Youth employment, sustainable growth & cooperative development

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Youth employment crisis and the decent work deficits

71 million young people (aged 15-24) unemployed

Youth unemployment rate is 13.1%

2 in 5 economically active youth are unemployed or working but living in poverty

More than twice the youth unemployed than adults

Rise in long term unemployment

Tracking reasons and responses for NEET

Mismatch between supply & demand of labour

Rise in irregular and temporary work
The percentage of youth aged 15-24 looking for, but unable to find work

Source: World Employment and Social Outlook for youth 2016
SDG8 Targets on Youth Employment

- **Target 8.5** – Achieve full employment for all women and men, including young people and persons with disabilities, and equal pay for work of equal value.

- **Target 8.6** - By 2020, substantially reduce the proportion of youth not in employment, education or training (NEET).

- **Target 8.b** – By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization.
Why cooperatives for youth?

**YOUTH**
- Unemployed & self employed youth in precarious, insecure work arrangements
- Conducive to ways that millennial generation organizes in digital age
- In synch with peer driven nature of learning among young people
- Learning opportunities that can be applied to other enterprises
- Young people want to be a part of building a better future world

**COOPERATIVES**
- More labour intensive in operations for jobs & membership
- Horizontal & vertical integration via clusters & networks
- Sharing costs, risk, knowledge & responsibility
- On the job training through internships & apprenticeships
- Responsive to social & environmental needs & practices workplace democracy
Virtuous cycle of youth engagement in cooperatives

- Coop education in schools
- Starting internships & apprenticeships in existing coops
- Getting jobs in existing coops
- Becoming members in existing coops
- Setting up new youth coops
- Hiring other young people in new youth coops
- Training young people in new youth coops

New youth cooperatives

Existing cooperatives
Youth engagement in existing cooperatives: Some examples
Youth engagement in new cooperatives: Emerging examples
Self-employed cooperatives

Care cooperatives

Youth housing cooperatives

Recycling cooperatives

School cooperatives

Renewable energy cooperatives
Challenges to youth engagement in cooperatives

- Outdated views of the cooperative business model
- Lack of knowledge about how cooperatives work
- Limited evidence on “what works” for cooperatives to be economically viable
- Exclusionary attitudes of coop elders in terms of participation of youth
- Constraints around putting in place an enabling environment for cooperatives:
  - Unfavorable legislation for new types of cooperatives to emerge
  - Lack of coop incubators and other business support services for cooperatives
  - Limitations around access to financing for cooperatives
Examples of ILO initiatives on youth & cooperatives

YES-JUMP and COOP Africa collaboration to promote youth employment in Kenya and Zimbabwe through cooperatives

• A challenge fund was set up to provide increased access to financial services for youth through MFIs and SACCOs

• Over 400 MFIs and SACCOs accessed micro loans for youth to start businesses in isolated rural communities in Kenya

• In Zimbabwe
  • 800 jobs were created mostly in the sectors of horticulture, manufacturing, retails, and service industries
  • More than 1,500 youth became members of SACCOs creating a youth - friendly environment to save and borrow

• Technical and vocational skills training institutions integrated cooperative training for youth in their curricula
Examples of ILO initiatives on youth & cooperatives

A’amal project - Professional integration of young people in Algeria
• Enhance the employability and professional integration of young people in two wilayas in Eastern Algeria - Annaba and Khenchela

• Youth social & solidarity economy enterprises & organizations - cooperatives, associations, foundations & mutuals, etc.

• Sectoral focus on agribusiness, tourism, aquaculture, vocational training, handicrafts, and public works

• Out of 27 submissions by youth SSE organizations, 18 were invited to make full fledge presentations and nine were selected

Youth at work project in Morocco – academy on youth entrepreneurship and employability in Morocco, SSE and youth in Agadir for North Africa
Way Forward

• Include coops a subject matter in school curricula from primary school to secondary schools (including VTTE) and tertiary level (law, business, pharmacy)

• Support the growth of school cooperatives (from elementary to university)

• Set up coop incubators and support services as part of business development services offered by public and private sector and donors at national or local levels

• Promote collective entrepreneurship as a suitable/viable option for youth

• Promote internships and apprenticeships in existing cooperatives

• Create an enabling environment for new types of cooperatives to emerge (worker, social, multistakeholder, renewable energy cooperatives)
ILO Cooperatives & the World of Work Series No. 4
Rediscovering cooperatives: young people finding work the cooperative way

Thank you

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