



2012 COORDINATION SEGMENT

Panel II

Addressing the challenges of the education/skills and jobs mismatch

Wednesday, 11 July 2012, 10:00 a.m. – 1:00 p.m.

ISSUES NOTE

The world's youth population is estimated to be over 1.2 billion, 90 per cent of which live in developing countries, where young people represent more than 30 per cent of the working-age population.¹ Young women and men are more likely to hold minimum-wage and low-paid work and often are over-represented in the informal economy. The quality of jobs has also declined for young people as evidenced by the expansion of temporary employment and the shorter duration of fixed-term contracts. Young people also face additional barriers in the labour market due to gender, socio-economic background, ethnicity, disability and location. The issue of youth unemployment is of particular concern because it involves both social and economic costs and threatens stability in societies and can result in a lost generation with long-lasting negative impact on young people.

It is widely considered that today's young women and men are the most educated generation ever, yet, they make up nearly half of the world's jobless population. Poor quality of education has emerged as a major concern, as many young people are leaving the formal education sector without basic literacy and numeracy skills, under-qualified or with qualifications that do not match the needs of the labour market. This mismatch, also commonly referred to as "structural unemployment", is particularly evident in developing countries where curricula and teaching methods seem to have remained largely unchanged over the years, and employers are increasingly demanding strong thinking, communication, and entrepreneurial skills—demands often unmet by educational systems in countries around the world, and particularly in developing and transition economies.

Moreover, employers are increasingly requiring that job seekers have both strong academic backgrounds and practical labour market skills which will enable them to quickly adapt to a workplace environment. A lack of these "core skills" for employability such as problem-solving, decision-making, responsibility, teamwork and interpersonal skills often

¹ ILO (2012). *The Youth Employment Crisis: Time for Action*. International Labour Conference, 101th Session 2012, International Labour Office. Geneva

represent a significant barrier for youth trying to enter the labour force. The required years of experience for jobs is an additional obstacle for youth trying to find decent work.

The international community has increasingly focused on the issue of youth employment and the need to address education/skills and jobs mismatch. In 2006, the African Union Heads of State adopted the African Youth Charter, which emphasized the importance of education and skills development for improving the livelihoods of youth. As of April 2012, 29 countries have ratified the Charter, and 40 have signed the charter.² The Guanajuato Declaration, adopted at the 2010 World Youth Conference held in Mexico City, included commitments to, inter alia, “facilitate the transition of young people from school and academic life to decent work and invest in programmes that enhance youth employability through skills development and work experience that respond to the requirements of the labour market”³.

In its 2011 Ministerial Declaration, the Economic and Social Council also expressed concern over the persistently high levels of youth unemployment worldwide and recognized the need to design education and training programmes that improve employability and individual capacities through skills development. At its 101st session, in May-June 2012, the International Labour Organization discussed youth employment crisis and adopted comprehensive recommendations for the relevant stakeholders to address skills mismatches, including through improvements in the apprenticeship systems and promotion of youth entrepreneurship.⁴ The Group of 20 (G20), during its leaders summit in Mexico (June 2012), has reaffirmed their commitment to youth to facilitate their access to quality jobs, which will boost their life prospects.

There is extensive knowledge and understanding of measures needed to address barriers young women and men face to transition from education into the labour market. Addressing the education/skills and jobs mismatch requires increasing children’s access to and participation in quality education and skills training. In 1996, the International Commission on Education for the Twenty-first Century, chaired by former European Commission President Jacques Delors, proposed in their report to UNESCO, *Learning: The Treasure Within*, “more flexible education systems that allow greater curricular diversity and build bridges between different types of education, or between working life and further training” to address the mismatch between supply and demand in the labour market. The issue of relevance in education has been of particular concern in many countries, and efforts are underway to reform curricula in order to provide students with necessary skills for the job market.

Relevant technical and vocational education and training programmes, internships, apprenticeships and other work-experience schemes that are part of education programmes can help advance skills of young people, preparing them for the world of work. The dual system, which combines school-based education with in-company training, for example, has successfully eased young people’s transition from school to employment in a number of developed countries. Its replicability in developing countries, however, has remained a challenge given that the

² <http://au.int/en/sites/default/files/youth%20Charter.pdf>

³ http://www.c-fam.org/docLib/20100908_declaracion_guanajuato_ing-1.pdf, paragraph 18.

⁴ See the report of the Committee on Youth Employment - Provisional Record No. 20, International Labour Conference, 101st Session, Geneva, 2012 (ILC101-CEJ-D186-draft report-Web-En.docx)

majority of youth work in the informal economy.⁵ Counseling, mentoring, and increased access to labour market information can also be effective for young people to make conscious career choices and to find decent work.

Strong collective action and partnerships at the national, regional and global levels are needed to address the education/skills and jobs mismatch. While Governments have the primary responsibility in education, for example for providing schools, training teachers, developing the curriculum, monitoring standards, and eliminating discrimination and promoting equal opportunity of access, the private sector and the civil society have become key players in the provision of education. The private sector, for example, has provided innovative approaches to address the education/skills and jobs mismatch, including through harnessing technology to provide accessible and affordable higher education.

These measures may not always be sufficient to address the education/skills and jobs mismatch, and may need to be complemented with appropriate macroeconomic and sectoral policies that stimulate demand and increase the quality of growth to deliver jobs. For example, active labour market policies, such as incentives to employers for hiring young people and encouraging public employment creation, can increase young women and men's access to decent work. In addition, promoting entrepreneurship among young people can help them access to the labour market through self-employment.

As social dialogue contributes to well-informed policy decisions, efforts have been made to increase youth's participation in policy dialogue. The first Youth Employment Forum, organized by the International Labour Organization in Geneva in May 2012, gathered 100 young trade unionists, entrepreneurs, NGO members and activists with diverse backgrounds from all over the world to share their views on the current employment situation and discuss successful initiatives. The Youth Employment Network (YEN)⁶, a partnership of United Nations, International Labour Organization, and World Bank and created in 2001, continues to provide a global platform to prioritize youth employment on the development agendas and to exchange on policies and programmes to improve employment opportunities for youth.

Objective and proposed focus of the panel

The panel will examine various policy options available for addressing the education/skills and jobs mismatch and highlight strategies that governments could adopt to address the challenges of structural unemployment. The panel will also examine the role the private sector can play in increasing the income and job security of young people and reducing their vulnerability.

Questions for discussion

- What kind of policies and strategies are needed to improve the employability of young women and men? What actions are necessary to enhance the effectiveness of measures aimed at increasing the employability of young people?

⁵ ILO (2012). *The youth employment crisis: Time for action*, Report V, International Labour Conference, 101st Session, Geneva.

⁶ www.ilo.org/yen

- What successful initiatives have been taken to link education and training to the world of work, in particular in the context of a fast-changing environment with innovation, technology and market developments? How can these initiatives be replicated in countries with high structural unemployment?
- What role can the private sector play in increasing the income and job security of young people and reducing their vulnerability?
- How can the Governments reduce the structural barriers to young women's and men's access to and participation in the labour market? How can the United Nations system better support Governments' efforts in this regard?
- What are some of the best practices and lessons learned from partnerships geared towards addressing the challenges of education/skills and jobs mismatch?