

# ▶ Youth Transitions

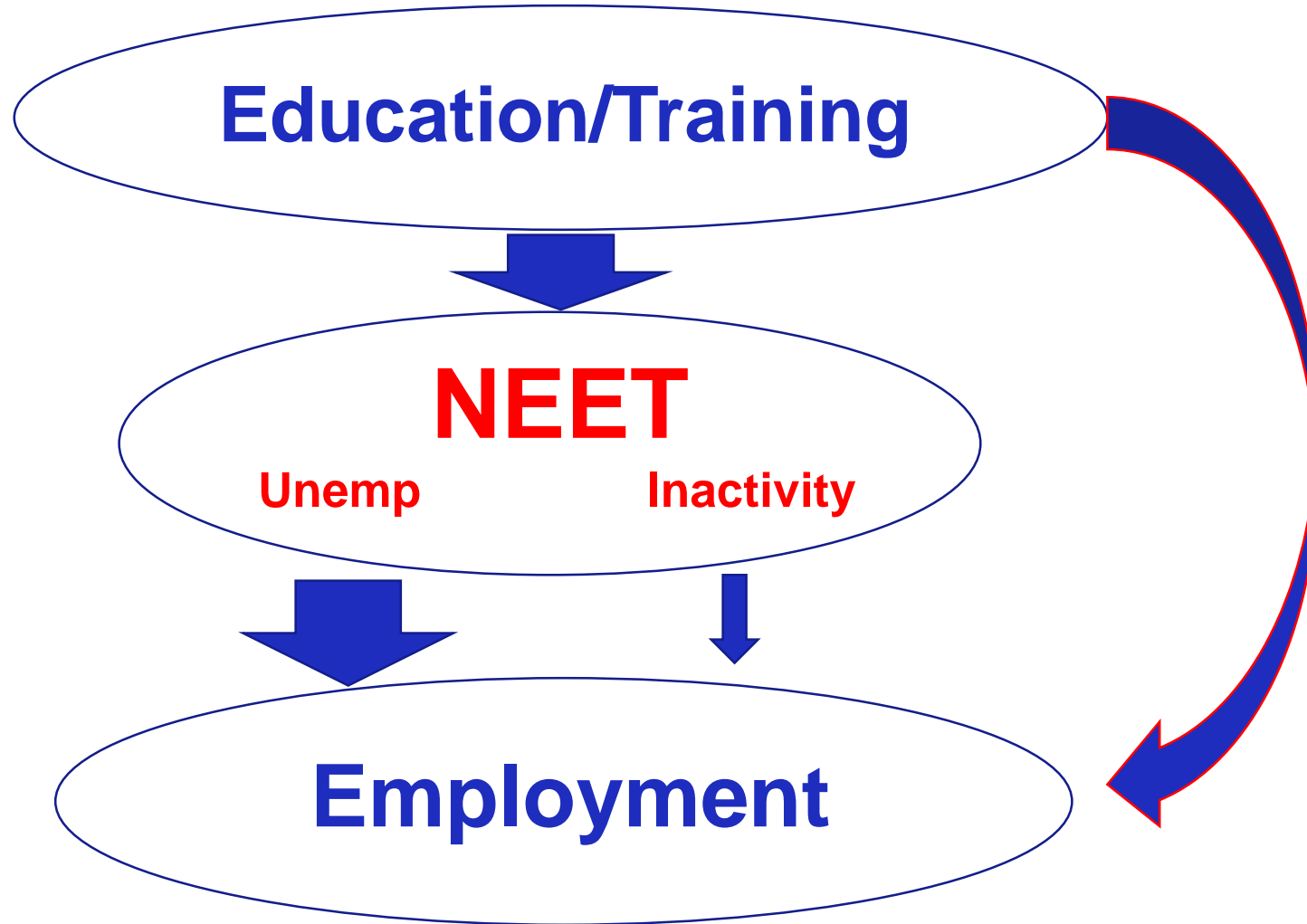
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## ▶ Today

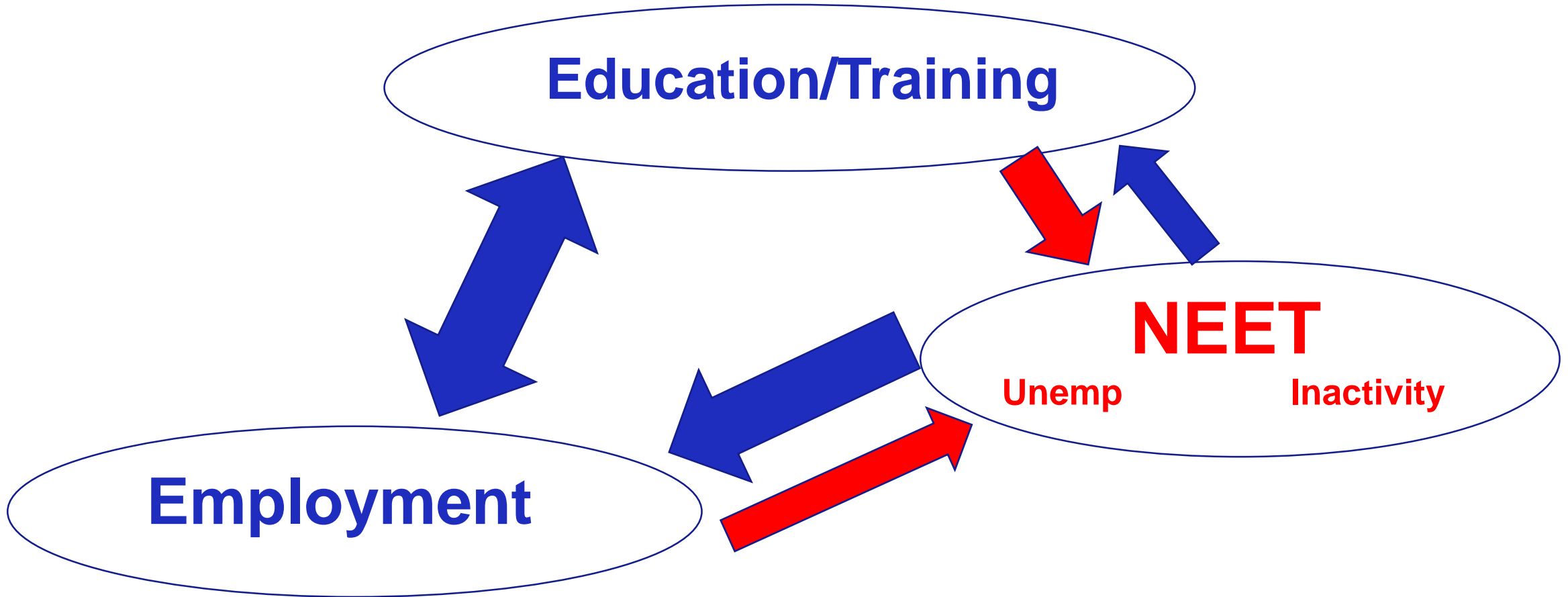
- ▶ A few words on the school-to-work transition
- ▶ Covid-19 and youth (labour market) transitions
- ▶ Implications for the policy response

# ▶ A few words on the School- to-Work Transition

# Youth Transitions: Traditional



# Youth Transitions: Modern view?<sup>5</sup>

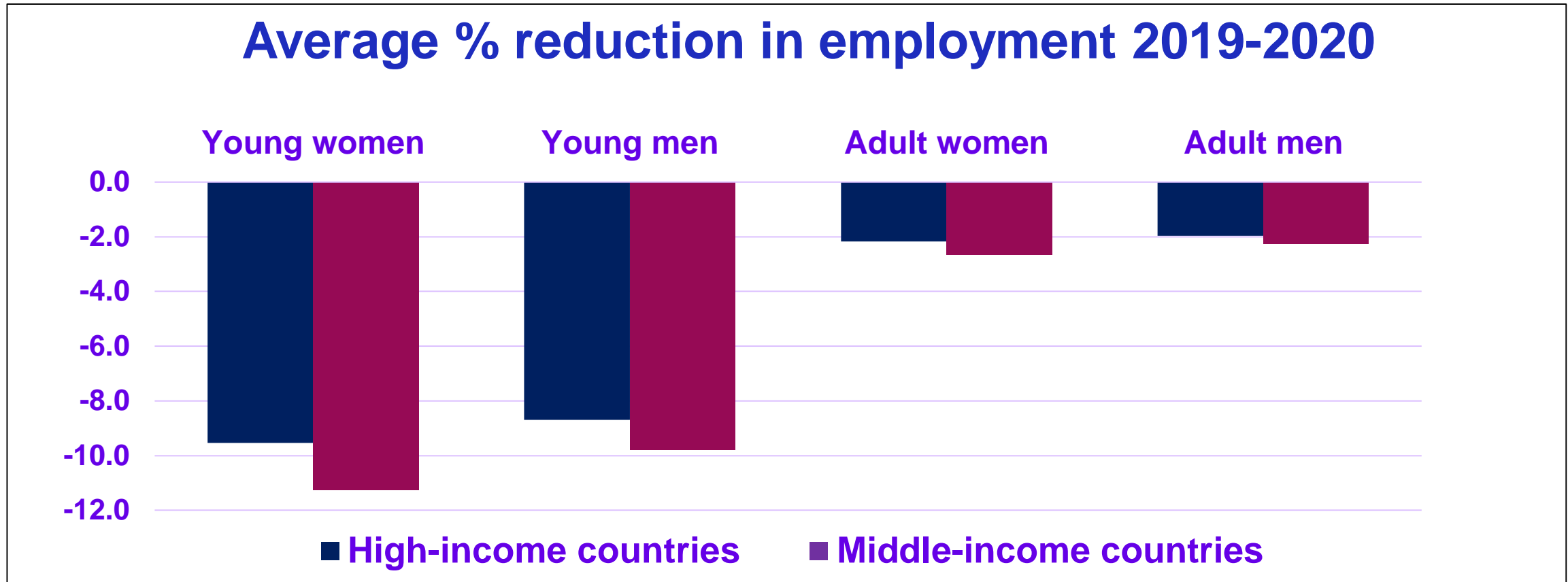


## Some key points

- Transitions are ‘naturally’ becoming more frequent and bi-directional – and, in some cases, more desirable - an integral part of the career path
- Status boundaries are becoming more blurred – multiple states; employment vs. work
- ‘Stepping stone’ question: to what extent is a ‘bad’ state a stepping stone to a better one?
  - e.g. NEET to Decent Work
    - Informal to Formal
    - Temporary to Stable job
- Duration dependence: The longer one spends in one situation, the more likely one is to remain there – not just no. of transitions but **who** transits

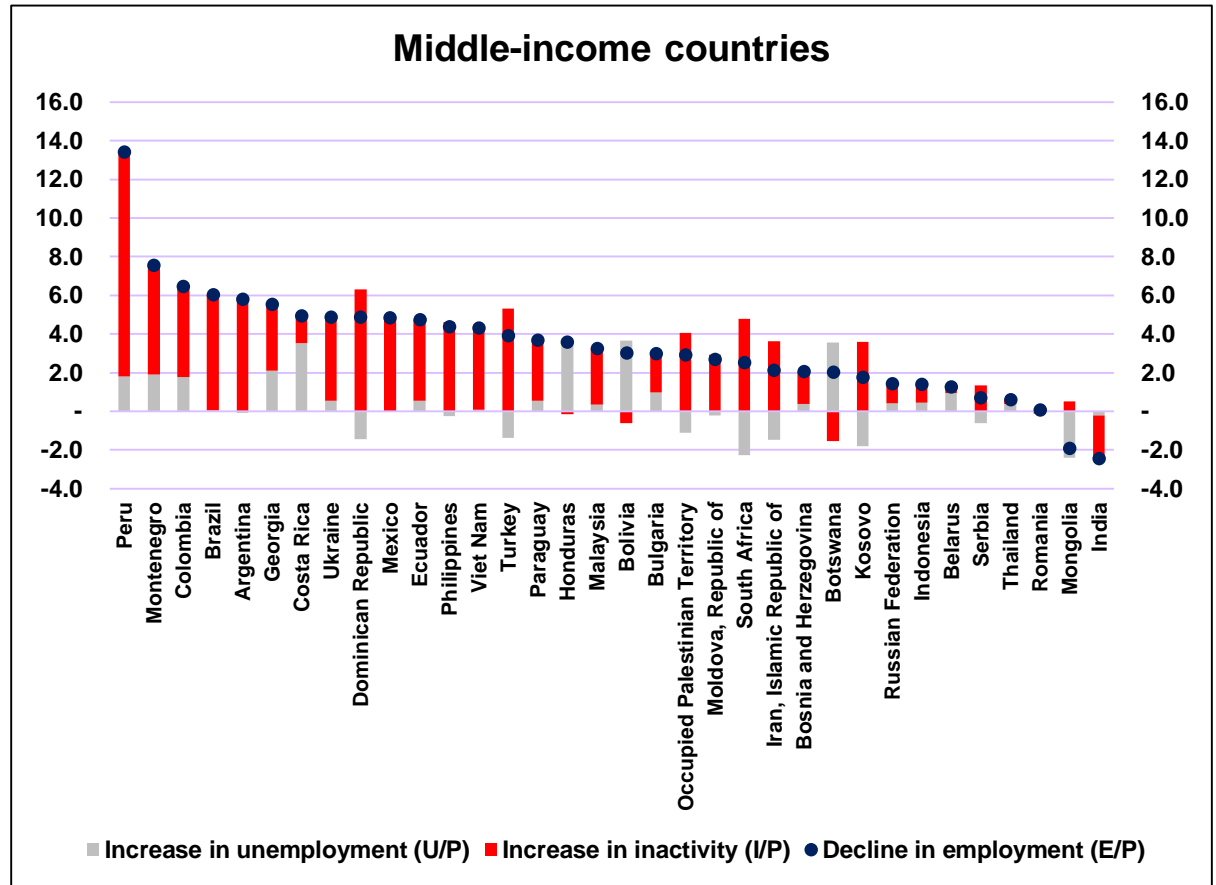
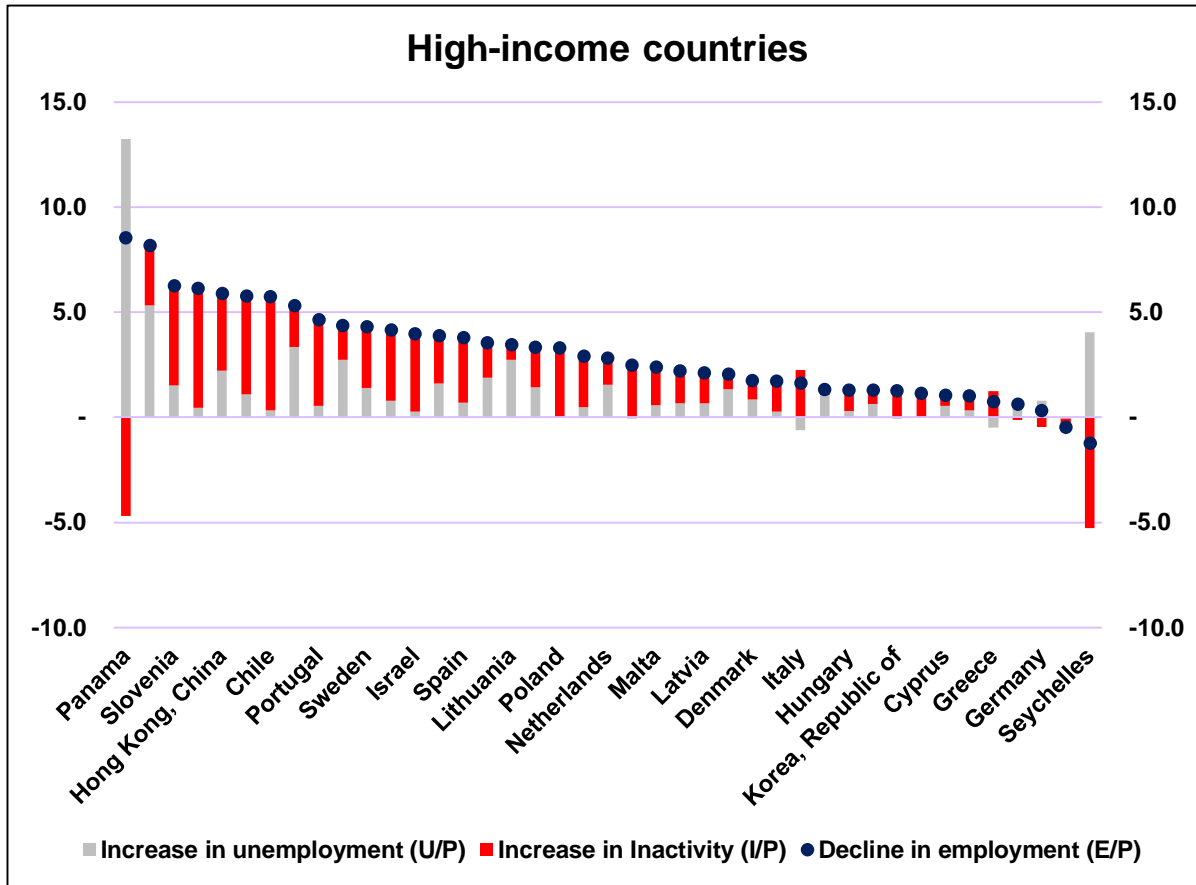
# ► Covid-19 and all that

Between 2019 and 2020, Young people – and especially young women - suffered much bigger falls in employment than adults (25+), especially in (Low and) Middle Income Countries...



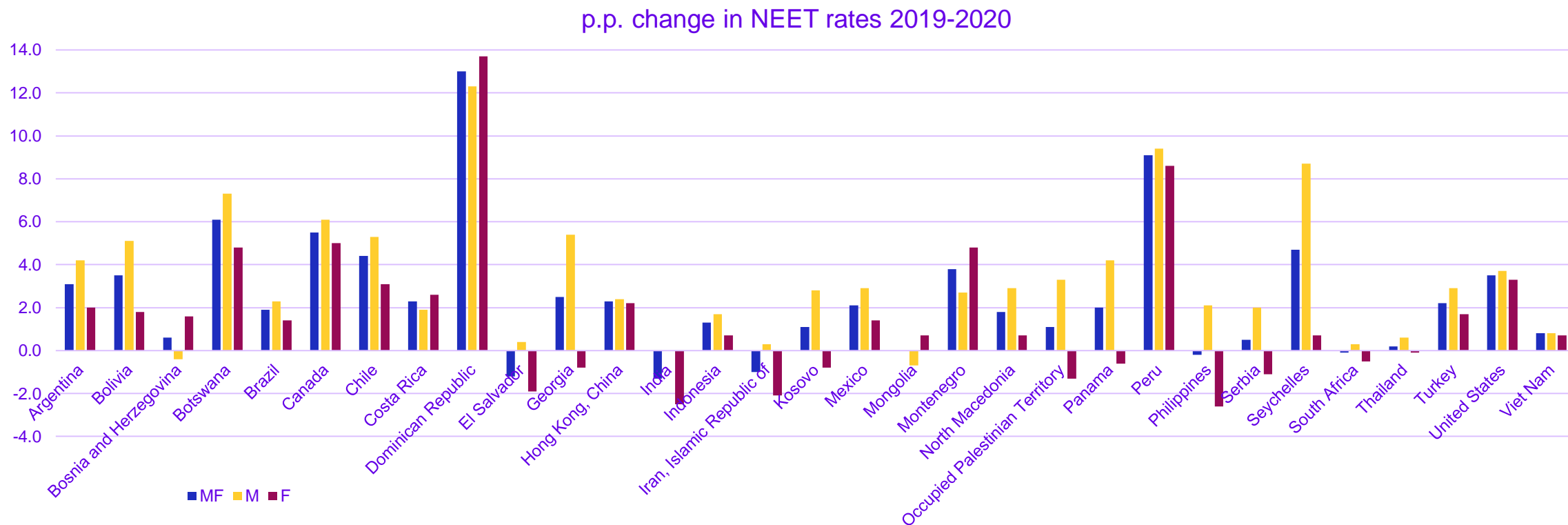


# ...These youth employment losses translated PRIMARILY into increased inactivity rather than increased unemployment

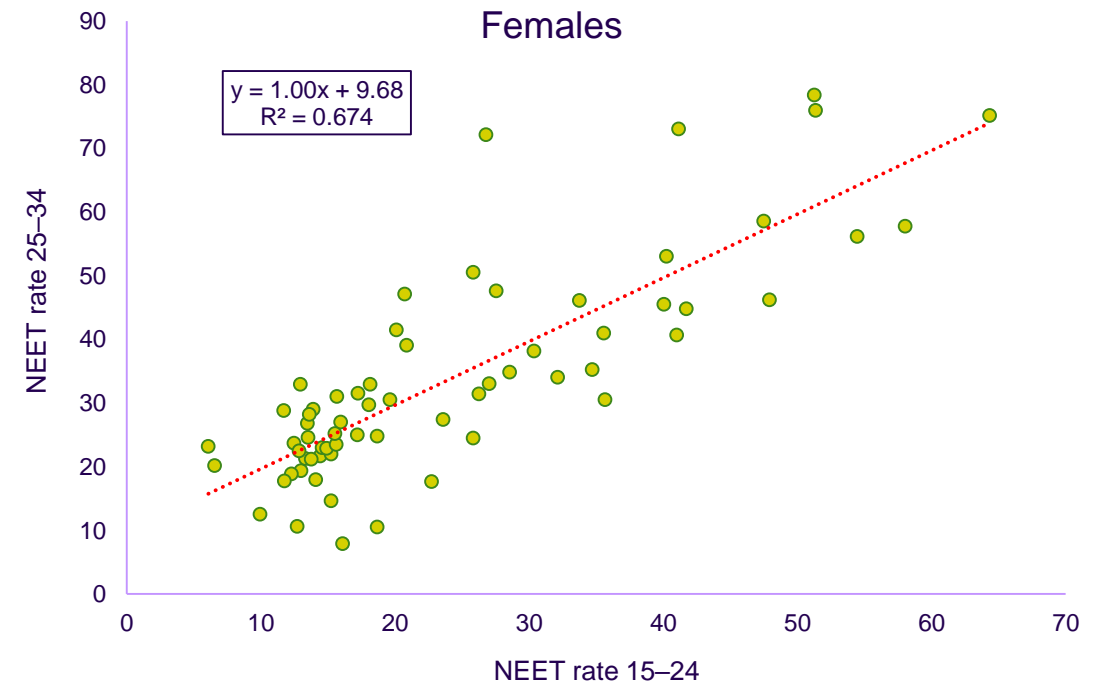
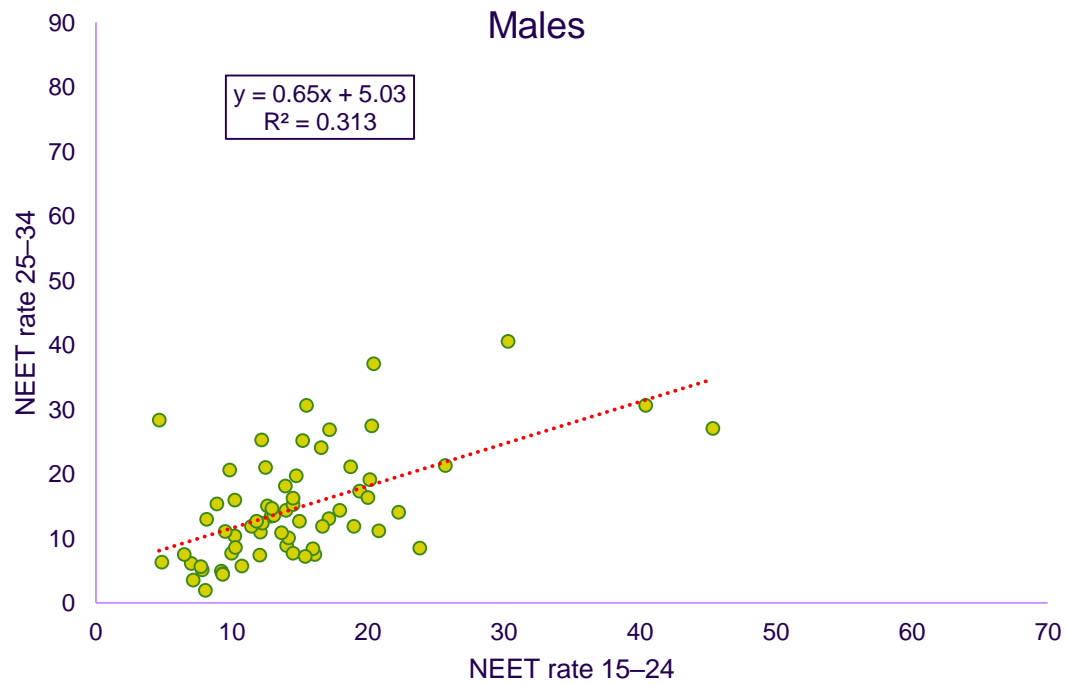


*Decomposition of the decline in youth employment-to-population ratio (2019 to 2020)*

## The Covid-19 pandemic has translated into increased (inactive) NEET rates in most countries



► ... And there is persistence in NEET (NEET rates aged 15-24 vs. 25-34)



## In summary...

- Transitions in (and to and from) the labour market are increasing
  - Focus on transitions brings with it a focus on the need to promote positive – and reduce negative – transitions, particularly into and out of NEET status
  - Length of time spent in a ‘bad’ state is of key importance
- Covid-19 has meant a major decrease in youth employment (much larger than amongst adults), arising from a fall in the transition to, and an increase in the transition out of, employment;
  - Reduced youth employment has translated into increased inactivity (rather than increased unemployment) and inactive NEET
  - **Immediate Danger:** that short-term job (opportunity) loss will turn into long-term exclusion of young people from the labour market

# So what can be done about it?



- **Need to extend social protection coverage for young people to support transitions**
  - complimentary to active labour market policy – foster positive transitions
- **Need substantial investment in demand-side job opportunity creation for young people - particularly to avoid long-term permanence in inactive NEET status**
  - To help avoid long term exclusion and scarring associated with it
  - e.g. subsidised employment along with appropriate education and training
- **Youth Guarantee type approaches have proved successful in reducing youth unemployment; however,**
  - Administratively complicated – require the development of effective and active Employment Services; but bring with them the development of capacity
  - Shift focus towards outreach beyond the labour market - not just the unemployed