

## **Creating Youth Employment in Asia**

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## **Abstract**

*Several countries in the Asia-Pacific region are experiencing demographic changes. Over 60 per cent of the world's youth live in Asia and the Pacific, which translates into more than 750 million young women and men aged 15 to 24 years. They represent a key asset for the countries of this region. Young people are a major human resource for development, key agents for social change and driving force for economic development and technological innovation. But harnessing these resources is a major challenge. The youth challenge is considered as the most critical of the 21st century's economic development challenge.*

*In this context, this paper examines the labour market characteristics for adults and the entire population. Then it analyses challenges and opportunities in labour market for youth. Next, the paper discusses the existing and needed policies for taking care of the challenges in overall and youth labour markets. It also provides conclusions and recommendations. We also highlight the gender issues in the paper. The recommendations include direct policies such as active labour market policies, social protection programmes, fair migration and indirect policies like pro employment macro policies.*

*There are significant links between creating employment opportunities for the youth and enhancement of human development. Employment and livelihoods particularly productive youth employment has impact on most of the indicators of Sustainable Development Goals (SDGs). They can reduce poverty, under nutrition, improve the education, health and gender equality.*

**Keywords: Youth employment, unemployment, active labour market policies, social protection, maternity benefits, employment injury, disability benefits, migration, skill development, pro employment macro policies**

**JEL Code: J21, J23, J24, J28, J30, J61, J83**

## CREATING YOUTH EMPLOYMENT IN ASIA<sup>1</sup>

S.Mahendra Dev

### 1. INTRODUCTION

Expanding productive employment is central for sustained poverty reduction and food security in developing countries, as labour is the main asset for majority of the poor. It is also known that a high output elasticity of employment generally ensures that growth is egalitarian. However, in spite of its importance, the concern for employment in development thinking has been pushed aside particularly in the last two decades. It is important to place the employment issue at the centre of the national and international agenda. Post-2015 MDG agenda provides this opportunity of focus on employment. Productive employment is also crucial for the success of MDGs and achieving human development. Creating employment for the youth in Asia and Pacific provides an opportunity for achieving some of these goals.

Several countries in the Asia-Pacific region are experiencing demographic changes. Over 60 per cent of the world's youth live in Asia and the Pacific, which translates into more than 750 million young women and men aged 15 to 24 years. They represent a key asset for the countries of this region. Young people are a major human resource for development, key agents for social change and driving force for economic development and technological innovation. But harnessing these resources is a major challenge (see Box 1). The youth challenge is considered as the most critical of the 21<sup>st</sup> century's economic development challenge.

Moreover, the decline in fertility rate has led to the bulge in working age population which is considered as the demographic dividend. It is a great concern that how this bulge in working age population presents the opportunities for growth and prosperity of the region. The critical aspects of the challenge are mostly related to labour market entry where young people encounter difficulties in finding and maintaining a decent job. The growing large number of unemployed youth is one of the most daunting problems faced by developed and developing countries alike. It is known that with demographic dividend, as more people enter the working age, there will be large numbers joining labour force. It is a challenge for many countries to create employment in order to absorb the increased labour force. But, demographic changes and implications for work force vary across countries. In South Asian countries, working age population will increase further while East Asian countries are gradually experiencing ageing. 12<sup>th</sup> Plan Approach paper in India says that the labour force in India is expected to increase by 32 per cent while it will decline by nearly 5 per cent in China over the next 20 years.

There will be challenges and opportunities for young population in getting productive and decent employment. Draft 12<sup>th</sup> Plan of India indicates that young population is an asset only if it is (a) educated (b) skilled and (c) finds productive employment.

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<sup>1</sup> Different version of the Background Technical paper for Asia Pacific Human Development Report, UNDP, New York. The author is grateful to APHDR team in New York for useful comments.

**Box 1****Why focus on youth?**

Youth unemployment and situations in which young people give up on the job search or work under inadequate conditions incur costs to the economy, to society and to the individual and their family. A lack of decent work, if experienced at an early age, threatens to compromise a person's future employment prospects and frequently leads to unsuitable labour behaviour patterns that last a lifetime. There is a demonstrated link between youth unemployment and social exclusion. An inability to find employment creates a sense of uselessness and idleness among young people that can lead to increased crime, mental health problems, violence, conflicts and drug taking. The most obvious gains then, in making the most of the productive potential of youth and ensuring the availability of decent employment opportunities for youth, are the personal gains to the young people themselves. The second obvious gain to recapturing the productive potential of underutilized youth is an economic one. Idleness among youth can come at great costs. They are not contributing to the economic welfare of the country – quite the contrary. The loss of income among the younger generation translates into a lack of savings as well as a loss of aggregate demand. Some youth who are unable to earn their own income have to be financially supported by the family, leaving less for spending and investments at the household level. Societies lose their investment in education. Governments fail to receive contributions to social security systems and are forced to increase spending on remedial services, including on crime or drug use prevention efforts and on unemployment benefits in the countries where they exist. All this is a threat to the growth and development potential of economies. Focusing on youth, therefore, makes sense to a country from a cost-benefit point of view. Young people might lack experience but they tend to be highly motivated and capable of offering new ideas or insights. They are the drivers of economic development in a country. Foregoing this potential is an economic waste.

Source: ILO (2010), *Global Employment Trends for Youth 2010*

Against this background, this paper examines challenges and opportunities in creating employment for Young Population in the Asia-Pacific region. Apart from youth, we also examine the labour market challenges for adults and total working age population as they influence the challenges and opportunities for the youth. The paper is organized as follows.

Section 2 examines the labour market characteristics for adults and the entire population while Section 3 analyses challenges and opportunities in labour market for youth. Section 4 discusses the existing and needed policies for taking care of the challenges in overall and youth labour markets. The last section provides conclusions and recommendations. We will also highlight the gender issues in the paper.

## **2. LABOUR MARKET CHALLENGES FOR WORKING AGE POPULATION AND ADULTS**

In this section, we examine challenges in labour market for adults and working age population. It covers employment trends, unemployment, structure of employment, wages, working poor, gender etc. Basically it gives a descriptive account of trends in these indicators in recent years.

The recent challenges for the region are summarized in the *Statistical Year Book for Asia and the Pacific 2013* of UN ESCAP. It says the following.

“The Asian and Pacific labour market faced varied employment challenges in 2012. Employment growth decelerated and unemployment among young people remained high. Low job quality persisted. Poor working conditions were pervasive in developing economies in the region, characterized by widespread vulnerability and working poverty. In the context of a fragile global economic recovery, creating more productive jobs, and opportunities for women in particular, is critical throughout the region” (p.235, ESCAP, 2013)

The Asia Pacific region has nearly 2 billion workers or about two thirds of global work force. Three large developing economies of China (775.8 million) India (473.1 million) and Indonesia (113.7 million) together account for 70 per cent of workers in the Asia Pacific region.

### 2.1. Labour force and work participation rates

The labour force participation rate for the population above 15 years in the world was around 65% in the early 2000s and declined gradually to 63% in the post-global financial crisis (Table 1). Among the sub-regions, East Asia has the highest labour force participation rate followed by South-East Asia and the Pacific and South Asia. Only South East Asia and the Pacific region did not show decline in labour participation rates in the post-global financial crisis. Adult (above 25 years) participation rates are obviously higher than that of population above 15 years. The adult rates were higher by 4 to 6 percentage rates to those of above 15 years across sub-regions.

Male labour force participation rates were around 70 to 80% in Asia Pacific region. However, female participation rates vary great deal across regions. It varies from more than 60% in East Asia to 30% in South Asia. The gender gap in participation rates are the highest in South Asia. The female rates are lower by 50 percentage points in South Asia as compared to those of males. The female participation rates declined in both East Asia and South Asia over time.

**Table 1. Labour force participation rate by sex, world and regions (per cent)**

<b>Both Sexes</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013*</b>
World	65.3	65.1	65.0	64.8	64.8	64.8	64.5	64.2	64.0	63.7	63.4	63.4	63.4	63.5
Developed Economies and European Union	60.7	60.4	60.2	60.2	60.1	60.2	60.4	60.5	60.6	60.4	60.2	59.9	60.0	59.9
East Asia	76.1	75.4	74.7	73.9	73.2	72.6	72.0	71.5	71.1	70.7	70.2	70.4	70.6	70.8
South-East Asia and the Pacific	70.4	70.7	70.4	70.6	70.6	70.4	70.2	70.2	70.2	70.3	70.3	70.4	70.4	70.4
South Asia	59.7	59.9	60.1	60.4	60.7	61.0	60.3	59.4	58.6	57.8	57.1	56.6	56.1	56.1
Middle East	46.5	46.6	46.9	47.3	47.7	48.2	47.9	47.8	47.2	47.5	48.0	48.4	48.7	49.0
<b>Males</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013*</b>
World	78.7	78.4	78.1	77.8	77.7	77.6	77.4	77.2	77.0	76.7	76.5	76.5	76.5	76.6
Developed Economies and European Union	70.2	69.7	69.3	69.0	68.8	68.8	68.9	68.9	68.8	68.2	67.8	67.4	67.4	67.4
East Asia	82.6	81.9	81.2	80.5	79.8	79.2	78.7	78.3	77.9	77.6	77.3	77.5	77.7	77.9
South-East Asia and the Pacific	82.7	82.9	82.7	83.0	83.1	82.6	82.3	82.1	81.9	82.0	81.9	82.0	82.0	82.0
South Asia	83.2	83.2	83.2	83.3	83.4	83.5	83.2	82.7	82.2	81.8	81.4	81.0	80.6	80.7
Middle East	74.3	74.1	74.0	74.0	74.0	74.2	73.8	73.6	73.0	73.4	73.9	74.3	74.7	75.0
<b>Females</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013*</b>
World	51.9	51.9	51.9	51.9	51.9	52.0	51.7	51.3	51.0	50.7	50.4	50.3	50.3	50.3
Developed Economies and European Union	51.8	51.7	51.7	51.9	52.0	52.2	52.5	52.6	52.9	53.0	53.0	52.8	52.9	52.9
East Asia	69.4	68.7	67.9	67.1	66.3	65.6	65.0	64.4	63.9	63.4	62.9	63.0	63.2	63.3
South-East Asia and the Pacific	58.5	58.9	58.5	58.5	58.5	58.6	58.5	58.7	58.9	58.9	59.0	59.1	59.2	59.2
South Asia	34.7	35.1	35.6	36.1	36.7	37.3	36.2	34.9	33.7	32.7	31.6	31.0	30.4	30.5
Middle East	16.3	16.7	17.2	17.8	18.4	19.0	18.7	18.6	17.8	17.9	18.3	18.5	18.7	18.9

Note: \* 2013 are preliminary estimates. The October 2013 update version of the ILO EAPEP database (7th edition) only updates the 2012 estimates for India, and hence the base year for the projections.

Source: ILO (2014)

**Table 2. Labour force participation rate for adults (above 25 years), world and regions (per cent)**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013*
World	69.4	69.3	69.3	69.3	69.3	69.4	69.2	69.1	68.9	68.6	68.4	68.3	68.2	68.2
Developed Economies and European Union	62.3	62.1	62.0	62.1	62.1	62.2	62.3	62.5	62.6	62.5	62.4	62.1	62.2	62.1
East Asia	78.8	78.4	78.1	77.6	77.2	76.8	76.3	75.9	75.5	75.0	74.6	74.5	74.4	74.3
South-East Asia and the Pacific	76.1	76.3	76.2	76.2	76.3	76.2	76.2	76.3	76.4	76.3	76.3	76.3	76.2	76.1
South Asia	64.9	65.1	65.3	65.6	65.9	66.2	65.7	65.1	64.4	63.8	63.2	62.8	62.3	62.3
Middle East	54.0	54.2	54.5	54.9	55.3	55.8	55.6	55.6	54.8	55.0	55.2	55.4	55.5	55.6

Note: \* 2013 are preliminary estimates.

Source: ILO (2014)

*Work participation rates:* The employment to population ratio (above 15 years) for the Asia and the Pacific region was 62.1% in 2012. But, the ratio for females (48%) was significantly lower than those for males (76%) (Table A1 in appendix). The largest male-female gap was in South and South-West Asia (48 percentage points) while the lowest gap was in the Pacific (12 percentage points) followed by East and North-East Asia (12.3 percentage points). There are large variations across countries. In South and South-West Asia, the male-female gap is higher for Afghanistan (60.1 percentage points), Iran (51.2), Pakistan (59.1), India (50.2) and Sri Lanka (41.3) (Fig A-1). On the other hand, the gap is lower for Nepal (6.4), Bhutan (11.5) and Bangladesh (26.2) in 2012. Similarly In East and North-East Asia, the male-female gap was 10.9 percentage points for China but 21 percentage points for Republic of Korea (Table A-1 in Appendix).

*Employment and Labour productivity growth:* In the Asia-Pacific region, growth in employment declined from 1.6% per annum during 2002-07 to 1.0% per annum during 2007-12 (Table 3). Employment growth declined in all sub-regions except in South East Asia and low income economies in the region. It declined in big countries like China and India. Labour productivity declined in Asia Pacific region and all the sub-regions except Pacific. The biggest decline was in North and Central Asia. Labour productivity growth during 2007-12 was highest in China (8.9%), East Asia (5.3%) and India (5.1%).

**Table 3. Employment Growth For Asia Pacific and Sub-regions**

Sub-Regions/Countries	Employment Growth		Labour Productivity growth	
	2002-07 (% per annum)	2007-12 (% per annum)	2002-07 (% per annum)	2007-12 (% per annum)
<b>Asia and the Pacific</b>	<b>1.6</b>	<b>1.0</b>	<b>5.4</b>	<b>4.0</b>
East and North East Asia	1.2	0.5	5.9	5.3
China	1.2	0.5	11.9	8.9
South-East asia	1.9	2.0	4.3	2.7
South and South-West Asia	2.1	1.4	5.6	3.7
India	1.8	0.9	6.3	5.1
North and Central Asia	1.5	0.7	6.5	1.6
Pacific	2.7	1.7	0.7	0.7
Developed countries in Asia Pacific	0.7	-0.2	1.5	0.4
Developing countries in Asia Pacific	1.6	1.1	6.9	5.1
Low income economies in Asia Pacific	2.0	2.0	5.6	4.0
Lower middle income economies in Asia Pacific	2.0	1.4	5.6	4.5
Upper middle income economies in Asia Pacific	1.3	0.6	8.2	6.1

High income economies in Asia Pacific	0.8	0.1	2.0	0.9
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Source: ESCAP (2013)

### *Output and Employment Growth*

The growth of output was more than 5% for many countries while employment growth was less between 2 to 3% for many countries during 1999-2007. During the 2008-11 period, the employment elasticity seems to have declined for some countries while it increased for some countries.

For example, in India, elasticity of employment to GDP has declined continuously over time. Table 4 provides GDP growth, employment growth, productivity growth, elasticity of employment with respect to GDP since the early 1970s. The elasticity of employment declined continuously from 0.52 in the 1970s to 0.02 in the second half of 2000s. The story of India shows that the relatively high growth has not been 'jobless' but its employment content has been low and has declined sharply over the decades since the early 1980s.

Table 4. GDP growth, Employment, Productivity and Elasticity in India

Periods	GDP Growth (%)	Employment Growth (%)	Productivity Growth (%)	Elasticity of Employment with respect to GDP
1972-73 to 1983	4.66	2.44	2.22	0.52
1983 to 1993-94	4.98	2.02	2.96	0.41
1993-94 to 2004-05	6.27	1.84	4.43	0.29
1999-00 to 2009-10	7.52	1.50	6.02	0.20
2004-05 to 2009-10	9.08	0.22	8.86	0.02

Source: Derived from Papola (2012)

The projections on employment growth upto 2018 show that, employment growth would decline in East Asia and South East Asia while it increases in South Asia (Table 5). The increase in South Asia could be due to demographic dividend. In East Asia and South East Asia, growth rates would decline because of ageing problem.

Table 5. Projections on Employment Growth (%)

Regions	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
East Asia	0.4	0.6	1.0	0.8	0.7	0.5	0.4	0.3	0.2	0.1
South East Asia and Pacific	1.8	2.1	2.2	2.0	1.6	1.6	1.5	1.4	1.4	1.3
South Asia	0.6	1.0	1.1	1.0	1.9	1.9	1.9	1.8	1.8	1.7

Source: ILO, 2014

## **2.2. Unemployment**

The overall unemployment rate in Asia Pacific region was 4.6% in 1995 and 4.7% in 2010 (Table A2). This is lower than the world unemployment rate of 6% and other continents. There are only minor differences in male and female unemployment rates. The unemployment rate is the highest in North and Central Asia (8.1%) followed by Pacific (5%). Countries like Indonesia, Philippines, Turkey, Georgia have higher unemployment rates. The global employment trends of ILO indicates that there were about 202 million people were unemployed in 2013. There were

about 5 million more than previous year. In other words, employment growth is not matching with labour force growth. According to this report, the bulk of the increase in global unemployment is in the East Asia and South Asia regions. They together represent more than 45 per cent of additional jobseekers.

Adult unemployment rate is 4.5% as compared to 6% for the population above 15 years in 2012 (Table 6). The adult unemployment rate is lower for South Asia and South East Asia than for East Asia. It also declined over time for the first two sub-regions compared to East Asia.

Table 6. Unemployment Rate for Adults (Above 25 years)

	2000	2005	2006	2007	2008	2009	2010	2011	2012
World	4.6	4.5	4.2	4.0	4.1	4.7	4.6	4.5	4.5
Developed Economies and European Union	5.7	5.8	5.3	4.8	5.0	7.1	7.5	7.2	7.4
East Asia	3.4	3.1	3.0	2.8	3.3	3.4	3.2	3.3	3.5
South-East Asia and the Pacific	2.6	3.3	3.2	3.1	3.1	3.0	2.4	2.4	2.2
South Asia	2.6	3.0	2.9	2.6	2.7	2.7	2.4	2.4	2.4
Middle East	6.9	7.0	6.8	6.5	6.4	6.9	7.4	7.4	7.5

Source: ILO (2014)

The projections on unemployment rate for population above 15 years show that unemployment is likely to increase in East Asia by 5% in 2018 compared to 4.5% in 2013. It may stay the same in South East Asia and South Asia by 2018.

Table 7. Projections on Unemployment Rates (%)

Regions	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
East Asia	4.4	4.2	4.3	4.4	4.5	4.7	4.8	4.9	4.9	5.0
South East Asia and Pacific	5.1	4.7	4.4	4.1	4.2	4.3	4.3	4.3	4.3	4.4
South Asia	4.2	3.8	3.8	3.9	4.0	4.0	4.1	4.1	4.1	4.1

Source: ILO, 2014

### 2.3. Structure of Employment by Sectors

Shift in work force from agriculture to industry and services is considered a structural transformation in an economy. In Asia and Pacific region, this structural transformation has happened over time. The share of agriculture declined from nearly 50% in 1995 to 39% in 2010 (Table 8). There has been significant increase in the share of services from 29.4% to 36.6% during the same period. Three-fifths of the workforce is contributed by industry and services. However, the Asia Pacific still trails in the share of services (36.6%) as compared to Latin America and the Caribbean (62.6%) and North America (80.2%) in 2012. In Asia Pacific region, North and Central Asia and Pacific regions have higher share of services and low shares in agriculture. East Asia is more diversified than South East Asia and South Asia, In South Asia, agriculture still dominates with nearly 50% of the workforce (Table 8). The share of industry in this sub-region is very low at 21%. There is a need for shifting the work force from agriculture to industry and services in some of the countries in Asia Pacific region.



Table 8. Employment Shares by Sector in Asia Pacific Region

Regions	Agriculture (%)		Industry (%)		Services (%)	
	1995	2010	1995	2010	1995	2010
<b>Asia and Pacific</b>	<b>49.5</b>	<b>39.0</b>	<b>21.2</b>	<b>24.4</b>	<b>29.4</b>	<b>36.6</b>
East and North East Asia	46.3	33.0	25.0	28.8	28.7	38.1
China	52.2	36.7	23.0	28.7	24.8	34.6
South East Asia	52.1	41.5	16.2	18.6	31.7	39.9
Indonesia	44.0	38.3	18.4	19.3	37.6	42.3
South and South West Asia	59.2	49.4	16.1	21.2	24.7	29.4
India	--	51.1	--	22.4	--	26.6
North and Central Asia	21.3	19.3	28.4	24.3	50.4	56.4
Pacific	17.3	17.1	20.0	17.9	62.7	65.0
Low income economies in AP	61.0	54.6	17.4	17.2	21.6	28.2
High income economies in AP	6.9	4.4	32.3	24.8	60.8	70.8

AP: Asia Pacific

Source: ILO (2014)

There are significant differences in the structure of employment between males and females. In the case of East Asia and South East Asia and the Pacific, the shares of agriculture and services in total female workers are higher than industry which has lower share females than males (Table A3 in appendix). Regarding South Asia, the share of agriculture (65%) in total female workers was much higher than those of male workers (41%). The gender gap (higher share for females) in the share of agriculture is much higher for South Asia as compared to other sub-regions. The gender gap (lower share for females) in the shares of industry and services is also high in South Asia.

#### 2.4. Vulnerable Employment and Working poor

Vulnerable employment comprising own-account workers and contributing family workers is high in the Asia Pacific region. These two employment groups on average are characterized by higher poverty rates and limited social protection. Nearly three in five workers (around 1.1 billion) in developing economies of the region fall under vulnerable employment in 2012. South Asia has the highest proportion of vulnerable employment (76.4%) followed by South East Asia (59.7%) in 2012 (Table A4 in appendix). Women are likely to be more in vulnerable category than men. In South Asia, the share of women in vulnerable category was 81% in 2012. The gender gap in vulnerable employment is the highest for East Asia (8.3 percentage points) followed by South East Asia and the Pacific (7.3 percentage points) and South Asia (6.4 percentage points in South Asia).

However, there seems to be some positive development as the share of vulnerable employment has declined over time. In South Asia, it declined from 80.9% in 2000 to 76.4% in 2012. The decline is much higher in East and South East Asia. In other words, the share of wage employment has been increasing in Asia Pacific region. This is true for both males and females. It has benefited women. For industry and services together, the ratio of women to men in wage employment increased from 47.5% in 1992 to 55.1% in 2012.

*Informal Employment:* Another issue in the Asia Pacific region relates to large share of informal workers in total employment. These workers are employed without any employment security and social security. They work at very low wages and poor working conditions compared formal

sector workers. The numbers ON informal employment shares for selected countries in Asia show that the share varies from 30% to 70%.

India has one of the highest number and proportion of informal workers in the world. Out of 472 million workers, 92.4% (436 million) were informal workers in 2011-12 (Table 9). The share of informal workers was around 92 and 93% since 1999-00. **In other words, only 7.5% of the total workers in India are formally employed and enjoy regular jobs.** It is interesting to note that out of 80 million organized sector workers, 57.8% were informal workers in 2011-12. The proportion of informal workers in the organized sector has increased from 41% in 1999-00 to 58% in 2011-12. It shows that even in organized sector, the contractual employment has been increasing faster.

Table 9. Percentage Distribution of Total Workers by unorganized/organized sectors and formal/informal workers: 1999-00, 2004-05 and 2011-12: India

	Unorganized sector	Organized Sector	Total
Informal workers			
1999-00	98.1	41.1	92.6
2004-05	99.5	48.0	93.4
2011-12	99.5	57.8	92.4
Formal workers			
1999-00	1.8	58.8	7.4
2004-05	0.5	52.0	6.6
2011-12	0.5	42.2	7.5
Total Workers			
1999-00	100.0 (358.0 mil.)	100.0 (38.9 mil.)	100.0 (396.9 mil.)
2004-05	100.0 (403.4 mil.)	100.0 (54.0 mil.)	100.0 (457.4 mil.)
2011-12	100.0 (391.8 mil.)	100.0 (80.2 mil.)	100.0 (472.0 mil.)

Source: IHD (2014)

*Underemployment:* One of the continuing characteristics of employment in the region is underemployment. Underemployment can be in two ways. One is that people do not get required employment compared to their status or qualification. They undertake whatever is available irrespective of qualification. The second one relates to time. Individuals are engaged in part time employment or full time employment but one for some time of the year although they are willing to work. People are more under employed in rural areas compared to urban areas. We do not have readily available data in the region. In India, some use the difference between the unemployment rate of Usual Status (US) and current daily status (CDS). The difference between these two rates was around 5% in 1999-00 and 2004-05 and 3% in 2011-12. In other words, underemployment declined in India according to this method in recent years.

*Working Poor:* One of the issues in many of the Asia and Pacific Labour markets is the problem of ‘working poor’. The overall unemployment may be low. But, many people are informal workers working at low wages and low working conditions. The share of working poor (at US\$ 1.25 per day) in employment for the Asia Pacific region declined from 48.6% in 1991 to 12.1% in 2012 (Table A5 in Appendix). If we take US\$2 per day, the working poor proportion declined from 71.6% in 1991 to 30.7% in 2012 (Table A5). Table 12 shows that the fastest decline occurred in East Asia. It declined from 233 million in 2000 to 43 million in 2013 – the proportion declined from 44% to 5% during the same period. In all the sub-regions, the absolute number and proportion of working poor declined over time. The projections for 2018 show further decline in the share of working poor (Table 10). But, South Asia still has 155 million

working poor with a proportion of 25% working poor in total employment. This sub-region constitutes about 41% of working poor of the world. Pacific and North and Central Asia have the lowest proportion of working poor.

**Table 10. Working poor indicators, world and regions (US\$1.25 a day)**

Both sexes	Numbers of people (millions)						Share in total employment (%)					
	2000	2007	2011	2012*	2013*	2018*	2000	2007	2011	2012*	2013*	2018*
World	692.9	490.9	406.3	385.0	374.7	284.7	26.5	16.7	13.3	12.4	11.9	8.5
East Asia	232.8	94.7	58.0	47.3	43.1	19.4	31.1	11.8	7.1	5.7	5.2	2.3
South-East Asia and the Pacific	83.0	49.2	36.9	34.0	34.4	24.7	34.2	18.0	12.4	11.2	11.2	7.5
South Asia	224.5	201.1	167.2	160.7	155.0	111.9	44.2	33.9	27.3	26.0	24.6	16.2
Middle East	0.6	0.8	0.7	0.8	0.7	0.6	1.5	1.5	1.1	1.2	1.1	0.8

Note: \* 2012–18 are projections. Totals may differ due to rounding.

Source: ILO (2014)

Similar trends can be seen with the estimates based on US\$2 per day. It shows substantial decline in the absolute numbers of East Asia and South East Asia and marginal decline in South Asia (Table 11). In South Asia still 62% of workers are suffering from poverty if we take \$2 per day. Around 46% of world's working poor and 63% of Asia Pacific region's working poor live in South Asia.

**Table 11. Working poor, world and regions (US\$2 a day)**

Both sexes	Numbers of people (millions)						Share in total employment (%)					
	2000	2007	2011	2012*	2013*	2018*	2000	2007	2011	2012*	2013*	2018*
World	1199.2	989.5	878.1	851.0	839.0	736.2	45.9	33.7	28.7	27.4	26.7	22.0
East Asia	412.9	224.1	144.6	123.5	111.6	52.4	55.1	28.0	17.7	15.0	13.5	6.2
South-East Asia and the Pacific	150.9	114.8	98.9	94.8	93.9	75.9	62.3	41.9	33.3	31.3	30.5	23.0
South Asia	399.4	414.6	392.8	389.0	387.8	359.8	78.5	69.9	64.1	62.9	61.5	52.2
Middle East	3.8	4.9	4.9	5.0	5.0	4.9	9.3	8.7	7.6	7.5	7.4	6.4

Note: \* 2012–18 are projections. Totals may differ due to rounding.

Source: ILO (2014).

## 2.5. Wages

Real wages of wage employed has increased over time. Table 12 shows the global wage increased by close to one quarter between 2000 to 2011. In the case of Asia real wages have almost doubled during this period. In the case of Latin America and Africa, the wage rate rose less than the world average.

Table 12 Cumulative real wage growth by region since 2000 (index: 2000 = 100)

Regional group	2000	2006	2007	2008	2009	2010	2011
Africa	100.0	103.9	105.3	108.1**	108.6**	115.4**	117.8**
Asia	100.0	149.0	158.8	165.1	174.6	185.6	(194.9)
Eastern Europe and Central Asia	100.0	204.4	233.9	253.4	244.4	257.9	271.3
Developed economies	100.0	103.3	104.5	104.1	104.9	105.5	105.0
Latin America and the Caribbean	100.0	105.4	108.5	109.3	111.0	112.6	115.1
Middle East	100.0	98.3	100.1	97.2	95.8**	(94.6)	(94.4)
World	100.0	112.8	116.1	117.3	118.8	121.3	122.7*

\* Growth rates published as “Provisional estimates” (based on coverage of c. 75%).

\*\* Growth rates published as “Tentative estimates” (based on coverage of c. 40%– c. 74%).

() Growth rates published but likely to change (based on coverage of less than 40%).

Note: For coverage and methodology, see Appendix I.

Source: ILO (2013a)

In recent years the real wage rates in Asia particularly in East Asia increased significantly. Growth rates of real wages in Asia were around 5 to 6% if we ignore 2008, the year of global financial crisis (Fig A-2 in appendix). This high growth was due to China which had high real wage increase during this period. If we exclude China, Asia region showed low growth of one to two per cent and negative growth rates in 2008, 2009 and 2011. This is surprising as countries such as India showed a high real wage growth rate for workers. In the case of India, as shown in Table 13, growth rates of real wages in the two decade period 1993-94 to 2011-12 was around 3% per annum for regular workers and 3.7% for casual workers.

There are significant gaps in male and female wages. In East Asia, while male workers are still likely to earn higher wage compared with female workers, the gap is gradually declining. By 2013, the gender gap in wage employment rates had fallen to 5.2 percentage points (Fig. A-3 in appendix). As mentioned above, the share of wage and salary employment has increased in East Asia (Fig A-3 in appendix). This will benefit females better as they have larger share of vulnerable employment.

Table 13. Regular and Casual Daily wages in India: 1993-94 to 2011-12

Type of worker	Wages per day in Rs.			Compound annual growth rate (%)
	1993-94	2004-05	2011-12	1993-94 to 2011-12
<i>Regular</i>				
Rural	183	251	298	2.8
Urban	266	348	445	2.9
Total	232	307	392	3.0
<i>Casual</i>				
Rural	69	92	138	3.9
Urban	102	126	173	3.0
Total	75	99	143	3.7

Source: IHD (2014); This is computed from unit level data of various NSS Rounds

The gender wage gap in India also seems to be declining as shown by the NSS data in Table 14. The female to male wage ratio increased in 2011-12 compared to earlier years. However, still wage gap is higher for rural regular and urban casual workers. Gap was lower for urban regular workers.

Table 14: Female to Male wage ratio in India: 1993-94 to 2011-12

	1993-94	2004-05	2011-12
Rural Regular	0.62	0.59	0.63
Rural Casual	0.66	0.63	0.70
Urban regular	0.81	0.75	0.80
Urban casual	0.57	0.58	0.62

Source: Computed from unit level data of various NSS rounds: IHD (2014)

It may be noted that the differences may not indicate differentials within similar jobs, occupations and activities in India. It is possible that women may be working in low paid jobs. However, significant differences are found within the same type of activity as well. Across activities in agriculture, manufacturing and services show the ratio varies from 0.51 to 0.66 for casual workers while it varies from 0.29 in agriculture to 0.79 in services (community, social, personal) for regular workers (IHD, 2014).

One of the issues on wages is the trends in labour income share in value added. In many of the emerging economies, the share of labour income declined (ILO 2013a). For example, in China wages tripled in the last decade. But, GDP grew faster than wage bill in China and labour income share decline drastically particularly since 2003 .

A look at the wages and productivity show that in general growth rates have been positive and substantial both before and after the global crisis. But some countries like Thailand and India showed low growth of wages. As mentioned earlier, the NSS (National Sample Survey) data shows that India's growth rates in wages were in the range of 3 per cent per annum. In fact, growth rates of wages for agricultural labourers were in the range of 6 per cent per annum. Labour productivity growth was also high in India. As shown in Table 4 above, productivity growth in India was 6% per annum was 6% during 1999-2000 to 2009-10 and 8.9% during 2004-05 to 2009-10.

### **3. YOUTH LABOUR MARKET: CHALLENGES AND OPPORTUNITIES**

This section presents trends in youth employment and unemployment in the Asia-Pacific region. The definition and age grouping of the youth may vary in different socio-cultural contexts across countries. The sociological viewpoint might wish to define 'youth' as the transition stage from childhood to adulthood. But the age at which this transition begins will vary greatly between societies and indeed within the same society. However, differences continue to exist in the way national statistics programmes in different countries define and measure youth. Some countries defines youth upto 29 years or 35 years. The United Nations (UN) and the International Labour Organisation (ILO), however, defined the youth as persons between 15 and 24 years of age for cross-country comparison and analysis. In the present paper, the youth definition of UN and ILO will be followed. We also compare youth employment/unemployment rates with those of adults in the region.

**3.1. Youth Population:** *The share of youth population has been declining at global level but continues to be high in some of the developing countries in Asia Pacific region.*

In all regions of the world, the share of youth population has declined but not in all sub-regions and countries. The share of youth population in Asia-Pacific region is about 19%. It is declining in East Asia and South East and the pacific while it is increasing in South Asia which continues to have 20% share of youth in total population. A look at the regional distribution of young population in the world shows that the share has declined in South East Asia and pacific and would decline in future in East Asia (Table 15). South Asia which has the highest share (26%) in the world shows that the share would increase to 28% by 2015. Around 60% of the youth live the Asia-Pacific region.

Table 15. Regional Distribution of Youth Population

Regions	1998	2010	2015 projection
Developed economies & European Union	12.3	10.0	10.0
Centre & South Eastern Europe (non-EU) & CIS	5.8	5.0	4.0
East Asia	20.0	20.0	18.0
South East Asia and the Pacific	9.5	9.0	9.0
South Asia	24.9	26.0	28.0
Latin America and the Caribbean	9.3	9.0	9.0
Middle East	3.2	4.0	3.0
North Africa	3.4	3.0	4.0
Sub-Saharan Africa	11.4	14.0	15.0
World	100.0	100.0	100.0

Source: United Nations, World Population Prospects; ILO (2010)

### 3.2. Labour force and work participation Rates

*Labour force participation rates among youth have been declining in all the regions which is a reflection of improved enrollment of education.*

East Asia's labour force participation rate which was 66.3% in 2000 declined to 55.1% in 2012. The decline has been slower in South East Asia and Pacific sub-region –decline from 56.4% to 52.4%. South Asia has the lowest work participation rate and declined from 47.8% to 39.6% during the same period.

The ratio of youth to adult labour force participation rate is the highest for East Asia followed by South East Asia and Pacific and South Asia. In all the sub-regions, this ratio has declined over time (Table 16).

Table 16. Labour force participation rate for Youth and ratio of youth to adult rates for world and regions in Asia Pacific

Youth	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013*
World	53.2	52.6	52.1	51.6	51.4	51.2	50.5	49.8	49.2	48.5	47.7	47.6	47.3	47.4
East Asia	66.3	64.4	62.6	60.9	59.5	58.2	57.3	56.6	55.9	55.2	54.2	54.7	55.1	55.1
South-East Asia and the Pacific	56.4	56.8	55.9	55.9	55.7	55.1	54.0	53.2	52.7	52.6	52.3	52.4	52.4	52.4
South Asia	47.8	47.9	48.2	48.3	48.4	48.6	47.2	45.6	44.1	42.7	41.4	40.5	39.6	39.6
Ratio of Youth to Adult labor force participation rates	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013*
World	0.77	0.76	0.75	0.74	0.74	0.74	0.73	0.72	0.71	0.71	0.70	0.70	0.69	0.69
East Asia	0.84	0.82	0.80	0.76	0.77	0.76	0.75	0.75	0.74	0.74	0.73	0.73	0.74	0.74
South-East Asia and the Pacific	0.74	0.74	0.73	0.73	0.73	0.72	0.71	0.70	0.69	0.69	0.69	0.69	0.69	0.69
South Asia	0.74	0.74	0.74	0.74	0.73	0.73	0.72	0.70	0.68	0.67	0.66	0.64	0.64	0.64

Note: \* 2013 are preliminary estimates.

Source: ILO, EAPEP database, 7th edition (October 2013 update); see also source of table A8.

Source: ILO (2014); Ratios estimated by the author

The gender gap in labour force participation rates is the highest for South Asia at 34% followed by South East Asia and the Pacific (14%) in 2011 (Table 17). In East Asia, female participation rates are higher than male participation rates. The gender gap in all the sub-regions has been declining over time.

**Table 17. Gender gaps in youth labour force participation rates, by region, 1991, 2001 and 2011**

	Male (%)			Female (%)			Gap (percentage point)		
	1991	2001	2011	1991	2001	2011	1991	2001	2011
WORLD	67.0	60.4	56.3	51	44.3	40.7	16.1	16	15.6
East Asia	75.3	60.9	59	78	68.1	61.6	-2.7	-7.3	-2.5
South-East Asia & the Pacific	65.6	64	59.3	52.5	49.4	45.1	13.2	14.6	14.2
South Asia	70.3	66.2	57.6	32.5	28.7	23.4	37.8	37.5	34.1

Source: ILO (2012)

The projections upto 2018 reveal that youth labour force participation rates are likely decline further (Table 18). This is true for both males and females. The decline is going to be marginal particularly in South Asia. The female participation rates are almost stagnant at 23% in South Asia.

**Table 18. Youth labour force participation rates 2008–18, by region and sex (%)**

	2011	2012p	2013p	2014p	2015p	2016p	2017p	2018p
<b>WORLD</b>	48.6	48.5	48.3	48.2	48	47.8	47.7	47.5
Male	56.2	56.1	55.9	55.8	55.6	55.4	55.3	55.1
Female	40.7	40.5	40.3	40.1	39.9	39.7	39.5	39.4
<b>East Asia</b>	60.2	59.8	59.3	58.7	58.3	58	57.8	57.8
Male	59	58.8	58.3	57.9	57.5	57.3	57.2	57.2
Female	61.5	61.1	60.4	59.7	59.2	58.8	58.6	58.4
<b>South-East Asia and the Pacific</b>	52.3	52.3	52.2	52.1	51.9	51.6	51.3	51
Male	59.3	59.2	59.1	58.9	58.7	58.4	58	57.6
Female	45.1	45.1	45	45	44.8	44.6	44.4	44.1
<b>South Asia</b>	41.2	41	40.9	40.7	40.6	40.4	40.2	40.1
Male	57.6	57.3	57.1	56.9	56.7	56.4	56.2	55.9
Female	23.5	23.4	23.3	23.2	23.2	23.1	23	23

Source: ILO (2013)

Similar to the labour force participation rates, youth employment to population ratios (work participation rates) have declined and the projections upto 2018 show further decline (Table A6 in appendix). This is true for both males and females. It may be noted that male work participation rates in South Asia are closer to those of East Asia and South East Asia and the Pacific. But, female participation rates in South Asia (21% in 2011) are much lower than other sub-regions in Asia and the Pacific. The East Asia female work participation rate is more than two and half times to that of South Asia.

*Vulnerable employment:* The vulnerable employment among youth is high in developing countries. Relatively higher share of youth are likely to work as unpaid family workers in these countries. The numbers show among 24 developing economies (some are from Asia) show that the share of unpaid family work in youth employment exceeded the corresponding share of adult workers in all countries. On the other hand, the own account work in total employment was lower for the youth corresponding share for adults.

### *Part Time Employment*

Since global financial crisis, part time employment among youth increased in some countries particularly in South East Asia and the Pacific. For example, in Philippines, the share of youth working part time (less than 30 hours per week) rose from 26.6% in 2008 to 32% in 2009. In Indonesia, 31.5% of the employed youth were working part time in 31.5%. These workers are involved in voluntary and involuntary part time employment in Inomesia. The voluntary part time for young women (17.1%) was higher than that for men ((13.3%) while involuntary part was higher for men (18.3%) compared with young women (14.3%).

### **3.3. Unemployment among Youth**

*Youth unemployment which is three times higher than adults is the biggest problem for the youth in Asia-Pacific region.*

Unemployment rate among youth increased for Asia and Pacific region as a whole between 1995 and 2010 (Table 19). Among sub-regions, it increased significantly for South East Asia and South and South West Asia. These trends are true for both males and females. North and Central Asia has the highest youth unemployment rate in the region. High unemployment rates are in countries such as Armenia, Georgia, Indonesia, Iran, Philippines, Sri Lanka and Turkey.

Table 19. Youth Unemployment Rate

Region/Sub-Regions	Total		Female		Male	
	1995	2010	1995	2010	1995	2010
East and North East Asia	8.6	8.8	7.0	7.2	10.1	10.4
South East Asia	9.5	13.9	10.0	14.7	9.2	13.2
South and South West Asia	9.7	10.7	9.7	11.9	9.6	10.3
North and Central Asia	18.7	17.4	19.9	17.9	17.8	17.0
Pacific	13.1	11.0	12.9	10.9	13.2	11.0
<b>Asia and the Pacific</b>	<b>9.5</b>	<b>10.8</b>	<b>8.7</b>	<b>10.3</b>	<b>10.1</b>	<b>11.1</b>
Africa	15.1	12.9	16.0	14.2	14.3	11.9
Europe	20.8	20.9	21.9	20.2	19.8	21.4
Latin America and carib.	14.4	14.0	17.8	17.4	12.3	11.8
North America	12.6	18.2	12.0	15.6	13.1	20.6
World	11.7	12.5	11.6	12.7	11.7	12.3

Source: ESCAP (2013)

### *Impact of Financial Crisis on Youth Unemployment*

At the global level, youth unemployment increased between 2007 and 2009. Youth unemployment increased by 7.8 million at the global level (1.1 million in 2007/08 and 6.6 million in 2008/09). Before the crisis, over the ten year period (1996/97 to 2006/07), the number of unemployed youth increased, on average, by 0.19 million per year only. In 2009 there were 80.7 million young people struggling to find work (ILO, 2010). During the crisis period, the global youth unemployment rate saw its largest annual increase ever with youth unemployment rate rising from 11.9 to 13.0 per cent between 2007 and 2009. Between 2008 and 2009, the youth unemployment rate increased by 1 percentage. Youth unemployment rates were more sensitive to economic shocks than adult rates. The youth rate increased by 1.0 percentage point compared to 0.5 points for the adult rate over 2008/09. There are likely to be significant consequences for young people as upcoming cohorts of new entrants join the ranks of the already unemployed.



Young women have more difficulty than young men in finding work. The female youth unemployment rate in 2009 was at 13.2 per cent compared to the male rate of 12.9 per cent.

The timing of the impact differs by region. Youth unemployment rates began to increase in the 2007/08 period in the Developed Economies & European Union, East Asia, Latin America & the Caribbean and the Middle East, while in the other regions the crisis-specific impact on youth unemployment rates is reflected in the 2008/09 period.

Youth in Developed Economies & European Union and Central & South-Eastern Europe (non-EU) & CIS were hit hard. Youth unemployment rates increased by 4.6 percentage points in the Developed Economies & European Union between 2008 and 2009 and by 3.5 points in Central & South-Eastern Europe (non-EU) & CIS (ILO, 2010). Among the developing regions dominated by the more vulnerable forms of employment, the youth unemployment rate did not increase at all between 2007 and 2009 increased by less than 1 percentage point in Middle East (0.4), North Africa (0.4), South Asia (Sub-Saharan Africa (0.1), and even decreased slightly in South-East Asia & the Pacific (-0.1 percentage point) (ILO, 2010).

Some evidence showed that there was rising discouragement increase in inactivity among youth in the crisis years in some countries. This led some young people to give up the job search. In developing economies, the crisis adds to the ranks of vulnerable employment and informal sector employment.

*Changes in youth Unemployment:* Changes in unemployment before and after the global financial crisis are given in Table 20. It shows that during 1998 to 2008, youth unemployment declined by around half percentage points in East Asia and South Asia. But, it increased by 2 percentage points in South East Asia and the Pacific. In the post-crisis, the changes were different. It increased by 0.8 percentage points in South Asia and 0.4 percentage points in East Asia. In South East Asia and Pacific, it declined by 1.4 percentage points. In the case of South Asia, the problem is working poor and higher vulnerable unemployment than unemployment per se.

**Table 20. Change in youth unemployment and unemployment rates between 1998 and 2008 and between 2008 and 2012, by region**

	Change in youth unemployment (%), 1998–2008	Change in number of youth unemployed, 1998–2008	Change in youth unemployment (percentage point), 1998–2008	Change in youth unemployment (%), 2008–12	Change in number of youth unemployed, 2008–12 ('000)	Change in youth unemployment (percentage point), 2008–12
WORLD	0.5	368	-0.6	3.6	2527.7	0.7
Developed Economies and European Union	-12.3	-1193.4	-1.0	24.9	2127.7	4.8
Central and South-Eastern Europe (non-EU) and CIS	-21.3	-1243.7	-5.2	-5.7	-261.7	0.8
East Asia	-5.4	-759.9	-0.5	-1.7	-227.1	0.4
South-East Asia and the Pacific	23.7	1630.5	2.0	-11.0	-932.9	-1.4
South Asia	2.3	262.3	-0.4	5.6	656.7	0.8

Latin America and the Caribbean	-7.4	-610.0	-1.5	-5.1	-387.5	-0.6
Middle East	31.1	783.7	1.8	8.8	291.9	3
North Africa	-7.2	-221.3	-3.8	13.8	395.1	3.4
Sub-Saharan Africa	21	1719.8	-1.0	8.7	865.5	0

Source: ILO (2013)

### *Projections on Unemployment*

The projections on youth unemployment for South Asia upto 2018 reveal continuing upward trend for both women and men (Table 21). However, this sub-region as a whole will have the lower youth unemployment rate (9.8% in 2018) as compared to other sub-regions. The unemployment among youth in East Asia has been higher since global economic crisis. The trend of increase is likely to continue. Particularly, the male unemployment is likely to much higher for males as compared to females (12.4% for males vs. 8.4% for females) in 2018. The numbers for South East Asia and Pacific show rise from 13.1 in 2012 to 14.3 in 2018 (Table 21). Increase would be both for males and females. In Middle East which has the highest youth unemployment rates, the unemployment would rise for both males and females – the increase being higher for females and reach 44.7% by 2018. This would have serious social implications. Youth unemployment is going to be a big challenge for all the sub-regions of Asia Pacific region.

Table 21. Youth unemployment rates 2008-18, by region and sex (%)

	2008	2009	2010	2011	2012p	2013p	2014p	2015p	2016p	2017p	2018p
WORLD	11.7	12.7	12.5	12.3	12.4	12.6	12.7	12.7	12.7	12.7	12.8
Male	11.5	12.5	12.3	12.1	12.2	12.4	12.4	12.4	12.4	12.4	12.4
Female	11.9	12.8	12.7	12.6	12.7	12.9	13	13.1	13.2	13.2	13.3
Developed Economies and European Union	13.3	17.4	18.1	17.6	18.1	17.9	17.5	17	16.5	16.1	15.9
Male	14	19.1	19.6	18.6	19.2	18.9	18.4	17.8	17.3	16.8	16.5
Female	12.4	15.5	16.5	16.5	16.8	16.8	16.6	16.1	15.7	15.3	15.1
East Asia	9.1	9.2	8.9	9.2	9.5	9.8	10	10.2	10.3	10.4	10.5
Male	10.7	10.8	10.4	10.8	11.2	11.5	11.7	11.9	12.1	12.2	12.4
Female	7.3	7.5	7.2	7.4	7.6	7.9	8	8.2	8.3	8.3	8.4
South-East Asia and the Pacific	14.4	14.3	13.8	13.1	13.1	13.3	13.5	13.7	13.9	14.1	14.3
Male	14	14.1	13.1	12.5	12.5	12.7	12.9	13	13.2	13.4	13.5
Female	15.1	14.5	14.6	13.9	13.9	14.2	14.4	14.6	14.8	15	15.3
South Asia	8.5	9.4	9.7	9.2	9.3	9.4	9.6	9.6	9.7	9.8	9.8
Male	8.3	9	9.3	8.9	9	9.2	9.3	9.4	9.4	9.5	9.6
Female	8.9	10.3	10.6	10	10	10.2	10.2	10.3	10.4	10.4	10.5
Middle East	25.3	25.5	27.4	27.7	28.3	29.1	29.6	29.9	29.9	30	30
Male	21.7	22.2	23.7	23.8	24.5	25.2	25.6	25.8	25.8	25.8	25.8
Female	39.3	38.2	41.7	42.1	42.6	43.5	44.1	44.5	44.6	44.7	44.7

Source: ILO (2013)

### *The ratio of youth to total unemployment rates*

The ratio of youth to unemployment rates to total unemployment rates show that it was more than two times in Asia and the Pacific region (Table 22). The ratio increased from 2.1 in 1995 to 2.3 in 2010. The ratio increased for all the sub-regions in the post-global crisis. It is the highest in South East Asia followed by South and South West Asia. Fig A-4 in appendix also gives youth and total unemployment rates for different regions and sub-regions.

**Table 22. Ratio of Youth-to-total unemployment rates, 1995 and 2010**

Region/Sub-Regions	Total	
	1995	2010
East and North East Asia	2.0	2.1
South East Asia	2.5	2.8
South and South West Asia	2.2	2.4
North and Central Asia	1.9	2.1
Pacific	1.8	2.2
<b>Asia and the Pacific</b>	<b>2.1</b>	<b>2.3</b>
Africa	1.7	1.7
Europe	2.0	2.2
Latin America and carib.	1.8	2.1
North America	2.1	1.9
World	2.0	2.1

Source: Estimated from ESCAP (2013)

### *Ratio of Youth to Adult Unemployment Rates*

Ratio of youth to adult (above 25 years) is much higher in Asia Pacific region as compared to that of youth to total unemployment rates. The youth unemployment at global level is three times to that of adults in 2011( Table 23). This is true for East Asia. The projections up to 2018 show that the ratio in 2011 for East Asia would remain the same for both males and females. In the case of South East Asia and Pacific, youth unemployment is five times to that of adult unemployment. It is likely to increase for both females and males. The ratio for South Asia is four and would decline slightly over time. Projections show that it would decline for males and remain the same for females. The need for reduction in youth employment in Asia-pacific region is obvious.

**Table 23. Ratios of youth-to-adult unemployment rates, 2008–18 (%)**

Region	2008	2009	2010	2011	2012p*	2013p	2014p	2015p	2016p	2017p	2018p
WORLD	2.9	2.7	2.8	2.8	2.8	2.7	2.7	2.7	2.7	2.7	2.7
Male	3	2.8	2.9	2.9	2.9	2.8	2.8	2.8	2.8	2.8	2.8
Female	2.7	2.6	2.6	2.6	2.7	2.6	2.6	2.6	2.6	2.6	2.6
Developed Economies and European Union	2.6	2.4	2.4	2.4	2.5	2.3	2.3	2.2	2.2	2.1	2.1
Male	2.9	2.6	2.5	2.5	2.6	2.4	2.4	2.3	2.3	2.3	2.2
Female	2.4	2.3	2.3	2.3	2.3	2.2	2.2	2.1	2	2	2
East Asia	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7
Male	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Female	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7
South-East Asia and the Pacific	4.6	4.6	5	5.1	5.2	5.3	5.3	5.4	5.4	5.4	5.5

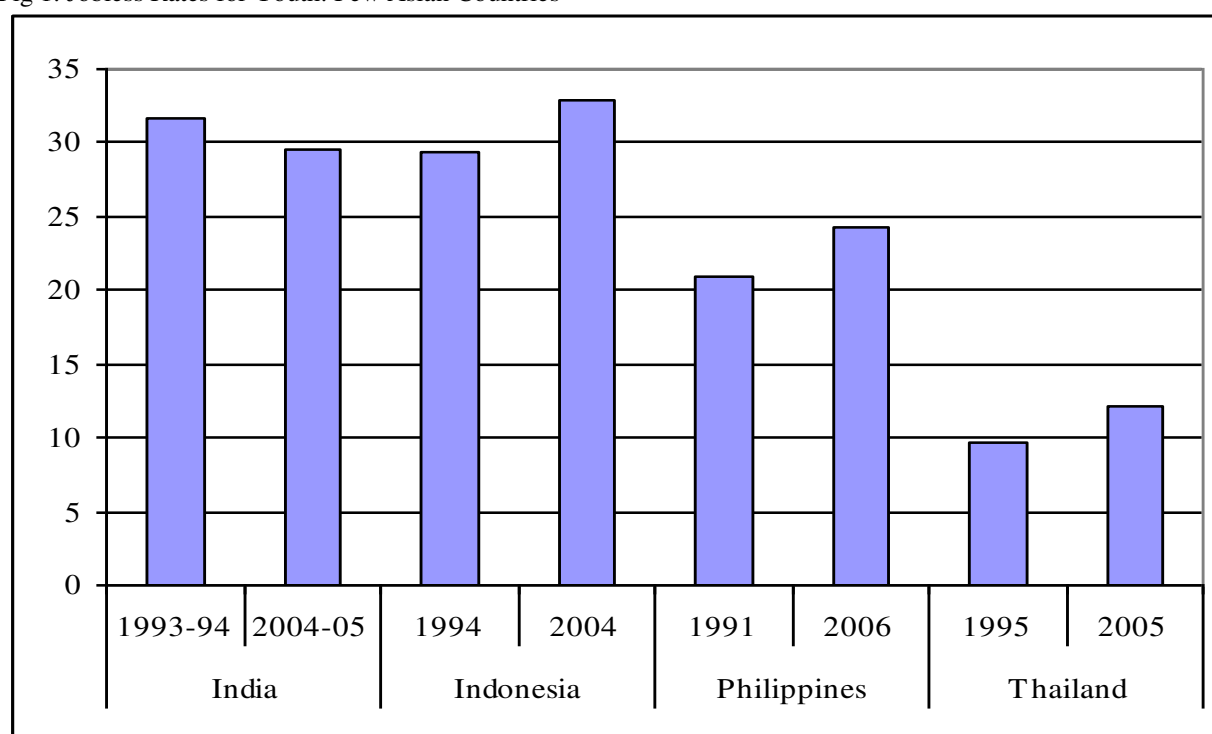
Male	4.5	4.5	5.3	5.4	5.4	5.5	5.5	5.5	5.5	5.6	5.6
Female	4.7	4.7	4.8	4.9	5	5.1	5.1	5.2	5.2	5.3	5.3
South Asia	3.5	3.9	4.1	4	4	3.9	3.9	3.9	3.8	3.8	3.8
Male	3.9	4.4	4.7	4.5	4.4	4.3	4.2	4.2	4.1	4.1	4.1
Female	2.9	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Middle East	3.9	3.6	3.7	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.7
Male	4	3.8	3.9	3.9	4	4	4	4	3.9	3.9	3.9
Female	3.3	3.1	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2

Source: ILO (2013)

### *Joblessness among Youth*

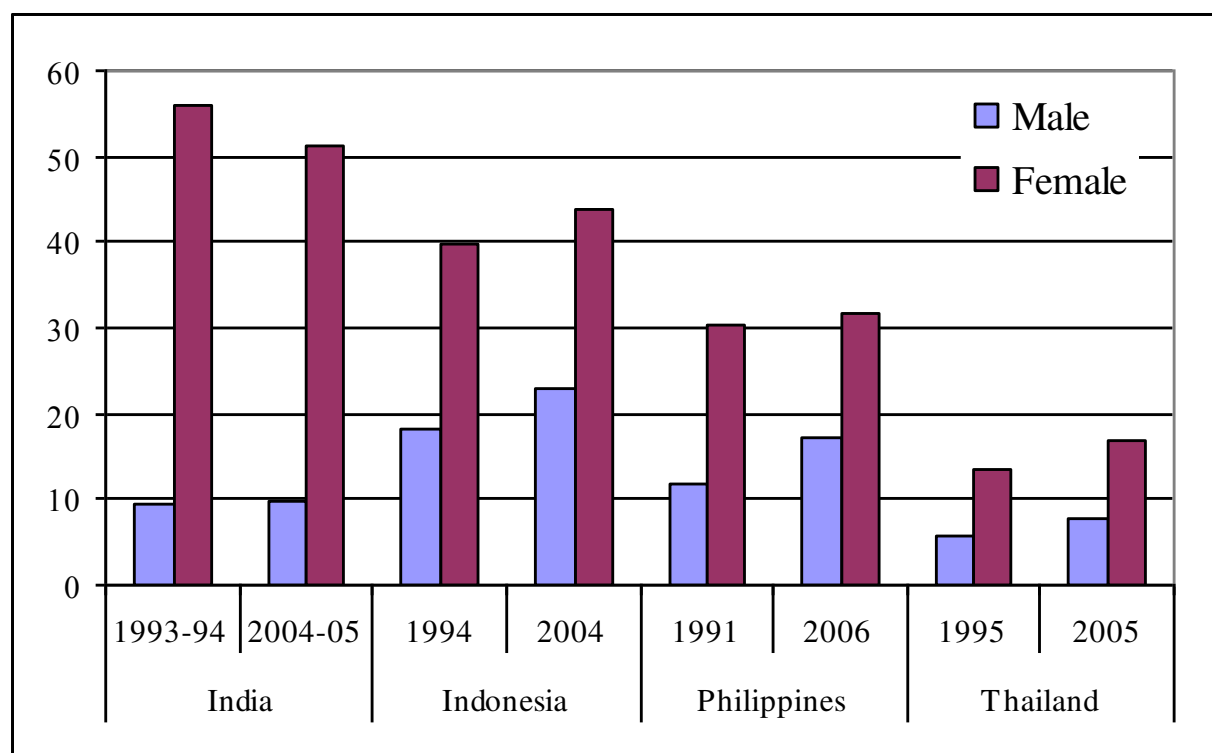
It may be noted that the efficiency of unemployment rate as a sufficient indicator for measuring the problem of youth in the labour market has been questioned for a long time (O'Higgins, 2008). The attention has been turned in fact to focus on the discouraged young workers who are excluded from the measures of youth unemployment. The discouraged young workers are those young people who are neither in education/attending educational institutions or employment, and they may not be actively searching work. They are not searching for work because they know or believe that acceptable employment is not available (O'Higgins, 2008). The broad or relaxed definition of International Labour Organisation (ILO) on unemployment rate in fact includes this category of people who are neither attending school/colleges nor employed. This category of

Fig 1. Jobless Rates for Youth: Few Asian Countries



Source: Jha (2008)

Fig 2. Joblessness Rates for Men and Women



Source: Jha (2008)

youth is defined as jobless youth (see O'Higgins, 2008). The category of jobless youth in definition includes both the unemployed and those who are neither employed nor in educational institutions.

The joblessness rates for four Asian countries are given in Fig. 1. It shows that these rates are much higher than conventional defined rates of unemployment. The rates for India and Indonesia are in the range of 30% to 35% while it is around 25% for Philippines. Only Thailand has lower rate around 12%. The joblessness declined only for India marginally while other countries showed rise in joblessness. These rates are much higher for young women as compared to men particularly for India (Fig. 2).

ILO uses the proportion of population out of the labour force as youth inactivity rates. Youth inactivity rates increased in the post-financial crisis. These rates for South Asia, East Asia and South East Asia & Pacific were 53.4%, 40.8%, 48.4% respectively in 2009. Of course, some of them would be attending educational institutes.

### 3.4. Working Poor among Youth

Poverty affects workers of all ages. But, the data shows that young workers seem to be proportionally vulnerable. Youth workers have two disadvantages compared to adult workers. one is that they are disadvantaged in terms of accessing work. Second, they also have disadvantage in finding productive employment which would give sufficient income to escape poverty (ILO, 2010). A collaborative effort between ILO and World Bank provide for 30

countries estimates of working poor for youth and adults for the period 1998-2006. Among these 30 countries, there are many countries from Asia such as India, Pakistan, Nepal, Bhutan, Vietnam, Cambodia, Philippines, Kazakhstan, Armenia, Timor-Leste. The poverty line is US\$1.25 a day. According to these estimates 27 out of 30 countries show that poverty among youth workers was higher than that for adult workers. In Bhutan, youth working poverty rate exceeds adult rate by 10 percentage points while in Vietnam it exceeds by 5 percentage points (ILO, 2010).

ILO estimates global level poverty for youth workers based on 30 countries using US\$1.25 day poverty line. It is estimated that around 152 million young workers were living in poor households in 2008 (28% of youth workers). The poverty among youth came down from 46.2% in 1998 to 28.1% in 2008. Youth accounted for 24% of global working poor with 18% of total world's employment in 1998.

### 3.5. Education, Skills and Wages

*Lack of education and skills for youth workers are the major problems in developing economies of Asia and Pacific for unemployment, joblessness, employability problems and low wages. Youth population often reach working age without education and basic skills which are important for employment prospects.*

In the last two decades, the primary school enrolment ratios have increased significantly. More than 95% of youth are literate. Gender inequalities are high at secondary and tertiary level. The enrolment in tertiary education was 26% in East Asia, 25% in Central Asia and only 13% in South Asia (UN, 2011). Enrolment in technical and vocational education is low in some sub-regions of the Asia-Pacific region. In East Asia and the Pacific, the share of technical and vocational education in secondary enrolment is higher at 14% followed by 12% in Central Asia. It is only 2% in South and South West Asia (UN, 2011).

We have some information on education and skills of youth workers in India as given below.

Though the literacy rate among the young workers seems to be better off than the other age groups, yet a large chunk, about one-fourth of them remained illiterate. Of the total young (15-24 age) work force in India, 25.9 per cent were illiterates and the remaining 74.1 were literates in 2004-05 (see Table 24). The improvement in literacy rate among the youth has shown a significant increase of about 32.2 percentage points during the last two and half decades, from 47.8 percent in 1983 to 80 percent in 2007-08. The improvement was higher (about 15.2 percentage points) during eighties i.e. between 1983 and 1993-94 than the improvement during nineties i.e. between 1993-94 and 2004-05 (about 11.1 percentage points).

**Table 24 : Literacy Rate and Educational Levels of Working Youth in India**

Age Groups	Literacy (%)	Formal Schooling (%)					
		None	Below Primary	Primary	Middle	Secondary	Post-Secondary
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
<b>1983</b>							
All Worker (7 + age)	53.7	48.4	20.6	15.8	9.2	5.1	0.9
Adult Workers (15 + age)	42.6	59.6	8.9	12.6	9.4	7	2.5

Young Workers (15-24 age)	47.8	53.6	9.5	15.9	12.7	7	1.3
<b>1993-94</b>							
All Worker (7 + age)	50	51.2	11.2	11.9	11.2	10.4	4.1
Adult Workers (15 + age)	50.5	50.8	10.9	11.8	11.5	10.8	4.2
Young Workers (15-24 age)	58.9	42.2	11	15	17	13	1.8
<b>2004-05</b>							
All Worker (7 + age)	60.3	42.1	8.8	14	15.2	14.2	5.7
Adult Workers (15 + age)	60.3	42.1	8.6	13.7	15.3	14.5	5.8
Young Workers (15-24 age)	74.1	28.0	9.8	18.7	24.2	16.6	2.7
<b>2007-08</b>							
All Worker (7 + age)	64.7	36.5	9.2	15.1	16.7	14.8	7.7
Adult Workers (15 + age)	64.7	36.5	9.1	14.9	16.8	15.0	7.8
Young Workers (15-24 age)	80.7	20.0	9.5	20.4	26.4	18.8	4.9

**Note:** 1. Figures presented above are in percentages; 2. Secondary includes higher secondary below graduation; 5. Rural-urban and male-female combined.

**Source:** Dev and Venkatanarayana (2011)

With respect to the levels of education among the youth workforce in India, only 4.9 percent of young workers had post-secondary level of education in 2007-08 (see Table 24). It is about 3.6 percentage point increase from the base 1.3% in 1983. The young workers those who had completed secondary level of education were about 18.8 per cent; it is 19.6 percentage points increase from 7% in 1983. About 24.2 percent of the young workers completed the middle school education. Those who had the education level middle school and above in the elementary school education formed about 21% and increased to 45% in 2007-08. It was 24 percentage points improvement in the young workers who completed elementary school education during the last two and half decades between 1983 and 2007-08.

In India, education and skills of workers is low. As shown in Table 25, even in 2009-10, around 52 per cent of total workers **are either illiterate** or have been educated upto primary level. Only about 17 per cent have higher levels of education. In agriculture, 66 per cent of workers are either illiterate or studied upto primary level. In manufacturing sector also only 17 per cent had higher secondary and above education. Unorganized workers also have low education and skills. According to NSS 61<sup>st</sup> (2004-05) round, about 89 per cent of the youth have not taken any kind of vocational training and among the rest about half of them have received through hereditary practices (Fig.3). It indicates a negligible level of formal vocational training for the youth.

Table 25. Percentage of workers by Level of Education by Sector : 2009-10

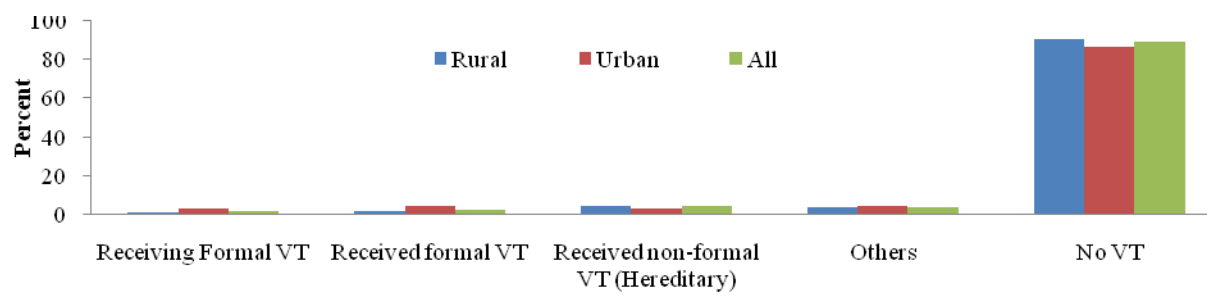
Education	Agriculture & allied	Manufacturing	Non-manufact. in secondary sector	Services	Total
Not literate	39.8	20.0	33.1	12.4	29.7
Literate without formal schooling	0.6	0.5	0.5	0.4	0.5
Below primary + primary	26.3	26.5	28.7	16.7	24.0
Middle	16.5	21.4	19.9	17.3	17.6
Secondary	9.7	14.7	9.8	16.6	12.1
Higher secondary	4.7	6.7	3.3	11.3	6.5
Diploma/certificate course	0.3	2.4	1.2	2.8	1.3

Graduate	1.8	6.3	2.9	16.2	6.2
Graduate and above	0.3	1.5	0.6	6.4	2.1
Total	100.0 (219.23)	100.0 (47.90)	100.0 (43.50)	100.0 (109.96)	100.0 (420.59)

Note: Figures in Parentheses refer to estimated number of workers in Millions.

Source: Estimated from GOI (2012) based on NSS (66<sup>th</sup> Round), 2009-10

Fig 3. Whether the youth population (15-24) in India received vocational training (VT), 2004-05



Source: Dev and Venkatanarayana (2011)

Skill development with recent data also show that overall only 10 per cent of the workforce in the age group of 15-59 years received some form of vocational training. The percentage of workers who received vocational training was the highest in the service sector with 33 per cent (Table 26). This is followed by manufacturing (31 per cent), agriculture (27 per cent). In the non-manufacturing and allied activities only 9 per cent had vocational training (GOI, 2012). But, the main problem is that vast majority of workers have non-formal vocational training. Only 11 million workers had formal training while 33 million workers had non-formal training.

Table 26. Distribution of Formally and Informally vocationally trained workers (in the age group of 15-59) within primary, secondary and tertiary sectors (%) in 2009-10

Training	Agriculture & allied	Manufacturing	Non-manufact. in secondary sector	Services	Total
Received formal vocational training	18.7	16.6	5.5	59.2	100.0
4.1Received vocational training Formal	7.8	19.8	8.1	64.4	100.0
Received vocational training non-formal of which:	31.9	35.0	11.0	39.7	100.0
Received vocational training non-formal hereditary	56.9	26.3	4.1	12.6	100.0
Received vocational training non-formal self learning	26.4	33.5	9.2	30.8	100.0
Received vocational training non-formal learning on the job	11.1	45.1	14.5	29.3	100.0
Received vocational training non-formal others	22.0	33.6	7.0	37.4	100.0
Total	26.8	31.4	8.7	33.1	100.0

Source: GOI (2012)

A study on returns to education for youth and adults in four countries (India, Indonesia, Philippines and Thailand) throws some light on the growing difficulties the youth face (ADB,



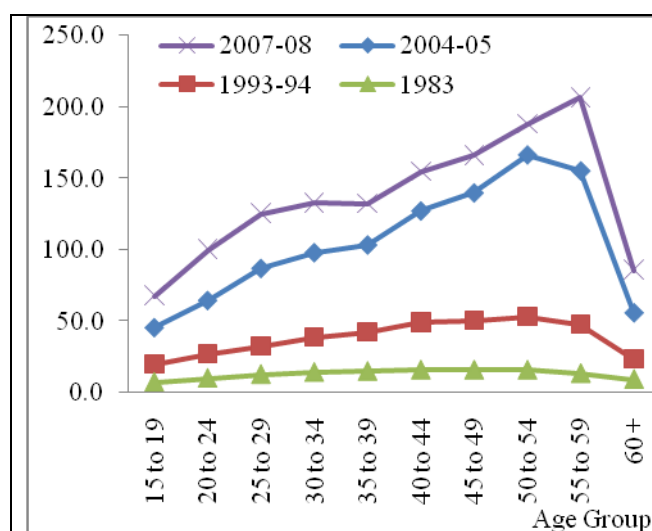
2008). According to this study, median wages for young workers are generally below their adult counterparts for the same level of education. A gender bias exists in returns to higher education. Men and boys receive higher median wages than girls and women for the same level of education.

The wage gap is not much for those upto primary and middle schooling. However, the wage gap widens when the levels of education goes beyond middle school (ADB, 2008). In other words, at higher levels of education adult workers are preferred because of experience. The returns to education alone may not be higher if higher skills are not acquired.

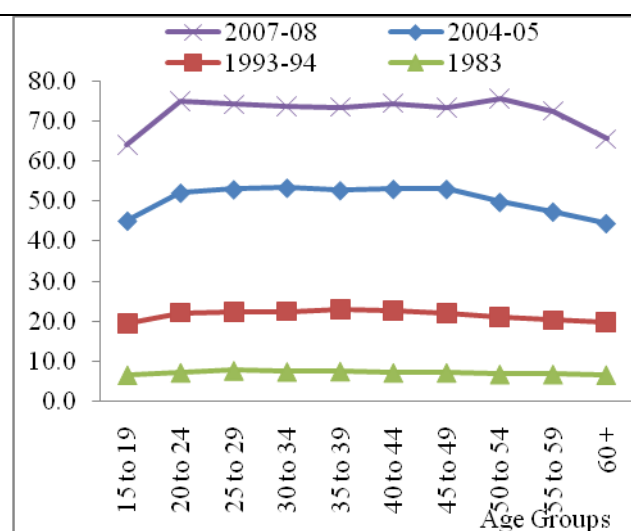
This is clearer with Indian data as shown below.

The average daily wage rate of adult workers varied across age groups and it showed increase with the higher age groups. The pattern is similar during the last two and half decades and for all the workers working for wage (regular salaried and casual labourers) in general and casual labourers in particular (see Figures 4 and 5). In other words the younger age group workers are paid lower wage rates when compared to that of their seniors. It indicates that the experience in the labour market comes to the advantage of the workers in terms of the wage rate.

**Figure 4: Average Daily Wage Rate (Rs. 0.0) in India by Age Group: All Workers**



**Figure 5 Average Daily Wage Rate (Rs.0.0) of Casual Labourers in India by Age Group**



Note: 1. All Workers refers to (Regular wage/casual labour and Casual Labourers); 2. Nominal terms.

Source: Dev and Venkatanarayana (2011)

**Table 27: Average Daily Wage Rates (in Rs.) for Young (15 to 24) Workers in India**

Sector/Gender	1983		1993-94		2004-05		2007-08	
	R	N	R	N	R	N	R	N
<i>I</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>
<b>All Workers</b>								
All	33.8	8.9	38.2	23.8	57.0	57.0	78.2	88.0
Rural	29.6	7.7	33.9	21.2	49.6	49.6	63.6	71.8
Urban	45.3	11.9	50.7	31.6	74.1	74.1	110.1	123.3
Male	37.5	9.8	41.6	25.9	60.5	60.5	81.1	91.2
Female	24.0	6.3	29.2	18.2	44.7	44.7	66.9	75.3

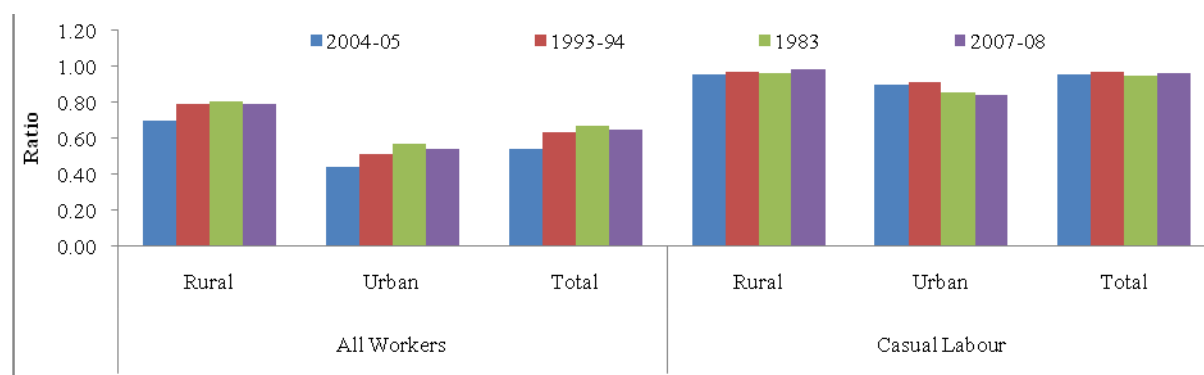
Casual Labour								
All	26.4	6.9	33.4	20.8	48.9	48.9	62.2	70.2
Rural	25.4	6.7	32.0	20.0	46.8	46.8	59.9	67.7
Urban	32.1	8.4	41.5	25.9	61.3	61.3	76.1	85.3
Male	30.1	7.9	37.3	23.3	53.5	53.5	66.9	75.5
Female	19.2	5.0	24.2	15.1	34.4	34.4	45.2	51.0

**Note:** 1. *R* – Real in terms of 2004-05 prices; *N* – Nominal or actual.

**Source:** Dev and Venkatanarayana (2011)

The average daily wage rate for youth workers (15 to 24 age group) who are working for wage (including regular salaried and casual laborers) in nominal (or actual) terms was Rs. 57.0 in 2004-05, Rs. 23.8 in 1993-94 and Rs. 8.9 in 1983 (see Table 27). The wage rate for casual labourers is significantly lower than that of the other workers working for wages especially regular salaried persons. The average daily nominal wage rate for casual labourers was Rs. 48.9 in 2004-05, Rs. 20.8 in 1993-94 and Rs. 6.9 in 1983. The real wage rate in terms of the 2004-05 prices, for all the youth workers working for wages, was Rs. 33.8 in 1983 and increased to Rs. 38.2 in 1993-94 and to Rs. 57.0 in 2004-05. Whereas for the casual labourers among the young workers, the real wage had increased from Rs. 26.4 to Rs. 33.4 and to 48.9 respectively during the same period (Table 27).

Fig 6. Ratio of Youth to Adults in Daily Wage Rate, India



Source: Dev and Venkatanarayana (2011)

The ratio of youth to adults in terms of daily wage rate show that there is increasing segmentation in case of all workers (regular salaried and casual labour) but in case of casual labour it is not so (Figure 5.3). In other words the increasing labour market segmentation between youth and adult workers is taking place only in case of regular salaried/wage employees. It indicates that work experience matters in wage rate especially of regular salaried/wage employees.

## 4. POLICIES FOR YOUTH POPULATION

This section examines policies needed for creating quality employment for youth in order to improve well being of the youth. It examines direct policies and indirect policies to achieve this objective.

### 4.1. Direct policies for creation of quality employment for youth

The challenges for young workers particularly for developing economies like South Asia are: unemployment, high share in informal sector, underemployment, working poor, low paid jobs, low working conditions, lack of structural transformation to industry and services, lack of education, skills and training.

Unemployment is the result of the combined effect of (1) mismatch between the skills level of jobseekers and the skills demanded by enterprises; (2) the supply of workers seeking a job exceeds the demand of enterprises/vacancies available; and (3) imperfect information on the jobs available, skills mismatches or low demand for workers – induce a process of de-motivation and, as a result, individuals reduce their job search activity thus decreasing the probability of getting jobs.

In order to address some of the above challenges and to have **decent work** we need to have active labour market policies (ALMP) and social protection measures.

#### Active Labour Market Policies (ALMPs)

ALMPs have been used to facilitate young people to integrate with labour market. “Their function is to mediate between labour supply and demand, mitigate education and labour market failures, and promote efficiency, equity, growth and social justice. “ALMPs attempt to remedy failures of educational systems in equipping young people with employable skills and improve the efficiency of labour market matching”.(p.1, ILO, 2010a). “Active labour market policies include measures such as job training and search assistance, remedial education, and direct job creation to help young people who are not employed or working in the informal economy find decent formal employment (for example, Betcherman et al. 2007). These policies largely fulfill a remedial role in correcting malfunctions in the educational system and in labor markets. The main options usually involve skills training, support for youth business start-ups, and a combination of support services” (p.55, ADB, 2008).

As part of Youth Employment Inventory (YEI), Stavreska (2006) examines 21 active labour market programs (ALMPs) in 11 countries in South, East Asia and the Pacific sub-regions. The objectives of the study are: “(i) document the types of programs that have been implemented to support young workers to find work; and (ii) identify what appears to work in terms of improving employment outcomes for youth” (p.2, Stavreska ,2006).Table 28 provides the 21 interventions in the 11 countries.

Table 28. Active Labour Market Programmes in South Asia, East Asia and Pacific

Country	Program Name	Category of Intervention
Vietnam	Training for disadvantaged youth	Vocational training including apprentice system
Vietnam	Enactment of 2000 Enterprise Law	Improving labour market regulations to the benefit of young people
India	Baatchit project	Vocational training including apprentice system
India	Bharatiya Yuva Shakti Trust (BYST)	Improving chances for young entrepreneurs
India	Common Wealth Youth Credit Initiative (CYCI)	Improving chances for young entrepreneurs
India	Prime Minister's Rozgar Yojana (A scheme for Educated Unemployed Youth)	Improving chances for young entrepreneurs
India	TRYSEM (Training of Rural Youth for Self Employment Scheme)	Vocational training including apprentice system
Nepal	Franchising Skill (F-Skill)	Vocational training including apprentice system
Nepal	Training for Employment Project	2 <sup>nd</sup> chance and equivalency programs
China	Labour Preparation Programme	Vocational training including apprentice system
Indonesia	TKPMP –YPED: Young Professional Entrepreneur Development	Improving chances for young entrepreneurs
Micronesia	Creation of Micronesian Entrepreneur Development Centre (MEDC)	Improving chances for young entrepreneurs
Philippines	Farm Youth Development Programme (FYDP)	Improving chances for young entrepreneurs
Philippines	Kabataan 2000	Comprehensive, multiple service approach
Philippines	Working Youth Centre (WYC)	Vocational training including apprentice system
Samoa	Opportunity for Vulnerable Poor Youth	Vocational training including apprentice system
Maldives	Employment Skill Project	Vocational training including apprentice system
Sri Lanka	Export Processing Villages Project	Making training systems work better for young entrepreneurs
Sri Lanka	Sarvodaya Economic Enterprise Development Services (SEEDS)	Comprehensive, multiple service approach
Hong Kong	Youth Pre-employment Training Programme (YPTP)	Comprehensive, multiple service approach
Hong Kong	Youth Work Experience and Training Scheme – YWETS	Comprehensive, multiple service approach

Source: Stavreska (2006)

The study shows that 16 out of 21 programs had positive impact for program participants in terms of increased earnings or likelihood of being employed (employability) (Table 29). Programs for promoting business start ups are common in East and South East and South Asia. All the six programs reviewed by the study had positive impact (Table 29). These include the Farm Youth Development program in the Philippines and Young Professional Entrepreneur Development Program in Indonesia. Out of 9 vocational skills training programs, six have quality interventions. Skills training programs increased beneficiaries' employability and some programs like Vitenam's training for disadvantaged youth have achieved 100 per cent employment for the beneficiaries. Other successful vocational training programs are in China (labour preparation program), Philippines (working youth centre), Samoa (Opportunity for vulnerable poor youth), India (Baatchit project and TRYSEM), Maldives (Employment Skills project), Nepal (Franchising SKILL and Training for employment project)). Three out of 4 multi-service programs also had positive impact. These programs increased employability of the participants, increased wage or self employment placements and increased earnings.

**The evaluation showed that programs for entrepreneurs, multi service approach programs and skill programs tend to deliver positive results and appear to be successful.**

Table 29 Summary rating of quality of intervention by category of intervention

Category of Intervention	Quality of Intervention				
	0	1	2	3	99
1. Making the labor market work better for young people <b>Sub-total</b>	0	0	0	0	0
2. Improving chances for young entrepreneurs			6		
3. Skills training for young people 3a. Vocational training including apprenticeship systems 3c. 2 <sup>nd</sup> chance & equivalency programs <b>Sub-Total</b>		1	4		3
4. Making training systems work better for young people 4c. financial incentives <b>Sub-Total</b>	0	0	0	0	1
6. Improving labor market regulations to the benefit of young people			1		
8. Comprehensive, multiple service approach			3		1
<b>Total</b>	<b>0</b>	<b>1</b>	<b>15</b>	<b>0</b>	<b>5</b>
0: Program has no evaluation information on the outcomes; 1: Evaluation included basic information on the gross outcomes of the intervention (e.g. number of participants/young people who found a job after the intervention, earnings of participants improved), without considering net effects (i.e., there is no control group); 2: Evaluation included that has estimate of net outcomes on the labor market, using indicators like employment and earnings (using control groups to measure the impact of the intervention); 3: Evaluation included net impact plus includes a cost-benefit analysis; 99: Missing Value;					

Source: Stavresk (2006)

### ALMPs in Response to the Global Crisis

Many governments have introduced ALMPs to improve youth employment through a combination of measures for new employment, employment services, skills development, income support, public works, community services, and youth entrepreneurship (ILO, 2010) (See Box 2).

#### Box 2. Youth employment measures adopted during the recent crisis

Several employment measures were adopted to cushion the negative impact of the crisis on youth employment. *Employment subsidies* (e.g. contribution to salary, waivers to social security contributions, tax breaks) for hiring young people or ad hoc premiums to transform temporary contracts into permanent ones were introduced to sustain labour demand for young workers.

Incentives to *promote youth entrepreneurship* – training and access to financial and non-financial services – were used to create jobs.

Some governments increased funding to programmes offering paid *summer employment*, while others supported youth employment through large-scale *public works and community services programmes* to improve infrastructure and the environment, as well as to provide income support. Additional resources were allocated to public employment services for job-search assistance and other labour market services.

During the downturn, many countries sponsored *skills development programmes* to enhance the employability of disadvantaged youth, including through skills in emerging occupations (e.g. green jobs).<sup>1</sup> Employers were encouraged to provide apprenticeships and other work-experience programmes through bonuses and other incentives.

*Unemployment and social assistance benefits* were granted to protect young people's income or help them stay in school through scholarships and other conditional cash transfers.

Source: ILO (2010)

Table 30 provides programs introduced as crisis policy interventions to impact young workers. They cover activities like training, employment services, employment creation, income support and multi components. Some of the countries in East Asia, South Asia, and South East Asia introduced these programs. ILO (2010) indicates that "the active response of governments and the social patterns has been successful in mitigating the full impact of the crisis in terms of both youth unemployment and development" (p.48).

Table 30 Crisis Response Interventions Directly Affecting Youth Employment

Country	Training	Employment Services	Employment creation	Income support	Multi component
Bangladesh			National job service scheme – competitive placement process for jobs in public administration for educated unemployed (upper high school education or equivalent) in two underdeveloped districts.		
China	Launch of graduate trainee programmes, including income support for graduates. Enhancement of technical training for graduates from vocational schools with a “double certificate” programme. Schools help students get vocational qualification certificates when they leave school, in addition to their graduate certificates. Training on Internet usage for young students (Hong Kong, China).		Financial incentives for private companies to recruit more graduates. Subsidized internship programmes for university graduates (Hong Kong, China). Government small guaranteed loans were increased to RMB50,000 for those starting a business after graduation. Hiring companies eligible for tax breaks and loans.		Public employment and income support. Subsidies and social insurance to those who are willing to work in villages and local communities, and help to those who work in remote areas or join the army to settle their student loans. Students taking up remote jobs have university fees refunded. Cities to waive residency requirements.
India	Regional programme: Himachal Pradesh central government to offer stipend-supported hospitality training courses to unemployed				

	youth				
Republic of Korea	Extension of existing state-supported Youth Internship Programme until the end of 2010. Increase in vocational training programmes.		New wage subsidies for SMEs for hiring interns on regular contracts at conclusion of internship.		
Malaysia	Government is buying places to train youth in private training institutions (200 million Ringgit Malaysia (RM)). RM100 million for youth <i>Rakan Muda</i> projects targeting youth and training them in soft-skills (leadership, citizenship, workplace behaviour) have been allocated. On-the-job training programmes for unemployed graduates have been started.				
Nepal	Special fund to promote literacy among young people.				
Pakistan	Programmes to enhance the employability of educated post-graduates through internships have been initiated. Internship programme for educated youth: 30,000 youth to be provided jobs in government departments for one year.		Employment-intensive construction projects to be initiated by the Government.	Benazir Income Support Programme (BISP), monthly grant to the poorest families in the current financial year.	Training, income support and microcredit. The Benazir Bhutto Shaheed Youth Development Programme (BBSYDP) skills training, monthly
Philippines	Extension of support for high school graduates to complete college education. Private sector pays tuition fees and a minimum wage.	Strengthening of public employment service offices, providing career guidance and employment facilitation to jobseekers, especially youth.	Youth Employment Summer Programme - 6,000 short-term jobs during the summer break for students, some jobs are specifically targeting green initiatives		

Thailand	Financial support for vocational schools and apprenticeship schemes and environmental reforms. Vocational training in addition to recruitment services.	Subsidy to the insurance premiums of the newly employed.			
Turkey	Extra allocations to support vocational schools and apprenticeship schemes have been provided. Employment services should start offering vocational training in addition to recruitment services (e.g. New Labour Act 5763).		Permanent reduction in employer social contributions for the first five years of employment for new recruitment of unemployed women and youth (aged 18-29 years).		

Source: ILO (2010)

### **Institutions, social dimensions and working conditions of workers**

These include issues such as labour policies, minimum wage, worker rights/safety, access to rule of law/justice, migrant worker policies, human rights issues, urban/informal sector workers, and other aspects that characterize the wage-worker's benefits, working conditions, rights etc. These are important for their overall well being and human development of individuals and countries.

Labour institutions and labour legislations like minimum wages, working hours and collective bargaining would influence the workplace by shaping the behaviour of firms and conditions of work and employment.

While most labour laws apply only to the formal sector but also apply to specific groups within the informal sector. The most important of these is the Minimum Wages Act, providing the widest eligibility coverage. Minimum wage which establishes a floor to wages protects the workers particularly at the bottom of wage distribution. But, effective implementation is important.

Three factors are important for effective labour and social protective institutions. These are given below.

- *design*: institutions, especially laws, are sometimes designed poorly for reasons including inadequate targeting, lack of necessary institutional details, incoherence in policy formulation or political economy constraints;



- *implementation*: even well-designed institutions and policies require proper implementation mechanisms. This is especially important in countries where implementation structures are weak (for example, due to lack of human and financial resources) or subject to corruption;
- *institutional coherence*: it is important to take into account the interactions that exist between different institutions. For example, rural employment programmes or conditional cash transfers may require different levels of institutional support; and available infrastructure may impede delivery of service” (p.87, ILO, 2014)

### *Working conditions*

Conditions of work are important for a decent living of workers. Particularly in the informal sector, conditions of work are not satisfactory. Long hours of work in the unorganized sector beyond the labour and regulatory norms in India have been highlighted by the NCEUS Report on Working Conditions. There did not seem to be much difference in the hours of work by gender, implying that most of the men as well as women are exposed to long hours of work in factory jobs. In handlooms, work is organized in such a way that wages were based on a 12-15 hours/day. In Dharavi’s (Mumbai slum, the biggest slum in Asia)leather accessories manufacture, it is common to work for 15-17 hours a day, including 2-3 hours breaks for lunch and dinner. Similar is the situation of workers in the fireworks in Sivakasi of Tamil Nadu in India where workers normally start work at 6 am and continue till late evening. These workers are concentrated in fireworks, match making, brassware, glass bangle manufacture, diamond cutting and power looms. Contrary to stipulated norms of 48 hours a week, work by coolies, porters, workers in fishing industries work over very long spread over, lasting up to 52 hours as in the case of marine fishing industry.

A study of the construction industry found that only the males are registered as workers in the muster roll of the employer and the rest of the family members including women remain invisible to statistics, policy and social security provisions. In this study, working hours of all workers are about 12-14 hours a day. This study also demonstrates the double burden of work by women due to time spent on both market and non-market work (NCEUS, 2009).

India has tried to implement legislation on conditions of work for informal workers. The National Commission for Enterprises in the Unorganised sector (NCEUS) prepared two bills which, deals with conditions of work and livelihood promotion addresses the issues relating to providing a basic minimum standard on hours of work, payment of minimum wages, bonded labour and child labour. The Bill also recognizes some minimum entitlements of the workers such as the right to organize, non discrimination in the payment of wages and conditions of work, safety at work place and absence of sexual harassment. Two draft bills regarding conditions of work and livelihood promotion have been prepared. First bill is applicable to the agricultural workers and the second bill to the non-agricultural workers in the unorganized sector (NCEUS,2007). Each draft bill comprises two parts. Part I deals with conditions of work (see Box 3) while Part II is devoted to protection and promotion of livelihoods for unorganized workers (see Box 4). These important bills are pending with the government of India.

**Box 3****Salient Features of Conditions of Work Proposals**

- Eight-hour working day with half-hour break
- One paid day of rest
- National Minimum Wage for all employments not in Minimum Wage Act.
- Piece-rate wage to equal time rate wage
- Women's work to be remunerated on par
- Deferred payment of wages attract penal interest
- Deductions in wages attract fines
- Right to organise
- Non-discrimination
- Safety equipment and compensation for accident
- Protection from sexual harassment
- Provision of child-care and basic amenities at workplace

Source: NCEUS (2007)

**Box 4****Protection and promotion of Livelihoods**

- Gainful employment
- Skill upgradation
- Labour organisation and co-operatives
- Provision of credit, raw material, technology, marketing and storage facilities
- Social security benefits
- Affordable credit facilities through banking and non-banking institutions
- Right over common property resources
- Right to inhabitation
- Ensure area development for livelihood needs of street vendors and slum dwellers
- Promotion of association of self employed workers
- Social protection for migrants

Source: NCEUS (2007)

***Self Employed Workers and Small and Medium Enterprises(SMEs)***

There are constraints for self employed workers and SMEs. These constraints are: credit, technology, marketing, business environment, infrastructure etc. For youth population, entrepreneurship can provide career options by unleashing their economic potential. Strategies to promote entrepreneurship among young people include : “(a) support an entrepreneurial culture by including entrepreneurship education and training in school; (b) enact regulations that promote the development of sustainable micro and small enterprises, cooperatives and social businesses; (c) ease access to finance, including by guaranteeing loans and supporting micro-credit initiatives; and (d) increase the range of support services (e.g. marketing, distribution chains, exports, public procurement) available to young entrepreneurs” (ILO, 2013)

Fields (2012) highlights a number of interventions which, appear to have been particularly effective and which might help guide efforts in the future. These are given below.

(a). *Focusing economic growth on improving the earning opportunities of the poor: the East Asian experience*

The East Asian experience shows that condition of workers improved with economic growth. The self-employed benefited from this economic growth in a variety of ways: among them, by being hired into wage jobs, by remaining self-employed and participating in the supply chain, and by being the recipients of government programs which previously had been unaffordable.

(b) *Creating off-farm employment opportunities: India's MG NREGA* . We will discuss about this below.

(c) *Training people for wage-employment: Mexico's SICAT Program*

Skill increase is one way of helping the self employed. The government of Mexico has created a program known by its Spanish acronym SICAT which provides for employers to offer training in skills they need.

(d) *Making micro-credit affordable: Andhra Pradesh's Self-Help Group – Bank Linkage Model*

Affordable credit is important for self employed for undertaking profitable activities. The interest rates charged in most countries the self-employed are very high: 10% per month in much of the developing world, 40% per month in the Philippines, and 4.69% per day in Chennai, India. To Indian state of Andhra Pradesh, with a population of 80 million people, has created a program whereby banks lend to groups of women at the rate of 12% per year.

Organization of self employed workers is one of getting decent standard of living. Self Employed Women's Association (SEWA) in India is one successful case of empowering self employed women workers (see Box for

### ***Ease of Doing Business***

Business environment is important for self employed, SME sector and industrial development. "On average around the world, starting a business takes 7 procedures, 25 days and costs 32% of income per capita in fees. But while it takes as little as 1 procedure, half a day and almost nothing in fees in New Zealand, an entrepreneur must wait 208 days in Surinam and 144 in Republic Bolivariana de Venezuela" (p.1, World Bank, 2013).

Economies are ranked on their ease of doing business, from 1 – 189. A high ranking on the ease of doing business index indicates that the regulatory environment is more favourable to the starting and operation of a local firm. This index averages the country's percentile rankings on 10 topics, made up of a variety of indicators, giving equal weight to each topic. The 10 indicators are : starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. The aggregate ranking on the ease of doing business is based on these 10 indicators.

The ranks of ease of doing business in Asia Pacific region are given in Table 31. It shows that the rank is high for countries like Malaysia and Thailand while China's rank is 96. In South Asia, Sri Lanka and Maldives have higher ranks compared to Bangladesh and India. The rank of India is one of the lowest at 134 out of 189 countries.

Table 31. Rank of Ease of Doing Business in Asia-Pacific region

Country	Rank	Country	Rank
Singapore	1	Vietnam	99
Hongkong	2	Palau	100
Malaysia	6	Nepal	105
Taiwana, China	16	Philippines	108
Thailand	18	Pakistan	110
Tonga	57	Papua New Guines	113
Brunie Darussalam	59	Marshall Islands	114
Samoa	61	Bangladesh	130
Fiji	62	India	134
Vanuata	74	Bhutan	141
Mongolia	76	Afghanistan	164
Srilanka	85		
Maldives	95		
China	96		
Solomon Islands	97		

Note: The rankings for all economies are benchmarked to June 2013 and reported in the country tables.

Source: World Bank (2014)

There have been improvements in regulatory environment in many countries over the last few years. A list of *good practices* around the world is given in Table 32. Examples of good practices for some Asian countries are given below.

*Putting procedures on line* : China

*Having one stop-shop*: Republic of Korea and Vietnam

*Using risk-based building approvals Having a one-stop shop*: Malaysia

*Streamlining approval processes (utility obtains excavation)*: Malaysia

*Allowing out-of-court enforcement*: Sri Lanka

*Distributing data on loans below 1% of income per capita*: Sri Lanka

*Distributing both positive and negative credit information*: China, India

*Defining clear duties for directors*: Malaysia

*Allowing self-assessment*: China

*Allowing electronic filing and payment*: India

*Allowing electronic filing of complaints*: Malaysia

*Providing a legal framework for out-of-court workouts*: China

Table 32. Good practices around the world, by Doing Business topic

Topic	Practice	Economies <sup>a</sup>	Examples
Making it easy to start a business	Putting procedures online	109	Azerbaijan; Chile; Costa Rica; Hong Kong SAR, China; FYR Macedonia; New Zealand; Peru; Singapore
	Having no minimum capital requirement	99	Cape Verde; Greece; Kazakhstan; Kenya; Kosovo; Lithuania; Mexico; Mongolia; Morocco; Netherlands; Serbia; United Kingdom; West Bank and Gaza
	Having a one-stop shop	96	Bahrain; Benin; Burkina Faso; Burundi; Côte d'Ivoire; Georgia; Guatemala; Republic of Korea; Kosovo; Peru; Vietnam
Making it easy to deal with construction permits Making it easy to obtain an electricity	Having comprehensive building rules	140	Azerbaijan; Comoros; France; Taiwan, China
	Using risk-based building approvals Having a one-stop shop	87 36	Belize; Estonia; Indonesia; Namibia Burundi; Guatemala; Malaysia; Montenegro
	Streamlining approval processes (utility obtains excavation permit or right of way if required)	107 <sup>b</sup>	Armenia; Austria; Cambodia; China; Kuwait; Malaysia; Panama

connection	Providing transparent connection costs and processes	103 <sub>e</sub>	France; Germany; Ireland; Netherlands; Trinidad and Tobago
	Reducing the financial burden of security deposits for new connections	98	Argentina; Austria; Brazil; Kyrgyz Republic; Latvia; Mozambique; Nepal; Russian Federation
	Ensuring the safety of internal wiring by regulating the electrical profession rather than the connection process	41	Denmark; Germany; Iceland; Japan; San Marino
Making it easy to register property	Using an electronic database for encumbrances	116	Chile; Denmark; Jamaica; Republic of Korea; Sweden
	Offering cadastre information online	51	Colombia; Finland; Malaysia; South Africa; United Kingdom
	Offering expedited procedures	18	Kazakhstan; Mongolia; Nicaragua; Portugal; Romania
	Setting fixed transfer fees	10	Georgia; New Zealand; Russian Federation; Rwanda; Slovak Republic
Making it easy to get credit	<i>Legal rights</i>		
	Allowing out-of-court enforcement	124	Australia; Guatemala; India; Peru; Russian Federation; Serbia; Sri Lanka
	Allowing a general description of collateral	92	Cambodia; Canada; Nigeria; Puerto Rico (U.S.); Romania; Rwanda; Singapore
	Maintaining a unified registry	65	Afghanistan; Bosnia and Herzegovina; Ghana; Honduras; Montenegro; New Zealand; Romania
	<i>Credit information</i>		
	Distributing data on loans below 1% of income per capita	128	Brazil; Bulgaria; Germany; Kenya; Malaysia; Sri Lanka; Tunisia
	Distributing both positive and negative credit information	109	China; Croatia; India; Italy; Jordan; Panama; South Africa
Distributing credit information from retailers or utilities as well as financial institutions	57	Fiji; Lithuania; Nicaragua; Rwanda; Saudi Arabia; Spain	
Protecting investors	Allowing rescission of prejudicial related-party transactions <sup>d</sup> Regulating approval of related-party transactions	74 62	Brazil; Ghana; Iceland; India; Mauritius; Rwanda Belarus; Bulgaria; France; Thailand; United Kingdom
	Requiring detailed disclosure	52	Hong Kong SAR, China; New Zealand; Singapore; United Arab Emirates; Vietnam
	Allowing access to all corporate documents during the trial	47	Chile; Ireland; Israel; Slovak Republic; Tanzania
	Requiring external review of related-party transactions	43	Australia; Arab Republic of Egypt; Sweden; Turkey; Zimbabwe
	Allowing access to all corporate documents before the trial	31	Greece; Indonesia; Japan; South Africa; Timor-Leste
	Defining clear duties for directors	30	Colombia; Kuwait; Malaysia; Mexico; Slovenia; United States
Making it easy to pay taxes	Allowing self-assessment	160	Argentina; Canada; China; Rwanda; Sri Lanka; Turkey
	Allowing electronic filing and payment	76	Australia; Colombia; India; Lithuania; Malta; Mauritius; Tunisia
	Having one tax per tax base	55	FYR Macedonia; Namibia; Paraguay; United Kingdom
Making it easy to trade across borders	Allowing electronic submission and processing	151 <sup>e</sup>	Greece; Lao PDR; South Africa; Uruguay
	Using risk-based inspections <sup>f</sup>	134	Botswana; Georgia; Mauritania; United States
	Providing a single window <sup>f</sup>	73 <sup>o</sup>	Azerbaijan; Colombia; Mexico; Mozambique
Making it easy to enforce contracts	Maintaining specialized commercial court, division or judge	90	Canada; Côte d'Ivoire; Hungary; Luxembourg; Mauritius; Togo
	Allowing electronic filing of complaints	17	Austria; Israel; Malaysia; United Arab Emirates; United States
Making it easy to resolve insolvency	Requiring professional or academic qualifications for insolvency administrators by law	110	The Bahamas; Belarus; Colombia; Namibia; Poland; United Kingdom
	Allowing creditors' committees a say in insolvency proceeding decisions	109	Australia; Bulgaria; Philippines; United States; Uzbekistan
	Specifying time limits for the majority of insolvency procedures	97	Albania; Italy; Japan; Republic of Korea; Lesotho; Ukraine

	Providing a legal framework for out-of-court workouts	84	Argentina; Hong Kong SAR, China; Latvia; Philippines; Romania
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a. Among 189 economies surveyed, unless otherwise specified.

b. Among 154 economies surveyed.

c. Based on data from Doing Business 2013.

d. Rescission is the right of parties involved in a contract to return to a state identical to that before they entered into the agreement.

e. Forty-four have a full electronic data interchange system, 107 a partial one.

f. Among 181 economies surveyed.

g. Eighteen have a single-window system that links all relevant government agencies, 55 a system that does so partially.

Source: World Bank (2014)

## *Migrant workers*

Mobility in the labor market may be across sectors, occupations, work statuses, and location. On Geographical migration is the most important and complex one. Regarding internal migration, Indian experience shows that distress migration by the rural poor, due to lack of local livelihood opportunities, is most common. In India, Census and National Sample Survey mainly identify permanent and semi-permanent migration but fail to capture seasonal migration, the magnitude of which is both large and growing (Srivastava, 2011). Only primary surveys tend to reveal the high incidence of migration that is seasonal, intermittent, circular or temporary. There has been increase in migration in Bihar state of India over time (see Box 5)

### Box 5. Increase of Migration in Bihar, India

Recent longitudinal survey data of the IHD's (Institute for Human Development) Bihar Research Programme shows that more than one-fourth of all workers constituted out-migrants in 2010 in the state. It also reveals that there has been a substantial increase in the incidence of migration from rural areas over the last decades. The percentage of migrant workers to total workers in Bihar increased from 9.7% in 1981-82 to 19% in 1999-00 and 27% in 2009-10.

Source: IHD (2014)

According to a study, that there could be about 80 million migrant labourers concentrated in the non-agricultural sector (Srivastava, 2011). These numbers are still smaller than the recent estimates of labour migration in China. However, they contribute a very large proportion of the waged and self employed workers in the non-agricultural informal economy. Irrespective of urban or rural areas, men migrate into non-agricultural work. Urban women migrants are generally absorbed in the services setor, often as domestic help. The basic human rights of such workers are often violated and a coherent policy which could support migrant workers needs to be formulated and implemented (Srivastava, 2011).

Turning to international migration, during the 1990-2000 decade, South-North migration was the main driver of increase in migration at global level. However, during the decade 2000-2013, migration flows within the South region contribute 57% to the global flows. South Asian countries to gulf region contributed bulk of the South-South migration (ILO,2014a).

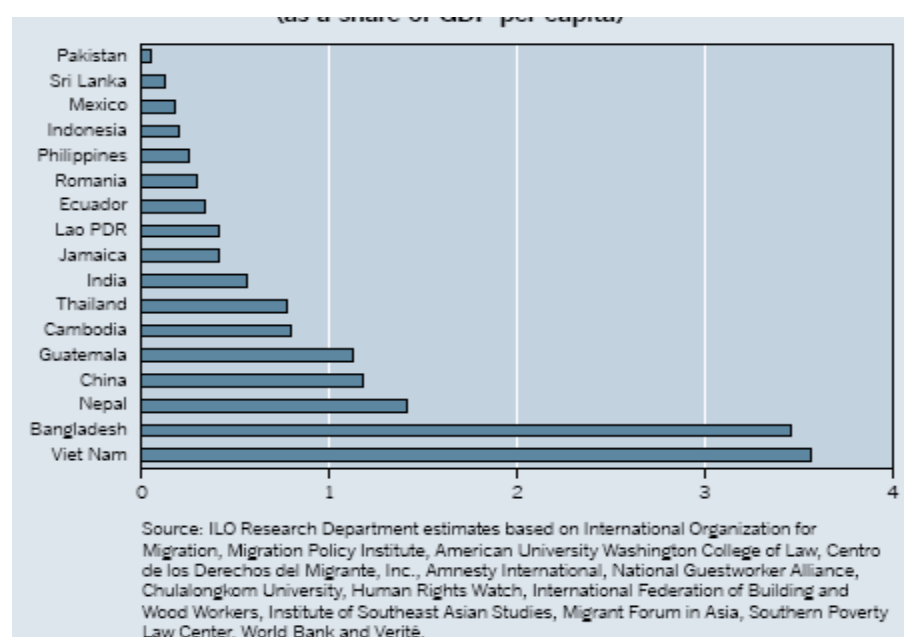
As ILO (2014a) says that the increase in South-South migration has coincided with the increased incidence of abuse and exploitation of low skilled workers particularly in the gulf countries. Asian migrant workers in the gulf are vulnerable to exploitation and face significant abuse of workers' rights, including forced overtime, delayed wages, poor working and living conditions, and limited access to health care. There are also issues of trafficking and forced labour. Box 6 provides abuses of migrant workers in gulf countries.

## Box 6 Abuse of migrant workers at home and abroad

### Abuse at the hands of recruiters at home

Recruitment agencies have been playing a key role in the Asia–Middle East migration corridor. According to an ILO estimate, 80 per cent of labour migrants in this corridor come through private employment agencies (PEAs).<sup>1</sup> PEAs are supposed to provide a valuable service – information about migrants' rights and working conditions – in addition to helping them find jobs in the Gulf countries. However, studies have shown that migrants face abuse in their home countries, particularly by overpaying for recruitment and logistical help. For example, recruitment fees in Bangladesh and Viet Nam are around 3.5 times the per capita income (figure 9.3). Several countries have laws governing recruitment fees but they are widely ignored as enforcement is generally very weak. That said, some countries have done better at enforcement than others – for example, Nepal does a better job at regulating recruiters than does Bangladesh, as workers from Nepal do not need to pay any placement fee, while Bangladesh has a relatively high fixed maximum fee that a PEA can charge. High recruitment fees place a significant debt burden on migrants and some estimates suggest that more than 10 per cent of their income goes to servicing debts at home.

**Figure: Cost of migration in Selected sending countries, 2013 (as a share of GDP per capita)**



### Under- and delayed payment

Not only are would-be migrants overpaying for recruitment, they are not given accurate information regarding the nature of the work, wages or working and living conditions. According to a recent study,<sup>2</sup> 15 per cent of low-income migrants that arrived in Qatar found themselves put to work in a different position than the one for which they had signed up before they left home, while 20 per cent arrived in Qatar to find themselves on a different salary scale than the one promised by the recruitment agents. Indeed, the practice of re-signing contracts on arrival day is a frequent occurrence in the Gulf countries. Delayed payment has been identified as another widespread practice among several employers of foreign workers. According to a study conducted by Amnesty International, one-fifth of low-income workers in Qatar never received their salaries on time and the practice was most prevalent in the construction sector. Meanwhile, domestic workers are usually those that are most vulnerable to delayed and underpayment. Largely excluded from local judicial coverage, they do not benefit from the minimum wage laws. A Human Rights Watch report (2007)<sup>3</sup> showed that, in Saudi Arabia, Sri Lankan domestic workers earned only one-fifth of the prevailing minimum wage; in Lebanon, they typically received wages that were half the minimum wage for local private-sectors employers.

### Forced labour and trafficking

In the Middle East, the ILO has estimated that there are approximately 600,000 forced labour victims and that 3.4 in every 1,000 of the region's inhabitants are compelled to work against their will. They are prevented from leaving their place of work by various kinds of penalties and threats, including passport confiscation, withholding of wages and the

use of psychological, physical and sexual violence. Other research shows that, in Qatar, 90 per cent of the respondents to the survey reported having their passports confiscated by employers. The report from Amnesty International in 2013 <sup>4</sup> also suggested that dozens of construction workers were prevented from leaving the country and were trapped in Qatar. In addition to threats from employer, the sponsorship system called kafala <sup>5</sup> fuels exploitation and forced labour. The kafala system is used in all of the six Gulf Cooperation Council (GCC) states and keeps the worker's visa and legal status tied to the employer, which severely constrains workers' mobility.

### Health and safety issues

There have been several incidents of workplace accidents in the Middle East that have brought healthy and safety issues (long hours, inadequate supply of water, limited access to health facilities, etc.) to the fore. For example, in 2012, 276 Nepali workers died in Qatar, 20 per cent of whom died at their workplace. According to the research done by Amnesty International, workers in the construction sector are the most vulnerable to workplace accidents, due in no small part to demanding hours in hot weather. Furthermore, the study showed that some employers penalized their workers (through pay cuts) for taking medical leave. In addition to the risky working conditions, migrant workers are also facing significant challenges in trying to access the local health services.<sup>6</sup> One study showed that 56 per cent of the workers in Qatar lacked a government-mandated "health card" for accessing health care in the state's public health system.

### Degrading living conditions

Migrant workers in the Middle East are often housed by their sponsors in dormitory-style blocks called "labour camps". Evidence from various field studies has shown that most of them live in unacceptable and degrading conditions: with overflowing sewage, septic tanks left uncovered, lack of power and clean water, missing or malfunctioning air conditioning, etc.<sup>7</sup> The working and living conditions for migrant workers in Qatar have even been described as "modern-day slavery".<sup>8</sup> In Doha, it is routine for between ten and 15 workers to sleep in one small room. Similarly, in Dubai, a township of more than 150,000 migrant workers lies between a waste dump and a cemetery. The accommodation unit looks like prison block with six or more men living in each of the 3 x 3 metre rooms, where they sleep on the floor. It should be noted that, given the harsh criticisms in the global media, some countries such as Qatar and the United Arab Emirates have started to take action to improve the working conditions of migrant workers.<sup>9</sup>

<sup>1</sup> Harroff-Tavel and Nasri (2013). <sup>2</sup> A survey of 1,189 low-income migrant workers in Qatar carried out by a study funded by the Qatar National Research Fund, published in the Journal of Arabian Studies, June 2013, pp. 1–17. <sup>3</sup> Human Rights Watch conducted research in 2006, based on in-depth interviews with 100 women migrant domestic workers from Sri Lanka and published their findings in the report: Exported and exposed. <sup>4</sup> Amnesty International carried out research in Qatar, from October 2012 to March 2013, interviewing 210 male construction workers, 47 women domestic workers and 32 workers from other sectors. <sup>5</sup> ITUC (International Trade Union Confederation), 2011. <sup>6</sup> International Organization for Migration-Migration Policy Institute Issue in Brief No. 2 – Asian Labour Migrants and Health: Exploring Policy Routes, 2012. <sup>7</sup> Amnesty International research in Qatar. <sup>8</sup> In a statement issued by ITUC's General Secretary during the International Labour Conference in Geneva, 2012. <sup>9</sup> ITUC, 2011.

Source: ILO (2014 a)

On the positive side, international migration has improved remittances to many developing countries. Empirical analysis shows that remittances are a strong determinant of savings and investments. Studies have shown that there is a link between remittances and development in terms of poverty reduction, health and educational improvements and, local development (ILO, 2014a).

*Fair migration:* There is a need to have policies for fair migration and decent work for migrants. Some of these measures are: (a) promoting decent work in countries of origin making migration an option rather than obligation; (b) formulating orderly and fair migration schemes in regional integration processes; (c) promoting bilateral agreements for well regulated and fair migration between member states (d) instituting fair recruitment processes (e) countering unacceptable situations; (f) realizing the rights based approach (g) contributing to a strengthened multilateral rights based agenda on migration; (h) tripartism, knowledge and capacity building as cross cutting issues; (i) introducing measures to improve pre-departure information; (j) continuing to provide assistance to migrants while abroad; (k) reintegration upon return; (k) incentive scheme for investment in the form of preferential treatment for migrants that buy land, build business, invest in machinery and equipment etc (ILO, 2014c). These measures are needed for decent work of migrants in international as well as internal migration.





Armenia	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Azerbaijan	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Bahrain	5	Limited statutory provision   5 to 6	None	▲	•	•	•	•	None	•
Bangladesh	4	Very limited scope of legal coverage   1 to 4	•	•	•	•	None	None	None	▲
Bhutan	...	...	...	...	•	•	•	•	...	None
Brunei Darussalam	4	Very limited scope of legal coverage   1 to 4	△	▲	•	•	•	•	None	None
Cambodia	...	...	...	▲	...	...	...	...	...	▲
China	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Georgia	7	Semi-comprehensive scope   7	•	•	•	•	•	•	•	•
Hong Kong, China	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
India	7	Semi-comprehensive scope   7	•	•	•	•	•	•	None	•
Indonesia	4	Very limited scope of legal coverage   1 to 4	△	▲	•	•	•	•	None	
Iran, Islamic Rep. of	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Iraq	...	...	...	▲	...	...	...	...	...	None
Israel	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Japan	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Jordan	6	Limited scope of legal coverage   5 to 6	△	•	•	•	•	•	None	•
Kazakhstan	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Korea, Dem. People's Rep. of	...	...	...	...	...	...	...	...	...	None
Korea, Republic of	5	Limited scope of legal	△	▲	•	•	•	•	None	•

		coverage   5 to 6								
Kuwait	4	Very limited scope of legal coverage   1 to 4	•	▲	•	•	•	•	None	None
Kyrgyzstan	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Lao People's Dem. Rep.	6	Limited scope of legal coverage   5 to 6	•	•	•	•	•	•	None	None
Lebanon	6	Limited scope of legal coverage   5 to 6	△	•	•	•	•	•	•	None
Macau, China	...	...	...	...	...	...	...	...	...	...
Malaysia	4	Very limited scope of legal coverage   1 to 4	△	▲	•	•	•	•	None	•
Maldives	...	...	△	...	•	...	•	•	...	None
Mongolia	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Myanmar <sup>5</sup>	3	Very limited scope of legal coverage   1 to 4	•	•	▲	•	▲	▲	Not yet	Not yet
Nepal	4	Very limited scope of legal coverage   1 to 4	▲	▲	•	•	•	•	None	▲
Occupied Palestinian Territory	...	...	...	•	...	...	...	...	...	None
Oman	4	Very limited scope of legal coverage   1 to 4	None	▲	•	•	•	•	None	None
Pakistan	6	Limited scope of legal coverage   5 to 6	•	•	•	•	•	•	None	▲
Philippines	6	Limited scope of legal coverage   5 to 6	•	•	•	•	•	•	None	▲
Qatar	...	Very limited scope of legal coverage   1 to 4	...	▲	•	...	•	•	None	None
Saudi Arabia	5	Limited scope of legal coverage   5 to 6	▲	▲	•	•	•	•	None	•
Singapore	7	Semi-comprehensive scope   7	•	•	•	•	•	•	•	None
Sri Lanka	5	Limited scope of legal coverage   5 to 6	△	▲	•	•	•	•	•	▲

Syrian Arab Republic	4	Very limited scope of legal coverage   1 to 4	None	▲	•	•	•	•	None	▲
Taiwan, China	7	Semi-comprehensive scope   7	•	•	•	•	•	•	None	•
Tajikistan	6	Limited scope of legal coverage   5 to 6	•	•	•	...	•	•	...	•
Thailand	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Timor-Leste	...	...	...	▲	•	...	...	...	None	None
Turkmenistan	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
United Arab Emirates	...	...	...	▲	...	...	...	...	...	▲
Uzbekistan	8	Comprehensive scope of legal coverage   8	•	•	•	•	•	•	•	•
Viet Nam	7	Semi-comprehensive scope   7	•	•	•	•	•	•	None	•
Yemen	5	Limited scope of legal coverage   5 to 6	•	▲	•	•	•	•	None	▲

Source: ILO (2014b)

### Cash Transfers

Many countries have cash transfer programmes: Some are conditional and others are unconditional. There has been rise of cash transfer programmes in developing countries particularly in Latin America. MGNREGA in India is a kind of conditional cash transfer.

Public works programmes have been the instruments to provide work for unskilled unemployed and under employed population. We provide here the experience of India's MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act).

### Experience of MGNREGA in India

India has long experience in experimenting with labor intensive public works. MGNREGA was introduced in India in 2006-07 and covered the whole country in 2007-08. The objective of the program is to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household. The primary objective is employment creation while the auxiliary objective is generation of natural resource base and creating productive assets.

The following are the features of MGNREGA

- First time a rights based legal guarantee at national level
- Its design is bottom-up, demand driven, self selecting
- It has legal provisions for allowances and compensation

- It incentivizes states to provide employment as 100% of unskilled labor cost and 75% material cost are done by centre
- It has integrated natural resource management and livelihoods generation perspective
- Resources to states are transferred based on demand rather than just transferring resources on some formula
- The order of devolution of financial resources to Gram Panchayats is unprecedented
- Social audit creates unprecedented accountability
- A report on the outcome of the scheme is presented annually to the Indian Parliament and State legislatures

There are direct benefits and indirect benefits. There can be ten benefits due to MGNREGA as given below.

1. Creation of wage employment to the beneficiaries. It provides income and livelihood security which can have impact on increase in consumption and food security and nutrition, reduction in poverty and hunger. It can also have positive impact on health and education.
2. According to some of the NREGA workers, the most important benefit according to workers is *self respect*. Earlier they were dependent only on landlords for agriculture work. Landlords were monopoly. The workers now feel that they are liberated from some kind of bonded labour. Now they have alternative employment and they feel they have self respect now. Bargaining of power workers increased.
3. Asset creation which benefits agricultural and rural development and environmental protection.
4. Positive impact on agriculture wages
5. Impact on women's empowerment
6. Helping the marginalized sections like Scheduled Castes and Scheduled Tribes
7. Reduction in distress migration
8. Seasonal benefits and insurance function
9. Financial inclusion
10. Strengthening grass root processes of democracy infusing transparency and accountability in governance. Particularly involvement and strengthening panachayats. Similarly social audit can improve governance.

There are thousands of research studies and evaluations on MGNREGA. The employment creation peaked in 2009-10. More than 2.8 billion person days were created at the national level. Thereafter it declined. The households provided employment increased from 21 million households in 2006-7 to 55 million households in 2010-11 and declined subsequently. So, in the last two to three years the employment created declined.

The macro studies and micro surveys provide a mixed picture on the ten benefits of MGMREGA in different parts of the country. It has a positive impact on livelihood and food security, nutrition, agriculture wages have increased, assets were created in some areas, it has impact on

women empowerment and marginalized sections, reduced migration, it had acted as insurance function, financial inclusion increased, in some areas panchayat involvement and improvement in grass root level democracy.

But, in a vast country like India, the benefits are even. Performance has been good in some states and not doing well in some other states. For example, Andhra Pradesh, Tamil Nadu, Tripura have done well. In fact in states where NREGA is needed like Bihar, Jharkhand, U.P. Orissa, NREGA is not doing well.

It is true that there are many problems in NREGA: corruption, inadequate implementation where most of the rules guiding the program are ignored, delayed payments, lack of social audit and accountability. If properly implemented, the potential benefits as the ten benefits listed above are large. It can be used not only as social protection program but also as rural transformation program which would help the youth in rural areas. There is also a demand for including skill based activities in MGNREGA.

There are many social protection programs in many countries of the Asia-Pacific region. However, the impact of several programs on the beneficiaries is far from satisfactory. The need for effective implementation of the programs through proper governance is obvious.

### **Reintegrating Unemployed workers into the labour market**

Measures are needed to help unemployed particularly mothers with young children return to work. Developed countries and developing countries have taken measures to integrate or reintegrate unemployed workers into the labour market. For example, Pakistan has introduced Benazir Income Support Programme (BISP) in 2009. The programme supports women in poor households with cash and in-kind social services. This measure facilitates the employment of parents particularly women with young children.

### **Employment Injury**

One of the oldest benefits of social security is employment injury. Only around 34 per cent of labour force is covered by law for employment injury through mandatory and social insurance (ILO, 2014b). There have been significant deaths and injuries to employees due to accidents. For example, a disaster occurred at Rana Plaza in Dhaka, Bangladesh in April 2013. Rana Plaza housed five garments factories which collapsed killing over 1000 workers and injuring 2,500 workers. Low and middle income countries have very low coverage and there is a need to improve coverage on employment injury including social insurance.

### **Disability benefits**

Around 15 per cent of the world are disabled population. The key messages of disability benefits are the following.

- " Effective measures to support persons with disabilities in finding and retaining quality employment are a key element of non-discriminatory and inclusive policies that help to realize their rights and aspirations as productive members of society.
- Complementing contributory schemes, non-contributory disability benefits play a key role in protecting

those persons with disabilities who have not (yet) earned entitlements to contributory schemes, in particular those disabled from birth or before working age, and those who for any reason have not had the opportunity to contribute to social insurance for long enough to be eligible for benefits.

- Activation policies can play an important role in supporting persons with disabilities in finding suitable employment. They should be designed in such a way that they protect the rights of those who, for various reasons, are not able to find suitable employment, and for whom the introduction of such policies may result in a reduction of income security and potentially higher risk of poverty.
- Policy reforms should therefore pay special attention to finding the right balance between supporting engagement in employment and providing an adequate level of income security for persons with disabilities" (p.53, ILO, (2014b))

Recently, policies have been made to bring beneficiaries of disability benefits to return to work which strengthen the employability of population with disabilities. Social protection helps in gaining access to employment for the disabled.

### **Maternity Cash Benefits**

Maternity cash benefits are an important part of social security. These benefits ensure income security for pregnant women and mothers of new born children and their families. It also leads to effective access to quality maternal health care. At the global level, less than 40% of women in employment are covered by maternity benefits under the law. But, it is much lower in some regions such as Asia-Pacific, Africa and Latin America, An increasing number of countries have introduced non-contributory maternity cash benefits. For example, in Asia Bangladesh, India and Indonesia, they are linked to certain conditions. Ensuring maternal benefits and quality maternal health care are of importance particularly in countries with large informal employment.

### **Programmes for old age population**

In many countries, old age pensions are accessible mainly to formal sector and majority of workers in informal sector workers do not have these pensions. Many countries have tried to expand coverage of contributory pension schemes and non-contributory pensions to guarantee basic income security guarantee to all old age population. Old age effective coverage shows that India has 7.4% as compared to China's 46.4% coverage. Income security for old people depends also on their access to social services including health care and long term care.

### **Health Coverage**

Health coverage is important for improving for human development. Several countries are now supporting universal coverage of health for their population and workers. "In developing countries the economic returns on investing in health are estimated at 24 per cent of economic growth between 2000 and 2011, taking into account increases in both national income and life years gained" (The Lancet Commission, 2013 quoted in ILO, 2014b, p.100). The extent of health coverage as percentage of total population was 1.4% in Bangladesh, 12.5% in India, 59% in Indonesia, 96.9% in China and 100% in Republic of Korea. Other countries in the region should learn from East Asia and some countries in South East Asia on how to have effective health coverage. "Today, the principle of universal health coverage has gained momentum and the UN General Assembly has asked the WHO and other UN agencies, including the ILO, to

give high priority to working jointly towards universal health coverage in the context of wider approach to social protection, in consultation with UN Member States" (ILO, 2014b).

### **Social Protection and Poverty Reduction**

Social protection policies led to poverty reduction in many developing countries. The social protection policies in Argentina and Brazil reduced poverty. Similarly, MGNREGA increased real wages of agricultural labourers which in turn reduced rural poverty in India.

### **Need for Social Protection Floor**

It has been recognized that all countries should have social protection floor. According to ILO (2014a), there are three reasons why social protection is needed. These are: (a) human right; (b) social and political necessity; (c) economic necessity. Investing in social protection leads to healthy, productive and equitable society.

## **4.2. Indirect Measures for Improving Youth employment**

### ***Pro employment Macroeconomic policies***

Appropriate macro policies are important for generating employment for youth. Investments are needed for higher growth which can improve employment if invested in labour intensive sectors. Both public and private investments are important. Macro policies such as trade, fiscal and monetary policies should promote employment by providing appropriate policies and institutions.

Monetary stimulus in advanced countries helped preventing worse outcomes. In response to the global crisis developed countries reduced short term lending rates. These measures prevented a larger fall in employment. However, the extended period of low interest rates and unconventional monetary policy measures seem to have adverse effects on employment by encouraging capital intensive industries (ILO, 2014). In other words, monetary policies might have indirectly contributed to observed weaknesses in labour market and increased inequality. The share of wages in output has declined. ILO (2014) argues for addressing weak aggregate demand through improved labour incomes and less fiscal consolidation. Simulations of ILO show that employment-friendly policies are likely lead to improvements in the labour market, without harming fiscal sustainability disproportionately.

Macro policies that enhance strong aggregate demand, raise productive investment and improve access to finance can have a positive impact employment prospects of youth workers (Box 7).

#### **Box 7. Approaches to boost aggregate demand and promote youth employment**

Policies that promote employment-centred and sustainable growth are vital if young people are to be given a fair chance at a decent job. Youth labour market outcomes are closely related to overall employment trends but are more sensitive to the business cycle. A boost in aggregate demand is key to addressing the youth employment crisis as this will create more job opportunities for young people. ILO research shows that macroeconomic policies can influence youth employment by:

- (a) encouraging **economic diversification and productive transformation**;
- (b) reducing macroeconomic volatility by engaging in timely and **targeted countercyclical policies**;
- (c) loosening constraints on private sector growth, with a particular emphasis on **access to finance for micro, small and medium-sized enterprises**;



(d) focusing on **targeted demand-side interventions** with particular impact on youth employment (e.g. labour intensive infrastructure works, public employment programmes, wage and training subsidies); and  
 (e) ensuring **adequate and predictable funding** for targeted youth employment interventions.  
 Source: ILO (p.62, 2013).

Macroeconomic policies can enhance youth employment by encouraging economic diversification and the development of sectors that can create jobs for youth.

For example, in India, policies that promote manufacturing sector can improve productive employment for youth. However, agriculture growth also has to be improved as it provides employment to 50% of the work force. Crop sector can't absorb any more workers but allied activities and agro processing etc. can absorb some of the growing labour force. Global experience shows that GDP growth originating in agriculture is at least twice as effective in reducing poverty as GDP growth originating outside agriculture. The index of total factor productivity (TFP) in agriculture in India increased from 100 in 1961 to 170 in 2009. During the same time it increased from 100 to 270 in Brazil, China and Indonesia. The yields of many crops in India are lower than many countries. Thus, there is lot of opportunity for increase in TFP and yields in India with appropriate price and non-price policies (technology and extension, water management, marketing and rural infrastructure). Diversification of agriculture, focus on Eastern and Central regions, increase in supply chains and links to agro processing can increase productive employment. Higher agri. growth also increases rural non-farm sector because of linkages.

Over time, however, as shown by the East Asian experience, we need labour intensive manufacturing to shift workers from agriculture. The share of manufacturing employment in India is only 13% as compared to 30 to 40% in East Asian countries in 2012. In a study of comparison between manufacturing and services in India, Ramaswamy and Agarwal (2013) suggest that "services sector would be an unlikely destination for the millions of low skilled job seekers. India needs to focus on manufacturing sector to provide large scale employment. Manufacturing has the capability because it has stronger backward linkages unlike the services sector. We cannot afford to neglect manufacturing at this stage of development. The policy signals have to clearly say that we stand to support manufacturing activity in a big way." Labour intensity of organizing manufacturing sector has to be improved apart from increasing the productive employment in SMEs and unorganized manufacturing.

It does not mean that service sector has no potential to add to the growing labour force. In fact, a study by Eichengreen and Gupta (2010) suggest a complementary relationship between manufacturing and services as both are required to absorb India's large additions to the labour force. However, service sector has greater duality in terms of informality and wage inequality. On the one hand, we have highly skilled activities like IT getting very high salaries. On the other hand, we have low productive large informal sector getting very low incomes and wages.

Regarding international experience, a study by Pasha and Palanivel (2003) on Asian countries show that the key macroeconomic determinants of the degree of pro-poor growth appear to be the rates of employment and agricultural growth. The study argues, given the inflation rates, that countries can be more flexible in their policy stance with regard to the adoption of more growth oriented as opposed to stabilization policies. Developing countries should learn from China on

agricultural growth, rural non-farm employment, public investment and human development (see Rao, 2005). The impact of growth on poverty reduction is quite significant in China. These policies provide employment opportunities for youth.

As mentioned above, related one is the improvement in business environment in the region. Easing obstacles for entrepreneurs is one of the important measures for creating more jobs for youth. An enabling business climate, sound management, labour market reforms can provide incentives for formal sector job creation.

#### *Productive transformation and decent work*

It may be noted diversified productive capacity and transformation are needed for creating decent work. Just liberalizing trade may not be enough. Generally manufacturing sector is associated with higher economic growth. Apart from manufacturing, agriculture, services, natural resource management can also create quality employment. There is no single development path and success stories can be found at all levels. Typically, extraction of natural resources creates only a limited number of jobs. However, if properly managed, natural resource extraction can create backward and forward linkages with the rest of the economy. This can become an engine of broad based growth as shown by the developmental management of natural resources in Malaysia. Diversify natural resource base by diversifying the scope of forest use from timber to paper making and furniture production. The fiscal revenues from the diversification can be used to build productive capabilities and employment. The case of Malaysia shows that this can be a win-win situation.

#### *High road approaches*

Competitiveness among industries is a good thing but it should be viewed through the lens of decent work. The Rana-Plaza tragedy in Bangladesh shows that there are risks if firms take a low-road approach. In contrast, high road approach by following better workplace practices, improving health and safety outcomes, boosting employee morale, focusing on environmentally-sustainable production methods. These will help in successfully following high road strategies.

The ILO's Better Factories Cambodia programme shows that training services to help about workers' skills have raised their productivity and contributed to enhanced enterprise competitiveness. Monitoring of performance of *Better Factories Cambodia* over a decade indicates that improved working conditions have gone hand in hand with enhanced competitiveness and better economic results.

### **Education, Skill Improvement and Employability**

Development economics now lays great importance on the concept of human capital. Education, defined in terms of literacy rate and schooling levels (enrolment ratios - in primary and secondary schools - mean years of schooling), is an important component of human capital. These indicators proximately represent the level of human capital in society.

Education is the key determinant of employment prospects. There is a strong link between educational attainment and employment outcomes, and people with higher levels of education enjoy a competitive advantage in the labour market, including higher wage levels. The level of human capital in terms of literacy, educational levels and specific skills raise the productivity

and incomes of workers in the labour market. Education is crucial for improving quality of employment. There is inverse relationship between education level and jobless rates of 25-34 age group in some of the South East Asian countries like Indonesia, Thailand and Philippines. In Thailand, those without any education are five times more likely to be jobless than those having completed a bachelor's degree. Temporary work is disproportionately filled by younger, less-educated workers.

Education and knowledge for the current generation (particularly for girl children) are likely to be transmitted to their children and creating sustainable benefits to the society. Conditional cash transfers for education in Latin American countries (e.g. Mexico) are another way of improving education. We also programs like food for education in Bangladesh and mid-day meal scheme in India

Apart from quantity, the quality of education is crucial. In India, In spite of higher levels of enrollment at all levels of education, and a massive rise in physical infrastructure, the value added by formal education is still weak. "Poor quality of education resulting in weak learning outcomes at each stage of education is the central challenge facing the Indian education sector today" (p.49, 12<sup>th</sup> Plan report). The learning outcomes are disturbingly low. Annual Status of Education Report (ASER) 2012 of Pratham (one of the largest NGO working to improve quality of education) indicates that more than half 53 of all children in Std. V were able to read a Std. II level text in 2012. Similarly, 46% of children enrolled in Std. V were not able to solve simple-two digit subtraction problems.

The facts on primary education reveal that school quality as measured by inputs and infrastructure have improved while student learning levels are disturbingly low. The evidence also shows that parents are moving their children to high fee charging private schools (Muralidharan, 2013).

**Structure of Pedagogy seems to be solution for translating these investments into learning outcomes.** Remedial instruction and the use of technology in the class room are relevant in the South Asian context. Remedial programs can focus on those students who are lagging behind. The teaching for these students can be at a level that is appropriate for their achievement. Several research studies have shown **strong impact of remedial instruction programs on learning outcomes.** Banerjee and Duflo (2011) also show that remedial programs improved student test scores with most of the gains to the students with lower end of the class. The need for improvement in quality applies also to secondary and tertiary education in India.

The nature of labour market has been transforming from unskilled to highly skilled. There has been increasing demand for skilled labour and declining demand for the unskilled ones especially in the non-agriculture sector. The level of human capital in terms of literacy, educational levels and specific skills raise the productivity and incomes of workers in the labour market.

The concept of employability is gaining momentum in the labour market literature. It indicates the person's capability of gaining initial employment, maintaining employment and moving to new employment by choice. It depends on the knowledge, skills and attitudes possessed by the

individual, and also the labour market information (Weinert *at al* 2001). There is a changing policy agenda related to labour market from the ‘job protection’ to ‘security through employability’. The policy agenda needs to equip the job-seekers with skills that match the demand in the market. It is definitely a challenge in the context of increasing pace of globalization and technological change, both of which increase the job insecurity and job displacement where the unskilled are getting excluded from the labour market. Skill formation involves schooling, professional or technical education, and vocational training.

**The main problem is the mismatch between the skills of young workers and the emerging needs of the market.** Education alone will not lead to employability unless workers are skilled. Employability of youth has to be increased through skill development and vocational training. The policies have to gear the system towards knowledge/ skills relevant for emerging labor market demand. As mentioned below, India announced National Skill Development Council. There are also lessons from advanced countries like Germany regarding training system. In Germany, education and training simultaneously has improved the quality of youth employment. Germany's ratio of youth to adult unemployment rates is about one to one which is a remarkable achievement. One of the important ingredient of German system is the strong involvement of employers in the provision of training which has labour market relevance (ADB, 2008). Developing countries in Asia Pacific region can learn from specific design features of the system in Germany. We have already mentioned above the programs in Asia Pacific region on skill improvement.

### 4.3. Post-2015 Development Agenda and Employment

The progress on MDGs has been impressive but uneven across countries and within countries. There have been significant achievements in some indicators such as poverty reduction, education and gender equality. But, the progress on some other indicators such as malnutrition, health, child and maternal mortality has been slow.

There have been some issues that have not been considered at the beginning when MDGs were set. Some of these issues are: climate change and natural hazards, demographic transition, increased migration, productive employment, social protection, peace and security, governance. Of course continuation of many of the present MDGs is important. For example, My World survey provides some clues on the people’s expectations about post-2015 development agenda. In this survey, people were asked to choose six priorities out of 16 options. The top three priorities are: (a) an honest and responsive government; (b) a good education and (c) better health care (The Guardian, 2013). Other top priorities include food, water, better job opportunities, protection from crime and violence and, protecting forests, rivers and oceans. Following RIO<sup>+</sup>20 conference it is recognized that countries should have a holistic view of combining economic, social and environmental goals for sustainable development. Recent literature has suggested several approaches as a framework for post-2015 agenda<sup>2</sup>.

One of the missing things in the original agenda setting of MDGs in 2000 was productive employment. The objective of achieving ‘full and productive employment and decent work’ was

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<sup>2</sup> See research papers from ODI and IDS Sussex. For example, see Koehler et al (2012), Karver et al (2012), Melamed (2013), Melamed and Ludd (2013).

added to the MDGs in 2005 as one of the targets (target 1 B) of the first MDG goal to eradicate extreme poverty and hunger (ILO, 2012). Under this there are four indicators for monitoring progress. These are: (a) 1.4 growth rate of GDP per person employed; (b) 1.5. Employment to population ratio; (c) 1.6 proportion of employed people living below \$1 (ppp) per day; (d) 1.7. proportion of own account and contributing family workers in total employment.

ILO (2012) argues for upgradation of the target on productive employment as a central goal of the post-2015 development agenda. Setting it as a full and explicit goal and target will lead to greater attention to this critical objective of productive employment.

At the global level, the thinking is that productive employment should be one of the focus areas in post-2015 agenda. As ILO (2012) says ‘development happens through jobs’. In other words, productive and decent employment is the best economies grow and diversify. As inequalities are rising, creation of productive employment is the best way of achieving inclusive growth. The report of the first thematic consultation on the post-2015 framework for development held at Tokyo<sup>3</sup> provides the thinking on employment and growth by the stakeholders. The meet discussed both broad outlines of the new development agenda. Along with that, the meet also discussed specific challenges and policies for growth, structural transformation and employment. The consensus is that rather than growth, goals and targets on employment may be appropriate. Some of the goals and targets are: progress for different population quintiles (poor people, the unemployed, working poor in both formal and informal sectors), social protection, inclusive forms of employment, women and children’s employment, technical, vocational and entrepreneurial skills, structure of employment, access to natural resources, health and education to workers and, green growth indicators could include a combination of change in pollution and change in employment.

Decent jobs should be one of the goals in the post-2015 development agenda. Current MDGs should be modified in order to capture improvements in the quality of jobs and workers’ lives, and identify those who are excluded. For example, social protection plays a fundamental role in creating more inclusive and sustainable development pathways. Because of its importance, an indicator on social protection programmes has been widely proposed (ILO, 2014).

Full and productive employment and decent work under the post-2015 development framework require a set of targets and indicators going beyond the existing MDG indicators. Some of the indicators can be in the areas of working poor, youth unemployment, informality, female labour force participation and social protection (ILO, 2014). They should be adapted according to countries’ circumstances. Structural change in employment is an important indicator as it a major driver of productivity increases as well as the creation of better jobs in developing economies.

### **Thinking of Policy Makers on Employment in India**

The five year plans provide the thinking of the policies needed to face future development challenges in India. The broad vision of India and the **fresh perspective** are reflected in the 12<sup>th</sup> Five Year Plan’ sub-title “faster, sustainable and more inclusive growth’. It also indicates the need for simultaneous achievement of these goals for the success of the plan. While striving for

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<sup>3</sup> The consultation was held in Tokyo during 15-16 May, 2012. See <http://www.worldwewant2015.org/employment>

faster and more inclusive growth, the 12<sup>th</sup> five year plan also pays attention to the problem of sustainability. It shows that Indian thinking on development challenges also matches with the global thinking on post-2015 development agenda.

The 12<sup>th</sup> plan draft report also provides different aspects of inclusiveness. These are: inclusiveness as poverty reduction, inclusiveness as group equality, inclusiveness as regional balance, inclusiveness and inequality, inclusiveness as empowerment, inclusiveness through employment programmes and inclusiveness through gender equality. Economic growth is important for two reasons. First, it leads to large expansion in income and if growth is inclusive the living standards of majority can improve. Second, it generates resources for financing government programmes. Moreover, growth process has to be inclusive. For example, rapid growth with focus on agriculture and small and medium enterprises can be more inclusive as compared to the growth generated by mining or extraction of mining resources for exports. Vol.1 of 12<sup>th</sup> plan provides 25 indicators to be monitored during the plan period.

Both 11<sup>th</sup> and 12<sup>th</sup> five year plans recognize that generation of productive employment is crucial for achieving inclusive growth. The 12<sup>th</sup> plan draft report says that “Generation of productive and gainful employment with decent working conditions on a sufficient scale to absorb the growing labour force was a critical element in the Eleventh Plan strategy for achieving inclusive growth” (p.124, Vol.3, GOI, 2012). Out of the 25 targets, one target relates to employment as given below.

“Generate 50 million new work opportunities in the non-farm sector and provide skill certification to equivalent numbers” (p.35, Vo.1. GOI, 2012).

The 12<sup>th</sup> plan document on employment focuses, apart from quantity, on **quality of employment and skill development**. Apart from diversification of employment across sectors, there is a need to look into the qualitative dimensions of employment in terms of equity, dignity, social security, status of employment etc. This is important for formulating strategy for India’s future challenges in generating productive employment with decent working conditions (GOI, 2012).

According to the 12<sup>th</sup> plan report, there are four challenges for employment policy. **First**, employment opportunities have to be expanded. Here government focuses on manufacturing sector. It hopes to make manufacturing sector as an engine of growth and expects to generate 100 million work opportunities by 2022. The government will have supportive policies for labour intensive manufacturing segments like textiles and garments, leather and footwear, gems and jewelry, food processing etc. Services like information technology, finance and banking, tourism, trade and transport etc. will also be major generators of employment. **Second**, there is a need to simplify regulatory framework particularly some of the labour laws. Social security should be provided for both organized and unorganized sectors. **Third**, address the problems of specific categories such as female employment, unemployment among educated people, promoting employment opportunities for minorities, Scheduled castes/scheduled tribes and disabled people. **Fourth** and most important one is promoting skill development. “The employment challenges as reflected above needs to be addressed so as to meet the faster and inclusive growth agenda for the Twelfth Plan. Skill development should, therefore, occupy centre-stage in any employment strategy for the Twelfth Plan” (p.139, Vo.1, GOI, 2012).

The above thinking relates to both general and youth employment. Biggest focus of the policy makers in India is going to be on education and skill development of workers predominantly youth workers. This is essential for taking advantages of 'demographic dividend'.

## 5. CONCLUSIONS

Developing regions in Asia-Pacific region face major youth employment and unemployment challenges. The conclusions of the study are the following.

### *Labour market challenges for working age population and adults*

(1) Labour force participation rates declined for East Asia and South Asia in the post-global crisis while it did not show decline for South East Asia and Pacific. The gender gap in participation rates was the highest for South Asia. The females rates were lower by 50 percentage points in South Asia.

(2) The employment-population ratio for the Asia Pacific region was 62%. But the ratio was significantly lower for females (48%) than males (76%). Again the largest gender gap was in South Asia and South-West Asia.

(3) Employment and labour productivity growth declined in the region in 2007-12 period as compared to the period 2002-07. Employment growth during 2007-12 was the highest for South East Asia, followed by Pacific, South and South West Asia and East Asia. The employment elasticity declined for some countries and increased for some others. For example, in India employment elasticity declined from 0.41 during 1983 to 1993-94 to 0.20 during 1999-00 to 2009-10. However, labour productivity growth in India increased significantly over time.

(4) Unemployment rate in Asia Pacific region was around 4.7% in 2010. This is lower than the world unemployment rate of 6% and other continents. Adult unemployment rates are lower than for the population above 15 years. Projections of overall unemployment show that it would rise for East Asia while it may stay the same in South East Asia and South Asia.

(5) Structural transformation from agriculture to industry and services happened over time particularly for East Asia. In South Asia, agriculture still dominates with nearly 50% of the work force. The share of agriculture for females is very high for South Asia.

(6) Apart from unemployment, those who are working in Asia Pacific region suffer from vulnerable employment comprising own account workers and contributing family workers. Nearly three in five workers (around 1.1 billion) in developing economies of the region fall under vulnerable employment in 2012. However, there seems to be positive development as the share of wage employment increased in the region. This would benefit the women as their share in vulnerable employment is high.

(7) Workers in the region also have large share of informal sector. The share of informal sector varies from 30% to 70%. In India, 92% of total were informal workers in 2011-12. Underemployment is also in the region particularly in South Asia. The overall unemployment

may be low in the region but 'working poor' is a major problem. The proportion of working poor declined fast in East Asia and South East Asia. But, it is still quite high in South Asia.

(8) Real wages of wage employed have been increasing. It doubled during 2000 to 2011. If we exclude China, growth rate for Asia was lower. But, it is surprising as India also high growth of real wages including those of agricultural labourers. Gender gap is high in wages in South Asia although it is declining over time.

### *Trends and Challenges in youth labour market*

(1) The share of youth population has been declining at global level but continues to be high in some of the developing economies of Asia Pacific region. Labour force participation rates among youth have been declining in all the regions which are a reflection of improved enrolment of education. The gender gap in labour force participation is the highest for South Asia. The projections show that youth participation rates are likely to decline further.

(2) Youth unemployment which is three times higher than adults is the biggest problem for the youth in the Asia-Pacific region. The ratio of youth to adult unemployment rate is five times and is likely to increase over time. In South Asia it was four times and is likely to decline for males.

(3) The joblessness rate (neither attending school/college nor employed) is much higher than unemployment rate for youth. A four country study showed that these rates for India and Indonesia were in the range of 30% to 35% while it was 25% and 12% for Philippines and Thailand respectively in the middle of 2000s. These rates are much higher for young females compared to men particularly for India.

(4) Vulnerability of employment is much higher for youth as compared to adults. Part time employment also increased for youth in some countries in the post-global crisis. According to a study, 27 out of 30 countries studied showed that poverty among youth workers was higher than that for adults.

(5) Lack of education and skills for youth workers are the major problems in developing economies of Asia and Pacific for unemployment, joblessness, employability problems and low wages. Youth population often reach working age without education and basic skills which are important for employment prospects. Enrolment in technical and vocational education is low in some sub-regions of the region. This percentage is only 2% in South and South West Asia compared to 14% in East Asia and 12% in Central Asia.

(6) In India, only 4.9% of youth workers had post-secondary level of education and 19% had completed secondary level of education in 2007-08. Nearly 90% of youth have not taken any kind of vocational training.

The challenges vary across countries.

South Asia constitutes large shares of youth workers and unemployed. Unemployment and joblessness is high. However, low quality employment is the biggest challenge in South Asia



because of several problems. As mentioned above, these problems are: high share in informal sector, underemployment, high working poverty, low paid jobs, unsatisfactory working conditions, lack of structural transformation to industry and services, lack of education, skills and training, low wages employability problem and gender bias. The countries in the sub-region of South Asia have to work on reducing the problems in order to take advantage of demographic dividend. Fortunately, there is recognition of improving the quality of employment particularly with skill development as shown by the thinking of the policy makers in India.

East Asia has its own challenges. China's long term strategy of economy away from exports and investments towards domestic consumption will pose challenges for employment particularly for youth. Due to demographic changes, the labour force in East Asia has grown relatively little in the last decade. This is due to ageing of economically active population and delaying of youth from school to labour markets (ILO, 2014). Similar to labour force growth, employment growth is also slow. There will be problems for young graduates to get employment. There is a positive development in East Asia as the share of salaried has been increasing while that of vulnerable employment has been declined. However, East Asia still employ nearly 400 million own account and family workers. There has been restructuring in industry from low skilled to high skilled industries. Therefore, skill upgrading is needed in East Asia for improving job quality and higher incomes for workers.

In South East Asia and Pacific, youth unemployment rate is nearly three times that of the total unemployment rate and five times to that the adult unemployment rate. Many of the countries in this sub-region have young demographic profile. In order to increase productive jobs for youth, education and skills are needed. There is also a need for structural transformation of workers from agriculture to non-agriculture. Vulnerable employment continues to affect women more than men. For ASEAN member countries, there are new challenges and opportunities for young workers. The labour force will continue to grow rapidly at more than 1.5% per annum in countries such as Cambodia, Lao PDR, Malaysia and the Philippines. On the other hand, labour force growth will be less than 1% per annum in countries like Myanmar, Singapore, Thailand and Vietnam. There is a need to improved labour market information systems, job placement mechanisms, cross country skills recognition framework. In Pacific Island countries, stimulation of broad based agricultural productivity, investments in labour intensive manufacturing and investments in education and skills are required for catering to the changing labour markets (ILO, 2014). Natural disasters is also another problem in South East Asia and pacific islands.

At global level, the International Labour conference 2012, five key policy areas that can be adapted to local circumstances were identified and these were included in the resolution "The Youth Employment Crisis: A call for Action". The five policy areas include: "(i) employment and economic policies to increase aggregate demand and improve access to finance; (ii) education and training to ease the school-to-work transition and to prevent labour market mismatches; (iii) labour market policies to target employment of disadvantaged youth; (iv) entrepreneurship and self-employment to assist potential young entrepreneurs; and (v) labour rights that are based on international labour standards to ensure that young people receive equal treatment" (p.6, ILO, 2013). After global financial crisis, one of the focus areas at international level is youth employment. ILO (2011) provides recommended policy measures for promoting youth employment given in Box 8.

To conclude, there are significant links between creating employment opportunities for the youth and enhancement of human development. Employment and livelihoods particularly productive youth employment has impact on most of the indicators of Millennium Development Goals (MDGs). They can reduce poverty, under nutrition, improve the education, health and gender equality.

#### **Box 8. Recommended policy measures for promoting youth employment**

“Many governments are actively engaged in finding solutions, although the severity of the situation of young people in the labour market requires more attention and policy action. The following actions could be considered as a basis for tailoring youth employment interventions to the national situation:

*Develop an integrated strategy for growth and job creation to ensure long-term, sustained and concerted action for the promotion of decent work for young people.* Assigning priority to youth employment requires a coherent policy framework, with measurable targets and achievable outcomes, that addresses youth employment in national development strategies and employment policies.

*Establish broad-based partnerships to turn youth employment commitment into reality.* Partnerships among governments, employer organizations, trade unions and other organizations can be instrumental in determining the most appropriate action to be taken at national and local levels for the promotion of decent work for young people. Action plans on youth employment can be used as a tool for the conversion of youth employment priorities into concrete action and to strengthen the coordination of youth employment interventions.

*Improve the quality of jobs and the competitiveness of enterprises* with a view to increasing the number of jobs in productive sectors and ensuring job quality for the many young people who are currently engaged in precarious jobs, especially in the informal economy. Together with labour legislation, these measures can reduce labour market segmentation based on the type of contract and job and can help young people move to decent jobs.

*Invest in the quality of education and training and improve its relevance to labour market needs.* Education and training programmes that equip young people with the skills required by the labour market are an important element in facilitating the transition of young people to decent work. These programmes should be based on broad skills that are related to occupational needs and are recognized by enterprises, and should include work experience components. Policy coherence and more effective coordination across education and training systems and labour market institutions should be pursued at all levels, including between Ministries of Education and of Labour, as well as public employment services, private employment agencies and education and training providers.

*Enhance the design and increase funding of active labour market policies to support the implementation of national youth employment priorities.* Active labour market policies and programmes (ALMPs) programmes should offer a comprehensive package of services with a view to facilitating the transition of youth to decent work. Standard types of ALMPs based on single measures are unlikely to work for discouraged youth or for young workers engaged in the informal economy, especially during crisis and post-crisis periods. The effectiveness of these measures could be greatly improved by introducing mechanisms that target disadvantaged youth and by piloting programmes and assessing their results prior to their implementation on a larger scale. Funding for these measures should be increased to ensure greater support during the post-crisis period. Lack of support for these employment measures would have dramatic consequences for the current generation of young people.

*Review the provision of employment services with the objective of offering a set of standard services to all young people and more intensive assistance to disadvantaged youth.* Public employment services should re-orient their services to offer “standard” support to all young jobseekers (for example, self-service, group counseling and job search techniques, including employment planning) and more intensive and targeted

assistance for “hard-to-place” youth. Early interventions based on profiling techniques and outreach programmes should be developed at the local level to make the services more relevant to young people and to assist enterprises in the recruitment process. Partnerships between employment services and private employment agencies are important to support young people in their job search.

Partnerships between labour offices and municipal authorities, the social partners, social services and civil society organizations are required to improve the targeting of young discouraged people and young workers engaged in the informal economy who do not usually fall within the reach of the public employment service.

*Pursue financial and macroeconomic policies that aim to remove obstacles to economic recovery: Job growth will not come from labour market policies alone. Additional financial and macroeconomic measures, including bank and debt restructuring, are needed to remove the obstacles to growth”*

Source: ILO (2011)

## Recommendations

(1) *Active labour market policies:* ALM programs directly aim at youth and vulnerable youth remedy failures of educational systems in equipping young people with employable skills and enhance the efficiency of labour market matching. Evidence presented in the paper shows that 16 out of 21 programs studied had positive impact for program participants in terms of increased earnings and employability. Employers place emphasis on workers during workers during recruitment putting young workers, who have little or no experience, at a clear disadvantage. ALMs have to followed effectively in many developing countries of the region. Quality of active labour market programs is likely to be higher if stakeholders are involved in their design and implementation.

(2) *Labour Institutions and Working Conditions:* Labour legislations and labour institutions like minimum wages, working hours and collective bargaining would influence the workplace and productivity of workers. Conditions of work are important for a decent living of workers. In 2007, India prepared a bill relating to conditions of work The salient features of conditions of work proposals are: Eight-hour working day with half-hour break, One paid day of rest, national minimum wage for all employments in minimum wage act, piece rate wage to equal time rate wage, women’s work to be remunerated on par, deferred payment of wages attract penal interest, deduction in wages attract fines, right to organize, non-discrimination, safety equipment and compensation for accident, protection from sexual harassment, provision of child care and basic amenities at work place. Unfortunately, this bill could not be implemented. This type of legislation is important for Asia-Pacific countries which lack conditions of work. Many countries have minimum wage legislation for formal and for some sections of informal sector. Most important is effective implementation of legislations on conditions of work and labour institutions like minimum wages.

(3) *Self employed workers:* These workers need better business environment and policies relating to protection and promotion of livelihoods. India prepared a bill in 2007 on protection and promotion of livelihoods. Salient features of this bill are: *gainful employment, skill upgradation, labour organization and co-operatives, provision of credit, raw material, technology, marketing and storage facilities, social security benefits, affordable credit facilities through banking and non-banking institutions, right over common property resources, right to inhabitation, ensure area development for livelihood needs of street vendors and slum dwellers, promotion of association of self employed workers, social protection for migrants.* Again this bill was not

introduced. There is a need for this type of legislation in many countries and implement effectively.

(4) *Ease of Doing Business*: Improvement in business environment is important for self employed workers, small and medium enterprises and for entire economy in the region. Easing obstacles for entrepreneurs is one of the important measures for creating more jobs for youth. An enabling business climate, sound management, labour market reforms can provide incentives for formal sector job creation. Many countries in the region have low rank in the index of ease of doing business. There is a need to improvement in business environment to attract domestic and foreign investment.

(5) *Migrant workers*: Migration (internal and international) is one of the important livelihoods for many countries. Migrants are abused both at home and abroad. The remittances from migrants pay an important role in reducing poverty, improving health and education of the families. There is a need to have policies (mentioned in the text) for **fair migration and decent work for migrants**.

(6) *Social protection programs*: As ILO rightly mentions "Social protection policies play a critical role in realizing the human right to social security for all, reducing poverty and inequality, and supporting inclusive growth - by boosting human capital and productivity, supporting domestic demand and facilitating structural transformation of national economies" (ILO, 2014). Many workers particularly in the informal sector in the region suffer from capability deprivation (inadequate employment, low earnings, low health and education) and adversity (ill health, accident, death and old age). Social protection are required to be introduced wherever they are not in place and increase the effectiveness wherever they exist. There are many social protection programs in many countries of the Asia-Pacific region. However, the impact of several programs on the beneficiaries is far from satisfactory. The need for effective implementation of the programs through proper governance is obvious.

(7) *Cash transfers*: Many countries have cash transfer programs; some are conditional and others are unconditional. Some countries have in-kind transfers such as public distribution system in India. There is a debate about cash transfers vs. in-kind transfers. The situation depends on the context in which these are introduced. Unconditional cash transfers will have an advantage of choice for the population. There is a need to introduce cash transfers (conditional or unconditional) to help the workers.

(8) *MENREGA in India*: If properly implemented, the potential benefits are large. It can be used not only as social protection but also as rural transformation program. For this, assets have to be created in rural areas and it should be linked to agriculture for higher productivity.

(9) *Reintegrating unemployed into labour market*: Many countries have taken countries measures to integrate or reintegrate unemployed workers into the labour market. For example, Benazir Income Support Programme in Pakistan facilitated employment of parents particularly women with young children. There is a need to have measures to help unemployed particularly mothers with young children return to work.

(10) *Social Security* : The relatively adequate level of social security available for formal workers is in striking contrast to the almost total lack of social security for informal workers. Security for employment injury, disability, maternity, old age population and health coverage are required for the workers as a human right and improving productivity of workers. There is a need to have these securities in many of the region's low income and middle income countries which have low coverage particularly for informal workers.

(11) *Need for Social Protection Floor*: It is by now recognized that all developing countries should have a social protection floor. This is needed from the point of view of economic need, social need and human rights. For example, in India, suggestions are made to have the following as minimum social security or social protection floor.

(a) Extending the non-contributory old age pension schemes at a reasonable level to the old age population, including the physically disadvantaged and widows.

(b) Providing access to health services to the poor, either through public provision or through a social health insurance scheme such as Rashtriya Swasthya Bima Yojana (RSBY) in which all workers in the unorganized sector belonging to the BPL (Below poverty line) category and their families are covered and

(c) Expanding within a specified period of time the Unorganized Workers Social Security Act, 2008, in order to ensure that it guarantees statutory and universal provision of national minimum social security (IHD, 2014).

Apart the above elements, social protection floor also can promote self employed workers, lacking individual or household security to undertake productive including risky investments.

(12) *Pro employment macro policies*: Macroeconomic policies could be much more important than direct programmes in generating employment for youth. The integration of the employment objective with the overall growth strategy is needed. In many countries, liberalization and reform policies had envisaged to generate a substantial employment by restructuring of production in favour of labour intensive activities. However, evidence indicate that this expectation has not been realized despite relatively high growth. Hard fiscal and monetary policies can hurt growth and employment. Thus, macro policies such as fiscal and monetary policies should promote employment by providing appropriate policies and institutions. Trade policies have been effective in promoting export growth strategies and employment. However, in the post-global financial crisis period, expansion of trade on employment in accordance with the comparative advantage of labour intensive aspects should not be taken granted. Domestic demand is equally important now.

(13) *Product diversification*: Generally, manufacturing sector development is expected to provide greater employment than other sectors. However, with product diversification, it is possible to generate in agriculture, services and natural resources sectors.

(14) *Education, skill improvement and employability*: The nature of labour market has been transforming from unskilled to highly skilled. There has been increasing demand for skilled labour and declining demand for the unskilled ones especially in the non-agriculture sector. The level of human capital in terms of literacy, educational levels and specific skills raise the productivity and incomes of workers in the labour market. The concept of employability is gaining momentum in the labour market literature. It indicates the person's capability of gaining initial employment, maintaining employment and moving to new employment by choice. There is a changing policy agenda related to labour market from the 'job protection' to 'security through employability'. The policy agenda needs to equip the job-seekers with skills that match

the demand in the market. Skill formation involves schooling, professional or technical education, and vocational training. **The main problem is the mismatch between the skills of young workers and the emerging needs of the market.** Education alone will not lead to employability unless workers are skilled. Employability of youth has to be increased through skill development and vocational training. The policies have to gear the system towards knowledge/ skills relevant for emerging labor

(15) *Post-2015 development agenda and employment*: One of the missing things in the original agenda setting of MDGs in 2000 was productive employment. It was introduced as a target in 2005. ILO argues that productive employment should be made one of the central goals of post-2015 development agenda. Setting a full goal will receive greater attention as 'development happens with jobs'. Decent jobs should be one of the goals in the post-MDG agenda. Similarly, social protection should be one of the important indicators in this agenda. Particularly social protection floor should be adopted by many countries included in the post-2015 development agenda. Education and skill development are crucial for many countries particularly the countries which have 'demographic dividend'.

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## Appendix

Table A1. Employment and labour productivity

	Labour productivity growth rate		Employment-to-population ratio					
	% change per annum		Population aged 15 and above		Females aged 15 and above		Males aged 15 and above	
	02-07	07-12	1995	2012	1995	2012	1995	2012
<b>East and North-East Asia</b>	<b>5.9</b>	<b>5.3</b>	<b>73.1</b>	<b>68.9</b>	<b>66.6</b>	<b>62.7</b>	<b>79.3</b>	<b>75</b>
China	11.9	8.9	74.9	70.5	69.7	64.9	79.9	75.8
DPR Korea			79.3	73.7	73.2	68.7	85.7	79.1
Hong Kong, China	4.7	2	60	57	46.1	49.7	74.2	65.4
Japan	1.6	0.2	61.5	56.5	48.4	46.1	75.3	67.5
Macao, China			57.7	70.2	46.9	65.8	69.7	75.5
Mongolia			54	59.4	49.2	54.1	58.8	65.1
Republic of Korea	3.2	2	60.4	58.3	47.7	47.9	73.4	68.9
<b>South-East Asia</b>	<b>4.3</b>	<b>2.7</b>	<b>68</b>	<b>67</b>	<b>56.3</b>	<b>55.8</b>	<b>80</b>	<b>78.5</b>
Brunei Darussalam			62.7	63.5	47.1	53.4	76.6	73.5
Cambodia	9.2	3.5	80.3	81.4	76.3	77.8	85.1	85.2
Indonesia	3.7	3.5	63.5	63.2	47.8	47.2	79.5	79.5
Lao PDR			79	76.8	78.2	75.4	79.8	78.1
Malaysia	3.9	0.7	60.4	58.6	41.2	42.4	79.2	74.5
Myanmar			74	76.1	70.6	72.6	77.6	79.8
Philippines	3.4	1.7	61	60.1	44.8	46.4	77.1	74.1
Singapore	4.2	0.3	62.9	64.1	48.5	54.4	77.3	73.9
Thailand	3.7	1.3	72.9	71.1	64.3	63.4	81.7	79.2



Timor-Leste			58	54.5	38.1	36.8	77	71.6
Viet Nam	5.2	3.3	77.7	75.7	73.5	71.7	82.2	79.9
<b>South and South-West Asia</b>	<b>5.6</b>	<b>3.7</b>	<b>57.2</b>	<b>53.9</b>	<b>33.0</b>	<b>29.4</b>	<b>79.9</b>	<b>77.3</b>
Afghanistan			45.4	45.2	12.7	14	75.4	74.1
Bangladesh	3.4	3.8	71.1	67.5	56.9	54.3	84.6	80.5
Bhutan			61.4	69.9	45.4	63.7	77.3	75.2
India	6.3	5.1	58.2	53.6	34	27.8	80.6	78
Iran (Islamic Rep. of)	2.7	1.1	38	39.3	8.5	13.4	67.8	64.6
Maldives			46.2	58.1	22.7	44.5	69.1	72.5
Nepal			83.2	81.7	78.9	78.6	87.8	85
Pakistan	1.8	0.3	46.5	50.7	10.8	20.8	80	79.9
Sri Lanka	4.8	5.2	48.7	52.3	29.1	32.2	68.4	73.5
Turkey	7.5	-0.2	50.4	45.8	28.9	26.4	72.2	65.7
<b>North and Central Asia</b>	<b>6.5</b>	<b>1.6</b>	<b>55.5</b>	<b>59.4</b>	<b>48.1</b>	<b>52.5</b>	<b>64.1</b>	<b>67.4</b>
Armenia	13.2	-0.1	47.3	42	40.3	33.6	55.4	52.3
Azerbaijan	19.7	4.4	58.9	61.9	51.9	58.3	66.6	65.8
Georgia	11.3	4.1	56.9	55.5	51.2	48.8	63.5	63.5
Kazakhstan	6.9	3	61.8	67.9	54.4	62.5	70.1	74
Kyrgyzstan	1.4	1.7	59.2	61.7	51.4	51	67.5	73
Russian Federation	6.7	1.8	54.9	59.6	47.9	53.4	63.1	67
Tajikistan	5.3	6.5	58.6	59.1	51.1	51.6	66.2	67.2
Turkmenistan	6.1	8.2	52.9	55	41.7	42.1	64.7	68.6
Uzbekistan	4.1	5.6	52.1	54.9	41.4	43	63.3	67.2
<b>Pacific</b>	<b>0.7</b>	<b>0.7</b>	<b>59.9</b>	<b>63.5</b>	<b>51.6</b>	<b>57.6</b>	<b>68.3</b>	<b>69.5</b>
Australia	0.8	0.7	58.2	62.1	49.3	55.9	67.5	68.4
Fiji			55.7	56.9	34.9	37.1	76.1	76.5
New Zealand	0.5	0.1	60.1	63.3	51.6	57.6	69.1	69.3
Papua New Guinea			67.8	69.9	66.7	68.1	68.9	71.7
Solomon Islands			63.2	64.8	50.9	51.6	74.8	77.3
<b>Asia and the Pacific</b>	<b>5.4</b>	<b>4.0</b>	<b>65.4</b>	<b>62.1</b>	<b>51.9</b>	<b>48.0</b>	<b>78.6</b>	<b>76.0</b>
Developed countries	1.5	0.4	61.1	57.5	48.6	47.8	74.2	67.7
Developing countries	6.9	5.1	65.7	62.3	52.1	48	78.8	76.3
LLDC	7.8	3.3	61.3	62.2	50.3	51.2	72.9	73.5
LDC	5.4	3.9	71.3	69.3	59.7	58.3	82.5	80.4
ASEAN	4.3	2.7	68.1	67	56.4	55.9	80.1	78.5
ECO	3.8	0.8	48	48.9	22	25.4	73.7	72.3
SAARC	6.2	4.8	58.4	55	34.3	30.4	80.8	78.5
Central Asia	8.8	3.4	57.2	59.1	48.7	50.5	66.4	68.4
Low income econ.	5.6	4	71.6	69.3	60.7	58.7	82.4	80
Lower middle income econ.	5.6	4.5	59.1	56.2	37.4	33.7	79.9	78
Upper middle income econ.	8.2	6.1	70.5	67.2	63.2	59.8	77.6	74.4
High income econ.	2	0.9	60.9	57.9	48.3	48.1	74.1	68.1
<b>Africa</b>	<b>2.6</b>	<b>2</b>	<b>58.9</b>	<b>60.3</b>	<b>46.7</b>	<b>50.2</b>	<b>71.3</b>	<b>70.5</b>

<b>Europe</b>	<b>1.5</b>	<b>0.2</b>	<b>51</b>	<b>51.6</b>	<b>41.9</b>	<b>45.4</b>	<b>60.8</b>	<b>58.2</b>
<b>Latin America and Carib.</b>	<b>2.1</b>	<b>1</b>	<b>58.2</b>	<b>62.2</b>	<b>40.9</b>	<b>49.6</b>	<b>76.2</b>	<b>75.3</b>
<b>North America</b>	<b>1.4</b>	<b>0.9</b>	<b>61.6</b>	<b>58.3</b>	<b>54.3</b>	<b>53.1</b>	<b>69.4</b>	<b>63.8</b>
<b>World</b>	<b>2.8</b>	<b>1.5</b>	<b>61.9</b>	<b>60.3</b>	<b>48.9</b>	<b>47.9</b>	<b>74.9</b>	<b>72.7</b>

Source: ESCAP (2013)

Table A2 Unemployment rates

	Unemployment rate						Youth unemployment rate					
	Total		Female		Male		% of labour force		% of female		% of male	
	% of labour force		% of female labour force		% of male labour force		% of labour force aged 15-24		% of female labour force aged 15-24		% of male labour force aged 15-24	
	1995	2010	1995	2010	1995	2010	1995	2010	1995	2010	1995	2010
East and North-East Asia	4.3	4.2	3.7	3.6	4.8	4.8	8.6	8.8	7	7.2	10.1	10.4
China	2.9											
Hong Kong, China	3.2	4.3	2.9	3.5	3.4	5	6.9	12.1	5.9	10.3	7.7	14.1
Japan	3.2	5	3.3	4.5	3.1	5.4	6.1	9.2	6.1	8	6.1	10.4
Macao, China	3.6	2.8	3	2.1	4.1	3.6		5.6		3.5		7.7
Republic of Korea	2.1	3.7	1.7	3.3	2.3	4	6.3	9.8	5.3	9	7.8	11.2
South-East Asia	3.8	4.9	4.1	5.3	3.5	4.5	9.5	13.9	10	14.7	9.2	13.2
Cambodia		0.4		0.3		0.4						
Indonesia		7.1										
Lao PDR	2.6		2.6		2.6		5		3.9		6.4	
Malaysia	3.1	3.4	3.8	3.6	2.8	3.3		11.3				
Philippines	8.4	7.3	9.4		7.7		16.1		19.1		14.4	
Singapore	2.2	3.1	2.1	3.4	2.3	3		7.4				
Thailand		1		1		1.1		3.9		4.2		3.7
South and South-West Asia	4.4	4.5	4.7	5.6	4.3	4.1	9.7	10.7	9.7	11.9	9.6	10.3
Bhutan		3.3		4		2.7		9.2		11		7.1
India	2.2	3.5	1.7	4.3	2.4	3.3		10.2		11.5		9.8
Maldives	0.8		1.3		0.6		1.9		2.9		1.4	
Pakistan	5		14		3.7		8.9		18.1		7.6	
Sri Lanka	12.2	4.9	18.7	7.7	9	3.5	35.2	19.4		24.7		16.3
Turkey	7.6	11.9	7.3	13	7.8	11.4	15.6	21.7	13.1	23.1	16.9	21
<b>North and Central Asia</b>	<b>9.9</b>	<b>8.1</b>	<b>9.9</b>	<b>7.9</b>	<b>9.8</b>	<b>8.4</b>	<b>18.7</b>	<b>17.4</b>	<b>19.9</b>	<b>17.9</b>	<b>17.8</b>	<b>17</b>
Azerbaijan		5.6		6.9		4.4		14.9		13.4		17.3
Georgia		16.3		14.5		17.9		36.3				
Kazakhstan	11	5.8		6.6		4.9		5.2		5.7		4.8
Russian Federation	9.4	7.5	9.2	6.9	9.7	8	18.8	17.2	20	17.5	17.8	16.9
<b>Pacific</b>	<b>7.3</b>	<b>5</b>	<b>7.1</b>	<b>5.2</b>	<b>7.5</b>	<b>4.8</b>	<b>13.1</b>	<b>11</b>	<b>12.9</b>	<b>10.9</b>	<b>13.2</b>	<b>11</b>
Australia	8.5	5.2	8.1	5.4	8.8	5.1	15.4	11.5	14.8	11.1	15.9	11.9
Fiji	5.4											
New Zealand	6.5	6.5	6.5	6.8	6.4	6.2	12.3	17.1	12.2	17.4	12.3	16.8
<b>Asia and the Pacific</b>	<b>4.6</b>	<b>4.7</b>	<b>4.5</b>	<b>4.6</b>	<b>4.8</b>	<b>4.7</b>	<b>9.5</b>	<b>10.8</b>	<b>8.7</b>	<b>10.3</b>	<b>10.1</b>	<b>11.1</b>

Developed countries	3.9	5.1	4	4.7	3.9	5.3	8	10.1	7.9	9.2	8.1	11.1
Developing countries	4.7	4.6	4.5	4.6	4.8	4.6	9.6	10.8	8.8	10.3	10.2	11.1
LLDC	7.5	6.8	8.2	6.8	7	6.8	11.9	12.5	11.8	11.3	11.9	13.3
LDC	3.3	4.3	3.2	4.5	3.3	4.1	7.7	8.7	7.2	8.5	8.1	8.8
ASEAN	3.8	4.9	4.1	5.3	3.5	4.5	9.5	13.9	10	14.7	9.2	13.2
ECO	7.6	8.6	10.9	11.1	6.6	7.7	14	15	17.4	18.4	12.9	13.8
SAARC	4.1	3.8	4.4	4.8	3.9	3.5	9	9.7	9.1	10.6	8.9	9.3
Central Asia	11	9.5	11.7	9.8	10.3	9.2	18.8	17.6	19.9	18.3	18	17
Low income econ.	3.4	4.6	3.4	4.7	3.5	4.4	7.9	9.2	7.4	9	8.3	9.3
Lower middle income econ.	4.4	4.5	5	5.7	4.2	4	10	11.8	10.9	14	9.6	10.9
Upper middle income econ.	5.1	4.8	4.4	4.1	5.6	5.3	9.6	10.2	8	8.5	11.1	11.6
High income econ.	3.5	4.7	3.4	4.3	3.5	5	7.6	10.1	7.2	9.2	8	11.1
<b>Africa</b>	<b>8.8</b>	<b>7.7</b>	<b>9.8</b>	<b>8.9</b>	<b>8</b>	<b>6.9</b>	<b>15.1</b>	<b>12.9</b>	<b>16</b>	<b>14.2</b>	<b>14.3</b>	<b>11.9</b>
<b>Europe</b>	<b>10.3</b>	<b>9.7</b>	<b>11.4</b>	<b>9.6</b>	<b>9.4</b>	<b>9.7</b>	<b>20.8</b>	<b>20.9</b>	<b>21.9</b>	<b>20.2</b>	<b>19.8</b>	<b>21.4</b>
<b>Latin America and Carib.</b>	<b>8.2</b>	<b>6.7</b>	<b>10</b>	<b>8.2</b>	<b>7.1</b>	<b>5.7</b>	<b>14.4</b>	<b>14</b>	<b>17.8</b>	<b>17.4</b>	<b>12.3</b>	<b>11.8</b>
<b>North America</b>	<b>6.1</b>	<b>9.5</b>	<b>6</b>	<b>8.5</b>	<b>6.1</b>	<b>10.4</b>	<b>12.6</b>	<b>18.2</b>	<b>12</b>	<b>15.6</b>	<b>13.1</b>	<b>20.6</b>
<b>World</b>	<b>6</b>	<b>6</b>	<b>6.4</b>	<b>6.3</b>	<b>5.8</b>	<b>5.8</b>	<b>11.7</b>	<b>12.5</b>	<b>11.6</b>	<b>12.7</b>	<b>11.7</b>	<b>12.3</b>

Source: ESCAP (2013)

**Table A3. Employment shares by sector and sex, world and regions (per cent)**

Both sexes	Agriculture				Industry				Services			
	2000	2007	2012	2013*	2000	2007	2012	2013*	2000	2007	2012	2013*
<b>Males</b>	<b>Agriculture</b>				<b>Industry</b>				<b>Services</b>			
	2000	2007	2012	2013*	2000	2007	2012	2013*	2000	2007	2012	2013*
World	38.3	33.5	30.8	31.0	24.0	26.1	26.9	26.7	37.7	40.4	42.3	42.3
Developed Economies and European Union	6.1	4.5	4.3	4.4	36.4	34.8	32.0	31.9	57.6	60.7	63.6	63.7
East Asia	41.6	34.6	28.6	29.8	26.5	30.2	33.8	32.1	31.8	35.2	37.6	38.1
South-East Asia and the Pacific	48.7	43.4	38.4	40.8	18.4	21.0	22.5	21.4	33.0	35.6	39.1	37.8
South Asia	53.3	46.0	42.2	40.9	17.4	21.7	24.1	24.8	29.3	32.3	33.7	34.3
Middle East	20.8	16.2	12.8	12.7	26.0	28.4	30.1	30.4	53.2	55.4	57.1	56.8
<b>Females</b>	<b>Agriculture</b>				<b>Industry</b>				<b>Services</b>			
	2000	2007	2012	2013*	2000	2007	2012	2013*	2000	2007	2012	2013*
World	43.7	38.0	33.7	33.2	15.2	16.2	17.2	17.4	41.1	45.7	49.2	49.4
Developed Economies and European Union	4.7	3.2	2.8	2.7	15.5	12.9	11.1	11.2	79.7	83.9	86.1	86.1
East Asia	54.5	43.8	34.0	32.9	20.1	23.9	27.3	27.7	25.4	32.3	38.7	39.3
South-East Asia and the Pacific	51.3	44.7	40.2	39.7	13.6	14.9	16.1	16.2	35.1	40.4	43.7	44.1
South Asia	75.2	70.1	66.4	64.8	11.0	14.2	16.7	17.5	13.8	15.7	17.0	17.7
Middle East	35.3	30.8	26.0	25.9	11.7	15.1	11.8	11.5	53.0	54.1	62.2	62.6

Note: \* 2013 are preliminary estimates.

Source: ILO (2014)

**Table A4. Vulnerable employment shares by sex, world and regions (per cent)**

Both sexes	2000	2005	2006	2007	2008	2009	2010	2011	2012	2013*	2018*
World	52.4	51.3	50.7	50.2	49.1	49.0	49.1	48.5	48.0	47.8	46.8
Developed Economies and European Union	11.3	10.9	10.6	10.4	10.2	10.1	10.3	10.1	10.1	10.0	9.5

East Asia	57.5	54.1	53.6	52.6	50.3	48.8	48.6	47.6	46.5	45.8	42.6
South-East Asia and the Pacific	65.6	61.9	61.6	61.3	61.4	60.6	60.7	60.2	59.7	59.0	56.6
South Asia	80.9	80.7	80.2	79.8	78.5	78.6	78.5	77.3	76.4	76.1	74.5
Middle East	32.2	30.1	29.0	28.5	26.8	26.7	25.8	25.4	25.4	25.2	24.7
<b>Males</b>	<b>2000</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013*</b>	<b>2018*</b>
World	50.5	49.6	49.3	48.8	47.8	48.0	48.1	47.5	47.1	46.9	45.9
Developed Economies and European Union	11.9	12.0	11.7	11.6	11.4	11.4	11.7	11.3	11.4	11.3	10.9
East Asia	52.2	49.1	48.5	47.8	45.8	44.8	44.6	43.7	42.9	42.3	39.7
South-East Asia and the Pacific	61.9	58.5	58.3	57.6	58.2	57.4	57.5	57.1	56.6	56.0	53.8
South Asia	77.9	77.9	78.1	77.7	76.5	76.7	76.6	75.5	74.7	74.4	72.8
Middle East	30.3	27.7	26.8	26.4	25.1	25.1	24.4	24.1	23.9	23.7	23.1
<b>Females</b>	<b>2000</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013*</b>	<b>2018*</b>
World	55.3	53.8	52.9	52.4	51.0	50.6	50.5	49.9	49.3	49.1	48.2
Developed Economies and European Union	10.5	9.5	9.2	9.0	8.8	8.6	8.7	8.5	8.5	8.3	7.9
East Asia	64.0	60.4	59.8	58.7	55.8	53.9	53.7	52.5	51.2	50.3	46.4
South-East Asia and the Pacific	70.7	66.6	66.2	66.3	65.7	64.8	65.0	64.4	63.9	63.1	60.4
South Asia	88.7	87.4	85.3	85.1	83.6	83.8	83.8	82.4	81.1	80.9	79.2
Middle East	43.3	41.8	40.2	39.2	35.7	35.0	33.7	32.9	33.3	33.2	32.7

Note: \* 2013–18 are projections.

Source: ILO (2014)

**Table A5. Working Poor**

	Total % of total employment		Female % of employed females/males	Male % of employed females/males	Total % of total employment		Female % of employed females/males	Male % of employed females/males
	Earliest	Latest	Latest	Latest	Earliest	Latest	Latest	Latest
<b>East and North-East Asia</b>	<b>55.2</b>				<b>76.7</b>	<b>12.8</b>		
China	(91)	5.3 (12)			(91)	(12)		
DPR Korea		30.7 (05)				60.8 (05)		
Mongolia	14.3 (95)	11.3 (02)	11.4 (02)	11.1 (02)	36.7 (95)	32.0 (02)	31.7 (02)	32.4 (02)
Republic of Korea								
South-East Asia	46.8 (91)	11.5 (12)			70.9 (91)	32.3 (12)		
Brunei Darussalam								
Cambodia	50.5 (94)	25.1 (07)	37.2 (04)	36.8 (04)	82.9 (94)	53.1 (07)	66.2 (04)	65.7 (04)
Indonesia	52.6 (93)	19.8 (05)	28.5 (02)	26.7 (02)	83.8 (93)	52.0 (05)	65.5 (02)	65.0 (02)
Lao PDR	57.1 (92)	31.5 (08)			89.1 (92)	64.0 (08)		
Malaysia	1.4 (92)	0.0 (09)			10.0 (92)	1.9 (09)		
Myanmar		31.1 (05)				60.8 (05)		
Philippines	26.8 (91)	19.0 (06)	15.8 (03)	20.5 (03)	51.7 (91)	40.9 (06)	34.2 (03)	43.7 (03)
Thailand	4.4 (92)	0.0 (04)	0.5 (02)	0.6 (02)	23.2 (92)	10.1 (04)	12.9 (02)	13.8 (02)
Timor-Leste		32.6 (07)	44.6 (01)	48.1 (01)		68.2 (07)	70.7 (01)	74.3 (01)
Viet Nam	66.7 (93)	12.0 (08)	20.8 (06)	19.6 (06)	91.7 (93)	37.3 (08)	48.7 (06)	46.7 (06)

<b>South and South-West Asia</b>	<b>49.0 (91)</b>	<b>22.7 (12)</b>			<b>78.1 (91)</b>	<b>57.2 (12)</b>		
Afghanistan		38.0 (05)				73.6 (05)		
Bangladesh	55.9 (92)	50.1 (05)	49.2 (05)	50.2 (05)	89.8 (92)	80.1 (05)	75.9 (05)	80.6 (05)
Bhutan		26.9 (03)	28.7 (03)	25.1 (03)		50.8 (03)	54.0 (03)	47.7 (03)
India	49.1 (94)	39.2 (05)	43.9 (05)	37.5 (05)	83.9 (94)	74.5 (05)	78.3 (05)	73.1 (05)
Iran (Islamic Rep. of)	0.9 (94)	0.9 (05)			5.7 (94)	6.2 (05)		
Maldives	26.1 (98)	1.3 (04)			37.5 (98)	11.2 (04)		
Nepal	63.9 (96)	50.4 (03)	50.2 (03)	50.6 (03)	85.7 (96)	74.1 (03)	74.0 (03)	74.2 (03)
Pakistan	57.4 (91)	19.2 (06)	22.0 (05)	18.7 (05)	83.6 (91)	57.0 (06)	62.0 (05)	55.3 (05)
Sri Lanka	13.2 (91)	5.8 (07)	11.1 (02)	11.9 (02)	46.5 (91)	26.0 (07)	35.3 (02)	36.6 (02)
Turkey	1.2 (94)	1.4 (05)	0.9 (02)	1.1 (02)	7.2 (94)	6.4 (05)	7.0 (02)	6.8 (02)
North and Central Asia	3.6 (91)	2.7 (12)			9.3 (91)	6.6 (12)		
Armenia	9.7 (96)	0.7 (08)	4.2 (04)	3.6 (04)	29.9 (96)	9.0 (08)	23.7 (04)	24.2 (04)
Azerbaijan	12.5 (95)	0.7 (08)			34.0 (95)	6.1 (08)		
Georgia		10.7 (08)				26.8 (08)		
Kazakhstan	2.7 (93)	0.0 (07)	1.8 (03)	2.0 (03)	13.2 (93)	1.1 (07)	11.9 (03)	13.5 (03)
Kyrgyzstan	14.8 (93)	1.5 (07)			26.5 (93)	25.5 (07)		
Russian Federation	1.0 (93)	0.0 (08)			6.5 (93)	0.0 (08)		
Tajikistan	39.6 (99)	19.5 (04)	32.4 (03)	33.4 (03)	74.8 (99)	48.3 (04)	64.7 (03)	66.2 (03)
Turkmenistan	47.9 (93)				71.5 (93)			
Uzbekistan		35.3 (03)				66.5 (03)		
<b>Pacific</b>	<b>7.8 (91)</b>	<b>5.5 (12)</b>			<b>12.3 (91)</b>	<b>10.3 (12)</b>		
Fiji		18.5 (05)				49.7 (05)		
Papua New Guinea	34.0 (96)				56.3 (96)			
Solomon Islands		21.5 (05)				44.2 (05)		
Asia and the Pacific	48.6 (91)	12.1 (12)			71.6 (91)	30.7 (12)		
Developing countries	51.1 (91)	12.6 (12)			75.3 (91)	32.0 (12)		
LLDC	33.2 (91)	16.7 (12)			51.8 (91)	37.9 (12)		
LDC	71.0 (91)	29.9 (12)			93.3 (91)	63.7 (12)		
ASEAN	46.8 (91)	11.5 (12)			70.9 (91)	32.3 (12)		
ECO	25.3 (91)	10.6 (12)			41.4 (91)	31.9 (12)		
SAARC	52.5 (91)	24.4 (12)			83.3 (91)	61.3 (12)		
Central Asia	12.4 (91)	8.3 (12)			26.1 (91)	20.5 (12)		
Low income econ.	67.2 (91)	28.2 (12)			89.4 (91)	60.4 (12)		
Lower middle income econ.	50.4 (91)	20.0 (12)			80.7 (91)	53.3 (12)		
Upper middle income	51.2	4.6 (12)			72.3	11.5		

econ.	(91)		(91)	(12)
High income econ.			0.3 (91)	0.0 (12)
<b>Africa</b>	<b>47.8</b>	<b>34.4</b>	<b>66.6</b>	<b>56.5</b>
	<b>(91)</b>	<b>(12)</b>	<b>(91)</b>	<b>(12)</b>
<b>Europe</b>	<b>0.1 (91)</b>	<b>0.0 (12)</b>	<b>0.3 (91)</b>	<b>0.1 (12)</b>
<b>Latin America and</b>			<b>16.5</b>	
<b>Carib.</b>	<b>8.2 (91)</b>	<b>3.5 (12)</b>	<b>(91)</b>	<b>7.4 (12)</b>
	<b>36.9</b>	<b>12.3</b>	<b>54.4</b>	<b>27.3</b>
<b>World</b>	<b>(91)</b>	<b>(12)</b>	<b>(91)</b>	<b>(12)</b>

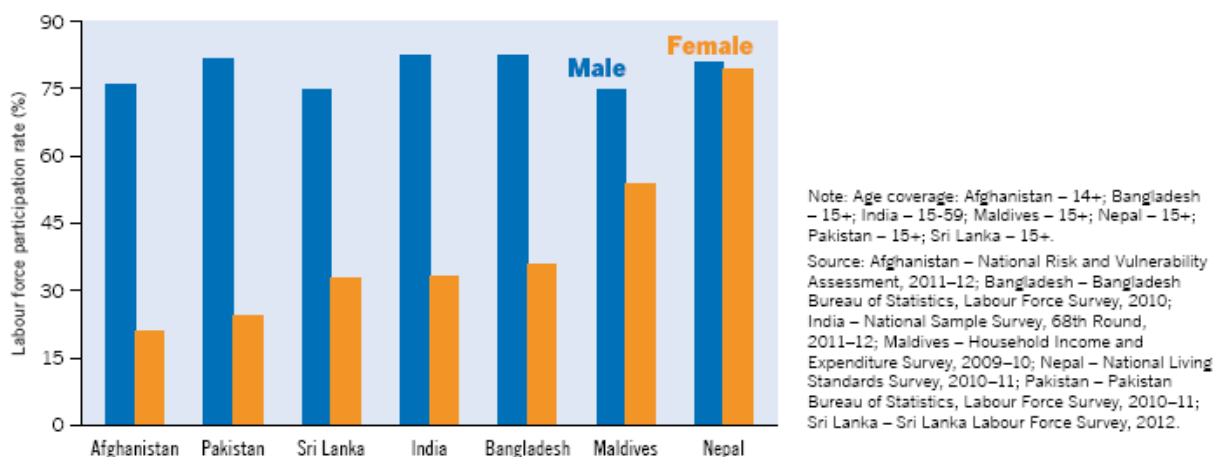
Source: ESCAP (2013)

**Table A6. Global and regional youth employment-to-population ratios, 2008–18 (%)**

Region	2008	2009	2010	2011	2012p*	2013p	2014p	2015p	2016p	2017p	2018p
WORLD	44.2	43.1	42.7	42.7	42.5	42.3	42.1	41.9	41.7	41.6	41.4
Male	51.1	49.9	49.4	49.4	49.2	49	48.8	48.7	48.6	48.4	48.2
Female	36.9	36	35.6	35.5	35.3	35.1	34.8	34.6	34.5	34.3	34.2
East Asia	55.3	55	55	54.7	54.2	53.5	52.8	52.4	52	51.8	51.7
Male	53.2	53	52.9	52.7	52.2	51.6	51.1	50.7	50.4	50.2	50.1
Female	57.6	57.2	57.3	57	56.4	55.6	54.9	54.4	53.9	53.7	53.5
South-East Asia and the Pacific	45.4	45.2	45.2	45.5	45.4	45.2	45	44.8	44.5	44.1	43.7
Male	51.7	51.3	51.7	51.9	51.8	51.6	51.3	51	50.7	50.3	49.8
Female	38.9	38.8	38.6	38.9	38.8	38.7	38.5	38.3	38	37.7	37.3
South Asia	40.3	38.7	37.3	37.4	37.2	37	36.8	36.7	36.5	36.3	36.1
Male	55.9	54.1	52.4	52.4	52.2	51.9	51.6	51.3	51.1	50.8	50.6
Female	23.5	22.1	21	21.1	21	20.9	20.9	20.8	20.7	20.6	20.5

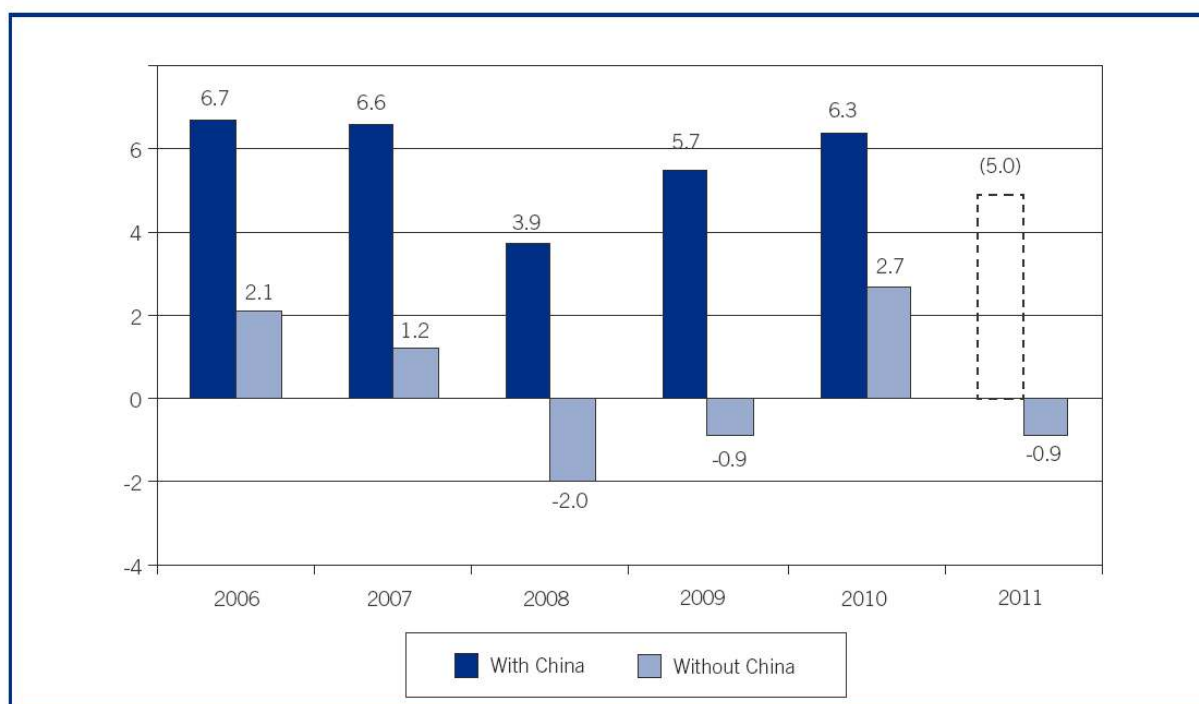
Source: ILO 2013

**Fig A-1. Gender Disparities in Labour force Participation Rates(%) in South Asia (2009-12)**



Source: ILO (2014)

Fig A-2. Annual average real wage growth in Asia 2006-11



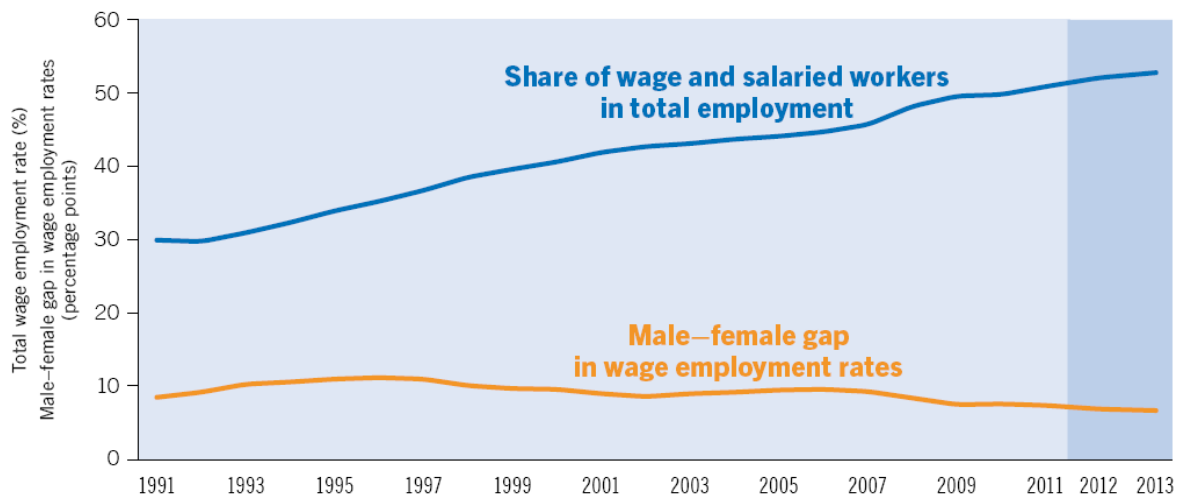
() Growth rates published but likely to change (based on coverage of less than 40%).

Note: For coverage and methodology, see Appendix I.

Source: ILO Global Wage Database.

Source: ILO (2013a)

Fig A-. Share of wage and salaried workers in total employment (%) and male-female wage gap in wage employment rates (percentage points), East Asia: 1991-2013.

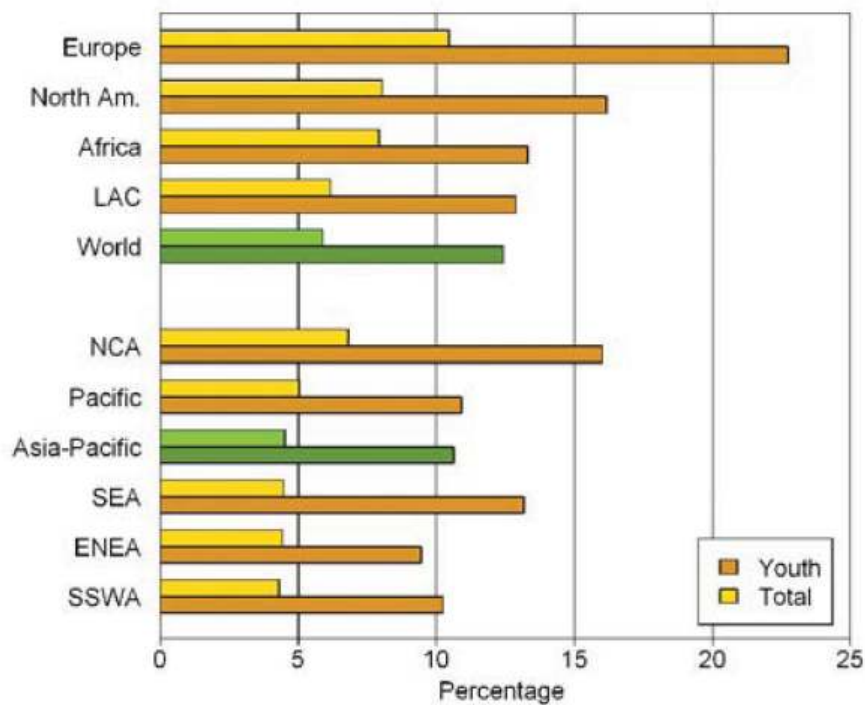


Note: \* 2013 are preliminary estimates.

Source: ILO, *Trends Econometric Models*, October 2013. IMF, *World Economic Outlook Database*, April 2013.

Source: ILO (2014)

Fig 12. Total and youth unemployment rates, (%)



Source: ESCAP (2013)