Timor-Leste Youth and Labour Market

Youth are today’s asset and leaders of tomorrow. In Timor-Leste, youth are the definitive focus of sustainable social and economic development. Timorese youth today are better educated than ever. But as the 2007 Youth Employment Studies shows Timorese youth have unrealistic jobs expectations. They possess skills that do not meet up to employers' demands. Existing education and training programmes face the challenge of better preparing youth for the labour market.

As such, giving youth a chance for productive and gainful employment is a national and urgent challenge for Timor-Leste. Population projections estimate that by 2020, the labour force will increase to 637,000 with 50% of in the youth age group. But recent economic growth shows contraction in the non-oil sector. Effective interventions must correct the current deficiencies in the labour market, particularly:

- Low absorption capacity
- Concentration of youth in lowly paid, insecure, and dead-end jobs
- A shortage of skills demanded by industry creating a growth-stunt
- High vulnerability to political and social crisis

Youth Unemployment - A global concern

Creating jobs for young women and men is a challenge shared by all countries across the world. At the 2005 International Labour Conference, representatives of Government, employers, and workers from 178 countries agreed that the best strategy for tackling youth employment requires an integrated approach that combines supportive policies and targeted measures and addresses labour demand and supply as well as the quantity and the quality of employment. The ILO has since then been playing a special role in promoting youth employment by making full use of its employment and labour expertise, tripartite constituency, and global alliances. The International Youth Employment Network (IYEN) was created to be a platform and a provider of services focusing on policy advice, innovative pilot projects, knowledge sharing and partnerships. Today, the IYEN offers a global network of technical specialists placed at the ILO Headquarters in Geneva and in field offices in over 60 countries.

Timor-Leste Responses

International good practices and guidelines in the promotion of youth employment were the basis for discussions with the Government of Timor-Leste, international agencies and social partners. This triggered a consultative process to define strategies and make recommendations to address the Timor-Leste Youth Employment Challenges. The recommendations form the core of the Timor-Leste National Youth Employment Action Plan currently being implemented by the Youth Employment Promotion Programme (YEP) under the guidance of the Secretariat of State for Vocational Training and Employment.

Policy recommendations for the supply side involve:

(i) Addressing the mismatch of skills by establishing better links between vocational training providers and industry;
(ii) Establishing a competency-based training system recognized and endorsed by industry;
(iii) Improving public access to accurate labour market information with dissemination
through schools, universities, training centres and public employment centres; and

(iv) Improving the capacity of the public employment centres to provide career guidance services and align the expectation of youth with the labour market realities, and also provide mediation services to facilitate the matching of youth skills with prospective labour demand.

Policy Recommendations for the demand side:

(i) Promoting investment in and advancement of economic sectors with strong youth employment potential;

(ii) Exploiting new opportunities in more productive activities within sectors that dominate youth workforce, like promoting agro-business and encouraging cash-crops;

(iii) Expanding public works programmes to employ youth in productive activities;

(iv) Promoting self-employment and entrepreneurship by addressing youth-specific market failures (like the ones related to credit, business registration and property rights);

Youth Employment Promotion Programme

Areas of ILO’s technical assistance to the Government of Timor-Leste

- Development of youth employment strategies
- Creation of employment and training opportunities for in-school and out-of-school youth,
- Establishing a market-oriented competency-based training system
- Building national capacity to administer youth-sensitive employment programmes.

Targets:
Over 70,000 programme beneficiaries in all 13 districts of Timor-Leste, with at least 50% being in the youth age cohort and 40% women.

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