

How to address low employment rates at either end of the working carrier

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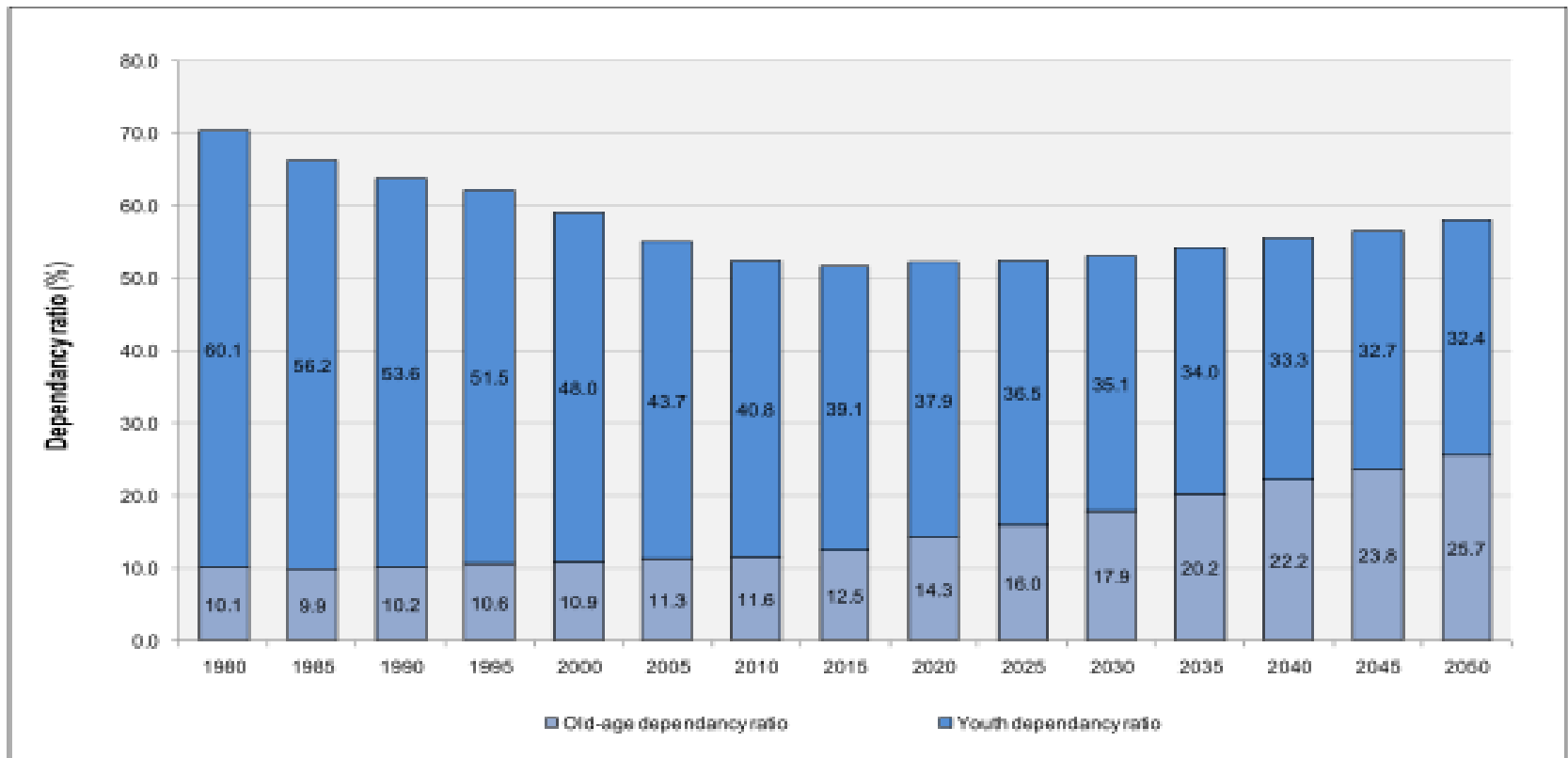
Structure of the presentation

1. Demography
2. Labour force
3. Youth problems
4. Old-age problems
5. Policy responses

1. Demography

1. Dependency ratio (youth vs. old-age)

World total dependency ratios disaggregated by age, 1980–2050

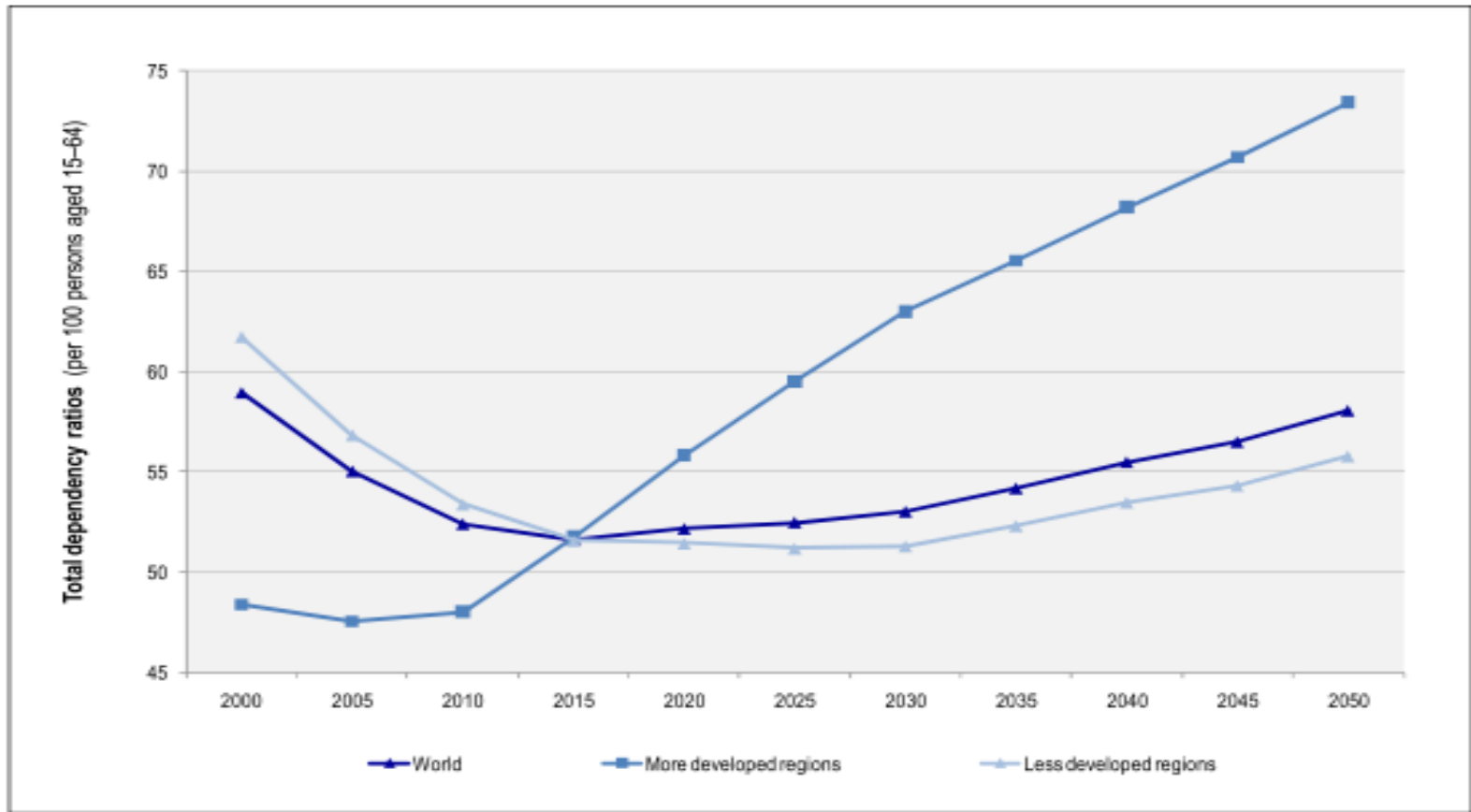


Source: UN: *World Population Prospects*, op. cit.

1. Demography

2. Total dependency ratio (developing vs. developed)

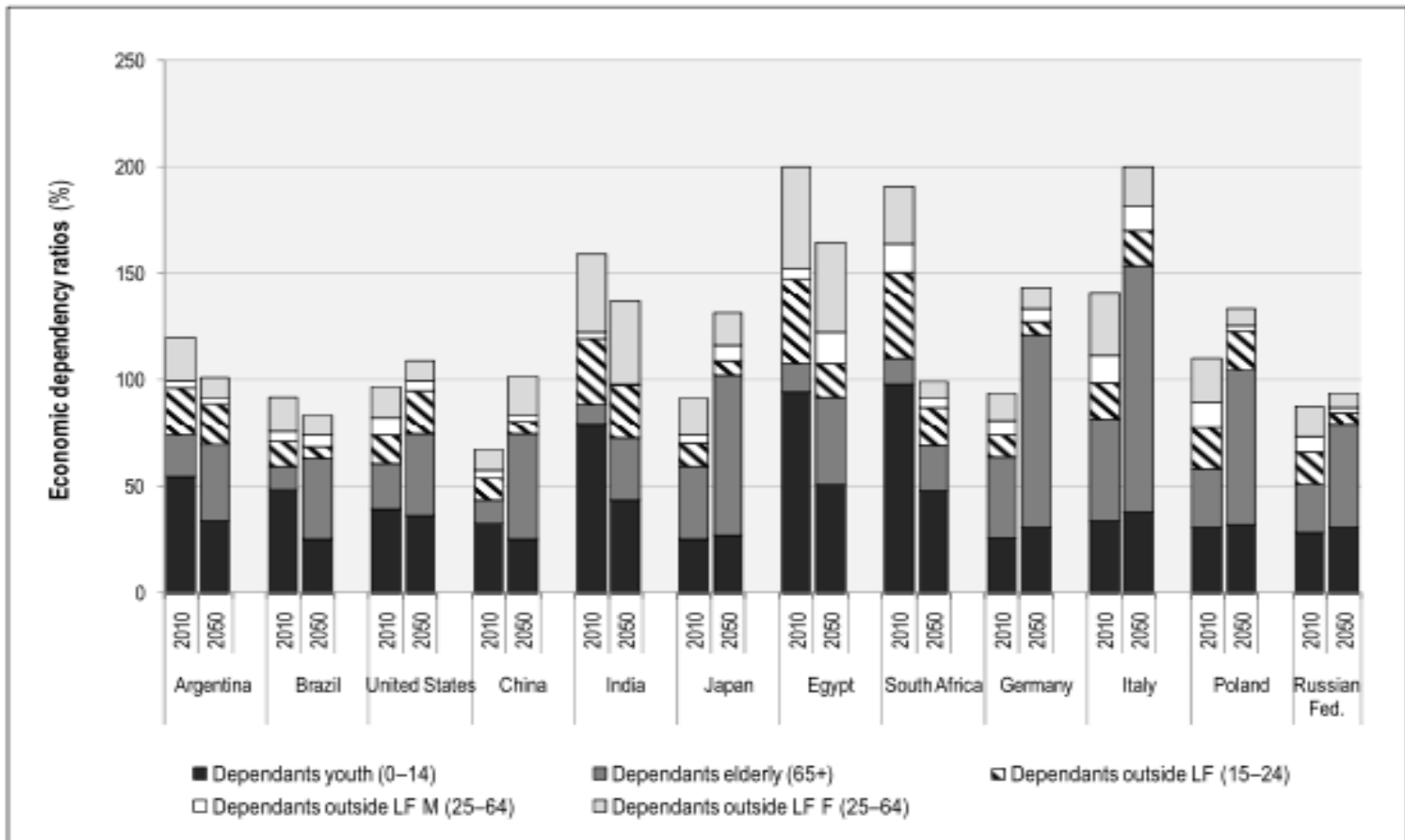
Total dependency ratios, 2000–50



Source: UN: *World Population Prospects*, op. cit.

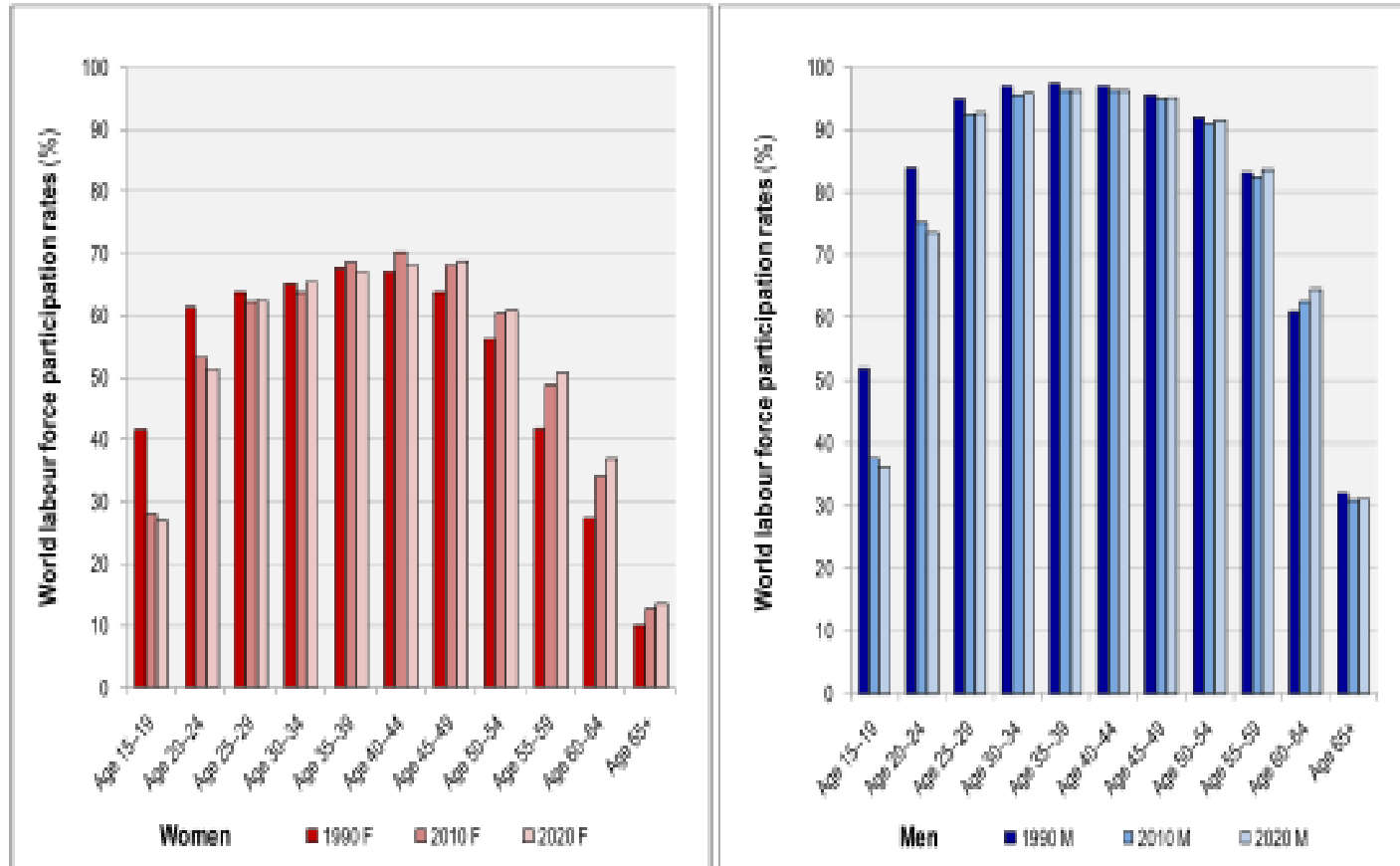
1. Demography

3. Economic dependency ratios (12 countries)



2. Labour force

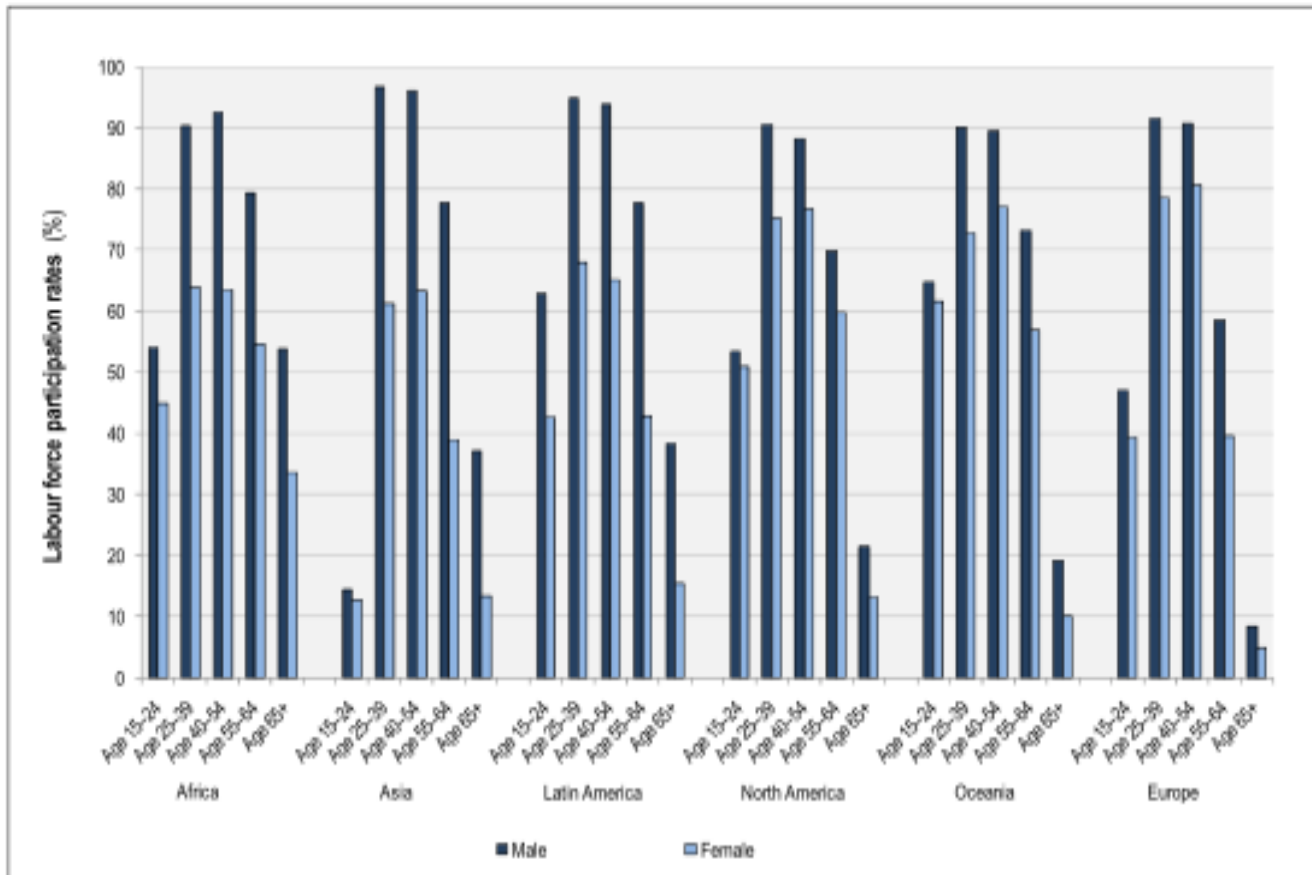
1. World labour force participation rates (different years)



Source: ILO: Laborsta.

2. Labour force

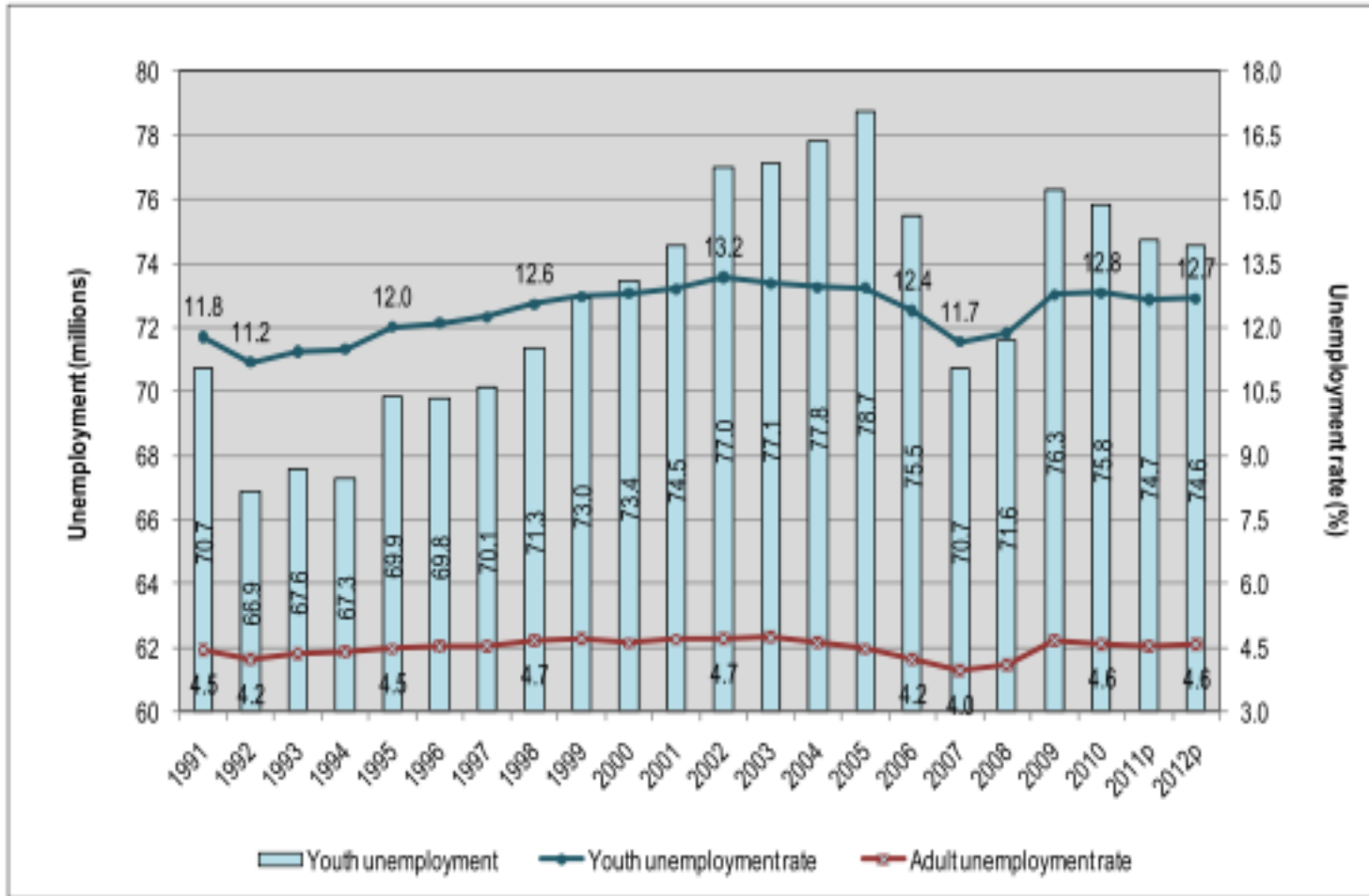
2. Labour force participation rates by region, 2010



Source: ILO: Laborsta.

3. Youth problems

1. World youth and adult unemployment rates

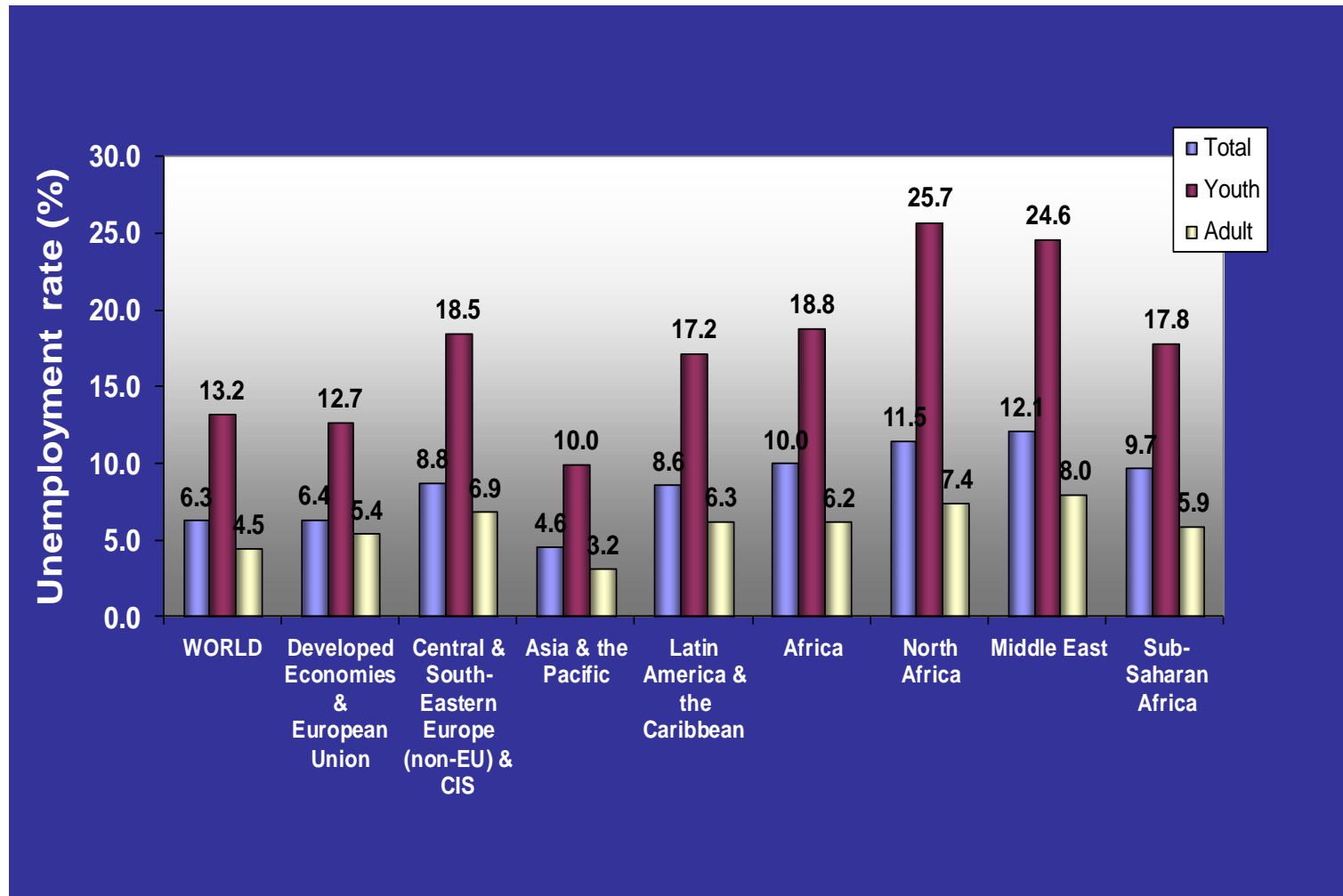


p = projection

Source: ILO: *Trends econometric models: A review of the methodology* (Geneva, 2011).

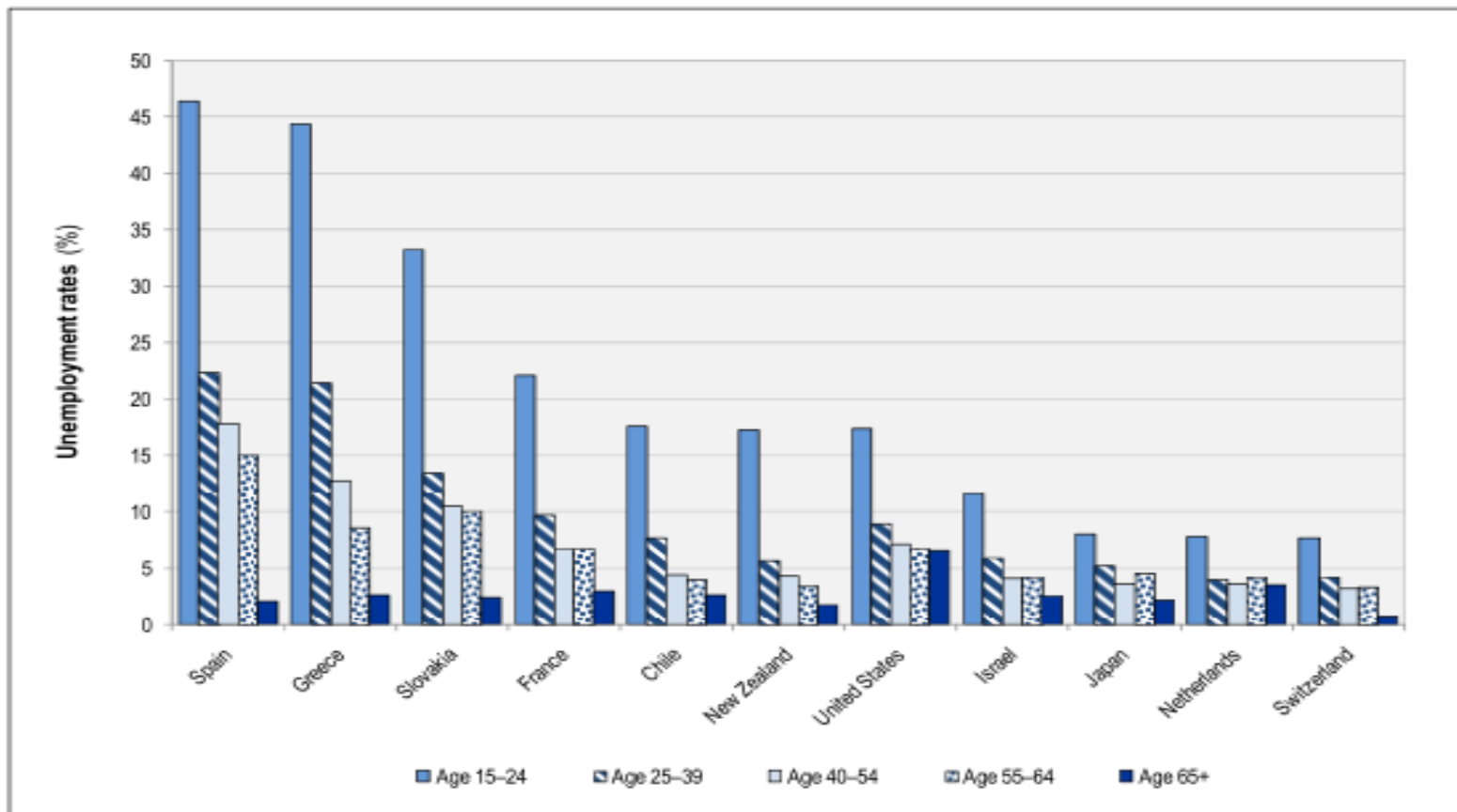
3. Youth problems

2. Regional unemployment rates, 2006



3. Youth problems

1. Age-wise unemployment rates in selected OECD countries, 2011 (%)



Note: Data for Spain refers to the 16-25 age group.

Source: <http://stats.OECD.org/>, labour force statistics by age and sex. Data downloaded on 26.11.2012.

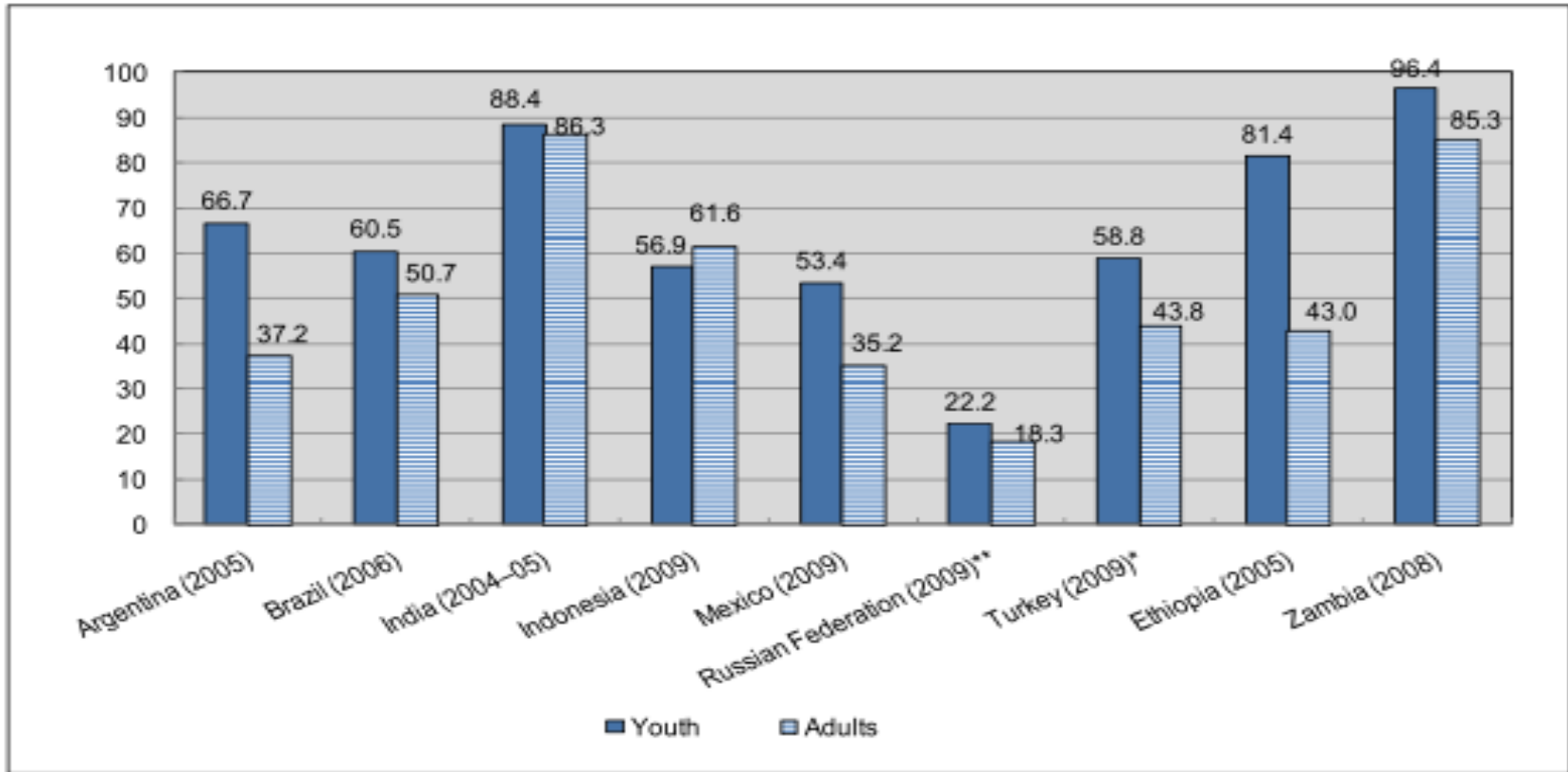
3. Youth problems

3. Net growth of youth entering into the labour market

	Youth Labour Force in 2006	Youth Labour Force in 2015	Net growth in youth labour force 2006-15 (millions)
WORLD	644 632	653 686	9.1
Developed Economies & European Union	65 947	62 372	-3.6
Central & South-Eastern Europe (non-EU) & CIS	28 639	23 746	-4.9
Asia & the Pacific	361 748	357 271	-4.5
Latin America & the Caribbean	56 142	56 022	-0.1
North Africa	14 619	14 057	-0.6
Middle East	17 529	17 976	0.4
Sub-Saharan Africa	100 009	122 243	22.2

3. Youth problems

4. Shares of workers in informal economy

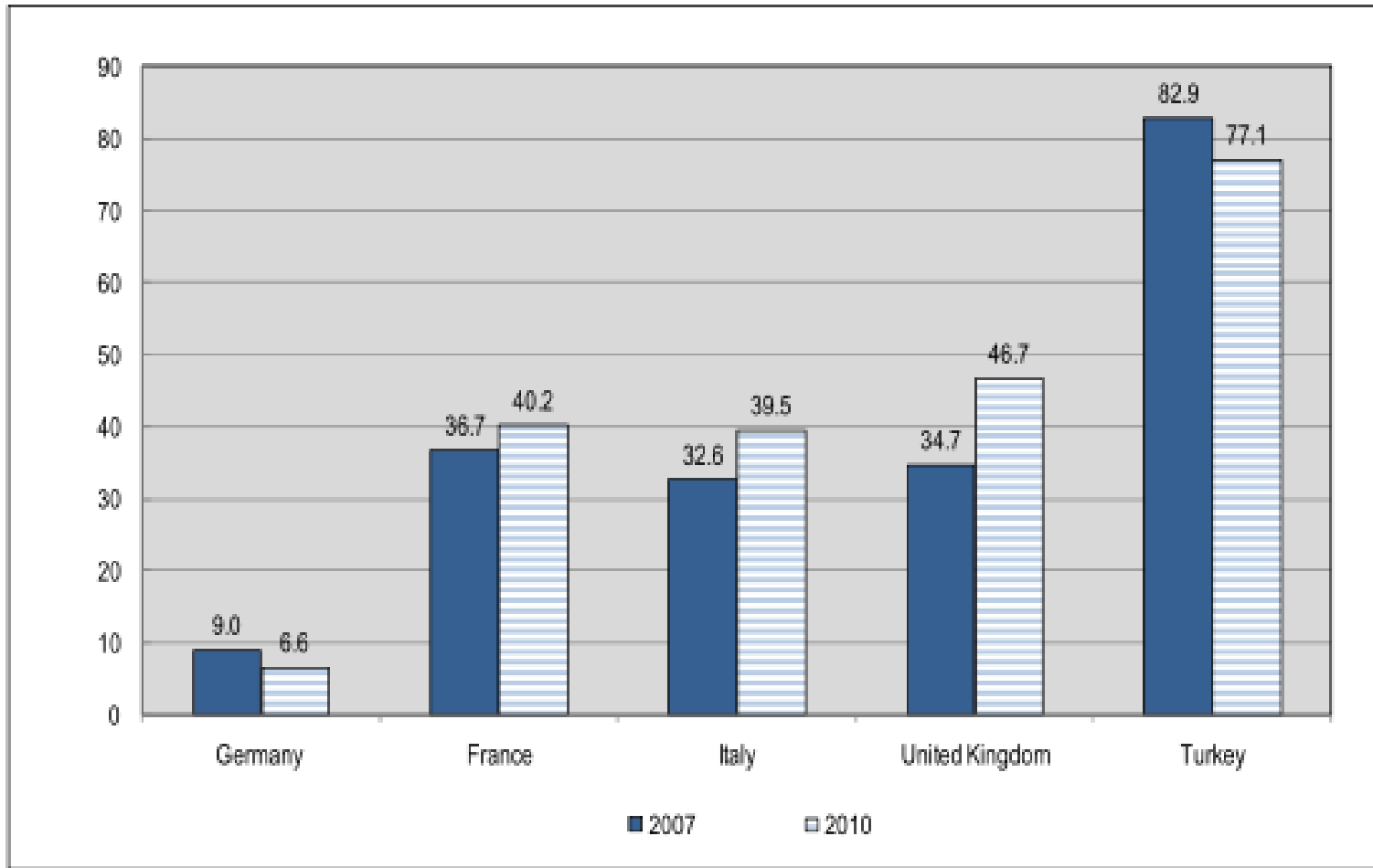


* The adult share refers to the total population. ** The adult share refers to the population aged 30-59, while the youth share refers to the population aged 15-29.

Source: ILO database.

3. Youth problems

5. Shares of temporary young workers



Source: ILO, based on EUROSTAT data.

3. Youth problems

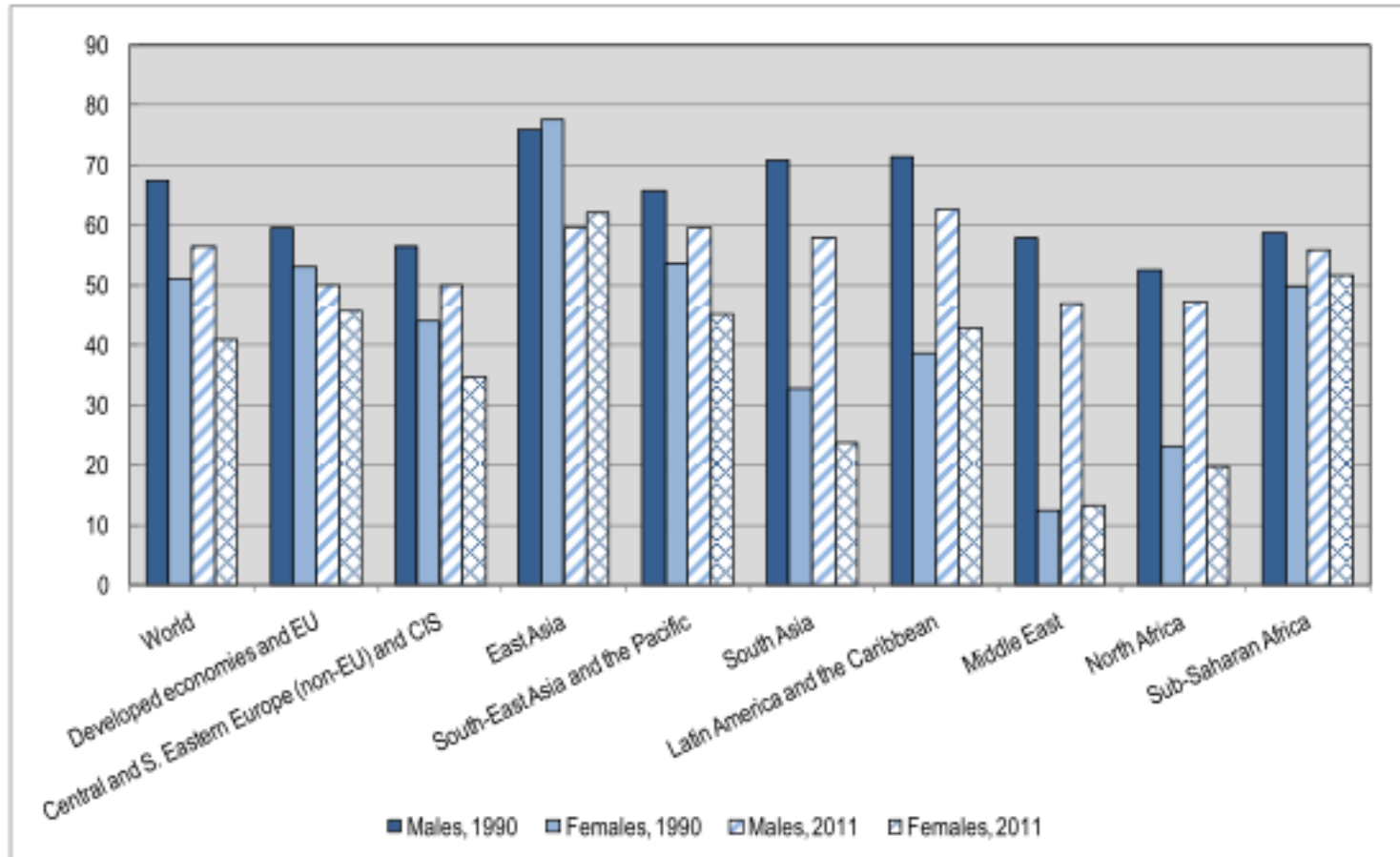
6. OECD average score board for youth aged 15-24

	2000	2010
Unemployment rate (%)	14.6	18.9
Incidence of long-term unemployment (% of the age group)	20.1	22.6
Incidence of temporary work (% of employment)	31.0	38.0
Incidence of part-time work (% of employment)	19.9	27.8
NEET rate (% of age group)	13.4	10.9

Source: OECD project on Jobs for Youth (www.oecd.org/employment/youth). Unweighted average of the 34 OECD countries.

3. Youth problems

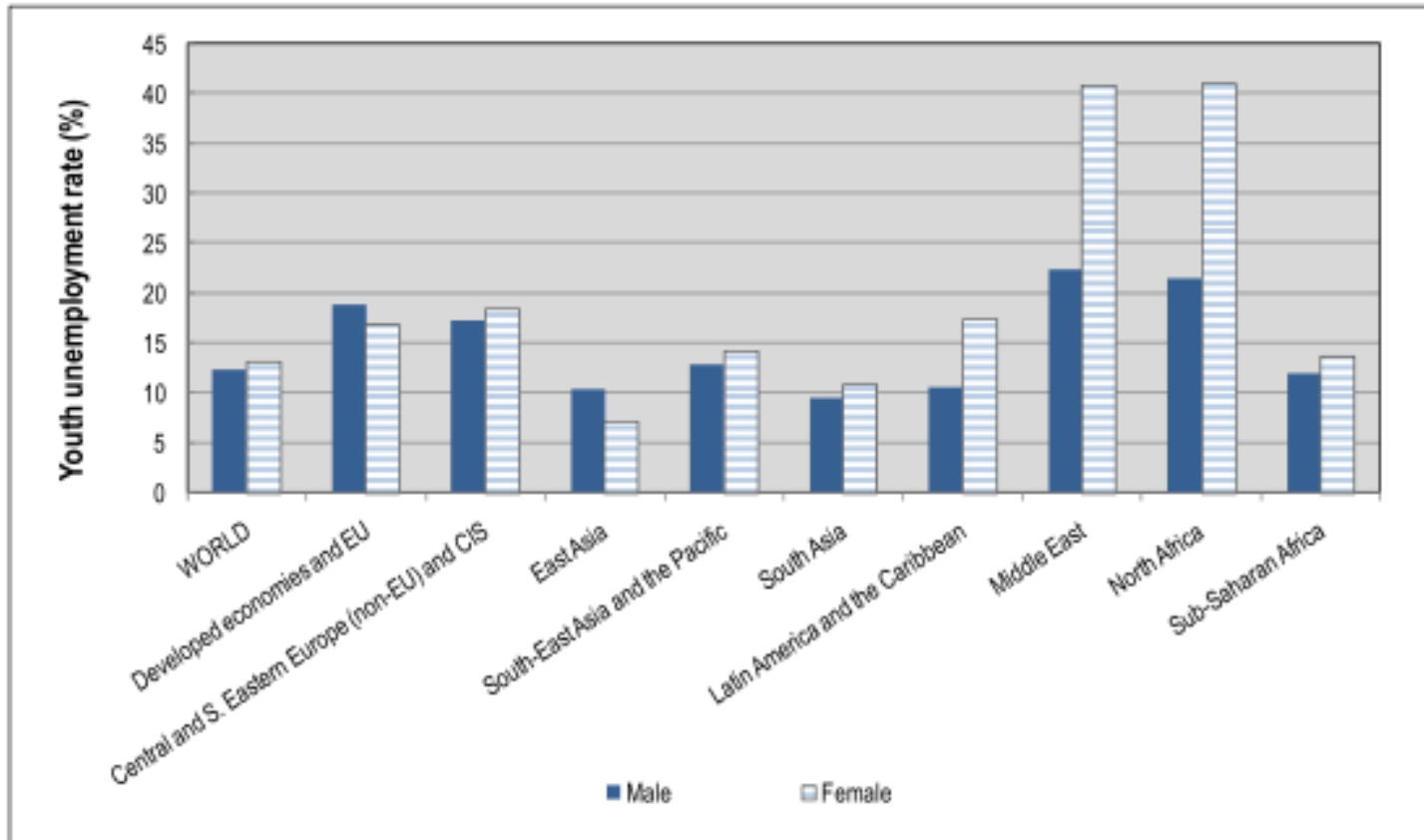
7. Youth labour force participation rates by sex



Source: ILO: Economically active population estimates and projections database.

3. Youth problems

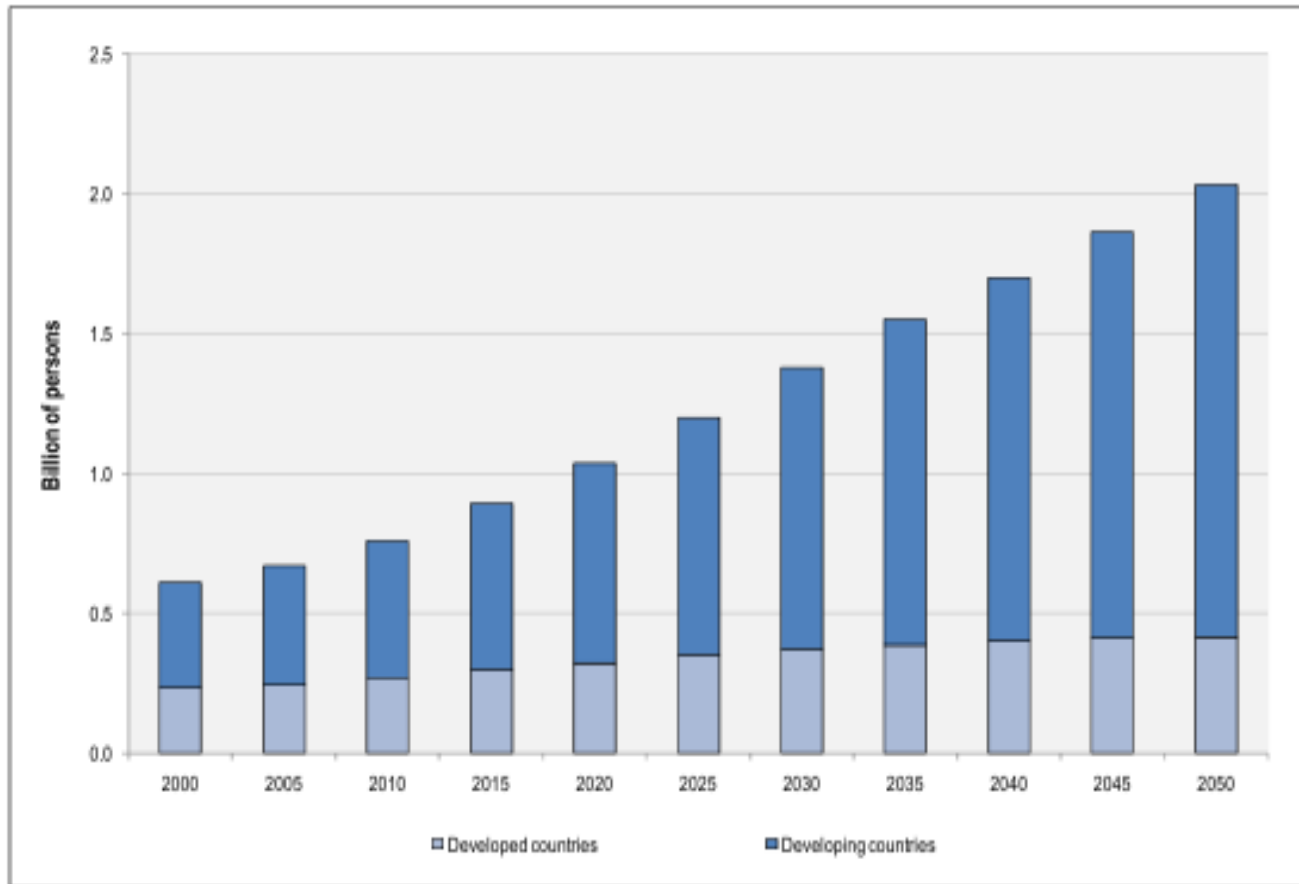
8. Youth unemployment rates by sex



Source: ILO: *Global employment trends for youth*, op. cit.

4. Old-age problems

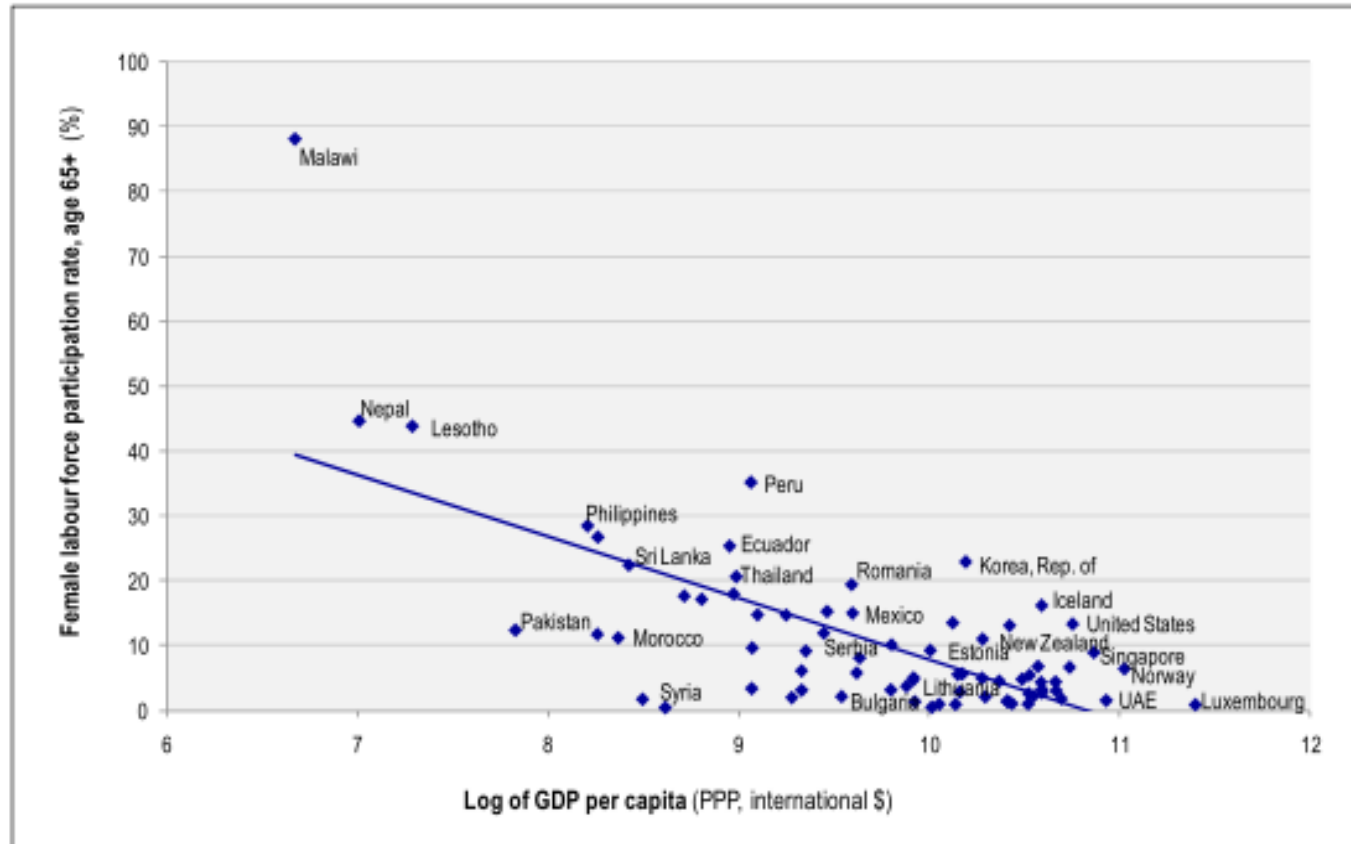
1. Number of old-age population (developed vs. developing)



Source: UN: *World Population Prospects*, op. cit.

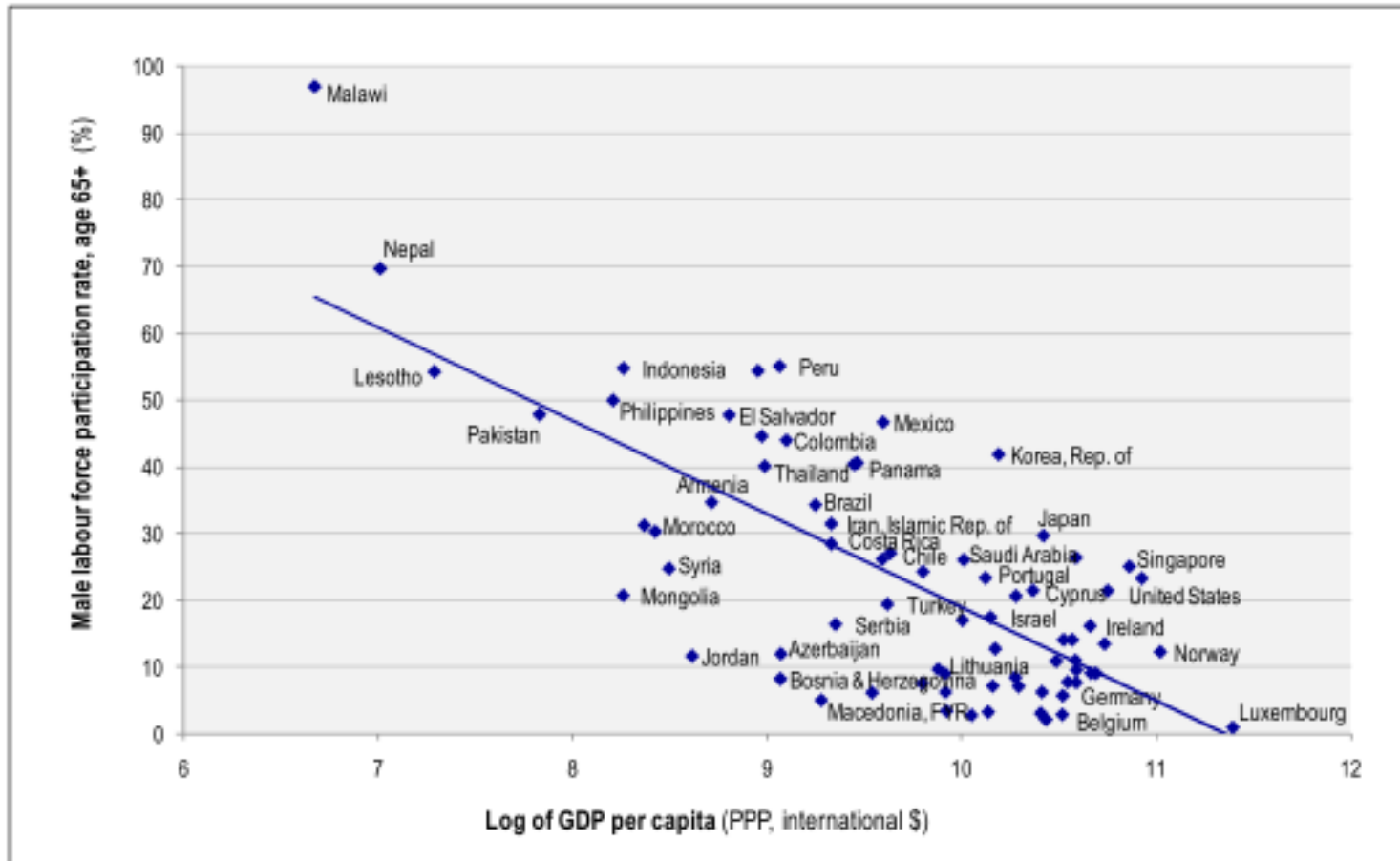
3. Old-age problems

2-1. Correlation between LF participation rates of population 65+ and GDP per capita (Female, 2008)



3. Old-age problems

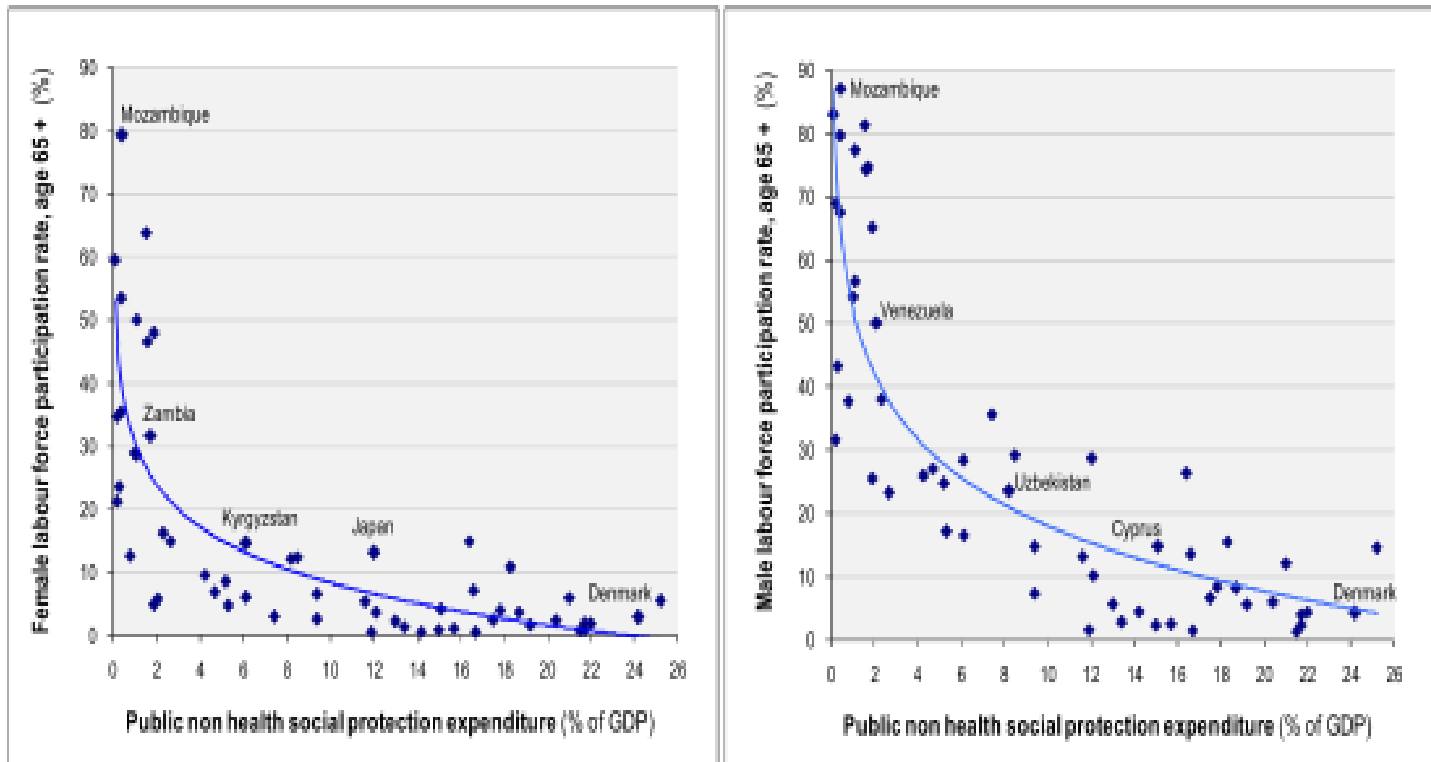
2-2. Correlation between LF participation rates of population 65+ and GDP per capita (Male, 2008)



Source: ILO Labour Stat., 2012.

3. Old-age problems

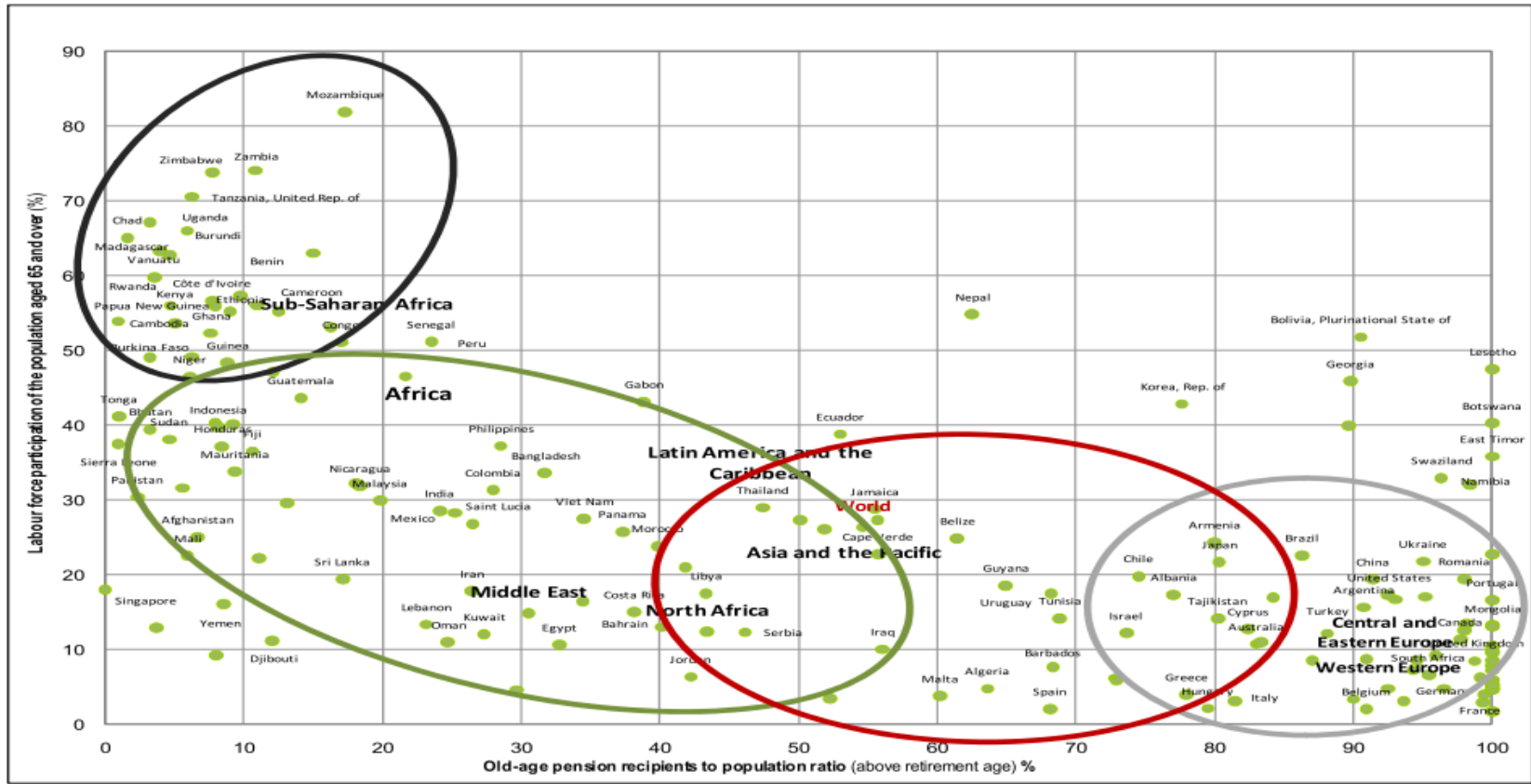
3. Correlation between LF participation rates of population 65+ and non-health social protection expenditure as percentage of GDP (2005)



Source: ILO: Laborsta, public non-health data. Authors' own calculations.

3. Old-age problems

4. Old-age pension recipients ratio and labour force participation rate among people among people 65+ (2007 - 11)



Source: ILO SSI Laborstat (*World Social Security Report*, forthcoming 2012).

5. Policy response

1. Demand-side policies (especially in times of crisis)
 - Public investments in infrastructure, education and health care
 - Support to small enterprises
 - Employment-friendly public procurement and taxation
 - Economic diversification and the identification of growth sectors (e.g. ICT, care sector)

5. Policy response

2. Supply-side policies

– Skill development:

Investing in the employability of the workforce throughout the life-cycle both for older workers and the youth

Life-long learning (EU target is 15% participation by 2020; was 9.1% in 2010)

– Women's participation

Encouraging women's labour force participation through family-friendly work practices

5. Policy response

3. Social Protection

Extension of social protection (automatic economic and social stabilizer, Active Labour Market policies (ALMs))

Rationalisation of the design (e.g. replacement level, retirement ages)

4. Supporting mechanisms: labour market institutions

- Labour market regulations (including combating discriminations)
- Labour market intermediation (including job-matching)
- Social dialogues