Young people and the labour market

- The COVID-19 crisis exacerbated the numerous labour market challenges generally faced by young people
- Limited access to training and development opportunities
- Difficulties to make transition from school to work
- 40% of the global population is below 25 years old (UN World Population Prospects)

<table>
<thead>
<tr>
<th>Youth (15-24)</th>
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</thead>
<tbody>
<tr>
<td>Informal employment rate (2017)</td>
<td>77%</td>
</tr>
<tr>
<td>Unemployment rate (2022)</td>
<td>14%</td>
</tr>
<tr>
<td>Composite rate of labour underutilization LU4 (2022)</td>
<td>28%</td>
</tr>
<tr>
<td>NEET rate (2022)</td>
<td>24%</td>
</tr>
</tbody>
</table>

**Source:** ILOSTAT
Why collect labour market information on young people through surveys?

- Gain insights into youth employment trends and challenges
- Identify gaps and needs in youth skills development programs
- Generate reliable data for policy-making
- Support Sustainable Development Goals (SDGs) related to decent work for youth
What is school-to-work transition?

The ILO defines school-to-work transition as “the passage of a young person from the end of schooling to the first stable or satisfactory job”

- The measurement of school-to-work transition has been designed to give a more detailed classification and help understand better young people’s transition path in the labour market
- "stable or satisfactory job" is considered as a job that provides either security through a permanent contract or personal satisfaction, adding a new quality dimension to the standard labour market transition definition.
How to measure the school-to-work transition?

School-to-Work Transition Surveys (SWTS)

The SWTS is a unique survey instrument designed by the ILO to generate relevant labour market information and to track labour market transitions of youth aged 15 to 29 years old:

- Main purpose is to collect in-depth information on the labour market situation of young people and to quantify the ease or difficulty of their labour market entry.
- These household surveys use a standardized questionnaire adapted to national circumstances, and measure aspirations and perceptions of youth, their conditions of work, means of job search, and history of economic activities.
How to measure the school-to-work transition ? (2)

School-to-Work Transition Surveys (SWTS)

Implementation through the National Statistical Office (NSO) with ILO support

- 60 surveys conducted in 40 countries since 2012
- Since the last ICLS in 2018, STWSs have been conducted in Burkina Faso (2019), Congo (2022) and Côte d’Ivoire (2022)
- Integration of new modules such as skills mismatch and impact of COVID-19
- Microdata for all SWTS conducted between 2012 and 2015 are available upon request at ilostat@ilo.org
How to measure the school-to-work transition? (3)

Labour Force Surveys (LFS)

SWTS being costly, the ILO also developed methodologies to derive transition-related indicators from key variables commonly found in LFS:

- Information needed on education, working conditions, contract details, job satisfaction and willingness to work
- Allows to measure stages and forms of transition among other indicators

Another advantage given by LFS is the possibility to measure length of transition from LFS using rotational sample design:

- Tracks individuals’ status from one quarter/year to another
- Avoids recall errors inherent in retrospective questioning (such as in SWTS)
- Enables conducting more extensive analysis beyond school-to-work transition
Database available in ILOSTAT - YouthSTATS

The ILOSTAT database on youth labour market statistics is a set of indicators describing the labour market situation of young people between the ages of 15 and 29 years.

https://ilostat.ilo.org/resources/concepts-and-definitions/description-youth-labour-market-statistics/
ILOSTAT - YouthSTATS

- Stages and form of transition estimates available for 96 countries

Stages of Transition by Sex

In percent, weighted average of available country data, latest year available

<table>
<thead>
<tr>
<th></th>
<th>Transited</th>
<th>In transition</th>
<th>Not transited yet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>31%</td>
<td>28%</td>
<td>41%</td>
</tr>
<tr>
<td>Men</td>
<td>39%</td>
<td>29%</td>
<td>33%</td>
</tr>
<tr>
<td>Women</td>
<td>24%</td>
<td>27%</td>
<td>49%</td>
</tr>
</tbody>
</table>

Source: Calculations based on the ILOSTAT database - YouthSTATS

Youth Transited by Sex

In percent, country data, latest year available

Source: ILOSTAT - YouthSTATS
ILOSTAT - YouthSTATS

- Youth employment data available for 167 countries with disaggregation by:
  - Sex
  - Rural and urban
  - Economic activity
  - Occupations
  - Education
  - Working hours
  - Earnings
  - And more…
Youth face higher informal employment rates than adults in almost all countries.

- Informal employment rates much higher in low-income countries for both groups.
- But the gap between youth and adults' informal employment rate is on average higher in lower-middle and upper-middle income countries.