. Improving the availability and quality of education and health services, for instance, is crucial for sustained human development. Measures to help young people stay in school, as well as the continued expansion of free education and housing support services are also important for the social inclusion of young people. Young people have also benefited from social protection closely linked to supportive sexual and reproductive health policies, including access to sex education, contraception and maternity care. Social protection is most effective in tackling the multiple disadvantages faced by particularly vulnerable young people, such as the homeless and those in public care, when implemented in tandem with social services. Finally, improving the access of young people to social protection will require more and better data on youth coverage and on the impact of social protection on youth.

The Social Development Brief series is issued by the Division for Social Policy and Development (DSPD), of the United Nations Department of Economic and Social Affairs (DESA). This brief was written by Jonathan Perry under the supervision of Wenyan Yang. Contact perry@un.org for more information. The views expressed are those of the author and do not necessarily reflect those of the United Nations. The Executive Summary of the Report on the World Social Situation 2018 is currently available at: https:// www.un.org/development/desa/dspd/report-on-the-world-socialsituation-rwss-social-policy-and-development-division.html

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