



# An Upskill struggle

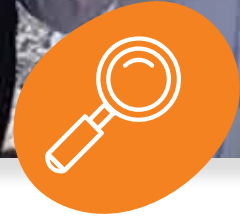
Supporting a generation  
of untapped potential



Prince's Trust







Enterprise Challenge, Ghana

## Supporting a generation of untapped potential

We surveyed 10,000 young people and conducted 17 focus groups across 12 of the countries where The Prince's Trust operates to understand the attitudes of 18-35 year olds towards the future of work in the context of the recovery from Covid-19.

The pandemic has taken its toll, but these young people told us about their career aspirations, what they need to succeed in the world of work, and how they are motivated to find jobs in the digital economy, green economy, caring economy or as entrepreneurs.

They explained that they need more support in the transition from education to employment which has become an 'upskill struggle'. They called on education providers and employers to play their part and help young people fulfil their true potential.

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**Our mission is more relevant now than ever before.**

The global coronavirus pandemic has had profound implications on the life chances of a **whole generation of young people** and affected the most disadvantaged communities the most.

## The Prince's Trust Group: About us

The Prince's Trust Group is helping young people to thrive in these extraordinary times.

Thanks to the commitment of our colleagues, volunteers and supporters, we have supported thousands of young people through the global pandemic and into education, employment and enterprise.

The Prince's Trust Group is a global network of charities founded by His Royal Highness The Prince of Wales. Our mission is to transform lives and build sustainable communities worldwide.

The Prince's Trust Group includes the work of The Prince's Trust in the United Kingdom alongside Prince's Trust International, Prince's Trust Australia, Prince's Trust Aotearoa New Zealand, Prince's Trust Canada and Prince's Trust USA.

Together, we have supported over one million young people to change their lives for the better – Over the past year 83,000 young people engaged with our support for the first time.

Our programmes are delivered either directly by The Prince's Trust or through our highly valued delivery partners. Together, we give young people a lifeline into education, employment and enterprise.

We are responding to the global challenge of youth unemployment – exacerbated by the global coronavirus pandemic – by enabling young people to develop their employability skills, to access the jobs of the future and to set up their own businesses.

We now support young people across 21 countries: **Australia, Barbados, Canada, Egypt, Ghana, Greece, India, Jamaica, Jordan, Kenya, Malaysia, Malta, New Zealand, Nigeria, Pakistan, Rwanda, St Lucia, Tanzania, Trinidad & Tobago, Uganda, the United Kingdom** - and we continue to build our presence in **the USA**.

Our mission is more relevant now than ever before. The global coronavirus pandemic has had profound implications on the life chances of a whole generation of young people and affected the most disadvantaged communities the most.

**We are determined to continue supporting young people through these extraordinary times, so they can make the most of the future world of work.**

## Executive Summary: Supporting a generation of untapped potential

The Prince's Trust Group was founded with the vision that every young person should have the chance to succeed.

During 2021/22, together with our partners, 60,000 young people engaged with our support for the first time in 21 countries across the Commonwealth and beyond<sup>1</sup>.

This report is the second in our series on the future of work for young people and, like its predecessor, Generation 'Stand Up, Start Up', published in 2021, it is supported by HSBC, the Global Founding Corporate Partner of The Prince's Trust Group.

Our aim in undertaking this research and publishing our findings is to ensure that the **voices of young people**:

1

inform the work we do with young people and the programmes we support.

2

are heard by policymakers, education establishments, employers and charities who support young people.



This report highlights the needs of young people and the actions governments and civil society can take to help them achieve their ambitions and thrive despite the disruption caused by the Covid-19 pandemic.

### The world has become an increasingly uncertain place for young people

Unemployment has been significantly more prevalent among younger people than among older workers for more than a decade.

Young people have also suffered disproportionately as a result of the Covid-19 pandemic, seeing their education disrupted, job opportunities diminished and social support networks reduced. Now the war in Ukraine and higher global energy and food prices threaten to derail any economic recovery in 2022, adding to the uncertainties young people face.

### Young people are generally positive about the future, but need more support

For this report, we commissioned surveys of young people in ten countries and organised focus groups in nine. In total, we engaged young people in the following 12 countries: Australia, Barbados, Canada, Ghana, India, Jordan, New Zealand, Nigeria, Pakistan, Rwanda, UK and USA. As we did in 2021, we sought out their views on the effects of the Covid-19 pandemic, their education, their employment and their hopes for the future, so that we could see if there had been any significant changes in their outlook.

Despite the uncertainties facing them, most young people expect to do better than previous generations and are relatively optimistic about the future, suggesting there may be a disconnect between their views and the economic problems they are likely to face over the next few years. But although they are optimistic, young people do think policymakers, education establishments and employers could all do more to equip them with the skills and knowledge they need to succeed in the labour market and to realise their ambitions.

### Opportunities are being created, but many young people lack the skills to take advantage of them

As the global economy evolves, new job opportunities are being created, in particular by the greening of the economy, by digitisation, and by the ageing of populations creating more demand for health and social care. However, many young people say they find it hard to take advantage of these opportunities because there is a mismatch between the skills they are acquiring and the skills needed in the workplace.

A particular problem everywhere is the disconnect between the need for employability skills that are acquired on the job and young people's lack of work experience, while outside higher-income countries a lack of digital skills is also widespread.





## Four areas stand out where more could be done

### 1. Make education more relevant to the modern workplace

Young people told us education systems could do more to make them attractive to employers. The skills that are needed in the economy should be identified and education, in particular vocational training, should be reformed to deliver those skills. In addition, employers should be more involved in education, helping to design qualifications and curricula and going into the classroom to inform young people about work.

### 2. Take a chance on young people in the workplace

Young people told us employers should be more prepared to find out what they can offer, in particular in expanding areas like green and digital jobs. They need more opportunities to acquire work experience and access truly entry-level jobs.

### 3. Improve career guidance so young people know more about the labour market

Young people told us they could prepare better for work if they knew more about the opportunities that are available. Effective career guidance can help students make informed choices about their education pathways and their prospective careers.

### 4. Offer more support to young people who want to work for themselves

Young people told us they were interested in working for themselves. If they are to fulfil their ambitions, young people opting for this route need specialised training and advice in how to run a business and be a successful entrepreneur.

## At The Prince's Trust Group, we will continue to support young people around the world to build key skills that will allow them to succeed in the world of work.

- 1. Education:** We will continue to work with education providers to promote life skills development that will prepare young people for their future careers.
- 2. Employment:** We will seek partnerships with those willing to invest in skilling the next generation and providing more opportunity for young people in the workplace.
- 3. Enterprise:** We will support the next generation of entrepreneurs with specialist training and targeted investment.

Together, we can help young people make a better start in the world of work, so that they can fulfil their own ambitions and maximise their productivity in the future economy. With the world facing a difficult year ahead due to the continuing impacts of Covid-19 and the new worry of higher energy and food prices, The Prince's Trust Group will be working with employers and like-minded charities to enhance our support for young people and ensure their voices are heard.

**If you share our vision, join our commitments and partner with us now.**

**Visit [princestrustglobal.org/upskill-struggle](https://princestrustglobal.org/upskill-struggle) to find out more.**



# Key statistics

## RESEARCH METHODS

We sought the views of young people around the world,

### 10,187 young people

(aged 18 to 34 years old) were surveyed across Australia, Canada, Ghana, India, New Zealand, Nigeria, Pakistan, Rwanda, the United Kingdom and the United States.



### 17 focus groups

with young people (aged 16 to 32 years old) were held across Australia, Barbados, Canada, India, Jordan, New Zealand, Nigeria, Rwanda and the United Kingdom.

## THE FUTURE OF WORK



**73 per cent** were interested in green jobs (compared to 74 per cent in 2021).



**68 per cent** were interested in digital jobs (compared to 71 per cent in 2021).



**61 per cent** were interested in jobs in health and social care.



**75 per cent** said they would be interested in starting their own business or company.

**“A lot of young people feel demoralised by the lack of action decision-makers and leaders have been taking on climate change. So it does seem like a really interesting area to get into to try to make some tangible impact.”**

**Focus group participant, Australia**

## OF THOSE SURVEYED:



**60 per cent** were in employment.



**22 per cent** were in full-time education or training.



**13 per cent** were in not in employment, education or training.

## IMPACT OF COVID-19

**43 per cent** said the pandemic had negatively affected their current work, education or training (compared to **47 per cent** in 2021).

**36 per cent** said the pandemic had negatively affected their career aspirations (compared to **37 per cent** in 2021).

**48 per cent** said the pandemic had negatively affected their mental health (compared to **47 per cent** in 2021).

## SKILLS DEVELOPMENT

**32 per cent** of young people said their education system does not provide them with the skills they need for working life.

The top demand young people had of governments was to ensure schools teach skills that are relevant to the world of work.

The top demand young people had of employers was to create more entry-level jobs that do not require work experience.

**“Educational institutes should teach skills that are relevant in the place of work.”**

**Participant, Nigeria**



**“Looking for a job, I found that most entry-level jobs, they need one, two, three years’ experience.”**

**Focus group participant, Canada**





## Our partners

### HSBC



This report, like its predecessor in 2021, is supported by HSBC.

As our Global Founding Corporate Partner, HSBC is enabling The Prince's Trust Group to support 14,000 young people in Australia, Canada, India, Malaysia, Malta and the United Kingdom over the three years to March 2023.

By supporting charity partners around the world, HSBC aims to connect people to opportunities and help to build a more inclusive society. Together, we are determined to help more young people gain the skills, resilience and experience they need for the future.

### YouGov

On behalf of The Prince's Trust Group, YouGov conducted a ten-country survey of young people, asking them about their education, their work and their ambitions in life.

This survey was conducted using an online interview administered to members of the YouGov panel of individuals who have agreed to take part in surveys. Panellists were selected at random and invited to take part in the survey through a generic survey link.

YouGov collected responses from 10,187 individuals aged between 18 and 34 years old in ten countries: Australia (1,002), Canada (1,008), Ghana (1,004), India (1,040), New Zealand (1,040), Nigeria (1,019), Pakistan (1,007), Rwanda (1,000), the United Kingdom (1,064) and the United States (1,003). Fieldwork was undertaken between 11 February and 8 March 2022. YouGov produced the data to allow analysis from an individual country and combined perspective. Figures have been weighted and are representative of all adults (aged 18 and over).

YouGov conducted a similar survey on behalf of The Prince's Trust Group in 2021, covering six of these ten countries: Canada, Ghana, India, Pakistan, the United Kingdom and the United States. Where comparisons are made in this report between 2021 and 2022, they refer to young people in this smaller group of countries.



## Gulfsha: 'Get Into' participant, India

Gulfsha enrolled in the HSBC-funded Prince's Trust International and Magic Bus India Foundation Get Into programme in September 2021. She lives in Delhi with her family.

Gulfsha's father has a rented scrap shop earning just INR 5,000 per month. This is hardly enough to meet the family's basic needs. During lockdown, the family used up all their savings.

Gulfsha secured a job through the Get Into programme in January 2022 and currently works at Advance Estimating as an Estimator with a monthly salary of INR 22,500, which is four times the family's previous monthly income. Securing this job and fulfilling her aspirations has been challenging for her. She belongs to a Muslim minority community, where young girls and women often face gender-based discrimination. Many of them are not allowed to pursue higher education or enter into formal employment.

Despite being good at her studies, Gulfsha was initially forced to discontinue her education after class 12. But she persuaded her father to allow her to continue her studies at a co-educational college and she completed a Diploma in Architecture Assistantship with a scholarship in May 2020.

Gulfsha then joined the Magic Bus Get Into programme, enrolling in the digital sessions. She had never been part of any online sessions before, but she was motivated to learn and explore. Through the programme, she acquired life and employability skills and she learned how to write a CV and prepare for a job interview. After completing the programme, Gulfsha secured various job interviews and was offered the Estimator role at Advance Estimating.

**Gulfsha means "blooming flowers". True to her name, she is now a role model and an ambassador of change for young women in her community.**





Team, Malaysia

## Chapter 1: A challenging transition from education to employment

### Introduction

Every year, around the globe millions of young people leave full-time education and start to make their way in the world of work. In an ideal world, this transition would be a smooth one, with the vast majority of young people quickly finding meaningful and secure employment and thriving in the labour market.

The reality is very different, and it has been for some time. For far too many young people, their first experience of the labour market is challenging, even traumatic, involving a wait for their first employment that is too long, periods in insecure work and low pay. This has long-lasting effects on their adult lives.

This report sets out the hopes and fears of young people about the world of work after two years of the Covid-19 pandemic; highlights some of the opportunities that potentially await them, but also the barriers that could prevent them from taking advantage of these opportunities; and argues that governments, educators and employers could all do more to

make the transition from education to employment less challenging. It is our second report on the future of work for young people, following on from 2021's Generation 'Stand Up, Start Up'.<sup>2</sup>

This chapter catalogues the difficulties young people face when they leave education and make their first moves into the labour market, explains how these have been exacerbated by the Covid-19 pandemic, and looks at what experts think the future holds.

**Chapter 2** sets out the views of young people about the transition. It is based on the findings of surveys in ten countries and focus groups in nine, which asked young people who will soon leave education, or who have done so in recent years, about their aspirations for the future and the help that they will need to fulfil them.<sup>3</sup>

**Chapter 3** considers some of the employment opportunities that young people should be well-placed to exploit, including those created by the green transition and digitisation. But it shows there are considerable barriers preventing young people from reaching their potential in these areas.

**Chapter 4** concludes with a call for governments, educators and employers to do more to remove these barriers and improve the transition of young people from education to work. In particular, education needs to be made more relevant to the workplace; employers need to offer more opportunities to young people; careers guidance needs to be improved so young people know more about the labour market; and more support needs to be given to young people who want to work for themselves.



## A long-standing problem

Young people have had to contend with a difficult entry into the labour market for many years.

We are living through a period of rapid change that is affecting the world of work across the globe. Jobs move from one group of countries to another as middle- and low-income countries industrialise. The need to respond to climate change and other environmental pressures threatens jobs in carbon-intensive industries, while creating opportunities in green jobs. Developments in technology alter the way almost every industry operates. And in many African and Asian countries record numbers of young people are reaching adulthood every year.

These changes affect workers of all ages, but the biggest impact has been on young people during their early years in the labour market. They have found it harder to get secure, well-paid employment; been more likely to be employed part-time or on temporary contracts; and have suffered a higher rate of unemployment. The youth employment crisis is both long-standing and global in its nature.

**These changes affect workers of all ages, but the biggest impact has been on young people during their early years in the labour market.**

Furthermore, according to the International Labour Organization (ILO), shifts in the way labour markets work have made matters worse. Individuals are now expected to take more personal responsibility for their training and skills development and for job-seeking, and to be more flexible about the way they work. It argues that 'roles and responsibilities that were once the shared duty of the State, the private sector and education and labour market institutions are increasingly transferring to the youth'.<sup>4</sup>

Governments and other responsible bodies have failed to recognise how much changes in the labour market disproportionately affect young people. When the financial crisis of 2008 led to a deep global recession, youth unemployment rates soared far more than rates for older workers. But countries were slow to respond and the global youth unemployment rate remained stuck above 13 per cent throughout the 2010s.<sup>5</sup> As a result, many young people spent long periods of time without work or working in a series of short-lived jobs, which – as numerous studies have shown – is likely to have had a long-lasting negative effect on their incomes.



The Prince's Trust, United Kingdom

## The Covid-19 pandemic is making the problem worse

For more than two years, many young people have had their education disrupted and have faced restricted opportunities in the labour market as a result of the pandemic and governments' responses to it.

In our 2021 report on the future of work, we presented preliminary estimates of the negative impact of Covid-19 on young people. Since then, further analysis has shown the pandemic is having a massive effect. UNESCO believes the pandemic has created 'the worst education crisis on record' with, at its peak, more than 1.6 billion learners affected by school closures.<sup>6</sup> It estimates that pandemic-related school closures alone could result in losses in lifetime earnings of US\$17 trillion (around 14 per cent of present-day global GDP) for the current cohort of children in education.<sup>7</sup> Disruption to further education and other forms of skills training will also have had an impact.

These losses are not evenly distributed, and those most likely to lose out are those that can least afford to do so. Higher-income countries have been able to put in place solutions, such as remote learning, to reduce the disruption; options that other countries are less well-placed to adopt. And older children have had more access to continuing education than younger ones. As a result, 7 in 10 children aged 10 in middle- and low-income countries could find themselves in 'learning poverty' (being unable to read and understand a simple text), up from 5 in 10 children before the pandemic.<sup>8</sup>

**UNESCO believes the pandemic has created 'the worst education crisis on record' with, at its peak, more than 1.6 billion learners affected by school closures.**

The effects of the pandemic on the labour market have also hit young people relatively hard. If they were in work when the pandemic started, they were more likely than their older counterparts to be working in parts of the economy that were most impacted by Covid-19: areas like hospitality, tourism and physical retailing. They were also more likely to be working in temporary jobs, which employers found the easiest to shed when their revenues were hit. And their lack of experience meant that, when employers looked to make cost savings, they were less important to retain than older workers who had developed key skills that businesses expected to need in the future.

There have been particular problems for the large numbers of young people who have left education since the pandemic began. They have taken their first steps into a labour market in which there have been fewer entry-level jobs than usual; opportunities like apprenticeships and internships have been harder to find; and they have had to compete with people just a few years older than themselves who have some, albeit limited, work experience.

This has left many young people uncertain about their future prospects, while having to cope with changes in Covid-19 regulations, such as lockdowns being imposed, relaxed and then imposed again. All of which has placed a significant strain on their mental wellbeing.

## The immediate outlook offers little hope of improved transitions

**The latest data show we are still in the midst of a global youth unemployment crisis, while the effects of the pandemic linger in many parts of the world and soaring energy prices threaten to tip the global economy into recession.**

Where we have data for the first few months of 2022 (mainly covering high-income countries), they show youth unemployment rates are down compared to a year earlier, largely due to economies reopening as people learn to live with Covid-19. Even so, the ILO estimates the unemployment rate for young people aged 15 to 24 across the whole world will be 14.9 per cent



in 2022, more than three times the rate for adults aged 25 and over (4.4 per cent). In 2020, the latest year for which estimates are available, almost 1 in 4 (23.3 per cent) of young people were not in education, employment or training (NEET).<sup>9</sup>

The global youth employment crisis is not just about a lack of work and training, it is also about the levels of pay that young people receive. Alarming, 1 in 4 young people cannot find jobs that pay more than US\$1.25 a day – the international threshold for extreme poverty.<sup>10</sup> While this is largely due to labour market conditions, it is also the result of too many young people leaving education without a formal qualification.

Over the next year, things seem unlikely to get better. While some countries' economies are recovering from the impacts of the Covid-19 pandemic, large variations in vaccination rates mean that it is still having a severe effect across large parts of the globe. In many countries, young people's education and early experiences of work continue to be disrupted. Meanwhile, global energy prices have soared to an extent that in the past has led to a significant slowdown in worldwide economic activity, and often of a recession.

The prospects of a labour market recovery in the remainder of 2022 and in 2023, therefore, look to be dwindling fast, with the result likely to be disadvantaged groups, including young people, continuing to face a struggle to find good jobs.

## Conclusion

Young people face great uncertainties.

With a long-standing youth unemployment and low pay crisis having been exacerbated by the Covid-19 pandemic and the world now facing the risk of a substantial global economic slowdown, the ILO is surely right when it says 'almost everywhere, the realities of young women and men remain below their aspirations and their potential'.<sup>11</sup> In such circumstances, young people could be forgiven for being pessimistic about their futures in the world of work. But is this case, or do they retain a degree of optimism?

The next chapter explores young people's hopes and fears about their employment prospects through surveys and focus groups conducted around the world. It also asks them what more could be done to make the transition from education to work a less challenging one and to enable them to thrive in the labour market.



The latest data show we are still in the midst of a **global youth unemployment crisis**, and young people are continuing to **face a struggle** to find good jobs.





## Around the world, young people are at a disadvantage in the labour market

### Canada

In Canada, the youth unemployment rate was 9.8 per cent in March 2022, compared to 5.3 per cent for all adults (Statistics Canada, April 2022).

### United States

In the United States, the youth unemployment rate in March 2022 was 8.3 per cent, more than double the rate for all adults, which was 3.6 per cent (US Bureau of Labor Statistics, April 2022).

### Barbados

In Barbados, it is estimated that one in four young people aged 15 to 24 were not in employment, education or training in 2020 (International Labour Organisation, April 2022).

### Ghana

In Ghana, it is estimated that three in ten young people aged 15 to 24 were not in employment, education or training in 2020 (International Labour Organisation, April 2022).

### United Kingdom

In the United Kingdom, the youth unemployment rate was 11.3 per cent in the three months from December 2021 to February 2022, compared to a rate of 3.8 per cent for all those aged 16 and over (Office for National Statistics, April 2022).

### Jordan

In Jordan, 50.1 per cent of 16 to 19 year olds and 41.3 per cent of 20 to 24 year olds were unemployed in 2020 (International Labour Organisation, April 2022).

### Pakistan

In Pakistan, it is estimated that three in ten young people aged 15 to 24 were not in employment, education or training in 2020 (International Labour Organisation, April 2022).

### India

In India, 18.9 per cent of 16 to 19 year olds and 20.1 per cent of 20 to 24 year olds were unemployed in 2020 (International Labour Organisation, April 2022).

### Nigeria

In Nigeria, it is estimated that one in four young people aged 15 to 24 were not in employment, education or training in 2020 (International Labour Organisation, April 2022).

### Rwanda

In Rwanda, 14.3 per cent of 16 to 19 year olds and 19.0 per cent of 20 to 24 year olds were unemployed in 2020 (International Labour Organisation, April 2022).

### Australia

In Australia, the youth unemployment rate in March 2022 was 8.3 per cent, more than double the rate for all adults, which was 4.0 per cent (Australian Bureau of Statistics, April 2022).

### New Zealand

In New Zealand, the youth unemployment rate was 8.8 per cent in the fourth quarter of 2021, almost three times the overall rate of 3.2 per cent (Statistics New Zealand, April 2022).





Achieve, Jamaica



Enterprise Challenge, Jordan

## Chapter 2: Listening to the views of young people

### Introduction

In early 2022, The Prince's Trust Group conducted a series of focus groups and commissioned YouGov to undertake a number of surveys to discover the aspirations and concerns of young people who are about to enter the labour market, or who have done so in recent years. This built on a similar set of focus groups and surveys in early 2021 that fed into The Prince's Trust Group's first report on the future of work for young people.<sup>12</sup>

**No one knows better than young people themselves their hopes for the future as they enter the jobs market and their worries about how they will cope in the world of work.**

That's why we sought out the views of young people across a range of countries. We wanted to know what opportunities they saw in the labour market, how well prepared they felt they were to take advantage of those opportunities and what, if anything, was holding them back.

The feedback from young people featured in this report also informs the development of The Prince's Trust Group's programme around the world, ensuring young people's needs are always front and centre in our work. The research for our 2021 report discovered that three in four young people were interested in working in the green economy, while only 3 per cent currently

did so. Young people were confused about where to find opportunities and how to acquire the right skills. We responded by developing our first employability programme focused on green jobs, which was launched in Ghana and Nigeria and has already supported young people into work in solar, agribusiness, recycling and green catering; while in Canada over 30 sustainability programmes helped young people explore green careers in a variety of sectors, including energy and urban greening.

For this report, first, YouGov surveyed over 1,000 young people aged 18 to 34 in each of Australia, Canada, Ghana, India, New Zealand, Nigeria, Pakistan, Rwanda, the United Kingdom and the United States - a total of 10,187. This was four more countries than in the 2021 survey. When comparisons are made in this chapter between survey results for 2021 and for 2022, we are referring only to the six countries covered in both years: Canada, Ghana, India, Pakistan, the United Kingdom and the United States. The key findings from this year's surveys are presented here. A full set of data tables containing all the results are available online.

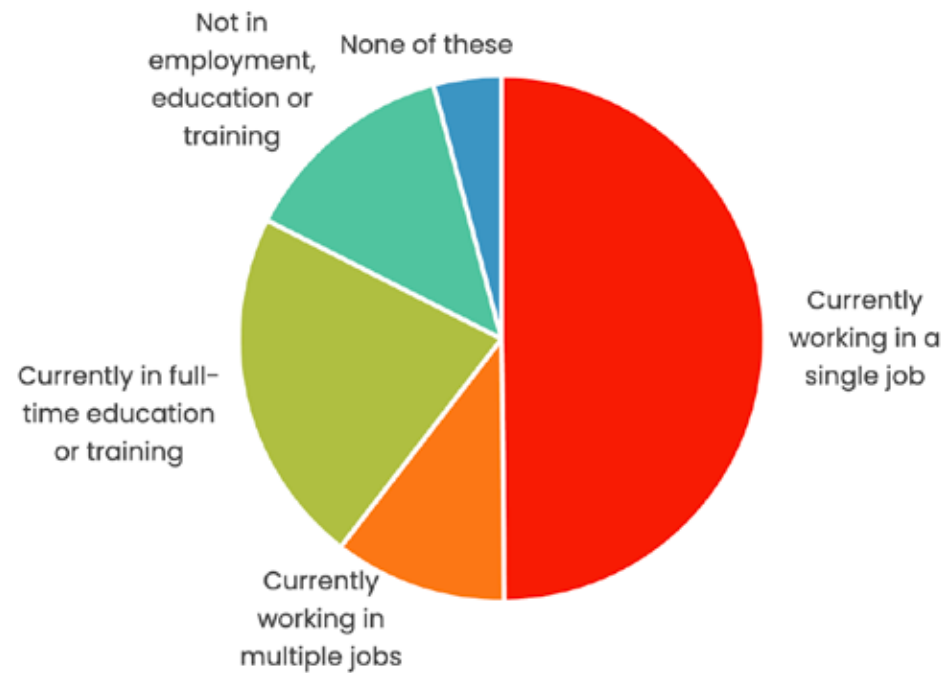
Second, The Prince's Trust Group conducted focus groups with young people aged 16 to 32 years old in nine countries: Australia, Barbados, Canada, India, Jordan, New Zealand, Nigeria, Rwanda and the United Kingdom - 17 focus groups in total. Participants in the groups were a mix of young men and women; some were still in education, some in work and some seeking work; they had a range of educational qualifications and came from varying backgrounds. These focus groups were used to explore in more depth the key findings from the surveys and to discover what is most on the minds of young people when they think about their education and their future in work. When we have included quotes from participants in these groups, we have identified the country of the participant. Some quotes have been condensed, but their meanings have been preserved.



## The young people

When they took part in the surveys, half of the respondents were working in a single job, with a further 11 per cent having multiple jobs. 22 per cent were in full-time education and training, while 13 per cent were not in employment, education or training (NEET). This was a very similar mix to the respondents in 2021.

**Chart 1: Work status of the young people who took part in our quantitative survey (Source: YouGov, 2022)**



Working includes being employed or self-employed. Feedback from 10,187 surveyed 18 to 34 year olds. Source: YouGov global survey.

Just over one in six (18 per cent) of the young people in work said they had more than one job. This was a common feature across all the countries surveyed. Two-fifths of those working in multiple jobs do so to cover the basic needs of themselves and their families.

Informal, and therefore less secure, work is far more prevalent among young people than older workers. In our survey, 28 per cent of young people who were in work had a job without a formal contract, though this was far more likely to be the case in the five African and Asian countries, where the proportions ranged from 37 to 47 per cent. It was also more likely to be the case for those with lower levels of qualification. In most countries covered by the survey in both 2021 and in 2022, the extent of informal work was little changed, though there was a notable decrease in the United States.

In 2022, young people aged 18 to 24 were more likely than those aged 25 to 34 to have a job without a formal contract (35 per cent compared to 24 per cent), as were young men compared to young women (31 per cent against 24 per cent). A high proportion of those aged 18 to 24 were also more likely to have a job with income that varies from week to week (40 per cent) and where there is no protection from being sacked at short notice (also 40 per cent).

Over half of those who said they had worked in the last two years (55 per cent) said they had had more than one job during this time. In some cases, this will have been by choice: perhaps because a job did not turn out as expected or a better opportunity came along. In other cases it will have been because the shortage of good, permanent jobs for young people forces too many of them to take temporary positions. A common theme in almost every focus group was the shortage of entry-level jobs suitable for young people.

Overall, though, two-thirds (67 per cent) of working young people said they were either very satisfied or fairly satisfied with their current job, one in five (19 per cent) were neither satisfied or dissatisfied and fewer than 1 in 7 (13 per cent) said they were either very dissatisfied or fairly dissatisfied. Focus group participants were similarly satisfied with their current jobs, though they stressed that they had not all had a smooth transition into the type of work that they liked.

## Impact of Covid-19

Young people told us how the pandemic has had negative effects on their education, their employment opportunities and their mental health. But they are beginning to see a 'new normal' take shape and to explore how they might adapt to it.

The last two years have been dominated by the Covid-19 pandemic and governments' attempts to manage it. This has disrupted the education of young people and reduced their employment opportunities. Participants in focus groups talked about the instability and uncertainty caused by the pandemic particularly for young people at what is already a stressful time in their lives when they leave education and start to find their way in the workplace. Many said that their mental health had deteriorated as a result of the problems they had had to face.

*"It was very much an unstable period of my life, with a lot of uncertainty."*

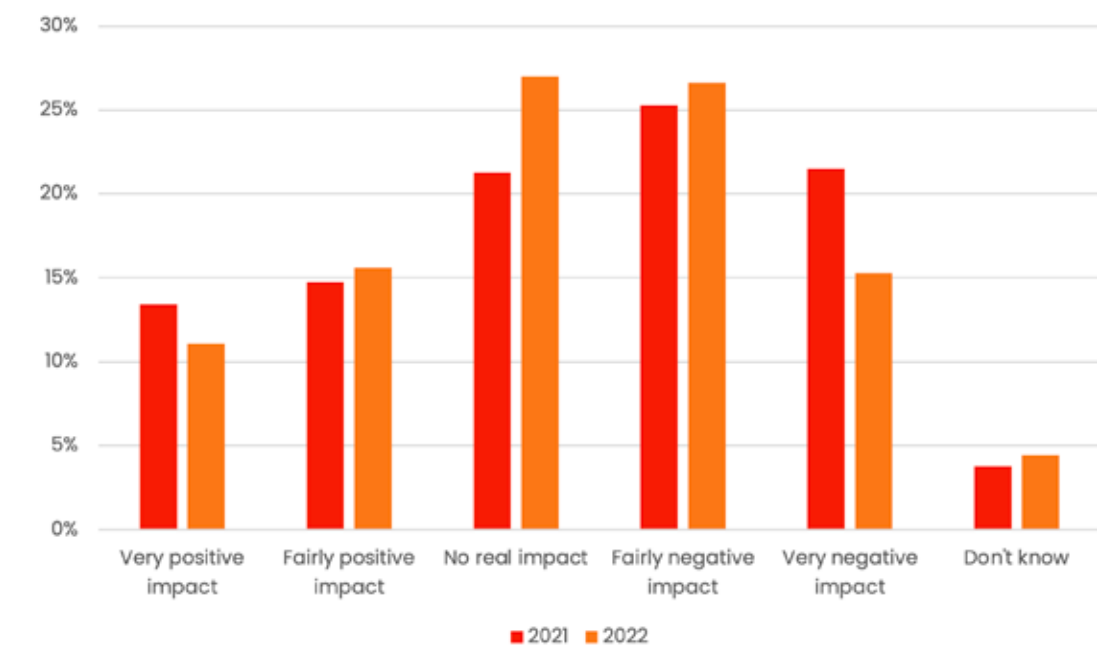
*Focus group participant, Canada*

*"Covid is mentally draining; it's just this cloud that's hanging over your head; it makes everything that much harder."*

*Focus group participant, New Zealand*

Young people told us that the pandemic has had a very or fairly negative impact on their income (44 per cent), on their current work, education or training (43 per cent), on their future work or employment opportunities (36 per cent), on their career aspirations (35 per cent) and on their mental health (48 per cent). The impact on young women's mental health has been particularly bad, with 56 per cent saying it had been negatively impacted. In the six countries included in the survey in 2021 and 2022, the findings about the impact of Covid-19 were similar in both years, suggesting the second year of the pandemic had as big an impact as the first.

**Chart 2: What impact has the coronavirus outbreak had on your work, education or training? (Source: YouGov, 2021 and 2022)**

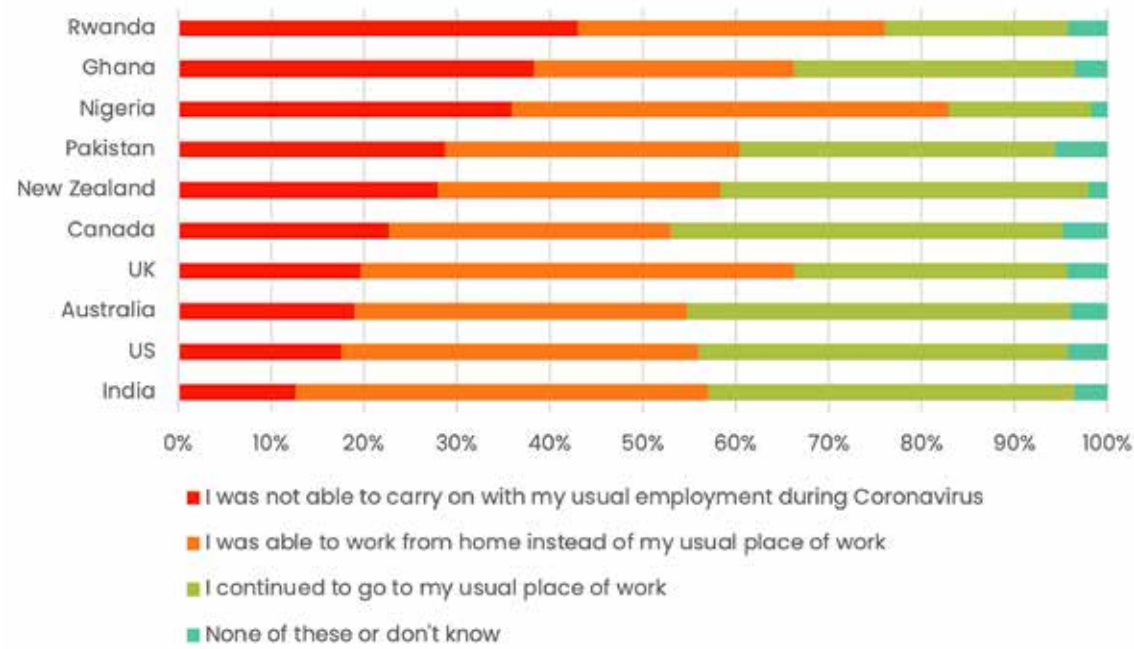


Feedback from 6,073 surveyed 18 to 34 year olds in 2021 and 6,126 in 2022. Source: YouGov global surveys.



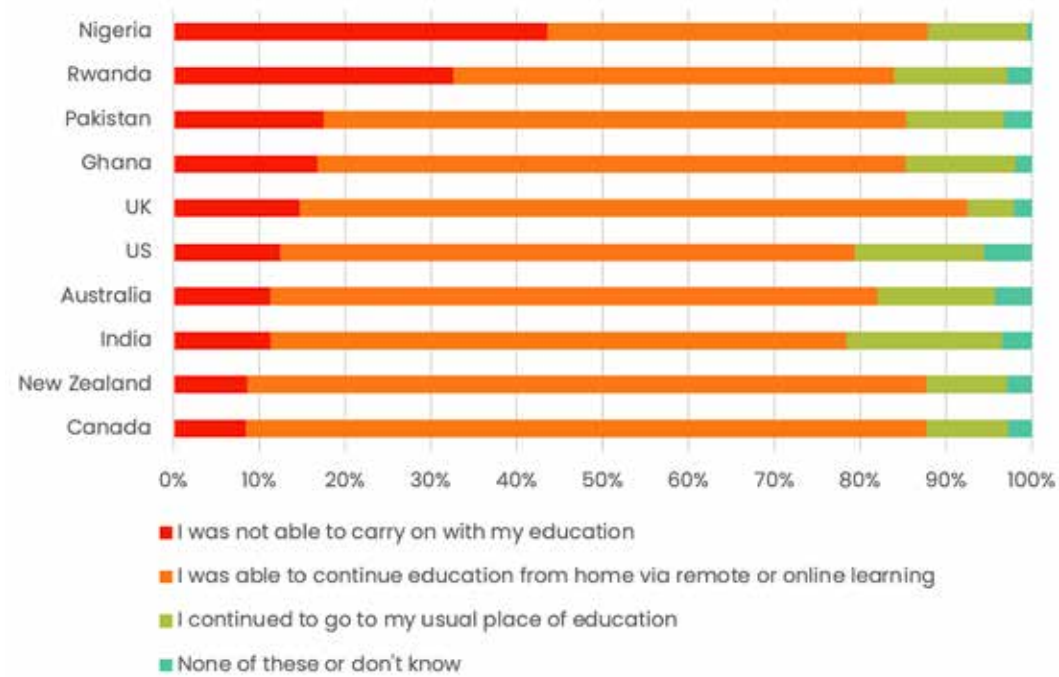
At the height of the pandemic in their countries, 1 in 4 working young people (26 per cent) were unable to carry on with their usual employment and 1 in 5 of those in education or training (19 per cent) were unable to carry on with their education. Experience varied across countries, however, with those living in the higher-income nations surveyed being more likely to have the opportunity to work or study from home.

**Chart 3: At the height of the Covid-19 pandemic in your country, how did it impact your work? (Source: YouGov, 2022)**



Feedback from 6,407 surveyed 18 to 34 year olds. Source: YouGov global survey.

**Chart 4: At the height of the Covid-19 pandemic in your country, how would you describe the impact on your education? (Source: YouGov, 2022)**



Feedback from 3,885 surveyed 18 to 34 year olds. Source: YouGov global survey.





In the focus groups, young people talked about their problems finding the type of job they want. The pandemic had made job-seeking harder, for example through lost opportunities for networking. At the same time, employers are more likely now to offer young people temporary posts on short-term contracts, rather than the more secure permanent opportunities they are seeking. For some, who relied on earning some money for living expenses while they studied, the lack of part-time jobs had caused real hardship.

A significantly higher proportion of young people in the three African countries in the survey – Ghana, Nigeria and Rwanda – reported negative effects from the pandemic on their incomes and current work, education or training. This also came out in the focus groups in Nigeria and Rwanda, and in India and Jordan too, where participants talked about the problems caused by loss of family income, the difficulties of remote learning in a family with limited resources, and having to curtail their education and seek work to help support their families.

*“Continuing my education was difficult because we only have one mobile phone in our household and a limited internet package.”*

*Focus group participant, India*

*“Because of the pandemic, I couldn’t find a suitable job.”*

*Focus group participant, Jordan*

Compared to 2021, there are more signs that young people are beginning to think about what life will look like as we learn to live with Covid-19 in what a number of focus group participants across several countries referred to as ‘the new normal’. They still see a number of problems. In particular, young people in most countries say there are fewer job opportunities for them now than there were prior to the pandemic and that this situation is unlikely to improve in the next few years. But they also see some positives. They think new job opportunities are being created across the spectrum: in large and small companies, in the public sector and working for oneself. They believe there will be more remote working in the future, which will improve the work-life balance of those who can benefit from it; and more remote education, which some will prefer.

Many young people also said the pandemic had forced them to reappraise their futures. They had reassessed where their interests really lay and how they wanted their lives to develop and this had led them to pursue a different career path to the one they had previously been on. This was true in high-income and lower-income countries; of those with a university education and those with fewer qualifications; and of those working for themselves and those in employment.

*“I re-evaluated what I really liked doing and what my passions are, and what I’m good at.”*

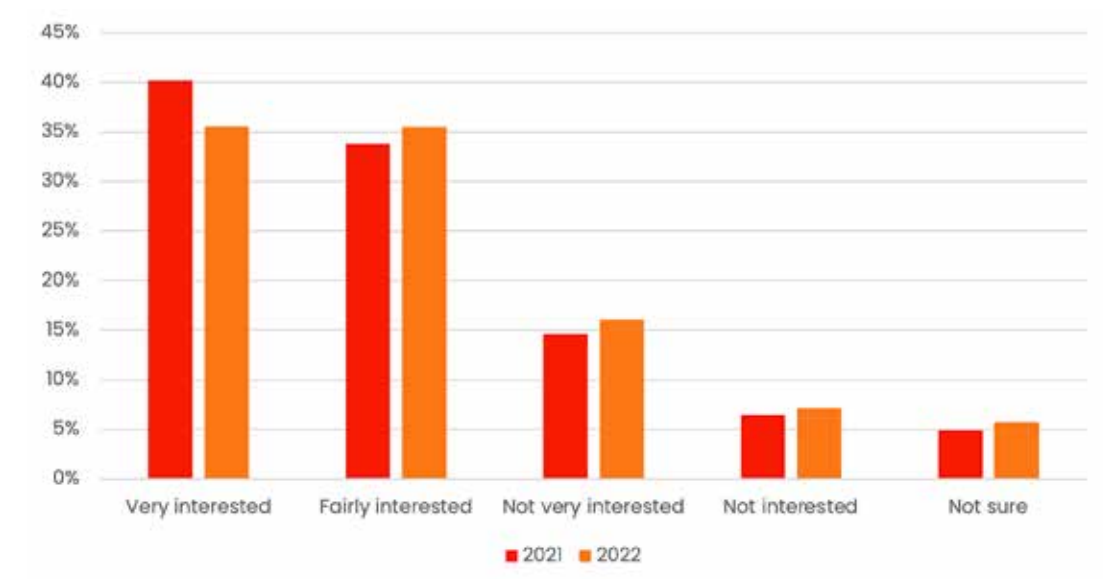
*Focus group participant, Australia*

## The future of work

When we talked to young people, they were very excited about the opportunities in the digital economy, but views on working in the green economy were more nuanced.

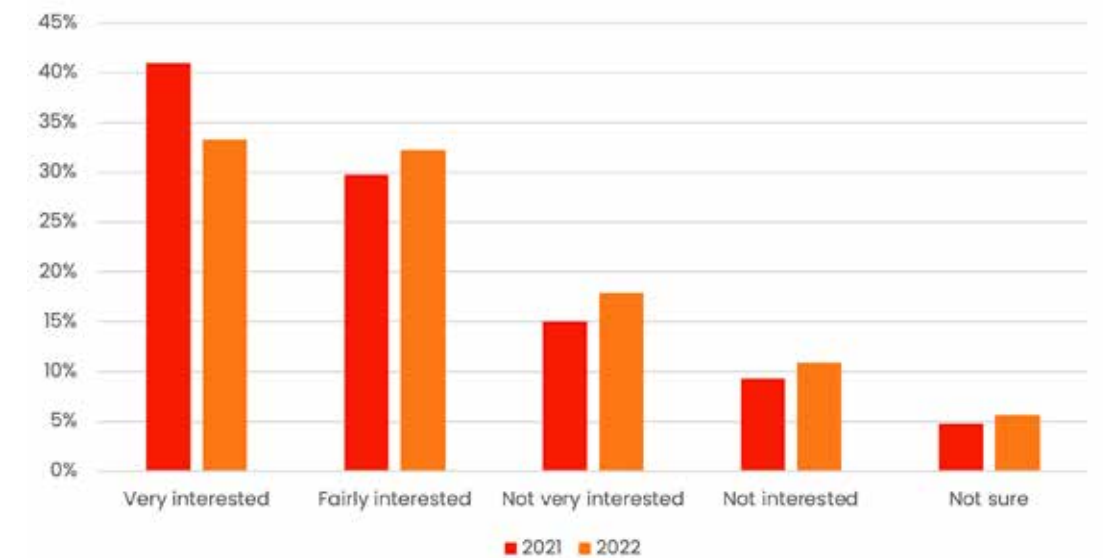
Asked to what extent they were interested in taking certain types of job, young people showed high levels of interest in digital jobs (68 per cent saying they were very or fairly interested), green jobs (73 per cent) and health and social care jobs (61 per cent). For the six countries surveyed in 2021 and 2022, the results for green and digital jobs were very similar in both years. However, there were differences across countries in 2022. Young people in the five Asian and African countries in our survey were notably more interested in jobs in all three of these areas than those in the other five countries.

**Chart 5: To what extent would you be interested in taking a green job? (Source: YouGov, 2021 and 2022)**



Feedback from 6,073 surveyed 18 to 34 year olds in 2021 and 6,126 in 2022. Source: YouGov global surveys.

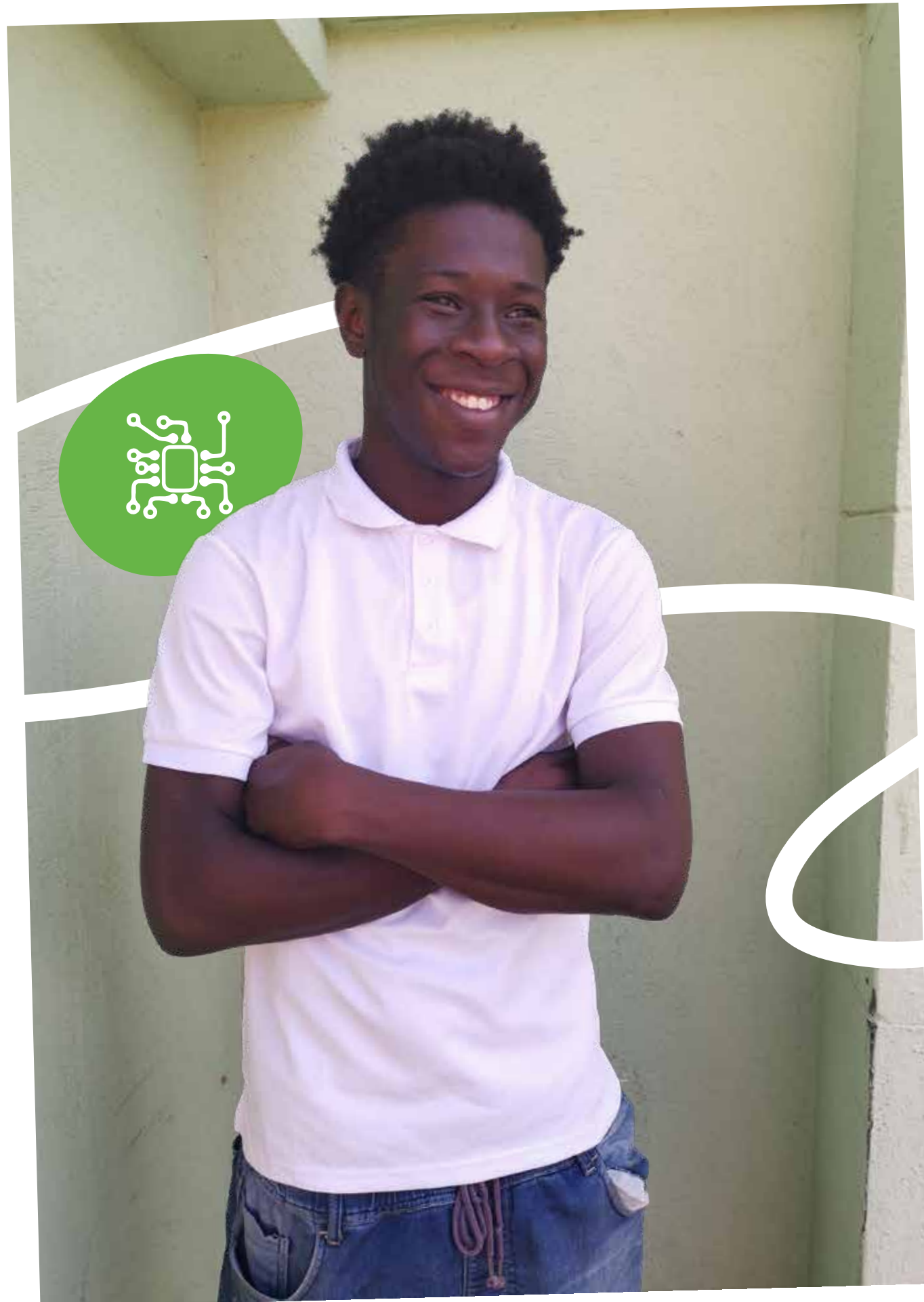
**Chart 6: To what extent would you be interested in taking a job in the digital economy? (Source: YouGov, 2021 and 2022)**



Feedback from 6,073 surveyed 18 to 34 year olds in 2021 and 6,126 in 2022. Source: YouGov global surveys.

Men were also again more likely to be interested in green jobs and jobs in the digital economy than women and to say they had the skills needed for these jobs. 66 per cent of men said they definitely or probably had the skills and qualifications needed for a green job, and the same percentage said this was true for a digital job. For women, the figures were 55 per cent for green jobs and 52 per cent for digital jobs.





Team, Barbados

This enthusiasm for working in digital jobs was shared by participants in the focus groups. A common view was that the world is becoming increasingly digital, that many new job opportunities are being created as a result, and that it would be foolish not to be interested in work in this area. Some also thought that digital jobs would pay well. 88 per cent of those surveyed thought digital literacy was important for the future of work and 59 per cent felt they had the skills needed to work in the digital economy. Many focus group participants agreed, saying that young people's familiarity with technology should give them an advantage in this area.

*"Everything is becoming digital and many people need these skills in order to do well in the future."*

*Focus group participant, Rwanda*

*"The transition towards a digital world is becoming increasingly more of a reality every day and it will transition our work too."*

*Focus group participant, New Zealand*

Views on work in the green economy were more mixed in the focus groups. While concern about the health of the planet was found everywhere, interest in work in this area was high in Australia, Canada, Jordan, New Zealand, Nigeria, Rwanda and the United Kingdom, but not in Barbados and India, where participants say few local opportunities exist. Where interest was high, young people felt they had some of the transferable skills necessary for work in the green economy, but recognised their lack of specific technical skills for some jobs.

*"I will choose to work in the green economy because in future there will be more jobs in this sector."*

*Focus group participant, Jordan.*

*"I think the next generation see through greenwashing, so most industries are going to have to go genuinely green."*

*Focus group participant, United Kingdom*

More generally, when asked about the type of job they would like, some young people expressed a preference for working for a large company, some for a small one, some for the public sector, some for NGOs and some for themselves. Our survey found nine out of ten young people saying the level and reliability of income, along with work-life balance, were important considerations when choosing a job. But for many, other factors were important too. They want to work somewhere that shares their values and treats them with respect. And they want an employer that provides training and offers them the chance of personal development and career progression.

*"Young people like us look for a job that will give them room for self-development."*

*Focus group participant, Nigeria*

### **Budding entrepreneurs**

*A significant minority of young people already work for themselves, but many more would consider doing so.*

Overall, 11 per cent of working young people in our surveys said their primary job was working for themselves. There appears to have been a fall in self-employment as a primary job in those countries that were included in the surveys conducted in 2021 and 2022, with the proportion falling from 16 to 10 per cent.<sup>13</sup> Working for oneself in a primary job was far more common in Ghana, Nigeria and Rwanda (26, 23 and 21 per cent respectively), and far less common in Australia, Canada, New Zealand, the United Kingdom and the United States (between 4 and 6 per cent).

For those with more than one job, 18 per cent of the total in work, 24 per cent said their second job was working for themselves – with similar geographical variation. This will include some people whose primary job involves working for a business or organisation and some whose primary job is working for themselves, but the total working for themselves could be up to 15 per cent.

We cannot distinguish between those who have chosen this way of working and those who have adopted it out of necessity because no better alternative was available. However, there is a high degree of interest among young people in working for themselves. Almost half (48 per cent) said they would be very or fairly interested in working as a contractor, almost three-quarters (70 per cent) expressing the same view about working as a freelancer and exactly three-quarters (75 per cent) have an interest in starting their own business or company. In every case, interest was highest in the three African countries, lower in India and Pakistan, and lowest in the five high-income countries.

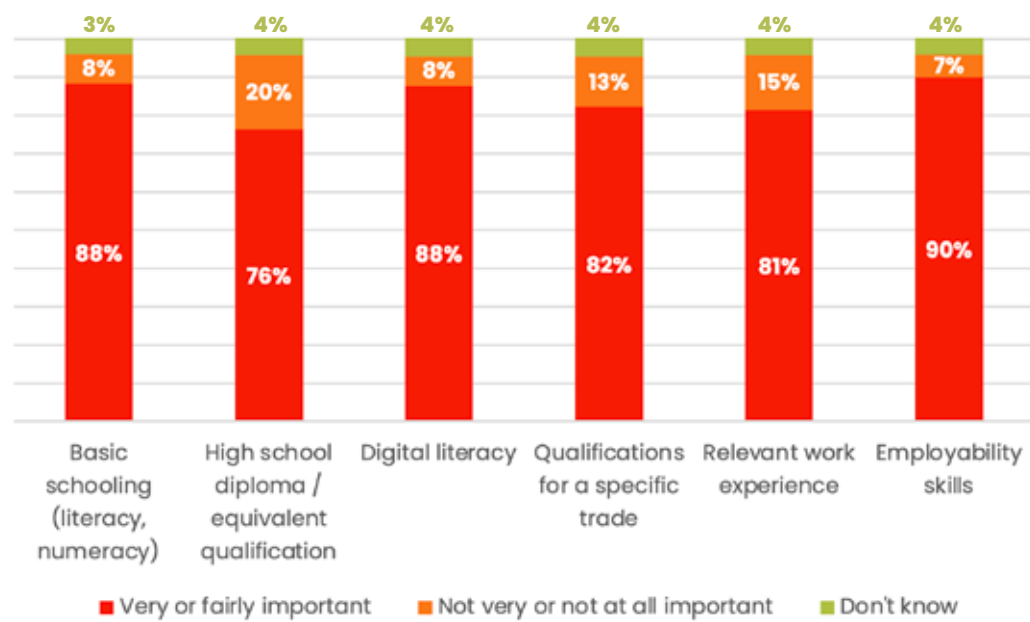
*"I believe entrepreneurship is for me because I can adapt to circumstances and I value the flexibility it brings."*  
 Focus group participant, Barbados

**Skills development**

Young people think they are primarily responsible for developing their own skills. But they also believe they should have more support from education systems.

When asked about what are the most important skills needed to thrive in the world of work today, young people think basic skills – literacy, numeracy, digital literacy and employability skills - are more important than skills specific to a particular job, including work experience. They also think these are more important than having a high school diploma (or equivalent qualification).

**Chart 7: Thinking about the future of work, how important do you think the following are? (Source: YouGov, 2022)**



Employability skills are measured by calculating an average of answers for self-confidence, teamwork, communication skills, problem-solving, resilience and reliability and punctuality. Individual scores for these skills ranged from 86 to 92 per cent thinking them very or fairly important. Feedback from 10,187 surveyed 18 to 34 year olds. Source: YouGov global survey.

By a narrow margin, employability skills came out as the most important in the survey. While recognising that some jobs still require particular technical skills, participants in all our focus groups also stressed the importance of employability skills in the modern workplace. Three such skills – self-confidence, the ability to work as part of a team and being a good communicator – came up time and again in discussions. Reliability, networking and problem-solving were also often mentioned.

*"In my job, convincing and clear communication is a must."*  
 Focus group participant, India

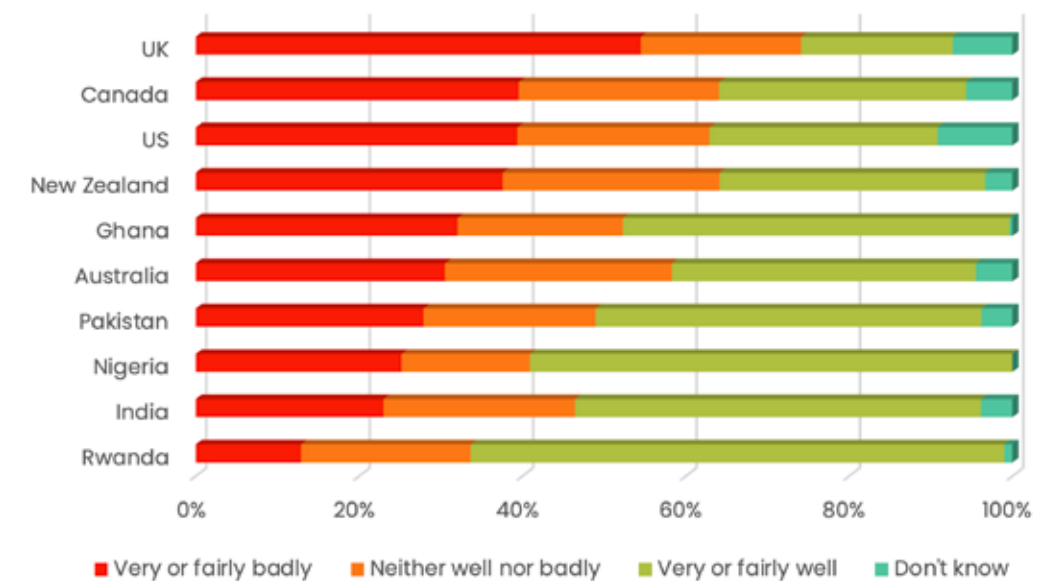
*"It's more important to develop those sort of soft skills that involve teamwork and leadership and clear communication."*  
 Focus group participant, Australia

This suggests young people are alert to changes in the labour market. While it is unsurprising that literacy and numeracy are highly rated, the fact that digital literacy and employability skills score just as high shows young people realise how much digitisation is changing the nature of work and that technical skills alone are not enough.

Young people have a range of views on who should be most responsible for developing the skills that prepare people for working life. In the surveys, two-fifths (39 per cent) believe this is the responsibility of the education system, one-third (33 per cent) think it lies with individuals and their families, with the remainder split between suggesting employers and government programmes. However, in the focus groups the majority of participants thought they were primarily responsible for their own development of these skills. As our 2021 report said, this generation is prepared to stand up for their future. However, participants went on to suggest that the education system and employers could do a lot more to help them.

Alarmingly, almost one-third (32 per cent) of young people say their country's education system does very or fairly badly at providing people with the skills that prepare them for working life, while only two-fifths (41 per cent) think it does fairly or very well. Men take a more positive view, but more young women think it does badly than think it does well. Interestingly, views on this issue vary widely across countries and in four of the five high-income countries covered by our survey (Canada, New Zealand, the United Kingdom and the United States) more people responded negatively than positively. This may be the result of differing expectations about the degree to which the education system should prepare people for work, though such differences were not obvious among participants in our focus groups. This is an issue that would merit greater exploration and we will return to it in the research for our next report on the future of work.

**Chart 8: How do you think the education system does at providing the skills that prepare people for work? (Source: YouGov, 2022)**



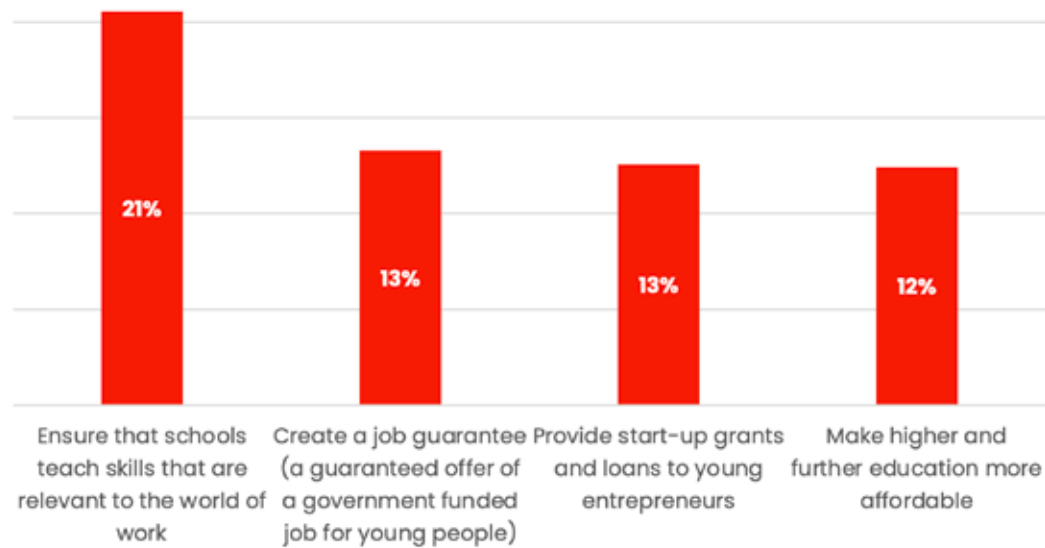
Feedback from 10,187 surveyed 18 to 34 year olds. Source: YouGov global survey.

More specifically, only around three in five young people feel they have the necessary skills and qualifications for a green job (61 per cent) or a digital job (59 per cent).

It is not surprising, therefore, that when asked what more governments could do to help young people find successful careers, the most popular response, chosen by 21 per cent, was to ensure schools taught skills relevant to the world of work. Other popular responses were calls for a guaranteed offer of a government-funded job for young people (13 per cent), perhaps reflecting similar job guarantees introduced due to the Covid-19 pandemic, the provision of start-up grants and loans to young entrepreneurs, (13 per cent), which was particularly favoured in Ghana, Nigeria and Rwanda, and making higher and further education more affordable (12 per cent).



**Chart 9: What is the one most important thing the Government could do to help people like you find successful careers? (Source: YouGov, 2022)**



Feedback from 10,187 surveyed 18 to 34 year olds. Source: YouGov global survey.

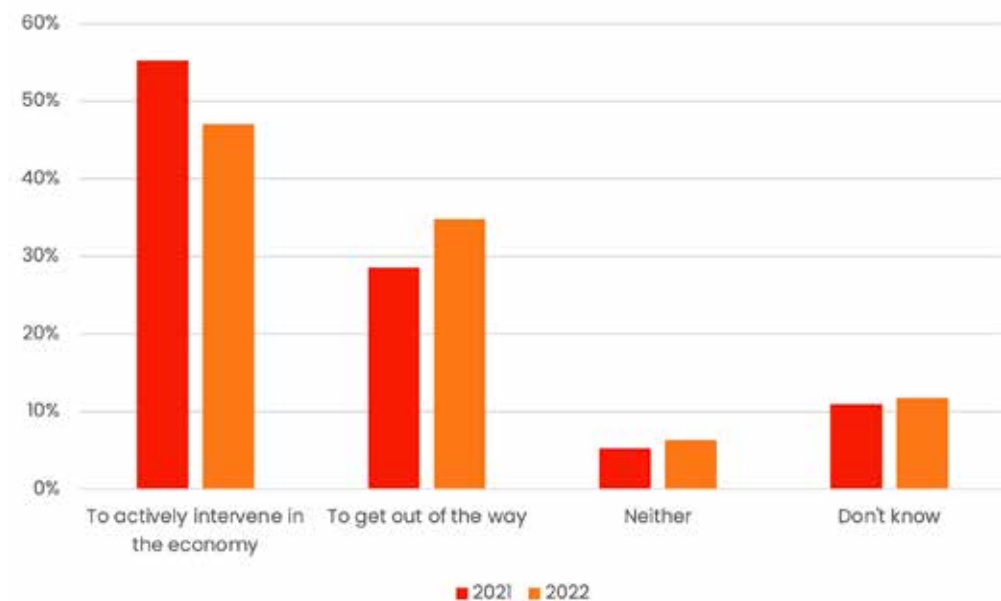
The focus group participants thought schools and other educational establishments could do a lot more to teach them employability skills. It was suggested that these skills could be built into the syllabus, for example through the introduction of more teamwork and project work instead of rote learning for examinations. It was also stressed that children needed to learn about the importance of these skills from an early age.

*“There was too much focus on content-based learning, rote learning, and there wasn’t enough room for learning skills as opposed to knowledge.”*

*Focus group participant, Australia*

More generally, more young people said the government should actively intervene in the economy to create jobs and growth (49 per cent) than felt it should leave this to small businesses and entrepreneurs (34 per cent). Compared to last year’s survey, however, there has been a shift in sentiment away from intervention and in favour of laissez-faire.

**Chart 10: What is it more important for the government to do? (Source: YouGov, 2021 and 2022)**



Feedback from 6,073 surveyed 18 to 34 year olds in 2021 and 6,126 in 2022. Source: YouGov global surveys.





## Career guidance and advice

Few young people receive help in deciding which career they should pursue and the steps they need to take to do so.

Across the nine countries in which we held focus groups, there was very little evidence young people were getting good careers advice and guidance.<sup>14</sup> Participants felt too many young people completed their education and got their qualifications, and then started to look for a job, rather than identifying an area in which they wished to work and ensuring they had the right qualifications for it. They also suggested lots of people found themselves on courses they did not like, or that were inappropriate for the career they wished to pursue, and so dropped out of education prematurely.

*"I had no career guidance; if I had, I would have been better off."*

*Focus group participant, Nigeria*

Young people were critical of careers guidance in schools, suggesting it was generic, rather than personalised and not taken seriously by teachers, and therefore not by students either. They thought it was outdated and so, for example, would not cover areas where jobs will be growing rapidly in the future, like the digital and green economies. While paths into certain professions, such as medicine and the law, were made clear, these were a minority of all jobs.

*"Looking back, I feel [career guidance] could have been more beneficial if career conversations were actually had, and were serious."*

*Focus group participant, Canada*

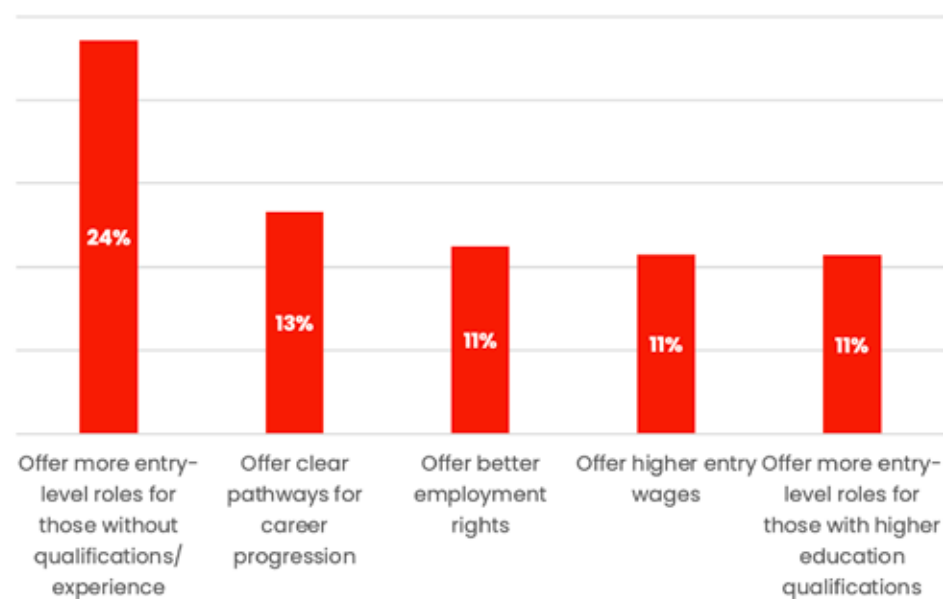
Things were no better in post-school education, where careers advice tended to be about the mechanics of getting a job, such as writing a CV, rather than identifying the right career.

## Entry-level jobs and work experience

Young people believe employers could do more to help them get established in the labour market and to develop their skills.

When it comes to support from businesses, what young people want most is more entry-level jobs, both jobs that do not require work experience or qualifications (24 per cent) and jobs suitable for those with higher education qualifications (11 per cent). Clear career paths, better employment rights and higher starting wages are also deemed to be important.

**Chart 11: Which one step do you think businesses can take that would do most to support young people? (Source: YouGov, 2022)**



Feedback from 10,187 surveyed 18 to 34 year olds. Source: YouGov global survey.

A common theme that emerged from the focus groups was the difficulty young people face in trying to find good jobs when they have little or no work experience. This is a long-standing problem that has been made worse by the pandemic. Young people feel that they are caught in a trap: employers will not give them a job because they lack work experience, but they cannot gain work experience if they cannot get a job. Internships and apprenticeships are less common. Employers take on people who are overqualified for roles, leaving fewer jobs for those who are less qualified.

*"When seeking a job, they ask you for experience and you cannot have experience when you have not started working."*

*Focus group participant, Rwanda*

*"A lot of my friends left university and didn't even start working in the fields that they had hoped to work in, purely because they were told they didn't have enough experience."*

*Focus group participant, United Kingdom*

Young people in the focus groups did not just want more entry-level jobs, they also wanted the opportunity to thrive in those jobs. They thought employers could do a lot more to help them improve their employability skills, arguing that these could only be honed on the job, not through online study. They also wanted employers to offer more training and more support, for example through the provision of mentors.

*"Workplaces should be more open to training young people. They say young people are the future, but they don't have the time to train. When the people who are there now are gone, how do they expect someone to fill in if they don't train us?"*

*Focus group participant, Barbados*

## Conclusion

Young people are generally positive about their futures, despite all the problems they face, including the impact of Covid-19. They are eager to succeed but say they cannot do it alone and need help removing the barriers that are in their way.

On the whole, young people appear to be relatively optimistic. The number thinking they will have a career that is fulfilling and better than their parents, that they will always be able to get a job, and that they will achieve what they want despite Covid-19 outnumber those of the opposite view by around three to one. Optimism is particularly strong in the African and Asian countries in our survey. Young people, it seems, are more resilient and positive in their outlook than they are often portrayed to be.

Young people have a good idea about where opportunities are to be found in the labour market, and the majority are interested in jobs in areas that are likely to see the fastest growth: the digital economy, the green economy and health and social care. However, around one-third of young people do not feel they have the skills to work in these areas, and the same proportion say that the education system does a bad job of providing young people with the skills they need to thrive in working life. They also think employers could do more to help them find jobs and to thrive in their early years in work.

The next chapter looks in more depth at opportunities in the sectors young people have identified as growth areas, and at the barriers that might prevent them from taking advantage of these opportunities.







No one knows better than young people themselves their **hopes for the future** as they enter the jobs market and their worries about how they will cope in **the world of work**.

PTI Bridge, Rwanda

## Chapter 3: Exploring the opportunities and barriers for young people

### Introduction

The continuing effects of the Covid-19 pandemic and the risk of slower global economic growth mean job creation is unlikely to be buoyant, overall, in the next few years.

However, there will still be opportunities for young people to take advantage of, but only if barriers that could prevent them from doing so are removed.

As the global economy evolves, new industries and new types of jobs in existing industries emerge all the time. The World Economic Forum (WEF) estimated in 2020 that almost 100 million new jobs will be created by 2025 just as a result of the adoption of new technologies.<sup>15</sup>

And the International Labour Organization (ILO) said in 2019 that the green transition will generate 25 million jobs globally by 2030.<sup>16</sup>

Young people should be well-placed to benefit from these developments. They should have the advantage of being able to acquire, during their education, the skills needed for the new jobs that are being created, while older workers have the disadvantage of working in disappearing industries and jobs, utilising skills that are at risk of becoming redundant.

In practice, however, there is a mismatch between the skills that young people are acquiring through their education and the skills that are required in the workplace. This is a significant barrier, preventing many young people from exploiting the new work opportunities that should be available to them.



## Opportunities

There is a global scarcity of the talent needed to fill the new jobs that are being continually created.

Across the globe, employers complain that there are not enough people with the skills they need to develop their businesses.<sup>17</sup> Big structural changes are taking place in the global economy, in particular the green transition, in response to climate change and other environmental challenges, and digitisation. These do not just create jobs in a few niche industries; they generate new jobs and new ways of working across the whole of the economy. This should represent a massive opportunity for young people as they enter the world of work, but they can only take advantage of it if they are equipped with the skills that employers want.

### Green jobs

The green transition is already creating millions of new jobs.

Industries have developed specifically to tackle climate change or to protect the environment from other challenges by producing environmentally sustainable outputs, like generating energy from renewable sources or recycling manufactured goods. At the same time, traditional industries are creating new jobs as they seek to operate in more environmentally friendly ways, such as by adopting more sustainable agricultural techniques or designing and constructing buildings using responsibly-sourced materials and with energy efficiency as a priority.<sup>18</sup>

Some of these jobs require highly-qualified people with very specific skills, for example in the engineering of wind turbines. Others require more general intermediate-level skills, like the installation of solar panels. This means young people with different levels of educational achievement should be able to find work in a job associated with the green transition, but only if they have the specific technical skills required.

There are even green job opportunities for young people who have not had the opportunity to acquire intermediate-level skills. As Solutions for Youth Employment (a global programme housed by the World Bank) has pointed out, the 'circular economy' – making more use of the planet's scarce resources by reusing, recycling, repairing and remanufacturing – contains many labour-intensive activities that create entry-level jobs suitable for workers with little experience and few skills.<sup>19</sup>

True, these jobs tend to be found mainly in the informal sectors of middle- and low-income countries and the pay and conditions of work may not be good. But for those yet to acquire the skills needed for other green jobs, they represent an opportunity to get a foothold in a growing area of the economy. As such, they can be part of the solution to high levels of youth unemployment in the short-term as well as offering the potential for better career opportunities in the medium-term.

### Digital jobs

In the world of work, digitisation is an even bigger force for change than the green transition.

New technologies are creating new jobs and transforming others in every part of the economy. The number of jobs that require practical skills are declining, and those that are left are often poorly paid. New, better paid, jobs are being created in their place, requiring employees to have at least a minimum level of digital literacy. Requirements vary enormously from role to role. In some, all that may be needed is the ability to enter information into a simple records system; others may require proficiency with a word processing and/or spreadsheet programme.

In high-income countries, the current generation of young people have grown up in a digital world and should be well-placed to help employers take forward their plans for further digitisation. Young people in other countries have, generally, had less access to digital



equipment and, partly as a consequence, less chance to develop their digital skills.

However, the digital transformation is not just changing the specific technical skills needed in the workplace, it is also changing its culture and the ways people work.<sup>20</sup> As a consequence, employers are placing more emphasis on a range of employability skills, including being able to work as part of a team, problem-solving, critical thinking, creativity and learning from experience.<sup>21</sup> Many of these skills are honed through experience in the workplace, experience that young people do not have.

### Health and social care jobs

If the green transition and digitisation affect all parts of the economy, a third major change in the world – the ageing of its population – has more sector-specific impacts.

In 2018, the ILO estimated that over 2 billion people worldwide would need to receive care in 2030.<sup>22</sup> To meet this demand, millions of jobs will have to be created every year in the health and social care sectors, including for highly-qualified geriatric doctors and well-trained and skilled care workers. Some of these jobs might be suitable for older workers displaced from their current jobs by the green transition, digitisation or other changes in the economy, but many represent good opportunities for young people too.



### Pursuing their own interests

Opportunities in the changing economy are also being created by different ways of working.

7 in 10 of the young people we surveyed expressed an interest in working for themselves in the future, whether running their own business or freelancing.

It is unlikely these young people have a strong desire to work in the 'gig economy', which is characterised by uncertain income and poor work conditions. It is more likely that they want to make a living in the 'passion economy'.<sup>23</sup> As the name suggests, this involves people seeking out marketable opportunities that enable them to use their talents in areas where their strongest interests lie.





## Barriers

Not all young people can exploit these opportunities because some do not get enough help to acquire the skills required in the modern labour market.

Although there are exciting new opportunities available in the labour market, in particular as a result of the green transition, digitisation and the ageing population, not all young people find they can take advantage of them. Some are held back by a skills gap: a mismatch between what they learn in school and other education settings and what they need to know, and be able to do, in the workplace. As a result, they are unable to realise their aspirations.

The ILO has argued that young people know very little about the world of work while they are still in education. They form ideas about their future careers based largely on personal preference, and this influences their choices about what courses and training to take and what skills to acquire. Consequently, there is no guarantee that their preferences will match the reality of the labour market.<sup>24</sup> However, the young people we surveyed and spoke to were well aware of where good job opportunities might be found. In the view of a large minority, the problem was that the education system had done a poor job of equipping them with the skills they needed to take advantage of these opportunities and thrive.

The disruption to education systems caused by Covid-19 has made this problem worse for those who have left education in the last two years, and for those who will do so in the next few years, but this should not disguise the fact that the problem pre-dates the pandemic. It is the result of long-term structural developments and unless action is taken by governments, education systems and employers to counter them, when the effects of Covid-19 fade, many young people will still be ill-prepared for work.



Achieve, Australia

The skills required by employers are changing and too many young people leave education without the right skills. Education and training systems have been slow to develop ways of teaching new skills, whether it is the job-specific skills needed by the green economy or the employability skills required in workplaces following digitisation. This leaves young people poorly prepared for today's world of work and unable to take advantage of the opportunities that should be available to them. It also means that scarce educational resources are being wasted equipping them with skills that they will never use.

Employers complain that the pace of green job creation and digitisation is being held back because there are not enough people with the right skills to fill all the roles that could be created. They need to have a greater awareness that young people could be the solution to their problem, but only if employers play their part in smoothing the transition from education into work. A particular problem is the number of entry-level jobs that require work experience. This would be less of an issue if sufficient education and training schemes, like apprenticeships, that combined time in work with time in the classroom were in place. But in their absence, young people are ill-prepared to compete for these jobs. The result is that more young people are left chasing the shrinking number of jobs that do not require work experience, while employers are left with unfilled job vacancies.

All this is demotivating for young people and frustrating for employers, but it has broader implications. When employers cannot find sufficient people with the necessary skills for the roles they have available, in part because young people are ill-equipped to fill them, the economy is held back.

## Conclusion

More needs to be done to help young people to fulfil their aspirations. Taking action now will also have broader benefits for economies.

Ensuring a smooth transition for young people from education into work is essential for their own lifetime prospects. But it also has broader implications for future economic growth. If young people are given the information and training they need to take advantage of the opportunities that exist in the workplace, they will be able to fulfil their personal aspirations and to reduce skills gaps in the economy. This will lead to enhanced investment, productivity and ultimately stronger economic growth.

Unfortunately, for too many young people the transition into work is not smooth and they endure periods of unemployment, insecure work and low pay. Too much onus is currently placed on the young themselves to identify the skills they will need and to find ways of acquiring them and this is a substantial barrier that results in many failing to reach their potential. Governments, educators and employers, who have all stepped back in recent years, need to come forward now and offer more help to the next generation of young people.

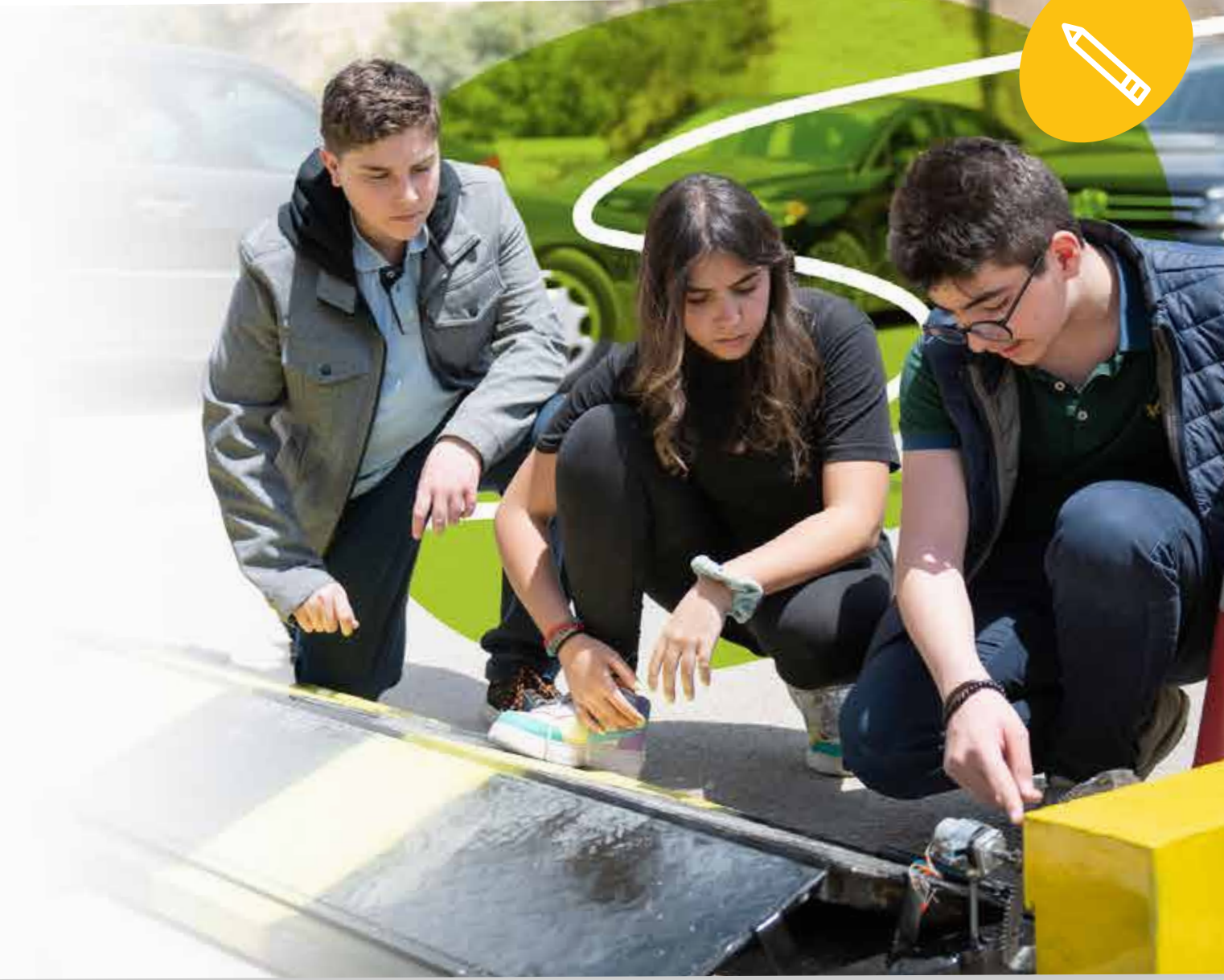
The next chapter looks at what needs most urgently to be done.







Enterprise, Jamaica



Enterprise Challenge, Jordan

## Chapter 4: Improving the transition into work

### Introduction

Over the next decade 1.3 billion young people will leave full-time education and take their first steps in the labour market – that is, on average 2.5 million seeking their first job every week. What should be done to improve their transition into work and to enable these young people to thrive?

Young people need to be equipped with what have been called ‘21st century skills’.<sup>25</sup> In addition to traditional subjects, these include an understanding of global themes, such as climate change; learning and innovation skills; information, media and technology skills; and life and career skills.

The young people we surveyed and spoke to for this report told us they wanted to find jobs that are purposeful, that have decent pay and working conditions, and that offer some prospect of further skill development. But many felt they were not being well-prepared for work. They called on policymakers, education establishments and employers to take more responsibility for ensuring they were better equipped to compete for the jobs they want.

Four areas stand out where more should be done as a priority. These are not new, but it is striking that young people around the world are united behind these ideas.



## 1. Make education more relevant to the modern labour market

Young people told us education systems could do more to give them the skills that are in demand by employers.

Education at all ages should be more geared towards preparing young people for the modern world of work. The World Bank's Skills Towards Employment and Productivity (STEP) programme demonstrates the importance of education at all levels in the development of the skills needed in the workplace.<sup>26</sup> Early years education, as well as focusing on literacy and numeracy, should develop more deeply some of the 21st century skills that will eventually be needed to thrive in the workplace, like teamwork, problem-solving, communication and digital skills. As children get older, the teaching of these skills can be related more directly to the requirements of the workplace. Increasing the quality of education will encourage more young people to stay in education longer and to acquire more skills.

One way to make education more relevant to modern work is to make it problem-based and hence cross-cutting across disciplines. Real-life problems do not come in nicely segmented topics or disciplines. Instead, they usually require an ability to synthesize knowledge and concepts from different perspectives and an open mind to experiment.

Hence, a key skill is the ability to identify and specify the problems. Team work, rather than individualism is also important, as is the ability to learn new things quickly. Problem-based learning is widely followed in the Netherlands and Scandinavia, and should now spread to other parts of the world.

Employers know better than anyone else what skills are required in the modern workplace, whether it be job-specific technical skills, more general employability skills such as good communication and team-working, or various levels of digital skills.

However, they do not do enough to communicate their needs to young people, or to help them acquire the appropriate skills. Employers should be much more engaged with education systems to ensure young people are acquiring the skills that they, the employers, need.

Employers should expect to be consulted on policy, including, for example, the design of qualifications and curricula; and they should welcome and embrace this involvement. They should also be involved with course work, for example through helping to design problem-solving tasks for students.

As employers' demands change, for example as a result of digitisation and the green transition, it should be increasingly clear that no one-size-fits-all education system can hope to adequately meet all of their varying needs. So, to equip young people with the skills needed across the economy, countries should ensure their education systems offer a variety of pathways into the labour market.



### Case study

#### Realigning skills provision in Ghana

The International Labour Organization (ILO) is running a programme called SKILL-UP in Ghana, with the support of the Norwegian Ministry of Foreign Affairs, which is specifically designed to ensure young people acquire the right set of skills.<sup>27</sup> Its aim is to move training and vocational education in Ghana towards a system that is led mainly by the demand for skills in the economy, initially in the agriculture, tourism and hospitality, and construction sectors.

The programme has three elements. First, identifying the skills that are needed in the economy and realigning training and vocational education to deliver those skills. Second, ensuring young people are aware of the skills they will need so as to encourage high levels of participation in education and vocational training. And third, targeting vulnerable individuals and groups to increase the inclusivity of skills development.

By taking these steps, Ghana's government hopes to lower the risk of young people finding they have the wrong skills for the labour market. This will also benefit employers, who will find it easier to fill vacancies.



## 2. Give young people a fair chance in the workplace

Young people told us employers could do more by helping them to gain work experience and by creating more truly entry-level jobs.

One of the biggest hurdles young people face when first looking for work is that too many jobs that are described as being 'entry-level' require experience. To help young people compete for these jobs, employers should be offering more and better work experience opportunities. This should not be the odd week or two largely spent watching other people do their jobs. These should be real opportunities to be involved in the work of businesses and other organisations.

Young people also want employers to offer more opportunities for them as they transition from education into work. They understand that they cannot acquire the skills and qualifications needed in many jobs overnight, but they do not understand why employers do not do more to help them acquire these skills. Employers should make more paid internships and apprenticeships available so young people can learn on the job what they need to know to become valued and productive employees.

High levels of youth unemployment are, in part, the result of a lack of suitable job opportunities. Employers should take a chance on young people by creating more truly entry-level jobs, which require no work experience. Inevitably, young people struggle to compete for jobs that require

work experience, even if they are described as entry-level. It is in their interests, but also in the interests of employers and the wider economy, for more young people to be in work and thriving, but this can only happen if the right jobs exist.

Alongside this, we should increase the level of engagement with potential employers during education, either through placements or through course work that provides opportunities for problem solving with companies. Such initiatives are very well integrated into the curriculum in countries like Denmark, where students are encouraged to be more job ready and confident in their abilities.

The green transition of the economy is creating particular shortages of the talent needed to fill the many new job opportunities that are being created.<sup>28</sup> Our surveys and focus groups revealed that a large proportion of young people have an interest in working in this area, but rather fewer feel they have the necessary skills. It would be sensible for employers to exploit this interest in order to help to close their skills gap. Giving young people opportunities to experience work in green jobs, and creating jobs that are suitable for them are all steps that employers could take to bring about a reduction in their talent gap.

### Case Study

#### Facilitating work experience opportunities in India

The Get Into programme, run in India by Magic Bus, an education and skills development NGO, in collaboration with Prince's Trust International, helps young people acquire the work experience they need to get a job.<sup>29</sup> It fills an identified gap in young people's development that leaves them poorly equipped to find work.

Get Into is an employer-led programme that gives young people aged 18 to 25, who want to work but lack the required workplace skills, the opportunity to develop those skills and to gain experience. Its aim is for people who complete the programme to feel better prepared for work in a sustainable job in a specific sector of the economy.

Because it is led by employers, the young people participating in the programme can be sure that the experience they gain will be useful in helping them secure a job and to thrive in it. It shows how greater involvement of employers in preparing young people for work can enhance their prospects in the labour market.



Magic Bus, India



### 3. Improve career guidance so young people know more about the labour market

Young people told us they could prepare better for work if they knew more about the opportunities that are available.

The young people who participated in our surveys and focus groups showed a reasonably good general understanding of where opportunities currently lie in the labour market and what skills will be most useful to exploit them. But they lacked the more detailed knowledge that could help them make the right choices around areas of study and when looking for work.

Early and effective career guidance and counselling can address this deficiency, but a 2018 survey found only half of 15-year olds in OECD countries had spoken to a career adviser at their school.<sup>30</sup> Our focus group participants confirmed that careers advice was not common in OECD countries, nor in non-OECD ones. Educational establishments should do more to help young people understand the world of work from an early age. And help should continue for

those who struggle to get established in the labour market, with employment support services being developed specifically to help young people who are not in employment, education or training (NEET) with their job searches.

Those participating in the labour market are best placed to explain what is going on. Young people and employers should be brought together so that employers can talk about the opportunities that they have available; and young people who have recently started work should be encouraged to share their experiences with students who are beginning to think about their futures in work.

As a result of digitisation, the nature of work is changing rapidly and it is understandable that many young people struggle to know which digital skills they should be developing to maximise their productivity when they start work. If countries want to ensure they have sufficient workers to fill the jobs that are going to be created by digitisation over the next decade, they should do more to make young people aware of the careers that will be available to them and the skills they need to acquire to take advantage of these opportunities.

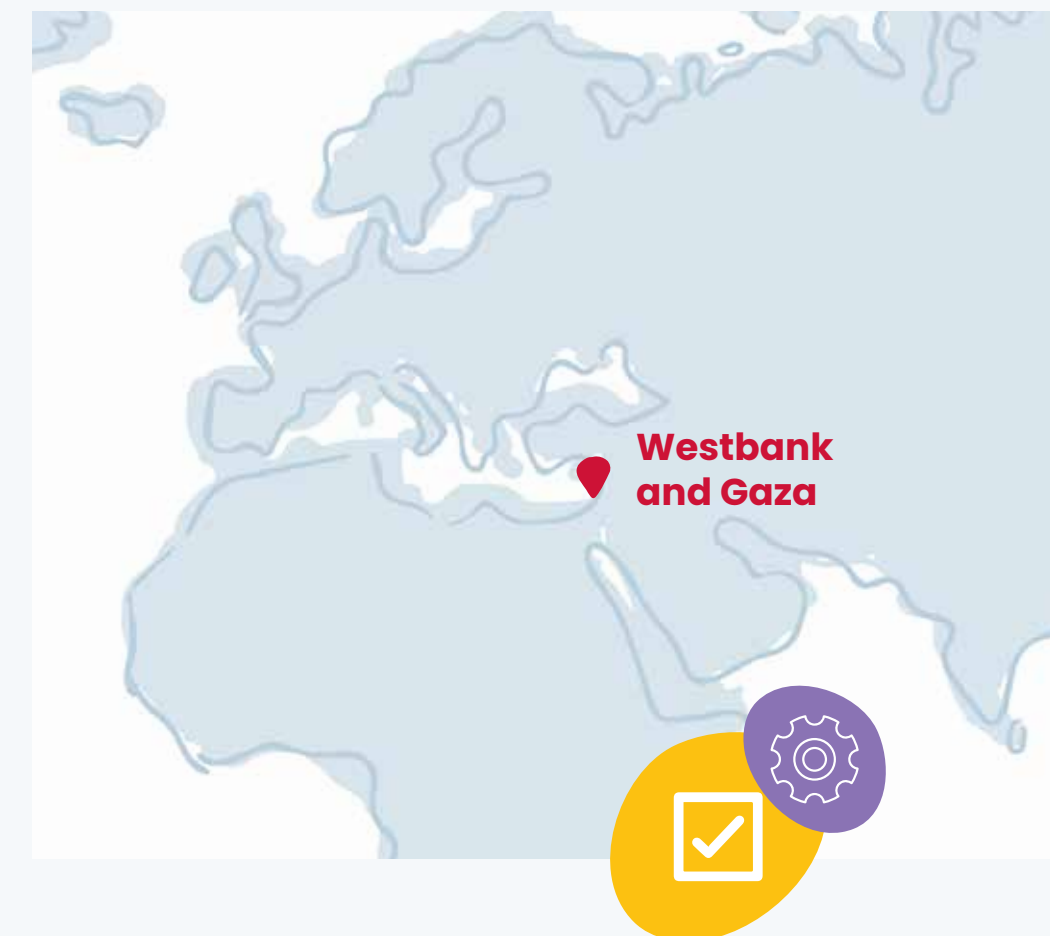
#### Case Study

##### Improving career pathway choices in the West Bank and Gaza

In March 2022, the World Bank announced its support for a project in the West Bank and Gaza that aims to improve teaching practices in primary education and introduce effective career guidance for secondary school students.<sup>31</sup> When Palestinian students have to choose between an academic or a technical vocational route for completing their education, over 97 per cent opt for the former, and the majority of these choose to study humanities. As a result, the education system fails to produce young people with the technical and scientific skills needed in the workforce and unemployment rates among young people are extremely high.

There are various reasons for this outcome, but young people's ignorance about the career opportunities that could be available to them is considered to be an important factor. Therefore, a key element of this project is to create an effective career guidance system that helps secondary students make informed choices about their education pathways and their prospective careers.

A substantial mismatch between the skills young people have and the skills required by employers is detrimental to young people's livelihoods and to the economy. Ensuring that students can make choices about their studies informed by the careers that will be available to them should help to reduce this mismatch, producing better outcomes for young people and a more productive workforce.





#### 4. Offer more support to young people who want to work for themselves

Young people told us they were very interested in working for themselves.

In some countries, self-employment is the only option open to many young people when they first start to work. In others, although most young people end up working for a business or the public sector, a significant minority favour the idea of working for themselves. These young people need more support if they are to fulfil their ambitions and become job creators rather than job seekers.

Starting out on your own in the labour market is much tougher than taking a job in a business or in the public sector. There are no co-workers to call on for advice and no managers to offer guidance and support. And there is much to learn about, for example, maintaining strong relationships with customers and managing income and spending.

Countries, especially those with a high incidence of self-employment among the young, should put in place the support that budding entrepreneurs need. This should include specialised training and advice in how to run a business and how to access finance. And it should cover skills like good communication with clients and suppliers that are likely to be crucial for a successful entrepreneur.

#### Conclusion

The message from young people is: we are eager to take advantage of opportunities in the labour market, so please help us to develop the skills that employers want.

Young people feel they are not developing the skills they need to compete in the labour market. They call for governments and education establishments to do more to help them acquire the skills required by employers, in particular employability skills, digital skills and the skills required in green jobs. They also ask employers to increase the opportunities for them to gain work experience through training schemes and to create more suitable entry-level jobs.

Putting more resources into ensuring young people have the skills they need is one of the best investments that a country can make. The more skills workers have, the more employable and productive they become; and the more productive the workforce becomes, the faster national income grows. This generates the resources for more investment in the development of skills, and so a virtuous circle is created.

Organisations like The Prince's Trust Group and those highlighted in this chapter are doing what they can to help young people, but they only have limited resources and the scale of the problem is a huge one. Others need to step up.

After two years during which the Covid-19 pandemic has caused much disruption to young people's education and made the transition into work for many a difficult one, now is the time for governments, educators and employers to come together and do more to equip young people with the skills and knowledge they need to achieve their aspirations and become productive workers who can thrive in the labour market in the future.



Shujaaz, Kenya

#### Case Study

##### Supporting entrepreneurship in Kenya

Shujaaz Inc is a network of social ventures based in Kenya and Tanzania that aims to give young people the tools they need to thrive and create transformational change. It launched Hustla MBA in 2019 to support young people to take control of their lives by starting a small business. Its aim is to give these young people the knowledge, skills and networks that they need to be successful.

Fewer than 10 per cent of school leavers in Kenya find formal employment, so it is important that young people recognise informal entrepreneurship as a viable career choice, and that they are equipped to make the most of the opportunities offered. According to Shujaaz Inc, young micro-entrepreneurs can earn double the normal income for their age group.<sup>32</sup>

Hustla, MBA offers peer-to-peer training in what is needed to set up and successfully run a business, including basic business concepts, such as keeping financial and client records, and critical work skills like problem-solving, communication and self-management. It acknowledges the reality of the world of work for young people in Kenya and looks to provide them with the skills they need to thrive in it.

## Endnotes

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