Youth Employment in Times of COVID

A global review of COVID-19 policy responses to tackle (un)employment and disadvantage among young people

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Aims

- Outline policy responses which:
  - stimulate the economy and employment;
  - support enterprises, jobs and incomes;
  - protect workers in the workplace;
  - support social dialogue.
- Identify gaps and commonalities in responses.
- Identify future challenges.
Youth impact
Young people are disproportionately affected

Global percentage changes in unemployment and inactivity by sex and age (2020)

Types of response
Four pillars of COVID-19 policy responses

1. stimulate the economy and employment
2. support enterprises, jobs and incomes
3. protect workers in the workplace
4. support social dialogue
1. **Stimulate the economy and employment**

Macroeconomic interventions seek to boost economies, but risk leaving certain groups behind.

E.g. the Central Bank of Nigeria adjusted interest rates, increased credit, and injected liquidity at 2.4% of GDP.
2. Support enterprises, jobs and incomes

Includes:

- Employment retention and job protection schemes such as furlough
- Active Labour Market Policies (ALMPs)
- Investing in employment-intensive sectors
- Using public procurement used to support SMEs and female-owned enterprises
- Putting education and training online

E.g. UK furlough and job support scheme

Furlough helped 9 million people remain in work. 80% of wages are paid by the Government and 20% by employers.

Existing ALMPs (Kickstart, Restart, and Job Entry Targeted Support) were extended.
3. Protect workers in the workplace (and beyond)

Includes:

- Protection from COVID-19 (PPE)
- Supporting mental health

**E.g. Kindness is Contagious in Viet Nam**

Viet Nam, the Ministry of Health and UNICEF launched the *Kindness is Contagious* campaign, to promote dialogue between policymakers and adolescents on mental health issues. Adolescents share their stories, photos, videos, ideas and messages through social media platforms with the hashtag #long_tot_de_lay or “share kindness”. 

4. Support social dialogue

Includes:

“negotiation, consultation and exchange of information between or among representatives of governments, workers and employers on issues of common interest in the areas of economic, labour and social policy” (ILO)

E.g. Occupied Palestinian Territories

Social dialogue played a key role early in the outbreak, the ILO supported the Ministry of Labour and social partners Emergency Response Plan, to protect the Palestinian labour market from the worst of COVID-19. The tripartite agreement reached in March 2020 agreed employers would pay at least 50% of workers’ wages (with a floor of US$305) for March-April 2020, with remaining wages paid post lockdown.
Multi-sector policies target / support young people, Mexico

<table>
<thead>
<tr>
<th>Policy</th>
<th>Target group</th>
<th>Extension of pre-COVID-19 policy</th>
<th>New policy response to COVID-19</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial support</td>
<td>Small enterprises and self-employed people</td>
<td>X</td>
<td>X</td>
<td>New and extended forms of financial support have been made available with a particular emphasis on those impacted by COVID-19, and to small enterprises and self-employed people, including taxi drivers and domestic workers</td>
</tr>
<tr>
<td>Education and training: jóvenes construyendo el futuro</td>
<td>Young NEETs</td>
<td>X</td>
<td></td>
<td>12-month internship programme for young people not in employment, education or training. Currently, the Labour Ministry is working on a strategy to support school leavers into employment or further education</td>
</tr>
<tr>
<td>Benefits, welfare and income support</td>
<td>Unemployed people, parents, others</td>
<td>X</td>
<td>X</td>
<td>Mexico City extended its unemployment benefit programme, which reached 95,000 workers; the state of Hidalgo, Yucatán created new unemployment benefit programmes</td>
</tr>
<tr>
<td>Apprenticeship schemes</td>
<td>Students</td>
<td>X</td>
<td></td>
<td>There is an existing national apprenticeship programme in Mexico, but the uptake rate is low, at around 4,000 participants; it was not extended</td>
</tr>
<tr>
<td>Employment services</td>
<td>Jobseekers, young people</td>
<td>X</td>
<td></td>
<td>Existing public employment services programmes were not reinforced. Some virtual job fairs were organized, a number of which targeted young people</td>
</tr>
<tr>
<td>Protecting workers in the workplace</td>
<td>General</td>
<td></td>
<td>X</td>
<td>A health emergency was declared on 30 March 2020. The ensuing extraordinary actions to address the health emergency included the Government of Mexico establishing a Jornada Nacional de Sana Distancia, involving preventive measures to avoid contagion, including in the workplace. Non-essential activities were suspended. For all activities, employers were advised to authorize remote working. Labour inspections backed up these policies. The Ministry of Labour published a guide to occupational safety and health during the COVID-19 pandemic</td>
</tr>
</tbody>
</table>


Policy in a pandemic
Argentina’s *More and Better Jobs for Youth* programme

**The scheme:** Training for vulnerable young people (18-24 years)

**2020:**

- Training paused during lockdowns, cash transfers for participation continued
- By September 2020 some training was online, TVET is hard to virtualise
- Registration remained open, yet few new people joined during the past year

**Challenges:** a job is not always enough - youth job services will link transport, housing, family and health

**Plans:** programme to be extended to other vulnerable groups: 45s+ and women
Comparisons & gaps
Commonalities in policy responses

- All countries are affected (even with low COVID-19)

- Tendency to ‘firefight’ the emergency, with vulnerable people, young people and young women being overlooked

- Within countries, disadvantaged young people have limited internet access
  - Affects virtual job searches, education and information platforms
  - *Digital transition policies can reinforce inequalities*
Differences in policy responses

- Fiscal space varies, including within regions:
  - E.g. in MENA
    - Saudi Arabia, UAE, Qatar’s high spending policies
    - Conflict affected states’ humanitarian and labour market situation worsened.
  - Outcome: differences in recovery
    - IMF call for global solidarity of tax and aid

- Varying levels of cross-ministry working
  - COVID-19 necessitated cooperation between Ministries of Health, Public Health, Labour, Treasury, Economy and Social Affairs
    - New Zealand and Australia achieved this

- Public employment services (PES) and ALMPs mobilised quickly

  **BUT:** Some diverted ALMPs spending to welfare (Spain and Mexico).

  **WHILE:** Others invested in ALMPs (Hungary, Portugal and Switzerland).
Gaps in policy and evidence

Young people and the COVID-19 policy response

- Young people often covered only by default.
- Job retention schemes, furlough, lockdown measures such as teleworking exclude first time job seekers who tend to be young.

Evidence gaps

- Little indication of what works, why, for whom.
  - Policy evaluations of focus on European furlough schemes
Looking ahead
Policy recommendations

- **Strengthen** social protection and ALMPs
  - To maintain employability and protect mental health
- **Plan** for protracted crisis and lagged economic impact
  - Tapering off is preferable to a ‘cliff edge scenario’
- **Support** young refugees and IDPs
- **Report** more indicators to monitor the crisis and policies
  - mental health, informality, in-work poverty, inactivity
- **Evaluate** economic and social policy interventions
  - The pandemic allows us to test policy and learn
  - Economic *and* public health observatories