HOW TO SOLVE youth unemployment

7.3 billion
world’s population

1.2 billion
young people aged 15-24

262 million
youths not in employment, education or training across developing countries

70+ million
youths are looking for work

1/5 is out of work for more than 12 months, across OECD countries

Effects of high youth unemployment

Reducing future potential economic growth

Poor health and well-being of young people

Limited opportunity & social mobility

Long term financial implications like funding retiree pensions

Structural challenges to hiring and retaining young people

1. Skills mismatch
2. Job readiness-skills
3. Employment costs
4. Youth expectations

Which policies work best to solve youth unemployment?

Skills initiatives with a longer horizon tend to be more successful

Skills based policies must understand skills needed by employers

Employers support of youth to obtain the right skills

Youth most removed from the labor market have a greater skills gap

Flexibility is critical to creating a dynamic labor market

Decentralization creates unique challenges

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1 World Bank
2 International Labour Organization, Youth Employment
3 The Organization for Economic Cooperation and Development work on youth

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