

The Russian youth labour market

An ILO perspective

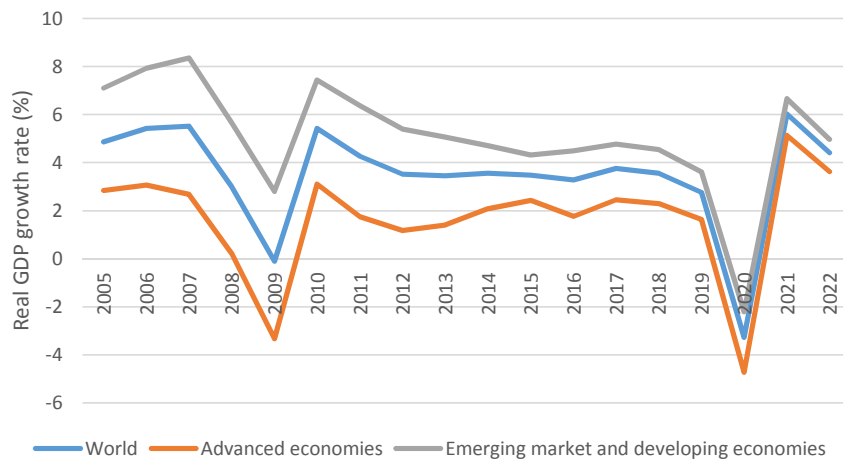
Niall O'Higgins, ILO, Geneva

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► **Some Background:** Covid-19 and youth labour markets

Global overview of the pandemic and youth

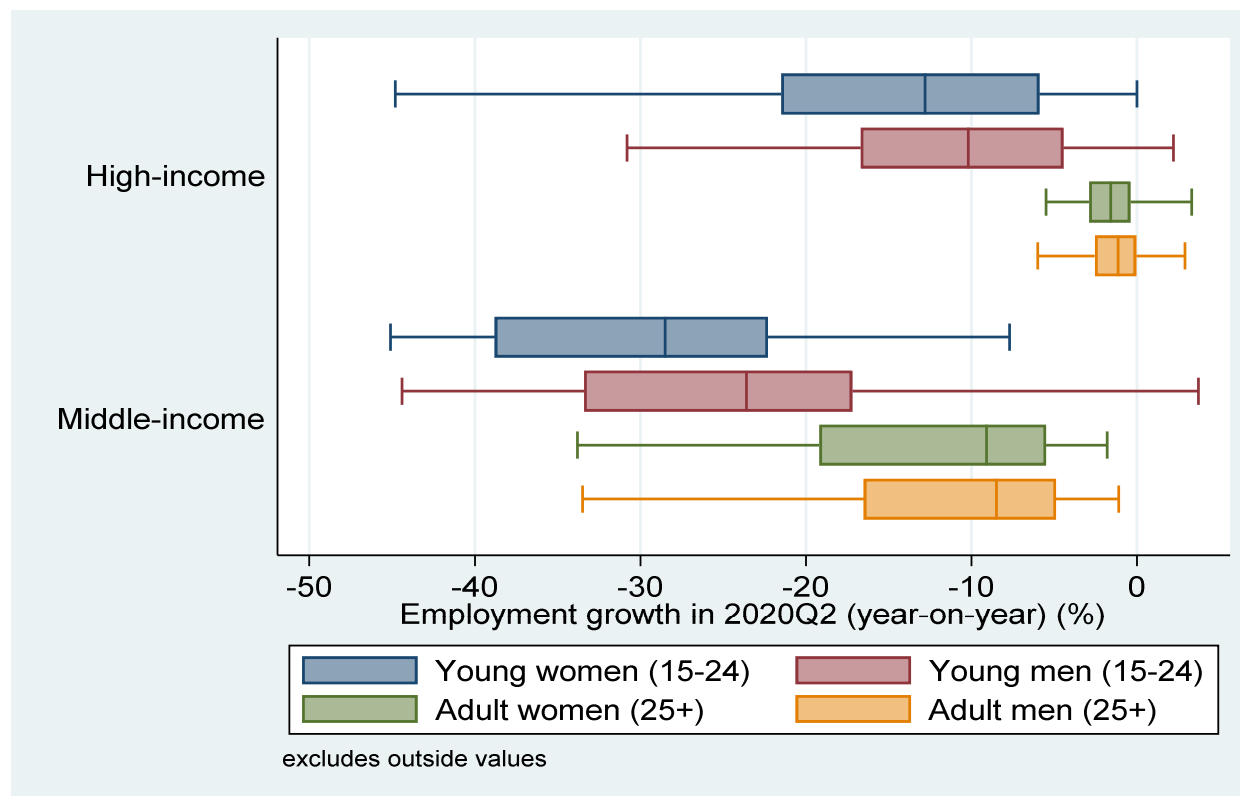
COVID-19 crisis has resulted in a truly global recession



Youth have been hit harder than adults, as in previous crises (8.7% decline in employment versus 3.7% for adults during 2020), but with some new features

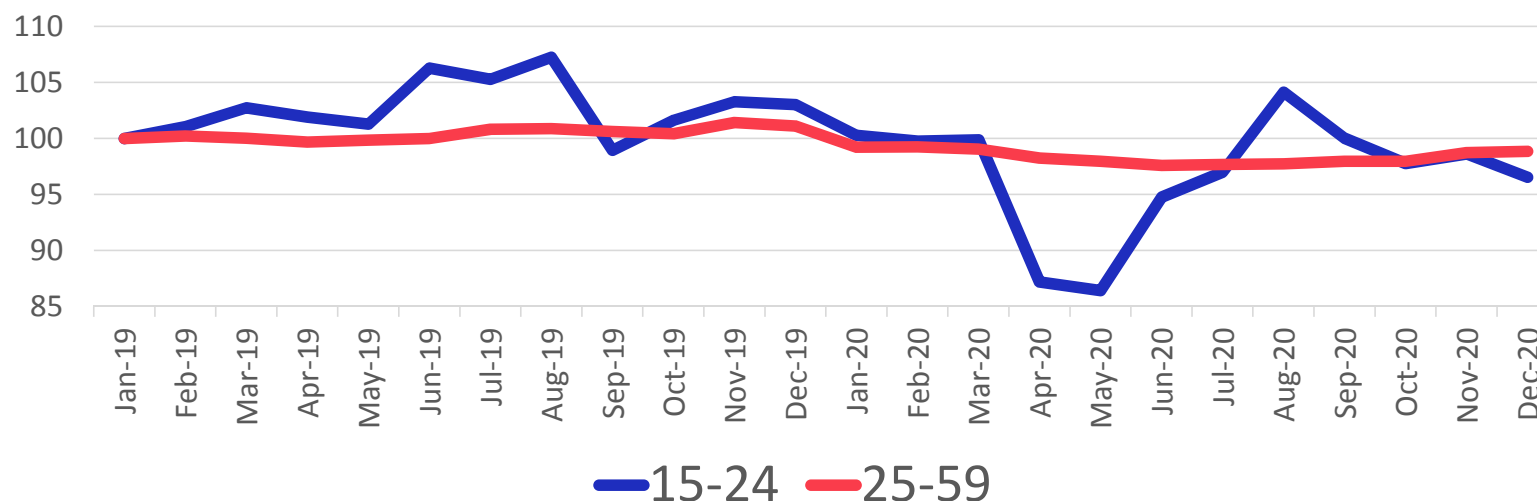
1. Crisis is larger and more general than before – hit countries at all levels of income
2. Young people are facing multiple shocks – in particular, to education and training AND to employment (quantity and quality)
3. Job losses amongst young people have translated primarily into increases in inactivity and NEET.
4. Recovery is still a long way off in many countries – and there is a danger of long-term consequences of short-term exclusion from education and employment.

Young women have suffered the sharpest declines in employment



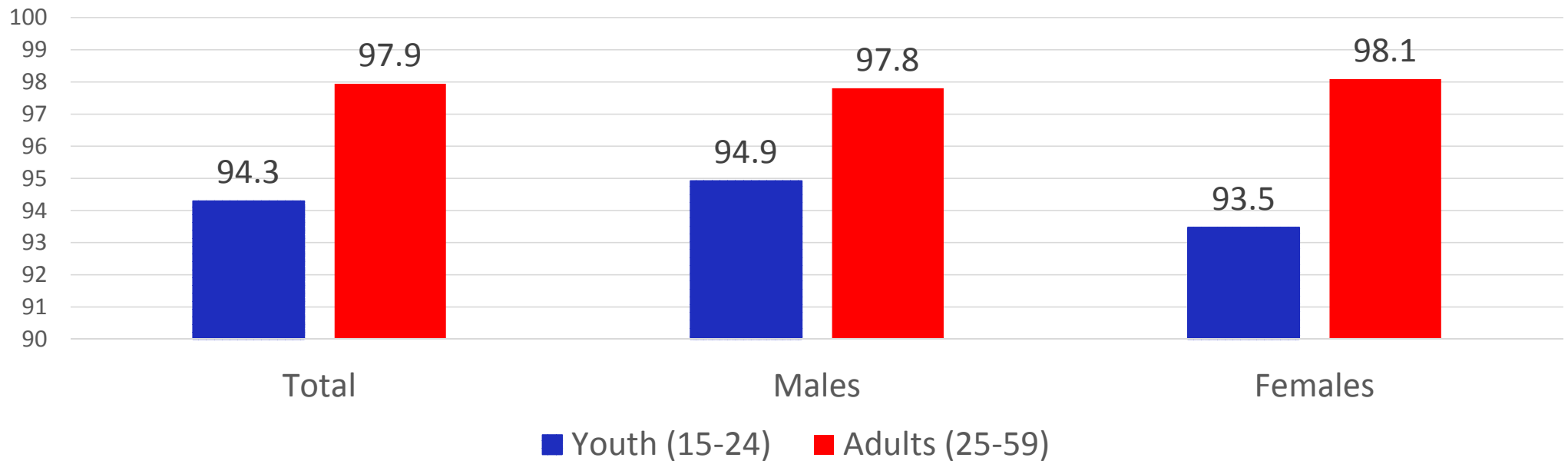
► Also in the Russian Federation, young people were evidently more affected by the pandemic induced economic shock

Employment by age, Russian Federation,
monthly 2019-20; (Jan 2019=100)



► And above-all young women...

Employment by age in 2020 Vs. 2019 (= 100); Russian Federation



And, in common with many other countries, lost employment has translated primarily into exit from the labour market, not unemployment

Decomposition of the change in youth employment; Russian Federation, young people 2020/2019



► Key Youth Labour Market Indicators

▶ Young people not in employment, education or training (NEET)

What is it?

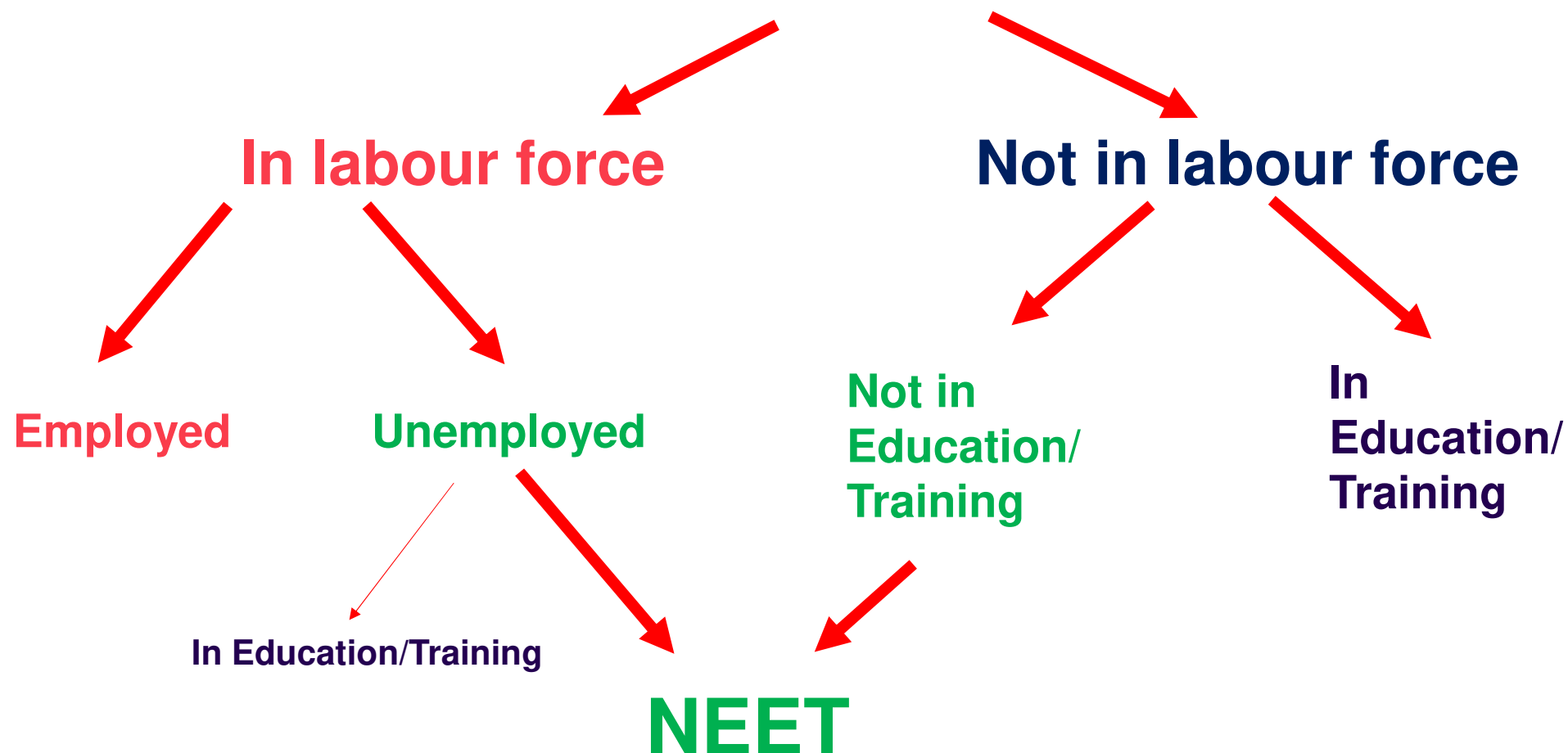
- ▶ All those young people who are neither in employment nor in education
- ▶ This includes both the **unemployed** (excluding the unemployed who are also studying) AND those **outside the labour force** who are **NOT in education**
- ▶ Indicator of the state of youth labour markets
- ▶ labour market SDG target indicator 8.6.1

Why is it useful?

- ▶ Includes the discouraged
- ▶ Calculated on the population so gives an idea of the size of youth labour market problems
- ▶ Extremely simple indicator to calculate
- ▶ Useful complement to the youth unemployment rate (and the LU3 rate)
- ▶ (SDG target indicator 8.6.1)

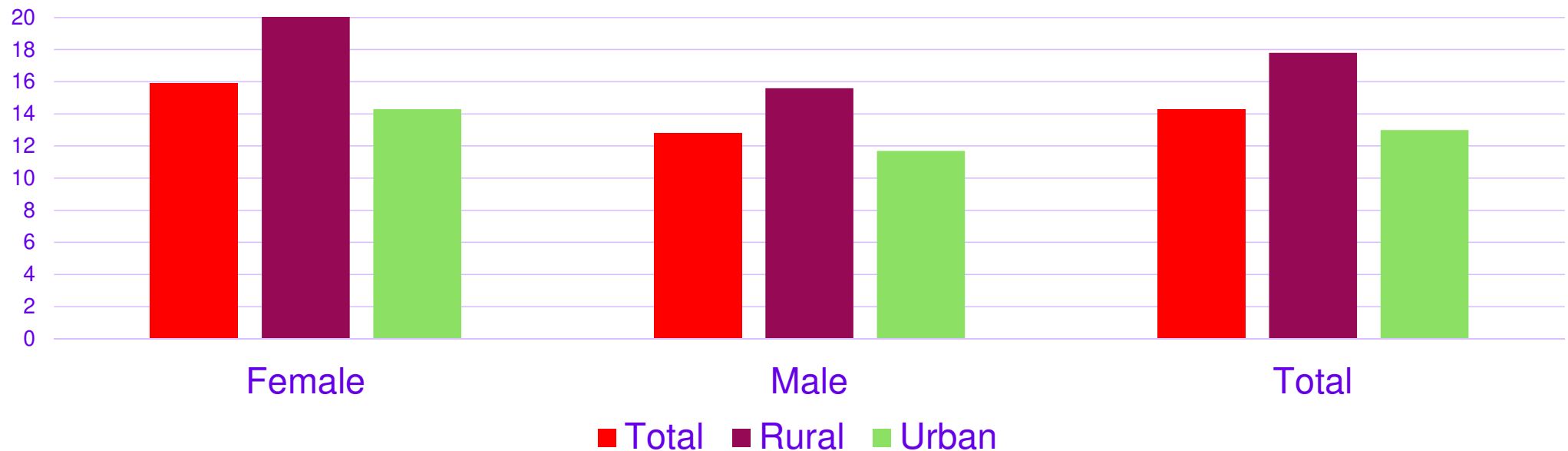
Youth population

10



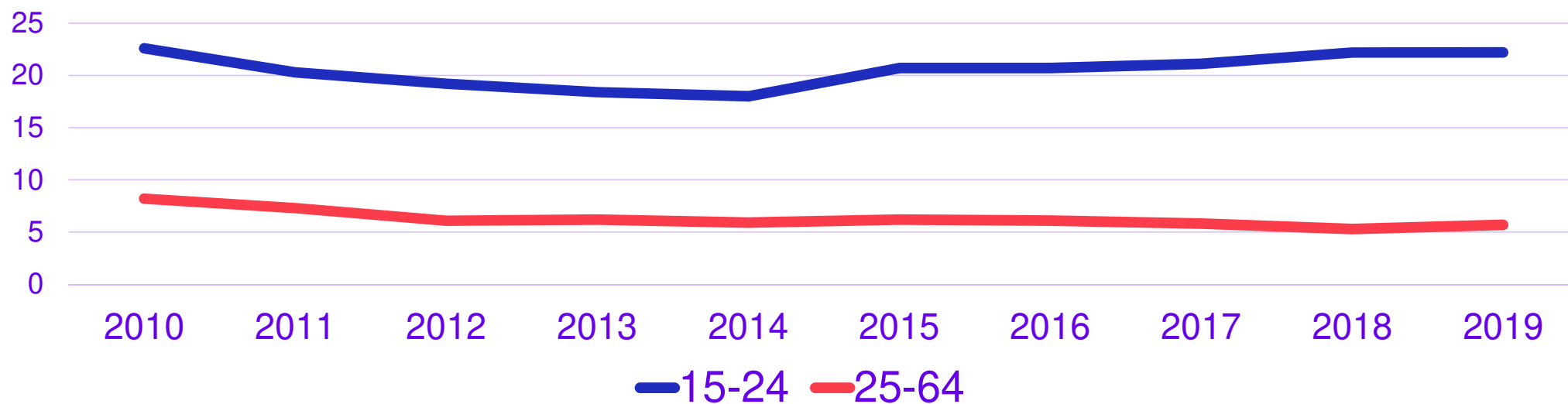
► **Women have higher NEET rates than men; & NEET rates are higher in rural areas**

Youth NEET rates, Russian Federation, 2019



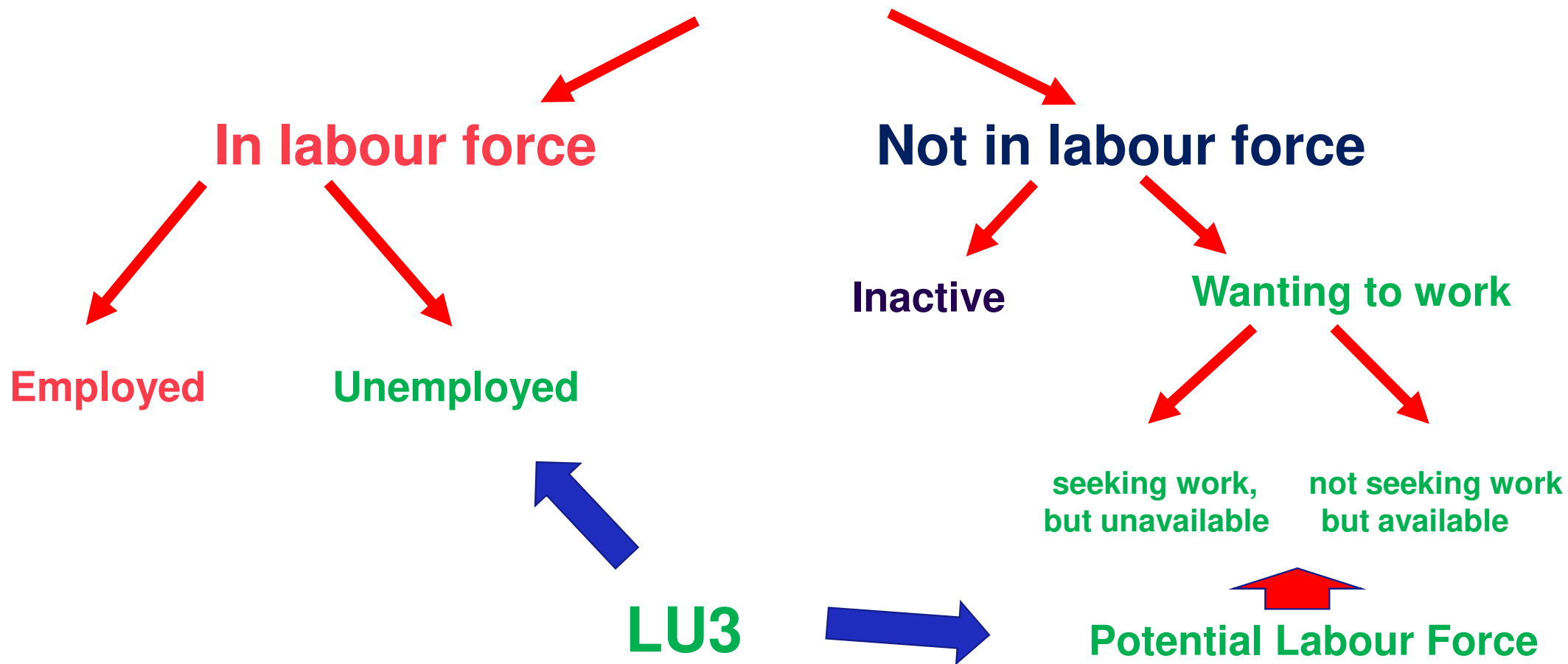
► A complementary picture is provided by using another related measure of labour under-utilization: LU3 = Unemployed + Potential Labour Force

LU3 by age, Russian Federation, 2010-19



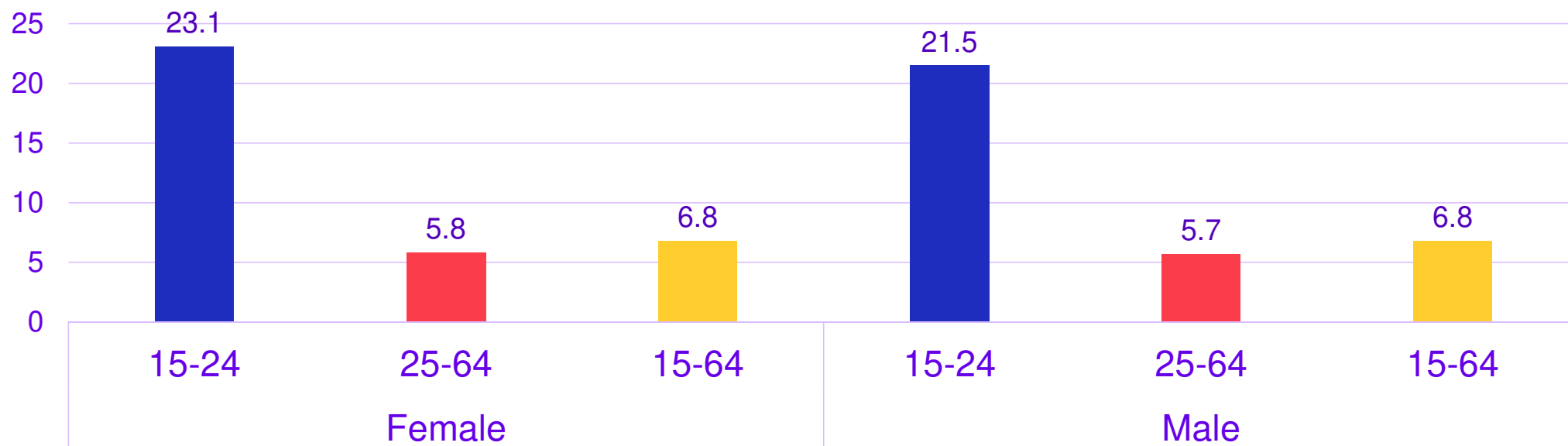
Youth/Adult population

13

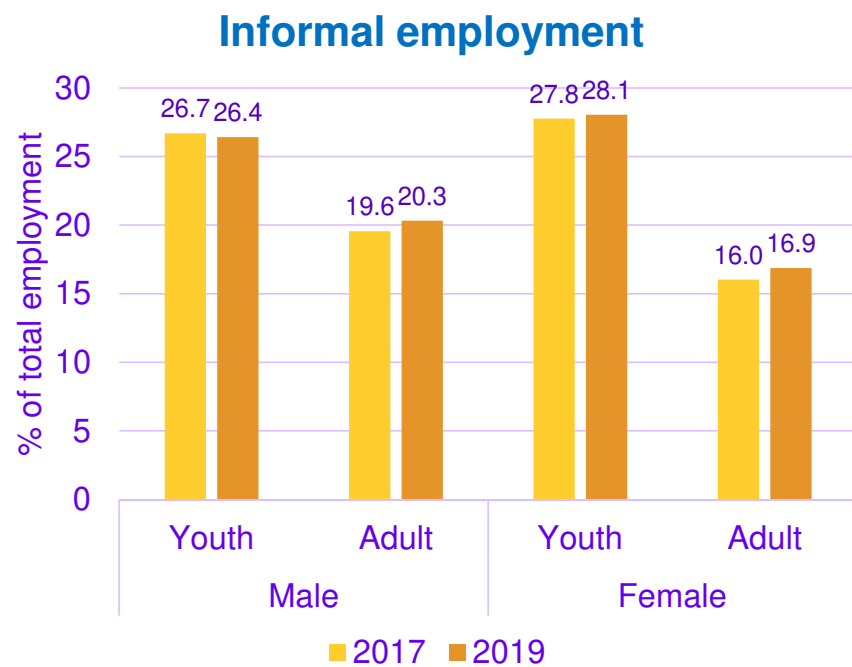


► LU3 is also unequally distributed by (age and) gender

LU3 by Gender and age, Russian Federation, 2019



Young people are also more prone to Decent Work deficits





Concluding remarks



- ▶ The pandemic induced economic crisis is presenting additional challenges to the integration of young people into Decent work
 - ▶ Particularly for young women
 - ▶ Russia exhibits a similar pattern to other countries – fall in employment largely leading to increased inactivity and (presumably) NEET/LU3 (rather than increased youth unemployment)
- ▶ Danger of short-term labour market exit leading to long-term exclusion for some young people
- ▶ Major investment in job creation needs to be supported by active PES
 - ▶ PES are increasingly active in the regions - Increased registration of the Unemployed – need to develop outreach