YOUTH EMPLOYMENT CHALLENGES IN SUB-SAHARAN AFRICA

Ideas4Work (January, 23rd-25th, Dakar)
Guided by the Roadmap adopted at The Hague Global Child Labour Conference 2010

Involves the three main international actors in the area of child labour (ILO, UNICEF and World Bank)

Financed by contributions from donor countries and by core agency resources

Located at the ILO Office for Italy, Rome

Through a variety of data collection, research, and assessment activities, the UCW programme is broadly directed toward improving understanding of child labour, its causes and effects, how it can be measured, and effective policies for addressing it.
SETTING THE SCENE
Africa has the youngest population in the world, with almost 200 million people aged between 15 and 24;

While the proportion of young people (15-24) is projected to decline globally, it is expected to stay at the same level in Africa for the foreseeable future.
According to the ILO “Global Employment Trends for Youth 2012”, the economic crisis abruptly ended the gradual decline in global youth unemployment rates during the period 2002–07.

Since 2007 the global youth unemployment rate has started rising again, and the increase between 2008 and the height of the economic crisis in 2009 effectively wiped out much of the gains made in previous years.

Globally, the youth unemployment rate has remained close to its crisis peak in 2009. At 12.6 per cent in 2011 and projected at 12.7 per cent in 2012, the global youth unemployment rate remains at least a full percentage point above its level in 2007.
Global youth unemployment and unemployment rate, 1991-2012

## Youth Unemployment

**Youth unemployment rates in SSA are in line with the world average**

**Youth to adult unemployment ratio is one third smaller in SSA**

### Youth unemployment rates and youth-to-adult unemployment ratios, World and Sub-Saharan Africa

<table>
<thead>
<tr>
<th></th>
<th>Region</th>
<th>2000</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unemployment rate</strong></td>
<td>SSA</td>
<td>13.8</td>
<td>13.2</td>
<td>13.1</td>
<td>12.2</td>
<td>12.2</td>
<td>12.1</td>
<td>12.1</td>
</tr>
<tr>
<td></td>
<td>World</td>
<td>12.8</td>
<td>13.0</td>
<td>12.9</td>
<td>12.4</td>
<td>11.8</td>
<td>11.9</td>
<td>12.8</td>
</tr>
<tr>
<td><strong>Youth-to-adult</strong></td>
<td>SSA</td>
<td>2.0</td>
<td>2.0</td>
<td>2.0</td>
<td>1.9</td>
<td>2.0</td>
<td>2.0</td>
<td>1.9</td>
</tr>
<tr>
<td><strong>unemployment ratio</strong></td>
<td>World</td>
<td>2.8</td>
<td>2.8</td>
<td>2.8</td>
<td>2.9</td>
<td>2.5</td>
<td>2.8</td>
<td>2.7</td>
</tr>
</tbody>
</table>

Source: Glocal Employment Trends, ILO (2012)
### Employment Structure in SSA Widely Differs from the Rest of the World

#### Employment shares by sector (15-64), world and regions (%)

<table>
<thead>
<tr>
<th></th>
<th>Agriculture</th>
<th>Industry</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>World</strong></td>
<td>2010</td>
<td>2010</td>
<td>2010</td>
</tr>
<tr>
<td><strong>Developed Economies and European Union</strong></td>
<td>34.0</td>
<td>22.1</td>
<td>43.9</td>
</tr>
<tr>
<td><strong>Central and South-Eastern Europe (non-EU) and CIS</strong></td>
<td>3.7</td>
<td>22.4</td>
<td>73.8</td>
</tr>
<tr>
<td><strong>East Asia</strong></td>
<td>20.6</td>
<td>24.4</td>
<td>55.1</td>
</tr>
<tr>
<td><strong>South-East Asia and the Pacific</strong></td>
<td>34.9</td>
<td>28.6</td>
<td>36.4</td>
</tr>
<tr>
<td><strong>South Asia</strong></td>
<td>51.4</td>
<td>20.7</td>
<td>27.9</td>
</tr>
<tr>
<td><strong>Latin America and the Caribbean</strong></td>
<td>16.2</td>
<td>22.2</td>
<td>61.6</td>
</tr>
<tr>
<td><strong>Middle East</strong></td>
<td>16.9</td>
<td>25.7</td>
<td>57.4</td>
</tr>
<tr>
<td><strong>North Africa</strong></td>
<td>28.5</td>
<td>21.8</td>
<td>49.7</td>
</tr>
<tr>
<td><strong>Sub-Saharan Africa</strong></td>
<td>62.0</td>
<td>8.5</td>
<td>29.6</td>
</tr>
</tbody>
</table>

Source: ILO, Trends econometric models, October 2011
LABOUR MARKETS AND DATA
LABOUR MARKETS IN SSA

Urban

- Low productivity sectors
- High productivity sectors

Rural

- Farm Employment
- Non-Farm Employment

Migration
<table>
<thead>
<tr>
<th>Country</th>
<th>Survey name</th>
<th>year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cameroon</td>
<td>Enquête Camerounaise Auprès des Ménages (ECAM III)</td>
<td>2007</td>
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<tr>
<td>Liberia</td>
<td>Labour Force Survey</td>
<td>2010</td>
</tr>
<tr>
<td>Madagascar</td>
<td>Enquête Nationale sur le Travail des Enfants</td>
<td>2007</td>
</tr>
<tr>
<td>Mali</td>
<td>Enquête Permanente Emploi Auprès des Ménages</td>
<td>2007</td>
</tr>
<tr>
<td>Niger</td>
<td>Enquête Nationale sur le Travail des Enfants</td>
<td>2009</td>
</tr>
<tr>
<td>Nigeria</td>
<td>General Household Survey</td>
<td>2010</td>
</tr>
<tr>
<td>Rwanda</td>
<td>National Child Labour Survey</td>
<td>2008</td>
</tr>
<tr>
<td>South Africa</td>
<td>Labour Force Survey</td>
<td>2011</td>
</tr>
<tr>
<td>South Sudan</td>
<td>Fifth Population and Housing Census</td>
<td>2008</td>
</tr>
<tr>
<td>Tanzania</td>
<td>National Panel Survey</td>
<td>2010-11</td>
</tr>
<tr>
<td>Togo</td>
<td>National Child Labour Survey</td>
<td>2010</td>
</tr>
<tr>
<td>Zambia</td>
<td>Labour Force Survey</td>
<td>2008</td>
</tr>
</tbody>
</table>
YOUTH ACTIVITIES
Youth Labour Force Participation Rates

Labour Force Participation Rate, by Area of Residence

- Youth living in rural areas show higher levels of labour force participation.
Education participation in urban areas always exceed education participation in rural areas.
UNEMPLOYMENT IS MOSTLY AN URBAN PHENOMENON

Unemployment rate, by area of residence

- **Urban**
- **Rural**

South Africa: 53%

Other countries and their unemployment rates:
- Zambia: 46%
- Togo: 47%
- Tanzania: 48%
- South Sudan: 49%
- Rwanda: 50%
- Nigeria: 51%
- Niger: 52%
- Mali: 53%
- Madagascar: 54%
- Liberia: 55%
- Cameroon: 56%
RELATIVE POSITION OF YOUTH AND ADULT IN THE LABOUR MARKET

Unemployment rate, Urban area

- Youth
- Adult
A large share of youth, and especially female youth, is absent from both education and the labour force

Figure. Percentage of youth absent from both education and the labour force, by sex and country
YOUTH NOT IN EDUCATION NOR IN THE LABOUR FORCE (NELF)

NELF youth is mainly an urban phenomenon

Figure. Percentage of youth absent from both education and the labour force, by area of residence and country.
WHERE YOUTH WORKS
In rural areas youth is mainly employed in agriculture.

In urban area youth is largely employed in the service sector.
 Sector of employment: selected services, by area of residence

- **Zambia**: Large share in hotel sector, moderate in transport, small in commerce and other services.
- **Togo**: Moderate share in hotel and other services, small in commerce and transport.
- **South Africa**: Large share in transport, moderate in hotel and other services, small in commerce.
- **Rwanda**: Large share in other services, moderate in hotel, small in commerce and transport.
- **Niger**: Large share in hotel, moderate in transport, small in commerce and other services.
- **Mali**: Large share in hotel, moderate in transport, small in commerce and other services.
- **Madagascar**: Large share in hotel, moderate in transport, small in commerce and other services.
- **Liberia**: Large share in hotel, moderate in transport, small in commerce and other services.
- **Cameroon**: Large share in hotel, moderate in transport, small in commerce and other services.

**YOUTH IS LARGELY IN THE "TRADITIONAL" SERVICE SECTOR**
WORKING CONDITIONS
Youth status in employment, by area

- **Paid employee**
- **Own-account**
- **Unpaid family worker**
- **Other**

### Youth status in employment by area:

- **Cameroon**: Majority rural, small urban
- **Liberia**: Small rural, majority urban
- **Madagascar**: Equal distribution across areas
- **Mali**: Equal distribution across areas
- **Niger**: Majority rural, small urban
- **Rwanda**: Majority rural, small urban
- **South Sudan**: Majority rural, small urban
- **South Africa**: Majority rural, small urban
- **Tanzania**: Majority rural, small urban
- **Togo**: Majority rural, small urban
- **Zambia**: Majority rural, small urban

General observation:

- Only a minority of youth works as paid employee.
NON-FORMAL WORK REMAINS COMMON IN SSA

Figure. *Youth wage and salaried employment, by country.*
HUMAN CAPITAL
Percentage of non-student youth labour force (age 15 to 24) with primary or less education, selected countries

Source: UCW, YouthStats Database
More education does not consistently lower the risk of unemployment among young people.

Unemployment rate among young people (age 15 to 24), by educational attainment

Source: UCW, 2012
Share of young people (age 15 to 24) not in education or the labour force, by educational attainment

The share of youth absent from both education and the labour force is often high even among well-educated youth.
YOUTH ON THE MOVE
Nearly 21% of young people aged 15 to 24 have changed their place of residence during the ten years preceding the survey, compared to 15% of the entire population.

ON AVERAGE, YOUNG MIGRANTS ARE LESS EDUCATED THAN THEIR NON-MIGRANT COUNTERPARTS IN THE RECEIVING AREA

Level of education of youth (15-24 years), by migration status and area of residence

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Dakar</th>
<th>Autre ville</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Migrants</td>
<td>Non-migrants</td>
<td>Migrants</td>
<td>Non-migrants</td>
</tr>
<tr>
<td>None</td>
<td>64,5</td>
<td>50,2</td>
<td>47,5</td>
<td>26,8</td>
</tr>
<tr>
<td>Primary</td>
<td>21,4</td>
<td>31</td>
<td>28,3</td>
<td>40,5</td>
</tr>
<tr>
<td>Secondary</td>
<td>14,1</td>
<td>18,7</td>
<td>24,3</td>
<td>32,7</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Estimations UCW à partir des données de l'ESAM II de 2001/2002
Migrant Youth: an example from Senegal

Young migrants do not seem to have particular difficulties in accessing employment.

In rural areas, young migrants generally have a lower employment rate (50%) than non-migrants (56%).

Youth activity status by migration, sex and area of residence

<table>
<thead>
<tr>
<th></th>
<th>Employment (% population 15-24 years)</th>
<th>Unemployment (% population 15-24 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Migrants</td>
<td>Non-migrants</td>
</tr>
<tr>
<td><strong>Sex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>58,6</td>
<td>55,1</td>
</tr>
<tr>
<td>Female</td>
<td>33,6</td>
<td>28,0</td>
</tr>
<tr>
<td><strong>Residence</strong></td>
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<td></td>
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<tr>
<td>Dakar</td>
<td>41,0</td>
<td>24,5</td>
</tr>
<tr>
<td>Autre ville</td>
<td>26,4</td>
<td>26,5</td>
</tr>
<tr>
<td>Rural</td>
<td>50,0</td>
<td>56,0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>43,0</td>
<td>41,2</td>
</tr>
</tbody>
</table>

Source: Estimations UCW à partir des données de l’ESAM II de 2001/2002
SUMMING UP
LABOUR MARKET CHALLENGES FACED BY YOUTH IN SSA

Lack of labour demand is the highest obstacle to youth employment

Labour market challenges faced by youth

- Aggregate labour demand: 90%
- Skills mismatches: 50%
- Labour market information: 50%
- Attitudes of employers and youth: 40%
- Labour market regulation: 10%

Source: African Economic Outlook 2012 Expert Survey
• Information and analysis

• Need for a strategy for job creation and the role of youth in supporting this strategy

• Human capital: education and elimination of child labour – Focus on vulnerable youth

• Skills: address skill mismatch and provide skills to youth entering the labour market with low human capital

• Role of youth in agriculture: promoting innovation, also in small holdings

• Promote a modern (and diversified) service sector also through youth entrepreneurship.

• Migration

• Need to frame interventions within a strategy