

Concept Note

High-Level Event on “The Demographic Dividend and Youth Employment”

01 June 2015, Trusteeship Council

Background

The linkages between population dynamics and sustainable development have received renewed attention in the context of the ICPD Programme of Action and the post-2015 development agenda. In addition to several resolutions of the General Assembly, the world leaders in the Outcome Document of the UN Conference on Sustainable Development (Rio+20) entitled “The future we want”, expressed concern about labour market conditions and widespread deficits of decent work opportunities, especially for young women and men. They urged all governments to address the global challenge of youth employment by developing and implementing strategies and policies that provide young people everywhere opportunities for decent and productive work, so as to ensure sustainable and inclusive development and to reduce poverty. Furthermore, one of the targets on youth employment in the proposed Sustainable Development Goals (SDGs) calls for developing and operationalizing a global strategy for youth employment as well as implementing the Global Jobs Pact of the International Labour Organization by 2020.

The outcome document of Rio+20 recognized the importance of job creation by investing in and developing sound, effective and efficient economic and social infrastructure and productive capacities for sustainable development and sustained, inclusive and equitable economic growth. Investments in young people for productive employment enhance the potential for expanded markets, sustainable economic growth and for improved quality of life. In this context, policies that promote labor-intensive economic growth are critical as a complement to human capital investment. Investments in young people can foster innovation and advance the capabilities of an entire generation in all fields of study, including governance, jurisprudence, management, planning, communications, health, and the arts. Enhancing

investments in science, technology, engineering and math (STEM) contributes to increased industrial innovation, modern resource efficient manufacturing, which is needed for a sustainable future.

The concept of a “demographic dividend” was conceived in the late 1990s following the United Nations International Conference on Population and Development (ICPD) held in Cairo in 1994. It came at a time when the world was focusing its attention on the interplay between population structure changes, economic growth and development. The demographic contribution to accelerating economic growth is what has become known as the demographic dividend.

A demographic dividend can be realized through three steps:

First, improvements in health status, especially women and child health, contribute to a decrease in the number of children born to each family. The combination of improved child survival and fewer children leads to a bulge or increase in the successive contingent of the population.

The second step of the dividend is the educational investment in this population bulge. As families have fewer children, they and the government have more resources to invest in the education of the surviving children and women increasingly enter the labor force. Also, with fewer births each year, a country's young dependent population declines in relation to the working-age population. This translates into fewer people to support; giving families and the country an opportunity invest in quality education for the young population.

While investments in education and health expand human opportunity and well-being, they can be especially advantageous for development when age structures favor a potential “demographic dividend.” A number of countries face this potential dividend in the coming 20 years, because they have recently undergone a rapid decline in the number of children born to each woman, and young people will represent a proportionately large working age population in the coming 15-30 years. With fewer dependents they will have more resources for investment and savings, potentially raising both household and national wealth.

The third and final step is having an economic environment where the educated cohort/bulge can find well-paying and decent jobs. The demographic dividend provides a time-limited window of opportunity for growth if it coincides with strategic investments to enhance human capital and create an enabling environment for businesses to demand and deploy those skills efficiently and equitably.

If all three steps are successful and timed well, a first dividend is produced as a large youthful population moves into highly productive jobs boosting family incomes and national income. Speeding up the demographic transition produces the human and social dividends of improved health, education and the empowerment of women. Moreover, a faster demographic transition lays down the foundation for economic dividends to follow. This is done through the creation of a youth bulge of healthy, well nourished, educated, potential labor force as well as the expansion of female labor participation. Having a healthy and skilled labor force can in of itself help attract investments that create jobs.

According to the 2014 Report of the United Nations Population Fund on State of the World Population, the global population of adolescents and young people is at its highest ever, with 1.2 billion people between the ages of 15 and 24 in 2015, and 1.9 billion young people projected to turn 15 years old between 2015 and 2030. Investments made in young people during this critical period will shape their lives and the future of a world that will be increasingly dependent on them.

Objective

The high level event will provide an opportunity for Member States and other stakeholders to consider practical ways in which the international community can work in partnership with Governments in countries with a youth bulge to enable the necessary investments needed to reap the demographic dividend, including through employment opportunities and decent work for young people.

Format

This will be a one day event consisting of an opening plenary, two interactive panel discussions and a closing plenary. A detailed provisional programme will be availed in due course.

The panel discussions will focus on particular themes and a set of questions to guide Panelists and other participants as follows:

The theme of the 1st Panel Discussion will be: **“How to harness the demographic dividend”**.

Questions:

1. What are the major reasons for the slow demographic transition in the least developed countries, and what can they do to speed up the demographic transition, and create conducive conditions for a demographic dividend?
2. How can more advanced developing countries make better use of the window of opportunity that they have, before this window closes?
3. What are the principal obstacles to an active and productive participation of young people in the social, economic and political life of their communities and countries?
4. What partnerships and strategies can support countries to take advantage of their youth bulge?

The theme of the 2nd Panel Discussion will be: **“Lessons learned: What policies and measures are needed to create opportunities for youth employment”**?

Questions:

1. Do we need to develop a more refined and comprehensive understanding of human capital development? What are the skills needed to meet the future labour market needs?
2. What are the benefits and limits of using labour market and social protection policies to enhance synergies between the social, economic and environmental dimensions of sustainable development?

3. How can developing countries be supported in their initiatives to create a framework on demographic dividend to promote decent jobs for youth?
4. What partnerships, strategies and best practices can facilitate conditions for boosting youth employment? What could be the main elements for a global strategy on youth employment?

Outcome

The outcome will be a President's Summary of the key messages and initiatives on youth employment and harnessing demographic dividend, which will be circulated to Member States and stakeholders.

Organization

The High-level event will be convened by the President of the General Assembly in collaboration with UNFPA and ILO, and the Secretary General's Envoy on Youth.

Participants

Member States will be invited to participate at the highest possible level, U.N agencies, civil society organizations, the private sector and other stakeholders will also be invited.