

Helping Disadvantaged Youth: Progress and Policy Action towards the Antalya G20 Youth Goal

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Executive summary

Most G20 economies have made solid progress towards the Antalya goal of reducing the share of young people who are most at risk of being permanently left behind in the labour market by 15% by 2025. Since 2014, the share of young people aged 15-29 who are Not in Employment, Education or Training (the NEET rate) has declined in 15 G20 countries, and in 12 they are well on track to meet the Antalya goal. However, the economic consequences of the Covid-19 pandemic are likely to be particularly severe for young people and risk undoing much of the progress that has been achieved so far. Specific measures to support employment and incomes of young people during the economic downturn are therefore crucial.

Going beyond the crisis, a number of structural challenges need to be addressed. Since 2014, there were generally smaller declines in the number of inactive NEETs, whose labour market prospects are less linked to ups and downs in economic activity, than in the number of unemployed NEETs. Targeting this core group of NEETs will be key to meeting the Antalya goal. Low-skilled youth in particular face a higher risk of labour market exclusion, reflecting a long-term decline in low-skilled entry-level jobs because of digitalisation and globalisation. Poor job quality is also a key issue to address as many young workers are employed in unstable and low-paid jobs.

In all G20 economies, the NEET rate is higher for young women than for young men, reflecting the additional barriers that young women face in gaining access to the labour market and good quality jobs. These range from difficulties in reconciling caring responsibilities with work, narrow stereotypical views about the professional role of young women, and discrimination in employment.

In the face of these challenges, an increasingly broad range of policy initiatives are already being taken to improve the integration of young people into the world of work. All G20 countries are implementing an increasing number of concrete measures to promote employment for young women and men and specific interventions targeted at more vulnerable youth. Most interventions are focused on supply side measures to improve the skills and competencies of young people. However, they must be complemented by demand side measures that expand the quantity of good quality job opportunities available to young people. Above all, relatively few initiatives seek to improve the quality of jobs available to young people.

Further action is needed

Given the diversity of challenges facing young people, a more comprehensive package of measures is needed to tackle disadvantage and improve their labour market prospects. A key objective must be to create both more and better job opportunities for young people. Building on the policy principles for promoting better youth employment outcomes adopted by Labour and Employment Ministers in 2015, possible elements of this policy package involve a three-pronged approach:

- Strengthen support in economic downturns.
- Improve successful labour market entry.
- Tackle barriers to quality employment for young women.

1. Introduction

The purpose of this paper is to take stock of progress towards the goal agreed by G20 Leaders in Antalya in 2015 to reduce the share of young people in their countries who are most at risk of being permanently left behind in the labour market by 15% by 2025. Making progress in achieving this goal has become even more urgent and more difficult in light of the severe impact that the Covid-19 pandemic is having on young people's labour market prospects.

At the 1st meeting of the G20 Employment Working Group (EWG) in Jeddah on 4-6 February 2020, there was broad agreement that for the purposes of monitoring progress there should be a focus on the share of young people who are Not in Employment, Education or Training (the NEET rate). There was also general agreement that this should cover young people aged 15 to 29. It was further agreed that this "headline" measure should be accompanied by a range of other indicators to take account of the diverse individual and national labour market situations facing disadvantaged youth in G20 economies. Finally, it was agreed that these quantitative indicators of progress should be complemented by a qualitative survey of recent policy initiatives that have been taken in each G20 economy to improve labour market prospects for young people. This would be a particularly valuable way of sharing and learning from new, innovative and promising initiatives, especially in the current context of the large negative economic consequences of the Covid-19 pandemic.

Section 2, reviews progress to date in reducing the share of young people who are NEETs. Section 3 provides a broader picture of the labour market challenges facing young people based on a range of indicators covering their skills and employment and unemployment situation. Section 4 gives an overview of recent policy initiatives in G20 economies to deal with these challenges. Finally, a number of policy directions are outlined in Section 5 for consideration by EWG Delegates. These include measures to: strengthen support for young people during economic downturns; address structural impediments to successful labour market entry; and tackle the additional employment barriers faced by young women.

2. Further action needed to reach the Antalya goal and respond to the Covid-19 crisis

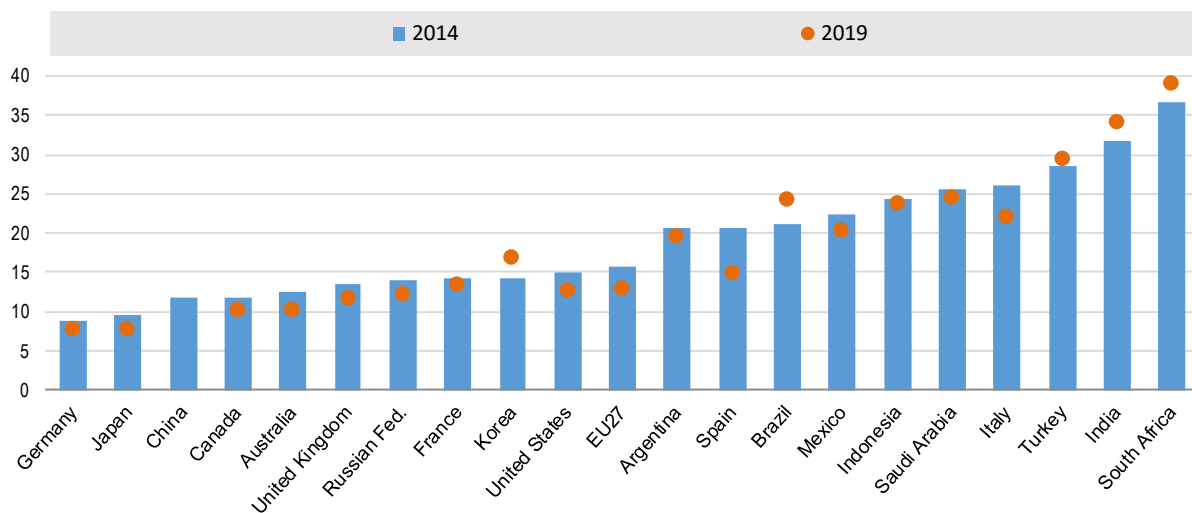
Some progress towards the Antalya target has been recorded in most G20 economies. For 15 of them, the NEET rate was lower in 2019 than in 2014 (Figure 1A).¹ However, it remains high in a number of countries. For the most recent year for which data are available, around 30% or more of young people aged 15-29 were neither working nor studying in India, South Africa and Turkey. This compares with around 10% or less in Australia; Canada; Germany and Japan.

The degree of progress in achieving the Antalya goal can be assessed by comparing the **actual decline** in the NEET rate in each G20 economy with the **expected decline** if there were steady progress each year since 2014 in reaching the Antalya goal of a 15% decline by 2025 (Figure 1B). If the actual decline is greater than the expected decline, the country/economy concerned is ahead of schedule in reaching the goal. Otherwise, it is behind schedule. On this basis, 12 G20 economies are ahead of schedule in meeting the Antalya goal. The progress achieved has been particularly strong in Italy and Spain, reflecting a substantial decline from the very high levels of unemployment among young people in 2014. In contrast, the labour market situation of young people in countries like Brazil, India, South Africa and Turkey worsened with an increase rather than a decrease in the NEET rate from levels that were already very high in 2014.

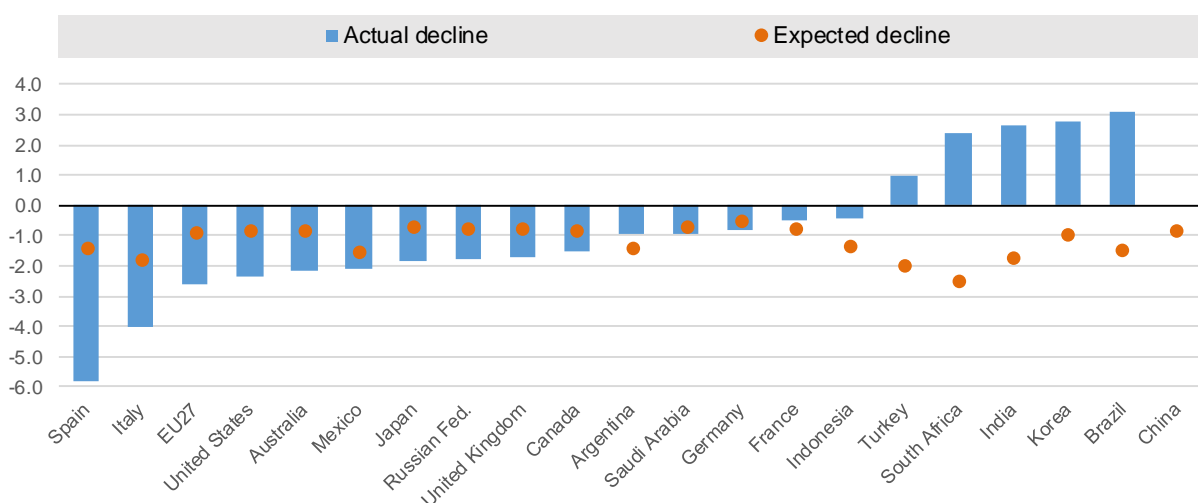
¹ Unfortunately, recent data are not currently available for China or Saudi Arabia to assess progress in achieving the Antalya goal.

Figure 1. The share of young people not working or studying has declined in most G20 countries since 2014

A. NEET rate for 15-29 year olds, 2014 and 2019 (%)



B. Actual versus expected decline in NEET rate, 2014-2019 (% points)



Note: The data for 2019 refer to: 2018 for the EU, France, Germany, India, Indonesia, Russia, the UK and the US; and 2016 for Saudi Arabia. **Actual decline:** observed change in the NEET rate since 2014. **Expected decline:** decline expected if there was a steady decline each year in the NEET rate to reach the target of a 15% decline by 2025. For China and India, the data for 2014 have been projected from, respectively, their 2010 and 2012 values to calculate the expected decline.

Source: OECD calculations based on national labour force surveys and, for China, census data.

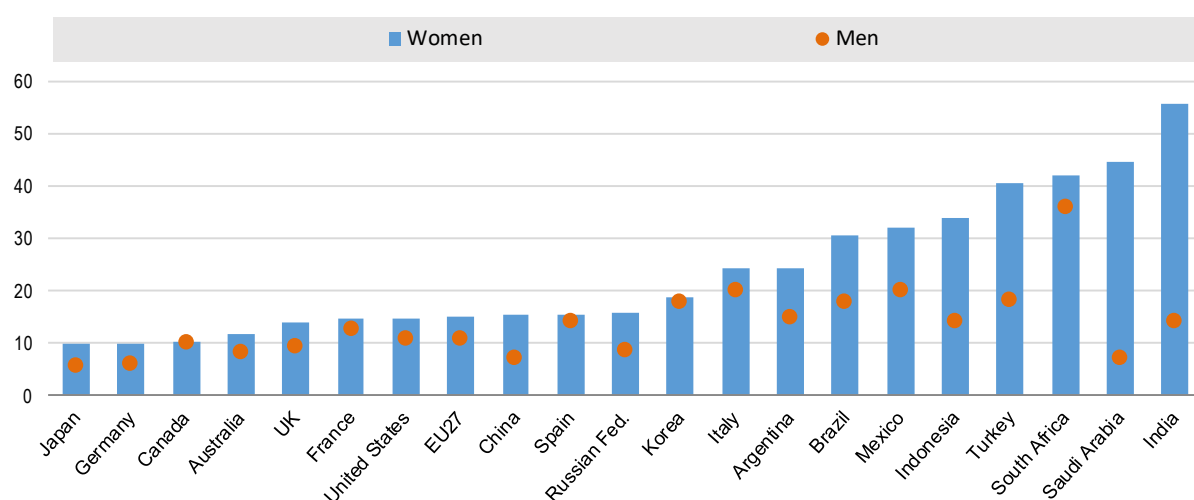
The Covid-19 pandemic risks undoing much of the progress that has been achieved in many G20 countries over the past five years in helping young people make the transition from school to work. In the short term, the sharp contraction in economic growth is likely to lead to a substantial rise in the NEET rate for young people as job losses mount and hiring slows. Depending on the severity of the economic and labour market shock and its duration, it may be difficult for many G20 countries to achieve the Antalya goal. The gap is likely to be particularly large in countries where the NEET rate is already very high. Prolonged periods of joblessness could have scarring effects on the labour market prospects of young people. Therefore, G20 governments will need to ensure that disadvantaged young people fully benefit from any policy action to

contain the economic and social consequences of the Covid-19 pandemic. This should consist of helping them retain their jobs, improving access to adequate income support, strengthening short-term training opportunities and ramping up employment services once job growth resumes.

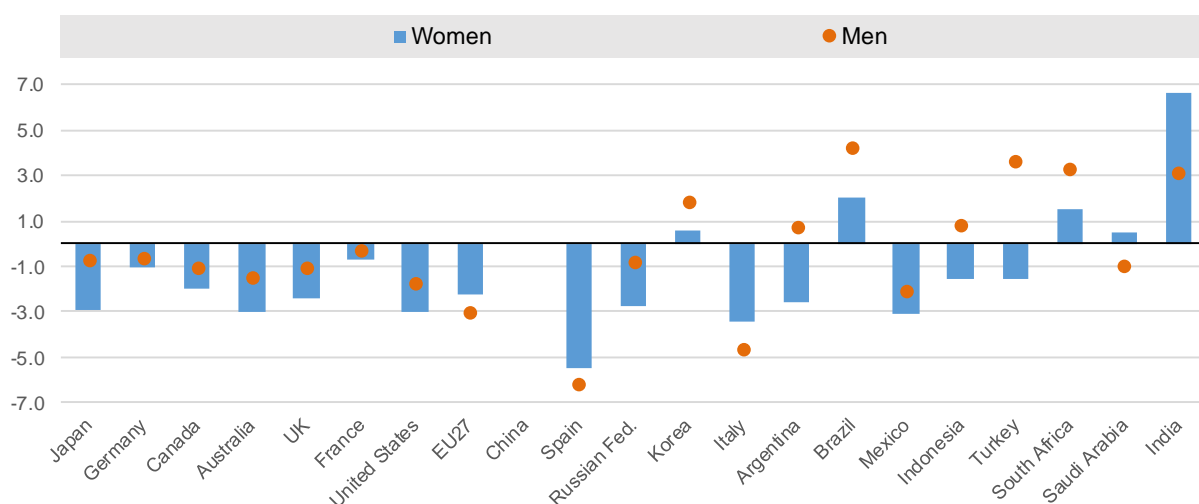
Reinforcing progress towards the Antalya goal will also require targeting policies on the situation of specific groups among the NEET population. Despite the widespread decline in the overall NEET rate, there is still a substantial gender difference in most G20 economies (Figure 2A). The gender gap in the NEET rate ranges from a low of one percentage point or less in Korea and Spain to over 35 percentage points in India and Saudi Arabia. However, since 2014, the NEET rate has declined more (or risen less) steeply for young women than for young men in most G20 economies (Figure 2B). Consequently, there has been a widespread narrowing of the gender gap in the NEET rate.

Figure 2. Young women are more likely than young men not to be working or studying

A. NEET rate for 15-29 year olds by gender, 2019 (%)



B. Change in NEET rate for 15-29 year olds by gender, 2014-2019 (% points)

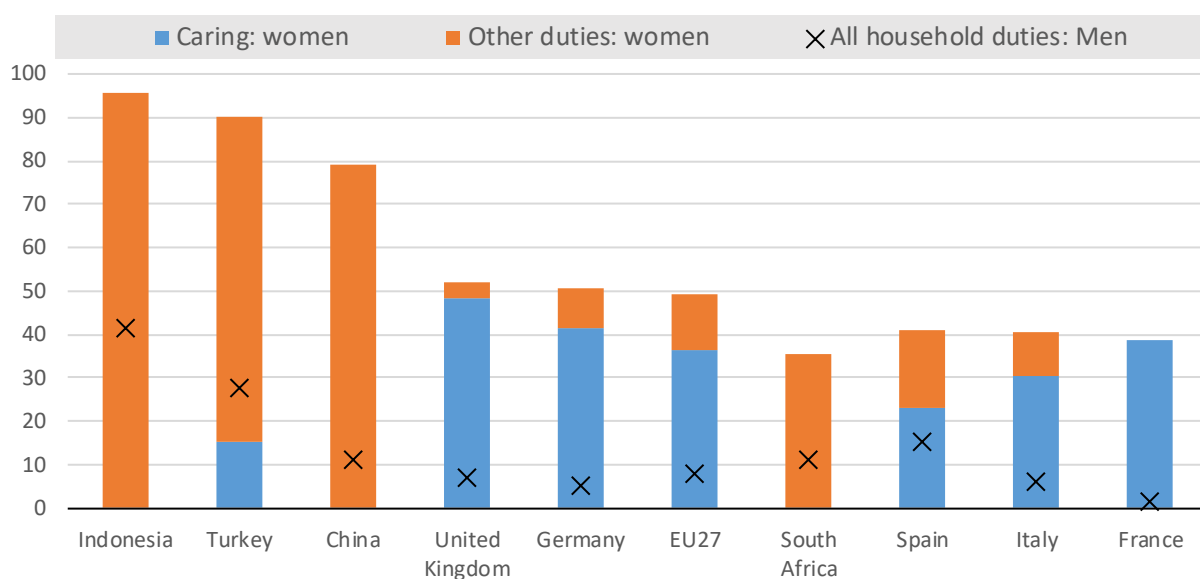


Note: The data for 2019 refer to: 2018 for the EU, France, Germany, India, Indonesia, Russia, the UK and the US; 2017 for Korea; 2016 for Saudi Arabia; and 2010 for China. The change in the NEET rate for 2014-2019 is not available for China and refers to 2012-2018 for India.
Source: OECD calculations based on national labour force surveys and, for China, census data.

In general, across G20 economies, the gender gap is higher for the age group 25-29, which is related to caring responsibilities for young mothers and greater responsibilities more generally for household duties for young women than for young men. For all countries for which data are available, caring and other household responsibilities account for a much larger share of the reasons for remaining outside of the labour force for young women who are not studying than they do for young men. Therefore reducing the gender gap in NEET rate remains a challenge in all countries and points to the additional barriers that young women face in gaining access to the labour market. These range from difficulties in reconciling caring responsibilities with work, narrow stereotypical views about the professional and caring roles of young women, and discrimination in employment.

Figure 3. Many young women not studying are inactive because of family responsibilities

Share of young people aged 15-29 who are not employed, nor in education or training, by gender, 2018



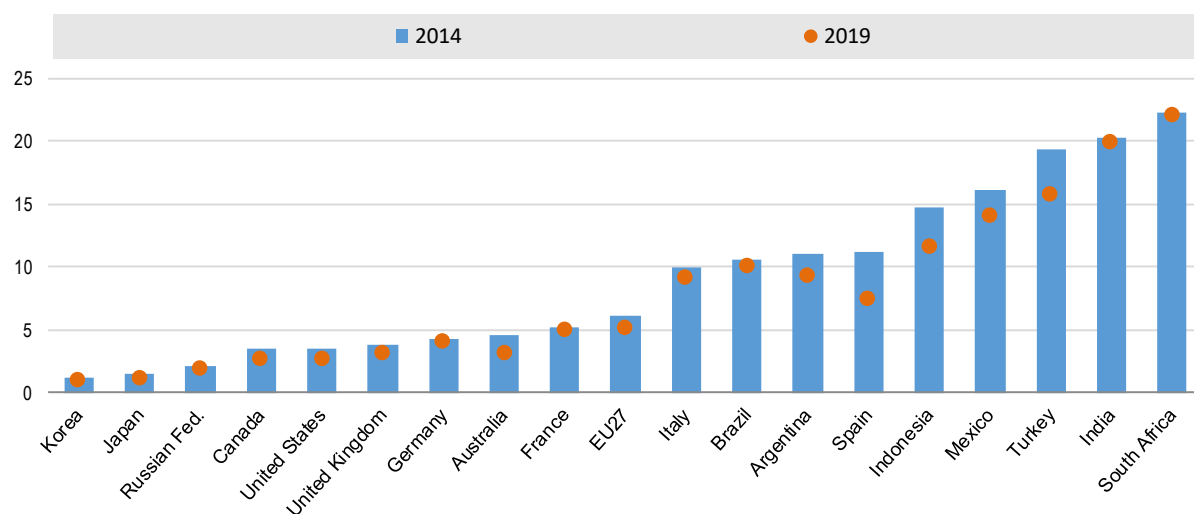
Note: **Caring** responsibilities include caring for young children and other adult dependents. **Other duties** refer to all other household duties such as housework. No data are available for France on other household duties. The data for China, Indonesia and South Africa refer to all household duties, including caring duties. The data for China refer to 2010.

Source: OECD calculations based on national labour force surveys and, for China, census data.

Low-skilled young people are likely to face the greatest risk of becoming permanently excluded from the labour market: In nearly all G20 economies, they are more likely to be NEET than higher skilled youth. The good news is that since 2014 the share of all young people aged 15-29 who are low-skilled youth has declined in all G20 economies. The declines tended to be largest in the emerging G20 economies, where the share was highest, as well as in Spain. The decline reflects a mix of declines in the share of the low-skilled who are NEET and their share of the total population of young people. Thus, policies to improve the skills of young people and prevent early leaving from school, as well as more general policies to reduce the NEET rate, are important to lower the risk of labour market marginalisation for some groups of young people.

Figure 4. The share of young people who are low-skilled NEETs has declined

Share of young people (aged 15-29) who are low-skilled NEETs, 2014 and 2019 (%)



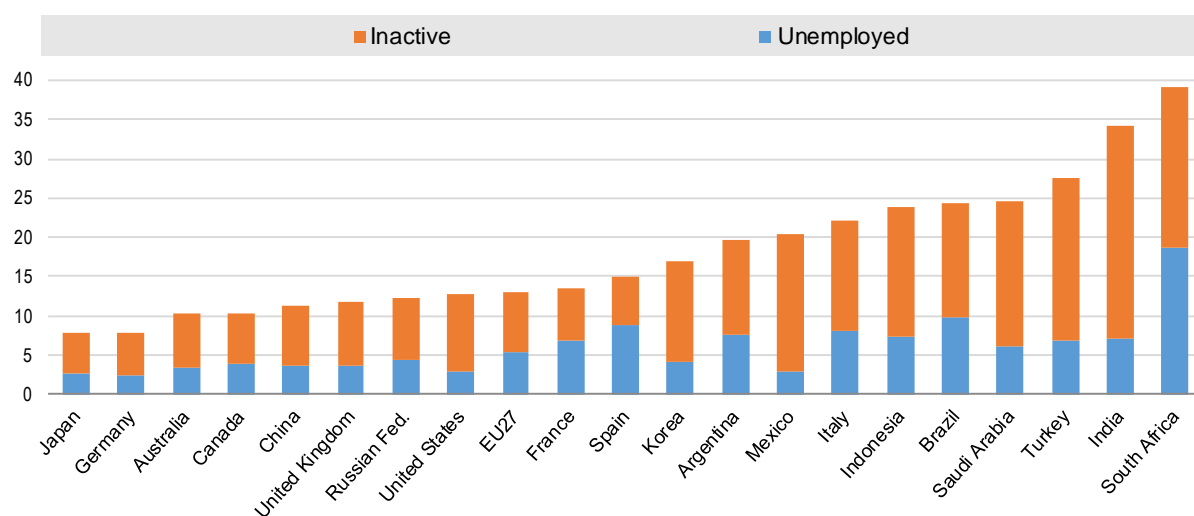
Note: The data for 2019 refer to: 2018 for the EU, France, Germany, India, Indonesia, Spain, Russia, Turkey, the UK and the US; and 2017 for Korea. The data for 2014 refer to 2012 for India.

Source: OECD calculations based on national labour force surveys.

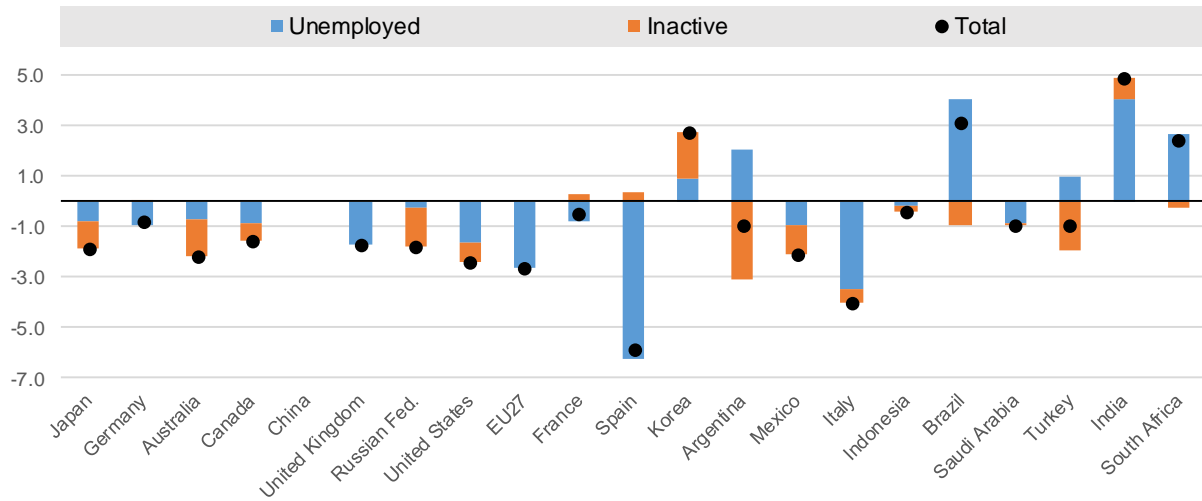
Across G20 economies, most NEETs are inactive and not looking for a job (Figure 5A). Nevertheless, changes in the overall NEET rate tended to be driven more by changes in the share of young people who are unemployed NEETs rather than those who are inactive NEETs. For the period since 2014, this was the case for almost all G20 economies (Figure 5B). On the one hand, this points to the important role of cyclical factors, which affect the number of unemployed NEETs, with economic downturns increasing their number and expansion reducing them. This is particularly relevant as most if not all G20 countries are facing the risk of a severe downturn associated with the Covid-19 pandemic. On the other hand, it also points to the importance of structural factors that must be addressed to reduce the number of inactive NEETs.

Figure 5. Most NEETs are inactive and not actively looking for a job

Share of young people aged 15-29 who are not in employment, education or training by activity status, 2019



B. Change in NEET rate for 15-29 year olds by activity status, 2014-2019 (% points)



Note: The data for 2019 refer to: 2018 for the EU, France, Germany, India, Indonesia, Russia, Turkey, the UK and the US; 2016 for Saudi Arabia; and 2010 for China. The change in the NEET rate by activity status for 2014-2019 is not available for China and refers to 2012-2018 for India. Source: OECD calculations based on national labour force surveys and, for China, census data.

3. Recent developments in other labour market outcomes for young people

While the NEET rate is the most appropriate option for the headline indicator to monitor progress in achieving the Antalya goal, it does not fully capture the diversity of labour market situations of young people both within and across countries. To complement the NEET rate, developments in a wider range of indicators are presented to capture the multi-dimensionality of the problems and obstacles that young people face in gaining access to good quality jobs as well as the diversity of youth labour market challenges across G20 economies. These indicators have been selected to mirror the G20 policy principles for promoting better youth employment outcomes that were endorsed by G20 Labour and Employment Ministers in Ankara in 2015 (see Box 1 for an overview).

Box 1. G20 policy principles for promoting better youth employment outcomes

Improving education and skills of youth

1. Ensuring basic skills for all
2. Ensuring school completion
3. Providing greater choice in educational pathways
4. Promoting access to higher education
5. Bringing closer together the worlds of education and work

Improving youth employment

6. Strengthening job opportunities
7. Tackling unemployment
8. Avoiding prolonged periods out of work
9. Improving job quality

Source: Annex 3 of the Ankara 2015 Declaration by G20 Labour and Employment Ministers.

Improving education and skills of youth

A higher share of young people are completing more advanced educational levels than ever before but skills among school-aged teenagers have not risen consistently over time and large differences remain in the education and skill levels of young people across G20 economies (Table 1).

Table 1. More youth are obtaining basic and high-level qualifications, but many secondary students still lack basic skills

Selected education and skills indicators for youth

	Low performers in reading among 15-year olds	Educational attainment			
		20-24 year olds with at least an upper-secondary degree		25-29 year olds with a tertiary degree (%)	
	2018 (%)	2018 (%)	Change 2014-2018 (p.p.)	2018 (%)	Change 2014-2018 (p.p.)
Argentina	52.1	70.6		40.0	
Australia	19.6	89.0	1.2	48.7	2.1
Brazil	50.0	67.6	3.6	20.3	5.0
Canada	13.8	92.8	1.3	60.6	4.4
China		..		..
European Union	22.0	82.9	1.2	37.7	2.5
France	20.9	87.7	0.1	47.7	2.9
Germany	20.7	77.1	0.0	29.5	4.1
India		47.4	12.6	20.1	6.0
Indonesia	69.9	65.7	9.7	19.5	5.3
Italy	23.3	81.1	1.3	27.6	3.2
Japan	16.8	..		..
Korea	15.1	98.0	-0.2	67.2	0.6
Mexico	44.7	57.7	5.5	24.5	3.4
Russian Fed.	22.1	94.6		62.7	
Saudi Arabia	52.4	..		..
South Africa		82.9	3.4	5.3	0.0
Spain	16.2	72.7	6.9	46.4	5.9
Turkey	26.1	58.6	6.0	35.6	9.4
United Kingdom	17.3	85.7	3.1	47.4	4.2
United States	19.3	92.8	1.4	46.7	2.6

Note: p.p. refers to percentage points. The data on low performers in reading refer to 2015 for Spain. The educational attainment data for the Russian Federation refers to 2017. Educational attainment data for India and Indonesia are calculated based on ILOSTAT totals for youth by educational levels; and the change in educational attainment refers to 2018 compared to 2012 for India.

Source: OECD (2019), PISA 2018 Results - What students know and can do, Volume 1. <https://doi.org/10.1787/8889340290>; OECD (2019), Education at a Glance Database; Eurostat "Population by educational attainment level (edat1), ILOSTAT "Youth working-age population by sex, age and education (thousands) – Annual".

The share of 20-24 year olds who have graduated from upper secondary school increased in most G20 countries. Since 2014, the largest increases occurred in those countries where this share had been the lowest (India, Indonesia, Mexico, Spain and Turkey). The situation of almost 100% graduation from high school in Korea is remarkable. While few young South Africans subsequently graduate from college or university, the share who complete upper secondary education is larger than in several advanced G20 countries.

In all but one of the G20 countries for which data are available, a larger share of young people in their late twenties were university graduates in 2018 than in 2014. However, this share varies widely across the G20, ranging from 5% in South Africa to 67% in Korea. In about one third of G20 economies, at least one in two 25-29 year olds have tertiary degrees, and in another third, around one in four do. Expansion in the

share of tertiary graduates has not always been matched by an equal expansion of graduate job opportunities. The ILO's recent report on global youth employment trends shows that the increase in high skilled jobs has not kept pace with the increase in the numbers of tertiary graduates in several, particularly emerging, G20 countries.²

Educational qualifications provide an indirect measure of the foundation skills of young people to understand and process information and are difficult to compare meaningfully across countries because of differences in educational quality. The OECD Programme for International Student Assessment (PISA) provides a more direct measure. According to the PISA results for 2018, the share of 15-year-olds with poor reading skills ranged from a low of one-sixth or less in Canada, Japan, Korea and Spain to a high of more than two-thirds in Indonesia. In all countries, further progress could be achieved in ensuring that young people do not leave school without basic reading and numeracy skills.

Improving youth employment

The picture for improvements in youth employment outcomes is less clear, especially when different aspects of job quality are taken into account (Table 2).

The youth unemployment rate remains high in many countries. In 2018, only four countries (Germany, Japan, Mexico and the United States) had rates in the single digits. At the other end of the scale, more than one in two young labour force participants in South Africa (57%) were unemployed. Since 2014, changes in the youth unemployment rate have differed markedly across the G20, reflecting differences in the economic cycle and the more recent economic downturns in Turkey and the South American economies. It fell in a number of countries whose labour markets had not fully recovered from the global financial crisis by 2014. These include the G20 OECD countries, with the exception of Korea (where the rate increased marginally) and Turkey (+2.5 p.p.). The declines were mostly modest, with more substantial declines in Italy (-10.5 p.p.) and Spain (-20.6 p.p.). In contrast, the youth unemployment rate increased in many of the emerging economies among the G20, in some cases markedly.

The unemployment rate offers a relatively narrow picture of youth who are not working since it excludes anyone who was either not actively searching for or not available to work over a short reference period. Notably, it excludes unavailable jobseekers, who were actively searching for work but could not take up employment immediately but soon after, as well as potential jobseekers who had not actively searched for work but would like to and could start immediately.

The difference between this broader unemployment rate and the regular unemployment rate varies, but changes in the two measures over time move in the same direction. The difference between the two rates can be relatively small (such as 1.2 p.p. in the United States), meaning that most youth who would like and are generally available to work are actually searching and could start soon. But in other countries, the difference is large at 10.8 p.p. in Brazil and 15.6 p.p. in Italy. The difference does not appear to be correlated with the overall level of youth unemployment. This suggests that labour market features other than the unemployment rate play a role in whether non-working young people remain active and available job seekers. However, the changes in the narrow and broad unemployment rate since 2014 usually move in the same direction and are of a similar order of magnitude, which suggests they both respond in a similar way to the economic cycle.

G20 countries with falling youth unemployment rates generally also had falling shares of long-term unemployed youth (out of work and looking for a job for one year or more). In some countries such as the United Kingdom, the decrease in the share of long-term unemployment strongly exceeded the decrease in youth unemployment.

² ILO. 2020. *Global employment trends for youth 2020: Technology and future of jobs*, (Geneva).

Table 2. The employment challenges young people face differ across G20 countries

Selected employment indicators for young people aged 15-24

	Unemployment rate (as a % of the youth labour force)		Broader unemployment rate (as a % of the potential youth labour force)		Long-term unemployed (as a % of all unemployed youth)		Time-related underemployment (as a % of employed youth)		Temporary employment (as a % of youth employees)		Low-paid work (as a % of full-time youth employees)	
	2018 (%)	Change 2014-2018 (p.p.)	2018 (%)	Change 2014-2018 (p.p.)	2018 (%)	Change 2014-2018 (p.p.)	2018 (%)	Change 2014-2018 (p.p.)	2018 (%)	Change 2014-2018 (p.p.)	2018 (%)	Change 2014-2018 (p.p.)
Argentina	25.7	6.9			27.7	3.3	38.1	7.5	22.5	3.4	49.2	8.2
Australia	11.8	-1.5	23.4	0.1	18.6	-2.4	20.7	1.5	5.5	-0.6	59.9	1.0
Brazil	27.6	11.6	38.4	15.6	..	..	36.0	15.5	..	..	38.7	3.1
Canada	11.1	-2.4	13.2	-2.5	3.9	-1.9	7.5	-2.4	31.8	1.0	55.1	-3.5
China	..	..			..	..	14.9	-0.9	..	..
European Union	15.1	-7.0	22.5	-7.4	25.5	-9.4	6.8	-2.0	43.5	0.1	60.7	-1.7
France	20.1	-3.4	25.5	-3.5	23.6	-5.6	12.2	0.1	57.6	0.3	54.6	0.4
Germany	6.2	-1.6	9.9	-1.2	22.3	-0.7	1.9	-0.5	51.7	-1.7	74.6	-4.7
India	28.5	17.8	27.2		..	..	27.0	0.3	92.8	..	38.8	
Indonesia	18.0	-2.4	25.9	-1.3	..		20.2	0.8	87.5	..	35.0	-6.9
Italy	32.2	-10.5	47.8	-9.6	49.5	-10.2	22.7	-2.3	64.0	7.9	54.8	-5.1
Japan	3.8	-2.5			17.4	-8.4	7.0	0.5	26.9	..		
Korea	10.5	0.5	19.1	1.2	0.2	..	12.5	0.3	26.2	0.4	47.8	6.1
Mexico	6.9	-2.6			0.8	0.1	14.1	-2.5	69.7	-1.6	31.3	-0.2
Russian Fed.	16.6	2.9	22.2	4.2	15.0	-2.3	0.3	-0.1	19.7	2.3		
Saudi Arabia	30.4	0.0			36.4	7.8	29.6	-1.4	..	..
South Africa	53.4	2.1	66.7	1.6	37.1	2.8	55.9	2.1	25.7	-2.3	36.4	-4.1
Spain	34.3	-18.9	41.2	-18.2	23.8	-16.6	17.2	-6.6	71.2	2.1	73.1	-5.4
Turkey	20.3	2.4	26.2	0.4	14.2	-0.1	1.5	0.5	24.1	2.4		
UK	11.6	-5.5	15.4	-5.9	15.4	-12.5	6.7	-3.2	14.2	-1.0	52.0	-5.2
United States	8.6	-4.8	9.6	-3.9	7.3	-6.6	2.7	-2.0	8.2	..	55.5	-4.8

Note: p.p. refers to percentage points. The latest youth unemployment rate for Australia, Canada, Japan, Korea, Mexico, South Africa, Spain and the United States is 2019. The Indian rate listed under 2014 refers to 2012. The long-term unemployment rates for Saudi Arabia refer to 2013 and 2016, respectively. The broader unemployment rate refers to 2015 instead of 2014 for Korea. The latest temporary employment rate for Australia and the United States refers to 2017. The low-pay incidence refers to 2019 for Argentina; 2017 for Australia; 2016 for Korea and 2015 and 2017 for South Africa.

Source: OECD calculations based on household and labour force surveys; and ILOSTAT database.

Unemployment is not the only source of precarity for young people. Many young people who are working are on temporary contracts, earn little and cannot work as many hours as they would like to. There is a broad span across G20 economies in the share of employed youth who work part-time and would like to work more hours. The share ranges from less than one percent in the Russian Federation to 56% in South Africa. Most changes since 2014 in this measure were relatively modest, with the exception of Spain, where their share among employed youth decreased by 6.6 p.p. between 2014 and 2018, and Argentina and Brazil, where they increased by 7.5 and 15.5 p.p., respectively.

A relatively high share of young employees have temporary rather than permanent contracts. The median share is 29.6%. In some countries such as Australia and United States, temporary contracts are uncommon (although other forms of employment such as casual employment are more common), while in India and

Indonesia, almost all young employees have one. The degree to which permanent compared to temporary contracts confer different rights and obligations to employees and employers can affect how many youth have permanent rather than temporary contracts. The shares have remained relatively stable since 2014. The one exception is Italy, where the share of temporary employment rose by 7.9 p.p.

The wages of young full-time workers very frequently place them among low-paid workers. Of the G20 countries for which information is available, the share of full-time employees aged 15-24 who earned less than two-thirds of the overall median salary among all full-time employees was never less than one third. Their estimated proportion is lowest in Brazil (39%), Mexico (31%), Indonesia (35%) and South Africa (36%) and highest in Germany (75%) and Spain (73%). The presence of low or high levels of youth unemployment thus does not appear to influence how many young people are among the low-paid.

4. Recent policy developments

The global diffusion of the COVID-19 pandemic makes all the more urgent the already crucial task of implementing national action to promote better access to decent work for young people. This section presents a review of recent policy developments in this area, prior to the Covid-19 crisis. As is made evident, the greater focus to date in G20 countries – in terms of the number of initiatives reported – has been on action to improve educational and training systems. Action which is welcome, necessary even, but which has tended to underplay the importance of action to promote better youth employment outcomes. Moreover, hardly any (just over 1 per cent) of the initiatives introduced have been aimed at improving the quality of jobs available to young people. In the context of a growing trend towards less stable forms of employment for young people – instability and precariousness which will be exacerbated by the COVID-19 pandemic – action to create good quality employment for young people becomes all the more urgent. The concluding section offers some specific indications of what is needed in this regard.

4.1 Recent developments in national youth employment strategies

Goal 8 of the UN 2030 Sustainable Development Agenda recognises the paramount importance of promoting youth employment and the crucial role of implementing national youth employment strategies in order to do so³. Target 8.6 focusses on reducing the share of young people not in employment, education or training, whilst Target 8.b recognises the importance of developing and operationalising a global strategy for youth employment and implementing the Global Jobs Pact of the ILO. Data for more than 100 countries collected by the ILO⁴ to monitor progress towards Target 8.b confirms that governments are prioritising youth employment in their policymaking

Not all G20 countries have reported against SDG target 8.b (Table 3). Among those that have reported, nine G20 countries (Australia, France, Germany, Italy, Japan, Mexico, Russian Federation, South Africa and the United Kingdom)⁵ have already implemented an integrated strategy for youth employment. A further six countries (Brazil, China, India, Indonesia, Saudi Arabia and Turkey) have adopted a strategy, but have not fully operationalised it. Only Argentina reported not to have a national strategy for youth employment.

³ Specifically, under SDG 8 countries should “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

⁴ The target is monitored by the ILO through the Sustainable Development Goal (SDG) Indicator 8.b.1.

⁵ That is, half of the G20 countries which provided replies to the ILO’s SDG 8.b survey.

Table 3. Status of G20 countries regarding their national strategies for youth employment as reported under SDG Indicator 8.b.1 (as of January 2020)

Country	Status	Main features
Argentina	No strategy	The country reports no strategy formulated or implemented but mentions the existence of the Youth Employment programme.
Australia	Implemented	A comprehensive set of policies and programmes, which are well funded and being implemented.
Brazil	Formulated	The “National Qualification Strategy for Productivity and Employment” targets youth.
Canada	No data reported	
China	Formulated	A number of policies and plans are mentioned, including the “Employment and Entrepreneurship Promotion Plan for University Graduates”.
EU	Not applicable	Youth Guarantee Scheme.
France	No data reported	National implementation of the EU Youth Guarantee Scheme
Germany	Implemented	National implementation of the EU Youth Guarantee Scheme
India	Formulated	Mainly the National Skills Development and Entrepreneurship Policy, which has been widely implemented with a strong focus on youth.
Indonesia	Formulated	A youth action plan and a number of sectoral programmes in the area of vocational education.
Italy	Implemented	The adopted strategy consists of the National Implementation Plan of the EU Youth Guarantee scheme and complementary national policy initiatives.
Japan	Implemented	Law for the promotion of youth employment (2015)
Mexico	Implemented	The “Youth building the future” programme focuses on apprenticeships and work-based learning.
Russian Federation	Implemented	Youth employment integrated in the broad national employment promotion strategy.
Saudi Arabia	Formulated	A national employment plan and other employment policies indirectly covering youth.
South Africa	Implemented	Employment as a cross-cutting issue of the Integrated Youth Development Strategy 2020.
South Korea	No data reported	
Turkey	Formulated	National Employment strategy (2014-23) targeting youth and the associated 3-year action plans.
UK	Implemented	National implementation of the EU Youth Guarantee Scheme.
United States	No data reported	

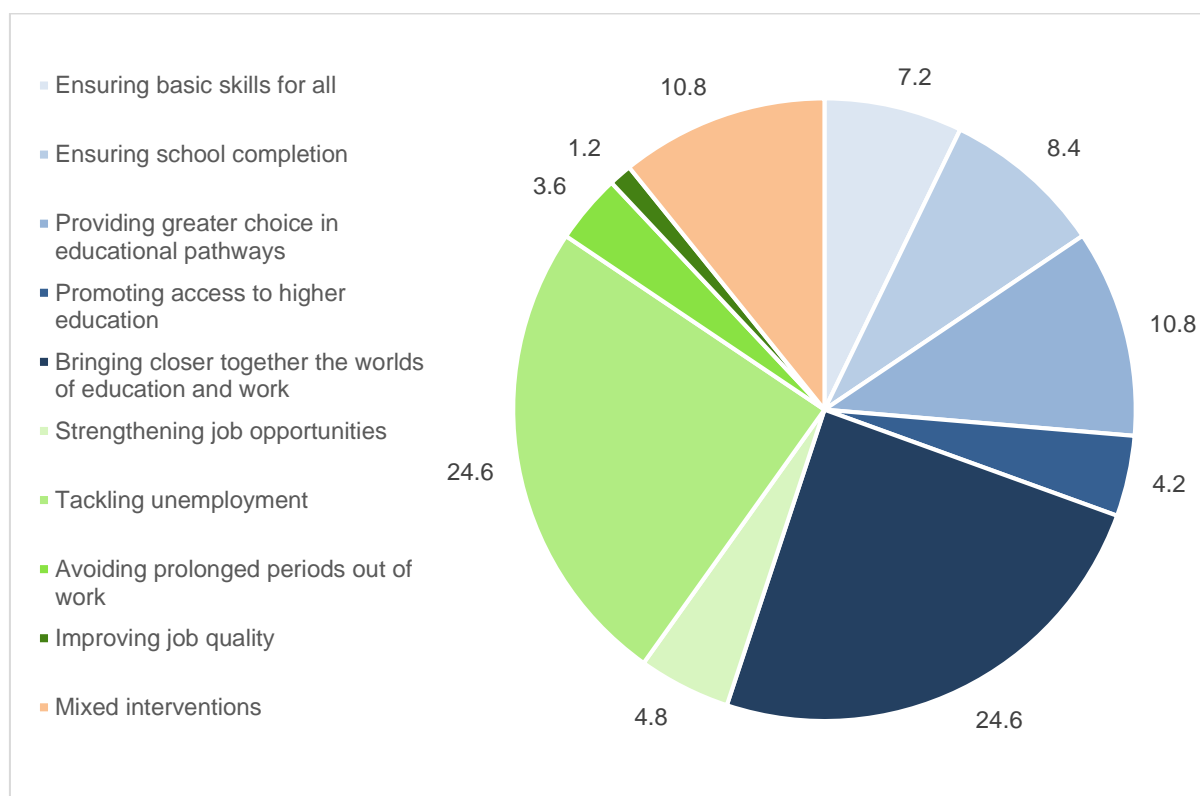
Source: ILO review of SDG 8.b, survey responses received as of 25 March 2020.

In EU Member States, national youth strategies are included in the EU’s Youth Guarantee programme with its commitment to ensure that all young people receive a good quality offer of employment, continued education, apprenticeship or traineeship within a period of four months of becoming unemployed or leaving formal education.

Drawing on the responses of G20 countries to the survey under the Saudi G20 Presidency of their recent policy measures focusing on youth employment, there have been a wide range of interventions. Of the 167 interventions reported by G20 countries⁶:

- 55 per cent focus on improving education and skills
- 34 per cent are concerned with promoting better youth employment outcomes,
- 11 per cent are mixed interventions which involve a combination of education/training, employment promotion and labour intermediation services.

Figure 6. Distribution of policy interventions in G20 countries to implement the Antalya Policy Principles for Promoting Better Youth Employment Outcomes, (%) March 2020



Source: ILO calculations based on G20 self-reports

One quarter of all interventions aims at bringing the worlds of education and work closer together. Many of these interventions include, for example, active labour market policies (ALMPs) including hiring subsidies for companies taking on young jobseekers or scholarships to access higher education. Noteworthy, only 1.2 per cent of all interventions explicitly aim at improving the quality of jobs for youth.

⁶ All G20 countries except India that did not report and the EU that has a supranational scope.

Table 4. Distribution of measures taken to implement the Antalya G20 policy principles for promoting better youth employment outcomes, (%) March 2020

Intervention	%
Improving education and skills	55.1
Ensuring basic skills for all	7.2
Ensuring school completion	8.4
Providing greater choice in educational pathways	10.8
Promoting access to higher education;	4.2
Bringing the worlds of education and work closer together	24.6
Promoting better youth employment outcomes	34.1
Strengthening job opportunities	4.8
Tackling unemployment	24.6
Avoiding prolonged periods out of work	3.6
Improving job quality	1.2
Mixed interventions (Education, employment & intermediation)	10.8
Total	100.0

Source: ILO calculations based on G20 self-reports.

4.2 Overview of interventions to improve education and skills for youth

A little over half of all interventions (55.1 per cent) reported by G20 countries aim explicitly at improving education and skills of young people. Out of these, the vast majority consist of some form of work-based learning programmes (e.g. apprenticeships) and curricula to prepare students for technical and vocational education and training (TVET). The most popular category - interventions that aim at bringing closer together the worlds of education and work - comprise one quarter of all interventions, while those providing greater choice in educational pathways make up one-in-ten. Measures to ensure school completion and basic skills for all are less frequent, but are present throughout G20 countries, in both advanced and emerging economies. Only a few of the interventions (4.2 per cent) specifically aim at promoting access to higher education, and in a more limited group amongst countries (specifically in Australia, Canada, the Russian Federation and Saudi Arabia).

Equipping all young people with basic skills is essential to increase their employability and their chances to succeed in the labour market. In Argentina, work orientation workshops help young people aged 18 to 24 to improve their employment opportunities and identify their professional profile according to their aspirations and labour market prospects. In addition, they develop communication and digital skills to improve their employability. Young people participating in these workshops also learn about their rights and obligations at work, decent work, and occupational safety and health. Moreover, they receive guidance to identify learning offers in TVET and in higher education. In France, the Skills Investment Plan funds the training and support of one million young people and one million low skilled jobseekers. It particularly aims at reaching the NEET youth, accelerating the transformation of the TVET system to make it more efficient and to address skills mismatches through reskilling and upskilling measures, focusing on the green and digital economies.

Ensuring school completion continues to be a priority for many G20 countries. In Italy, for example, the National Plan for preventing early school leaving in peripheral areas intends to reduce premature school leaving in the areas at higher risk of school drop-out. An innovative teaching programme is combined with extracurricular activities outside school hours in the periphery of major cities where early school-leaving is common so as to encourage children to remain in school.

In G20 countries, interventions **providing greater choice in educational pathways** tend to focus on introducing students to science, technology, engineering and mathematics (STEM) and various forms of TVET, especially apprenticeships. In Canada, the CanCode Program supports the delivery of coding and digital skills training initiatives to Canadian students from kindergarten to grade 12 (17 years old approximately), as well as to teachers, so that youth are better prepared to pursue advanced studies and access future jobs related to the digital economy, including STEM related fields. In China, the Action Plan for Promoting Vocational Skills (2019-2021) carries out actions to promote vocational skills and improve the training programmes' curricula to better target and improve workers' vocational skills and their ability for employment and entrepreneurship.

Promoting access to higher education serves to equip students with specialised knowledge, but also with core skills, such as analytical thinking and problem-solving, interpersonal communication and ability to work in teams. However, only a few G20 countries mainstream this type of measures, namely Australia, Canada, the Russian Federation and Saudi Arabia. In Australia, the Rural and Regional Enterprise Scholarships aim at increasing the number of youth able to undertake a course of tertiary study irrespective of their location. Moreover, it improves the skills of youth in rural and regional communities by providing access to financial assistance for tertiary education. Taking a different approach, the Canada Education Savings Program encourages Canadians to plan and save for a child's post-secondary education through two education savings incentives - the Canada Education Savings Grant and the Canada Learning Bond. The former adds 20 percent to personal contributions made to a Registered Education Savings Plan (10 per cent more to low- and middle-income families), while the latter provides an amount to children from low-income families with no personal contributions required. Free or heavily subsidised access to higher education is an alternative approach by some G20 countries, such as Germany or France.

Interventions that seek to **bring the worlds of education and work closer together** and thus facilitate the school-to-work transition are a priority in many G20 countries. This includes linking education and work through internships, apprenticeships and other ways of work-based learning, as well as through entrepreneurship training. For example, in Brazil the Professional Apprenticeship law requires that medium and large companies hire young people (aged 14 to 24) under a special work contract. It aims at the labour market integration of young people through a professional qualification while they remain in school. Some of the benefits for the beneficiaries include labour and social security rights, such as paid leave, a 13th salary, and a transportation allowance. Between 2005 and October 2019, over four million young people have been hired under this law. In Canada, the Student Work Placement (SWP) Programme brings stakeholders together to create quality work-integrated learning (WIL) opportunities for post-secondary education (PSE) students to better align work-ready skills development and ensure that students are better positioned to secure meaningful employment opportunities in their new chosen field of study. The program also supports partnerships between employers and PSE institutions to develop sustainable and incremental learning strategies to achieve transformational change in skills development for its students.

4.3 Overview of interventions to promote better youth employment outcomes

Tackling unemployment is a central element of G20 countries' actions to promote better youth employment outcomes with more than seven out of ten (71.9 per cent) interventions falling under this category. Interventions reported by G20 countries include measures to strengthen job opportunities (14 per cent) such as referral services, incentives to hire young workers, and subsidies for education and training of youth; and avoiding long periods out of work (10.5 per cent), for example actions to facilitate the school-to-work transition. Other measures target mainly youth NEET, such as career guidance and counselling, development of core skills and support to start a business.

Interventions to strengthen job opportunities are implemented in a number of G20 countries. They include incentives to create start-ups (Italy), wage subsidies to promote job-rich investment strategies by firms (Turkey), labour market integration programmes (Argentina), supporting job creation through the

creation of free economic zones (Russian Federation), amongst others. In Turkey, another wage subsidy scheme, entitled the “First Step to Job Project”, enables young graduates of TVET schools and universities (aged 18-29) to receive payments amounting to half of the minimum wage during the compulsory employment period of the programme, and one quarter of it during 12 months after the completion of the programme — covered by the unemployment insurance fund.

Interventions to **tackle youth unemployment** are the priority across G20 countries. This translates into numerous policy instruments and programmes ranging from self-employment (Argentina and Indonesia) and entrepreneurship schemes (China, South Africa and Turkey) to employment programmes (Australia, Mexico, Saudi Arabia, South Korea and the United Kingdom) for recent graduates. In Indonesia, a country with a large share of workers in the informal economy, the Self-employed Worker Programme trains new entrepreneurs to develop economic activities based on the locally available human and natural resources. The programme targets people living in poverty, laid-off workers and returning migrant workers.

Long periods out of work have long lasting negative effects on young peoples’ economic, social and health wellbeing. In many G20 countries, unemployed youth benefit from social protection that affords them an income while looking for a job, but not everywhere. Moreover, when facing long-term unemployment spells or unsuccessful school-to-work transitions, many youth are discouraged and become NEETs. Many countries have programmes to help long-term unemployed youth (Australia, China, France, the Russian Federation and South Korea). The EU’s Youth Guarantee is explicitly aimed at combatting long-term exclusion from the labour market. Thus in France, for example, the Public Institution for Employment Integration (EPIDE) offers a second chance programme for young people who are unemployed, unqualified or without school certification. Upon agreement of participating in a “Defence and Civic Day”, they benefit from an adapted and individualised program that includes general and vocational training and accommodation in a boarding school. The programme combines academic upgrading, health and social support (sport, medical monitoring and housing) as well as civic workshops, including eco-friendly activities, culture and protection of heritage. Beneficiaries receive social security benefits and a monthly allowance of up to €210. In Mexico, the Young People Building the Future Program provides young people (aged 18 to 29) with work-based learning opportunities to equip them with labour market relevant skills. It offers traineeships in both private and public companies as well as in the non-profit/voluntary sector to young people who are NEET. Youth can register on an online platform where they can match opportunities to their interests, location, skills and qualifications. Youth in this programme benefit from on-the-job training, social security coverage and a monthly stipend for twelve months.

In the United States, the Re-entry Employment Opportunities (REO) provides, under a number of conditions, formerly convicted youth and dropouts (aged 18 to 24) with placement in education or employment. It also supports them with urgent needs, such as emergency assistance for housing, substance abuse treatment, mental health support, mentoring and community engagement.

Despite the efforts of G20 countries to create more jobs, more needs to be done to **improve job quality** for young people. In European Union, some countries have adopted the Council recommendation on a Quality Framework for Traineeships (QFT) to support the improvement of working conditions and the learning content of traineeships, and thus offer a possibility to facilitate transition into the labour market. It includes 22 quality criteria for national-level traineeship legislation or social partner agreements. In Turkey, the public unemployment insurance fund covers the costs of training and certification in hazardous occupations. It aims at increasing the qualified and certified labour force while reducing work-related accidents.

5. Future policy directions

In the 2014-2019 period, many G20 economies made solid progress towards the Antalya goal of reducing the share of young people who are most at risk of being permanently left behind in the labour market by 15% by 2025. However, the economic consequences of Covid-19 are likely to be particularly severe for young people and risk undoing much of the progress that has been achieved so far. Therefore, it is urgent that G20 governments implement the announced major measures to sustain their economies in this unprecedented crisis and ensure that young people, irrespective of their employment status, can benefit from policies to encourage job retention and boost income support. This is doubly important to prevent scarring for young people in their long-term career prospects because of job loss, poor job quality and greater difficulties in entering the labour market early on in their careers.

Going beyond the crisis, a number of structural challenges also need to be addressed. As highlighted in Section 2, there were generally smaller declines in the number inactive NEETs, whose labour market prospects are less linked to the business cycle, than in the number of unemployed NEETs. Low-skilled youth in particular face a higher risk of labour market exclusion, reflecting a long-term decline in low-skilled entry-level jobs because of digitalisation and globalisation. Section 3 also points to the persistent issue of poor job quality for many young people. This includes unstable and low-paid jobs for many, and a growing risk of precariousness with the rise of platform work and other forms of on-demand work. This will make it harder for young people to find good quality jobs unless they have the skills needed in the new world of work. These include the skills required in more highly digitalised economies but also the “soft” skills such as creativity and social and entrepreneurial skills that cannot be easily replaced by machines.

Young women face additional challenges in gaining access to the labour market and good quality jobs. These range from difficulties in reconciling caring responsibilities with work, narrow stereotypical views about the professional role of young women, and discrimination in employment.

As documented in Section 4, all G20 countries are implementing a range of concrete measures to promote employment for young women and men and specific interventions targeted at the most vulnerable. However, many of these interventions are focused on supply side measures – measures which improve the skills and competencies of young people. Without supportive demand side measures that expand the quantity and quality of jobs for young people, the extent to which such measures can succeed is severely limited. Young people are also disproportionately represented in the least secure forms of employment; in casual and informal work, especially in emerging G20 countries, and in the gig economy, temporary employment and other less protected new forms of formal employment in advanced G20 countries. The pandemic will only worsen a situation that already existed before its onset, and action on job quality and the rights of young workers is therefore an even more pressing need now.

As highlighted in the ILO report “*Global Employment Trends for Youth 2020* and the *OECD Employment Outlook: The Future of Work*, a more comprehensive package of measures is needed to tackle the diversity of labour market challenges facing young people.⁷ Building on the G20 policy principles for promoting better youth employment outcomes adopted by G20 Labour and Employment Ministers in 2015, possible elements for a more comprehensive package of measures are outlined in Box 2. These include measures to strengthen support for young people during economic downturns; address structural impediments to successful labour market entry; and tackle the additional barriers faced by young women in gaining access to good quality employment. The review of recent policy interventions has highlighted that there have been relatively few measures to improve job quality for young workers. However, a key objective must be to create both more and better opportunities for young people. Therefore, measures to promote better job quality are included in each of the suggested policy areas below.

⁷ ILO. 2020. *Global employment trends for youth 2020: Technology and future of jobs*, (Geneva): OECD 2019. *OECD Employment Outlook: The Future of Work*, (Paris).

Box 2. Possible elements of a comprehensive Youth Action Plan

Strengthen support in economic downturns

- In cooperation with Economic and Finance Ministries, tackle weak aggregate demand through macroeconomic and sectoral policies to create job opportunities for young workers and limit the severity of job losses and the rise in unemployment among young people who are particularly vulnerable in times of economic downturns.
- Ensure that all young people, including newly hired staff, apprentices and other trainees, benefit from policies to encourage job retention, such as short-time working arrangements and wage subsidies.
- Expand short-term training and qualification opportunities, especially for young jobseekers with few qualifications.
- Provide immediate and adequate income support to unemployed young people as well as to students to complete their education.
- Strengthen income support for young workers who are sick, especially those in informal and non-standard forms of employment, and adapt the duration and eligibility requirements in line with quarantine and medical recommendations.

Improve successful labour market entry

In partnership with other Government Ministries and employers and trade unions,

- Increase the number of quality job opportunities for young people through economic and sectoral policies, focussing on sectors with a high employment creation potential.
- Better prepare young people for successful school-to-work transition in an increasingly digital world of work by:
 - Reducing early school leaving and providing second-chance opportunities for those who have not completed upper secondary education.
 - Strengthening the Vocational Education and Training (VET) system, including apprenticeships, and the bridges between vocational and academic studies.
 - Modernising and adapting vocational education and training programmes so that they equip young people with skills demanded on the labour market.
 - Ensuring all young people acquire the basic skills to successfully engage in highly digitalised economies as well as the soft skills such as creativity, social and entrepreneurial skills that cannot be easily replaced by machines.
 - Fostering a mind set and the ability to continue to learn throughout the life course.
 - Providing work experience opportunities for all young people before they leave education (e.g. trial internships), but ensuring good working conditions and meaningful learning opportunities.
 - Providing good quality career guidance services, including reliable and relevant labour market information on labour market prospects and skill needs, to help young people make better career choices.
- Promote greater opportunities for quality work-based learning and for recognition of the skills obtained.
- Adopt technology-based solutions that can help young people realise their entrepreneurial aspirations by facilitating the access to markets, finance, and entrepreneurial and digital literacy skills training.
- Update labour legislation to provide basic rights and social protection, especially in light of new forms of work and employment relations, and remove disincentives for employers to hire young workers on permanent contracts or to convert temporary contracts into permanent ones.
- Invest in high-quality, cost-effective employment services with early identification of young people most at risk of labour market exclusion and programmes tailored to their needs. These services should also correspond to how young people consume information.
- Promote engagement, inclusion and representation of young people in tripartite social dialogue.

Tackle barriers to decent employment for young women

Improve educational and employment choices for girls and young women

In coordination with education Ministries, workers and employers' organisations, Ministries of labour and employment must tackle gender segregation in educational choices by:

- Promoting greater participation of girls and young women in subjects like science, technology, engineering, and mathematics (STEM) and traditionally male-dominated apprenticeships.
- Reducing the gender divide in skills closely related to the digital economy such as computer programming skills.
- Equipping young women with leadership skills.

Facilitate young women's access to the labour market

- Ensure women have autonomy in their reproductive decisions, both as a human right and also to promote economic independence through the life course. This includes measures to help lessen rates of teenage parenthood and ensure that young people can choose when to become parents.
- Provide equal access for women and men to affordable and quality child care, paid parental leave, family-friendly work opportunities and conditions, and support for elderly care.
- Invest in the care economy to create good-quality opportunities for women's employment in the care sector, while reducing their unpaid care responsibilities at home.
- Support employment prospects and mobility for young women, including to those outside the labour force, through tailored employment services, active labour market programmes and skill development opportunities

Reduce gender disparities in job quality

- Promote non-discriminatory practices at the workplace, including in pay and career progression both through anti-discrimination legislation and enforcement, and, when appropriate, the use of behavioural insights to tackle gender bias.
- Start careers on an equal footing by reducing gender pay gaps through measures such as statutory minimum wages and reporting requirements for companies concerning gender gaps in pay and working conditions pay.
- Reduce the penalty to career and pay progression for young mothers.
- Promote opportunities for young women to pursue self-employment and become entrepreneurs, including through equal property rights, improved financial literacy, mentorship, and access to financial and advisory services.
- Promote gender equality in global and domestic supply chains through the ILO, OECD and UN guidelines for multinational enterprises and responsible business conduct.