

Youth employment, sustainable growth & cooperative development

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Youth employment crisis and the decent work deficits

71 million
young people
(aged 15-24)
unemployed

Youth
unemploy-
ment rate
is **13.1 %**

2 in 5
economically
active youth are
**unemployed or
working but
living in
poverty**

More than
twice the
youth
unemployed
than adults

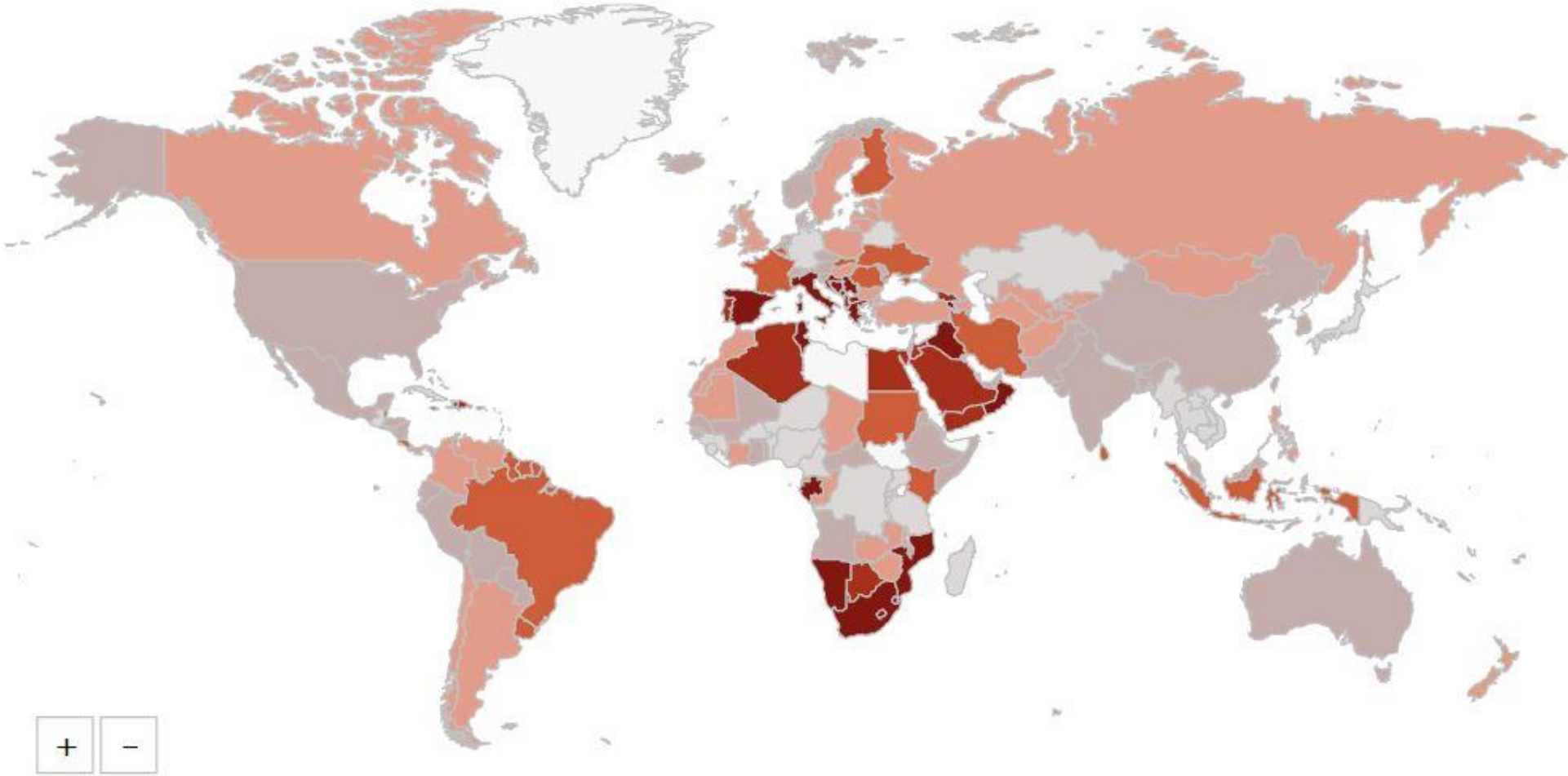
Rise in long term
unemployment

Tracking reasons and
responses for NEET

Mismatch between
supply & demand of
labour

Rise in irregular and
temporary work

The percentage of youth aged 15-24 looking for, but unable to find work



+ -

Below 7% From 7-13% From 13-20% From 20-28% From 28-35% Above 35%

Source: World Employment and Social Outlook for youth 2016

SDG8 Targets on Youth Employment

- **Target 8.5** – Achieve full employment for all women and men, including young people and persons with disabilities, and equal pay for work of equal value
- **Target 8.6** - By 2020, substantially **reduce the proportion of youth not in employment, education or training (NEET)**
- **Target 8.b** – By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization

Why cooperatives for youth?

YOUTH

Unemployed & self employed youth in precarious, insecure work arrangements

Conducive to ways that millennial generation organizes in digital age

In synch with peer driven nature of learning among young people

Learning opportunities that can be applied to other enterprises

Young people want to be a part of building a better future world

COOPERATIVES

More labour intensive in operations for jobs & membership

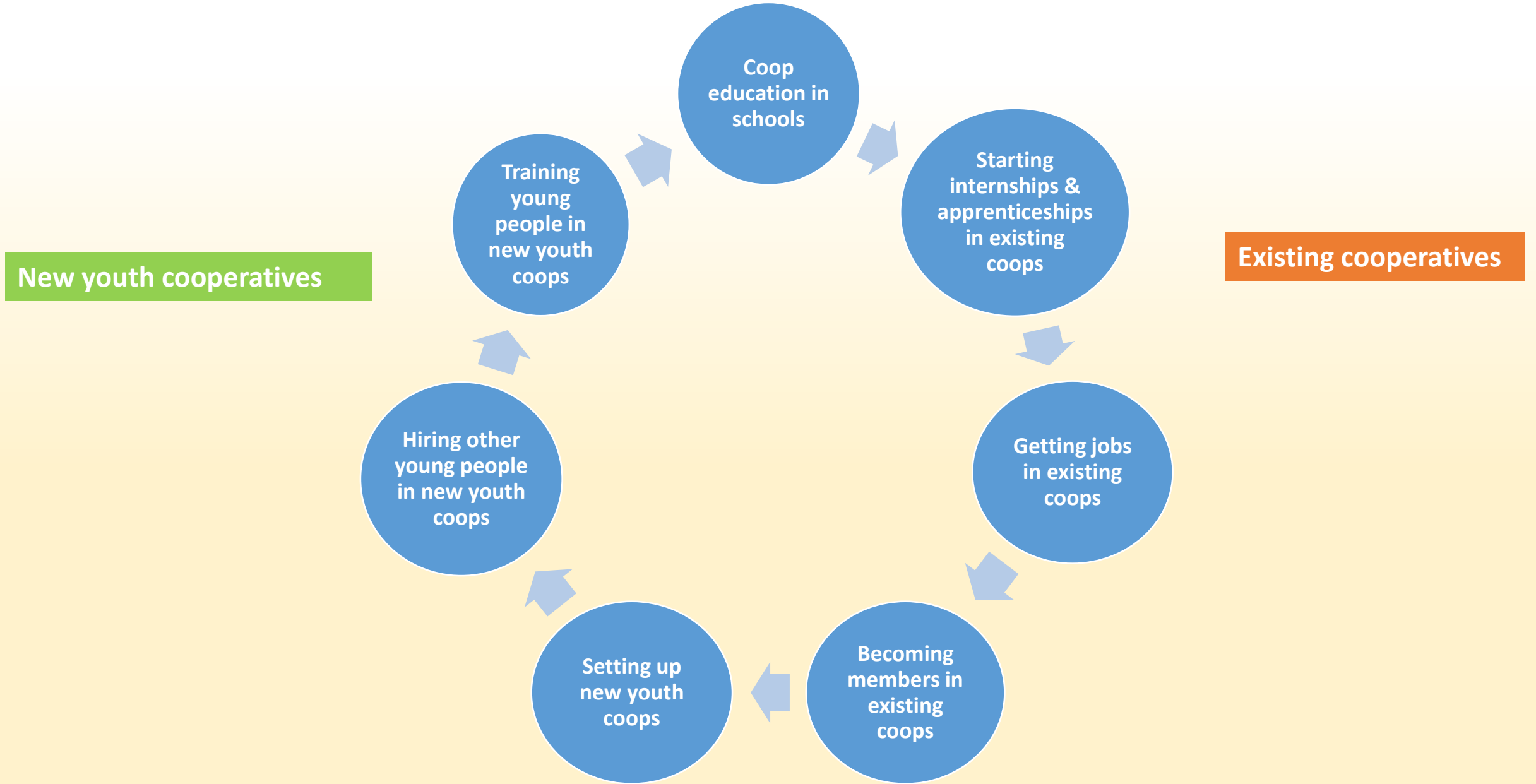
Horizontal & vertical integration via clusters & networks

Sharing costs, risk, knowledge & responsibility

On the job training through internships & apprenticeships

Responsive to social & environmental needs & practices workplace democracy

Virtuous cycle of youth engagement in cooperatives



Youth engagement in existing cooperatives: Some examples



Agricultural marketing and supply



Savings & Credit



Trade, Transport & Services



Manufacturing & Industry

Photo credit: NW Labor Press

Youth engagement in new cooperatives: **Emerging examples**



Self-employed cooperatives



Care cooperatives



Recycling cooperatives



School cooperatives



Youth housing cooperatives



Renewable energy cooperatives

Challenges to youth engagement in cooperatives

- Out-dated views of the cooperative business model
- Lack of knowledge about how cooperatives work
- Limited evidence on “what works” for cooperatives to be economically viable
- Exclusionary attitudes of coop elders in terms of participation of youth
- Constraints around putting in place an enabling environment for cooperatives:
 - Unfavorable legislation for new types of cooperatives to emerge
 - Lack of coop incubators and other business support services for cooperatives
 - Limitations around access to financing for cooperatives

Examples of ILO initiatives on youth & cooperatives

YES-JUMP and COOP Africa collaboration to promote youth employment in Kenya and Zimbabwe through cooperatives

- A challenge fund was set up to provide increased access to financial services for youth through MFIs and SACCOs
- Over 400 MFIs and SACCOs accessed micro loans for youth to start businesses in isolated rural communities in Kenya
- In Zimbabwe
 - 800 jobs were created mostly in the sectors of horticulture, manufacturing, retails, and service industries
 - More than 1,500 youth became members of SACCOs creating a youth - friendly environment to save and borrow
- Technical and vocational skills training institutions integrated cooperative training for youth in their curricula

Examples of ILO initiatives on youth & cooperatives

A'amal project - Professional integration of young people in Algeria

- Enhance the employability and professional integration of young people in two wilayas in Eastern Algeria - Annaba and Khenchela
- Youth social & solidarity economy enterprises & organizations - **cooperatives, associations, foundations & mutuels, etc.**
- Sectoral focus on **agribusiness, tourism, aquaculture, vocational training, handicrafts, and public works**
- Out of 27 submissions by youth SSE organizations, 18 were invited to make full fledge presentations and nine were selected

Youth at work project in Morocco – academy on youth entrepreneurship and employability in Morocco, SSE and youth in Agadir for North Africa

Way Forward

- Include coops a subject matter in school curricula from primary school to secondary schools (including VTTE) and tertiary level (law, business, pharmacy)
- Support the growth of school cooperatives (from elementary to university)
- Set up coop incubators and support services as part of business development services offered by public and private sector and donors at national or local levels
- Promote collective entrepreneurship as a suitable/viable option for youth
- Promote internships and apprenticeships in existing cooperatives
- Create an enabling environment for new types of cooperatives to emerge (worker, social, multistakeholder, renewable energy cooperatives)



ILO Cooperatives & the World of Work Series No. 4
Rediscovering cooperatives: young people finding
work the cooperative way

Thank you

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