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Labour market transitions of young women and men in Asia and the Pacific

Sara Elder

August 2014

Youth Employment Programme
Employment Policy Department

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Preface

Youth is a crucial time of life when young people start realizing their aspirations, assuming their economic independence and finding their place in society. The global jobs crisis has exacerbated the vulnerability of young people in terms of: i) higher unemployment, ii) lower quality jobs for those who find work, iii) greater labour market inequalities among different groups of young people, iv) longer and more insecure school-to-work transitions, and v) increased detachment from the labour market.

In June 2012, the International Labour Conference of the ILO resolved to take urgent action to tackle the unprecedented youth employment crisis through a multi-pronged approach geared towards pro-employment growth and decent job creation. The resolution "The youth employment crisis: A call for action" contains a set of conclusions that constitute a blueprint for shaping national strategies for youth employment.[1] It calls for increased coherence of policies and action on youth employment across the multilateral system. In parallel, the UN Secretary-General highlighted youth as one of the five generational imperatives to be addressed through the mobilization of all the human, financial and political resources available to the United Nations (UN). As part of this agenda, the UN has developed a System-wide Action Plan on Youth, with youth employment as one of the main priorities, to strengthen youth programmes across the UN system.

The ILO supports governments and social partners in designing and implementing integrated employment policy responses. As part of this work, the ILO seeks to enhance the capacity of national and local-level institutions to undertake evidence-based analysis that feeds social dialogue and the policy-making process. To assist member States in building a knowledge base on youth employment, the ILO has designed the "school-to-work transition survey" (SWTS). The current report, which presents the results of the survey in five countries in Asia and the Pacific (Bangladesh, Cambodia, Nepal, Samoa and Viet Nam), is a product of a partnership between the ILO and The MasterCard Foundation. The "Work4Youth" Project entails collaboration with statistical partners and policy-makers of 28 low- and middle-income countries to undertake the SWTS and assist governments and the social partners in the use of the data for effective policy design and implementation.

It is not an easy time to be a young person in the labour market today. The hope is that with leadership from the UN system, with the commitment of governments, trade unions and employers' organizations and through the active participation of donors such as The MasterCard Foundation, the international community can provide the effective assistance needed to help young women and men make a good start in the world of work. If we can get this right, it will positively affect young people's professional and personal success in all future stages of life.

Azita Berar Awad
Director
Employment Policy Department

Yoshiteru Uramoto
Regional Director
ILO Regional Office for Asia and the Pacific

[1] The full text of the 2012 resolution "The youth employment crisis: A call for action" can be found on the ILO website at: www.ilo.org/ilc/ILCSessions/101stSession/texts-adopted/WCMS_185950/lang--en/index.htm.

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The preliminary results of the survey were presented at a regional conference on "Labour market transitions of young women and men in Asia and the Pacific", held in Bangkok, Thailand on 21–22 May 2014. The Work4Youth Team wishes to thank the participants of the conference for their validation of the results and feedback on the relevance of the survey to the design of national and regional interventions on youth employment. Matthieu Cognac, Youth Employment Specialist, ILO Regional Office for Asia and the Pacific, offered invaluable assistance in organizing the regional event.

Finally, the ILO would like to acknowledge the support given by The MasterCard Foundation in allowing the research to move forward, under the scope of the Work4Youth partnership.

1. Introduction and main findings

1.1 Overview

In recent years, the Asia-Pacific region has benefited from positive economic growth and increased investment in education. Each year growing numbers of young people are entering the labour market with higher levels of education. Nevertheless, even the more educated youth consider that a future of stable, well-paid employment is a rare find. The lesser educated have even less chance of earning a decent income for themselves and their families, causing many to be in vulnerable situations in pursuit of employment opportunities overseas.

Informality and vulnerable employment remain a reality for the vast majority of young workers in the region. Asia and the Pacific as a region rests between the developed economies, where the services sector is both the primary employer and a source of growth, and other developing regions still dominated by low productive agriculture.

Almost one-half of young workers are in self-employment and, of the remaining half who do attain paid work, only one-quarter have a standard employment relationship that includes a written contract with their establishment of employment.

The lack of prospects for secure employment, along with increased education, access to modern technology and exposure to the perceived advantages of developed economies, create the risk of frustration among youth. This, in turn, can culminate in political unrest and external migration. For these reasons, much political attention has been paid to the situation of youth labour markets in the Asia-Pacific region, and around the world.

To assist governments in their current efforts to place youth employment at the heart of respective political agendas and to provide information for the design and monitoring of effective policy responses, the ILO has developed its school-to-work transition survey (SWTS), a household survey of young people aged 15−29. The SWTS was implemented in 2012–13 in five Asian-Pacific countries, namely Bangladesh, Cambodia, Nepal, Samoa and Viet Nam. This analytical report summarizes the survey results in the five countries and highlights the main areas of policy concern. The report is intended for the use of the policy-makers and social partners involved in the implementation of national youth-related policies and programmes, as well as for international and non-governmental organizations involved in the development of responses at the regional level.

The indicators resulting from the surveys conducted in the five countries in the Asia-Pacific region and analysed in this report aim to provide a much more detailed picture of the youth in the job market in a part of the world where labour market information is sparse and sporadic. The unemployment of young people remains a matter of concern, but it is equally important to consider the quality of work that is offered to them. Do jobs in the region guarantee the necessary income and security that would enable young people to progress towards independence, particularly of a material and financial kind, in their adult lives? The strength of outward migration in the region would suggest that national economies are not able to provide the types of jobs that many young people expect. The report focuses heavily on issues of quality of employment and also draws attention to the path and duration of the labour market transitions of young people, while drawing some conclusions about the characteristics or experiences that can help to achieve a smoother transition.

1.2 Structure of the report

Section 2 of the report presents the objectives and methodology of the SWTS and provides certain aspects of the social and economic context of the labour market in the Asia-Pacific region. Section 3 then outlines the results of the survey in the five countries, focusing on the individual, household and educational characteristics of youth before turning to the main labour market indicators in section 4. Section 5 presents a detailed overview of youth employment, including details on conditions of work, and section 6 focuses on the characteristics of unemployed youth. Section 7 presents the classification of the stages of the school-to-work transition and examines the characteristics that lead to better integration in the job market, especially in terms of obtaining a stable and/or satisfactory job. The section also deals with the duration of the transition for young men and women and traces the various experiences they have had inside or outside the job market during their transition. Finally, section 8 outlines certain general policy implications in areas of youth employment interventions.

1.3 Main findings

Too many young people are not benefiting fully from the educational system.

On average, 37 per cent of young people aged 15–29 in the five countries are currently enrolled in school (from 23.5 per cent in Bangladesh to 59.6 per cent in Nepal). Yet still far too many are not accessing education at all or are leaving before completion at the lower levels. Between 0.1 and 13.9 per cent of young people in the five Asian-Pacific countries surveyed have never attended school. Adding to this figure the share of youth who have some schooling but who left before completion, more than one-quarter of youth in Nepal and Viet Nam and more than one-half in Bangladesh and Cambodia remain disadvantaged as concerns educational access. The principal reason given for never attending school or leaving school early was "economic reasons". The implication, therefore, is that household poverty will perpetuate itself as the probability of finding employment with a good wage is compromised for youth with low levels of education.

Despite progress in recent years, educational attainment in the five countries remains comparatively low. The survey shows that in Bangladesh, Cambodia and Nepal, more than one-half of youth with completed education finished at the primary level or below. In Viet Nam, the share was 31.9 per cent. In Cambodia and Nepal, young women are more likely than young men to stop their education at the primary level (or below), but a higher share of young men are among the least educated in Bangladesh, Samoa and Viet Nam.

Only in Samoa is there evidence that universal access to basic education is being met, as only 1.7 per cent of the youth population completed education below the secondary level. Samoa is also unusual in its high rates of participation in the technical vocational system. As many as 47.6 per cent of non-student youth completed vocational training there. In Viet Nam, 10.0 per cent of youth participated in vocational training (combined secondary and post-secondary) but, in Cambodia and Nepal, the shares are weaker at 3.0 and 4.4 per cent, respectively.

The lack of education/training is seen as an obstacle to finding work by young people, yet results show lower unemployment rates among the lesser educated. University graduates face longer job queues.

Unemployment among university graduates is a growing concern as the supply of qualified youth exceeds the capacity of the modern economy to produce the professional jobs they expect. Enterprises increasingly expect new hires to have high levels of education but at the same time have a tendency to say that recent graduates are not hireable

due to factors such as the lack of technical expertise.[2] In this sense, unemployment among graduates is demand-driven, but graduate employment is also susceptible to supply-driven elements that come from young graduates' expectations of good wages and working conditions. Some young graduates are waiting for a "good" job to materialize. In all the countries but Samoa, the young person with tertiary-level education (including post-secondary vocational) is the most likely to be unemployed. The less educated, on the other hand, are more likely to create their own job in self-employment or to accept lower wages. These young workers are the most exposed to the risk of remaining trapped in conditions of unproductive, working poverty.

An analysis of the perceived obstacles faced by unemployed young people in finding jobs is interesting in the sense that, rather than pointing to the economies' low capacity to produce jobs, there is a tendency for youth in the Asia-Pacific region to place the blame on themselves, for example, in their insufficient education/training or lack of work experience. Fortunately, these obstacles are more easily addressed in policy interventions – the undereducated can be trained, and work experience can be embedded in curricula – while the broader goal of boosting job creation is a more challenging, long-term goal.

While unemployment may be higher among the better educated, the results clearly show that investing in education brings positive returns to youth in terms of wages and access to the "better" jobs.

Evidence from the surveys show that youth with tertiary-level degrees can earn more than double the average monthly wage of a youth without education (more than five times that of the own-account worker). For young wage and salaried workers, each additional level of education brings gains in terms of earning potential.

The young person with a tertiary-level education is more than twice as likely to attain stable employment as the young person with primary-level education or less. In contrast, the lesser educated youth are much more likely to end up in satisfactory temporary or self-employment or to remain in transition. Also, the share of youth informally employed is considerably lower among young people who have completed university education or post-secondary vocational training than among those with lower levels of education. The gaps in informal employment rates of youth with tertiary-level education and less than primary-level education are large, ranging from a difference of 11 percentage points in Cambodia to 72 percentage points in Viet Nam.

The countries' average youth unemployment rate (relaxed definition) is 14.2 per cent; Cambodia has the lowest rate (3.8 per cent) and Nepal has the highest (28.9 per cent).

Unutilized labour goes beyond the unemployed, such that researchers now prefer to emphasize the NEET rate, an indicator calculated as the share of the youth population neither in employment nor in education or training (NEETs) in relation to the total youth population. NEET rates are high in Bangladesh and Samoa (41.0 and 43.5 per cent, respectively). In Samoa, the share is similar between the two sexes whereas, in Bangladesh, the share of female NEETs is five times the male share. NEET rates are much lower in the other countries covered by the survey: 8.7 per cent in Cambodia, 11.1 per cent in Viet Nam and 11.9 per cent in Nepal. In developed economies, the NEET rates of youth (aged 15–29) tend to be higher.[3]

[2] See, for example, Serrière (2014).

[3] Recent estimates show NEET rates in several European countries exceed 20 per cent (ILO, 2013a, table 10c).

Most Asian-Pacific youth search for jobs through friends, relatives and acquaintances.

Regarding job search methods, asking informal networks of relatives and friends about employment possibilities is the most popular choice in all countries but Nepal and Samoa. Approaching family and friends remains the favoured job-search method of one-half of unemployed youth in Bangladesh, Cambodia and Viet Nam. Such informal methods are discriminatory towards less-connected youth, who are left out of the job networks. In addition, they are sub-optimal for employers too, given that they will lead businesses to recruit from a limited pool of candidates who are selected on the basis of criteria other than capability and skills relevance.

Responding to or placing job advertisements is the second most frequently cited option among unemployed youth in the three countries, and the most frequently applied method in Nepal and Samoa. Fewer than 20 per cent of unemployed young people in the five SWTS countries had registered at an employment centre as a means of finding work. Clearly there is scope to strengthen the capacity of public and private employment services in surveyed countries as a means to raise their attractiveness as a placement tool for jobseeking youth.

The region shows diversity in the distribution of youth in the labour market but also commonalities in the deficiencies in employment quality that make it difficult for the youth (and countries) to make the most of their economic potential.

The two countries with the highest employment-to-population ratios are Cambodia (74.1 per cent) and Viet Nam (64.1 per cent). In these two countries, the survey results show that the share of unemployed youth is extremely low – below 2 per cent. In Bangladesh and Nepal, on the other hand, more than one-half of youth are inactive and employment-to-population ratios are much lower (approximately 38 per cent in the two countries). In Nepal, both male and female youth are inactive in the labour market due to enrolment in school while, in Bangladesh, a very large share of young women are inactive non-students (thus bringing down the total figure). The shares of youth in unemployment are also high in these two countries – 4.3 per cent in Bangladesh and 9.2 per cent in Nepal. Finally, Samoa stands apart with a 73.9 per cent inactivity rate among youth, a minimal share in employment (21.7 per cent) and a 4.4 per cent share in unemployment.

With a high share of employed youth in self-employment[4] (47.3 per cent, on average, and higher in Cambodia and Nepal), with at least two-thirds of paid employees engaged on the basis of an oral contract in three of the five countries and with a minority of workers receiving core entitlements such as paid annual or sick leave, it is clear that employment is far from stable for most Asian-Pacific youth. In Cambodia and Nepal, the largest shares of young workers are contributing (unpaid) family workers (46.8 and 40.6 per cent, respectively).

The youth labour market in the region is profoundly influenced by gender issues.

Young women are at a disadvantage in the five countries in terms of finding work. The unemployment rate of young women exceeds that of young men in all five countries. The average female youth unemployment rate is 19.9 per cent compared to the male rate of 11.9 per cent. In Bangladesh and Samoa, fewer than two in ten young women are employed. While in Samoa the employment-to-population ratio of young men is also relatively low at 27.3 per cent, in Bangladesh the male employment ratio is four times greater than the female ratio. The cultural traditions dictating the roles of women are also

[4] Employers, own-account workers and contributing family workers.

evident in the sectoral distribution of employment. Young women tend to find employment in the public sector, such as in education and health and social work but, in Asia, manufacturing work is also open to young women.

The few women who do work tend to be disadvantaged compared to young men when it comes to accessing decent work. In the five Asian-Pacific countries, young men are more likely to be in regular employment than young women, are more likely to complete the labour market transition to stable and satisfactory employment and to earn higher wages. On average, the wage premium of the young male employee is 17.1 per cent over that of the female employee, and the male own-account worker earns an average of 19.1 per cent more than his female counterpart.

With the exception of Samoa, at least one in four working youth expressed a desire to change their job.

Examining the reasons young workers want to change jobs provides hints on what they expect from their work. For example, higher wages emerges strongly as a motivation for changing jobs; 50.0 per cent of youth in Bangladesh and 62.3 per cent in Samoa would leave for a higher wage. Many youth also expressed the desire to change because of the temporary nature of their job, the principal reason given for wanting to change jobs in Viet Nam (62.1 per cent) and Cambodia (47.3 per cent). The qualifications mismatch is also of concern to many young workers, especially in Nepal.

Informal employment is the standard condition among youth in the Asia-Pacific region.

From 67.7 per cent of young worker in Samoa to 98.3 per cent in Cambodia fall into the category of informal employment. Youth living in rural areas are more likely to be engaged in informal employment than youth in urban areas. Young female workers are more likely to be in informal employment than young male workers in Cambodia and Nepal, but the opposite proves true in Bangladesh, Samoa and Viet Nam.

The qualifications mismatch is high among young workers in the five countries; over one-half of young workers in Bangladesh, Cambodia and Nepal are undereducated for the work they do.

In Bangladesh, Cambodia and Nepal, more than one-half (59.8, 57.8 and 50.3 per cent, respectively) of employed youth are undereducated for the job they do. The figures reflect the higher shares of youth with primary-level education or below in the three countries. The undereducation of workers can have a negative impact on worker productivity and thus on the output of the enterprise but also, more personally, on the sense of security of the young worker. The share is less in Viet Nam (21.3 per cent) and virtually non-existent in Samoa (2.8 per cent).

Overeducation is less of an issue in Bangladesh, Cambodia and Nepal, impacting at most 7.3 per cent of employed youth in the latter country. However, in Viet Nam, nearly one-quarter (23.5 per cent) and in Samoa more than one-half (59.6 per cent) of young workers are overeducated for the job they do. The phenomenon of overeducation takes place when an insufficient number of jobs match a certain level of education, which forces some of the degree holders to take up available work that they are subsequently overqualified for. One consequence is that overeducated young people are likely to earn less than they otherwise could have and are not making the most of their productive potential.

Agriculture and services are the main sectors of youth employment in the five countries; industry remains underdeveloped but serves as the primary means for young women to earn wages in Bangladesh and Viet Nam.

The agricultural sector continues to be the dominant employer in Cambodia (employing 50.0 per cent of young people) and to a lesser extent in Nepal (45.2 per cent) and in Bangladesh (34.6 per cent). Only in Samoa does the share of young workers in the services sector exceed one-half (over three in four youth there work in services) while, in the other countries, the share in services is approximately one-third (slightly higher in Nepal at 40.7 per cent). Employment in industry ranges from 14.1 per cent of young workers in Nepal to 31.9 per cent in Bangladesh.

2. School-to-work transition survey in Asia and the Pacific

2.1 Survey objectives and methodology

Many countries in Asia and the Pacific are characterized by an insufficiency of labour market statistics. Often the most recent data on the employment situation date back more than 5 years and even survey data that are made publicly available are rarely tabulated by age beyond the most basic of indicators. Consequently, the current limitations in labour market information make it difficult to obtain detailed information about the conditions of youth employment and the labour market transition that young people undertook. Regardless, the issue of improving the transition for young people has become a policy priority for a growing number of countries. In response to this obvious gap, the ILO has developed a framework for understanding the labour market transitions of youth, based on the SWTS. The detailed household survey covering 15−29 year-olds (see box 1) is applied at the national level to generate information on the current labour market situation, the history of economic activities and the perceptions and aspirations of youth.

Box 1. Definition of youth

While in most contexts, a youth is defined as a person aged between 15 and 24, for the purpose of the SWTS and related reports, the upper age limit is extended to 29 years of age. This recognizes the fact that some young people remain in education beyond the age of 24, and allows the opportunity to capture more information on the post-graduation employment experiences of young people.

Funding for the survey came from the Work4Youth partnership between the ILO Youth Employment Programme and The MasterCard Foundation (see box 2). The partnership supports the SWTS in 28 target countries, and data from the first round of surveys were made available throughout 2013. A second series of SWTSs will be conducted in each of the 28 countries surveyed in 2014−15. National reports summarizing survey results as well as the data itself (raw and tabulated) are available on the W4Y website.[5] For the region, the national reports are as follows:

- Kazi Ali Toufique, "Labour market transitions of young women and men in Bangladesh", Work4Youth Publication Series No. 13, June 2014 (ILO).

[5] www.ilo.org/w4y. National reports are currently available for Bangladesh, Benin, Cambodia, Jamaica, Liberia, Malawi, Samoa, The former Yugoslav Republic of Macedonia, Togo, Ukraine and Zambia. Raw data sets for all 28 countries are also available on the W4Y website. The SWTS tabulated data will be made available from the ILOSTAT database (www.ilo.org/ilostat) from July 2014.

- Heang Kanol, Khieu Khemarin and Sara Elder, "Labour market transitions of young women and men in Cambodia", Work4Youth Publication Series No. 2, September 2013 (ILO).
- Nicolas Serrière and Centre for Economic Development and Administration, "Labour market transitions of young women and men in Nepal", Work4Youth Publication Series No. 12, May 2014 (ILO).
- Government of Samoa, "Labour market transitions of young women and men in Samoa", April 2014.
- Nguyen Ngoc Anh, "Labour market transitions of young women and men in Viet Nam", Work4Youth Publication Series No. 16, forthcoming 2014 (ILO).

In some W4Y target countries, a labour demand enterprise survey (LDES) was also implemented. This survey of enterprises is intended to balance the supply-side picture captured by the SWTS. The LDES investigates the current and expected workforce needs of enterprises and the perspectives of managers on the pool of available young jobseekers and workers. By running the two surveys simultaneously, it is possible to shed light on issues such as labour market inefficiencies, weak job search/recruitment methods and mismatches between the skills-base of young labour market entrants and the needs of the labour market. Among the Asian countries, the LDES was implemented only in Nepal and Viet Nam. As this report concentrates on the results of the SWTS alone, readers are recommended to review the available national reports for results of the LDES although box 3 does summarize some of the employers' perspectives that came out from the two surveys.

Box 2. Work4Youth: An ILO project in partnership with The MasterCard Foundation

The Work4Youth (W4Y) Project is a partnership between the ILO Youth Employment Programme and The MasterCard Foundation. The project has a budget of US$14.6 million and will run for 5 years to mid-2016. Its aim is to "promot[e] decent work opportunities for young men and women through knowledge and action". The immediate objective of the partnership is to produce more and better labour market information specific to youth in developing countries, focusing in particular on transition paths to the labour market. The assumption is that governments and social partners in the project's 28 target countries will be better prepared to design effective policy and programme initiatives once armed with detailed information on:

- what young people expect in terms of transition paths and quality of work;
- what employers expect in terms of young applicants;
- what issues prevent the two sides – supply and demand – from matching; and
- what policies and programmes can have a real impact.

Work4Youth target areas and countries:

Asia and the Pacific: Bangladesh, Cambodia, Nepal, Samoa, Viet Nam

Eastern Europe and Central Asia: Armenia, Kyrgyzstan, Republic of Moldova, Russian Federation, the former Yugoslav Republic of Macedonia, Ukraine

Latin America and the Caribbean: Brazil, Colombia, El Salvador, Jamaica, Peru

Middle East and North Africa: Egypt, Jordan, Occupied Palestinian Territory, Tunisia

Sub-Saharan Africa: Benin, Liberia, Madagascar, Malawi, Togo, Uganda, United Republic of Tanzania, Zambia

The SWTS was implemented by the national statistical organization in Bangladesh, Cambodia, Samoa and Viet Nam (table 2.1). Only in Nepal was the survey run by a private institution, the Centre for Economic Development and Administration, due to the unavailability of the national statistical organization. The average sample size was 4,300 persons aged 15–29, with the smallest (2,722 youth) in Viet Nam and the largest (9,125 youth) in Bangladesh. The SWTS was conducted in 2012 in two countries (Cambodia and Samoa), in 2013 in two countries (Bangladesh and Nepal) and spanned the two years in

Viet Nam. Data are nationally representative and national weights have been applied in all countries. The seasonality of the surveys should be taken into consideration when attempting cross-country comparisons.

Table 2.1 Source information: SWTS in Asian-Pacific countries

Country	Implementation partner	Sample size (number of youth)	Geographic coverage	Reference period
Bangladesh	Bureau of Statistics	9 125	National	January–March 2013
Cambodia	National Institute of Statistics	3 552	National	July–August 2012
Nepal	Center for Economic Development and Administration	3 584	National	April–May 2013
Samoa	Bureau of Statistics	2 914	National	November–December 2012
Viet Nam	General Statistics Office	2 722	National	December 2012–January 2013

2.2 Socio-economic context

2.2.1 Economic growth

The Asia-Pacific region includes a diverse set of countries that form a rich tapestry of societies, cultures, religions, economies and geographical landscapes. It includes several of the world's advanced economies, as well as developing economies, which house two-thirds of the world's working poor. The region is subdivided into three subregions: East Asia, South Asia, and South-East Asia and the Pacific, each with its own labour market dynamics and challenges. The five countries covered in this report fall into two subregions: Bangladesh and Nepal in South Asia, and Cambodia, Samoa and Viet Nam in South-East Asia and the Pacific.

Using its diversity as an asset, the Asia-Pacific region has been the most economically dynamic region in the world over the past two decades, growing at an average of 8.1 per cent annually from 2000–13, a faster rate than any other region and well above global growth of 3.7 per cent per year over the same period (table 2.2). The region's importance to the world economy has also increased substantially. In 2013, the economies of Asia and the Pacific, termed "emerging and developing Asia" by the International Monetary Fund, were responsible for 25.9 per cent of global gross domestic product (GDP), an increase from 14.5 per cent in 2000. The regional share in global GDP overtook that of the European Union (EU) in 2009.

While the global financial crisis in 2008–09 took a toll on the region, recovery came as early as 2010. The effects of the crisis were initially felt more in export-oriented economies than domestic demand-driven economies because of the decline in demand from developed economies abroad for exports. High food and energy prices, coupled with natural disasters such as earthquakes, floods and typhoons, also impacted economic growth. The average inflation rate almost doubled between 2009 and 2011 (from 2.5 per cent to 4.7 per cent), before declining to 3.7 per cent in 2012. Notwithstanding these challenges, the region remains the leader in GDP growth as well as in merchandise trade, overtaking Europe in 2012 as the world's largest trading region (UN ESCAP, 2012).

Table 2.2 Annual GDP growth rate (constant prices) and share of GDP (at PPP) in global total, 2000, 2005, 2008–13 (%)

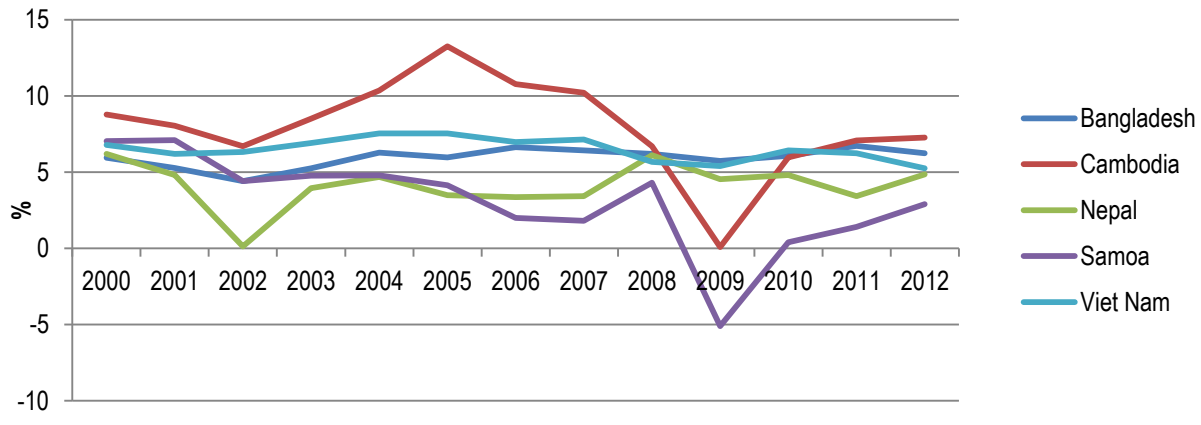
Region	2000	2005	2008	2009	2010	2011	2012	2013	Average 2000–13
GDP growth rate									
World	4.7	4.7	2.7	-0.4	5.2	3.9	3.2	3.0	3.7
Advanced economies	4.1	2.8	0.1	-3.4	3.0	1.7	1.4	1.3	1.8
European Union	4.0	2.4	0.6	-4.4	2.0	1.7	-0.3	0.2	1.5
Emerging market and developing economies	5.7	7.3	5.9	3.1	7.5	6.3	5.1	4.7	6.1
Emerging and developing Asia	6.5	9.5	7.3	7.7	9.7	7.9	6.7	6.5	8.1
Latin America and the Caribbean	3.8	4.6	4.3	-1.3	6.0	4.6	3.1	2.7	3.4
Middle East and North Africa	5.6	5.6	5.1	3.0	5.5	3.9	4.1	2.2	5.0
Sub-Saharan Africa	3.5	6.2	5.7	2.6	5.6	5.5	4.9	4.9	5.4
Share of GDP in global total									
Advanced economies	63.0	58.7	54.8	53.3	52.2	51.2	50.4	49.6	56.6
European Union	24.8	22.9	21.7	20.9	20.3	19.9	19.2	18.7	22.1
Emerging market and developing economies	37.0	41.3	45.2	46.7	47.8	48.8	49.6	50.4	43.4
Emerging and developing Asia	14.5	17.7	20.6	22.3	23.3	24.2	25.1	25.9	19.7
Latin America and the Caribbean	8.8	8.4	8.6	8.5	8.6	8.7	8.7	8.6	8.5
Middle East and North Africa	4.3	4.8	5.1	5.2	5.3	5.1	5.1	5.0	4.8
Sub-Saharan Africa	2.0	2.2	2.4	2.4	2.4	2.5	2.5	2.6	2.3

PPP = purchasing power parity.

Source: IMF, World Economic Outlook Database, April 2014.

There is significant subregional diversity among the Asian-Pacific economies. The countries of East Asia have a higher rate of GDP growth, averaging 8.7 per cent from 2007 to 2012, compared to 6.7 per cent in South Asia and 5.1 per cent in South-East Asia and the Pacific (ILO, 2014). GDP growth also differs significantly across the five SWTS countries. Samoa and Cambodia were hit hardest by the economic crisis in 2008–09; in 2009, Samoa faced a negative growth rate of 5.1 per cent, while Cambodia floundered at positive 0.1 per cent, but both countries bounced back quickly (figure 2.1). Bangladesh, Nepal and Viet Nam, in contrast, show less volatility, with growth remaining firmly between 5 and 7 per cent since 2000.

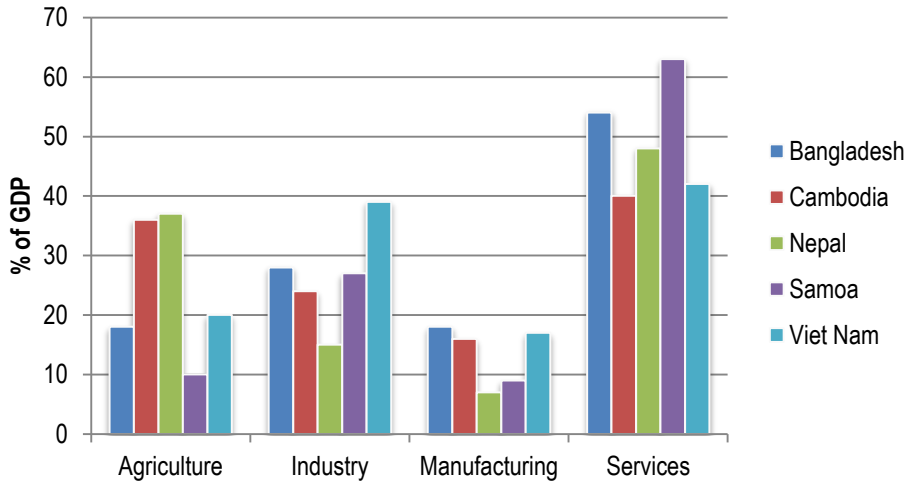
Figure 2.1 Annual GDP growth, 2000–12



Source: World Bank, World Development Indicators, 2014.

The five economies are diverse in their structures. Cambodia and Nepal show the strongest agricultural base, with agriculture production continuing to contribute to at least one-third of GDP (figure 2.2). Value added from the services sector is higher than agriculture in the two countries, but the differences in shares are not large. In Viet Nam, in contrast, the value added in the services sector was double that of agriculture in 2012, and in Bangladesh the services share was three times that of agriculture. In Bangladesh, Samoa and Viet Nam, the industrial base is greater than agriculture. The value added share of industry remains as high as 39 per cent in Viet Nam and above 20 per cent in the remaining four countries but Nepal.

Figure 2.2 Structure of output (value added % of GDP), 2012



Source: World Bank, World Development Bank Indicators, 2014.

Cambodia and Viet Nam are the largest receivers of foreign direct investment (FDI), comprising 11.1 and 5.4 per cent, respectively, of GDP in 2012 (table 2.3). Nepal, in comparison, showed a net FDI inflow of only 0.5 per cent in the same year. Bangladesh, Cambodia and Viet Nam have also shown significant growth in exports after 2009 and even larger growth rates in imports.

2.2.2 Population

In 2012, 4.3 billion people were living in the region, which is equal to 60 per cent of the global total of 7.1 billion people. The youth population aged 15–24 comprised more than 750 million.[6] Regarding the five SWTS countries, the share of youth in the total population hovered around 20 per cent and was slightly higher than the regional average of 18.3 per cent in 2010 in all countries but Samoa, which was equal to the average (table 2.4). Dependency ratios were also above the regional average in all but Viet Nam. The large youth population and their eventual entry into the workforce is a challenge and also an opportunity for these countries. It will be up to policy-makers to turn this youth bulge into a demographic dividend and take advantage of declining dependency ratios.

[6] UN ESCAP, "Youth in Asia-Pacific Factsheet", November 2012.

Table 2.3 Macroeconomic indicators, 2007–12 (%)

Indicators per country	2007	2008	2009	2010	2011	2012
Bangladesh						
GDP growth rate	6.4	6.2	5.7	6.1	6.7	6.2
Foreign direct investment (% of GDP)	1.0	1.3	0.8	0.9	1.0	1.0
Exports growth rate	13.0	7.0	0.0	0.9	29.3	7.8
Imports growth	26.7	28.8	26.6	25.0	31.6	32.1
Current account balance (% of GDP)	1.3	1.2	4.0	2.1	-0.1	2.3
Cambodia						
GDP growth rate	10.2	6.7	0.1	6.0	7.1	7.3
Foreign direct investment (% of GDP)	10.0	7.9	5.2	7.0	7.0	11.1
Exports growth rate	10.1	15.7	-9.9	20.6	18.9	-
Imports growth	72.9	67.8	55.9	59.5	59.5	-
Current account balance (% of GDP)	-4.9	-7.9	-7.5	-6.9	-5.5	-8.6
Nepal						
GDP growth rate	3.4	6.1	4.5	4.8	3.4	4.9
Foreign direct investment (% of GDP)	0.1	0.0	0.3	0.5	0.5	0.5
Exports growth rate	-0.9	0.7	3.9	-10.4	-2.1	1.9
Imports growth	31.7	33.3	34.7	36.4	32.7	33.4
Current account balance (% of GDP)	0.1	5.8	0.1	-0.8	1.5	3.0
Samoa						
GDP growth rate	1.8	4.3	-5.1	0.4	1.4	2.9
Foreign direct investment (% of GDP)	1.4	8.0	2.0	0.2	2.4	3.4
Exports growth rate	-	-	-	-	-	-
Imports growth	61.6	48.8	64.3	64.9	57.5	61.0
Current account balance (% of GDP)	-9.3	-10.0	-2.5	-7.6	-10.5	-5.2
Viet Nam						
GDP growth rate	7.1	5.7	5.4	6.4	6.2	5.2
Foreign direct investment (% of GDP)	8.7	9.7	7.2	6.9	5.5	5.4
Exports growth rate	12.5	13.7	-5.1	8.4	10.8	15.7
Imports growth	84.1	84.0	73.3	80.2	83.5	76.5
Current account balance (% of GDP)	-9.0	-10.9	-6.2	-3.7	0.2	5.8

.. = data not available.

Source: World Bank, World Development Bank Indicators, 2014.

Table 2.4 Share of youth (15–24) in total population and dependency ratios, 2000, 2005 and 2010

Country	% of total population			Total dependency ratio (%)		
	2000	2005	2010	2000	2005	2010
Bangladesh	20.9	20.8	20.3	70	63	57
Cambodia	19.8	24.2	20.9	81	68	58
Nepal	19.5	18.4	19.6	79	78	73
Samoa	18.5	17.8	18.3	82	80	76
Viet Nam	20.0	20.5	20.1	61	51	43
Asia average	**18.1**	**18.9**	**18.3**	**57**	**51**	**48**

Note: The dependency ratio is the share of persons aged 0–14 and 65+ divided by the working-age population aged 15–64.

Source: UN, World Population Prospects: The 2012 Revision Database.

The Asia-Pacific region has one of the highest sex-ratio imbalances, with a regional average of 104.8 boys for 100 girls. This is compared to the ratios of 92.8, 98.4 and 99.7 in

Europe, Latin America and sub-Saharan Africa, respectively, in 2010.[7] The largest imbalances are in China and India, where for every 100 girls there were 107.4 and 107.2 boys, respectively. Among the five SWTS countries in the Asia-Pacific region, the sex ratio exceeds 100 only in Bangladesh (103.2) and Samoa (106.5).

Urbanization is a challenge in the region. The share of the population living in urban areas is expected to increase to 48.0 per cent in 2015, an increase from 38.2 per cent in 2000 (table 2.5). While the five SWTS countries follow the urbanization trend, a smaller proportion live in urban areas compared to the regional average. In Bangladesh and Viet Nam, already more than one-quarter of the population were urban dwellers in 2010, but in Cambodia, Nepal and Samoa, shares were 20 per cent or less (16.7 per cent in Nepal).

Table 2.5 Share of urban population, 2000, 2005, 2010 and 2015 (%)

Country	2000	2005	2010	2015*
Bangladesh	23.6	25.6	27.9	30.4
Cambodia	18.6	19.2	19.8	20.8
Nepal	13.4	15.1	16.7	18.4
Samoa	22.0	21.2	20.1	19.1
Viet Nam	24.4	27.3	30.4	33.6
ESCAP regional	**38.2**	**41.4**	**44.8**	**48.0**

* projection. ESCAP = UN Economic and Social Commission for Asia and the Pacific.

Source: UN ESCAP Statistical Database, "Urban population (% of population)".

2.2.3 Employment

Since 1991, the Asia-Pacific region has seen a shift in the concentration of employment by primary sectors. While in 1991 agriculture accounted for 53.6 per cent of total employment, by 2012 its share had decreased to 38.3 per cent while shares of employment in industry and services increased by 4.0 and 11.4 percentage points, respectively.[8] A closer look at subregional data, however, reveals significant subregional differences. According to the ILO's *Global Employment Trends 2014*, East Asia has moved away from agriculture and labour-intensive manufacturing, to an economy which in 2012 was led by the services sector (employing 38.1 per cent of workers), followed equally by agriculture and industry at roughly 31 per cent each. On the other hand, agriculture remained the largest employer in South Asia at 48.5 per cent, and also employed 39.2 per cent of workers in South-East Asia and the Pacific, falling second to services, which employed 41.1 per cent of workers.

Each subregion also has its distinct labour market characteristics and challenges. As shown in table 2.6, in 2012 South Asia had the region's lowest labour force participation rate at 56.1 per cent, due to the low participation of women (30.4 per cent compared to 80.4 per cent for men). The low unemployment rate is misleading as an indicator in this region and others, as it masks the issues of pervasive vulnerable employment and working poverty.[9] In South-East Asia and the Pacific, the unemployment rate has been declining since 2000 to reach 4.1 per cent in 2012. Here too, a significant challenge is the prevalence

[7] UN DESA, World Population Prospects: The 2010 Revision Database, "Sex ratio by major area, region and country, 1950–2100 (males per 100 females)".

[8] UN ESCAP Statistical Database, "Services employment (% of total employment)", "Industry employment (% of total employment)", "Agriculture employment (% of total employment)".

[9] Vulnerable employment is defined as the share of own-account workers and contributing family workers in total employment. Working poverty is defined as the share of working persons living in households of cumulative incomes of less than US$2 per day in the total employment.

of vulnerable employment and working poverty. On the other hand, East Asia has the lowest incidence of vulnerable employment and working poor, where more workers have moved into salaried employment over the past decade.

Table 2.6 Labour market characteristics of Asian-Pacific subregions, 2012 (%)

Subregion	Labour force participation rate	Unemployment rate	Youth unemployment rate	Vulnerable employment	Working poor (US$2 per day)
East Asia	70.6	4.4	9.7	46.5	15.0
South-East Asia & the Pacific	70.4	4.1	12.7	59.7	31.3
South Asia	56.1	3.9	10.1	76.4	62.9

Source: ILO, 2014, Annex tables.

Youth unemployment is a pressing issue in the region as a whole. In South-East Asia and the Pacific, the youth unemployment rate is estimated at 13.0 per cent in 2013, which is over five times the rate of adult employment of 2.3 per cent (ILO, 2014). In South Asia, the youth unemployment rate in 2013 is four times that of the adult population (10.2 and 2.5 per cent, respectively). The particular characteristics of youth labour markets for the five SWTS countries are elaborated in section 3.

3. Characteristics of youth in Asia and the Pacific

3.1 Socio-economic characteristics of youth

3.1.1 Individual characteristics of youth

The SWTS confirms the demographic pressures on Asian economies due to the large volume of labour market entrants that continues to grow over time. Almost two-fifths (39.9 per cent) of the youth aged 15–29 average under 20 in the five SWTS countries in the region (tables 3.1 and A.1). There is a near equal gender balance in Samoa and Viet Nam, but in Bangladesh and Cambodia the sample included slightly more female than male, and in Nepal more males than females.

On average, over six in ten youth had never been married (63.5 per cent); the highest share was in Samoa at 74.6 per cent while, in Bangladesh, in contrast, only 43.2 per cent of youth were single. Young women in the region were twice as likely to be married as young men; on average married women comprised 43.8 per cent of the female youth population in the five countries, while married men made up 24.9 per cent of the male youth population (table A.1). Early marriage among young women was most prevalent in Bangladesh; 71.7 per cent of females were married, a much higher share than the second highest result, Nepal, where 40.7 per cent of females were married.

Despite growing migration to urban areas, the youth population living in rural areas still outnumbers youth in urban areas in four countries (no data for Samoa): on average, 75.6 per cent of youth live in rural areas and 24.4 per cent in urban areas (table 3.1). The country showing the highest urban population share was Viet Nam, although still low at 29.5 per cent.

Table 3.1 Youth by sex, age group, area of residence and marital status (%)

Characteristic	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam	Average
Sex						
Male	46.6	45.3	54.3	51.0	49.5	49.3
Female	53.4	54.7	45.7	49.0	50.5	50.7
Age group						
15–19	33.8	41.5	43.9	45.4	35.3	39.9
20–24	35.9	33.4	30.8	31.6	32.1	32.8
25–29	30.3	25.2	25.4	23.0	32.6	27.3
Area of residence						
Urban	23.0	24.8	20.5	n.a.	29.5	24.4
Rural	77.0	75.2	79.5	n.a.	70.5	75.6
Marital status						
Single	43.2	69.0	64.7	74.6	66.0	63.5
Engaged	-	0.3	1.7	-	0.4	0.8
Married	55.2	29.4	32.9	23.3	32.4	34.6
Divorced	1.1	0.9	0.5	2.1	1.1	1.1
Widowed	0.5	0.5	0.2	-	0.1	0.3

n.a. = data not available.
- = insignificant.
Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

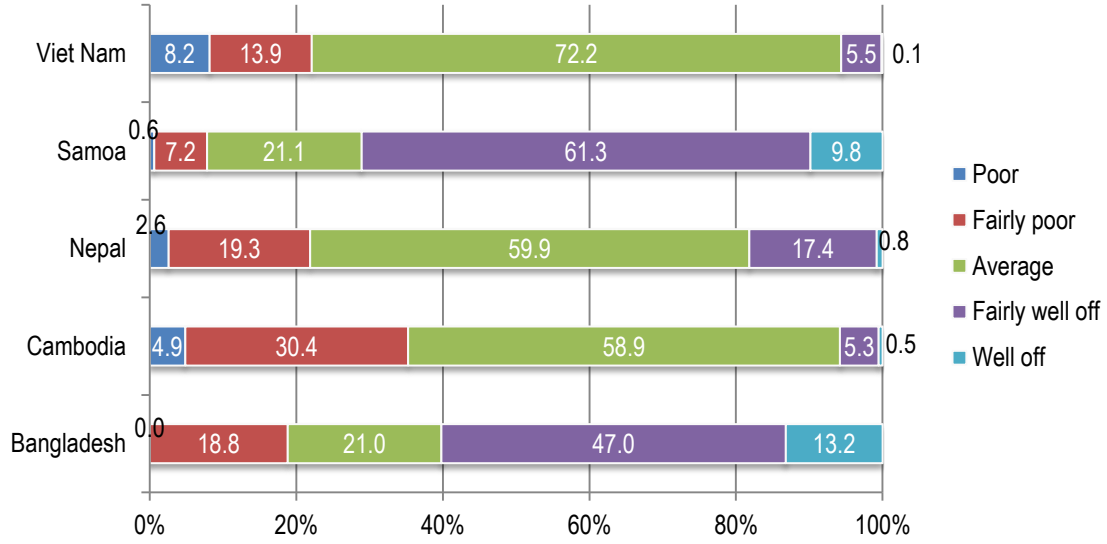
3.1.2 Household characteristics

A very small proportion (3.3 per cent) of the young population in the five countries surveyed saw themselves as living in a poor household compared to nearly 50 per cent who considered themselves as having average household income (figure 3.1).[10] These perceptions reflect the changing patterns of growth in the region that are leading to a growing middle class, but results should be considered with reserve given the reluctance of some youth to admit poverty. If the results are taken at face value, Cambodia emerges as the country with the highest share of young people living in poverty (35.3 per cent in "poor" or "fairly poor" households). In all countries, a much higher likelihood of poverty existed in rural than urban areas (table A.2).

Bangladesh and Samoa stand out as the two countries with sizeable shares of youth who considered their households to be above the national average. Nearly three-quarters (71.1 per cent) of young Samoans and more than one-half (60.2 per cent) of young Bangladeshis considered their household to be at least "fairly well off". In contrast, in Viet Nam only 5.6 per cent of youth indicated living in above-average-income households, although another 72.2 per cent stated their household income level was around the national average. These assessments reflect the national perceptions towards wealth and income (in)equality.

[10] Household income levels were self-reported in the SWTS according to the categorization shown in figure 3.1.

Figure 3.1 Youth by level of household income



Note: Household income level is based on the perception of the young respondents.
Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

3.2 Educational attainment

3.2.1 Access to education

Education remains the core element in human resource development and in improving the prospects of young people to acquire decent jobs. In the five countries surveyed in the Asia-Pacific region, an unfortunately high share of young people left school before completion (36.6 per cent, on average) while, on a more positive note, another 36.9 per cent of youth were still in school. The shares of youth leaving school before completion were particularly high in Bangladesh and Cambodia at 54.7 and 53.4 per cent, respectively (table 3.2). Bangladesh also had a significant share of youth who never attended school (13.9 per cent), followed by 7.9 per cent of youth in Nepal. Nepal was unique among the countries as the only one showing a majority of the youth population still attending school (59.6 per cent), and Samoa and Viet Nam were the only countries in the group with four in ten youth having completed their studies.

Table 3.2 Youth population by educational status (%)

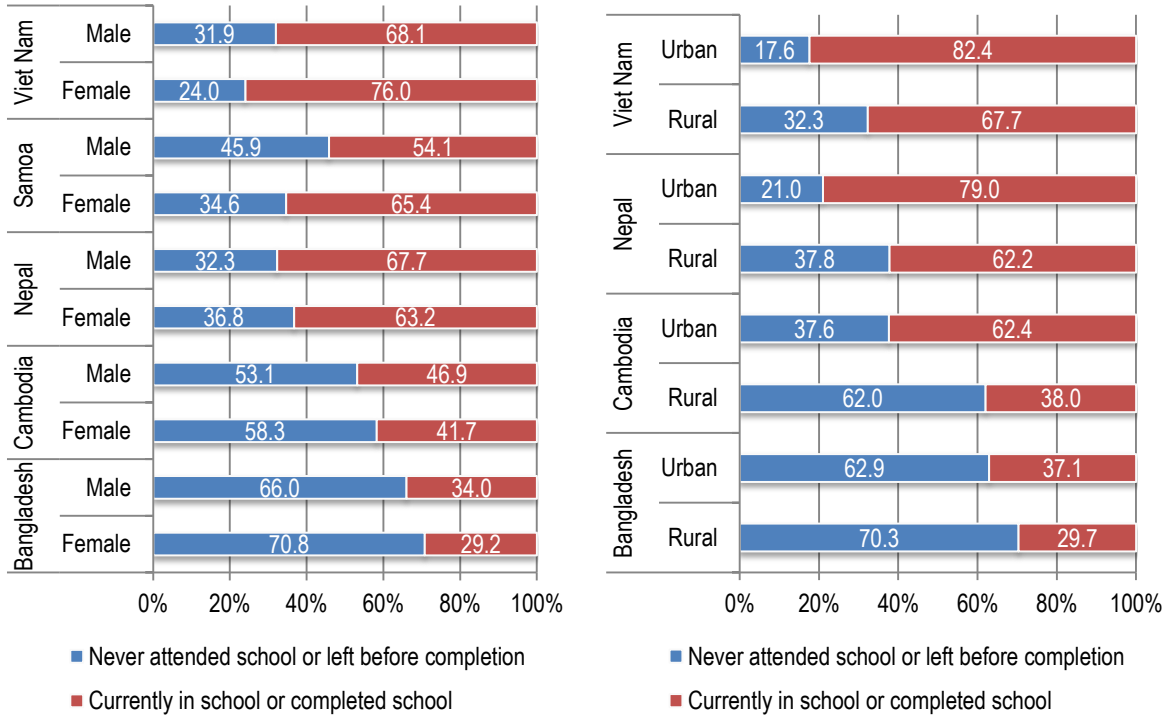
Educational status	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam	Average
Never attended school	13.9	2.6	7.9	0.1	2.2	5.3
Have left before graduation or completion of school	54.7	53.4	26.4	22.9	25.8	36.6
Currently attending school	23.5	33.3	59.6	36.7	31.2	36.9
Completed education	7.9	10.7	6.0	40.3	40.9	21.2

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Gender differences with regard to completion and non-completion of education appear in figure 3.2. The gaps are not sizeable and the disadvantaged vary by country. In Bangladesh, Cambodia and Nepal, young women fell slightly behind men in terms of educational access while, in Samoa and Viet Nam, the young men were less likely to complete their education. The gaps in educational attainment were much more evident when viewed by area of residence (figure 3.2). Regarding access to education, youth in

rural areas had a clear disadvantage. In the four countries surveyed, a larger share of youth never attended school or left before completion in rural areas compared to urban areas. In addition, in urban areas, the countries showed a larger share of youth with completed education or currently enrolled in school than in rural areas.

Figure 3.2 Youth population with no education or incomplete education and youth with completed education by sex and area of residence



Note: The urban–rural breakdown is not available for Samoa.
Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Asked why they never attended school, most youth cited economic reasons – implying the inability to cover school fees or the need to work to contribute to the household income (from 39.1 per cent in Nepal to 77.4 per cent in Cambodia); to start working, perhaps also relating to economic reasons (from 2.5 per cent in Nepal to 53.3 per cent in Samoa); and the lack of parental support (from 1.1 per cent in Cambodia to 28.9 per cent in Bangladesh) (table 3.3). The latter reason – parental refusal – proved particular to Bangladesh and Nepal, and in both cases was more often cited by young women than men. Other common reasons included a lack of interest in school (particularly in Nepal) and the distance to school. Economic reasons for leaving school proved particularly strong in Cambodia, which also had one of the higher shares of youth leaving school early. Young women were more likely than young men to be denied by their parents the right to attend school. Early school leavers gave similar reasons for dropping out of school, with the majority citing economic reasons, although also a good share of youth left school before completion because they were not interested in school, due to a failed examination or to get married (table A.3).

Table 3.3 Youth with no schooling by reason and sex (%)

Country	Sex	Lack of interest	To start working	To get married	Parental refusal	Economic reasons	Distance of school	Other
Bangladesh	Total	8.2	-	-	28.9	46.0	4.2	12.7
	Female	8.1	-	-	39.9	33.0	5.1	14.0
	Male	8.3	-	-	17.9	59.0	3.2	11.6
Cambodia	Total	3.3	3.1	-	1.1	77.4	5.6	9.4
	Female	3.5	0.0	-	0.0	81.6	4.7	10.2
	Male	3.0	8.4	-	3.0	70.3	7.3	7.9
Nepal	Total	14.8	2.5	3.8	28.4	39.1	8.2	3.3
	Female	14.2	0.8	6.4	34.4	30.8	9.5	3.9
	Male	15.4	4.4	0.8	21.7	48.3	6.7	2.6
Samoa	Total	-	53.3	-	-	46.7	-	-
	Female	-	0.0	-	-	100.0	-	-
	Male	-	100.0	-	-	0.0	-	-

- = insignificant response rate.

Note: The question was not included in the Vietnamese SWTS.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

3.2.2 Completed educational attainment

The variation in educational attainment across the five countries surveyed was sizeable but, overall, the education level of the young people in the Asia-Pacific region remains fairly low. In Bangladesh, Cambodia and Nepal, more than one-half of youth with completed education finished at the primary level or below. In Viet Nam, the share was 31.9 per cent (table 3.4). Only in Samoa was there evidence that universal access to basic education is being met, as only 1.7 per cent of the youth population completed education below the secondary level. Samoa is also unusual in its high rates of participation in the technical vocational system. As many as 47.6 per cent of non-student youth completed vocational training there. In Viet Nam, 10.0 per cent of youth participated in vocational training (combined secondary and post-secondary), but in Cambodia and Nepal, the shares were weaker, at 3.0 per cent and 4.4 per cent, respectively.

Table 3.4 Youth by highest level of completed education (%)

Completed education level	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam
Less than primary (including no schooling)	18.6	14.7	19.7	1.0	9.5
Primary	38.0	49.0	33.0	0.7	22.4
Secondary general	39.9	29.5	32.2	28.6	49.5
Secondary vocational	-	2.5	1.6	47.6	5.3
Post-secondary vocational	-	0.5	2.8		4.7
University and postgraduate studies	1.8	3.7	10.7	17.6	8.5
Not classified	1.7	n.a.	n.a.	4.5	0.1

- = data not available.

Note: Only youth with completed education are considered. The Samoan questionnaire used only one category of "vocational" with no distinction between secondary and post-secondary level. The Bangladeshi questionnaire did not list vocational training separately.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

The largest share of completed educational attainment was at the secondary level (general) for Bangladesh and Viet Nam. In Cambodia and Nepal, the share of youth with primary-level education was highest and, in Samoa, the majority participated in vocational training. Regarding higher education – at the university and postgraduate levels – attainment of the youth population in descending order was Samoa (17.6 per cent), Nepal (10.7 per cent), Viet Nam (8.5 per cent), Cambodia (3.7 per cent) and Bangladesh (1.8 per cent).

In Cambodia and Nepal, young women were more likely than young men to stop their education at the primary level (or below), but the young men had a greater tendency to be among the least educated in Bangladesh, Samoa and Viet Nam (table A.4). Results were also mixed pertaining to rates of educational attainment at the tertiary level by sex. In Cambodia and Nepal, the share of young male university graduates exceeded the female share, while the opposite was the case in Samoa and Viet Nam (shares were equal in Bangladesh).

3.2.3 Current students

The SWTS includes questions on fields of study and future job expectations of current students which help to gauge the possibilities of their future labour market integration. Current students in the four countries with available data (the Bangladesh questionnaire did not include the section) showed a tendency to prefer to concentrate their studies in areas of social sciences and education (table 3.5). In comparison to other countries, current students in Viet Nam showed the highest concentration of students preferring the fields of engineering, manufacturing and construction (17.0 per cent), social sciences, business and law (27.3 per cent) and health and welfare (11.8 per cent). More students in Nepal and Samoa choose to study education over other fields, while in Cambodia, the largest share of students remain in general programmes (not surprising given that most current students in the country will not go beyond the secondary level).

Most currents students in the four countries hope to eventually obtain a professional job. This desired occupation was chosen by as much as 78.2 per cent of students in Viet Nam and by more than one-half of students in Cambodia, Nepal and Samoa (table 3.5). Very few students showed a desire for future work in agriculture (at most 3.5 per cent of current students in Bangladesh) or for the occupations most associated with work in the manufacturing sector (plant and machine operators and craft and related trade workers), although the current structure of the economies in the region would hint that this is where the bulk of demand for labour will be in the near future (confirmed with the labour demand enterprise surveys; see box 3).

In terms of where current students want to work, more than half of current students in the four countries (as much as 82.1 per cent of students in Samoa) hope to work someday in the government or public sector. The attraction of the public sector is due to three factors: status, security and benefits. Unfortunately, it is unrealistic to think that the public sector will have the capacity to absorb the totality of emerging young graduates. Private sector employment is clearly regarded by most young students as second-best option. At most 29.6 per cent of young Bangladeshi students showed a preference for future private sector work, and the share dropped as low as 8.7 per cent among Samoan students.

Table 3.5 Current students by preferred field of study, desired future occupation and place of work (%)

Field of study, desired place of work and occupation	Cambodia	Nepal	Samoa	Viet Nam
Preferred field of study				
General programmes	38.6	17.5	16.4	12.8
Education	11.2	24.1	22.7	15.7
Humanities and arts	0.9	13.0	6.6	1.7
Social sciences, business and law	15.8	20.5	13.9	27.3
Science, mathematics and computing	14.4	11.6	14.5	9.2
Engineering, manufacturing and construction	3.5	4.3	8.5	17.0
Agriculture and veterinary	2.6	1.3	1.1	1.5
Health and welfare	9.5	6.3	10.8	11.8
Services	3.6	0.4	3.4	3.0
Other	0.0	1.0	2.2	0.0
Total	100	100	100	100
Desired occupation				
Legislators, senior officials and managers	4.5	10.5	4.9	2.9
Professionals	55.3	56.5	61.1	78.2
Technicians and associate professionals	12.6	15.5	5.5	6.3
Clerks	4.7	3.2	10.3	1.0
Service workers, shop and market sales workers	10.3	8.4	5.2	5.8
Skilled agricultural and fishery workers	3.5	1.5	0.8	0.0
Craft and related trade workers	6.1	1.6	9.8	3.2
Plant and machine operators and assemblers	1.4	1.0	1.7	1.0
Elementary occupations	0.0	0.8	0.6	0.3
Armed forces	1.5	1.0	0.0	1.4
Total	100	100	100	100
Desired place of work				
Myself (own business/farm)	15.8	14.2	7.9	6.2
Work for the government/public sector	53.3	66.0	82.1	68.9
Work for a private company	29.6	12.6	8.7	19.2
Work for an international organization	0.8	5.0	1.0	3.9
Work for non-profit organization	0.0	0.0	0.0	0.0
Work for family business/farm	0.4	1.8	0.2	1.6
Work for the foreign government	0.0	0.0	0.0	0.0
Do not wish to work	0.1	0.5	0.1	0.1
Total	100	100	100	100

Note: The questions were not asked in the Bangladesh SWTS.

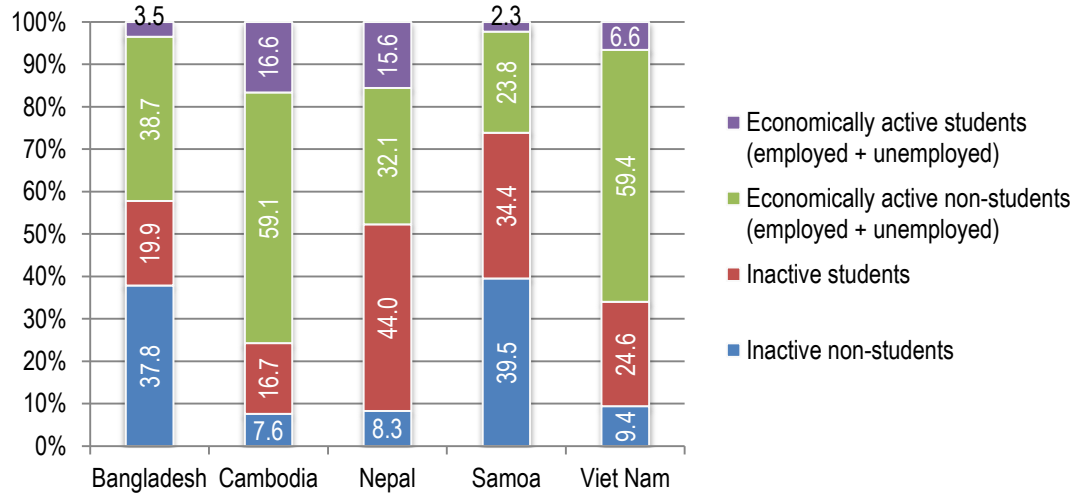
Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

3.3 Preparation for the labour market transition

Analysis of the current labour market and educational status of young people in the Asia-Pacific region shows a strong tendency towards economic activity among the youth population, whether in or out of school, in Cambodia and Viet Nam (figure 3.3). In Bangladesh, Nepal and Samoa, on the other hand, inactivity among youth was more prevalent. The differences in the shares of youth who pursued their studies as the sole activity (as inactive students) were large, ranging from 16.7 per cent in Cambodia to nearly one-half (44.0 per cent) in Nepal. Among the countries surveyed, Nepal stands out as a country with a very high share of youth who were still in school (more than one-half: 44.0 per cent as inactive students and 15.6 per cent as economically active students), indicating the firm recognition of the value of education of Nepalese young people and their families. At the same time, it is important to bear in mind the high rate of external migration among Nepalese youth. With estimates as high as 10.0 per cent of the population, or at least 2.1

million Nepalese working abroad,[11] it could be argued that a bias exists in the data set. If young Nepalese working abroad were added to the estimates, the share of inactive students in the total youth population would shrink accordingly.

Figure 3.3 Youth by current labour market and educational status



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Working while studying was not a common phenomenon among the Asian youth surveyed; the share of working students ranged from 2.0 per cent of Samoan youth to 16.1 per cent of youth in Cambodia (table A.5). Combining work and study can benefit young people since employers show a strong preference for job applicants with past work experience.

4. Current economic activity status of youth

The traditional classification of current activity status has three categories: employed, unemployed or inactive. The employed and unemployed are added together to form the total labour force. The key labour market indicators of youth, based on the traditional distribution and abiding by international standard concepts, are presented for the SWTS Asian-Pacific countries in table 4.1.

Variation in the distribution of the youth population across the five countries is high, so rather than discuss the average, the countries were categorized across common characteristics. Two countries had large volumes of youth in employment: in Cambodia, 74.1 per cent of the young people were employed and, in Viet Nam, the share was 64.1 per cent. In these countries, the share of unemployed youth was extremely low – below 2 per cent – and inactivity totalled from one-quarter (24.3 per cent) in Cambodia to one-third (34.0 per cent) in Viet Nam of the total population. The two countries also showed the highest youth labour force participation rates at 75.7 per cent (Cambodia) and 66.0 per cent (Viet Nam) and the lowest youth unemployment rates (2.1 per cent in Cambodia and 2.8 per cent in Viet Nam).

Two other countries with similar labour market characteristics were Bangladesh and Nepal. In these two countries, the largest shares of youth were those who were inactive – 57.7 per cent in Bangladesh and 52.3 per cent in Nepal. Results discussed in this report

[11] According to the 2009 Nepal migration survey, as reported in World Bank (2011).

show, however, that the reasons for inactivity in the two countries differed. In Nepal, both male and female youth were inactive due to enrolment in school while, in Bangladesh, a very large share of young women were inactive non-students (see section 3.3). The shares of youth in unemployment were also high in these two countries – 4.3 per cent in Bangladesh and 9.2 per cent in Nepal – while slightly more than one-third of youth were employed. The labour force participation rates were 42.3 per cent in Bangladesh and 47.7 per cent in Nepal, and the youth unemployment rates were 10.3 and 19.2 per cent, respectively. Finally, Samoa stood apart with a 73.9 per cent inactivity rate among youth, a minimal share in employment (21.7 per cent) and a 4.4 per cent share in unemployment. The labour force participation rate in Samoa is the lowest of the five countries at 26.1 per cent.

Table 4.1 Key youth labour market indicators – traditional distribution by country and sex (%)

Sex	Country	Youth population			Youth labour force participation rate	Youth unemployment rate
		Employed	Unemployed	Inactive		
Total	Bangladesh	37.9	4.3	57.7	42.3	10.3
	Cambodia	74.1	1.6	24.3	75.7	2.1
	Nepal	38.5	9.2	52.3	47.7	19.2
	Samoa	21.7	4.4	73.9	26.1	16.7
	Viet Nam	64.1	1.9	34.0	66.0	2.8
	Average	47.3	4.3	48.5	51.5	10.2
Male	Bangladesh	64.3	4.3	31.4	68.6	6.2
	Cambodia	76.1	1.7	22.2	77.8	2.1
	Nepal	42.8	8.8	48.3	51.7	17.1
	Samoa	27.3	4.7	68.0	32.0	14.7
	Viet Nam	68.7	1.9	29.4	70.6	2.7
	Average	55.9	4.3	39.9	60.1	8.6
Female	Bangladesh	14.9	4.4	80.7	19.3	22.9
	Cambodia	72.3	1.6	26.1	73.9	2.1
	Nepal	33.4	9.5	57.0	43.0	22.2
	Samoa	16.0	4.0	80.0	20.0	20.1
	Viet Nam	59.6	1.8	38.6	61.4	2.9
	Average	39.2	4.3	56.5	43.5	14.0

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

The average youth unemployment rate for the five countries is 10.2 per cent, which is slightly lower than the ILO's estimate for the global youth unemployment rate of 12.4 per cent in 2012, slightly lower also than the ILO's regional estimate for youth aged 15–24 in South-East Asia and the Pacific of 13.1 per cent, and slightly higher than the estimate for South Asia of 9.3 per cent (ILO, 2013a). For reference, the ILO subregion of South-East Asia and the Pacific includes Cambodia, Samoa and Viet Nam, and the subregion of South Asia includes Bangladesh and Nepal.

When assessing the indicators by sex, the previous groupings fall apart. Cambodia and Viet Nam remain similar in their high employment-to-population ratios and low unemployment ratios (and rates) for both young women and men (table 4.1). But the grouping of Bangladesh with Nepal is no longer appropriate when disaggregated by sex. For young Bangladeshi men, the distribution across economic activities was similar to those of Cambodia and Viet Nam: nearly two-thirds (64.3 per cent) of young males were working, 4.3 per cent were unemployed and 31.4 per cent were inactive. The labour force participation rate of young males at 68.6 per cent was also close to those of Cambodia and Viet Nam.

Bangladesh stands out as the country with the greatest gender gap by far. For female youth, Bangladesh and Samoa can be grouped as the countries with the lowest female employment-to-population ratios, the highest female inactivity shares and the lowest female labour force participation rates. Only approximately two in ten young women are economically active in Bangladesh and Samoa. Female youth unemployment rates are also high in the two countries, although in this category Nepal comes in to take second place (at 22.2 per cent).

Within the framework of the SWTS analyses, the ILO proposes a more detailed classification of youth employment to reflect areas of underutilization and the quality of employment.[12] In table 4.2 the youth populations are classified into four main categories (with a further subdivision of inactive youth) as follows:

a. *regular employment*, defined as wage and salaried workers (employees) holding a contract of greater than 12 months' duration, plus self-employed youth with employees (employers); this category can be considered as the ideal employment arrangement, although section 5.3.1 demonstrates that even having a "regular" job is not a guarantee of good-quality employment;

b. *irregular employment*, defined as wage and salaried workers (employees) holding a contract of limited duration, i.e. set to terminate prior to 12 months, self-employed youth with no employees (own-account workers) and contributing family workers; young people in this category almost certainly fall outside of the framework of standard employment relationships;

c. *unemployed (relaxed definition)*, defined as persons currently without work and available to take up work in the week prior to the reference period;

d. *inactive youth*, which is further divided into two sub-categories: those who are inactive and in school ("inactive students") and those who are inactive and not in school ("inactive non-students"). The inactive students are considered to be investing in their education to emerge better equipped for their future labour market experience. Hence, this can tentatively be judged as a "positive" category (notwithstanding issues of skills mismatch as discussed in 5.3.6). The inactive non-students have chosen to be outside of the labour market for reasons other than schooling (to engage in household duties or care for children, for example) and they may or may not have the intention to (re)enter the labour market in the future (although further SWTS data analyses show that a majority of inactive non-students do state an intention to join the labour market in the future in most countries). Those who say they intend to work in the future have some degree of labour market attachment and should thus be considered in the classification of labour (under)utilization.

Overall, employment among youth in the five Asian-Pacific countries was "irregular" to a greater extent than "regular". Viet Nam did best in this regard with greater than one-quarter (28.6 per cent) of youth in regular employment. The lowest share – 13.7 per cent – can be observed in Samoa, but it is important to bear in mind the very low overall share of youth in employment in Samoa and the even lower share in irregular employment. In all

[12] The SWTS analytical framework was designed with an eye on the current efforts to adapt the international framework of statistics on the economically active population. The International Conference of Labour Statisticians (ICLS), held in Geneva in October 2013, adopted the "Resolution concerning statistics of work, employment and labour underutilization". The Resolution provides guidelines on a wider set of measures than previously defined internationally, aiming specifically to enable better statistical measurement of participation of all persons in all forms of work and in all sectors of the economy while also enabling measurement of areas of labour underutilization. See ICLS (2013).

the countries, young men were more likely than young women to be in regular employment. The largest gender gap in attaining regular employment was in Bangladesh. In the five countries, young women comprised a higher share of the inactive non-student category than young men, and in Bangladesh, Cambodia and Nepal, young women also comprised a lower share of the inactive student category.

Table 4.2 Key youth labour market indicators – alternative distribution by country and sex (%)

Country	Youth population					Youth labour force participation rate (relaxed)	Youth unemployment rate (relaxed)	Youth labour under-utilization rate
	In regular employment	In irregular employment	Unemployed (relaxed)	Inactive students	Inactive non-students			
Total								
Bangladesh	17.9	20.1	4.6	19.9	37.6	43.5	10.9	62.3
Cambodia	19.5	54.5	2.9	16.3	6.7	77.0	3.8	64.2
Nepal	14.9	23.7	15.7	40.0	5.8	54.3	28.9	45.1
Samoa	13.7	6.4	5.8	35.1	39.0	25.9	22.4	51.2
Viet Nam	28.6	35.3	3.3	24.4	8.4	67.3	4.9	47.0
Average	18.9	28.0	6.5	27.1	19.5	53.6	14.2	54.0
Male								
Bangladesh	29.2	35.2	4.7	22.0	9.0	71.1	6.8	48.8
Cambodia	21.3	54.8	2.6	18.0	3.2	78.8	3.3	60.6
Nepal	20.2	22.6	14.3	40.8	2.1	57.2	25.1	39.0
Samoa	16.1	8.9	6.4	30.6	38.0	31.4	20.3	53.3
Viet Nam	30.8	37.7	2.8	21.2	7.5	71.3	3.9	48.0
Average	23.5	31.8	6.2	26.5	12.0	62.0	11.9	50.0
Female								
Bangladesh	8.0	6.9	4.6	18.0	62.5	19.9	23.7	74.0
Cambodia	18.0	54.3	3.1	14.9	9.7	75.5	4.1	67.1
Nepal	8.5	24.9	17.3	39.0	10.2	46.7	40.2	56.8
Samoa	11.2	3.8	5.2	39.7	40.0	20.3	25.7	49.0
Viet Nam	26.5	33.0	3.7	27.5	9.2	63.3	5.9	46.0
Average	14.5	24.6	6.8	27.8	26.3	45.1	19.9	58.6

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

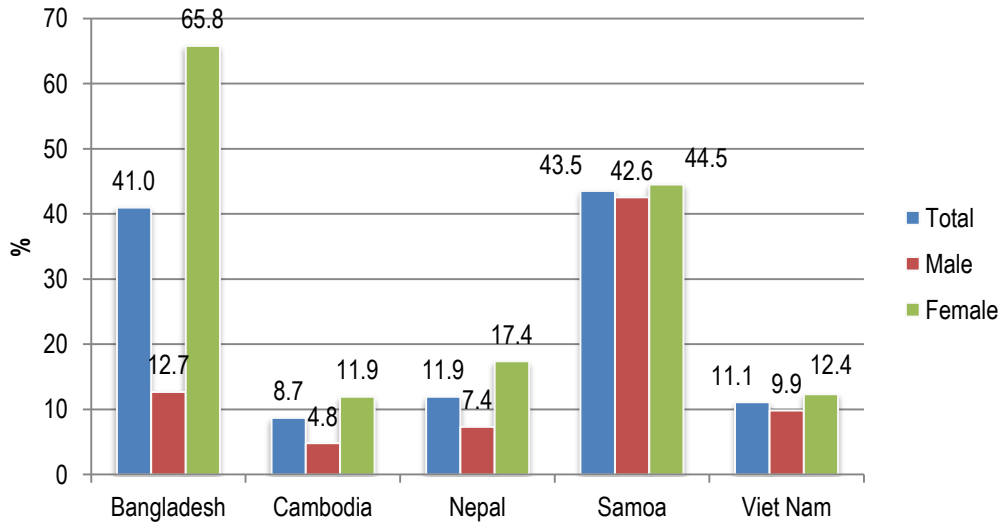
Unemployment measured according to the relaxed definition[13] yields significantly higher numbers than when the strict definition is applied in both the share of the youth population and the share of the labour force (i.e. the unemployment rate). The countries' average youth unemployment rate (relaxed definition) was 14.2 per cent; Cambodia had the lowest rate (3.8 per cent) and Nepal the highest (28.9 per cent). Young women were at a disadvantage in the five countries in terms of finding work. The unemployment rate of young women exceeded that of young men in all five countries. The average female youth unemployment rate was 19.9 per cent compared to the male rate of 11.9 per cent.

[13] Young people in developing economies with widespread informal sectors are frequently without work and available to work but are not actively engaging in a job search, for example by registering at an employment centre or applying for advertised vacancies. They may not actively be seeking work because there are no formal outlets for doing so – there are no public employment services near them and few enterprises officially advertise vacancies – and/or they know their local markets and know no jobs are currently available. Under these circumstances, the person without work is more likely to wait for word-of-mouth informal connections that lead to occasional work than to engage in an active job search. Relaxing the active job search criterion from the unemployment definition can have a significant impact on results in low-income economies and is therefore the preferred measure in the SWTS analyses.

The youth labour underutilization rate is a measure that aims to capture all elements of the youth population whose economic potential is not being fully realized, either because the person works in a non-standard employment arrangement or is neither employed nor in education or training (NEETs). Combining the shares of youth in irregular employment, unemployed (relaxed definition) and inactive non-students as a percentage of the youth population, the countries' average youth labour underutilization rate totalled 54.0 per cent. The female–male gap exceeded 15 percentage points in the youth labour underutilization rates of Bangladesh and Nepal. In Samoa and Viet Nam, however, the underutilization rate of young men exceeded that of young women although the gaps were not large.

The shares of the youth population classified as NEETs were high in Bangladesh and Samoa (41.0 and 43.5 per cent, respectively) (figure 4.1). In Samoa, the share was similar between the two sexes whereas, in Bangladesh, the share of female NEETs was more than five times the male share. The NEET rates were much lower in the other countries: 8.7 per cent in Cambodia, 11.1 per cent in Viet Nam and 11.9 per cent in Nepal. In developed economies, the NEET rates of youth (aged 15–29) tend to be higher.[14]

Figure 4.1 Youth population neither in employment nor in education or training (NEETs) by sex



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

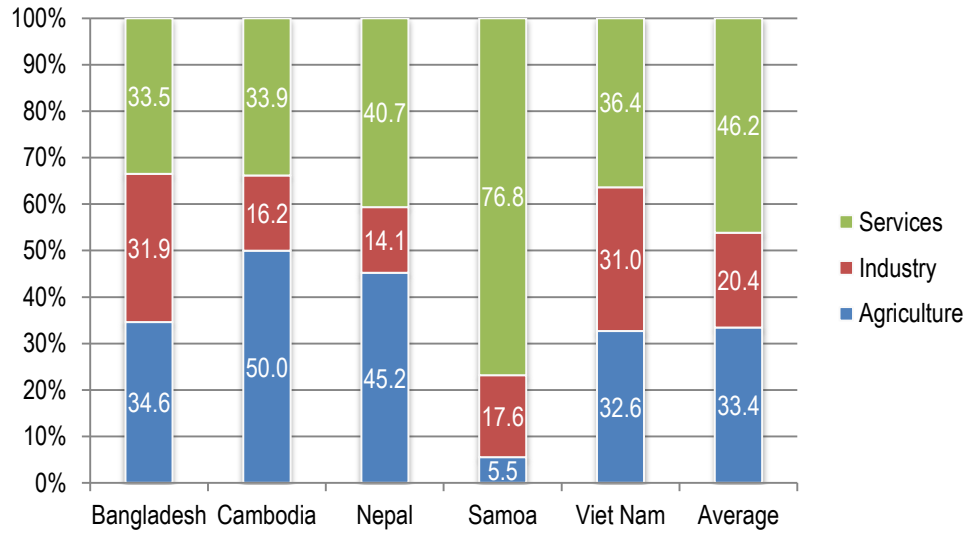
[14] Recent estimates show NEET rates in several European countries exceed 20 per cent (ILO, 2013a, table 10c). When comparing indicators across income groupings, it is important to bear in mind that labour markets function differently in developed and developing economies. The lower NEET rates of youth in Asian economies compared to Organisation for Economic Co-operation and Development economies do not necessarily mean youth in Asia are better off. For a full explanation, see ILO (2013a), Chapter 4.

5. Characteristics of employed youth

5.1 Youth employment by sector

The breakdown of young Asian-Pacific workers by sector of activity shows that agriculture and service activities were the two main sectors employing youth (figure 5.1). The agricultural sector continued as the dominant employer in Cambodia (employing 50.0 per cent of young people) and to a lesser extent in Nepal (45.2 per cent) and in Bangladesh (34.6 per cent). Only in Samoa did the share of young workers in the services sector exceed one-half (over three in four youth there worked in services) while, in the other countries, the share in services was approximately one-third (slightly higher in Nepal at 40.7 per cent). Employment in industry ranged from 14.1 per cent of young workers in Nepal to 31.9 per cent in Bangladesh.

Figure 5.1 Employed youth by aggregate sector



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Analysis by sex highlights a predominance of young men in agriculture (table A.6). Nepal was the exception with a higher share of females than males employed in agriculture, a reflection of the tendency of young men in rural areas to migrate abroad. The strength of the ready-made garment sector was apparent in Bangladesh and Viet Nam from the significant shares of young women in industry there (and their higher shares than young men's). In Bangladesh, where the female workforce was small (14.9 per cent, see table 4.1), 42.5 per cent of female workers were concentrated in the industrial sector. In the other countries except Viet Nam, the male share in industry was higher than the female share.

An examination of the branches of activities at the more detailed (1-digit) level also shows the dominance of youth employment in agriculture; in all countries but Samoa the largest share of employment by detailed sector was in agriculture, forestry and fishing (table 5.1). Manufacturing was a strong second in Bangladesh and Viet Nam at 23.7 per cent and 22.5 per cent, respectively, but the other countries also showed a fairly strong manufacturing base. A significant share of young workers in all five countries was also engaged in the wholesale and retail trade, where shares ranged from 10.1 per cent in Samoa to 18.0 per cent in Cambodia. Samoa was unique among the countries in its distribution of employment across the higher-skill sectors that tended to be underrepresented in the other countries. Only in Samoa, for example, did more than 18 per cent of the youth workforce (cumulatively) work in professional scientific activities,

administrative and support activities, and education. But Samoa was also the only one of the five countries with a significant share of young people (24.5 per cent) engaged as employees in private households. What is strikingly evident from the table is the lack of young workers in modern fields, such as information and communications. At most, 1.7 per cent of youth in Samoa were employed in IT.

Table 5.1 Youth employment by detailed 1-digit sector (%)

Sector	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam	Average
Agriculture, forestry & fishing	34.5	50.0	45.2	5.5	32.6	36.2
Manufacturing	23.7	11.0	7.0	10.3	22.5	20.6
Electricity, gas, steam	0.2	0.1	0.2	0.0	0.5	0.3
Construction	7.0	4.9	4.9	6.1	7.0	6.7
Wholesale & retail trade	10.7	18.0	12.9	10.1	12.7	12.6
Transport	8.3	2.9	4.1	4.2	3.5	5.4
Accommodation	1.4	2.8	2.8	8.3	5.8	3.5
Information & communications	0.3	1.0	1.3	1.7	0.7	0.6
Financial activities	0.4	0.6	2.2	2.6	0.9	0.8
Real estate	0.1	0.0	0.1	0.0	0.1	0.1
Professional scientific activities	0.5	0.3	0.4	4.4	1.1	0.7
Administrative & support activities	1.0	1.2	1.1	8.7	0.7	0.8
Public administration	0.7	0.7	1.1	3.6	3.5	1.9
Education	3.2	2.0	8.5	5.2	3.2	3.5
Health & social work	0.8	0.5	2.6	1.9	1.2	1.1
Arts & entertainment	0.2	1.1	0.3	0.3	0.2	0.3
Other services	4.5	2.3	1.9	1.5	2.4	3.2
Private households	1.8	0.3	1.4	24.5	0.2	1.0

Note: Sectors with less than 2 per cent of the total in all countries are not shown. These include mining, water supply & extra-territorial activities.
Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Table A.7 shows the detailed (1-digit sector) distribution of youth employment by sex. As in most developing countries, public-sector employment offers a haven for young women; in all countries but Cambodia, female shares in sectors such as public administration, education and health and social work exceeded male shares. Where Asia differs from other regions, however, is in the survey results that show that manufacturing also tended to be a female domain. In Bangladesh, Cambodia and Viet Nam, the share of young women in manufacturing was greater than the share of young men. What appears strongly from the data again was the very high share of female employment in manufacturing in Bangladesh at 40.7 per cent. In the other countries, the wider occupational distribution among young women offers wider possibilities for finding jobs. Cultural attitudes regarding what constitutes "women's work" and the resulting limitations in the occupations and industries in which they can be absorbed are highlighted later in this report in the discussion on higher female unemployment rates (noting that, in Bangladesh, the gap in the male–female youth unemployment rate is particularly high).

5.2 Youth employment by occupation

The breakdown of young workers by occupational category highlights the dominance of low-skilled work in the five countries. In all but Viet Nam, more than one-quarter of young workers were engaged as skilled agricultural and fishery workers,[15] and significant shares of youth also worked as service and sales workers, in elementary occupations[16] and in the crafts trade (table 5.2). In Samoa, 11.4 per cent of youth worked as clerks but the share is minimal in the other countries. Employment in the higher-skilled occupations – managers, professionals and technicians – was quite limited. At most 12.9 per cent of youth in Nepal were engaged as "professionals".[17] Young women had a higher likelihood than young men to gain employment in the higher-skilled occupations (table A.8).

Table 5.2 Youth employment by occupation (ISCO-08, %)

Occupation	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam
Legislators, senior officials & managers	0.9	1.2	1.6	1.6	0.3
Professionals	4.1	3.5	12.9	10.4	7.7
Technicians & associate professionals	1.7	1.2	2.4	5.6	4.3
Clerks	1.1	1.6	1.6	11.4	3.1
Service workers, shop & market sales workers	13.9	21.7	15.9	13.9	16.1
Skilled agricultural & fishery workers	29.6	42.8	37.5	27.7	5.8
Craft & related trades workers	29.0	9.3	9.2	13.8	16.8
Plant & machine operators & assemblers	7.8	5.2	4.0	7.5	8.7
Elementary occupations	11.6	13.2	14.4	8.0	36.6
Armed forces	0.3	0.3	0.5	0.0	0.7

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

[15] There is reason to question the coding of classifications here, especially regarding the "skilled agricultural and fishery workers" occupational group. An obvious question arises when looking at the relatively high shares of young workers in this category in all countries but Viet Nam: why is Viet Nam different here when it also had a sizeable share of youth employed in agriculture (32.6 per cent according to table 5.1)? In contrast to the other countries, also, Viet Nam showed a much larger share of youth working in elementary occupations (36.6 per cent). One could suppose an inconsistency on the part of the data coders in categorizing the agricultural workers, most of which were likely to have a low level of skills and should therefore have been placed in the category of "elementary occupations" (see definition in the following footnote). However, because the "skilled agricultural and fishery workers" grouping includes the specific term "agriculture", it is likely that many data coders placed the agricultural worker there regardless of their skills base. This means the results should be considered with reserve when interpreting the data in these two groupings. Also, further investigation on the topic is needed, with testing by cross-tabulation of employment, by sector and occupation.

[16] The International Standard Classification of Occupations (ISCO-88) describes elementary occupations as those "which require the knowledge and experience necessary to perform mostly simple and routine tasks, involving the use of hand-held tools and in some cases considerable physical effort, and, with few exceptions, only limited personal initiative or judgment. The main tasks consist of selling goods in streets, door-keeping and property watching, as well as cleaning, washing, pressing, and working as labourers in the fields of mining, agriculture and fishing, construction and manufacturing".

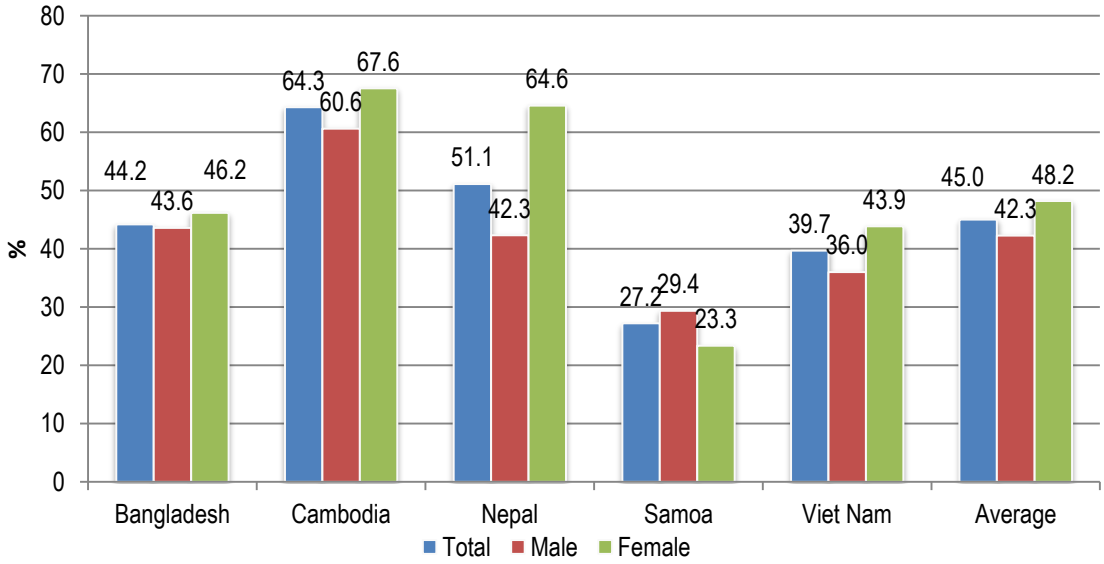
[17] As a comparison, readers may be interested in the share of professionals among youth employment in a SWTS country in other regions: the share in the former Yugoslav Republic of Macedonia was 15.9 per cent (Elder, Novkovska and Krsteva, 2013) and 9.3 per cent in Egypt (Barsoum, Mostafa and Ramadan, 2014).

5.3 Status in employment

The categorization of status in employment is important because the different groups of workers face different economic risks. Wage and salaried workers, or employees, are attached to an institution and are more likely to receive a regular wage. They face relatively low economic risks compared to the self-employed and unpaid family workers. In general a country with a high proportion of wage and salaried workers is likely to have a strong formal economy with effective labour market institutions. The self-employed, whether own-account workers, employers or contributing family workers, face relatively higher economic risks since their remuneration is dependent on the number of units sold or services rendered. Their incomes are subject to fluctuations and they do not have access to the entitlements made available to some wage and salaried workers. In most developing economies, most self-employed workers operate in the informal sector.

Own-account workers and contributing family workers are combined in the classification of "vulnerable employment" (ILO, 2012, Chapter 3). Figure 5.2 shows the shares of vulnerable employment among the youth in the five countries. In only Cambodia (males and females) and Nepal (females) were a majority of youth classified as in vulnerable employment. The average vulnerable employment rate of youth in the countries surveyed was 45.0 per cent.

Figure 5.2 Youth in vulnerable employment by sex



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

An examination of youth by status in employment in table 5.3 again shows the diversity among the countries surveyed. In Bangladesh, Samoa and Viet Nam, the largest share of young workers was wage and salaried workers (employees), reflecting the higher shares of employment in manufacturing in the countries (see table 5.1). In Cambodia and Nepal, the largest shares of young workers were contributing (unpaid) family workers (46.8 and 40.6 per cent, respectively), although in Nepal young wage and salaried workers had an equal share. Approximately one-half of young women (48.3 per cent in Cambodia and 54.7 per cent in Nepal) were helping out in the family establishment without wages, and shares among young men were also high. Own-account work was an outlet for generating income taken up by many youth in the region. The share of own-account

workers was highest in Bangladesh at 31.7 per cent, lowest in Nepal at 10.5 per cent and averaging 20.0 per cent among the five countries.[18]

Table 5.3 Youth employment by status in employment and sex (%)

Status	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam	Average
Total						
Wage & salaried workers (employees)	53.2	34.4	40.6	71.4	58.3	51.8
Employers	0.5	1.3	6.8	1.4	1.5	2.3
Own-account workers	31.7	17.6	10.5	26.1	14.5	20.0
Members of producers' cooperatives	0.0	0.0	0.1	0.0	0.0	0.0
Contributing family workers	12.5	46.8	40.6	1.1	25.2	25.0
Not classifiable by status	2.1	0.0	1.4	0.0	0.5	0.8
Male						
Wage & salaried workers (employees)	53.8	38.2	47.6	69.8	61.2	54.2
Employers	0.5	1.2	9.0	0.9	2.0	2.7
Own-account workers	34.3	15.6	10.9	28.6	12.3	20.3
Members of producers' cooperatives	0.0	0.0	0.0	0.0	0.0	0.0
Contributing family workers	9.3	45.0	31.4	0.8	23.7	22.0
Not classifiable by status	2.1	0.0	1.1	0.0	0.8	0.8
Female						
Wage & salaried workers (employees)	51.3	31.0	30.0	74.3	55.0	49.2
Employers	0.2	1.4	3.3	2.3	0.9	1.6
Own-account workers	21.7	19.3	9.9	21.8	16.9	17.9
Members of producers' cooperatives	0.0	0.0	0.3	0.0	0.0	0.1
Contributing family workers	24.5	48.3	54.7	1.6	27.0	30.3
Not classifiable by status	2.3	0.0	1.8	0.0	0.2	0.9

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

5.3.1 Wage and salaried employment (young employees)

A strong relationship exists between the level of economic development and the share of paid employment in the labour market – a poorer country has a lower share of wage employment and a higher share of self-employment (Campbell, 2013). But the relationship is not perfect. Among the SWTS countries in the Asia-Pacific region, three countries were classified as "low income" – Bangladesh, Cambodia and Nepal – and two as "lower-middle income" – Samoa and Viet Nam.[19] As shown in table 5.3, the highest shares of paid employment among youth were in the two lower-middle income countries, but it is important to note that Bangladesh is not far behind with more than one-half of young workers in this low-income country engaged in paid employment. There is scope, therefore, to revisit the relationship between status in employment and level of development under the growing recognition of the precariousness of many paid workers as the traditional concept of the employment relationship between employees and employers unravels.

Types of contractual arrangements

Wage and salaried employment may be considered ideal, but results from the SWTS show that even young workers in this status are not guaranteed secure employment. A

[18] In comparison, the average share of own-account workers among youth in eight sub-Saharan African countries was much higher at 41.9 per cent based on SWTS data (Elder and Koné, 2014).

[19] World Bank income classifications, July 2011 revisions.

majority of young paid employees in the five countries were in precarious situations regarding their contract type and access to benefits. In Bangladesh, Cambodia and Nepal, one-third of young wage and salaried workers or fewer were employed on the basis of a written contract (table 5.4). The remaining two-thirds of paid workers were bound to their employers by oral contracts. In contrast, in Samoa and Viet Nam, 68.1 and 55.1 per cent, respectively, of employees benefited from a written contract.

Table 5.4 Young wage and salaried workers by type of contract and duration (%)

Country	Type of contract		Type of contract (by duration)		Duration of limited contract		
	Written	Oral	Unlimited	Limited	Less than 1 year	1 year to less than 3 years	More than 3 years
Bangladesh	31.4	68.6	77.7	22.3	65.2	13.2	21.6
Cambodia	31.4	68.6	58.6	41.4	65.3	19.1	15.6
Nepal	33.2	66.8	65.8	34.2	63.0	25.4	11.6
Samoa	68.1	31.9	4.0	96.0	63.4	36.6	0.0
Viet Nam	55.1	44.9	54.5	45.5	57.5	37.3	5.1

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

The analysis of contract types indicated that despite the prevalence of oral contracts, a certain level of stability existed among young people in paid employment in terms of contract duration. In fact, the three countries with the lowest shares of written contracts (Bangladesh, Cambodia and Nepal) were those that showed the highest share of contracts without time limits (from 58.6 per cent in Cambodia to 77.7 per cent in Bangladesh). In Samoa, by contrast, unlimited-duration contracts were extremely rare; only 4.0 per cent of young wage and salaried workers were engaged on a permanent contract.

Regarding wage and salaried youth engaged on a limited-duration contract (a minority in all cases but Samoa), typically around two-thirds had a contractual arrangement whose length was less than 1 year. An analysis of the reasons behind the temporary nature of the contracts further reflects the insecurity of jobs for young people. The largest share of young workers on temporary-duration contracts were engaged in occasional or daily work (39.5 per cent, on average) or seasonal work (14.6 per cent, on average) (table 5.5).

Table 5.5 Young wage and salaried workers on a limited-duration contract by reason for the time limit (%)

Reason	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam	Average
On the job training, internship	0.3	4.5	5.6	1.7	5.2	3.5
Probation period	3.2	6.7	9.0	7.1	9.9	7.2
Seasonal work	16.1	11.1	12.0	15.8	18.3	14.6
Occasional/daily work	64.1	35.1	45.1	19.9	33.3	39.5
Public employment programme or work as replacement/ substitute	7.1	6.2	7.8	15.5	1.0	7.5
Specific service or task	5.3	15.1	8.9	13.2	26.0	13.7
Other	3.9	21.3	11.6	26.8	6.4	14.0

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

An analysis of the access to entitlements associated with employment also reflected the precarious nature of most youth's work in the region. Even though they benefited from paid employment, most of the young wage and salaried workers did not receive additional benefits, such as paid annual leave, sick leave and health insurance, with the exception of

Samoa where the social protection of workers seemed to be firmly entrenched. Young employees in Viet Nam fared slightly better than those in Bangladesh, Cambodia and Nepal, with more than one-third of wage and salaried workers receiving paid annual leave (46.1 per cent), paid sick leave (40.8 per cent), social security coverage (43.6 per cent) and medical insurance (45.1 per cent) (table 5.6). The lack of entitlements relates strongly to the prevalence of the informal economy (see section 5.3.5) in the region. The entitlements most frequently granted to young employees were paid annual and sick leave, yet still only approximately one-third of young employees received these benefits in the countries.

Table 5.6 Young wage and salaried workers by access to employment entitlements/benefits (multiple responses, %)

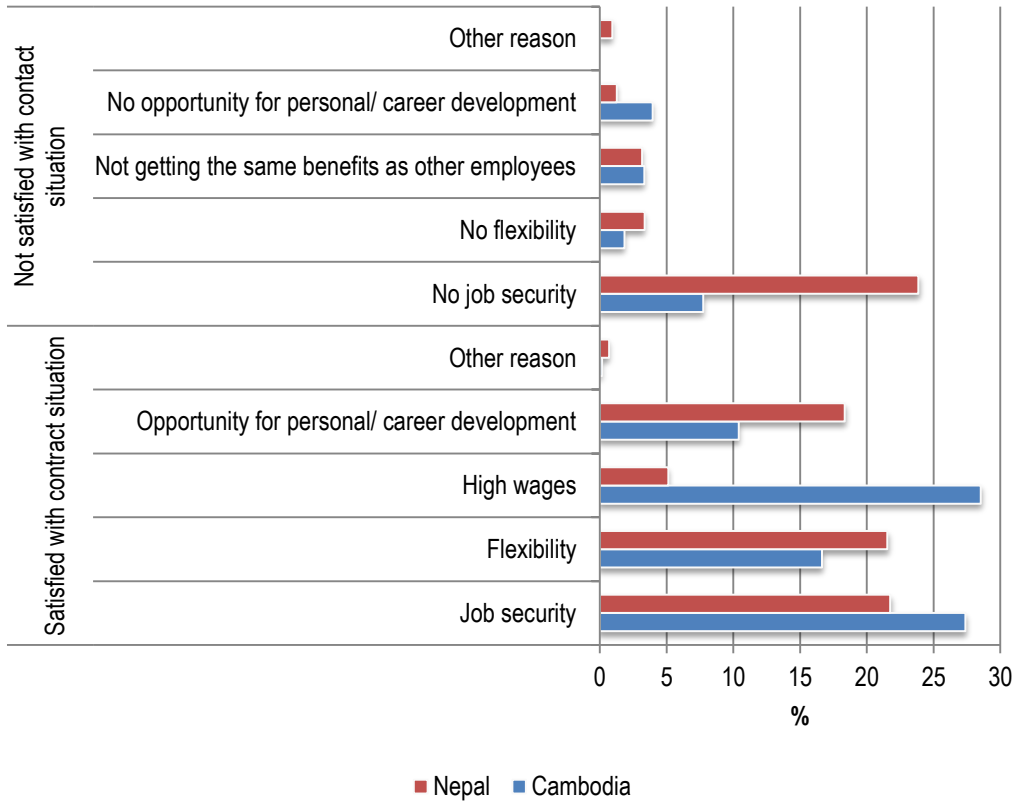
Entitlement/benefit	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam
Paid annual leave	n.a.	24.3	40.6	67.3	46.1
Paid sick leave	17.9	16.0	37.5	69.3	40.8
Maternity/ paternity leave	13.8	15.8	23.5	n.a.	27.3
Medical insurance coverage	n.a.	10.4	18.4	n.a.	45.1
Social security	n.a.	4.4	8.2	n.a.	43.6
Pension/old age insurance	5.6	9.1	8.4	71.5	30.2
Severance/end of service payment	n.a.	10.1	17.6	n.a.	6.4

n.a. = Not applicable.

Note: Additional categories were included in the Bangladeshi questionnaire including childcare facilities, protective clothing/equipment, subsidized food facilities and toilet facilities. See Toufique (2014).

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Figure 5.3 Young wage and salaried workers by satisfaction/non-satisfaction with contract situation and reason, Cambodia and Nepal



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Although the conditions of their contractual and working arrangements predisposed them to job insecurity, the shares of young employees who stated general satisfaction with their contract situation were high. In descending order, satisfaction rates related to the contract situation were 99.4 per cent in Bangladesh, 86.8 per cent in Viet Nam, 83.1 per cent in Cambodia and 67.4 per cent in Nepal. The question was not asked in Samoa. An examination of the reasons for satisfaction or dissatisfaction in Cambodia and Nepal (the only two countries to include the question) hinted that youth highly valued the security element of the contract. Lack of job security was the top reason for dissatisfaction with the contract, and job security was the top reason for satisfaction with the contract in Nepal (figure 5.3). Job security also proved important to youth in Cambodia, but high wages were cited by even more young workers as the top reason for satisfaction with the contract (28.5 per cent). The flexibility of the job was another reason for the satisfaction of many youth in both countries, as was the opportunity for personal or career development.

5.3.2 Self-employment

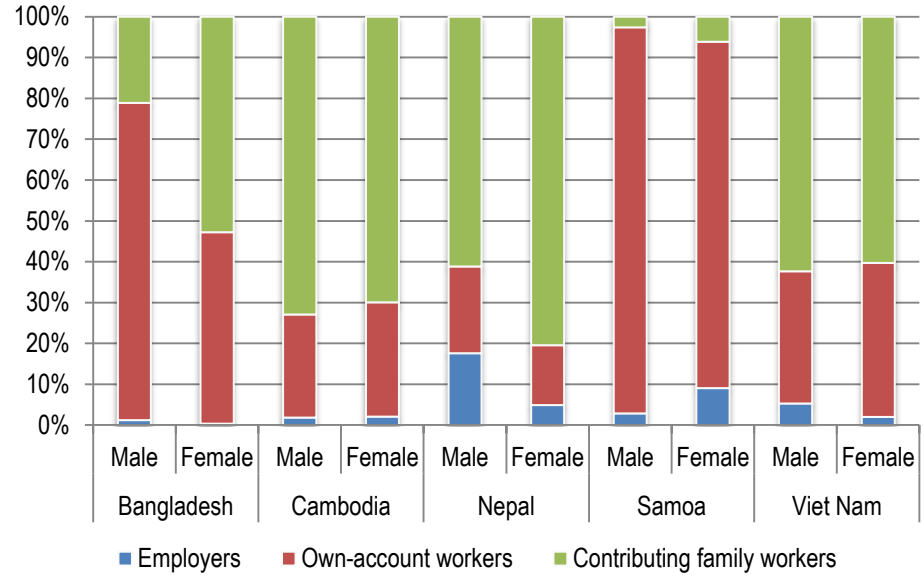
While wage employment seems to be increasing in Asian economies, there is no doubt that self-employment continues to play an important role. Shares of self-employment among youth in the five SWTS countries (combining employers, own-account workers and contributing family workers) were 65.7 per cent (Cambodia), 57.9 per cent (Nepal), 44.7 per cent (Bangladesh), 41.2 per cent (Viet Nam) and 28.6 per cent (Samoa). Employers constituted a minor share of the category (at most 6.8 per cent of employed youth in Nepal); the main share comprised own-account workers or contributing family workers, depending on the country (table 5.3).

Young men were more likely to be self-employed than young women in Cambodia, Nepal and Viet Nam, while the opposite was true of Bangladesh and Samoa. But categories of self-employment differed across the countries and between the sexes. Contributing family work was the dominant category of self-employment for both male and female youth in Cambodia, Nepal and Viet Nam (although to a lesser extent in the latter country) (figure 5.4). The figures reflect the continuing importance that family enterprises play in the culture and economy of Asian countries.[20] The standard perception that unpaid family work is the domain of women breaks down slightly when examining the data for Asian youth. In Bangladesh and Nepal, a sizeable difference in the shares of young women and men engaged in unpaid family work existed (15 and 23 percentage points, respectively), but gaps were much smaller in Cambodia, Samoa and Viet Nam (less than 4 percentage points). In these countries, young men were almost equally as likely as young women to work without pay in a family enterprise or farm.

Given the importance of contributing family work among youth in many countries, a question was included in the SWTS to ascertain the motivation of youth in the status. Results are shown in table 5.7 for the three countries with available information. In Cambodia, Nepal and Viet Nam, most youth were driven to work in the family establishment by the families themselves. In Cambodia, the share of contributing family workers who followed the family requirement was 81.0 per cent; in Nepal, it was 84.3 per cent, and in Viet Nam, the share was 67.6 per cent. The share of youth who answered "learning the family business", implying a more positive motivation for their status, was much smaller, totalling at most 7.9 per cent in Cambodia. Finally, from 8.1 per cent of young contributing family workers in Nepal to 18.3 per cent in Viet Nam were engaged in the family establishment because they could not find paid work.

[20] See, for example, "Family Business, a key driver of Asian economies", KPMG blog, 22 August 2013; www.kpmgfamilybusiness.com/family-business-a-key-driver-of-asian-economies.

Figure 5.4 Self-employed youth by category and sex



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Table 5.7 Contributing family workers by motivation and sex (%)

Motivation	Cambodia			Nepal			Viet Nam		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Could not find paid employment	11.1	11.4	10.7	8.1	6.8	9.3	18.3	21.7	15.0
Required by the family	81.0	81.3	80.7	84.3	84.4	84.2	67.6	62.4	72.8
Learning the family business	7.9	7.0	8.5	7.2	8.2	6.3	6.2	7.2	5.3
Other	0.1	0.2	0.0	0.4	0.6	0.2	7.8	8.7	6.9

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Own-account work was the most common category of self-employment only among young Bangladeshi males, and male and female Samoans. The motivation for self-employment was asked of own-account workers and employers. Self-employment can be taken up voluntarily – for example, to earn a higher income or to gain independence – or involuntarily – due to the inability to find paid work or the requirements set by the family. In the five surveyed countries, voluntary reasons for turning to self-employment outnumbered involuntary reasons.[21] Self-employment is seen as a means of gaining independence and earning a higher income than in other options (including paid employment). The greater independence offered by self-employment was the reason most cited for adopting self-employment in Bangladesh, Cambodia, Nepal and Viet Nam (table 5.8). The inability to find paid work was the main reason given by 24.5 per cent of self-employed youth in Bangladesh, which was the highest share for this reason, and requirement by the family was cited by 29.3 per cent in Viet Nam, the maximum share for this motivation.

[21] In sub-Saharan African countries, in comparison, where self-employment is more prevalent, it is viewed more negatively by youth (Elder and Koné, 2014).

Table 5.8 Self-employed youth by reason for taking up self-employment (%)

Reason	Bangladesh	Cambodia	Nepal	Viet Nam
Could not find paid employment	24.5	18.2	13.1	11.4
Greater independence	57.9	43.5	32.7	31.0
Flexibility in hours of work	4.9	6.5	14.1	8.9
Can earn higher income	10.4	12.3	22.4	15.6
Required by the family	n.a.	19.0	16.6	29.3
Other	2.3	0.5	1.2	4.0

n.a. = Not applicable.

Note: In Samoa, only 12 per cent of self-employed youth responded to the question. Results are not shown.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

As in most of the SWTS countries, a majority of self-employed youth in the countries surveyed in the Asia-Pacific region started their business using funds from family or friends or from their own savings (table A.9). From 7.7 per cent (Viet Nam) to 15.3 per cent (Cambodia) stated they did not need money to set themselves up in business, which hints at the small-scale and precarious nature of such enterprises. Very few received financial assistance from formal institutions like banks or microfinance institutions. At most, 8.2 per cent of Nepali youth received funds from microfinance institutions and 8.9 per cent received a loan from a bank.

The low level of capital characterizing the activities of young self-employed workers is even more marked when the method of financing working capital is taken into consideration: when working capital was needed, it was generally provided by the meagre savings of young people or through the support of their families (table A.9). From one-quarter to one-half of self-employed youth in Bangladesh, Cambodia, Nepal and Viet Nam cited insufficient financial resources as the principal challenge to doing business (table 5.9). Secondary challenges related to a lack of business expertise, too much competition in the market and labour shortages.

Table 5.9 Self-employed youth by main challenge to doing business (%)

Challenge	Bangladesh	Cambodia	Nepal	Viet Nam	Average
Insufficient financial resources	34.7	51.6	25.1	35.7	36.7
Insufficient quality of staff	8.9	0.5	3.8	2.5	3.9
Insufficient (personal) business expertise	17.9	14.8	7.2	3.9	10.9
Legal regulations	-	0.3	0.7	2.0	1.0
Shortages of raw materials (breakdowns in the supply chain)	0.9	4.1	4.1	1.1	2.5
Labour shortage	-	9.0	13.5	7.3	9.9
Political uncertainties	1.7	-	4.9	0.0	2.2
Access to technology	1.5	2.7	8.7	1.9	3.7
Product development	-	0.9	1.5	5.3	2.6
Competition in the market	-	13.2	27.3	29.1	23.2
Other	34.4	2.9	3.3	11.3	13.0

- = insignificant response rate.

Note: The question was not asked in Samoa.

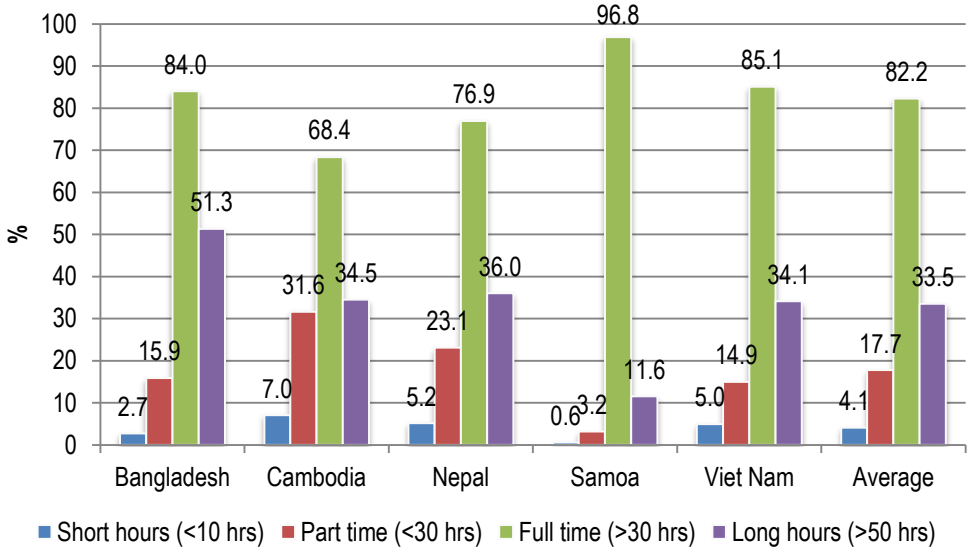
Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

5.3.3 Working hours

In the analysis of working hours, the working student populations are excluded since they would tend to bias the results towards short working time (although, as noted earlier, few youth combine work and study in the region; the share was at most 16.1 per cent of

students in Cambodia). In the Asia-Pacific region, more non-student youth worked more than 30 hours per week (full time) than worked less than 30 hours per week (part time) (figure 5.5). The largest share of part-time work was in Cambodia at nearly one-third (31.6 per cent), followed by Nepal at 23.1 per cent. Excessive hours – working more than 50 hours per week – was a phenomenon that impacted, on average, one-third (33.5 per cent) of employed youth, with the highest share of 51.3 per cent in Bangladesh. Long working hours can negatively impact the worker's health and can increase the risk of accidents.

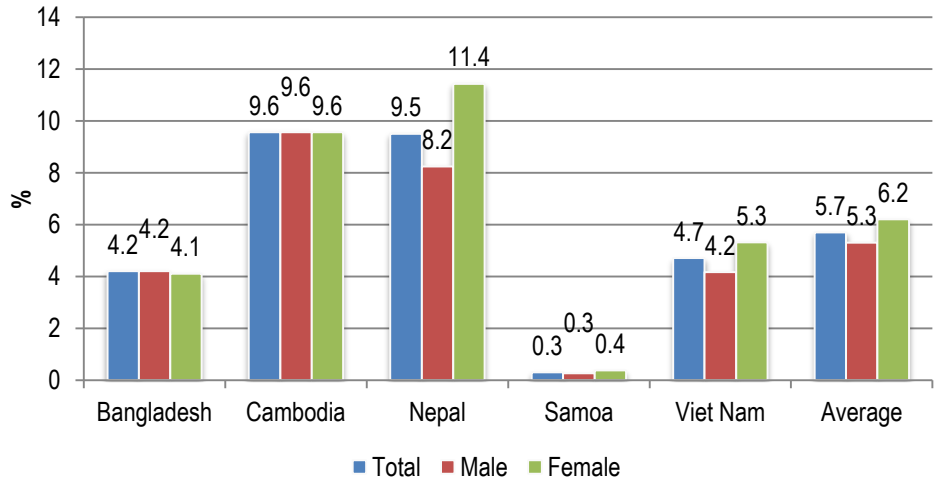
Figure 5.5 Employed non-student youth by category of weekly working hours



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Few non-student youth worked short hours, defined as less than ten hours per week. The share was, at most, 7.0 per cent in Cambodia. Part-time work can be positive when voluntary, offering youth the opportunity to combine work and household duties, for example. The share of young female workers in part-time employment was higher than that of male workers in all five countries (table A.10). However, when not voluntary, part-time work can be another expression of the underutilization of young workers. The average share of involuntary part-time workers among the total share of employed youth was 5.7 per cent (figure 5.6). The share of involuntary part-time workers exceeded 10 per cent only among Nepalese female youth.

Figure 5.6 Involuntary part-time workers (share of total youth employment)

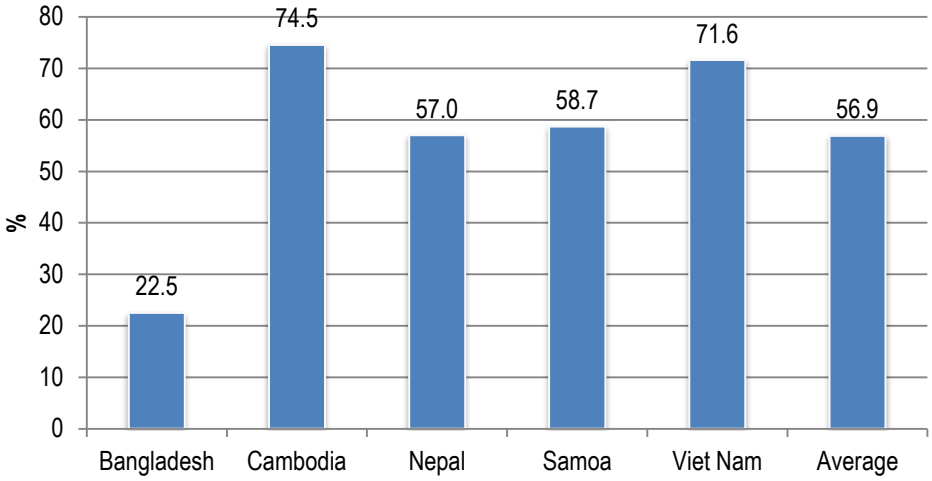


Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

5.3.4 Wages

The inequality of wages is another area of concern for young workers. A majority of young workers[22] earned a monthly wage that was below the national average (of the data sets) for four of the five countries. Bangladesh was the exception with a share of 22.5 per cent (figure 5.7). On average, 56.9 per cent of employed youth earned below-average wages. Shares were highest – almost three-quarters of young workers – in Cambodia and Viet Nam.

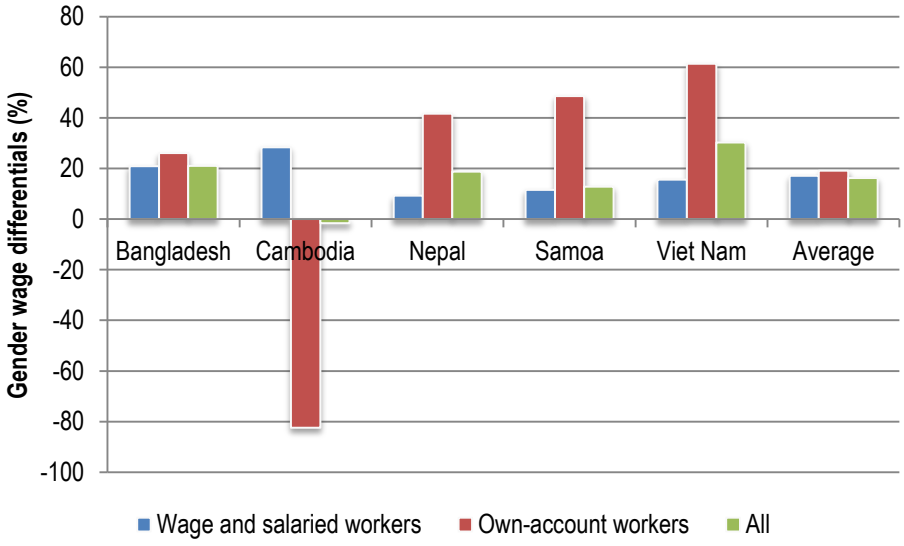
Figure 5.7 Young workers (wage and salaried workers and own-account workers) earning below-average monthly wages



Note: Monthly wages of employees and daily, monthly or other time-specific earnings of own-account workers were converted into weekly rates for comparability. Contributing (unpaid) family workers are excluded from the calculation.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Figure 5.8 Employed youth by gender wage differentials (wage and salaried workers and own-account workers)



Note: Gender wage differentials are calculated as the male average monthly wage minus the female average monthly wage divided by the male wage multiplied by 100.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

[22] The calculation was only for wage and salaried workers and own-account workers.

The survey results indicate young men earned more than young women almost consistently across the Asian-Pacific countries. On average, the wage premium of the young wage and salaried male worker was 17.1 per cent over that of the young wage and salaried female worker, and the young own-account male worker earned an average of 19.1 per cent more than his female counterpart (figure 5.8). Gender wage differentials (calculated as the male average monthly wage minus the female average monthly wage divided by the male wage multiplied by 100) were highest among own-account workers, to the benefit of young male own-account workers in all countries but one. The exception was Cambodia, where the young female own-account worker earned, on average, up to 82.4 per cent more than the young male own-account worker. In general, though, the gender wage gap prevailed among youth in the Asia-Pacific region.

Finally, wages in terms of education were examined to test the hypothesis that investing in education pays off in terms of higher earning potential. The results in table 5.10 show the indices of the five countries where the average wage of youth with no education is equal to 100. The conclusion is that a clear wage premium comes with the level of education. The young worker (wage and salaried workers and own-account workers combined) with secondary-level general education earned, on average, 46.0 per cent more than a young worker with no education. The most impressive results were for the young person with tertiary-level education; the data clearly show that staying in school paid off. A young person with a tertiary degree earned almost 2.5 times the wage of a youth without education (more than five times for the own-account worker). Results were more volatile for the own-account worker with wages more likely to vary regardless of level of education. But for young wage and salaried workers, each additional level of education brought gains in terms of earning potential (Cambodia was an exception).

Table 5.10 Indices of nominal average monthly wages of young workers (wage and salaried workers and own-account workers) by level of completed education (wages of youth with no education = 100)

Country	Level of completed education	Wage & salaried workers	Own-account workers	All
Bangladesh	Less than primary (including no schooling)	100.0	100.0	100.0
	Primary	107.7	72.7	104.4
	Secondary general	126.6	68.0	121.7
	Secondary vocational	-	-	-
	Post-secondary vocational	-	-	-
	University and postgraduate studies	297.6	99.8	285.0
Cambodia	Less than primary (including no schooling)	100.0	100.0	100.0
	Primary	86.5	156.0	108.2
	Secondary general	77.6	350.4	152.1
	Secondary vocational	70.9	300.3	111.9
	Post-secondary vocational	-	-	-
	University or postgraduate studies	107.0	183.4	139.5
Nepal	Less than primary (including no schooling)	100.0	100.0	100.0
	Primary	143.7	96.3	128.8
	Secondary general	176.8	208.0	192.8
	Secondary vocational	-	-	-
	Post-secondary vocational	213.7	77.7	162.5
	University or postgraduate studies	291.8	569.7	332.8
Samoa	Less than primary (including no schooling)	100.0	100.0	100.0
	Primary	-	-	143.5
	Secondary general	-	-	98.7
	Secondary vocational	-	-	-
	Post-secondary vocational	-	-	191.8
	University or postgraduate studies	-	-	224.9

Country	Level of completed education	Wage & salaried workers	Own-account workers	All
Viet Nam	Less than primary (including no schooling)	100.0	100.0	100.0
	Primary	114.9	347.6	166.3
	Secondary general	130.3	286.8	164.8
	Secondary vocational	182.1	102.7	192.1
	Post-secondary vocational	117.2	238.7	134.8
	University or postgraduate studies	240.4	1239.3	288.8
Average	Less than primary (including no schooling)	100.0	100.0	100.0
	Primary	113.2	168.1	130.3
	Secondary general	127.8	228.3	146.0
	Secondary vocational	126.5	201.5	152.0
	Post-secondary vocational	165.4	158.2	163.0
	University or postgraduate studies	234.2	523.0	254.2

- = insignificant response rate.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

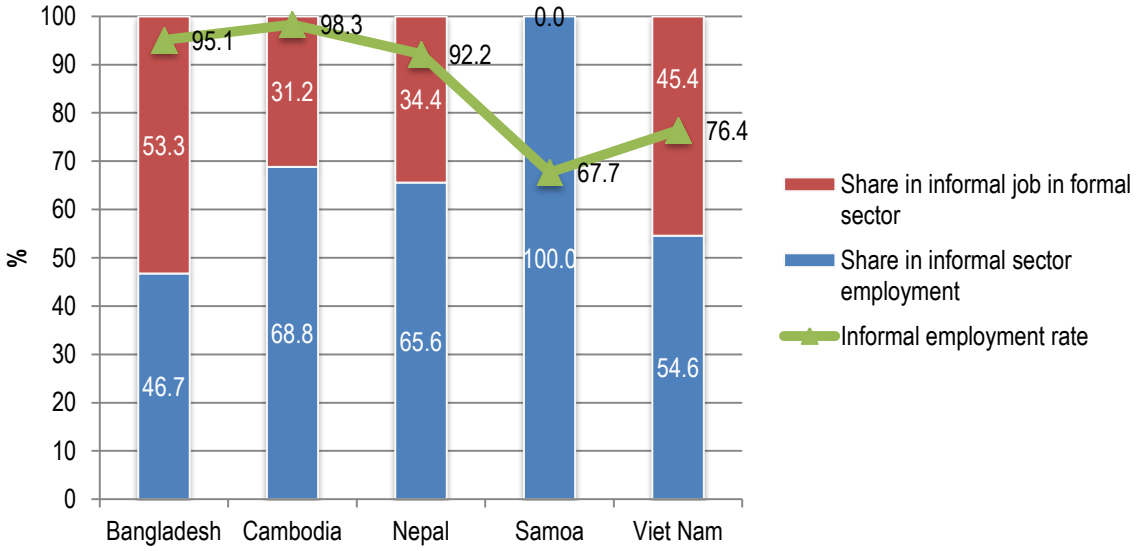
5.3.5 Informal employment

Informal employment[23] is the standard condition among youth in the Asia-Pacific region. From 67.7 per cent of young workers in Samoa to 98.3 per cent in Cambodia fell into the category of informal employment (figure 5.9). Informal employment is made up of two categories: workers in the informal (unregistered) sector and paid employees holding informal jobs in the formal sector. The latter do earn a salary but do not receive the other benefits, such as social security contributions or paid annual or sick leave that would normally be associated with a job in the formal sector. Given the relatively high shares of self-employment among youth in the region, including contributing family work, it is not surprising to find that a vast majority were informally employed youth because of their engagement in informal, non-registered enterprises.

At most, 53.3 per cent of informally employed youth in Bangladesh were engaged in an informal job in the formal sector. With the large shares of paid workers and limited access to entitlements in Bangladesh and Viet Nam, the higher shares of youth in informal jobs in the formal sector are not overly surprising.

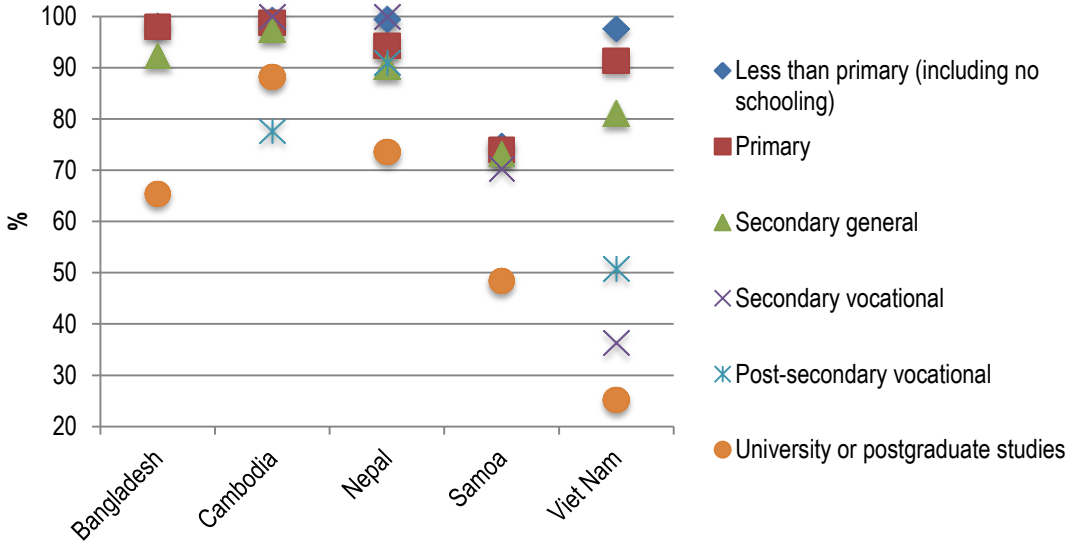
[23] Informal employment is measured according to the guidelines recommended by the 17th International Conference of Labour Statisticians. The calculation applied here includes the following sub-categories of workers: (a) paid employees in "informal jobs", i.e. jobs without a social security entitlement, paid annual leave or paid sick leave; (b) paid employees in an unregistered enterprise with size classification below five employees; (c) own-account workers in an unregistered enterprise with size classification below five employees; (d) employers in an unregistered enterprise with size classification below five employees; and (e) contributing family workers. Sub-categories (b) through (d) are used in the calculation of "employment in the informal sector", sub-category (a) applies to "informal job in the formal sector" and sub-category (e) can fall in either grouping dependent on the registration status of the enterprises that engages the contributing family worker.

Figure 5.9 Youth informal employment rate, and shares of informal workers in the formal sector and workers in the informal sector



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Figure 5.10 Youth informal employment rate by level of completed education



Note: The vocational category is not available for Bangladesh. In Samoa, vocational is not divided into secondary or post-secondary categories.
Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Youth living in rural areas were more likely to be engaged in informal employment than youth in urban areas (table 5.11). Results are mixed regarding the gender dimension of informal employment. Young female workers were more likely to be in informal employment than young males in Cambodia and Nepal, but the opposite was true in Bangladesh, Samoa and Viet Nam. Figure 5.10 demonstrates that education offers a means of escaping from informal employment. The share of informally employed youth was considerably lower among young people who had completed university education or post-secondary vocational training than among those with lower levels of education. The gaps in informal employment rates of youth with tertiary-level education and less than primary-

level education were large, ranging from 11 percentage points of difference in Cambodia to 72 percentage points in Viet Nam.[24]

Table 5.11 Youth informal employment rate by area of residence and sex (%)

Country	Area of residence		Sex	
	Urban	Rural	Female	Male
Bangladesh	92.9	95.8	94.2	95.3
Cambodia	96.0	99.0	98.5	98.2
Nepal	81.4	94.2	94.4	90.8
Samoa	n/a	n/a	59.5	72.3
Viet Nam	64.8	80.8	71.8	80.5
Average	83.8	92.5	83.7	87.4

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

5.3.6 Qualifications mismatch

Another job quality measure recommended within the SWTS analytical framework is the skills mismatch. Objectively, the skills mismatch between the job that a person does and their level of educational qualification is measured by applying the normative measure of occupational skills categories from the ISCO (ILO, 2013a, p. 44). ISCO-08 includes the categorization of major occupational groups (first-digit ISCO levels) by level of education in accordance with the International Standard Classification of Education (ISCED). Table 5.12 summarizes the ISCO-based educational classification.

Table 5.12 ISCO major groups and education levels

ISCO major group	Broad occupation group	Education level
Managers Professionals Technicians & associate professionals	High-skilled non-manual	Tertiary (ISCED 5–6)
Clerical support workers Service & sales workers	Low-skilled non-manual	Secondary (ISCED 3–4)
Skilled agricultural & fishery workers Craft & related trades workers Plant & machine operators & assemblers	Skilled manual	
Elementary occupations	Unskilled	Primary (ISCED 1–2)

Source: ILO, 2013a, table 3.

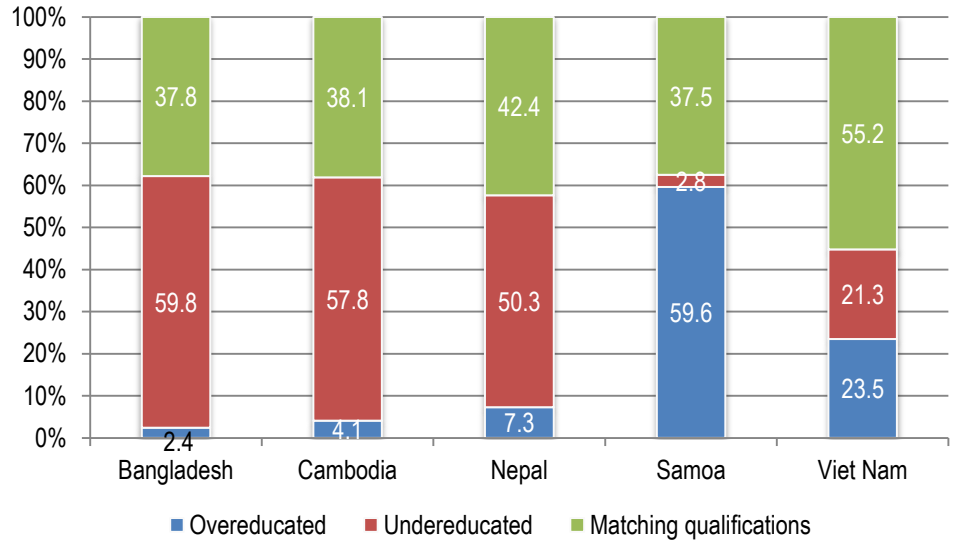
Workers in a particular group who have the assigned level of education are considered well-matched. Those who have a higher (lower) level of education are considered overeducated (undereducated). For example, a university graduate working as a clerk (a low-skilled, non-manual occupation) is overeducated, while someone whose highest education level is secondary school but who is working as an engineer (a high-skilled non-manual occupation) is undereducated.

The results on qualifications mismatches among the surveyed employed youth show a great deal of variation across the Asian-Pacific countries. In Bangladesh, Cambodia and Nepal, more than one-half (59.8, 57.8 and 50.3 per cent, respectively) were undereducated for the job they did (figure 5.11). The figures reflect the higher shares of youth with

[24] For a more in-depth look at youth and informal employment, see Shehu and Nilsson (2014).

primary-level education or below in those two countries. The undereducation of workers can have a negative impact on worker productivity and thus on the output of the enterprise but also, more personally, on the sense of security of the young worker. The share was lower in Viet Nam (21.3 per cent) and virtually non-existent in Samoa (2.8 per cent). The question remains whether on-the-job training as a sufficient substitute for formal education is an effective means of increasing the productivity and earning potential of undereducated workers.

Figure 5.11 Employed youth by overeducation, undereducation or matching qualifications



Note: Shares are of employed youth with completed education only.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Overeducation was less of an issue in Bangladesh, Cambodia and Nepal, impacting at most 7.3 per cent of employed youth in the latter country. However, in Viet Nam, nearly one-quarter (23.5 per cent) and in Samoa more than one-half (59.6 per cent) of young workers were overeducated for the job they did. The phenomenon of overeducation takes place when an insufficient number of jobs match a certain level of education, which forces some of the degree holders to take up available work that they are subsequently overqualified for. One consequence is that overeducated young people are likely to earn less than they otherwise could have and are not making the most of their productive potential.

5.3.7 Job satisfaction

A surprising element that appeared in the examination of indictors from the SWTS is that despite some indications of poor-quality employment in the countries reviewed, the vast majority of young people in most countries expressed satisfaction with their work. The job satisfaction rates among young workers were, in descending order, 90.0 per cent (Cambodia), 81.1 per cent (Viet Nam), 80.5 per cent (Bangladesh), 74.3 per cent (Samoa) and 41.3 per cent (Nepal). Nepal stands out, therefore, as the only surveyed country with more dissatisfied than satisfied young workers. To test the degree of job satisfaction further, youth were asked if they wanted to change their current job. If they responded positively, they were asked to identify their main reason for wanting to change their job. Results are shown in table 5.13. With the exception of Samoa, at least one in four working youth expressed a desire to change their job.

Looking at the reasons young workers want to change jobs provides hints on what they want from their work. For example, higher wages emerged strongly as a motivation

for changing jobs; 50.0 per cent of youth in Bangladesh and 62.3 per cent in Samoa indicated they would leave to make a higher wage elsewhere. Many youth also expressed the desire to change because of the temporary nature of their job. This was the principal reason given for wanting to change jobs in Viet Nam (62.1 per cent) and Cambodia (47.3 per cent). The qualifications mismatch was also of concern to many young workers, especially in Nepal (ironically one of the countries with the largest share of matching qualifications; figure 5.11).

Table 5.13 Employed youth who wanted to change their job by reason (%)

Share & reason	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam
Employed youth who state a desire to change their job	25.7	41.8	45.3	12.7	27.7
Reason					
Present job is temporary	26.6	47.3	20.8	9.0	62.1
Fear of losing the present job	1.7	5.8	0.7	3.3	1.3
To work more hours paid at the current rate	5.3	10.3	19.8	6.9	2.3
To have higher pay per hour	50.0	21.5	9.4	62.3	15.8
To work less hours with a reduction in pay	0.7	0.6	1.0	2.3	0.0
To better use qualifications/skills	9.0	6.9	31.4	3.8	6.0
To have more convenient working time, shorter commuting time	0.0	0.7	1.5	n.a.	2.1
To improve working conditions	6.7	7.0	15.4	4.5	10.3

n.a. = Not applicable.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

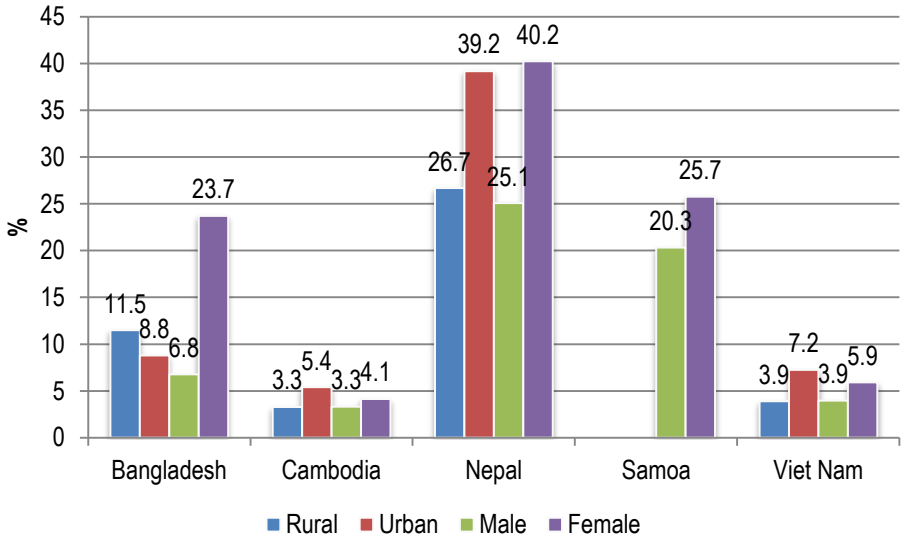
6. Unemployed youth

6.1 Characteristics of unemployed youth

Figure 6.1 indicates that unemployment in the surveyed countries of the Asia-Pacific region during the SWTS was mainly an urban phenomenon. Urban unemployment rates were higher than rural rates in Nepal, Viet Nam and Cambodia; only in Bangladesh was the contrary the case. The urban–rural gap was sizeable only in Nepal. Nepal was atypical of Asian countries in its high rates of unemployment. There, unemployment impacted as much as 39.2 per cent of the active population in urban areas and 26.7 per cent in rural areas. In Bangladesh, Cambodia and Viet Nam, unemployment rates were much lower in both urban and rural areas.

Across the five SWTS countries, male unemployment rates were consistently lower than female rates. The disadvantage experienced by young female jobseekers was especially strong in Bangladesh and Nepal, where female–male gaps in unemployment rates were 17 and 15 percentage points, respectively.

Figure 6.1 Youth unemployment (relaxed definition) by area of residence and sex

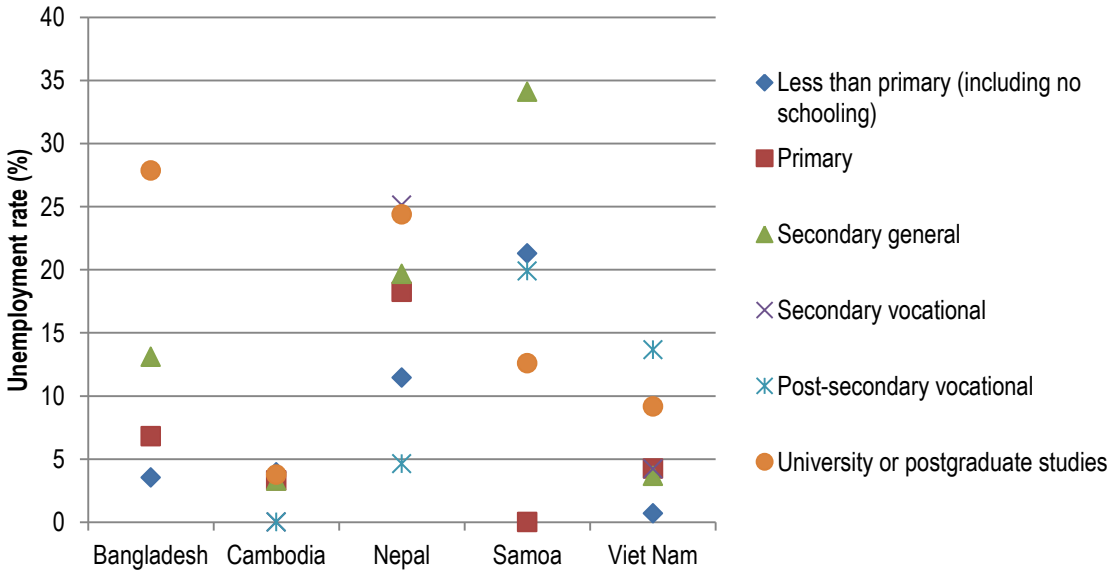


Note: The urban–rural breakdown is not available for Samoa.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Figure 6.2 illustrates the mixed results in the unemployment rates of youth by level of educational attainment in the surveyed countries. In all countries but Samoa, the young university graduates are those who were most likely to be unemployed (although Viet Nam shows higher rates for the post-secondary vocational graduate). The tertiary unemployment rates exceeded 20 per cent in Bangladesh (27.9 per cent) and Nepal (24.4 per cent). Unemployment among the higher graduate levels indicates limited growth in high-skilled sectors, but is also likely to reflect the increased selectivity of young persons with higher education regarding the characteristics of the job they expect. Having invested in their education, the more highly educated are more likely to wait for a job opportunity with higher wages, higher status and/or better working conditions than the lesser educated young person. In Cambodia and Nepal, the youth with post-secondary vocational training appear to have been adept at finding work while, in Bangladesh and Viet Nam, the least skilled – youth with less than primary-level education – had the lowest unemployment rate.

Figure 6.2 Youth unemployment rate (relaxed definition) by level of completed education



Note: The vocational category is not available for Bangladesh. In Samoa, vocational is not divided into secondary or post-secondary categories.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

6.2 Job search

An analysis of the length of unemployment classifies unemployed youth by the duration of their job search. As shown in table 6.1, in Bangladesh and Nepal, the single largest group was youth who had been looking for a job for 1 year or longer (long-term unemployed). The long-term unemployed represented 45.3 per cent of unemployed youth in Bangladesh and 31.2 per cent in Nepal. Long-term unemployment can have negative consequences in terms of skills and financial losses, and damaged self-esteem. In Cambodia, Samoa and Viet Nam, however, the largest shares of unemployed youth were those who indicated having searched for work for less than 3 months.

Table 6.1 Unemployed youth by job search duration (%)

Duration	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam
Less than 1 week	14.3[1]	12.1	2.5		6.7
1 week to less than 1 month		16.4	24.6	46.3[3]	15.5
1 month to less than 3 months	25.2[2]	32.6	20.7		38.9
3 months to less than 6 months		7.7	10.0	27.4	26.9
6 months to less than 1 year	15.2	14.5	11.0	9.4	4.7
1 year or more	45.3	16.8	31.2	16.9	7.2

[1] Less than 1 month; [2] 1 month to less than 6 months; [3] Less than 3 months

Note: Duration of the job search relates to the strict definition of unemployed (those who engaged in an active job search).

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Table 6.2 shows unemployed youth by the type of job sought. Again, results differed across the countries. In Bangladesh, nearly two-thirds (65.9 per cent) of unemployed young people hoped to work in a family business or farm. The question then is whether family establishments are too small to absorb them. Another 17.2 per cent of unemployed Bangladeshi youth wanted to work at their own enterprise or farm (i.e. aspiring towards self-employment). It is interesting that among sub-Saharan African youth, public-sector employment was most sought after by those looking for work (Elder and Koné, 2014) there while, among the four Asian countries, only the Nepalese youth seemed to covet the benefits offered by employment in that sector; more than one-half (52.4 per cent) of unemployed youth in Nepal sought work in the public sector, which could help to explain the higher rates of unemployment in the country since public-sector jobs are scarce. In Cambodia and Viet Nam, and in Nepal to a lesser degree, the unemployed mainly searched for work in the private sector.

Table 6.2 Unemployed youth by type of job sought (%)

Type of job	Bangladesh	Cambodia	Nepal	Viet Nam
Myself (own business/farm)	17.2	22.2	11.2	15.5
Work for the government/public sector	13.5	6.7	52.4	31.7
Work for a private company	3.1	57.5	25.7	39.2
Work for an international or non-profit organization	0.0	3.9	3.8	0.8
Work for family business/farm	65.9	9.7	4.3	12.9
Other	0.3	n.a.	2.6	n.a.

n.a. = Not applicable.

Note: The question was not asked in the Samoan questionnaire.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Regarding job search methods, asking informal networks of relatives and friends about employment possibilities was the most popular choice in three of the five countries, Nepal and Samoa being the exceptions. Approaching family and friends was the favoured job-search method of one-half of unemployed youth in Bangladesh (46.4 per cent),

Cambodia (52.4 per cent) and Viet Nam (45.9 per cent) (table 6.3). Responding to or placing job advertisements was the second most frequently cited option among unemployed youth in the three countries, and the most frequently applied method in Nepal (34.5 per cent) and Samoa (66.0 per cent). Fewer than 20 per cent of unemployed young people in the five SWTS countries had registered at an employment centre as a means of finding work (from 6.6 per cent in Samoa to 16.3 per cent in Nepal). Hence, the results verify that there is scope to strengthen the capacity of employment services in the region as a means to raise their attractiveness as a placement tool for jobseeking youth.

Table 6.3 Unemployed youth by job search method (%)

Search method	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam
Registered at an employment centre	10.2	8.3	16.3	6.6	7.3
Placed/answered job advertisement(s)	17.9	17.5	34.5	66.0	20.8
Inquired directly at factories, farms, markets, shops or other workplaces	12.4	10.7	15.6	9.0	8.4
Took a test or interview	-	7.9	3.7	-	16.0
Asked friends, relatives, acquaintances	46.4	52.4	24.0	15.9	45.9
Waited on the street to be recruited for casual work	1.6	-	0.5	1.1	0.0
Sought financial assistance to look for work or start a business	-	3.1	3.4	0.7	0.0
Looked for land, building, equipment, machinery to start own business or farm	1.8	0.0	0.7	0.7	0.0
Other	9.7	-	1.2	-	1.4

- = insignificant response rate.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

6.3 Obstacles to finding work

An analysis of the obstacles faced by unemployed young people in finding jobs is interesting in the sense that, rather than pointing to the economies' low capacity to produce jobs, the results show a tendency for youth in the Asia-Pacific region to critique personal characteristics, such as their own insufficient education/training, lack of work experience or even their age. On a more positive note, these obstacles can be tackled in policy interventions – the undereducated can be trained, and work experience can be embedded in curricula – while the broader goal of boosting job creation is a more challenging, long-term goal. That said, the lack of available jobs was still mentioned as the main obstacle to employment by 24.9 per cent of unemployed youth in Nepal and, although not cited as the principal obstacle, by 15.4 per cent in Viet Nam (table 6.4). The perceived barrier of inadequate education and training was very strongly felt among Bangladeshi youth (63.3 per cent identified this as the main obstacle to finding work), and the survey results in that country showed the lowest levels of educational attainment among the four. Only in Viet Nam did fewer than 10 per cent of youth cite their lack of education/training.

Often, national curricula have a low vocational content, and the young jobseekers' limited work experience (the most mentioned obstacle by respondents in Cambodia, second most in Bangladesh and Viet Nam, and third in Nepal) had not yet allowed them to make up for it. Lack of job search experience (not knowing how or where to seek work) was also perceived as a barrier by many youth in Cambodia and Viet Nam, as was low wages in available jobs (in all but Nepal).

Table 6.4 Unemployed youth by main obstacle to finding employment (%)

Obstacle	Bangladesh	Cambodia	Nepal	Viet Nam
Requirements for job were higher than education/training received	63.3	22.7	43.2	6.2
Not enough work experience	9.5	28.2	17.0	18.3
Not enough jobs available	7.7	7.8	24.9	15.4
Considered too young	n.a.	9.5	1.2	20.3
Being male/female	n.a.	2.5	0.7	7.7
Discriminatory prejudices (for example, disability, religion, race, appearance, family situation)	2.3	4.5	3.3	1.5
Low wages in available jobs	5.1	8.6	1.0	9.7
Poor working conditions in available jobs	2.5	3.8	1.1	3.2
Did not know how or where to seek work	n.a.	10.2	4.8	13.7
Other	9.6	2.3	2.7	4.1

n.a. = Not applicable.

Note: The question was not asked in the Samoan questionnaire.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

The challenges faced by youth in the labour market may generate doubts about the preparation of young people for the world of work in the educational system. Table A.11 shows that 22.6 per cent of unemployed youth in Viet Nam, 20.0 per cent in Bangladesh, 14.8 per cent in Nepal and 2.9 per cent in Cambodia responded that their level of education was not useful in helping them obtain a job. Nevertheless, a majority of unemployed young people in the four countries stated that their level of education was very useful or somewhat useful in finding work.

Box 3. The employers' perspective

In Nepal and Viet Nam, the Work4Youth Project supported the implementation of a labour demand enterprise survey (LDES) to balance the supply-side picture captured by the SWTS. The LDES investigates the current and expected workforce needs of enterprises and the perspectives of managers on the pool of available young jobseekers and workers.

LDES results offer further confirmation that education is needed to get a job, or at least a job in an enterprise (remembering that the lesser educated are also those most likely to remain in own-account work or in unpaid work in the family establishment). Taking the employer's perspective, **education remains an important criterion for the selection of young recruits**. Low education does not correspond to what employers are looking for. The LDES in both Nepal and Viet Nam revealed **that employers expect future demand for workers to be strongest for skilled production posts in the manufacturing sector** such as plant and machine operators or assemblers and craft and related trade workers. These jobs require a minimum of post-secondary education which, at the moment, only a small share of the youth population has acquired. Also, recalling the future job aspirations of current students (section 3.2.3), these are occupations that few youth aspire to. This implies that young students and those who influence their choices are not reading well the signals of the labour market or rather that young students do not care, preferring to aspire to jobs that match their interest or have better earning potentials even if only abroad. In addition, the participation of youth in TVET programmes has proven to remain low in the region. It is therefore not surprising that employers point to the production/technical vacancies as the hardest to fill.

To overcome their difficulty in finding the graduates they need, employers have indicated that they tend to retrain their own workers. This practice benefits directly the "already-employed" but will leave low-skilled youth, as newcomers on the labour market, worse-off.

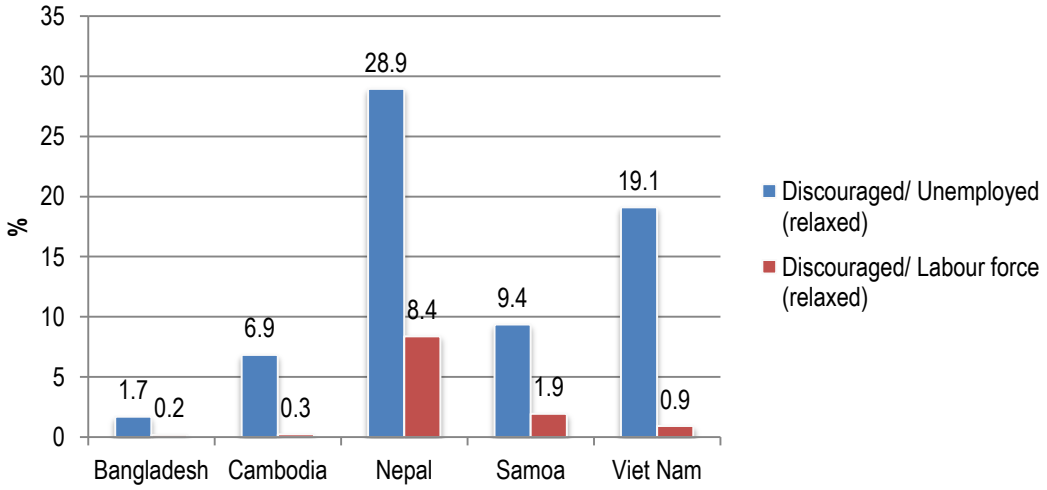
Beyond education, the hiring criterion most valued by employers is work experience. Results of the LDES in Nepal and Viet Nam confirm that employers value job applicants that are able to demonstrate past work experience. Enterprises value experience since it is a benchmark of maturity and knowledge, but also because it saves formation and training costs. Young workers are clearly disadvantaged in this regard; however, mechanisms that would better connect schools to firms and support on-the-job training could help to improve the situation.

For more detailed results on the LDES in Nepal and Viet Nam, see Serrière (2014) and Nguyen (forthcoming 2014).

6.4 Discouraged youth

Discouragement, a situation in which a young person is available to work but does not search for work for a reason implying discouragement with their employment options, was experienced by as few as 1.7 per cent of unemployed youth in Bangladesh to as many as 28.9 per cent of unemployed youth in Nepal (figure 6.3). In Viet Nam also, the issue of discouragement was not negligible; discouraged youth made up 19.1 per cent of the total unemployed (relaxed definition). Among the total youth labour force, discouragement accounted for much smaller shares. At most, 8.4 per cent of economically active youth in Nepal were classified as discouraged.

Figure 6.3 Discouraged youth among total unemployed youth and among the total economically active youth population



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Lower shares of discouragement in Bangladesh and Cambodia can be explained in part by their slightly higher poverty rates. If poverty is widespread, discouragement can be seen as a luxury since it implies dependence on other household members for financial sustenance. In poverty-stricken areas, the young person has a tendency to accept any income-generating activity, however low-paid, low-productive and unprotected. Table 6.5 shows the specific reasons given by discouraged youth for not actively seeking work. The high shares of young people indicating they did not know how or where to seek work in Cambodia, Nepal and Samoa demonstrate again the need to strengthen national investment in public or private employment services. In Bangladesh, as many as 64.1 per cent of discouraged youth indicated the lack of jobs in the area as the reason for not seeking work. The suspicion is thus that most of these discouraged youth were located in rural areas and were waiting for seasonal work. Finally, numerous unemployed youth pointed to a mismatch in the supply and demand of qualifications, stating that they did not actively seek work because they were unable to find work for their skills. One-third of discouraged youth gave this reason in Bangladesh (35.9 per cent), Cambodia (36.8 per cent) and Viet Nam (36.4 per cent).

Table 6.5 Discouraged youth by reason for not actively seeking work (%)

Reason	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam
Do not know how or where to seek work	-	26.9	39.5	34.4	0.0
Unable to find work matching skills	35.9	36.8	12.2	28.6	36.4
Had looked for job(s) before but had not found any	-	-	38.0	-	36.2
Too young to find a job	-	16.6	3.4	8.9	0.0
No jobs available in the area/district	64.1	19.7	6.9	28.1	27.4

- = insignificant response rate.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

7. Labour market transitions in the Asia-Pacific region

7.1 ILO approach to measuring transitions[25]

The labour market transition of young people concerns not only the length of time from their exit from education (either upon graduation or early exit without completion) to their first entry into any job, but also relates to qualitative factors, such as whether the job is stable (measured by contract type). The SWTS was designed to apply a stricter definition of "stable employment" than is typically used. By starting from the premise that a person has not "transited" until settled in a job that meets very basic criteria of stability, as defined by the duration of the employment contract, the SWTS analytical framework introduces a new element of quality to the standard definition of labour market transition. However, as seen in section 5, only a small share of youth in developing economies attain stable employment and, if the "end goal" does not fit reality, then perhaps the statistics are not framed widely enough. Thus job satisfaction was added as a component and built into the concept of labour market transition.

More specifically, labour market transition[26] is defined as the passage of a young person (aged 15–29) from the end of schooling (or entry to first economic activity) to the first stable or satisfactory job. Stable employment is defined in terms of the employment (written or oral) contract and the duration of the contract (greater than 12 months). Introducing the issue of a contract automatically excludes the employment status of self-employed, where the employment relationship is not defined by a contract. The opposite of stable employment is temporary employment, or wage and salaried employment of limited duration. Satisfactory employment is a subjective concept, based on the self-assessment of the jobholder. It implies that respondents consider their jobs to be a good "fit" with their desired employment path at that moment in time. The contrary is termed non-satisfactory employment, implying a sense of dissatisfaction with the job.

[25] This section is adapted from ILO (2013), Chapter 5.

[26] Avoidance of the term "school-to-work" transition is intentional. Considering only youth who transit from school to the labour market excludes the share of youth with no schooling, which in certain countries is sizeable. The ILO includes this sub-set in transition indicators by taking the young person's first experience in economic activity as the starting point. To avoid confusion over the terminology, the authors prefer to use the wording "labour market transition" rather than "school-to-work transition", which comprises only a sub-set.

Based on this definition of labour market transition, the stages of transition are classified as follows:

I. **Transited** – A young person who has "transited" is one who is currently employed in:

a) a stable job, whether satisfactory or non-satisfactory; or

b) a satisfactory but temporary job; or

c) satisfactory self-employment.

II. **In transition** – A young person still "in transition" is one who is currently unemployed (relaxed definition); or

a) employed in a temporary and non-satisfactory job; or

b) in non-satisfactory self-employment; or

c) inactive and not in education or training, with an aim to look for work later.

III. **Transition not yet started** – A young person whose "transition has not yet started" is one who is currently:

a) still in school and inactive (inactive student); or

b) inactive and not in education or training (inactive non-student), with no intention of looking for work.

Two elements of this classification are noteworthy. First, the stages of transition span across the boundaries of economic activity as defined in the standard labour force framework. The "transited" category includes a sub-set of youth classified as employed; the remaining employed fall within the category of "in transition", which includes those who fall under the strict definition of unemployed and portions of the inactive (namely, those without work, available for work but not actively seeking work[27] and inactive non-students who have stated an intention to join the labour force at a later stage). The "transition not yet started" category is the residual of the inactive population.

Second, the stages of transition are not intended to be a normative framework. Because of the inclusion of youth in satisfactory self-employment and satisfactory temporary employment, one cannot say that all young people in the transited category have transited to a "good" job. In fact, a majority of young people in self-employment – the own-account workers and unpaid family workers – are among the poorly paid workers in the informal economy. By definition, they make up the bulk of the SWTS countries' share of irregularly employed. Yet they have expressed a degree of satisfaction with their job, and they are likely to have finished their transition in the sense that they will remain in the self-employed classification for the remainder of their working lives.

The classification into stages of transition offers a flow concept. A person is in transition until they have reached a fixed position in the labour market, meaning they have a job they are likely to maintain, regardless of whether it is good or bad.

[27] This is the portion added to the "strictly" unemployed category to make up the unemployed (relaxed definition).

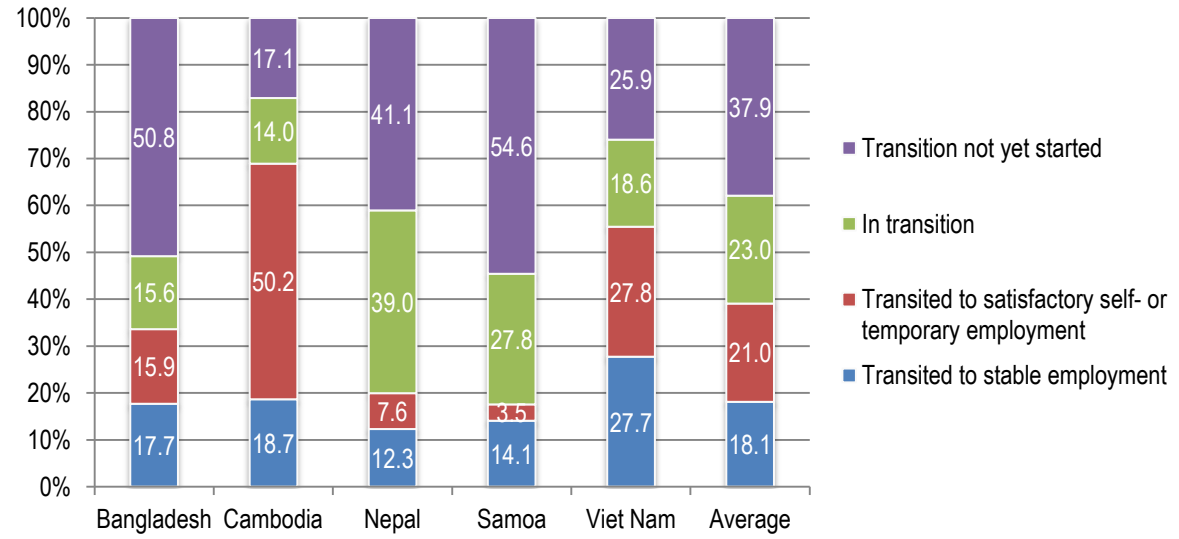
7.2 Stages of transition

In the Asian-Pacific countries surveyed, the process of transition had started for a majority of young people. From the regional perspective (average of the five countries), slightly more than one-third (37.9 per cent) had not yet started their transition – but only a few (18.1 per cent) had successfully completed their transition to stable employment (figure 7.1). Another 21.0 per cent had also completed their transition but to satisfactory self- or temporary employment. The remaining 23.0 per cent were in transition, still searching for a stable or satisfactory job.

A great deal of variation existed across countries in the distribution of youth by stages of transition. In Cambodia and Viet Nam, a majority of young people (68.9 and 55.5 per cent, respectively) had completed their labour market transition (to stable or satisfactory employment), reflecting the high employment rates in those countries. In Bangladesh, the share of transited youth was lower at 33.6 per cent, followed by 19.9 per cent in Nepal and 17.6 per cent in Samoa. The latter two countries also had the largest shares of youth still in transition (39.0 per cent and 27.8 per cent, respectively).

Cambodia stands out in the region for the volume of youth who reported having completed their transition not to stable employment but to satisfactory self- or temporary employment. One-half (50.2 per cent) of the youth population were in this category. Nearly three times more youth in Cambodia had completed their transition to satisfactory self- or temporary employment than had transited to stable employment. In contrast, in the other countries except Viet Nam, shares in stable employment were larger than shares in satisfactory self- or temporary employment; in Viet Nam, the shares were practically equal.

Figure 7.1 Youth by stages of transition



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

An analysis by sex highlights the fact that the completion of the transition process among the surveyed youth, especially to stable employment, was easier for young men than for young women. In all five countries, the share of young men who had completed the transition to stable employment exceeded the share of young women (table 7.1). The shares of youth who had transited to satisfactory temporary or self-employment were also higher for young men than young women in all the countries, although the gap tended to be less wide. On the other hand, young women were more likely to remain in transition (with Samoa as the exception) and to fall in the category of transition not yet started (Cambodia and Nepal were the exceptions).

Table 7.1 Youth by stages of transition, sex and area of residence (%)

Country	Sex or area of residence	Transited to stable employment	Transited to satisfactory self- or temporary employment	In transition	Transition not yet started
Bangladesh	Female	8.0	5.3	16.7	70.0
	Male	28.8	28.1	14.3	28.8
Cambodia	Female	17.0	50.0	16.7	16.2
	Male	20.6	50.5	10.6	18.3
Nepal	Female	7.4	6.0	45.5	41.0
	Male	16.4	8.9	33.5	41.1
Samoa	Female	11.3	2.1	27.1	59.5
	Male	16.8	4.8	28.6	49.7
Viet Nam	Female	26.0	25.4	19.7	28.9
	Male	29.4	30.2	17.5	22.9
Average	Female	14.0	17.8	25.1	43.1
	Male	22.4	24.5	20.9	32.2
Bangladesh	Rural	15.7	17.3	16.4	50.6
	Urban	24.5	11.4	13.0	51.1
Cambodia	Rural	16.6	53.8	15.2	14.3
	Urban	24.8	39.3	10.2	25.8
Nepal	Rural	12.1	7.8	40.7	39.4
	Urban	13.1	6.8	32.5	47.5
Viet Nam	Rural	23.6	32.0	21.2	23.2
	Urban	37.4	17.8	12.4	32.4
Average	Rural	17.0	27.7	23.4	31.9
	Urban	24.9	18.8	17.0	39.2

Note: The urban–rural breakdown is not available for Samoa.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Youth residing in urban areas had an advantage in terms of obtaining stable employment. In the four countries (the urban–rural breakdown was not available for Samoa), the shares of young people who had transited into stable employment were higher in urban areas than rural areas (table 7.1). By contrast, the youth who had transited to satisfactory temporary or self-employment and youth still in transition were more numerous in rural areas.

The likelihood of completing the labour market transition increased with age. On average, young people aged 25–29 were three times more likely to complete their transition into stable employment than those aged 15–19. Conversely, the percentage of young people not having begun the transition process decreased as age increased. The share of youth aged 15–19 in this category was more than three times that of youth aged 25–29 (table A.12).

Finally, the transition stages were examined by level of completed education (thus excluding current students from the denominator as well as those in the category of "transition not yet started", which consisted primarily of current students). Two conclusions can be drawn from the results shown in table 7.2. First, completing higher levels of education did not necessarily imply better results in terms of completing the labour market transition; in Bangladesh, Nepal and Samoa, from just over 40 per cent to almost 75 per cent of youth with secondary (general) education, and from almost 38 to 52 per cent of youth with tertiary-level education remained in transition. However, investing in higher education did bring a distinct advantage in terms of attaining stable employment. The share of youth who had completed the transition to stable employment increased steadily with each incremental level of education attained. In fact, the young person with a

tertiary-level education was more than twice as likely to attain stable employment as the young person with primary-level education or less. Bangladesh was the exception, with nearly equal shares of the least and most educated youth completing the transition to stable employment. In contrast, the lesser educated youth were much more likely to end up in satisfactory self- or temporary employment or to remain in transition.

Table 7.2 Youth by completed education level and category of transition (to stable employment, to satisfactory self- or temporary employment or in transition, %)

Country	Completed education level	Transited to stable employment	Transited to satisfactory self- or temporary employment	In transition
Bangladesh	Less than primary (including no schooling)	42.2	36.6	21.2
	Primary	38.3	34.4	27.4
	Secondary general	28.8	29.0	42.2
	University or postgraduate studies	49.4	12.9	37.7
Cambodia	Less than primary (including no schooling)	19.2	55.7	25.1
	Primary	21.5	59.8	18.8
	Secondary general	24.5	60.2	15.3
	Secondary vocational	50.4	45.9	3.7
	Post-secondary vocational	83.7	16.3	0.0
	University or postgraduate studies	63.0	27.0	10.0
Nepal	Less than primary (including no schooling)	28.2	17.2	54.6
	Primary	20.8	13.5	65.7
	Secondary general	18.5	20.4	61.1
	Secondary vocational	20.4	12.9	66.7
	Post-secondary vocational	12.3	13.5	74.2
	University or postgraduate studies	41.6	6.2	52.2
Samoa	Less than primary (including no schooling)	26.4	16.0	57.6
	Primary	25.1	20.5	54.4
	Secondary general	21.7	4.5	73.8
	Vocational	25.9	9.0	65.1
	University or postgraduate studies	52.1	9.0	39.0
Viet Nam	Less than primary (including no schooling)	23.9	52.6	23.5
	Primary	31.7	41.3	26.9
	Secondary general	33.7	40.5	25.7
	Secondary vocational	68.4	18.5	13.0
	Post-secondary vocational			
	University or postgraduate studies	65.9	12.1	22.0

Note: The Samoan questionnaire used only one category of "vocational" with no distinction between secondary and post-secondary level. The Bangladeshi questionnaire did not list vocational training separately.

Source: SWTSs, 2012-2013 (see table 2.1 for year reference by country).

7.3 Stages of transition

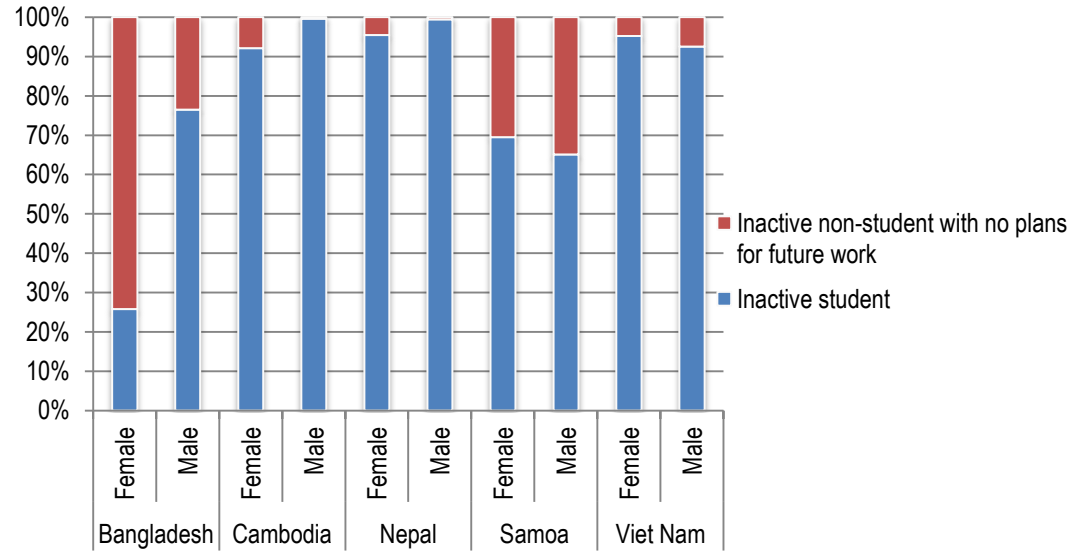
7.3.1 Young people who had not yet started their transition

Considering the Asia-Pacific region as a whole, the data collected during the SWTS reveal that just over one-third of youth aged 15–29 had not yet started their transition into the labour market. Again, and as can be expected in a region so vast and diverse, the regional average masks some wide variances at the national level. For example, in Samoa and Bangladesh, approximately one-half of their youth population (54.6 per cent and 50.8 per cent, respectively) had not yet started the transition while, in Cambodia, less than one-fifth (17.1 per cent) had yet to enter the labour market (figure 7.1).

Youth aged 15–19 made up an average of 58.4 per cent of those who had not yet started the transition process. Cambodia again ranked on the lower end of this spectrum at just 30.0 per cent of youth aged 15–19 who had not yet started economic activities while, at the other end, in Samoa, 81.1 per cent of youth in that age group remained outside the labour market.

In three of the five countries surveyed, more than 90 per cent of youth who had not yet started their transition were still in education and were classified as economically inactive students. The two exceptions were Samoa, where approximately one-third of youth, both male and female, who had not yet started their transition into the labour market were economically inactive non-students (figure 7.2). In Bangladesh, Cambodia and Nepal, young men were more numerous in the inactive student category than young women, while young women were more likely than young men to be in the category of inactive non-student. The statistic of concern, from a gender equality perspective, can be found in Bangladesh, where three out of four females who had not yet started their labour market transition were not in school with no plans of joining the labour market in the foreseeable future. Many of these young women were no doubt fully engaged in their various domestic duties, unpaid and invisible from an economic perspective.

Figure 7.2 Youth whose transition had not yet started by sub-category and sex



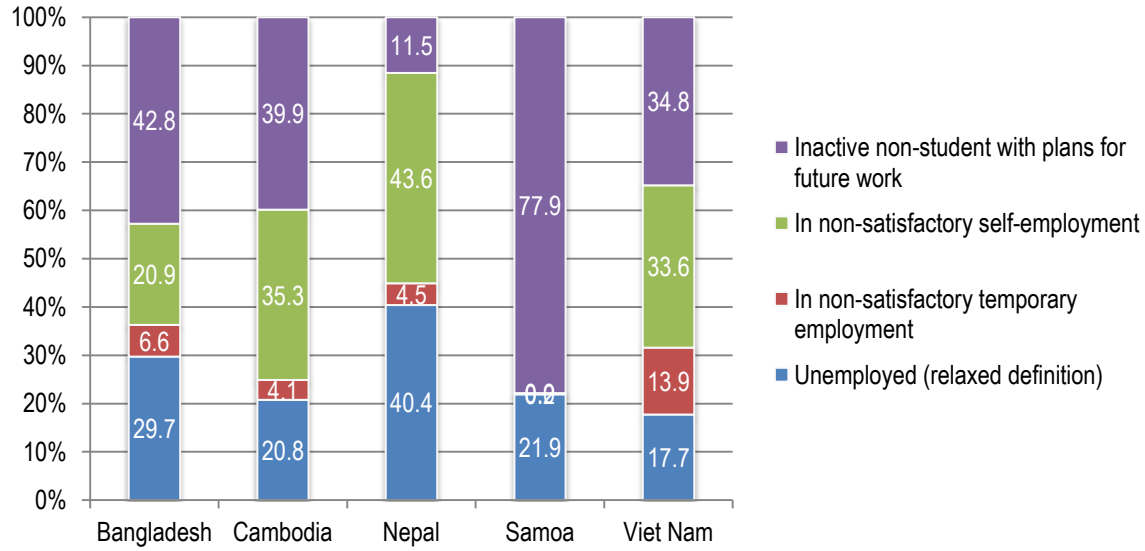
Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

7.3.2 Young people in transition

Youth remaining in transition can be further broken down into those who are unemployed (relaxed definition), those working in non-satisfactory temporary work and non-satisfactory self-employment, and those who are inactive non-students with a desire to join the labour market in the future. It is not possible to generalize about the "in transition" category across the region at the time of the SWTS because each country had distinct characteristics. But some trends are evident: for example, the largest sub-category was inactive non-students in all countries but Nepal. However, adding the two categories of employment together reveals that the greatest share of youth in Nepal and Viet Nam remained in transition due to engagement in non-satisfactory employment (figure 7.3).

Unemployment affected from 17.7 per cent of youth in transition in Viet Nam to 40.4 per cent in Nepal. Non-satisfied working youth were more likely to be in self-employment than in temporary employment (shares in both categories were 0 in Samoa). Only in Viet Nam was more than one in ten youth (13.9 per cent) in transition engaged in non-satisfactory temporary work. Regarding the education levels of youth remaining in transition, those with higher education had the highest likelihood of being unemployed, while the lesser educated tended to be in non-satisfactory self-employment or inactive (table A.13).

Figure 7.3 Youth in transition by sub-category



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

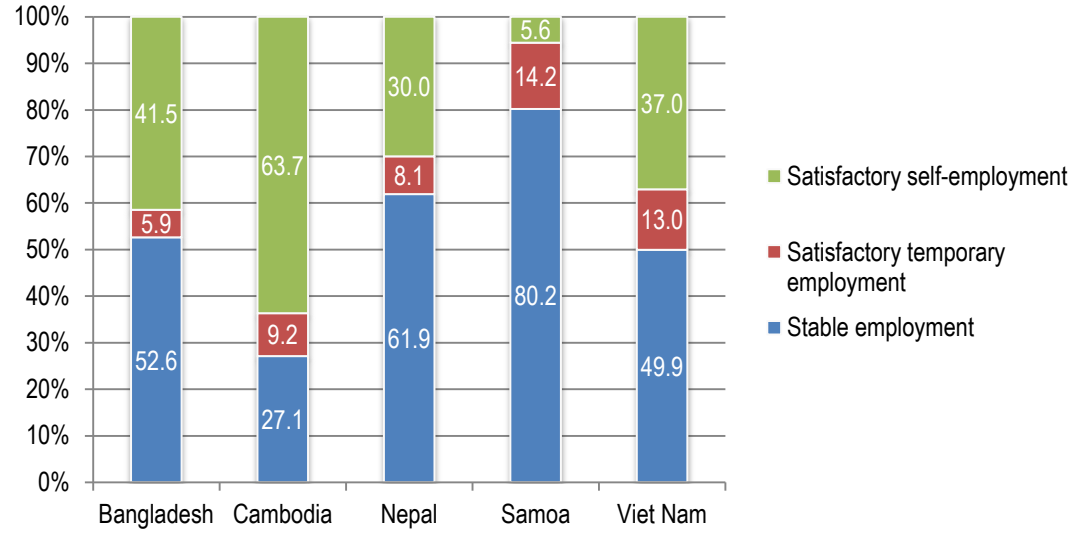
7.3.3 Young people who had completed their transition

Figure 7.4 shows the distribution of youth who had completed their labour market transition by sub-category: transited to stable employment, transited to satisfactory temporary employment and transited to satisfactory self-employment. In all the countries but Cambodia, between five and eight youth in ten fell in the category of stable employment, which is not overly surprising given the relatively high shares of paid employment and of unlimited contracts among employees in the region. In fact, with the lowest share of youth who transited into stable employment, Cambodia was also the country with the lowest share of young workers in paid employment among the SWTS countries.

The relatively high shares of youth in stable employment are good news if that category is indeed assumed to be ideal. Still, large shares of youth in the countries were

completing their transitions to satisfactory self- or temporary employment. Also important to bear in mind are the small shares of transited youth in stable employment as a share of the total youth population (at most 27.7 per cent of the youth population in Viet Nam; figure 7.1).

Figure 7.4 Youth who completed the transition by sub-category



Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

7.4 Transition paths and length

7.4.1 Transition paths

Another means of examining the transition is through flows and identifying the labour market category held by the youth prior to transiting to stable and/or satisfactory employment. Among the five countries under consideration in the Asia-Pacific region, a majority of transited youth passed directly to their current position (table 7.3). This means they had no intermediate spell before acquiring their current job, classified as stable in contract terms or satisfactory self- or temporary employment. The shares of direct transitions were especially high in Bangladesh (63.3 per cent) and Nepal (60.5 per cent). Much smaller shares in the five countries transited from an alternative status. Of those who did not transit directly, the most frequent path varied by country but was primarily from another employment experience (especially in Cambodia and Viet Nam), from inactivity (in particular in Samoa) or from unpaid family work (particularly in Cambodia). Nepal and Samoa were the only two in which 10 per cent of youth had attained stable and/or satisfactory employment directly after a period of unemployment.

Table 7.3 Youth who completed the transition by flows to stable and/or satisfactory employment (%)

Flow	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam
Direct transition	63.3	45.3	60.5	53.6	46.3
From unemployment	4.9	0.1	10.0	10.1	5.2
From own-account work	4.1	1.4	2.9	0.2	2.4
From unpaid family work	5.1	19.8	4.0	0.9	12.9
From other employment	11.3	26.5	11.2	15.6	20.2
From inactivity	11.4	6.9	11.5	19.6	13.0

Note: Current students are excluded since their transitions were not yet completed.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Cambodia had the highest proportion of youth who had completed their labour market transition from other employment (26.5 per cent as compared to the regional average of 17.0 per cent). Greater experience within the labour market may serve to broaden relevant skills and knowledge and improve the employability of youth but, in the context of Cambodia, employers expressed a concern regarding the high rates of staff turnover, especially in the tourism industries and construction sector. The low-skill equilibrium that the data reveal dominated much of the Cambodian economy encourages youth, most of whom receive corresponding low rates of pay and very basic employment conditions, to move regularly between jobs in search of even just a slightly higher wage per week or month. Employers are often reluctant to invest in employee training, knowing that the higher level of skills gained will enable employees to find better paid work elsewhere, with the consequence that the employers' investments in staff training will be lost.

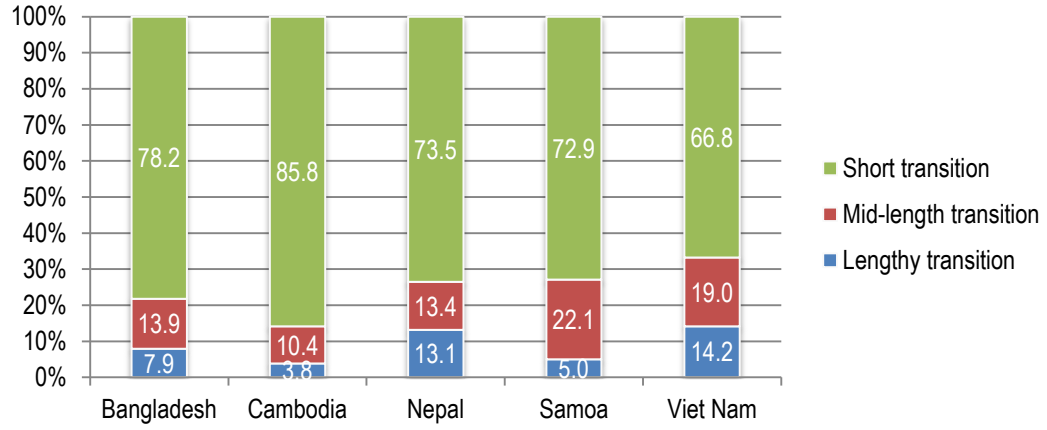
7.4.2 Length of transition

The ILO has also developed a classification system for the length of transition period of youth who have completed the transition.[28] Because of the dominance of the category of youth who attained stable and/or satisfactory job as their first labour market experience (direct transits), most transitions were classified as short in the five countries (figure 7.5). The transition was classified as mid-length for between 10.4 per cent of transited youth in Cambodia and 22.1 per cent in Samoa. The share of lengthy transitions fell between 3.8 per cent in Cambodia and 14.2 per cent in Viet Nam.

The evidence on transition paths suggests that "shopping around" among labour market experiences was not the norm in Asia and the Pacific, a clear indicator of the limited number of job opportunities in the region. Examining the length of the transition more closely, the results show it lasted up to 31 months or 2.6 years in Viet Nam, when persons who transited directly were taken into consideration, but were much shorter, on average, in Cambodia, Nepal and Samoa (from 10 to 13 months) (table 7.4). Excluding the transited youth who moved directly to their stable and/or satisfactory job, the average length of transition was much more substantial: in two countries – Bangladesh and Cambodia – the transition took as long as 64 months or more than 5 years, with Viet Nam close behind at 59 months. Finally, the results were inclusive regarding whether it took longer to transit to stable employment or to satisfactory self- or temporary employment. Three countries showed longer transition lengths to satisfactory self- or temporary employment; only Bangladesh showed it taking longer to transit to stable employment, and the lengths were equal in Cambodia.

[28] A **short transition** is classified as one in which, before obtaining the current satisfactory/stable job, the young person underwent: (1) a direct transition; or (2) a spell (or cumulative spells) of stable or satisfactory employment with no spell of unemployment or inactivity; or (3) a spell (or cumulative spells) of employment of less than or equal to 1 year with no spell of unemployment or inactivity where the job(s) held is(are) classified as non-satisfactory self- or temporary employment; or (4) a spell of unemployment with or without spells of employment or inactivity of less than or equal to 3 months; or (5) a spell of inactivity of less than or equal to 1 year. A **mid-length transition** is classified as one in which, before obtaining the current satisfactory/stable job, the young person underwent: (1) a spell (or cumulative spells) of non-satisfactory self- or temporary employment of between 1 and 2 years with no spell of unemployment or inactivity; or (2) a spell of unemployment with or without spells of employment or inactivity of between 3 months and 1 year; or (3) a spell of inactivity longer than 1 year. A **lengthy transition** is classified as one in which, before obtaining the current satisfactory/stable job, the young person underwent: (1) a spell (or cumulative spells) of non-satisfactory self- or temporary employment of 2 years or more with no spell of unemployment or inactivity; or (2) a spell of unemployment with or without spells of employment or inactivity of 1 year or more.

Figure 7.5 Youth who completed the transition by length of transition



Note: Current students are excluded since their transitions were not yet completed.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

Table 7.4 Youth who completed the transition by average length of transition (months)

Average length of transition	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam
Excluding direct transition	64	64	37	28	59
Including direct transition	23	10	11	13	31
To stable employment – including direct transition	26	10	10	12	29
To satisfactory self- or temporary employment – including direct transition	21	10	13	20	34

Note: Current students are excluded since their transitions were not yet completed.

Source: SWTSs, 2012–13 (see table 2.1 for reference year by country).

8. Policy implications and good practices in youth employment initiatives

8.1 Policy implications

Identifying the nature and extent of the youth employment challenge at the country level is a prerequisite to formulating evidence-based and integrated policies and programmatic interventions. With detailed information on the blockages that are preventing sufficient job creation from absorbing the cohorts of young labour market entrants, governments will be better prepared to design effective policy responses. Facilitating an improved school-to-work transition (or work-to-school transition for youth previously engaged in child labour) is a precondition to helping young people overcome difficulties in finding and maintaining decent jobs.

The analysis of the SWTS in the five Asian-Pacific countries highlights issues of low-quality employment, low – but improving – levels of educational attainment, inequalities in labour market transitions, etc. The evidence from the survey clearly demonstrates that the region needs a vision for the future of its labour market and a strategy to improve its labour market outcomes, particularly for youth. Since youth employment is highly dependent on each country's general employment situation, it is critical to prioritize employment in national policy-making and to centralize employment within economic and social policies. In fact, the governments of all countries covered have shown their policy commitment towards areas of employment promotion and skills development. The 2012–13 SWTS and future data sets for 2014–15 can make a significant contribution to

providing policy-makers with information to formulate, monitor and evaluate policies and programmes. The following main areas of action should be followed closely:

1. **Design macroeconomic policy to promote job growth, especially within the agricultural sector.** Beyond improving the alignment of the educational system to the demands of the labour market, demand-side solutions are needed to generate additional jobs for young people (skilled and unskilled). This requires coordinated policy efforts to support aggregate demand through pro-employment macroeconomic policies and to foster growth engines also in higher value-added services or industries (ILO, 2013a, section 6). See box 4 for general approaches in this area.

Box 4. 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 encouraging economic diversification and productive transformation; reducing macroeconomic volatility by engaging in timely and targeted counter-cyclical policies; loosening constraints on private-sector growth, with a particular emphasis on access to finance for micro-, small and medium-sized enterprises; 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 ensuring adequate and predictable funding for targeted youth employment interventions.

Source: ILO, 2013a, box 8.

2. **Ensure access to quality education for all and prevention of early school departures.** Too many youth are not fully benefiting from the education system. Based on the survey results across the five target countries in the region, the most common reason for never attending school or leaving school early is the lack of financial means to afford education and the related foregone income of youth during their studies. These findings point at a missed opportunity to break the poverty trap, since educational outcomes have shown to be clearly linked to a wage premium and to higher probability to complete the labour market transition to stable employment.

   Although Asia and the Pacific as a region has been progressing steadily in granting universal access to primary education for all, many countries still have large numbers of out-of-school children, and significant work still needs to be done to increase enrolment in secondary education. In South Asia for instance, over the past decade 89 per cent of the wealthiest urban male cohort completed school at lower secondary level, while only 13 per cent of the poorest rural female cohort managed the same achievement. Governments should continue to invest in increasingly inclusive educational systems that cater for the needs of disadvantaged groups. Essential elements of programmes include guaranteeing accessibility of education in rural areas (SWTS results showed a clear disadvantage to youth in rural areas when it comes to access to education), as well as making sure that education is affordable, taking into account both direct costs such as school fees and indirect ones such as school uniforms.

   Second-chance education programmes for youth who did not have previous access to basic education are also a worthy investment. Basic literacy and numeracy skills are the foundation to any technical skills required in the world of work, and are best acquired through education up to lower-secondary level. Whenever young people have not completed education to that stage, a gap of "foundation skills" is likely to exist (UNESCO, 2012). Ad-hoc programmes can fill that gap, by offering a mix of literacy and numeracy teaching, combined with technical training courses.

   Exposing young people in the region to *more* education is an essential first step, but it will not be sufficient unless youth are offered *better* education from a qualitative

standpoint as well. The surveys found that it is sometimes the parents who refuse to keep children in school. In addition, a number of young respondents in the countries analysed reported a lack of interest in further education. These elements indicate that the personal, social and economic benefits of education are still not universally recognized. The responsibility for this situation is likely to lie in the low quality of schools and the lack of relevance of curricula, which together cause the perception among families that it is not worthwhile to invest in long-term education. Conversely, we can expect that education systems would earn the trust and support of families and youth if more graduates find good jobs after leaving school.

3. **Address qualification mismatch issues, as they hamper the economic potential, productivity and well-being of youth.** The report has highlighted that skill mismatch is high among young workers in the five countries analysed. The data reveal that undereducation in particular affects a significant share of youth. Expanding inclusiveness of education, discussed above, is a fundamental step towards reducing undereducation issues. In particular, the report has shown that there is considerable room to strengthen vocational education in the countries analysed. Given the evident over-supply of skilled youth seeking work as professionals or filling posts for which they are overqualified, one could argue that the education system should try to encourage less participation in higher academic studies and more in technical, vocational studies. A vocational system that offers quality and market-responsive education plays a critical role in ensuring that the skill base available in a country matches the needs of its economy. Tripartite cooperation is an essential feature of such a system, since it ensures that vocational education caters for the needs of all its clients and it is in turn supported by them. Advanced vocational systems have institutionalized the role of tripartite partners in specific national bodies, whose role is to coordinate the formulation of qualifications, the design of curricula and the assessment of graduates.

4. **Enhance the role of institutions that deal with employment and unemployment issues and improve the collection and dissemination of labour market information.** The role of education in addressing qualification mismatches between supply and demand of labour needs to be complemented by effective matchmaking mechanisms. Good quality education can ensure that graduates can offer to the labour market the skills that employers need. However, qualification mismatches at the level of the individual can still persist if well-functioning mechanisms to efficiently pair jobs with jobseekers are not in place. The SWTSs have shown that few young people use formal means of finding work, and many employers rely on informal networking to recruit young workers. This situation is sub-optimal for a number of reasons. Disadvantaged youth who lack personal connections will have lower chances to find employment opportunities. In addition, informal matchmaking mechanisms are likely to lead to inefficient match of labour supply and demand and therefore weakened productivity. Strengthening employment offices and agencies can help to make connection between young people and enterprises more efficient and systematic.

   Placing employment services where they are most needed is not always an easy task. Often, if employment services are available at all, they are found in few, large urban centres. A significant degree of communication with employers needs to be in place for employment services to function well, and connectivity is easiest if the employment centre is physically close to enterprises. Unfortunately, large numbers of youth who would benefit greatly from an integrated system of employment services are found in disadvantaged, rural areas where internet penetration is low and communications with large cities weak. Governments should strengthen the outreach of employment services across the country and not be discouraged by connectivity barriers since solutions can be found. For instance, existing institutional networks such as the public administration offices over a country's territory (a well-established

solution in the Philippines, for example) can be used as infrastructure for labour market information to be shared between the countryside and urban centres. Job search and matching services based on mobile phones are also becoming increasingly popular and are likely to expand quickly across the region.

5. **Improve working conditions by ensuring equal treatment for and rights of young workers.** The survey results show that young people continue to suffer from decent work deficits and low-quality jobs. Policy-making can contribute effectively to stimulating the demand for young labour under conditions of decent employment. However, the size of the informal sector in the region, often consisting of a myriad of small- and micro-enterprises (SMEs), poses a barrier to the effectiveness of policy responses. Governments need to design an adequate system of incentives to encourage enterprises of different sizes to reach various degrees of formalization, invest in compliance with International Labour Standards, and improve young people's work conditions. Inclusive laws are needed, for instance targeting micro enterprises, which are critical for labour creation in the region and yet are frequently excluded from applications of labour laws. Once the legislative infrastructure is set up, compliance needs to be closely monitored through labour inspections. What action should follow compliance checks should be determined depending on the context. There is no doubt that sanctioning mechanisms, starting from fines are a practical enforcement mechanism. However, in some cases a gradual approach offering a period of technical assistance to enterprises before applying sanctions is likely to lead to more sustainable compliance (ILO, 2013b).

6. **Support employers in taking active part in the creation of decent jobs for young people.** Employers may take on young people when subsidies are offered in the way of tax breaks or other financial incentives, although the very high levels of informality among enterprises in the countries surveyed can hamper the effectiveness of such a strategy. Perhaps more can be done to make the business case for employing young people by highlighting how this impacts on organizations' competitiveness. Helping employers link investment in young people and in the training of their young staff to their business strategy is an area that could be expanded. At the same time, governments are advised to give clear signals to enterprises that they will reward private-sector enterprises that respond well to measures inducing job creation for the young people.

7. **Strengthen support mechanisms to informal enterprises.** Access to finance is consistently listed as a major constraint for enterprises to expand their capacity via investments that lead to the creation of new jobs. This is particularly important in countries where a majority of establishments are micro- and small enterprises. Consequently, measures aiming to improve financial inclusion are likely to stimulate labour demand and thereby to generate new employment opportunities for young people. At the same time, a wealth of other support mechanisms can help to increase the productivity and working conditions of micro- and small enterprises where so many young people are engaged, including the following macro- and micro-level areas of intervention:

   - Macro-level: rationalize and streamline business registration and licensing regimes; simplify tax administration; review land ownership; create an enabling environment for enterprises; introduce incentives for compliance with the legal and regulatory framework;

   - Micro-level: support entrepreneurship training; reduce vulnerability through extension of social safety nets; introduce safety and health training for homeworkers and small enterprises; improve access to markets; support development of peer

support mechanisms through organization of business membership organizations and informal workers' organizations.

In the specific context of youth enterprise promotion, sustainable entrepreneurship should be placed within the objective of national initiatives. Young people should be exposed to entrepreneurial thinking since early schooling. A school background that includes elements of entrepreneurship would also help the large share of youth who end up as contributing family workers. Family businesses are often run on very little business expertise. If the education system could better equip youth to fill this knowledge gap, family businesses could benefit and so could the power of young workers to negotiate better working conditions.

Once a youth decides to start up a business, s/he needs to have access to support services that extend beyond the access to finance, such as assistance in shaping a business idea into a solid and bankable business plan, information on registration and taxation issues, and mentoring throughout the life of the business. Incubators can be an efficient solution for entrepreneurs to find comprehensive support in one provider. However, incubators will only be effective if they are designed to function on the right incentives for all parties to not only engage, but also *dis*engage from each other when services are no longer needed.

8. **Reduce gender-based gaps in labour market outcomes.** Most of the survey countries have strengthened their governance frameworks for promoting gender equality over the last decade (ILO, 2011). Legislative efforts are steps in the right direction, but are not sufficient to promote equal employment opportunities unless they go hand in hand with pragmatic measures. The first step towards closing gender gaps in the transition is to understand in detail the practical, daily constraints facing young women in entering the labour market and completing their transitions. Availability of data is essential to obtain such an understanding. The SWTS indicators can contribute significantly to this endeavour, as they provide insights on young people's expectations, interests and obstacles during their transitions. However, national-level indicators, however helpful, need to be considered as a tool to obtain preliminary directions for a more detailed analysis that should follow. Gender-based constraints can vary considerably from context to context, for instance from rural to urban areas, or among different ethnic groups in the country. National-level indicators will not be able to capture all these nuances.

9. **Promote bipartite and tripartite cooperation on youth employment to yield better employment outcomes.** Establishing an enabling environment for the successful implementation of employment and labour market interventions for young people requires bipartite and tripartite cooperation. This is confirmed by the results of evaluations of youth employment programmes. Governments, employers' organizations and trade unions have a role to play by fulfilling their own specific mandates and through concerted and joint efforts for the promotion of decent work for youth in the country.

8.2 Good practices in youth employment interventions

The following "good practices" were selected for presentation at the Work4Youth Regional Conference on "Labour market transitions of young women and men in Asia and the Pacific", held in Bangkok on 21-22 May 2014, with the tripartite participation of the five W4Y countries in Asia and the Pacific.

1. **Engaging youth through cooperatives (Singapore National Co-operative Federation**)

   The Singapore National Co-operative Federation (SNCF) was established in 1980 with a mission to promote and develop the country's cooperatives their effectiveness from an economic and social viewpoint as well as their sustainability. Their youth sector runs a number of initiatives targeting young people and supporting their transition from education to cooperative entrepreneurship. The Federation reaches out to schools (at secondary and tertiary levels, including vocational) by meeting students and teachers to present the cooperative model and its advantages. Between 2011 and 2013 SNCF invested almost 23,000 hours in this activity. In addition the Federation supports students in establishing and running campus cooperatives, where youth can gain helpful work experience while still in education.

   Since 2013, SNCF is also involved in teaching elements of social entrepreneurship and the cooperative model as part of school curricula. A two-module pilot programme comprising 20 weeks of learning is currently being piloted in four schools. Finally, SNCF also implements a talent initiative. The Federation identifies young persons interested in engaging in cooperative work after their graduation and offers them scholarships to cover their higher education costs in exchange for their commitment to join a cooperative for an agreed period of time once the course of study is completed.

   For more information, see website: http://www.sncf.org.sg/.

2. **Domestic worker legislation (Bureau of Workers with Special Concerns and Technical Education and Skills Development Authority, Department Of Labour, the Philippines)**

   According to a recent ILO study, the Asia-Pacific region employed 21.5 million domestic workers in 2010, the highest number of all regions (ILO, 2013c, p. 21). In most countries in the region, domestic workers are excluded from the scope of labour legislations. Domestic workers are therefore left vulnerable to abusive practices and decent work deficits, oftentimes working long hours with low wages, no social protection benefits and no voice or representation arrangements in place (ILO, 2013d).

   The government of the Philippines, with approximately 1.9 million domestic workers, played an active role in the ratification in 2012 of the Domestic Worker Convention (No. 189), adopted by the 100th session of the International Labour Conference. A Philippine Law for Domestic Workers (Kasambahay Law) was signed by President Benigno S. Aquino III in January 2013. The law extends to domestic workers the same rights as formal sector workers. It establishes specific contractual rules and mandatory benefits, sets a minimum wage, mechanisms for rescue in case of abuse and settlement of disputes. The law defines special arrangements for domestic workers between 15 and 18 years of age, particularly regarding working hours, access to education and involvement of parents in the stipulation of contracts. In addition, it gives dispositions for the development of a skills and competency-based wage system.

   The Philippines' Technical Education and Skills Development Authority (TESDA) has followed closely the provisions of the Kasambahay Law to define profiles and related competencies for domestic workers within the Philippine TVET Qualification and Certification System. TESDA will now follow through in the development of competency-based training curricula, instructional materials and assessment mechanisms toward awarding qualifications.

   For more information, see websites: www.tesda.gov.ph and www.bwsc.dole.gov.ph.

3. **Working conditions of young workers (Better Work Programme, Bangladesh, Cambodia, Indonesia and Viet Nam)**

The Better Work Programme is a global partnership between the ILO and the International Finance Corporation (IFC). It was launched in 2006 to improve compliance with labour standards and competitiveness in global supply chains. In Asia and the Pacific, the Programme targets garment sectors in four countries (Bangladesh, Cambodia, Indonesia and Viet Nam). In 2013, the number of youth aged 18 to 25 working in factories partnering with Better Work amounted to more than 180,000. In some countries, the share of young workers reaches 50 per cent of the overall workforce in the Programme's factories.

The assistance offered by Better Work to partners is spread over three steps. The first stage is a baseline assessment of compliance with international labour standards and national labour laws. Second, a joint worker-management committee is set up in each factory to discuss improvements and find solutions to the issues identified in the initial assessment. Finally, the Programme provides training for managers and workers in key areas needed by each factory.

Better Work operates at the national level too, by making its results available to constituents to influence national agendas on compliance with international standards and labour law promulgation and enforcement. Data collected in the Programme's factories show that profitability is higher when workers are assured wage payments and feel physically safe at the workplace. Findings from partner factories in Viet Nam, for instance, indicate that 65 per cent experienced an increase in total sales; 75 per cent an increase in order sizes from their primary customers; and 70 per cent fewer labour compliance visits.

For more information, see website: betterwork.org/global/.

4. **Business incubation (Emerging Market Entrepreneurs, Cambodia and Lao People's Democratic Republic)**

Emerging Market Entrepreneurs (EME) is a business incubator programme operating in Cambodia and Lao PDR. The initiative aims at supporting entrepreneurship by assisting high-potential start-ups, many of them led by youth. The initiative originates from a business consulting and investment advisory firm that provides business analytics and support to organizations in the Mekong region. The integration of incubation services in the context of a business consulting firm represents one of the success factors of EME. The incubator is able to tap on its pool of business experts to offer its clients highly professional and comprehensive services.

EME utilizes networking channels to reach out to interested entrepreneurs. Once the connection is made with a potential incubatee, the organization begins a five-month period of informal advisory services. By the end of this initial phase, EME and the partner entrepreneur sign a one-year incubation contract regulating the provision of business assistance in exchange for a small share of equity. If necessary, the contract can be extended after one year and the share of equity increased in return.

One of the strengths of EME'S approach lies in setting up the right incentives for aspiring entrepreneurs. On the one hand, incubatees are incentivized to make the most of the assistance they receive within the limits of the one-year period, given that they pay for it. On the other hand, the incubator itself owns a stake in their client businesses, and therefore will also have an interest in seeing incubatees grow solid and profitable businesses as quickly as possible.

For more information, see website: www.emergingmarkets.asia/.

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Annex I. Definitions of labour market statistics

1. The following units are defined according to the standards of the International Conference of Labour Statisticians:

a. The **employed** include all persons of 15 years of age or more who during a week of reference:
   - worked for wage or profit (in cash or in kind) for at least one hour;
   - were temporarily absent from work (because of illness, leave, studies, a break of the activity of the firm, for example), but had a formal attachment to their job;
   - performed some work without pay for family gain.

b. The **unemployed** (strictly defined) include all persons of 15 years of age or more who meet the following three conditions during the week of reference:
   - They did not work (according to the abovementioned definition);
   - They were actively searching for a job or took concrete action to start their own business;
   - They were available to start work within the two weeks following the reference week.

c. Persons neither included in the employed nor in the unemployed category are classified as **not in the labour force (also known as inactive).**

2. The International Classification of Status in Employment (ICSE) categorizes the employed population on the basis of their explicit or implicit contract of employment, as follows:

a. **Employees** (also wage and salaried workers) are all those workers who hold the type of jobs defined as "paid employment jobs", where the incumbents hold explicit (written or oral) or implicit employment contracts that give them a basic remuneration that is not directly dependent upon the revenue of the unit for which they work.

b. **Employers** are those workers who, working on their own account or with one or a few partners, hold the type of jobs defined as "self-employment jobs" (i.e. jobs where the remuneration is directly dependent upon the profits derived from the goods and services produced) and, in this capacity, have engaged, on a continuous basis, one or more persons to work for them as employee(s).

c. **Own-account workers** are those who, working on their own account or with one or more partners, hold the type of jobs defined as "self-employment jobs" and have not engaged, on a continuous basis, any employees to work for them.

d. **Contributing (unpaid) family workers** are those who hold "self-employment jobs" as own-account workers in a market-oriented establishment operated by a related person living in the same household.

3. The employed are also classified by their main **occupation**, in accordance with the International Standard Classification of Occupations (ISCO-08).

4. A **household** is a family or other community of persons living together and jointly spending their income to satisfy the basic necessities of life. The concept of household includes members present in the place where the household resides, as well as individuals who are temporarily absent and living elsewhere, including abroad, for business, education or other, as long as their residence in the foreign country does not exceed 1 year. A person living alone can also qualify as a household ("single household") if s/he does not already

belong to another unit. The single household can reside in a separate or shared apartment, considered as an independent unit as long as the household's income is not shared with other residents. Collective households, such as prisons and institutions, and their members are not observed in the Labour Force Survey.

5. **The reporting period**, to which the questions for the economic activity are related, is the week before the week of interview (52 reporting weeks throughout the year).

6. The following units are also defined within the SWTS analysis but are outside the scope of those defined within the international framework of labour market statistics mentioned in item 1 above:

a. **Relaxed unemployment** – a person without work and available to work (relaxing the jobseeking criteria of item 1b above).

b. **Labour underutilization rate** – the sum of shares of youth in irregular employment, unemployed (relaxed definition) and youth neither in the labour force nor in education/training (inactive non-students) as a percentage of the youth population.

c. **Regular employment** – the sum of employees with a contract (oral or written) of 12 months or more in duration and employers; the indicators are therefore a mix of information on status in employment and contract situations.

d. **Satisfactory employment** – based on self-assessment of the jobholder; implies a job that respondents consider to "fit" to their desired employment path at that moment in time.

e. **Stable employment** – employees with a contract (oral or written) of 12 months or more in duration.

f. **Temporary employment** – employees with a contract (oral or written) of less than 12 months in duration.

Annex II. Additional statistical tables

The sources for all the tables are the SWTSs implemented in 2012–13. See table 2.1 for more information.

Table A.1 Youth population by selected characteristics (%)

Country	Sex	Age group			Area of residence		Marital status				
		15–19	20–24	25–29	Rural	Urban	Single	Engaged	Married	Divorced	Widowed
Bangladesh	Female	32.0	39.6	28.4	76.5	23.5	26.3	-	71.7	1.6	0.5
	Male	35.8	32.3	31.9	77.7	22.3	63.0	-	35.9	0.5	0.6
Cambodia	Female	40.7	34.5	24.8	75.0	25.0	61.7	0.2	36.2	1.2	0.7
	Male	42.4	32.1	25.5	75.3	24.7	77.8	0.4	21.1	0.5	0.1
Nepal	Female	44.3	32.0	23.7	76.7	23.3	56.9	1.5	40.7	0.6	0.3
	Male	43.5	29.7	26.8	81.9	18.1	71.2	1.9	26.4	0.4	0.1
Samoa	Female	44.9	31.4	23.7	-	-	66.6	-	30.1	3.2	-
	Male	45.8	31.9	22.3	-	-	82.3	-	16.7	1.1	-
Viet Nam	Female	35.8	30.9	33.2	69.7	30.3	57.8	0.6	40.3	1.1	0.2
	Male	34.7	33.3	32.0	71.4	28.6	74.5	0.3	24.3	1.0	0.0
Average	Female	39.5	33.7	26.8	74.5	25.5	53.8	0.8	43.8	1.6	0.4
	Male	40.4	31.9	27.7	76.6	23.4	73.8	0.8	24.9	0.7	0.2

- = data not available.

Table A.2 Youth by household financial status and area of residence (%)

Country	Area of residence	Poor	Fairly poor	Average	Fairly well off	Well off
Bangladesh	Rural	0.0	20.8	22.1	45.2	11.9
	Urban	0.0	12.3	17.2	52.9	17.6
Cambodia	Rural	5.6	33.3	56.8	4.0	0.4
	Urban	2.6	21.6	65.5	9.2	1.1
Nepal	Rural	3.2	22.7	60.5	13.1	0.5
	Urban	0.2	6.3	57.6	34.0	1.9
Viet Nam	Rural	10.6	14.6	69.3	5.5	0.1
	Urban	2.4	12.4	79.3	5.6	0.3
Average	Rural	4.9	22.8	52.2	16.9	3.2
	Urban	1.3	13.1	54.9	25.4	5.2

Note: The urban–rural breakdown is not available for Samoa.

Table A.3 Youth who left school before completion by reason for leaving (%)

Country	Sex	Reason							
		Failed examinations	Lack of interest in education	To start working	To get married	Parental refusal to continue	Economic reasons	No school nearby	Other
Bangladesh	Total	6.6	18.0	5.8	23.3	8.2	32.6	1.3	4.2
	Female	6.3	12.4	1.5	39.5	13.0	21.7	2.1	3.5
	Male	7.1	25.3	11.3	2.3	1.8	46.8	0.3	5.1
Cambodia	Total	5.2	2.9	8.3	3.4	2.6	67.6	4.5	5.5
	Female	4.6	1.7	8.1	5.0	3.3	67.4	5.5	4.4
	Male	6.0	4.3	8.6	1.3	1.8	67.8	3.4	6.8
Nepal	Total	16.4	18.2	10.6	20.5	1.5	29.5	1.2	2.1
	Female	16.1	14.9	3.0	39.0	2.5	19.5	2.1	2.9
	Male	16.7	21.2	17.5	3.6	0.6	38.7	0.3	1.4
Samoa	Total	5.6	15.3	8.6	6.8	6.2	26.4	0.1	31.0
	Female	5.0	7.9	7.6	11.8	6.7	26.9	0.3	33.8
	Male	6.1	20.7	9.4	3.1	5.8	26.1	0.0	28.8
Viet Nam	Total	10.8	32.1	14.9	1.1	2.9	31.7	3.8	2.7
	Female	9.9	27.8	13.1	2.1	3.5	35.7	5.3	2.6
	Male	11.5	35.3	16.4	0.3	2.4	28.6	2.6	2.9

Table A.4 Youth by educational attainment and level of completed education by sex (%)

Country	Sex	Less than primary (including no schooling)	Primary	Secondary general	Secondary vocational	Post-secondary vocational	University or postgraduate studies	Other
Bangladesh	Female	16.7	34.2	46.1	-	-	1.7	1.3
	Male	20.9	42.7	32.3	-	-	1.8	2.3
Cambodia	Female	14.8	50.4	29.1	2.7	0.3	2.7	
	Male	14.6	47.3	30.0	2.3	0.8	5.0	
Nepal	Female	22.4	30.7	35.8	1.7	3.0	6.4	
	Male	17.4	35.0	29.2	1.4	2.7	14.4	
Samoa	Female	0.6	0.4	23.9		50.7	19.6	4.8
	Male	1.3	0.9	32.7		44.9	15.8	4.4
Viet Nam	Female	7.9	21.1	48.3	6.3	6.7	9.7	0.0
	Male	11.0	23.6	50.5	4.4	3.0	7.4	0.1
Average	Female	12.5	27.4	36.7	-	-	8.0	2.0
	Male	13.0	29.9	34.9	-	-	8.9	2.3

- = data not available.

Note: The vocational category is not available for Bangladesh. In Samoa, vocational is not divided into secondary or post-secondary categories.

Table A.5 Youth by current labour market and educational status (%)

Status	Bangladesh	Cambodia	Nepal	Samoa	Viet Nam
Inactive non-students	37.8	7.6	8.3	39.5	9.4
Inactive students	19.9	16.7	44.0	34.4	24.6
Economically active non-students (employed + unemployed)	38.7	59.1	32.1	23.8	59.4
Employed non-students	35.5	58.0	28.4	19.8	57.7
Unemployed non-students	3.2	1.1	3.7	4.1	1.7
Economically active students (employed + unemployed)	3.5	16.6	15.6	2.3	6.6
Employed students	2.4	16.1	10.1	2.0	6.4
Unemployed students	1.1	0.5	5.5	0.3	0.2

Table A.6 Youth employment by aggregate sector and sex (%)

Country	Sex	Agriculture	Industry	Services
Bangladesh	Female	26.0	42.5	31.5
	Male	36.8	29.1	34.1
Cambodia	Female	48.1	14.9	37.0
	Male	52.1	17.6	30.3
Nepal	Female	53.0	9.2	37.8
	Male	40.1	17.4	42.5
Samoa	Female	2.8	9.6	87.6
	Male	7.0	22.2	70.8
Viet Nam	Female	30.7	31.4	37.8
	Male	34.3	30.5	35.1
Average	Female	32.1	21.3	46.7
	Male	33.8	20.2	46.0

Table A.7 Youth employment by detailed 1-digit sector and sex (%)

Sector	Bangladesh		Cambodia		Nepal		Samoa		Viet Nam	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Agriculture, forestry & fishing	26.0	36.8	48.1	52.1	53.0	40.1	2.8	7.0	30.7	34.3
Manufacturing	40.7	19.3	13.5	8.0	6.3	7.5	8.4	11.3	29.1	16.7
Electricity, gas, steam	0.0	0.3	0.1	0.1	0.0	0.3	0.0	0.0	0.1	0.8
Construction	1.0	8.6	1.3	9.1	0.0	8.0	0.7	9.1	1.5	11.9
Wholesale & retail trade	3.1	12.7	23.6	11.5	12.4	13.3	11.6	9.2	11.7	13.5
Transport	0.4	10.3	0.5	5.7	1.2	6.0	2.5	5.1	1.7	5.1
Accommodation	0.7	1.5	2.9	2.8	2.1	3.3	10.4	7.1	7.3	4.4
Information & communications	0.1	0.3	0.7	1.3	1.2	1.4	1.1	2.1	0.5	0.9
Financial activities	0.2	0.4	0.3	0.9	3.2	1.5	4.7	1.4	1.1	0.8
Real estate	0.0	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.2	0.1
Professional scientific activities	0.2	0.6	0.4	0.1	0.3	0.5	6.7	3.1	0.8	1.5
Administrative & support activities	0.4	1.2	0.7	1.8	0.6	1.4	9.0	8.4	0.8	0.6

Public administration	0.3	0.8	0.1	1.4	0.5	1.4	7.0	1.7	2.1	4.7
Education	8.8	1.7	2.0	1.9	8.7	8.5	10.5	2.2	5.7	0.9
Health & social work	1.9	0.5	0.5	0.4	3.7	1.9	2.3	1.7	2.2	0.4
Arts & entertainment	0.0	0.2	1.3	0.9	0.1	0.4	1.0	0.0	0.2	0.3
Other services	9.6	3.2	3.1	1.4	1.6	2.0	1.2	1.6	2.9	2.0
Private households	5.8	0.7	0.6	0.0	2.0	0.9	19.8	27.1	0.5	0.0

Note: Sectors with less than 2 per cent of the total in all countries are not shown. These include mining, water supply & extra-territorial activities.

Table A.8 Young workers by occupation and sex (ISCO-08, %)

Occupation	Bangladesh		Cambodia		Nepal		Samoa		Viet Nam	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Legislators, senior officials & managers	0.4	1.0	0.8	1.5	1.2	1.9	2.8	1.0	0.4	0.1
Professionals	10.0	2.6	3.6	3.5	14.4	11.9	17.3	6.6	10.1	5.5
Technicians & associate professionals	1.3	1.8	0.9	1.5	1.7	2.8	6.5	5.0	4.7	3.9
Clerks	1.2	1.1	1.7	1.5	1.7	1.5	20.0	6.6	4.6	1.7
Service workers, shop & market sales workers	6.8	15.8	28.3	14.1	15.4	16.2	18.0	11.6	18.7	13.9
Skilled agricultural & fishery workers	24.1	31.0	41.2	44.7	47.2	31.2	21.6	31.1	5.3	6.2
Craft & related trades workers	45.8	24.6	8.2	10.7	5.7	11.4	2.5	20.2	13.8	19.5
Plant & machine operators & assemblers	2.8	9.2	4.9	5.5	0.9	6.0	6.2	8.2	9.9	7.7
Elementary occupations	7.4	12.7	10.3	16.4	11.5	16.3	5.0	9.7	32.1	40.6
Armed forces	0.4	0.3	0.1	0.5	0.2	0.7	0.0	0.0	0.5	0.9

Table A.9 Self-employed youth by source of funding (%)

Source of funding	Bangladesh	Cambodia	Nepal	Viet Nam	Average
To start own business					
No money needed	10.9	15.3	9.5	7.7	10.9
Own savings	21.0	39.8	22.7	24.1	26.7
Money from family or friends	50.1	38.3	43.4	63.3	48.9
Loan from microfinance institution (including cooperative)	-	4.2	8.2	0.1	4.2
Loan from bank	5.0	-	8.9	-	7.0
Loan from an informal financial operator (money lender, pawn shop, savings collector)	1.5	2.1	0.7	4.6	2.2
Loan/assistance from government institution	0.3	-	0.8	-	0.6
Loan/assistance from NGO, donor project	0.0	0.3	2.2	0.2	0.7

Remittances from abroad	0.8	-	2.4	-	1.6
Other	10.4	-	1.1	-	5.6
For working capital					
No money needed	10.0	34.8	10.9	8.9	16.2
Own savings	30.5	-	31.2	30.7	30.9
Money from family or friends	35.7	54.5	37.1	54.2	45.2
Loan from microfinance institution (including cooperative)	12.7	2.4	6.0	1.0	5.5
Loan from bank	5.7	1.9	7.4	4.8	5.0
Loan from an informal financial operator (money lender, pawn shop, savings collector)	1.8	5.0	1.7	0.2	2.2
Loan/assistance from government institution	1.4	-	0.6	-	1.0
Loan/assistance from NGO, donor project	-	-	3.0	-	3.0
Remittances from abroad	-	-	-	-	-
Other	2.2	1.4	2.1	0.2	1.5

- = insignificant response rate.

Note: The question was not asked in Samoa.

Table A.10 Employed non-student youth by category of weekly working hours and sex (%)

Sex & country	Short hours (<10)	Part-time (<30)	Full-time (>30)	Long hours (>50)
Male				
Bangladesh	2.2	11.2	88.8	53.4
Cambodia	5.8	27.4	72.6	35.6
Nepal	6.4	19.1	80.9	42.1
Samoa	0.3	2.4	97.6	13.1
Viet Nam	3.3	12.3	87.7	36.9
Average	3.6	14.5	85.5	36.2
Female				
Bangladesh	4.6	33.8	66.2	43.1
Cambodia	8.1	35.3	64.7	33.5
Nepal	3.2	29.3	70.7	26.5
Samoa	1.2	4.3	95.7	9.1
Viet Nam	6.9	17.9	82.1	30.9
Average	4.8	24.1	75.9	28.6

Table A.11 Unemployed youth by perception of usefulness of their education to obtain work (%)

Perception	Bangladesh	Cambodia	Nepal	Viet Nam
Very useful	13.1	51.7	26.1	19.8
Somewhat useful	61.0	41.9	50.5	41.4
Not useful	20.0	2.9	14.8	22.6
Do not know	5.9	3.5	8.5	16.2

Note: The question was not asked in Samoa.

Table A.12 Youth by stages of transition and age group (%)

Country	Age group	Transited to stable employment	Transited to satisfactory self- or temporary employment	In transition	Transition not yet started
Bangladesh	15–19	14.3	10.1	13.4	62.2
	20–24	16.8	14.5	18.9	49.8
	25–29	23.5	25.2	15.2	36.1
Cambodia	15–19	13.2	46.2	10.5	30.0
	20–24	21.8	50.0	15.9	12.3
	25–29	23.4	57.1	17.2	2.3
Nepal	15–19	5.3	2.1	29.7	63.0
	20–24	14.5	7.1	44.9	33.5
	25–29	21.9	17.7	48.1	12.3
Samoa	15–19	3.2	1.0	14.8	81.1
	20–24	20.4	5.4	39.1	35.1
	25–29	27.0	5.9	38.4	28.8
Viet Nam	15–19	8.4	20.8	16.3	54.5
	20–24	29.2	28.3	23.9	18.6
	25–29	43.8	35.6	16.4	4.2
Average	15–19	8.8	15.9	16.9	58.4
	20–24	20.5	21.0	28.4	30.1
	25–29	27.8	28.3	27.0	16.9

Table A.13 Youth in transition by sub-category and level of completed educational attainment (%)

Country	Completed education level	Unemployed (relaxed definition)	In non-satisfactory temporary employment	In non-satisfactory self-employment	Inactive non-student with plans for future work
Bangladesh	Less than primary (including no schooling)	15.1	13.9	23.1	47.9
	Primary	22.0	8.8	22.0	47.2
	Secondary general	27.7	3.6	20.2	48.5
	University or postgraduate studies	67.3	0.2	10.8	21.7
Cambodia	Less than primary (including no schooling)	13.9	2.8	36.8	46.6
	Primary	16.2	5.8	32.8	45.2
	Secondary general	19.8	1.2	25.9	53.1
	Secondary vocational	0.0	0.0	100.0	0.0
	Post-secondary vocational	-	-	-	-
	University or postgraduate studies	35.6	12.8	0.0	51.6
Nepal	Less than primary (including no schooling)	18.7	12.1	49.0	20.2
	Primary	24.7	6.1	52.4	16.9
	Secondary general	27.3	5.5	42.6	24.6

	Secondary vocational	33.7	0.0	50.6	15.7
	Post-secondary vocational	5.9	0.0	86.7	7.4
	University or postgraduate studies	57.6	1.1	29.8	11.4
Samoa	Less than primary (including no schooling)	23.8	0.0	0.0	76.2
	Primary	0.0	0.0	0.0	100.0
	Secondary general	24.2	0.3	0.0	75.5
	Vocational	17.7	0.3	0.0	82.0
	University or postgraduate studies	24.0	0.0	0.0	76.0
Viet Nam	Less than primary (including no schooling)	2.5	13.5	18.3	65.7
	Primary	13.9	11.1	31.3	43.7
	Secondary general	12.8	12.9	33.1	41.2
	Secondary vocational	32.0	4.9	53.0	10.0
	Post-secondary vocational	38.7	47.3	11.1	2.9
	University or postgraduate studies	60.8	8.4	15.9	14.8

- = insignificant response rate.

Note: The Samoan questionnaire used only one category of “vocational” with no distinction between secondary and post-secondary level. The Bangladeshi questionnaire did not list vocational training separately.

This report presents the results of the School-to-work transition surveys (SWTS) implemented in five countries in the Asia-Pacific region – Bangladesh, Cambodia, Nepal, Samoa and Viet Nam – in 2012 or 2013. The indicators resulting from the surveys and analysed in this report provide a much more detailed picture of the youth in the labour market in a part of the world where labour market information is sparse and sporadic. Results show that unemployment of young people remains a matter of concern, especially among those with higher education, but that issues relating to the quality of work available to young people are of even greater relevance to the design and implementation of policy interventions. The report also draws attention to the path and length of the school-to-work transition for young people who are currently employed and draws some conclusions about the characteristics or experiences that can help to achieve a smoother transition.

The SWTSs are made available through the ILO "Work4Youth" (W4Y) Project. This Project is a five-year partnership between the ILO and The MasterCard Foundation that aims to promote decent work opportunities for young men and women through knowledge and action. The W4Y Publications Series covers national reports, with main survey findings and details on current national policy interventions in the area of youth employment, regional synthesis reports and thematic explorations of the 28 datasets from the target W4Y countries.

Work4Youth

For more information, visit our website: www.ilo.org/w4y
Youth Employment Programme
4 route des Morillons
CH-1211 Genève 22
Switzerland
w4y@ilo.org

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