



China Youth Employment and ILO Interventions

31 August 2015

Facts and figures¹:

- **China population** reached 1.36 billion in 2013. The natural growth rate fell from 14 per cent in the early 1980s to 4.9 per cent in 2013.
- **Youth proportion** aged 15-24 reached peak in 2010 at 17.1 per cent, then began to fall. In 2012 the rate was 15.6 per cent.
- **Gender ratio of youth** in 2013 was 110.32:100 (If young women=100). Young men outnumber young women by nearly 5 per cent. Young men represented 52.45 per cent of the youth population compared to 47.55 per cent who were young women.
- **Education level** of young people aged 16-24 improved. The percentage of attainment of high school and above increased from 30.29 per cent in 2000 to 48.49 per cent in 2010.
- **Gender segregated data** on education level showed that the proportion of young women with junior college education, college education and graduate school education is 1.1 per cent, 0.3 per cent and 0.1 per cent higher than young men respectively.
- **Labour force participation rate of youth aged 16-24** in 2010 was 57.4 per cent, which was 16 percentage points lower than the 73.3 per cent of 2000. The rate for young men was 59.6 per cent and the rate for young women was 55.1 per cent.
- **Youth unemployment rate** was 6.4 per cent for youth aged 16-24 in 2010 based on the data from the sixth population census. While the ILO KILM 2011 and 2013 published a rate of 9.3 per cent and 9.7 per cent respectively for young Chinese aged 15-24.
- **Structure of employment of youth**, more young people enter into employing units for work, and less young people choose self-employment. Employment in an enterprise, particularly state owned enterprise and major private sector businesses are seen as more secure.

¹ Source: China Statistics Yearbooks, the fifth and sixth population census, the NBS survey on migrant workers. NBS data and facts on women and men, ILO/MOHRSS Review of Policy Support for youth Employment.

- **University graduates in 2014** reached 7.27 million, with a year on year rise of 280,000 people. This is more than seven times the number 15 years ago. According to China's Household Finance survey in 2012 the unemployment rate of young people aged 21-25 was over 16 per cent while those with primary education had a far lower rate at 4.2 per cent.
- **Youth migrant workers** below the age of 30 years make up 85 million, which is 58.4 per cent of the total, among these migrants 40.8 per cent are women. Migrants are also subject to poor working conditions, job insecurity and low pay. Many work long hours and endure a range of occupational and health hazards and are also housed in squalid accommodation. They face socio-economic difficulties and discrimination. Only a few migrants are covered by social security: 13 per cent are covered by pensions, 20 per cent by occupational insurance, 15 per cent by medical insurance, seven per cent by unemployment insurance and five per cent by maternity insurance. Furthermore because of institutional barriers such as the Hukou household registration system migrant populations are less likely to be able to access scarce public resources such as healthcare, education and subsidized housing.
- **Structural problem of youth employment**, as China's G20 Employment Plan notes there is a serious lack of skilled workers alongside high numbers of graduates seeking work. This points to a disjuncture in the education and skills being developed and poses questions on the relevance of education. Estimates show that around one third of graduates work in a job unrelated to their field of study. For some subjects correlation with the job is even less than 30 per cent.
- **Youth rights at work**, young workers in general have less access to social insurance than adult colleagues, they are often less organized and therefore lower capacity to claim rights and benefits than adult workers. Similarly with lower levels of experience they have less bargaining power and are more likely to take work without written contracts and with poor working conditions.
- **Long working hours**, overtime amongst youth is more serious than other age groups. The proportion of youth working for more than 48 hours per week is 39.1 per cent.
- **Policy gaps**, China has recognized the scale of the problems facing its young people and has been taking a proactive stance in the policy arena. In some areas the policy gaps are few – there are for example a large range of ALMPs concerning graduate unemployment. The problem here therefore is more of implementation of these policy measures and to ensure it is on a scale to reach the very large numbers of unemployed graduates. Where policy gaps exist are in terms of young migrant workers and the rural poor. There are some measures in place though not in a sufficient scale to reach the many millions of young people disaffected by insecure work, poor working conditions and weak enforcement of labour rights.

ILO interventions on youth employment in China

The ILO is assisting the tripartite constituents and other social partners in promoting employment for young people, in particular university graduates and young migrant workers, through developing effective employment programmes and policy measures, improving employment services and skills training, enhancing awareness and capacity of constituents and young people on youth rights at work. The specific objectives of ILO interventions include:

- Improve effectiveness of employment policy and programmes on youth employment;
- Enhance quality of employment services provided to university graduates and migrant workers by different stakeholders, in terms of accessibility, adequate labour market information, career guidance, placement and job training;
- Strengthen skills training for university graduates and young migrant workers;
- Develop and improve national policy measures to protect youth rights at work;
- Increase awareness and capacity of constituents and young people to promote youth labour rights.

Products:

- ILO training package on youth rights at work translated into Chinese, and is available on ILO Beijing Website;
- Publication on Review of Policy Support for Youth Employment in China;
- Publication on Assessment of Public Employment Services for Youth Employment (to be available in December 2015);
- Good Models of youth employment interventions in China (to be available in Dec 2015);
- Study Report on Situation of Interns in the Workplace in China (to be available in Dec 2015);
- Website on youth employment in China (to be launched in Nov 2015).

Activities:

- Supporting MOHRSS to review national policy support for youth employment. Such review analysed a large amount of information on the labour market influencing employment outcomes, and on the institutional setting governing the labour market. The study is to gain a clear understanding of national youth employment issues, and draw implications for policy-making. The study provided an

analytical assessment of whether the national policies are delivering the desired youth employment outcomes.

- Working with the MOHRSS to assess public employment services provided for young people. The assessment will identify the programmes and services provided to young people in particular to university graduates and young migrant workers, adequacy of staff (levels and qualifications), and collect good practices on PES cooperation with schools and other agencies. The assessment will provide recommendations for strengthening PES for youth employment.
- Working with the MOHRSS to prepare national inventory of youth employment interventions, with the aims of setting up a basis for further research on trends and investment in youth as well as evidence-informed decision making, and improving the understanding and provision of youth employment interventions in China while providing youth employment practitioners, policy makers and donors with ideas to enhance efficiency of existing interventions and to improve the design and implementation of future ones.
- Assisting MOHRSS in developing national policy to protect rights of interns at work through sharing national and international experiences and practices.
- Supporting the ACFTU to carry out capacity building on promoting youth rights at work. The training enhanced knowledge and understanding of trade unionists and trainers of the ACFTU on youth rights at work, provided skills and methodology to conduct training on youth rights, and enabled trade unionists to strengthen their actions and activities on youth rights at work.
- Assisting the China Enterprise Confederation in analysing the situation of interns at enterprises. The study will collect information of internship programmes at enterprises, identify the real situation of interns in the workplace including types of assignments, working environment and conditions, employers' attitudes, and employment impacts of internship. While problems faced by both employers and interns will be identified, and recommendations for governments, employers and young people will be provided. The study will also come up with lessons learnt and good practices of enterprises.
- Working with Renmin University to collect good practices and good models of youth employment interventions in China. This study aims to spell out policy impacts on individual young people, and develop personal stories of young people entering into labour market and their career development benefitting from policy support for youth employment.
- Cooperating with the Institute of Population and Labour Economics of the CASS to establish a website on youth employment in China to provide a knowledge sharing platform for policy makers, social partners, researchers and young people to exchange views and information, updates the development of youth employment at national and international levels.