



# The twin challenges of **child labour** and **youth employment** in the Arab States

An overview



ILO Regional Office for Arab States and  
Understanding Children's Work Programme (UCW)  
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## EXECUTIVE SUMMARY

1. Overcoming the twin challenges of child labour and youth marginalisation is critical for realising the ILO Decent Work Agenda and for social and economic development more generally. The International Labour Organization (ILO) estimates that there were still some 144 million children aged 5-14 years at work worldwide in 2012, accounting for around 12 percent of total children in this age group. At the same time, also according to ILO estimates, of the 1.1 billion young people aged 15 to 24 years worldwide in 2005, one out of three was either seeking but unable to find work, had given up the job search entirely or was working but living on less than US\$2 a day. The effects of child labour and youth unemployment are well-documented: both can lead to social vulnerability and societal marginalisation, and both can permanently impair productive potential and therefore influence lifetime patterns of employment and pay.

2. The issues of child labour and youth marginalisation are closely linked, pointing to the need for common policy approaches to addressing them. Youth employment outcomes are typically worst for former child labourers and other early school-leavers, groups with least opportunity to accumulate the human capital needed for gainful employment. Indeed, today's jobless or inadequately employed youth are often yesterday's child labourers. The link between child labour and labour market outcomes can also operate in the other direction: the poor labour market prospects of youth can reduce the incentive of households to invest in education earlier in the lifecycle. The child and youth populations also overlap - young persons above the minimum age of employment but below the age of majority are still legally children and therefore need to be protected from child labour.

3. This Report examines the related issues of child labour and youth marginalisation in the Arab States.<sup>1</sup> It focuses in particular on the non-rich countries and territories covered by the ILO Regional Office for Arab States (i.e., Lebanon, Jordan, Iraq, Yemen and the Occupied Palestinian Territory). All are conflict or conflict-affected societies where concerns relating to the well-being of child and youth are acute and where better information to inform policy is needed. All are also societies that have been affected directly and indirectly by the popular movements known collectively as the Arab uprisings, and by the calls for social justice and decent work that are at the roots of these movements. The situation of children and youth in Syria since the outbreak of the war is beyond the scope of the current Report. Clearly, however, the massive disruptions and dislocations associated with the on-going political violence in the country have had a devastating impact on the country's children and youth, and measures to mitigate this impact are urgently needed.

### Child labour

4. Child labour, while not high relative to the global average,<sup>2</sup> remains an important policy concern in the Arab states. Yemen, by far the poorest of the Arab countries, also stands out as having the highest level of child labour, both in relative and absolute terms. Almost 14 percent of Yemeni children in the 5-14 years age range, 835,000 children in absolute terms, are in employment, a widely-used proxy for

<sup>1</sup> "Arab states" for the purposes of this Report refer to the Arab states of the Middle East covered by the ILO Office for the Arab States in Beirut (i.e., Bahrain, Iraq, Jordan, Kuwait, Lebanon, Oman, Occupied Palestinian Territories, Qatar, Syria, Saudi Arabia, United Arab Emirates and Yemen).

<sup>2</sup> According to the latest ILO global estimates of child labour, 11.8% of children in the 5-14 years age group were in employment globally in 2012.

child labour.<sup>3</sup> At the other end of the spectrum lies Jordan, where less than one percent of children in this age range (11,000 in absolute terms) are in employment. In between lie Iraq and Lebanon (Palestinians), where five percent and seven percent, respectively, of 5-14 year-olds are in employment. The share of male children in employment exceeds that of female children, pointing to the importance of gender-related considerations in household decisions concerning children's work. Children's employment is also much higher in rural compared to urban locations, with clear implications for the design and targeting of interventions addressing the problem.

5. Information on the various characteristics of children's work is necessary for understanding children's workplace reality and their role in the labour force. Children are concentrated in the agricultural sector in Yemen and Iraq while in Jordan both the agriculture and commerce sectors are important. The predominance of agriculture is a particular concern in light of the fact that the ILO has identified this sector as one of the three most dangerous in which to work at any age, along with construction and mining. Children working in agriculture can face a variety of serious hazards, including operation of dangerous equipment, pesticide exposure and excessive physical exertion. In Yemen, the relatively high share of (especially female) children in domestic service is also worth noting, as this is a form of work that is hidden from public view and can leave children especially vulnerable to exploitation and abuse.

6. Many Arab child labourers must log very long working hours each week, increasing their exposure to workplace hazards and reducing their time for other activities. Jordan in particular stands out in this regard. While only a small share of Jordanian children work in employment, those that do work do so for over 32 hours per week. Average working hours are also long in Yemen, where children put in over 20 hours per week on average. In interpreting these figures on working hours, it is also worth recalling that many children in employment also spend a non-negligible amount of time each week performing household chores, adding to the overall time burden posed by work.

7. Another important concern is the adverse impact of child labour on Arab children's education and therefore on their future prospects. Children in employment are much less likely to attend school than their non-working peers, underscoring the barrier that child labour poses to the goals of universal primary enrolment and Education For All. The attendance gap between working and non-working children is largest in Jordan at 28 percentage points, followed by Iraq (22 percentage points), Lebanon (Palestinians) (19 percentage points) and Yemen (18 percentage points). Data are not available on the *regularity* of school attendance, i.e. the frequency with which children are absent from or late for class, but attendance regularity is also likely adversely affected by involvement in employment.

8. But most working children do in fact attend school, so a key question is how work affects their school performance. Data on average grade-for-age show that children in employment lag behind their non-working counterparts in terms of grade

<sup>3</sup> Owing to different legal definitions of child labour across the Arab states, this chapter utilises the standardised statistical concept of children in employment as an approximation of child labour. The definition of children in employment derives from the System of National Accounts (SNA) (Rev. 1993), the conceptual framework that sets the international statistical standards for the measurement of the market economy. It covers children in all market production and in certain types of non-market production (principally the production of goods for own use). It includes forms of work in both the formal and informal sectors, as well as forms of work both inside and outside family settings. It does not include unpaid household services, or household chores, performed without pay within a child's own home, a form of work which lies outside the SNA production boundary.



progression in all four localities. The largest difference in grade-for-age is in Iraq, where working children are almost a full grade behind other children. While the difference in grade-for-age is likely in large part a reflection of higher repetition arising from poorer performance, information on learning achievement scores is needed to obtain a more complete picture of the impact of work on children's ability to benefit from their time in the classroom. Nonetheless, it stands to reason that the exigencies of work limit the time and energy children have for their studies, in turn negatively impacting upon their academic performance.

9. A substantial share of 7-14 year-olds are out of school in the Arab States, many of whom work in employment. Out of school children are a particular concern in Yemen and Iraq, where 21 percent and 14 percent, respectively, of all children in the 7-14 years age range do not attend school. In both countries, girls are much more likely than the boys to be denied schooling. Many of these children are educationally poor, i.e., lacking four years of education, and in need of second chance learning opportunities.

### Youth employment outcomes

10. Although data on youth in the Arab States are incomplete – itself an issue that requires addressing – the partial picture of youth employment outcomes that emerges from a review of the evidence that is available is one of significant challenge.

11. The youth unemployment rate in the region is the highest in the world. Over 28% of all economically active 15-24 year-olds in the region are unable to find jobs. This compares with 23% percent in the next poorest-performing region, North Africa, and with the global youth unemployment rate of 13%.<sup>4</sup> Youth job prospects appear especially bleak in Yemen, the Occupied Palestinian Territories, Iraq and Jordan, where around one in three youth who are actively looking for a job are unable to find one. Unemployment affects over one in four active youth in Saudi Arabia and Bahrain and around one in five in Oman and Syria. Unemployment rates are somewhat lower in the oil-exporting economies of the United Arab Emirates and Kuwait (11% and 9%, respectively) and much lower in the oil-exporting economy of Qatar (two percent).<sup>5</sup>

12. The youth unemployment rate in the Arab states differs dramatically by sex. The rate for female youth (42%) is almost twice that of male youth (24%), underscoring the special challenges faced by young women in the Arab states in finding a place in the labour market. Globally, by comparison, the youth unemployment rates for males (12.4%) and females (12.8%) differ only marginally. High female unemployment is in part a reflection of a broader labour market segmentation that places limits on both the educational and career options available to Arab female youth.

13. Another important way of contextualising the youth unemployment rate is by comparing it with that of adult workers. This comparison shows that the youth unemployment rate in the region is 3.8 times higher than the rate for adults (i.e., those aged 25 years or older), suggesting that youth face unique barriers to finding jobs, above and beyond general labour market forces faced by youth and adult workers alike. This discussion argues for special policies specifically targeting the unique employment challenges confronting youth.

<sup>4</sup> ILO, Key Indicators for the Labour Market (KILM) database.

<sup>5</sup> ILO, Key Indicators for the Labour Market (KILM) database.

14. A striking feature of the high youth unemployment rate in the Arab states is that it occurs against a backdrop of very low labour force participation, particularly among females. In other words, a large share of active youth are unable to find jobs despite the fact that the overall number of active youth is relatively limited. Only 30% of 15-24 year-olds in the Arab states are economically active, lowest of the world's regions much lower than the world average of almost 49%. This low rate is driven primarily by female youth, of whom just 13% are economically active, again lowest of the world's regions and fully 27 percentage points lower than the global rate for female youth labour force participation of 41%.

15. Data on unemployment duration are unfortunately limited in the Arab region. However, evidence from the three countries where such data are available (i.e., Iraq, Jordan and Yemen) indicate that a substantial share of unemployed youth have been in this state for a prolonged period. Almost one-half of unemployed Iraqi youth, one-third of unemployed Jordanian youth and over one-fifth of unemployed Yemeni youth have been looking for a job for at least one year. It is also worth noting that these figures do not include discouraged youth who have given up actively seeking work. The figures also do not reflect youth who are too poor to be able to "afford" prolonged unemployment, and therefore must accept any job in order to survive, regardless of the pay and conditions associated with it.

16. The share of Arab youth who are both inactive and out of education is substantial. Around one third of youth in Iraq and Yemen, 22% in Jordan and 18% in OPT fall into this group. In all four locations, the share of female youth who are inactive and out of education is much higher than that of male youth. The difference by sex is in large part a reflection of the different socio-cultural paths followed by male and female youth upon leaving education: relatively more male youth enter the labour force to act as household breadwinners and relatively more female youth stay at home to undertake domestic responsibilities. Many Arab young persons are inactive and out of education despite high levels of education. Almost two-thirds of those who are inactive and out of education in Jordan have at least secondary education. In OPT, the share is 39%, in Yemen 17% and in Iraq 13%. These figures underscore the lost productive potential represented by the inactive and not in education group.

17. Labour force participation, unemployment and the other aggregate labour market indicators reported above provide only a partial picture of the employment challenges facing Arab young persons. This is because the most vulnerable population segments simply cannot afford to be unemployed, and must accept work regardless of how difficult, hazardous, socially unacceptable or poorly paid. Therefore, indicators reflecting the conditions of employed youth are also critical to assessing their labour market outcomes.

18. Indicators of underemployment, employment formality and contractual status all suggest that the quality of youth jobs is an important policy concern:

- Around one in ten employed youth in Iraq and OPT are under-employed, i.e., have jobs that offer them fewer hours than they would like to or are willing to work, a phenomenon sometimes referred to as "hidden unemployment".<sup>6</sup>
- Less than one-third of employed youth in Iraq and one-fifth of employed youth in Yemen enjoy jobs in the formal sector. In both countries, female youth are particularly disadvantaged in this regard. Formality is higher for Jordan youth,

<sup>6</sup> The time-related underemployment rate is defined as the number of employed persons in situations of underemployment expressed as a percentage of total persons in employment. A person is considered in a situation of underemployment, in turn, if he/she works less than 40 hours a week and would like to work more hours.

but even there two of every five youth must settle for more precarious jobs in the informal sector.

- Only one-fifth of employed Iraqi youth, and even lower shares of employed youth in OPT and Yemen, enjoy written contracts. The situation in this regard is much better in Jordan, where 59% of all employed youth have a written contract. A written contract, in turn, is generally associated with more job stability and legal protections and access to non-wage benefits such as pensions and health care.

19. Comparisons with adult workers again provide a useful way of contextualising the employment conditions of young persons. Youth appear disadvantaged in terms of employment conditions in Iraq and Yemen. Youth in these countries are less likely to enjoy work in the tertiary sectors (and are more likely to be in low productivity agricultural employment), are less likely to be in wage employment and are less likely to be in formal sector employment. In Iraq, a lower share of employed youth (33%) than employed adults (73%) enjoy jobs with written contracts and therefore also the greater security, protections and non-wage benefits that typically accompany such contracts. Jordanian youth and adults differ little in terms of their involvement in tertiary employment, but a much lower share of employed youth (59%) than employed adults (73%) enjoy jobs with written contracts.

20. Youth employment challenges are exacerbated by a lack of job-relevant skills. Over half of firms interviewed as part of the World Bank Enterprise Survey programme in Syria and Lebanon, one-third of firms interviewed in Jordan and Iraq and one-quarter of firms interviewed in Yemen pointed to inadequate skills levels and contents as a major constraint to growth. At the same time, the World Bank Enterprise Survey programme results indicate that few of the firms offer formal training to their workers. These results call into question the ability of educational and vocational training systems in the Arab region to equip young persons with the knowledge and skills needed in the labour market. The results are also consistent with a broader literature highlighting the lack of meaningful participation of employers in skills development systems and the unrealistic expectation that trainees should be job-ready without investment by employers in their skills upgrading.

21. This feedback from firms may help explain why education is no guarantee against unemployment in the Arab states. Simple correlations of unemployment with educational attainment provide a similar pattern across the four countries where data for these indicators are available – unemployment *increases* with level of educational attainment. In two of the countries – Iraq and Jordan – this pattern is especially pronounced for female youth. The positive link between education and unemployment is partially the product of the fact that less-educated young people by definition begin their transition to work at an earlier age, and therefore have had a greater length of exposure to the labour market and more time to secure employment. To the extent that youth education is correlated with household income, better educated youth are also more able to afford spells of unemployment. But the positive link between unemployment and education levels may also be a further reflection of mismatches between the skills produced by the education system and those needed in the labour market, and of the need for recruitment systems that do not promote connected insiders at the expense of more competent outsiders.

22. More education is nonetheless clearly correlated with ultimately better employment outcomes. Again the data from the four countries where data are

available paint a clear picture – less-educated youth are much more likely to work in the primary agriculture sector and much less likely to work in the tertiary services and commerce sectors, while for more-educated youth the opposite pattern prevails. Other indicators also point to a positive link between educational attainment and job quality. Formal sector employment is much higher for educated youth in the three countries where these data are available (i.e., Iraq, Yemen and Jordan). Youth with higher education also appear more likely to enjoy written contracts in Iraq and OPT. Finally, successive levels of educational attainment are associated with higher earnings for youth in wage employment in all three countries where earnings data are available (i.e., Yemen, Jordan and OPT).

23. Taken together, these results suggest that vulnerable youth with little or no education should be a particular focus of policy efforts. These youth are much more likely to be mired in informal and precarious forms of employment without written contracts and the benefits associated with them. They are also more poorly paid and more likely to be in the ranks of the working poor.

## 1. INTRODUCTION

24. Overcoming the twin challenges of child labour and youth marginalisation is critical for realising the ILO Decent Work Agenda and for social and economic development more generally. The International Labour Organization (ILO) estimates that there were still some 144 million children aged 5-14 years at work worldwide in 2012, accounting for around 12 percent of total children in this age group. At the same time, also according to ILO estimates, of the 1.1 billion young people aged 15 to 24 years worldwide in 2005, one out of three was either seeking but unable to find work, had given up the job search entirely or was working but living on less than US\$2 a day. The effects of child labour and youth unemployment are well-documented: both can lead to social vulnerability and societal marginalisation, and both can permanently impair productive potential and therefore influence lifetime patterns of employment and pay.

25. The issues of child labour and youth marginalisation are closely linked, pointing to the need for common policy approaches to addressing them. Youth employment outcomes are typically worst for former child labourers and other early school-leavers, groups with least opportunity to accumulate the human capital needed for gainful employment. Indeed, today's jobless or inadequately employed youth are often yesterday's child labourers. The link between child labour and labour market outcomes can also operate in the other direction: the poor labour market prospects of youth can reduce the incentive of households to invest in education earlier in the lifecycle. The child and youth populations also overlap - young persons above the minimum age of employment but below the age of majority are still legally children and therefore need to be protected from child labour.

26. This Report examines the related issues of child labour and youth marginalisation in the Arab States. It focuses in particular on the non-rich countries and territories covered by the ILO Regional Office for Arab States (i.e., Lebanon, Jordan, Iraq, Yemen and the Occupied Palestinian Territory). All are conflict or conflict-affected societies where concerns relating to the well-being of child and youth are acute and where better information to inform policy is needed. All are also societies that have been affected directly and indirectly by the popular movements known collectively as the Arab uprisings, and by the calls for social justice and decent work that are at the roots of these movements. The situation of children and youth in Syria since the outbreak of the war is beyond the scope of the current Report. Clearly, however, the massive disruptions and dislocations associated with the on-going political violence in the country have had a devastating impact on the country's children and youth, and measures to mitigate this impact are urgently needed.

27. The Report was prepared by the Understanding Children's Work programme (see Panel 1) in collaboration with the ILO Office for the Arab States in Beirut.



*Panel 1. Understanding Children's Work (UCW) programme*

The inter-agency research programme, Understanding Children's Work (UCW), was initiated by the International Labour Organisation (ILO), UNICEF and the World Bank to help inform efforts towards eliminating child labour.

The Programme is guided by the Roadmap adopted at The Hague Global Child Labour Conference 2010, which lays out the priorities for the international community in the fight against child labour.

The Roadmap calls for effective partnership across the UN system to address child labour, and for mainstreaming child labour into policy and development frameworks. The Roadmap also calls for improved knowledge sharing and for further research aimed at guiding policy responses to child labour.

Research on the work and the vulnerability of children and youth constitutes the main component of the UCW Programme. Through close collaboration with stakeholders in partner countries, the Programme produces research allowing a better understanding of child labour and youth employment in their various dimensions and the linkages between them.

The results of this research support the development of intervention strategies designed to remove children from the world of work, prevent others from entering it and to promote decent work for youth. As UCW research is conducted within an inter-agency framework, it promotes a shared understanding of child labour and of the youth employment challenges and provides a common platform for addressing them.

## 2. DATA SOURCES AND DEFINITIONS

### 2.1 Data sources

28. This Report is based primarily on data from recent household surveys from five Arab countries and territories (i.e., Iraq, Jordan, Lebanon, Occupied Palestinian Territory (OPT) and Yemen). Data are not available for Syria, the other non-high income country covered by the ILO Regional Office for the Arab States.<sup>7</sup> Chapter 4 on youth marginalisation also makes use of regional statistics from the ILO Key Indicators for the Labour Market (KILM) database and from the ILO School-to-Work Transition Survey (SWTS) programme.

29. As reported in Table 1, the datasets used are from different survey instruments and for different reference years, meaning caution should be exercised in drawing cross-country comparisons. It is also important to note that the data used in the Report relate primarily to the period prior to the escalation of the Syrian conflict. The impact of the conflict has extended to neighbouring Iraq, Lebanon and Jordan and has undoubtedly impacted on the situation of children and youth living in these countries.

Table 1. Listing of household survey datasets used in Report

Country	Child labour chapter		Youth marginalisation chapter	
	Survey name	Year	Survey name	Year
Iraq	Multiple Indicator Cluster Survey (MICS 4)	2011	Knowledge Network Survey (IKN)	2011
Jordan	Child labour survey (SIMPOC)	2007	Child labour survey (SIMPOC)	2007
Lebanon (Palestinians)	Multiple Indicator Cluster Survey 4 (MICS 4)	2011	NA	NA
Occupied Palestinian Territory (OPT)	NA	NA	School to work transition survey (SWTS)	2012
Yemen	Child Labour Survey (SIMPOC)	2010	Child Labour Survey (SIMPOC)	2010

30. A number of other caveats also apply in interpreting the data used in the Report. First, data for Lebanon refer only to Palestinian refugees; the unique legal status and circumstances of this group means that the results should not be considered representative of children in Lebanon generally. Second, the school to work transition survey (SWTS) for the Occupied Palestinian Territory (OPT) refer only to the Palestinian population living under occupation on the West Bank and not to Palestinians in the Gaza Strip. Third, in order to cover both the child and youth populations in Iraq, two separate surveys are used (i.e., MICS4 for children and IKN for youth) that are not strictly comparable. Finally, data for Palestinians in Lebanon are limited to the child population and data for OPT are limited to the youth population.

31. In general, it should be underscored at the outset that data shortcomings remain an important concern in the areas of both child labour and youth employment in the Arab states. These shortcomings constitute an important constraint to informed policy making and point to the need for additional investment in the regular

<sup>7</sup> The high income countries (according to World Bank classification) covered by the ILO Regional Office are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

collection of information on the child labour and youth employment situations across the Arab states.

## 2.2 Definitions

32. Child labour, looked in Chapter 3 of the Report, is a legal rather than statistical concept, and the international legal standards that define it are therefore the necessary frame of reference for child labour measurement. The three principal international conventions on child labour – ILO Convention No. 138 (Minimum Age)(C138), United Nations Convention on the Rights of the Child (CRC), ILO Convention No. 182 (Worst Forms)(C182) together set the legal boundaries for child labour, and provide the legal basis for national and international actions against it (see Panel 2).

### Panel 2. International legal standards relating to child labour

The term **child labour** refers to the subset of children's production that is injurious, negative or undesirable to children and that should be targeted for elimination. Three main international conventions – the UN Convention on the Rights of the Child (CRC), ILO Convention No. 182 (Worst Forms) and ILO Convention No. 138 (Minimum Age) – provide the main legal standards for child labour and a framework for efforts against it.

**ILO Convention No. 138** (Minimum Age) represents the most comprehensive and authoritative international definition of minimum age for admission to work or employment. C138 calls on Member States to set a general minimum age for admission to work or employment of at least 15 years of age (Art. 2.3) (14 years of age in less developed countries), and a higher minimum age of not less than 18 years for employment or work which by its nature or the circumstances in which it is carried out is likely to jeopardise the health, safety or morals of young persons, i.e., hazardous work (Art. 3.1). The Convention states that national laws or regulations may permit the employment or work of persons from 13 years of age (12 years in less developed countries) on light work which is (a) not likely to be harmful to their health or development; and (b) not such as to prejudice their attendance at school, their participation in vocational orientation or training programmes approved by the competent authority or their capacity to benefit from the instruction received (Art. 7).

**ILO Convention No. 182** (Worst Forms of Child Labour) supplements C138 by emphasising the subset of worst forms of child labour requiring immediate action. For the purposes of the Convention, worst forms of child labour comprise: (a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom, as well as forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict; (b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances; (c) the use, procurement or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in relevant international treaties; and (d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children (Art. 3).

The **UN Convention on the Rights of the Child** (CRC) recognises the child's right to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development (Art. 32.1). In order to achieve this goal, the CRC calls on States Parties to set minimum ages for admission to employment, having regard to other international instruments (Art. 32.2).

Further information on the definition of child labour can be found at the website of the ILO International Programme for the Elimination of Child Labour (IPEC) at <http://www.ilo.org/pec/facts/lang-en/index.htm>.

33. Translating these broad legal norms into statistical terms for measurement purposes is complicated by the fact that ILO Convention No. 138 (C138) contains a number of flexibility clauses left to the discretion of the competent national authority in consultation (where relevant) with worker and employer organisations. In accordance with C138, for example, national authorities may specify temporarily a lower general minimum age of 14 years. C138 also states that national laws may permit the work of persons from age 12 or 13 years in "light" work that is not likely to be harmful to their health or development or to prejudice their attendance at school. Children who are above the minimum working age are prohibited from involvement in hazardous work or other worst forms of child labour, but the Conventions (C138 and C182) leave responsibility for the compilation of specific lists of hazardous forms of work to national authorities. This means that there is no single legal definition of child labour across countries, and concomitantly, no single

statistical measure of child labour consistent with national legislation across countries.

34. In view of these measurement challenges, and in order to facilitate cross-country comparisons, the Report utilises the standardised statistical concept of children in employment as an approximation of child labour. Children in employment are those engaged in any economic activity for at least one hour during the reference period.<sup>8</sup> Economic activity covers all market production and certain types of non-market production (principally the production of goods and services for own use). It includes forms of work in both the formal and informal economy; inside and outside family settings; work for pay or profit (in cash or in kind, part-time or full-time), or as a domestic worker outside the child's own household for an employer (with or without pay). It is worth repeating that these child labour approximations are not necessarily consistent with child labour as defined in legal terms in the individual countries.

35. For youth employment, looked at in chapter 4 of the Report, standard labour market indicators are utilised. These are presented in Panel 3 below.

*Panel 3. Youth employment definitions*

**Youth.** For the purposes of labour market analysis, young people aged between 15 and 24 are considered as youth.

**Labour force participation.** The labour force participation rate is defined as the labour force expressed as a percentage of the working age population. The labour force is in turn the sum of the number of persons employed and the number of persons unemployed.

**Employment:** A person is considered to be in employment if (s)he has worked during the week prior to the survey for at least one hour for pay (or without pay), profit, in kind, or family business. A person is also considered to be in employment if was not working but had a job to go back to.

**Unemployment:** A person is considered to be in unemployment if (s)he did not work during the week prior to the survey but is actively seeking work and is available for work.

**Underemployment:** A person is considered to be underemployed if (s)he works less than 40 hours a week but is available to and wants to work longer hours. The underemployment rate is the underemployed expressed as a percentage of the total employed population.

**Inactive:** the inactive population is the population that is not in the labour force. The inactivity rate and labour force participation rate sum to 100.

**NEET:** refers to youth who are not in education, employment or training. It is a measure that therefore reflects both youth who are inactive and out of education as well as youth who are unemployment.

<sup>8</sup> The concept of employment is elaborated further in the *Resolution concerning statistics of work, employment and labour underutilization*, adopted by the Nineteenth International Conference of Labour Statisticians (October 2013).

### 3. CHILD LABOUR

36. This chapter assesses children's involvement in child labour in the Arab states.<sup>9</sup> The evidence presented indicates that child labour,<sup>10</sup> while not high relative to the global average,<sup>11</sup> remains an important policy concern in the Arab states. The evidence shows that the largest share of those in child labour are found in the agriculture sector, identified by ILO as one of the three most hazardous sectors for workers of all ages. Many Arab child labourers must also log very long working hours each week, increasing the exposure to workplace hazards and reducing their time for other activities. Another important concern is the adverse impact of child labour on Arab children's education and therefore on their future prospects. The evidence indicates that the school attendance of child labourers is significantly lower than that of their non-working peers, and that child labourers that do manage to go to school lag behind in terms of grade progression. Compromised education, in turn, has important implications for the ability of young persons in the critical 15-24 years age range to transition successfully to decent work, as discussed in the next chapter.

37. In summary, the evidence presented in this chapter makes clear that eliminating child labour in the Arab states is not only a key priority in itself, but also an important precondition for achieving Education For All and decent work for youth. The opposite is also true. Improving public education and youth employment outcomes both play a critical role in encouraging parents to invest in their children's education instead of sending them to work prematurely.

38. This chapter first looks at the extent of involvement in employment among Arab children, and how involvement differs across population subgroups. It then assesses the characteristics of children's employment in order to shed light on children's workplace reality and their role in the labour force. Finally, it addresses the education consequences of child labour, and specifically how child labour impacts on children's ability to attend and benefit from school.

#### 3.1 Children's involvement in employment

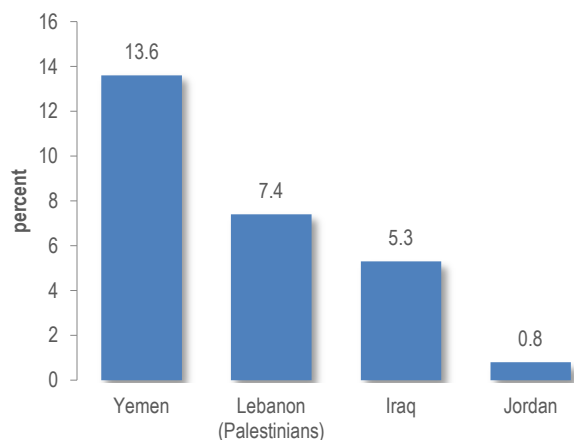
39. **Children's involvement in employment varies substantially across the Arab states.** Yemen, by far the poorest of the four locations looked at in this chapter, also stands out as having the highest level of children's employment, both in relative and absolute terms. Almost 14 percent of Yemeni children in the 5-14 years age range, 835,000 children in absolute terms, are in employment. At the other end of the spectrum lies Jordan, where less than one percent of children in this age range (11,000 in absolute terms) are in employment. In between lie Iraq and Lebanon (Palestinians), where five percent and seven percent, respectively, of 5-14 year-olds are in employment.

<sup>9</sup> "Arab states" for the purposes of this Report refer to the Arab states of the Middle East covered by the ILO Office for the Arab States in Beirut (i.e., Bahrain, Iraq, Jordan, Kuwait, Lebanon, Oman, Occupied Palestinian Territories, Qatar, Syria, Saudi Arabia, United Arab Emirates and Yemen). Owing to data limitations the discussion in this chapter is limited to three of these countries – Yemen, Iraq and Jordan – and to Palestinian refugee children in Lebanon. Caution should therefore be exercised in generalising the results to the Arab states generally.

<sup>10</sup> As noted previously, owing to different legal definitions of child labour across the Arab states, this chapter utilises the standardised statistical concept of children in employment as an approximation of child labour.

<sup>11</sup> According to the latest ILO global estimates of child labour, 11.8% of children in the 5-14 years age group were in employment globally in 2012.



**Figure 1. Children's involvement in employment remains an important policy concern in the Arab States**Percentage and number of children in employment, 5-14 years age group,<sup>(a)</sup> most recent year, by country

Source: UCW calculations based on national household surveys (see Table 1).

**40. The share of male children in employment exceeds that of female children in all four localities, although the data sources may understate the work of female children.**

The male-female differential, taken at face value, suggests that gender-related considerations play an important role in household decisions concerning children's work. The differences between male and female children in employment are especially pronounced in Iraq, Jordan and Lebanon (Palestinians), where the share of boys in employment is around two or more times that of girls (Table 2). It is worth noting, however, that these figures do not consider involvement in household chores performed within one's own home, such as cleaning, cooking or child care, forms of work typically assigned to female children in Arab societies. Girls are also often disproportionately represented in less visible forms of child labour, such as domestic service in a third party household, that can be underestimated in household surveys. The estimates presented in Table 2, therefore, may understate girls' involvement in work relative to that of boys.

**Table 2. Percentage of children in employment, 5-14 years age group, by sex, residence and country**

Country	Sex		Residence		Total
	Male	Female	Rural	Urban	
Iraq	6.9	3.6	8.7	3.6	7.4
Jordan	1.2	0.3	1.3	0.7	0.8
Lebanon (Palestinians)	9.6	5.2	9.7	6.3	5.3
Yemen	14.5	12.6	16.7	4.1	13.6

Source: UCW calculations based on national household surveys (see Table 1).

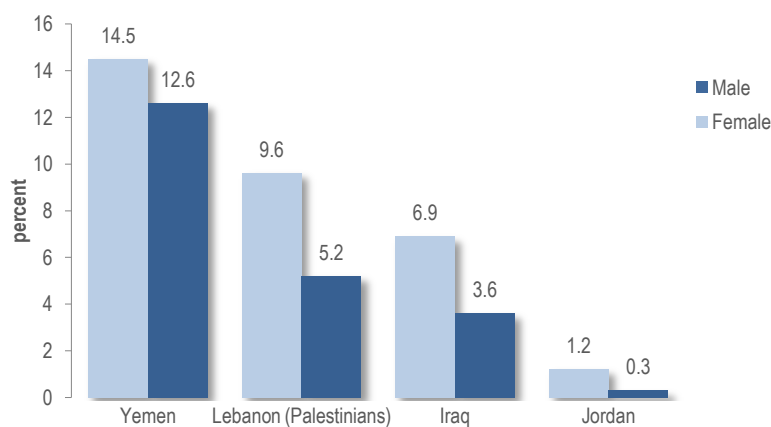
**Table 3. Number of children in employment, 5-14 years age group, by sex, residence and country**

Country	Sex		Residence		Total
	Male	Female	Rural	Urban	
Iraq	303,575	150,755	250,923	203,407	454,330
Jordan	9,101	2,154	3,365	7,890	11,255
Lebanon (Palestinians)	--	--	--	--	--
Yemen	464,901	369,965	772,568	62,297	834,865

Source: UCW calculations based on national household surveys (see Table 1).

**Figure 2. Gender differences in involvement in employment are substantial**

Percentage and number of children in employment, 5-14 years age group, by sex and country

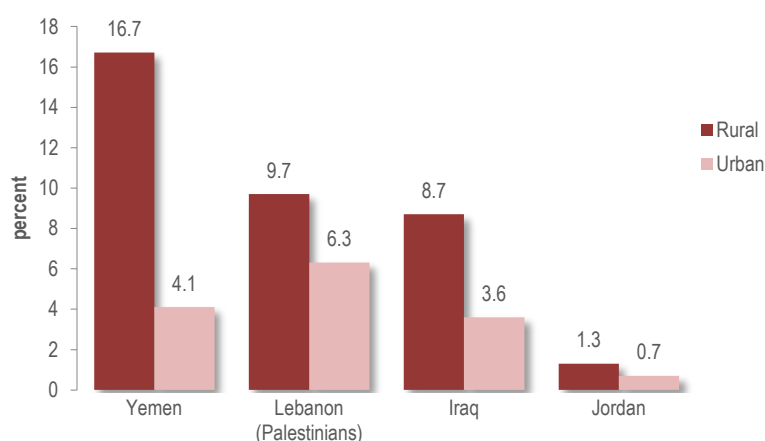


Source: UCW calculations based on national household surveys (see Table 1).

**41. Children's employment is much higher in rural compared to urban locations in all four countries.**<sup>12</sup> The rural-urban difference is particularly pronounced in Yemen, where the share of children in employment in rural areas is four times that of urban areas. These results are a reflection in part of the higher levels of poverty and lower levels of basic services coverage in rural areas, both of which serve to increase the dependence of vulnerable households on child labour.<sup>13</sup> They also undoubtedly reflect the demand for children's labour on family farms. The rural-urban disparity in children's involvement in child labour has clear implications for the design and targeting of interventions addressing the problem.

**Figure 3. Children's involvement in employment is generally much higher in rural areas**

Percentage and number of children in employment, 5-14 years age group, by residence and country



Source: UCW calculations based on national household surveys (see Table 1).

<sup>12</sup> Again, however, it should be noted that measurement issues may be relevant in interpreting these results. Urban children, and particularly urban girls, are often disproportionately represented in less visible forms of child labour, such as domestic service in a third party household and work on the streets, that can be underestimated in household surveys. The rural-urban difference in involvement in employment may therefore actually be less than that reported in Figure 3 in some countries.

<sup>13</sup> For a more detailed discussion of this point, see Guarcello and Lyon, *Children's work and water access in Yemen*, UCW Working Paper, Florence, 2003.

### 3.2 Characteristics of children's employment

42. Information on the various characteristics of children's work is necessary for understanding children's workplace reality and their role in the labour force. This section presents data on broad work characteristics that are useful in this context. For children's employment, the breakdown by industry is reported in order to provide a standardised picture of where children are concentrated in the measured economy. A breakdown by children's status in employment is also reported to provide additional insight into how children's work in employment is carried out. Average working hours are also reported to provide an indirect indication of the implications of work on children's time for study and leisure.

43. **The sectoral composition of children's work varies considerably across countries.** Children are concentrated in the agricultural sector in Yemen and Iraq while in Jordan both the agriculture and commerce sectors are important.<sup>14</sup> The predominance of agriculture is a particular concern in light of the fact that the ILO has identified this sector is one of the three most dangerous in which to work at any age, along with construction and mining. Children working in agriculture can face a variety of serious hazards, including operation of dangerous equipment, pesticide exposure and excessive physical exertion<sup>15</sup>. In Yemen, the relatively high share of (especially female) children in domestic service is also worth noting, as this is a form of work that is hidden from public view and can leave children especially vulnerable to exploitation and abuse.

44. **Rural-urban differences in the composition of children's employment are large.** The agriculture sector not surprisingly accounts for a larger share of child workers in rural than in urban areas; children's employment in urban areas is more diversified, with the agriculture, commerce, services and manufacturing sectors all accounting for significant shares of working children. The composition of children's employment also varies between male and female children, although patterns in this regard differ across countries.

Table 4. Children's employment by sector, 5-14 years age group, by country

Sector	Iraq	Jordan	Lebanon (Palestinians)	Yemen
Agriculture	62.7	40.5	--	70.0
Manufacturing	4.0	8.0	--	1.1
Commerce	8.9	41.2	--	5.9
Domestic service	0.0	--	--	19.9
Services	9.6	7.2	--	1.9
Other sector <sup>(a)</sup>	14.8	3.2	--	1.1
Total	0.1	100	--	100

Notes: (a) Jordan: the category "Other" includes mining and quarrying, construction, electricity, gas and water supply and extraterritorial organizations and bodies. Source: UCW calculations based on national household surveys (see Table 1).

<sup>14</sup> Information on sector is not available for Lebanon (Palestinians).

<sup>15</sup> ILO, *Child labour in agriculture* (<http://www.ilo.org/ipec/areas/Agriculture/lang-en/index.htm>).

Table 5. Children's employment by sector, 5-14 years age group, by sex and country

Sector	Iraq		Jordan		Lebanon (Palestinians)		Yemen	
	Male	Female	Male	Female	Male	Female	Male	Female
Agriculture	47.3	95.3	30.1	84.4	--	--	77.1	61.1
Manufacturing	5.5	0.6	9.9	0.0	--	--	1.7	0.3
Commerce	12.8	0.5	47.3	15.6	--	--	8.7	2.5
Domestic service	0.0	0.0	--	--	--	--	7.8	35.1
Services	12.6	3.4	8.8	0.0	--	--	2.8	0.8
Other sector <sup>(a)</sup>	21.6	0.2	3.9	0.0	--	--	1.9	0.2
Total	0.2	0.0	100	100	--	--	100	100

Notes: (a) The category "Other" includes mining and quarrying, construction, electricity, gas and water supply and extraterritorial organizations and bodies.

Source: UCW calculations based on national household surveys (see Table 1).

Table 6. Children's employment by sector, 5-14 years age group, by residence and country

Sector	Iraq		Jordan		Lebanon (Palestinians)		Yemen	
	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
Agriculture	17.7	82.7	28.0	69.6	--	--	38.5	72.5
Manufacturing	9.3	1.6	11.4	0.0	--	--	6.0	0.7
Commerce	21.5	3.2	48.8	23.3	--	--	29.7	4.0
Domestic service	0.0	0.0	--	--	--	--	9.8	20.7
Services	22.9	3.8	7.2	7.0	--	--	12.9	1.0
Other sector <sup>(a)</sup>	28.3	8.7	4.5	0.0	--	--	3.0	1.0
Total	0.3	0.0	100	100	--	--	100	100

Notes: (a) Jordan: the category "Other" includes mining and quarrying, construction, electricity, gas and water supply and extraterritorial organizations and bodies.

Source: UCW calculations based on national household surveys (see Table 1).

**45. The breakdown of children's work by status in employment underscores the importance of work within the family unit.** In Yemen, two-thirds of all children in employment work without remuneration for their own families, while in Iraq the share is 62% and Jordan it is 51%. In all three locations, family work is more common among female compared to male children and much more common among rural children compared to male children. The second most important work arrangement consists of wage employment in Iraq and Jordan (accounting for 27% and 44%, respectively, of children in employment) and of self-employment in Yemen (accounting for 26% of children in employment). Among Palestinian children in Lebanon, self-employment accounts for the largest share of working children (55%), followed by non-wage family work (24%) and wage employment outside the family (22%).

Table 7. Children's status in employment, 5-14 years age group, by country

Status	Iraq	Jordan	Lebanon (Palestinians)	Yemen
Wage non-family worker	26.5	44.1	21.9	7.2
Non-wage family worker	61.9	50.6	23.6	66.6
Self-employed	11.4	5.3	54.5	26.1
Total	100	100	100	100

Source: UCW calculations based on national household surveys (see Table 1).

Table 8. Children's status in employment, 5-14 years age group, by sex and country

Status	Iraq		Jordan		Lebanon (Palestinians)		Yemen	
	Male	Female	Male	Female	Male	Female	Male	Female
Wage non-family worker	36.5	5.8	48.2	26.4	28.9	7.5	11.9	1.3
Non-wage family worker	49.8	87.0	45.2	73.6	24.5	18.6	62.3	72.0
Self-employed	13.3	7.3	6.9	0.0	46.6	74.0	25.8	26.6
Total	100	100	100	100	100	100	100	100

Source: UCW calculations based on national household surveys (see Table 1).

Table 9. Children's status in employment, 5-14 years age group, by residence and country

Status	Iraq		Jordan		Lebanon (Palestinians)		Yemen	
	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
Wage non-family worker	54.4	13.1	52.7	23.9	30.3	10.0	22.7	5.9
Non-wage family worker	27.0	78.7	39.8	76.1	27.1	16.4	52.2	67.8
Self-employed	17.7	8.3	7.6	0.0	42.7	73.5	25.1	26.3
Total	100	100	100	100	100	100	100	100

Source: UCW calculations based on national household surveys (see Table 1).

**46. Children in employment often work very long hours with obvious consequences for their time for study and leisure.** Jordan in particular stands out in this regard. While only a small share of Jordanian children work in employment, those that do work do so for over 32 hours per week. Average working hours are also long in Yemen, where children put in over 20 hours per week on average. Not surprisingly, working hours are strongly negatively correlated with school attendance. The small group of working children not in school logs a much higher number of hours each week than their peers combining school and work – 53 hours in the case of Jordan and 26 hours in the case of Lebanon (Palestinians). Working hours are nonetheless far from negligible for those also in school, and undoubtedly interfere with the time and energy that children have for their studies. Again, this is especially the case in Jordan, where children combining school and work log 27 weekly working hours on average. In interpreting these figures on working hours, it is also worth recalling that many children in employment also spend a non-negligible amount of time each week performing household chores, adding to the overall time burden posed by work.

Table 10. Children's average weekly working hours, 5-14 years age group, by schooling status and country

Sector	Iraq	Jordan	Lebanon (Palestinians)	Yemen
Work only	20.3	52.7	25.8	29.5
Work and school	10.2	24.4	6.1	16.9
Work (total)	13.8	32.2	10.8	21.5

Source: UCW calculations based on national household surveys (see Table 1).

Table 11. Children's average weekly working hours, 5-14 years age group, by schooling status, sex and country

Sector	Iraq		Jordan		Lebanon (Palestinians)		Yemen	
	Male	Female	Male	Female	Male	Female	Male	Female
Work only	24.6	15.2	53.2	38.5	27.3	7.0	34.1	26.2
Work and school	11.2	7.3	27.3	15.8	7.7	3.8	17.3	16.1
Work (total)	15.1	11.2	35.8	16.8	14.4	4.0	21.9	21.0

Source: UCW calculations based on national household surveys (see Table 1).



Table 12. Children's average weekly working hours, 5-14 years age group, by schooling status, residence and country

Sector	Iraq		Jordan		Lebanon (Palestinians)		Yemen	
	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
Work only	25.3	17.1	53.9	46.2	24	30.6	39.5	28.8
Work and school	9.2	11	26.9	20.1	6.9	5.4	19.2	16.7
Work (total)	14.3	13.4	35.9	23.6	12.6	8.8	25.2	21.2

Source: UCW calculations based on national household surveys (see Table 1).

### 3.3 Child labour and educational marginalisation

47. Not discussed up to this point is the interaction between children's employment and their schooling. Does employment make it less likely that children attend school? And, for those children combining schooling and employment, to what extent does employment impede learning achievement? These questions, critical for efforts both toward eliminating child labour and achieving Education For All, are addressed in this section.

48. One way of viewing the interaction between children's employment and schooling is by disaggregating the child population into four non-overlapping activity groups – children in employment exclusively, children attending school exclusively, children combining school and employment and children doing neither (Table 13). This disaggregation shows that most working children combine work with schooling in the four localities. The share of working children that are denied schooling altogether, however, is by no means negligible, particularly in Yemen, where almost six percent of all children work without going to school. It is worth noting that there are also large shares of putatively inactive children (i.e., children in neither employment nor school), especially in Iraq (11%) and Yemen (16%). The activity status of this group of children requires further investigation, but it stands to reason that at least some are in unreported forms of child labour or are performing household chores for a significant number of hours each week.

Table 13. Children's involvement in employment and schooling, 7-14 years age group, by country

Activity status	Iraq		Jordan		Lebanon (Palestinians)		Yemen	
	No.	%	No.	%	No.	%	No.	%
Only employment	141,824	2.2	3,045	0.3	-	2.0	292,218	5.8
Only schooling	5,439,075	82.3	1,077,922	97.2	-	87.2	3,451,821	68.4
Employment and schooling	280,113	4.2	7,908	0.7	-	6.6	520,173	10.3
Neither activity	749,575	11.3	20,300	1.8	-	4.3	785,366	15.6
<b>Total in employment</b>	<b>421,937</b>	<b>6.4</b>	<b>10,953</b>	<b>1.0</b>	<b>-</b>	<b>8.6</b>	<b>812,391</b>	<b>16.1</b>
<b>Total in school</b>	<b>5,719,188</b>	<b>86.5</b>	<b>1,085,829</b>	<b>97.9</b>	<b>-</b>	<b>93.7</b>	<b>3,971,994</b>	<b>78.7</b>
<b>Total out of school</b>	<b>891,399</b>	<b>13.5</b>	<b>23,345</b>	<b>2.1</b>	<b>-</b>	<b>6.3</b>	<b>1,077,584</b>	<b>21.3</b>

Source: UCW calculations based on national household surveys (see Table 1).

Table 14. Children's involvement in employment and schooling, 7-14 years age group, by residence and country

Activity status	Iraq		Jordan		Lebanon (Palestinians)		Yemen	
	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
Only employment	1.2	4.0	0.2	0.2	2.1	1.7	1.4	7.3
Only schooling	87.6	71.8	94.5	93.6	88.2	85.1	86.2	62.4
Employment and schooling	3.0	6.6	0.5	1.2	5.1	9.6	3.4	12.6
Neither activity	8.2	17.6	4.8	5.1	4.6	3.6	9.0	17.7
<b>Total in employment</b>	<b>4.2</b>	<b>10.6</b>	<b>0.7</b>	<b>1.3</b>	<b>7.4</b>	<b>11.2</b>	<b>4.8</b>	<b>19.8</b>
<b>Total in school</b>	<b>90.6</b>	<b>78.4</b>	<b>95.0</b>	<b>94.7</b>	<b>93.3</b>	<b>94.7</b>	<b>89.6</b>	<b>75.0</b>
<b>Total out of school</b>	<b>9.4</b>	<b>21.6</b>	<b>5.0</b>	<b>5.3</b>	<b>6.7</b>	<b>5.3</b>	<b>10.4</b>	<b>25.0</b>

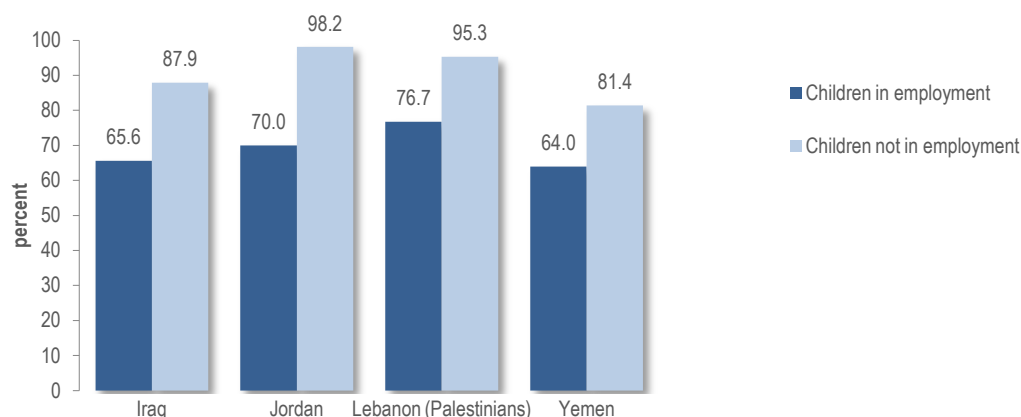
Source: UCW calculations based on national household surveys (see Table 1).

Table 15. Children's involvement in employment and schooling, 7-14 years age group, by sex and country

Activity status	Iraq		Jordan		Lebanon (Palestinians)		Yemen	
	Male	Female	Male	Female	Male	Female	Male	Female
Only employment	2.2	2.0	0.5	0.0	3.6	0.4	4.5	7.3
Only schooling	85.3	79.1	96.4	98.0	84.3	90.1	72.3	64.0
Employment and schooling	6.1	2.3	1.0	0.4	7.5	5.7	12.6	7.7
Neither activity	6.3	16.6	2.0	1.6	4.6	3.9	10.6	21.0
<b>Total in employment</b>	<b>8.3</b>	<b>4.3</b>	<b>1.5</b>	<b>0.4</b>	<b>11.2</b>	<b>6.0</b>	<b>17.1</b>	<b>15.0</b>
<b>Total in school</b>	<b>91.4</b>	<b>81.3</b>	<b>97.5</b>	<b>98.4</b>	<b>91.8</b>	<b>95.7</b>	<b>84.9</b>	<b>71.7</b>
<b>Total out of school</b>	<b>8.6</b>	<b>18.7</b>	<b>2.5</b>	<b>1.6</b>	<b>8.2</b>	<b>4.3</b>	<b>15.1</b>	<b>28.3</b>

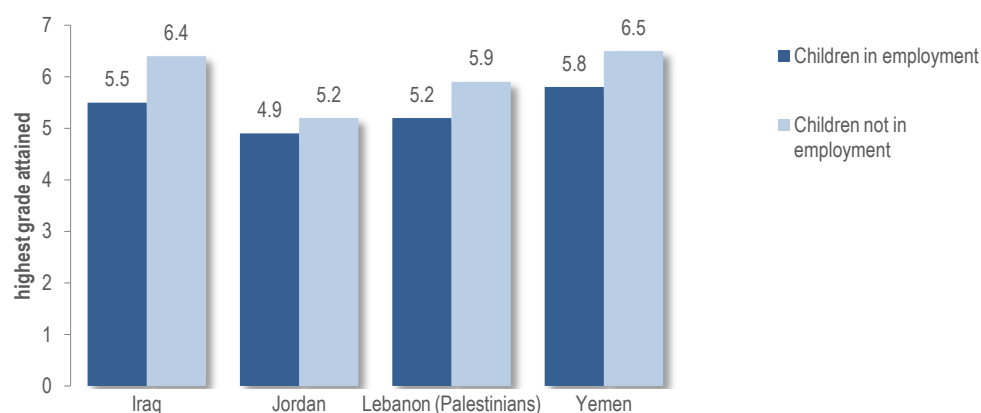
Source: UCW calculations based on national household surveys (see Table 1).

**49. Children in employment are much less likely to attend school than their non-working peers.** This pattern holds across all four localities and underscores the barrier that child labour poses to the goals of universal primary enrolment and Education For All. The attendance gap between working and non-working children is largest in Jordan at 28 percentage points, followed by Iraq (22 percentage points), Lebanon (Palestinians) (19 percentage points) and Yemen (18 percentage points) (Figure 4). Data are not available on the *regularity* of school attendance, i.e. the frequency with which children are absent from or late for class, but attendance regularity is also likely adversely affected by involvement in employment.

**Figure 4. Children in employment are much less likely to attend school than their non-working peers**Percentage of children attending school by work status, 7-14 years age range, by country<sup>(a)</sup>

Source: UCW calculations based on national household surveys (see Table 1).

**50. But most working children do in fact attend school, so a key question is how work affects their school performance.** Data on average grade-for-age<sup>16</sup> show that children in employment lag behind their non-working counterparts in terms of grade progression in all four localities. The largest difference in grade-for-age is in Iraq, where working children are almost a full grade behind other children. Moreover, because child workers are more likely to drop out, and because drop outs are presumably those with higher accumulated delay, the gap reported in Figure 5 is likely to underestimate the true gap in grade-for-age between working and non-working children, i.e., the gap that would be observed in the absence of selective drop out. While the difference in grade-for-age is likely in large part a reflection of higher repetition arising from poorer performance, information on learning achievement scores is needed to obtain a more complete picture of the impact of work on children's ability to benefit from their time in the classroom. Nonetheless, it stands to reason that the exigencies of work limit the time and energy children have for their studies, in turn negatively impacting upon their academic performance.

**Figure 5. Children combining school and work lag behind their non-working peers in terms of grade progression**Highest grade completed at age 14 years, children currently attending school, by involvement in employment, by country<sup>(a)</sup>

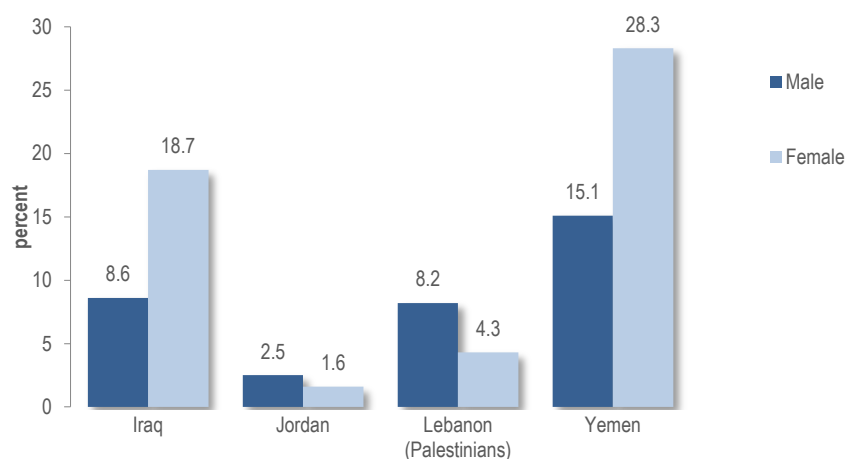
Source: UCW calculations based on national household surveys (see Table 1).

<sup>16</sup> Grade-for-age is defined as the highest average grade completed at age 14 years among children currently attending school.

**51. A substantial share of 7-14 year-olds are out of school in the Arab States, many of whom work in employment.** Out of school children are a particular concern in Yemen and Iraq, where 21 percent and 14 percent, respectively, of all children in the 7-14 years age range do not attend school. In both countries, girls are much more likely than the boys to be denied schooling. Many of these children are educationally poor, i.e., lacking four years of education, and in need of second chance learning opportunities.

**Figure 6. A substantial share of 7-14 year-olds are out of school in the Arab States, many of whom work in employment**

Percentage of out of school children (OOSC), 7-14 years age group, by work status and country<sup>(a)</sup>



Source: UCW calculations based on national household surveys (see Table 1).

## 4. YOUTH EMPLOYMENT OUTCOMES

52. This chapter focuses on the labour market situation of young persons aged 15-24 years in the Arab States.<sup>17</sup> Although data on youth in the region are incomplete – itself an issue that requires addressing – the partial picture that emerges from a review of the evidence that is available is one of significant challenge. The youth unemployment rate in the region is the highest in the world, and almost four times higher than that for adult workers. At the same time, youth labour force participation is lowest in the world, and a large share of youth are not in education, employment or training (NEET) and therefore at risk of social marginalisation.

53. Many of those with employment must suffice with low-quality, informal sector jobs without written contracts and the benefits associated with them. While youth literacy rates are high, feedback from employers suggest that youth lack job-relevant skills. The best-educated Arab youth appear to have the greatest difficulties securing work, undoubtedly affecting incentives to continue in education. As discussed below, these findings point to the urgent need for a comprehensive strategy for integrating young men and women into the labour market in the Arab States.

54. This chapter first looks at challenges facing Arab youth in terms of accessing jobs in the labour market. It then looks at challenges associated with the employment conditions of those young persons with jobs. Finally, it assesses the timing and characteristics of the transition from education to work.

### 4.1 Youth access to jobs

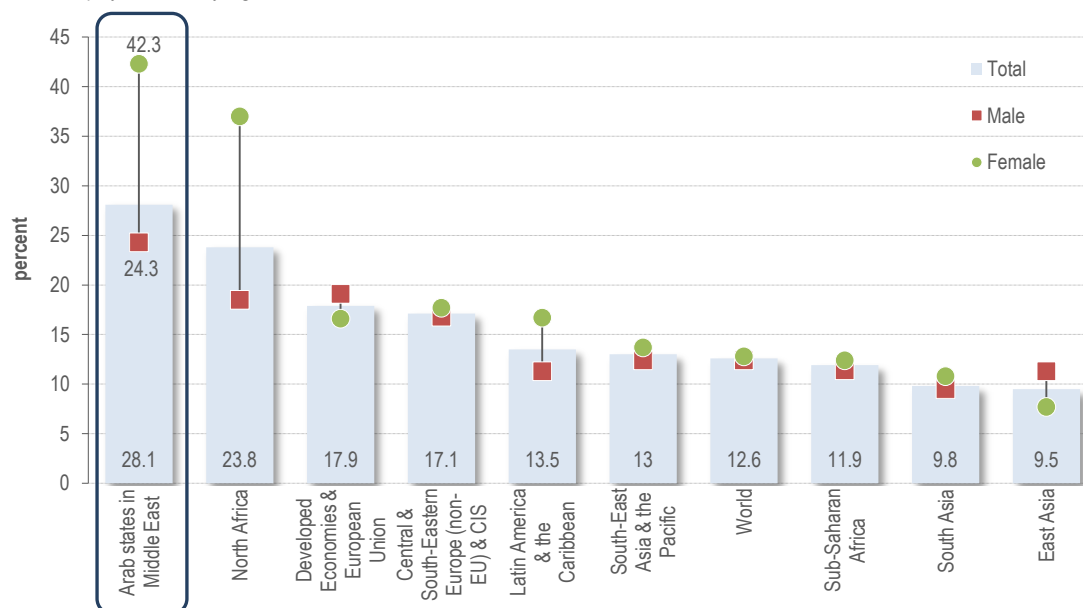
55. **Addressing youth unemployment in the Arab States constitutes a priority challenge.** As shown in Figure 7, youth unemployment rates in the Arab States are highest of all of the world's regions. Over 28% of all economically active 15-24 year-olds in the region are unable to find jobs. This compares with 23% percent in the next poorest-performing region, North Africa, and with the global youth unemployment rate of 13%. The youth unemployment rate in the Arab States differs dramatically by sex. The rate for female youth (42%) is almost twice that of male youth (24%), underscoring the special challenges faced by young women in the Arab States in finding a place in the labour market. Similar differences by sex are present only in the North Africa region; globally, the youth unemployment rates for males (12.4%) and females (12.8%) differ only marginally.

<sup>17</sup> As noted earlier, "Arab states" for the purposes of this Report refer to the Arab states of the Middle East covered by the ILO Office for the Arab States in Beirut (i.e., Bahrain, Iraq, Jordan, Kuwait, Lebanon, Oman, Occupied Palestinian Territories, Qatar, Syria, Saudi Arabia, United Arab Emirates and Yemen).



Figure 7. The youth unemployment rate in the Arab States<sup>(a)</sup> is highest of all of the world's regions

Youth unemployment rate, by region and sex



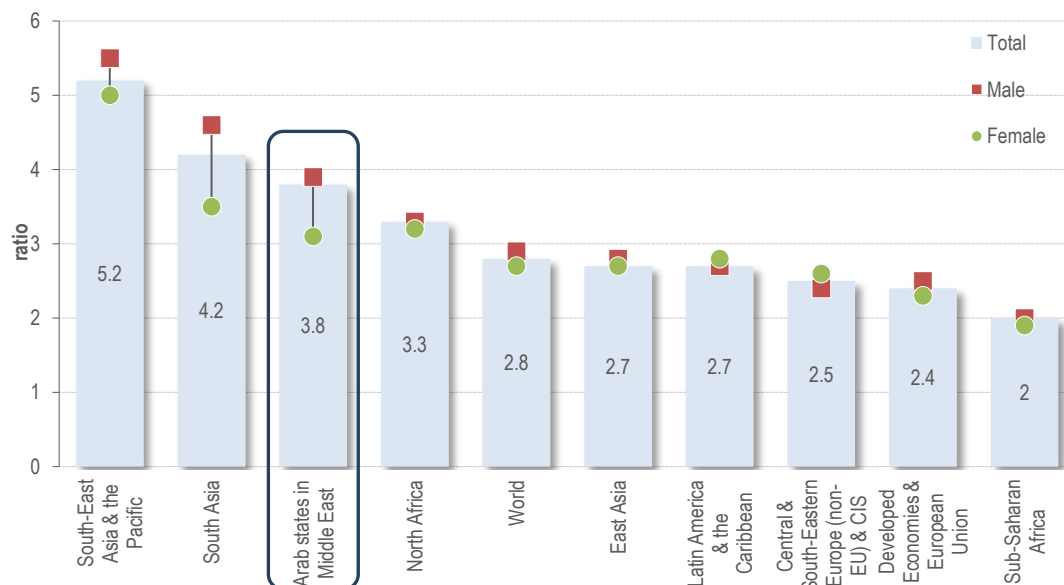
Notes: (a) "Arab States" for the purposes of this Report refer to the Arab states of the Middle East covered by the ILO Office for the Arab States in Beirut (i.e., Bahrain, Iraq, Jordan, Kuwait, Lebanon, Oman, Occupied Palestinian Territories, Qatar, Syria, Saudi Arabia, United Arab Emirates and Yemen).

Source: ILO, Key Indicators for the Labour Market (KILM) database.

**56. The youth unemployment rate is much higher than the adult rate in the Arab States.** Another important way of contextualising the youth unemployment rate is by comparing it with that of adult workers. In other words, by addressing the question as to the extent to which youth are disadvantaged in terms of their ability to find jobs vis-à-vis their adult counterparts. This comparison shows that the youth unemployment rate in the region is 3.8 times higher than the rate for adults (i.e., those aged 25 years or older), the third-highest differential among the nine regions presented in Figure 8. This differential suggests that youth face unique barriers to finding jobs, above and beyond general labour market forces faced by youth and adult workers alike. The high relative rate of unemployment among youth, combined with the relatively high share of youth in the overall labour force, means that Arab youth bear a significant brunt of the overall unemployment problem. This discussion argues for special policies specifically targeting the unique employment challenges confronting youth.

Figure 8. The unemployment rate is much higher for youth compared to adults in the Arab States as in other regions

Ratio of youth unemployment rate to adult unemployment rate

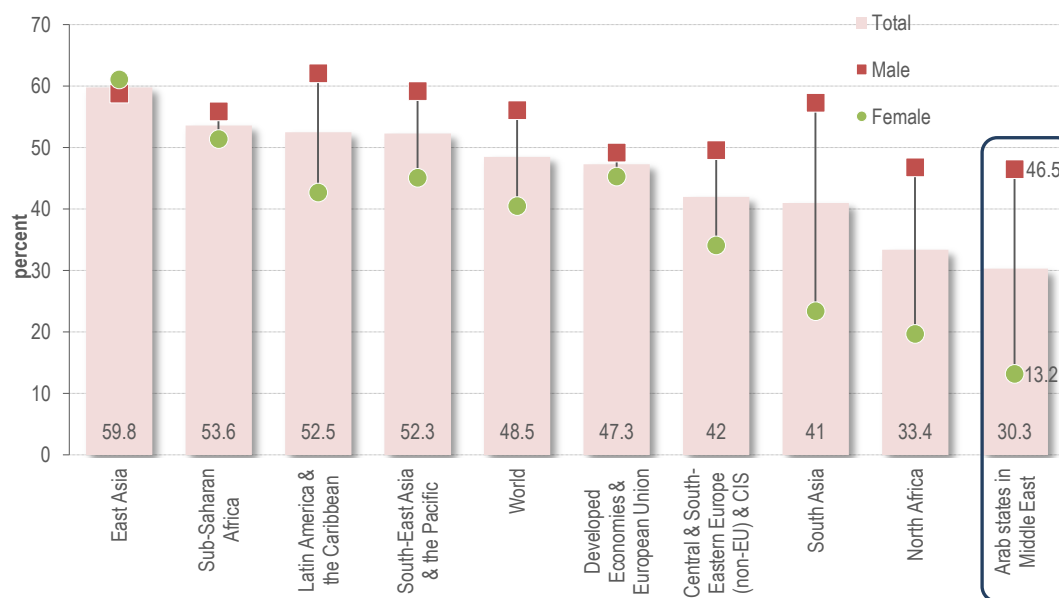


Source: ILO, Key Indicators for the Labour Market (KILM) database.

**57. The youth unemployment rate among youth in the Arab States is high despite very low levels of youth labour force participation.** Another striking feature of the high youth unemployment rate in the Arab States is that it occurs against a backdrop of very low labour force participation, particularly among females. In other words, a large share of active youth are unable to find jobs despite the fact that the overall number of active youth is relatively limited. This point is illustrated in Figure 9, which reports youth labour force participation rates by region and sex. Only 30% of 15-24 year-olds in the Arab States are economically active, lowest of the nine regions included in the figure and much lower than the world average of almost 49%. This low rate is driven primarily by female youth, of whom just 13% are economically active, again lowest of the nine regions and fully 27 percentage points lower than the global rate for female youth labour force participation of 41%. Low female labour force participation is a particular concern in light of the fact that a large share of inactive female youth are also out of school, as discussed further below.

Figure 9. The youth unemployment rate among youth in the Arab States is high despite very low levels of youth labour force participation

Youth labour force participation rate, by region and sex

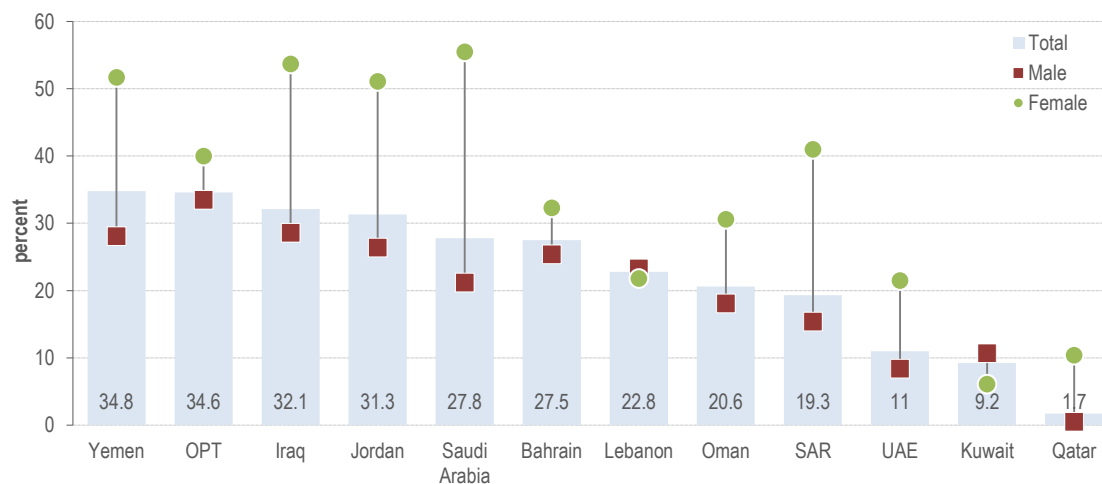


Source: ILO, Key Indicators for the Labour Market (KILM) database.

**58. Regional averages mask substantial variation in youth unemployment across the Arab States.** Youth job prospects appear especially bleak in Yemen, the Occupied Palestinian Territories, Iraq and Jordan, where around one in three youth who is actively looking for a job is unable to find one, as reported in Figure 10. Unemployment affects over one in four active youth in Saudi Arabia and Bahrain and around one in five in Oman and the Syria. Unemployment rates are somewhat lower in UAE and Kuwait (11% and 9%, respectively) and much lower in Qatar (two percent). Economically-active female youth have much greater difficulty in securing work compared to their male counterparts in all countries except Lebanon and Qatar, despite their significantly lower levels of labour force participation (see below). The female-male differential in unemployment is greatest in Saudi Arabia (34 percentage points), followed by Syria (26 percentage points), and Iraq and Jordan (25 percentage points). The corresponding differences in the *employment* rate across countries are illustrated in Table A2.

Figure 10. Youth unemployment rates vary considerably across the Arab States, but are higher for female youth than for male youth in all but two countries

Youth unemployment rate, by sex and country

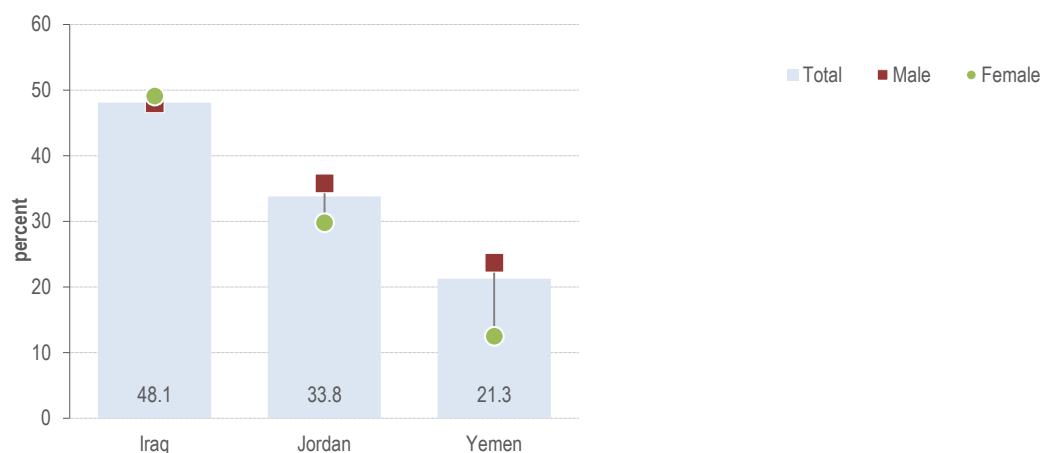


Source: ILO, Key Indicators for the Labour Market (KILM) database.

**59. Many unemployed youth are without jobs for a prolonged period, exacerbating the impact of unemployment on the future prospects of young persons.** Youth unemployment estimates need to be interpreted in the context of information on unemployment dynamics. Low outflows from unemployment and long spell durations are likely to indicate employment problems, but high outflows and short spell durations may merely reflect active search on the part of youth for their “preferred” work. The negative effects of unemployment are therefore most associated to prolonged spells of unemployment, rather than with unemployment *per se*. In the Arab context, data on unemployment duration are unfortunately limited. However, evidence from the three countries where such data are available indicate that a substantial share of unemployed youth have been in this state for a prolonged period. As reported in Figure 11, almost one-half of unemployed Iraqi youth, one-third of unemployed Jordanian youth and over one-fifth of unemployed Yemeni youth have been looking for a job for at least one year. It is also worth noting that these figures do not include discouraged youth who have given up actively seeking work. The figures also do not reflect youth who are too poor to be able to “afford” prolonged unemployment, and therefore must accept any job in order to survive, regardless of the pay and conditions associated with it. Youth underemployment and job quality are discussed in the next section.

Figure 11. Youth unemployment is frequently long term in duration

Incidence of long-term unemployment (those unemployed one year or more as a percentage of the total unemployed)

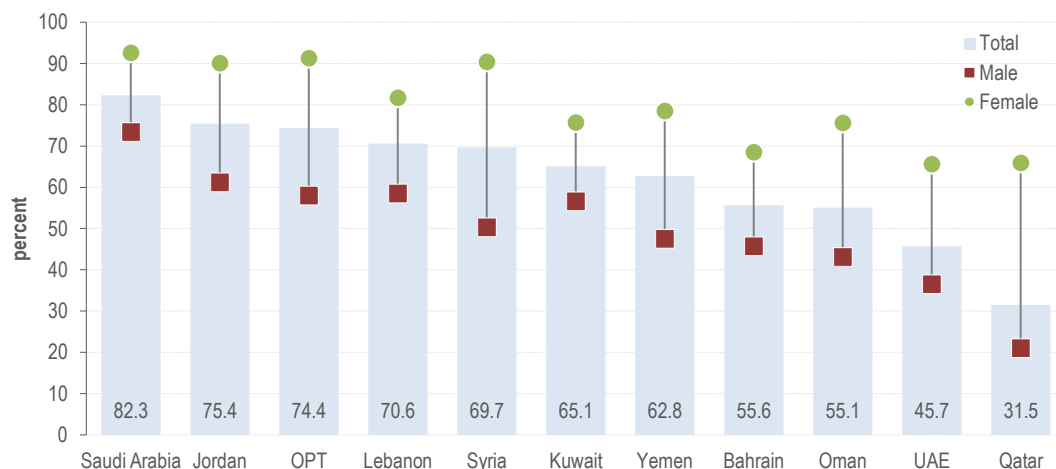


Source: UCW calculations based on national household surveys (see Table 1) and ILO Key Indicators for the Labour Market (KILM) database (Yemen).

**60. Youth inactivity levels in the Arab States are very high, although again with substantial variation across countries and between sexes.** Information on youth inactivity is also important when assessing youth access to jobs and their risk of social marginalisation. As noted above, youth labour force participation in the Arab States is the lowest, and therefore youth inactivity is the highest, of all the world's regions. Seventy percent of youth in the Arab States are inactive. Youth inactivity ranges from 82% in Saudi Arabia to 32% in Qatar; in all countries, inactivity is much higher among female compared to male youth (Figure 12). Interpreting these high inactivity rates, however, requires additional information concerning involvement in education. Inactivity is not a concern if youth are investing in their education and therefore likely improving their future employment prospects. But inactive youth who are not in education do constitute a concern, as young people who are neither attaining marketable skills in school nor in the labour force, and particularly male youth in this group, frequently find themselves at the margins of society and more vulnerable to risky and violent behaviour.

Figure 12. The youth inactivity rate is extremely high in the Arab States

Youth inactivity rate, by sex and country

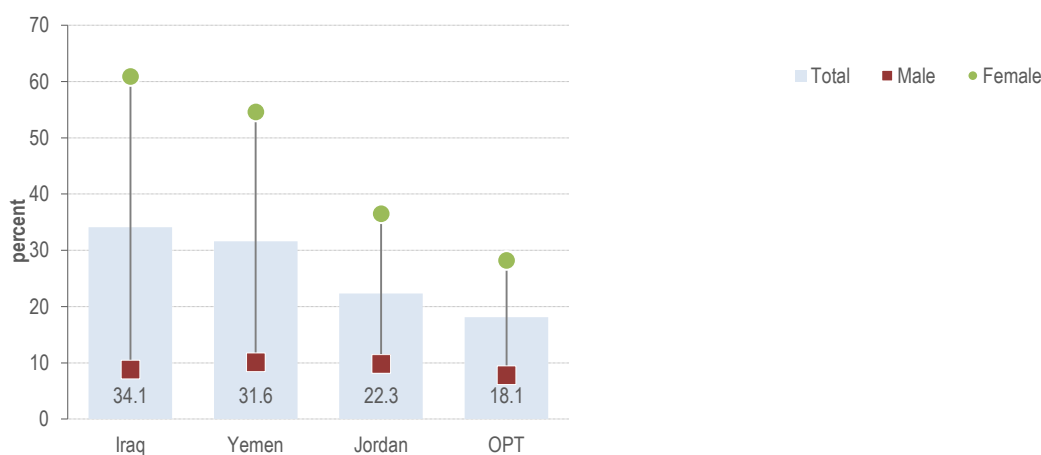


Source: ILO, Key Indicators for the Labour Market (KILM) database.

**61. The share of Arab youth who are inactive and out of education appears substantial.** Around one third of youth in Iraq and Yemen, 22% in Jordan and 18% in OPT fall into this group (Figure 13). In all four locations, the share of female youth who are inactive and out of education is much higher than that of male youth. The difference by sex is in large part a reflection of the different socio-cultural paths followed by male and female youth upon leaving education: relatively more male youth enter the labour force to act as household breadwinners and relatively more female youth stay at home to undertake domestic responsibilities.

Figure 13. Inactive and out of education

Percentage of youth who are inactive and not in education



Source: UCW calculations based on national household surveys (see Table 1)

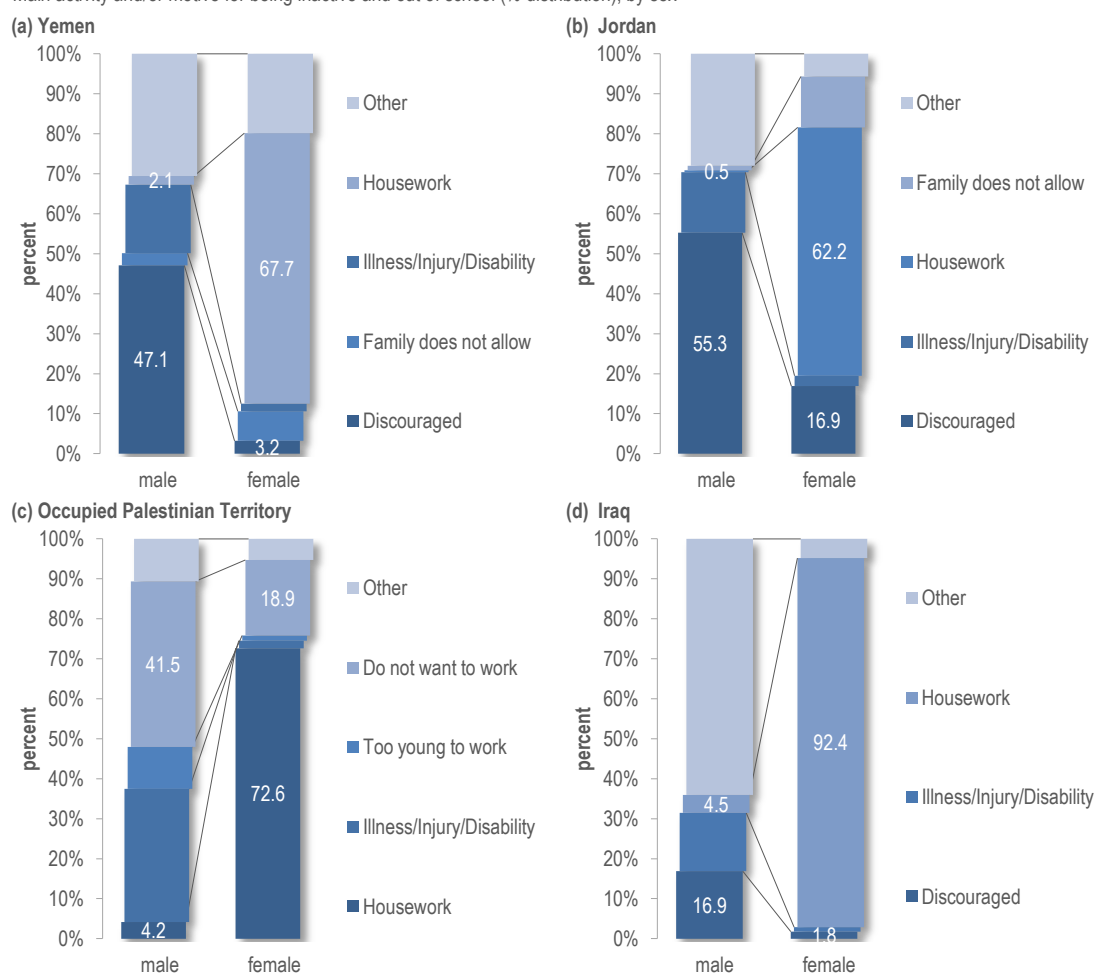
**62.** Figure 14, which reports the reasons for being inactive and out school, illustrates this latter point. In all four locations, female youth are much more likely to cite housework or family-related factors, while male youth are more likely to cite discouragement, illness/injury/disability or other factors, in explaining their absence

from education and the labour force. These results suggest that male youth who are inactive and out of education, while smaller in number, lack a clear societal role and therefore may be at greater risk of social marginalisation.

63. A separate recent study of female youth labour force participation in Jordan (and Egypt) suggests that the ability of female youth to combine work and domestic responsibilities after marriage may depend on the type of job that they hold. Those in public sector jobs were found to have little difficulty reconciling work and domestic responsibilities but the results indicated that those in private sector wage employment had a much harder time in this regard.<sup>18</sup>

Figure 14. Reasons for being inactive and out of education differ widely by sex

Main activity and/or motive for being inactive and out of school (% distribution), by sex



Source: UCW calculations based on national household surveys (see Table 1).

64. Many Arab young persons are inactive and out of education despite high levels of education. This fact underscores the lost productivity represented by the inactive and not in education group. As reported in Figure 15, almost two-thirds of those who are inactive and out of education in Jordan have at least secondary education.

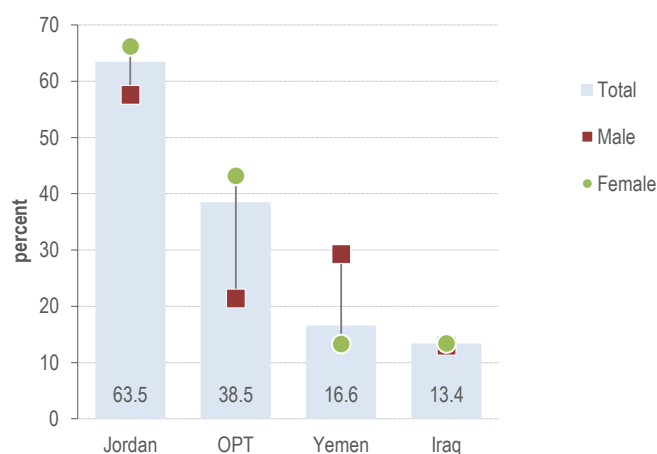
<sup>18</sup> Assaad R. and Hendy R. "On the two-way relation between marriage and work: evidence from Egypt and Jordan". ERF 19th Annual Conference, March 3-5, 2013. AFESD, Kuwait.



In OPT, the share is 39%, in Yemen 17% and in Iraq 13%. For Jordan and OPT, female youth who are inactive and out of education, who again form by far the largest share of the overall population of youth in this category, are significantly better educated than their male peers.

Figure 15. Many Arab young persons are inactive and out of education despite high levels of education

Percentage of youth who are inactive and out of education with at least secondary education, by sex

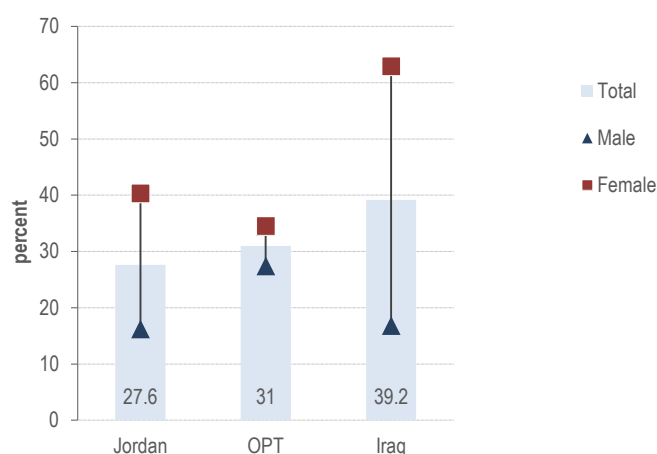


Source: UCW calculations based on national household surveys (see Table 1).

**65. A very high share Arab young persons are not engaged in education, employment or training.** This section has looked separately at the shares of youth who are (a) unemployment and who are (b) inactive and out of education. These two indicators, however, are increasingly combined in youth employment statistics to provide a more comprehensive composite indicator of youth employment difficulties. As reported in Figure 16, 39% of Iraqi youth, 28% of Jordanian youth and 31% of Palestinian youth in OPT are not in employment, education or training, a group expressed by the acronym “NEET”. Again, the share of female youth falling into this category is much higher than that of males.

Figure 16. Many Arab young persons are not in employment, education or training

Percentage of youth who are not in employment, education or training (NEET), by sex



Source: UCW calculations based on national household surveys (see Table 1).

## 4.2 Youth employment conditions

66. Labour force participation, unemployment and the other aggregate labour market indicators reported above provide only a partial picture of the employment challenges facing Arab young persons. This is because the most vulnerable population segments simply cannot afford to be unemployed, and must accept work regardless of how difficult, hazardous, socially unacceptable or poorly paid. Therefore, indicators reflecting the conditions of employed youth are also critical to assessing their labour market outcomes. This section reports on the employment conditions in the four countries where recent data relating to conditions are available (i.e., Iraq, Jordan, OPT and Yemen).

67. **The employment sector and employment status of young persons differ substantially across countries** (Figure 17). In Jordan, the most advanced economy of the four countries, wage and service sector employment predominate, accounting for 91% and 56% of employed youth, respectively. Wage employment also predominates in OPT, accounting for 80% of employed youth, but the sectoral composition of employment is more varied, with young Palestinian workers divided across the manufacturing (15%), services (29%), commerce (29%) and to a lesser extent agriculture (nine percent) sectors. In Iraq, wage employment and employment in the agriculture and services sectors appear particularly important. Finally Yemen, the poorest economy of the four countries, stands out as having relatively large shares of young workers in non-wage family employment (50%) and in agriculture (44%).

Figure 17. The composition of youth employment varies across countries and between sexes within countries

(a) Distribution of youth by sector of employment, youth aged 15-24 years, by sex and country

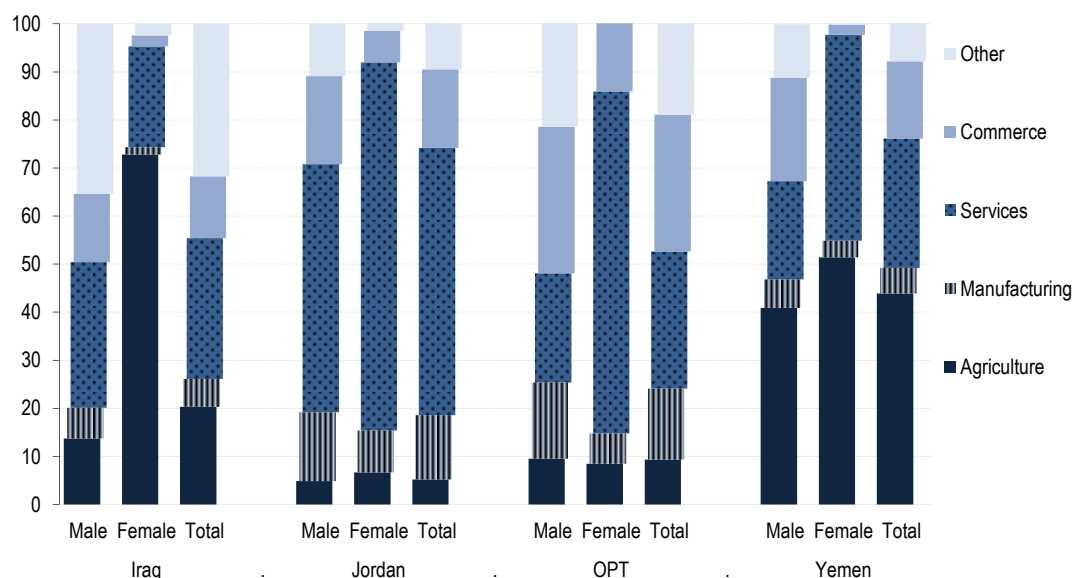
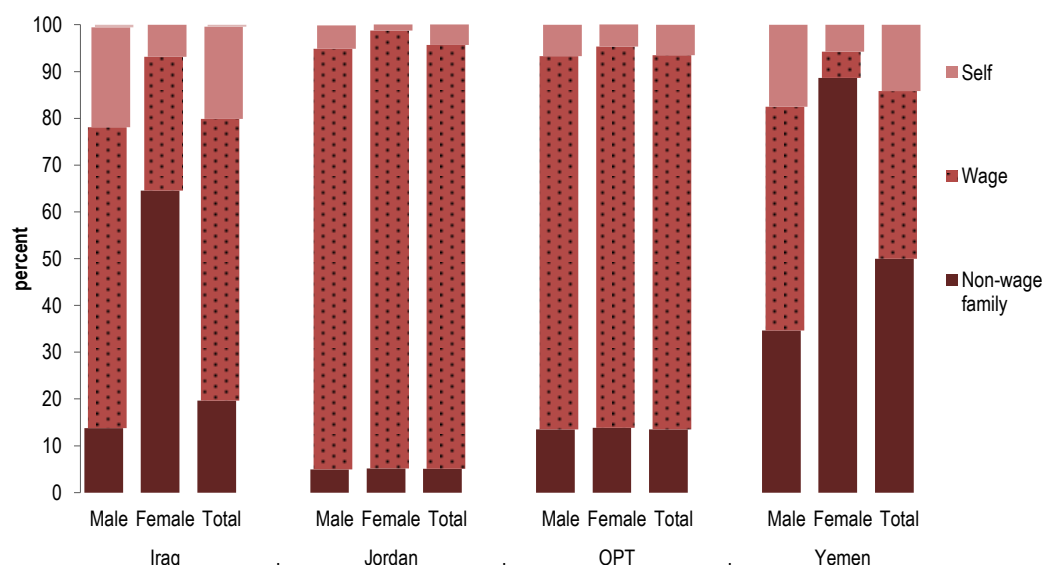


Figure 17.Cont'd

(b) Distribution of youth by status in employment, youth aged 15-24 years, by sex and country



Source: UCW calculations based on national household surveys (see Table 1)

**68. The composition of youth employment also varies between male and female youth.** Female youth in Iraq and Yemen are much more likely to be in non-wage family employment arrangements and much less likely to be in wage employment. Female youth in these two countries are also relatively more likely to be found working in the agriculture sector. Female youth in Jordan, OPT and Yemen are over-represented in the services sector. These results again underscore the very different labour market outcomes of male and female youth. Female youth, as was seen in the previous section, have lower levels of labour force participation and higher levels of unemployment. The current section also suggests that the nature of the jobs held by female youth differ from those held by male youth in important ways.

**69. Indicators of underemployment, employment formality and contractual status all suggest that the quality of youth jobs is an important policy concern** (Figure 18). Around one in ten employed youth in Iraq and OPT are under-employed, i.e., have jobs that offer them fewer hours than they would like to or are willing to work.<sup>19</sup> These youth, in other words, have had to settle for part-time work when they want to work full-time, a phenomenon sometimes referred to as “hidden unemployment”.

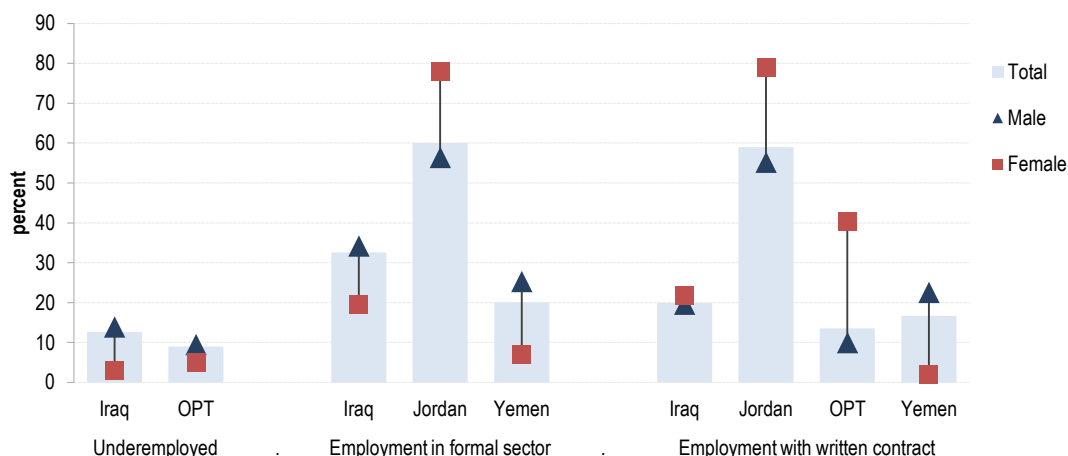
**70. Less than one-third of employed youth in Iraq and one-fifth of employed youth in Yemen enjoy jobs in the formal sector.** In both countries, female youth are particularly disadvantaged in this regard. Formality is higher for Jordan youth, but even there two of every five youth must settle for more precarious jobs in the informal sector. In Jordan, in contrast to Iraq and Yemen, female youth are more likely to have a formal sector job. Only one-fifth of employed Iraqi youth, and even lower shares of employed youth in OPT and Yemen, enjoy written contracts. The situation in this regard is much better in Jordan, where 59% of all employed youth

<sup>19</sup> The time-related underemployment rate is defined as the number of employed persons in situations of underemployment expressed as a percentage of total persons in employment. A person is considered in a situation of underemployment, in turn, if he/she works less than 40 hours a week and would like to work more hours.

and 79% of female employed youth have a written contract. A written contract, in turn, is perhaps the best indicator job security and quality. Written contracts are generally associated with more job stability and legal protections, higher incomes and access to non-wage benefits such as pensions and health care.

Figure 18. Available evidence suggests that the quality of youth jobs is also an important policy concern

Percentage of employed youth who are underemployed,<sup>(a)</sup> in formal sector employment and who have written contracts, by sex and country



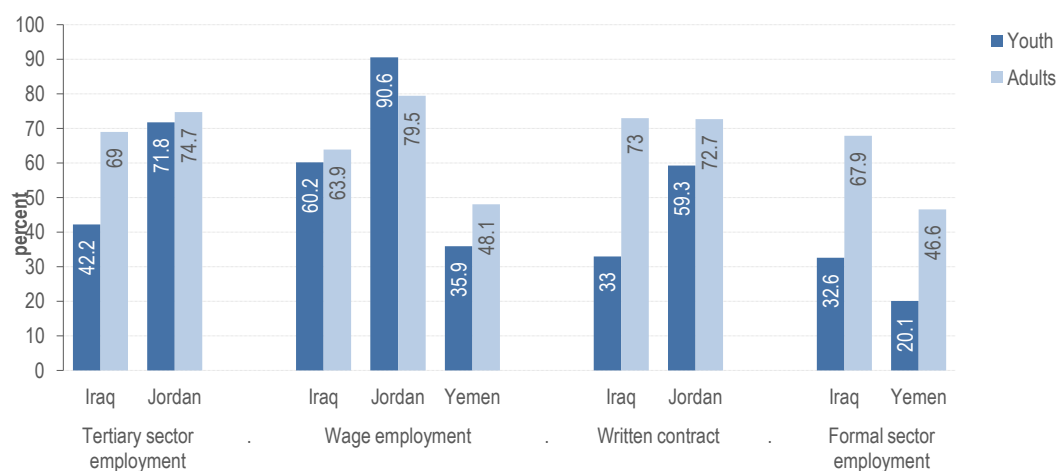
Notes: (a) The time-related underemployment rate is defined as the number of employed persons in situations of underemployment expressed as a percentage of total persons in employment. A person is considered in a situation of underemployment, in turn, if he/she works less than 40 hours a week and would like to work more hours.

Source: UCW calculations based on national household surveys (see Table 1)

**71. Youth employment conditions differ considerably from those of their adult counterparts.** Comparisons with adult workers again provide a useful way of contextualising the employment conditions of young persons. Youth appear disadvantaged in terms of employment conditions in Iraq and Yemen. Youth in these countries are less likely to enjoy work in the tertiary sectors (and are more likely to be in low productivity agricultural employment (not shown)), are less likely to be in wage employment and are less likely to be in formal sector employment. In Iraq, a lower share of employed youth (33%) than employed adults (73%) enjoy jobs with written contracts and therefore also the greater security, protections and non-wage benefits that typically accompany such contracts. The position of employed youth vis-à-vis their adult counterparts is less clear in Jordan. Jordanian youth and adults differ little in terms of their involvement in tertiary employment, a lower share of employed youth (59%) than employed adults (73%) enjoy jobs with written contracts, while the share of employed youth enjoying wage employment actually exceeds that of adult workers.

Figure 19. Youth employment conditions differ considerably from those of their adult counterparts

Percentage of employed youth and adults in tertiary sector employment, in formal sector employment and with a written contract, by educational attainment and country,



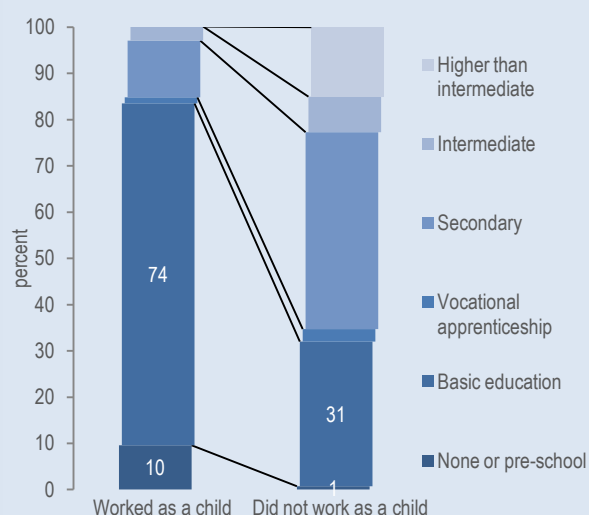
Source: UCW calculations based on national household surveys (see Table 1)

#### Panel 4. Involvement in child labour and youth employment outcomes

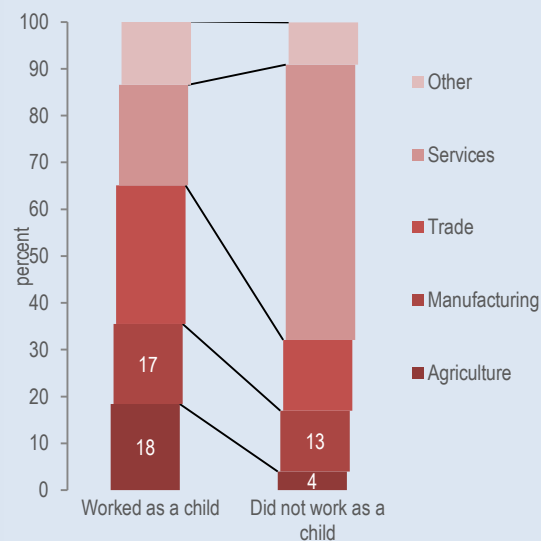
How does prior involvement in child labour affect youth employment outcomes? In most countries, a lack of longitudinal data and/or of retrospective questions on involvement in work as children prevents exploring the link between youth employment outcomes and child labour involvement directly. In other words, we cannot determine the child labour-youth employment link because data do not enable us to distinguish between youth that worked as children and youth that did not. Fortunately, surveys from two Arab states – Jordan and Yemen – overcome this data shortcoming by asking youth the age at which they began work, thereby allowing us to trace the effects of child labour on labour market outcomes during youth.

Figure A. Child labour and youth employment outcomes - Jordan

(a) Involvement in child labour and youth educational attainment



(b) Involvement in child labour and sector of employment as youth



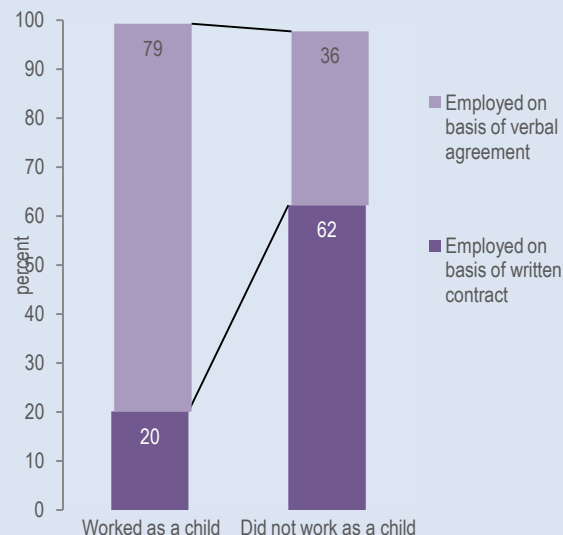
## Panel 4.Cont'd

Figure A.Cont'd

(c) Involvement in child labour and status in employment as youth



(d) Involvement in child labour and formality of employment as youth

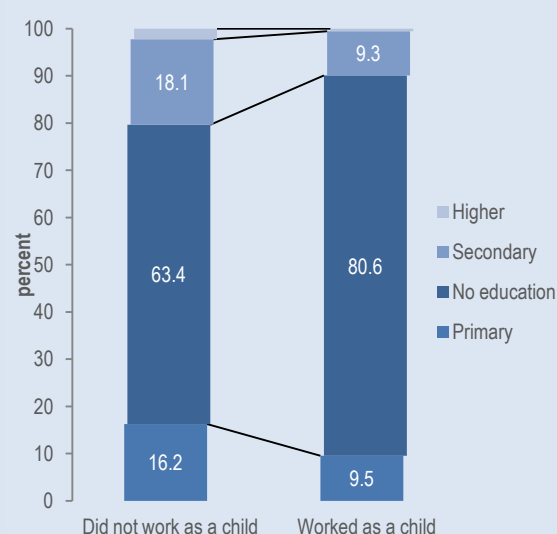


Source: UCW calculations based on national household surveys (see Table 1)

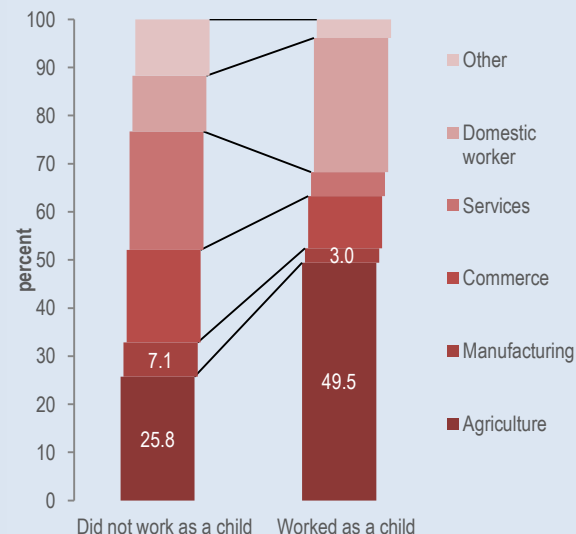
The results from the two countries, reported in Figure A and Figure B, suggest that child labour can have a dramatic detrimental impact on the ability of young persons to secure decent work. Child labour is correlated with lower levels of educational attainment (Fig. A (a) and Fig. B (a)), as it affects the time and energy children have for their studies, in turn making it more difficult to persist in the education system. Prior involvement in child labour is also correlated with differences in the employment sector and work arrangements of employed youth. Those who worked as children are more likely to be in agricultural work and less likely to be in tertiary services and commerce sector employment (Fig. A(b)&(c) and Fig. B(b)&(c)). In Jordan, those who were free from the burden of work as children are much more likely to secure jobs with written contracts as youth, a particularly important indicator of job quality (Fig. A(d)). In Yemen, those who were not child labourers are more likely to enjoy jobs in the formal sector, also a rough indicator of job quality.

Figure B. Child labour and youth employment outcomes -Yemen

(a) Involvement in child labour and youth educational attainment



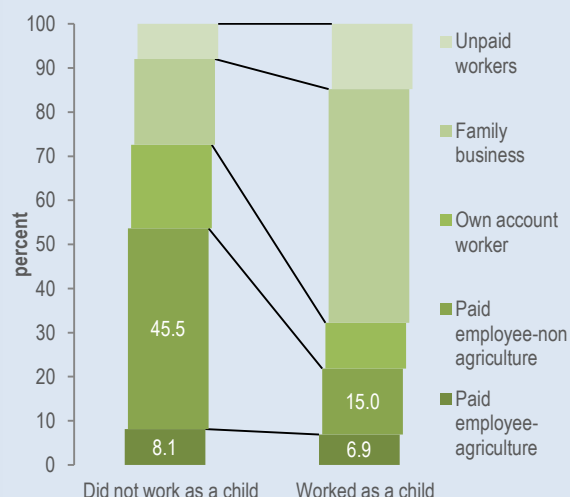
(b) Involvement in child labour and sector of employment as youth



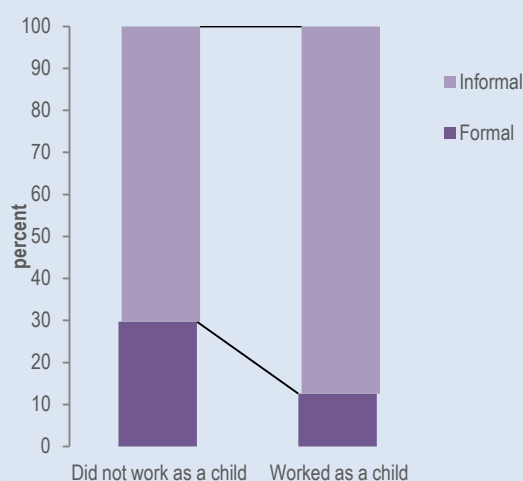
Panel 4.Cont'd

Figure B. Cont'd

(c) Involvement in child labour and status in employment as youth



(d) Involvement in child labour and formality of employment as youth



Source: UCW calculations based on national household surveys (see Table 1)

It is worth recalling, however, that these results, while suggestive, are based only on simple correlations, without controlling for other individual and household factors that are potentially relevant. It may be that an underlying factor associated child labour, e.g., household poverty, is driving the correlation with youth employment outcomes rather than child labour *per se*. The impact of child labour on youth employment outcomes therefore is an area requiring further investigation using more advanced analytical methods.

### 4.3 Human capital levels and skills deficits

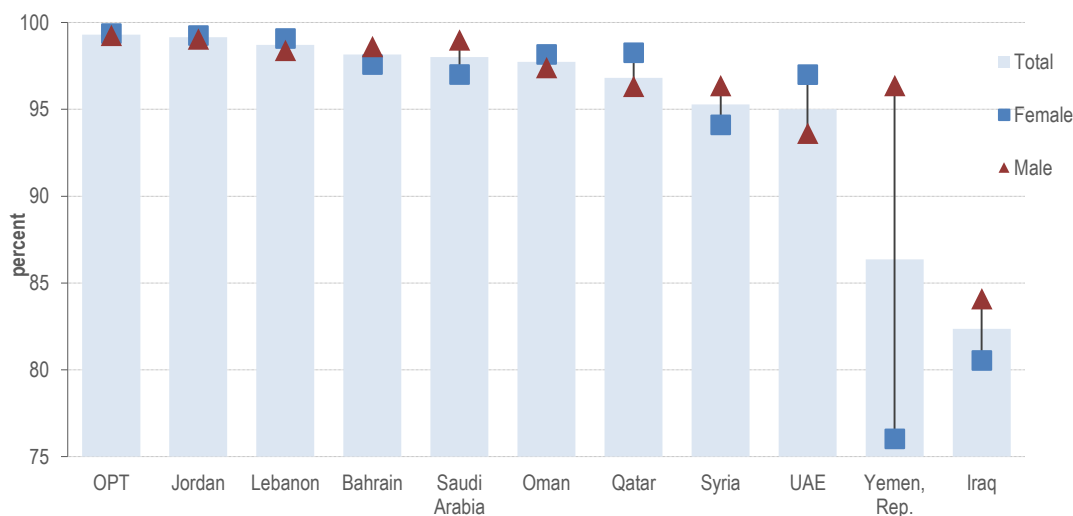
72. The preceding sections of this chapter have highlighted the challenges young persons in the Arab States face in terms of accessing jobs of good quality. This section assesses the role of human capital levels in influencing the job access and job quality of young persons in the region. The section also looks at the demand-side perceptions of employers concerning youth skill levels, making use of evidence from the World Bank Enterprise Survey programme. The limited evidence available from four countries reported in this section suggests that while educated youth may have greater initial difficulties entering the labour market the quality of the jobs that they eventually secure are generally better.

73. Arab youth have achieved generally high levels of literacy, although this is less and less an adequate skills floor as Arab States join the increasingly knowledge-based global economy. As reported in Figure 20, youth literacy rates are at least 95% in all countries except Iraq and Yemen, where the rates stand at 82% and 86%, respectively. Differences by sex in youth literacy are not large and often in fact favour females, with the important exception of Yemen, where the male literacy rate exceeds that of females by 20 percentage points.



Figure 20. Youth literacy rates are high for males and females alike in most of the Arab States

Youth literacy rate, youth aged 15-24 years, by sex and country



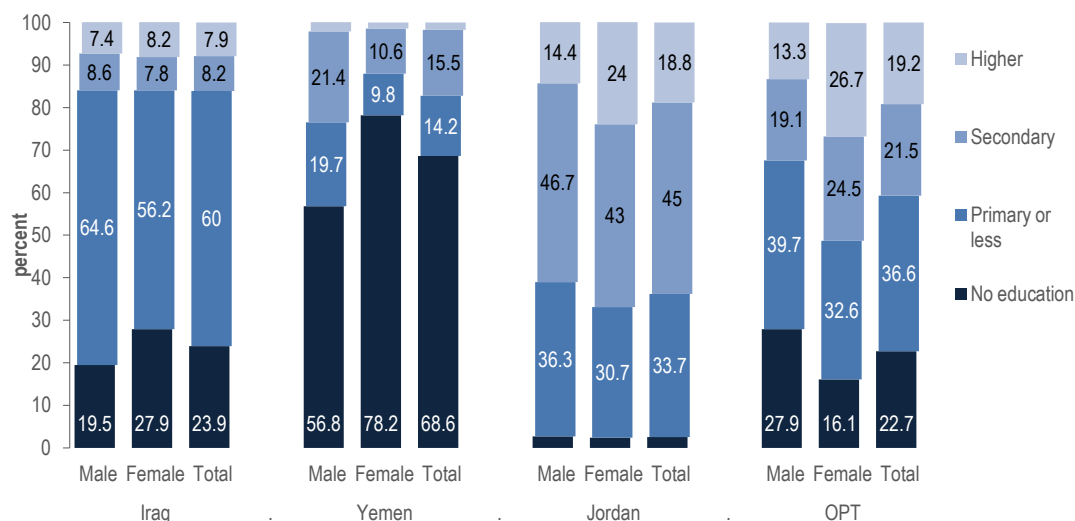
Source: World Bank, World Development Indicators database.

74. Figure 21 provides a more detailed look at educational attainment in Iraq, Jordan, OPT and Yemen. It shows a very high share of youth with little or no education and a relatively small share with higher education. This is especially the case in war-torn Iraq, where 85 percent of youth have less than primary education and one-quarter have no education at all, and in Yemen, the poorest economy in the region, where 82% have less than primary and two-thirds have no education. While a detailed analysis of education attainment structures is beyond the scope of this Report, it is worth noting that a growing body of empirical evidence suggests that low levels of educational attainment constitute an important limit to industrial development prospects.<sup>20</sup> With the exception of Yemen, female youth are not disadvantaged with respect to their male counterparts in terms of educational attainment. Indeed, in Iraq, Jordan and OPT, the share of females with higher education actually exceeds that of males, in the latter two countries by a substantial margin.

<sup>20</sup> See, for example, Nübler Irmgard (2013). *Education structures and industrial development: Lessons for education policies in African countries*. Research Department, International Labour Office, Geneva, June 2013.

Figure 21. Substantial shares of young persons have little or no formal education

Distribution of youth by educational attainment, youth aged 15-24 years not in education, by sex and country



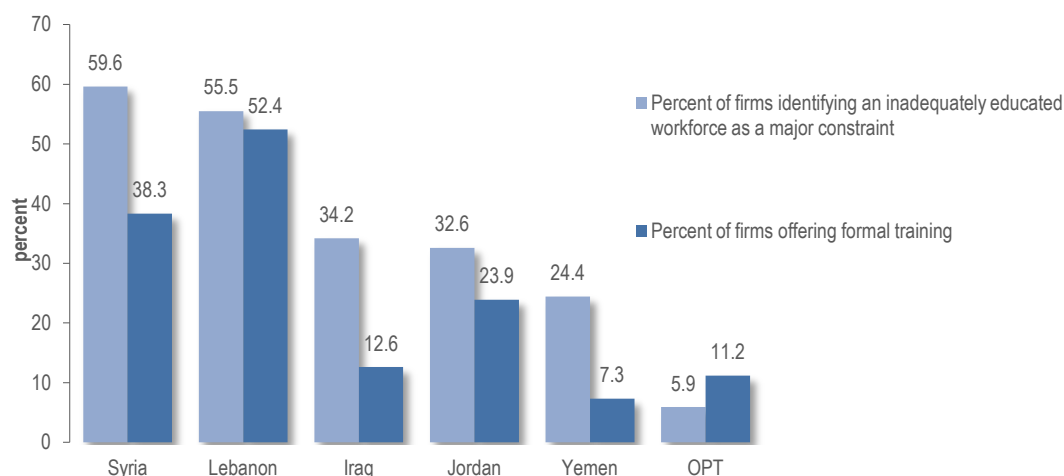
Source: UCW calculations based on national household surveys (see Table 1)

**75. Youth appear to lack the job skills needed in the labour market.** Feedback from firms in the manufacturing and services sectors in six Arab States underscores that human capital levels are a key business concern. Over half of firms interviewed as part of the World Bank Enterprise Survey programme in Syria and Lebanon, one-third of firms interviewed in Jordan and Iraq and one-quarter of firms interviewed in Yemen pointed to inadequate skills levels as a major constraint to growth. At the same time, the World Bank Enterprise Survey programme results indicate that few of the firms themselves offer formal training to their workers. These results call into question the ability of educational and vocational training systems in the Arab region to equip young persons with the knowledge and skills needed in the labour market. The results are also consistent with a broader literature highlighting the lack of meaningful participation of employers in skills development systems and the unrealistic expectation that trainees should be job-ready without investment by employers in their skills upgrading.<sup>21</sup>

<sup>21</sup> For further discussion of this point, see, for example, World Bank Systems Approach for Better Education Results (SABER) (<http://saber.worldbank.org/index.cfm>) and ETF - European Training Foundation, Torino Process ([http://www.etf.europa.eu/web.nsf/pages/Torino\\_process](http://www.etf.europa.eu/web.nsf/pages/Torino_process)).

Figure 22. Feedback from firms points to the presence of significant skills deficits in the youth workforce

Percentage of firms<sup>(a)</sup> identifying inadequate skills as a major constraint to growth and percentage of firms offering formal training, by country



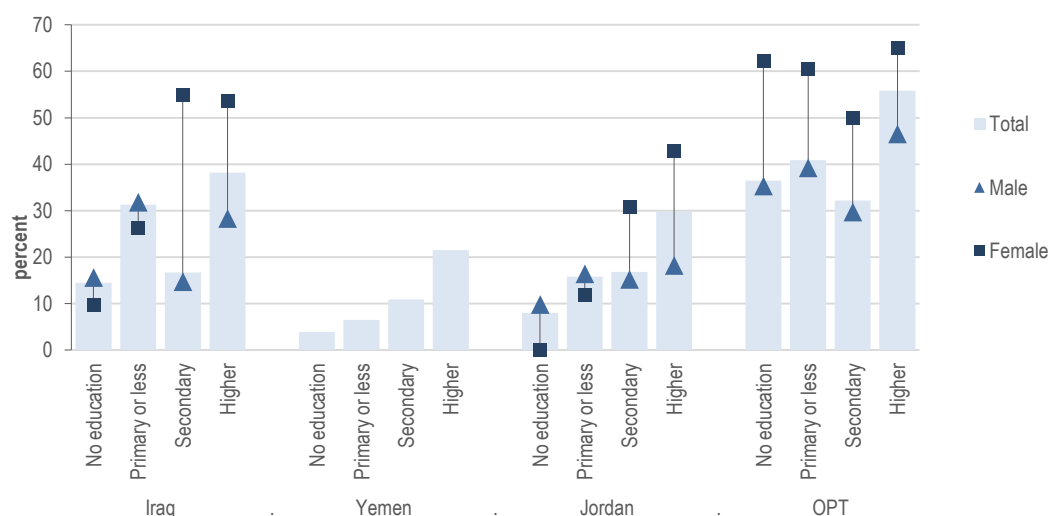
Notes: (a) Results relate to firms in the manufacturing and services sectors. This corresponds to firms classified with ISIC codes 15-37, 45, 50-52, 55, 60-64, and 72 (ISIC Rev.3.1). Formal (registered) companies with 5 or more employees are targeted for interview. Services firms include construction, retail, wholesale, hotels, restaurants, transport, storage, communications, and IT. Firms with 100% government/state ownership are not eligible to participate in an Enterprise Survey. Source: World Bank, Enterprise Surveys (<http://www.enterprisesurveys.org>).

**76. Youth with higher education are more likely to be unemployed than their less educated peers.** Education, in other words, is no guarantee against unemployment in the Arab States. Simple correlations of unemployment with educational attainment provide a similar pattern across the four countries where data for these indicators are available – unemployment increases with level of educational attainment. In two of the countries – Iraq and Jordan – this pattern is especially pronounced for female youth, i.e., the difficulties that female youth have in securing a job relative to their male peers is greatest among those who are most educated.

**77. Why is higher education associated with higher unemployment?** This pattern is partially the product of the fact that less-educated young people by definition begin their transition to work at an earlier age, and therefore have had a greater length of exposure to the labour market and more time to secure employment. To the extent that youth education is correlated with household income, better educated youth are also more able to afford spells of unemployment. But the positive link between unemployment and education levels may also be a further reflection of mismatches between the skills produced by the education system and those needed in the labour market, and of the need for recruitment systems that do not promote connected insiders at the expense of more competent outsiders.

Figure 23. Youth with higher education are more likely to be unemployed than their less educated peers

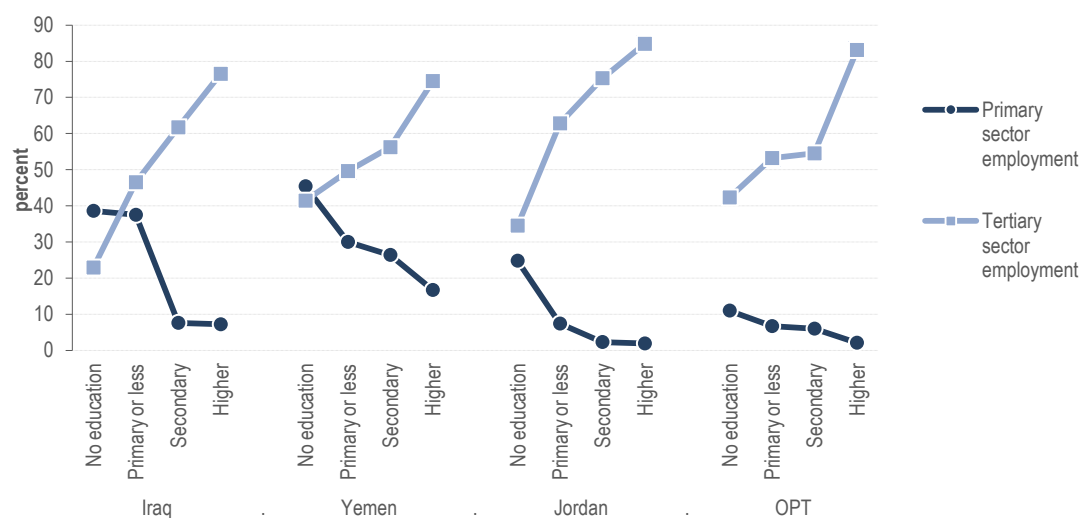
Youth unemployment rate by educational attainment, youth aged 15-24 years not in education, by sex and country



Source: UCW calculations based on national household surveys (see Table 1)

**78. More education is nonetheless clearly correlated with better employment outcomes.** Again the data from the four countries where data are available, reported in Figure 24, paint a clear picture – less-educated youth are much more likely to work in the primary agriculture sector and much less likely to work in the tertiary services and commerce sectors, while for more-educated youth the opposite pattern prevails. Although employment sector is not in itself a direct indicator of job quality, it offers important insight in this regard. Agricultural work is typically associated with informality and insufficient pay to offer a route out of poverty. Pay and work arrangements are typically better in the tertiary sector.

Figure 24. Less educated youth are much more likely to be in agricultural employment

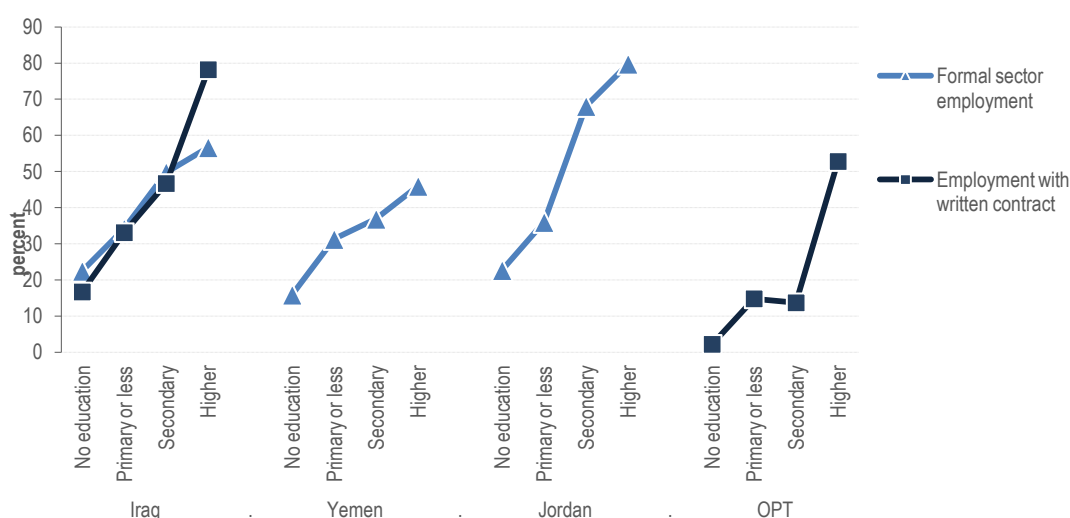
Percentage of employed youth in the primary<sup>(a)</sup> and tertiary<sup>(b)</sup> sectors, by educational attainment and country, youth aged 15-24 years not in education

Notes: (a) Primary sector refers to agriculture; and (b) Tertiary sector refers to services and commerce  
 Source: UCW calculations based on national household surveys (see Table 1).

**79. Other indicators also point to a positive link between educational attainment and job quality.** Formal sector employment, reported in Figure 25, is much higher for educated youth in the three countries where these data are available (i.e., Iraq, Yemen and Jordan). Youth with higher education also appear more likely to enjoy written contracts in Iraq and OPT, although in the latter almost half of even those with higher education in wage employment must settle for precarious unwritten job arrangements. A written contract, in turn, is perhaps the best indicator job security and quality. Written contracts are generally associated with more job stability and legal protections, higher incomes and access to non-wage benefits such as pensions and health care.

**Figure 25. Better educated youth are more likely to secure formal sector employment and jobs with written contracts**

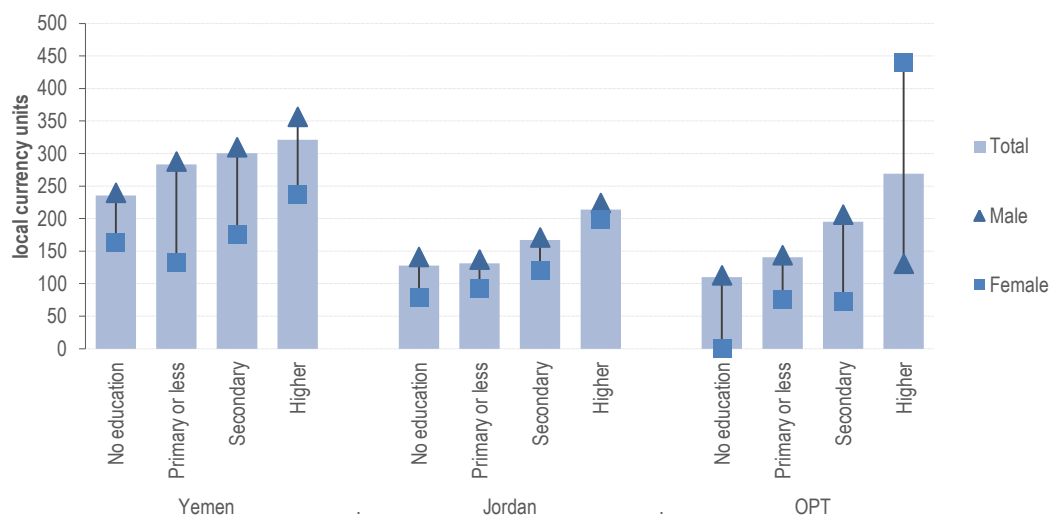
Percentage of employed youth in the tertiary sector employment, in formal sector employment and with written contract,<sup>(a)</sup> by educational attainment and country,<sup>(b)</sup> youth aged 15-24 years not in education



Notes: (a) Those with written contract is expressed as a percentage of those in wage employment; (b) Figures for Iraq refer to primary rather than primary or less. Source: UCW calculations based on national household surveys (see Table 1).

**80. More education is also associated with a substantial earnings premium.** Wage levels offer a more direct indicator of returns to education. Figure 26, which reports average labour income by education level, shows that successive levels of educational attainment are associated with higher earnings for youth in wage employment in all three countries where earnings data are available (i.e., Yemen, Jordan and OPT). Figure 26 also suggests that male wages are higher than female wages in Jordan and OPT, but that the wage advantage enjoyed by male youth disappears among youth with higher education. Indeed, in the case of OPT, females with higher education substantially out-earn their male counterparts.

Figure 26. More education is associated with higher earnings

Average earnings,<sup>(a)</sup> 15-24 years age group in wage employment, by educational attainment, sex and country

Notes: (a) Monthly wages expressed in national currency units; for expositional purposes Yemeni currency units are divided by 100 and OPT currency units are divided by 10. Source: UCW calculations based on national household surveys (see Table 1).

81. Taken together, these results suggest that vulnerable youth with little or no education should be a particular focus of policy efforts. These youth are much more likely to be mired in informal and precarious forms of employment without written contracts and the benefits associated with them. They are also more poorly paid and more likely to be in the ranks of the working poor.

#### 4.4 School to work transitions

82. We have assessed up to this point in the chapter various indicators of the success (or failure) of young persons' transition to working life in the Arab States. We now turn our attention to the transition process itself and its key characteristics.

83. The transition from school to work is by no means a linear well-defined process, with individuals leaving school once and for all, possibly searching over a certain period of time before landing in their first job, the latter being a definite port of entry into employment for life. Perhaps the start point of this transition is well defined if individuals never re-enter school and if school attendance is universal. The greatest difficulty arises if one tries to define the end point of this transition. Individuals might alternate periods of employment to periods of unemployment, change jobs or possibly even stay out of work for the rest of their life.

84. Young individuals might take up temporary jobs, work in the household farm or enterprise or devote to household chores for lack of better work opportunities or for the potential return these initial work experience have in terms of future employment and income prospects. These problems are particularly relevant in developing countries where women's labour force participation (at least in the market) is low, individuals often associate work to schooling, and, most important, underemployment, self-employment, home production, and casual employment are widespread. The process is made even more complex by the fact that school leaving time is endogenous and most likely influenced by the expectation about the transition to work and the kind of job that will be obtained at the end of the transition. A better understanding to this transition period would require

integrating the analysis of optimal school leaving age with that of employment search and labour force participation.

85. Although in principle very important, these issues are difficult to confront with the data available from most of the Arab States. These data, from labour force and other standard survey instruments, typically provide information only on whether an individual is in school and/or in employment. In the next sub-section, we apply a simple indicator of the transition for Iraq and Yemen in view of these data limitations. The new ILO School to Work Transition Survey (SWTS) programme is designed to provide a much more detailed look at the school to work transition in developing countries, but unfortunately have been conducted to date in only two of the countries and territories covered in this Report – Jordan and OPT. In the second sub-section, we take a more detailed look at the transition in Jordan and OPT making use of data from the SWTS programme.

### A simple indicator of the school to work transition

86. The transition to work can take two routes, through the schooling system or from inactivity (and/or informal schooling)<sup>22</sup> to the labour force. We examine both routes utilising a summary indicator described in detail in Panel 5 for youth in Iraq and Yemen. For the group transiting directly to the labour force, the average entry in the labour market is examined. We have also to stress that a non-negligible number of children drop out very early from school. While they are formally included in the youth transiting through school, their condition and the problems they face are likely to be closer to those of the children that never attended school.

87. Table 16 presents the information about the beginning and end of the transition from school to work, as well as the transition duration disaggregated by sex. The second last column gives the average age of entry in labour market for those never attending school. As shown in the table, the timing and length of the transition depends to a considerable extent on the specific country of residence. The “vulnerability” of young people to unsuccessful transition, as reflected in beginning age and transition duration, therefore also varies greatly by country. The use of the summary indicator can help to identify the age range on which policy attention should be focused in each country.

Table 16. School to work transition points, by sex and residence

Background characteristic		Children ever in school <sup>(a)</sup>			Children never in school
		Beginning point of transition (average age of dropping out)	End point of transition (average age of entering into work for the first time)	Transition duration	Average age of entering into work for the first time
Iraq	Total	18.2	22.8	4.6	15.3
	Male	18.4	22.3	3.9	15.2
	Female	17.9	25.8	7.9	16.4
Yemen	Total	17.5	22.3	4.8	11.4
	Male	17.9	22.6	4.7	11.8
	Female	17.0	21.9	5.0	10.3

Notes: (a) Estimated probabilities calculated on the basis of the age at which work participation rate is at its maximum.

Source: UCW calculations based on national household surveys (see Table 1).

<sup>22</sup> For example, Koranic schooling.



**Panel 5. Development of a simple indicator of the school to work transition**

In order to describe the transition process from school to work we derive the distribution of school leaving age and the distribution of age of entry into the first job. As a summary indicator of this transition we compute the difference between the average school leaving age and the average age of first entry into work.

We are not the first ones to attempt to describe the school to work transition process. For example OECD (1998a, 1999, 2000) uses the age at which 50% of individuals are in employment to determine the end point of the transition. Measures of transition based on such definition implicitly assume that the overall portion of individuals getting into employment is above 50% (otherwise no transition would be ever completed) and that the overall proportion of individuals who enter in employment in any given country is roughly comparable (otherwise this indicator is biased by the overall differences in participation across countries). None of these assumptions is likely to be true, especially in developing countries. Similar problems occur when estimating the starting point of the transition. For example, OECD indicators implicitly assume that all children do transit through the school system and that the vast majority of them stays in school at least until the end of compulsory school. An assumption that can be hardly maintained in most developing countries.

While the assumptions at the base of the OECD indicator arguably represent no much of a problem in developed countries, they might be a serious source of bias, as just mentioned, in comparing data from developing countries with very different levels of overall labour market participation in adulthood, especially among women, and of school attendance. Below we try to circumvent these problems by standardizing our measures of school to work transition to the population at risk, i.e. those who indeed eventually transit through school and participate to the labour force.

Ideally to model the transition process from school to work, one would need longitudinal data with detailed job history information that follow individuals from childhood into adulthood or alternatively cross sectional data with retrospective information that allow to reconstruct work histories. In the absence of these data, which is generally the case in developed countries, one can use cross sectional data to measure the length of the transition. Under appropriate assumptions, the available cross sectional data allow consistently identify the parameters of interest. Indicators and their interpretation depends on the underlying assumptions, we find then necessary to spend some time describing such assumptions also in order to favour comparability with other indicators:

Suppose there exists an age  $a_{\min}$ , such that for  $a > a_{\min}$  individuals never transit into school and such that for  $a \leq a_{\min}$  individuals never transit out of school. In this case at age  $a_{\min}$  those who ever transit through school all happen to be in school. In this case it is easy to show that if by  $S$  we denote the event of being in school, the probability of leaving school at age  $a$ , denoted by  $SL_a$  is nothing but:

$$(1) \quad SL_a = [P(S_{a+1}) - P(S_a)] \quad a > a_{\min}$$

i.e. the change in enrolment across two consecutive ages. Equation (1) simply states that, if, say 90% of children are in school at age 10 and 80% are in school at age 11, then 10% of children must have dropped out between age 10 and age 11.

Assume in addition that for any age  $a < a_{\max}$ , individuals never transit out of work for  $a \geq a_{\max}$  individuals never transit into work. Again this implies that at  $a_{\max}$  all who ever work are simultaneously in work. This assumption - that is admittedly more unrealistic than the previous one - rules exit from employment before  $a_{\max}$  and exit from inactivity above  $a_{\max}$ . In this case, if by  $W$  we denote work and by  $EW_a$  the probability of entry into work at age  $a$  this is

$$(2) \quad EW_a = [P(W_{a+1}) - P(W_a)] \quad a < a_{\max}$$

i.e. the increase in participation from one year to the other. Similarly to equation (1), equation (2) simply states that, if, say 10% of children are in work at age 14 and 15% are in work at age 15, then 5% of children must have started to work between age 14 and age 15.

One major difficulty with these indicators is that not all individuals make a transition through school (a relevant problem in developing countries) and, most important, that not all individuals transition into work. This is particularly true for women especially if work is defined as participation to a market oriented economic activity. Hence we derive these indexes conditional on individuals ever transiting into the relevant state, as for the others there is no transition to be defined.

Under the assumptions above, the average school leaving age conditional on ever having been in school:

$$(3) \quad E(SL) = \sum_{a > a_{\min}} a [SL_a / P(S_{a_{\min}})]$$

and the distribution of age of entry into work is

$$(4) \quad E(EW) = \sum_{a < a_{\max}} a [EW_a / P(W_{a_{\max}})]$$

Notice that  $P(W_{a_{\max}}) = \sum_{a < a_{\max}} EW_a$  and hence  $\sum_{a < a_{\max}} [EW_a / P(W_{a_{\max}})] = 1$ . A similar reasoning applies to the weights in (3).

We compute our synthetic index as

$$(5) \quad I = E(SL) - E(EW)$$

This index is the average gap between age of entry into work (conditional on ever entering into work) and age of exit from school (conditional on ever being in school).

Notice that to the extent that the distribution of drop out rates (entry rates) is symmetrical, the indexes in (4) and (5) are also the median of the conditional distributions. In this case our index is similar to the one used by OECD but for the adjustment factor - that seems necessary in the countries under study - for the population at risk.

In implementing this indicator, when, as in our case, only one cross section is available, we first fit a probit model on the probability of being in school across all individuals in the sample separately for males and females in each country. We regress this on a

**Panel 5.Cont'd**

polynomial in age. Fitting a probit model is useful to smooth the age participation profiles in the presence of measurement error and small sample sizes and allows – if required – to make out of sample predictions. We identify  $a_{min}$  as the turning point in the estimated age participation profile. We do the same for the probability of work. We then use these estimated probabilities to compute the indicators in (3) and (4) and ultimately (5).

There are several drawbacks to this procedure. First, although there is generally a way with our data to ascertain whether individuals in work ever transited through school – which allows to base all these calculations on individuals who acquired some education – it is generally impossible to know whether those who attend school ever get a job. So, in computing the average age of exit from school we are unable to condition on those eventually transitioning to the labour market. The index in (5) then is the average age gap for those who after school ever enter into work (hence the true school to work transition age gap) only under the assumption that age of exit from school is uncorrelated with the probability of entering into work later in the life cycle, an assumption that perhaps some would find not very compelling. If early school leavers are less (more) likely to eventually find a job, the gap will be over (under)-estimated.

A second drawback of this procedure when applied to a single cross section is that our index is derived from a comparison of individuals of different ages at a given time, and hence from different birth cohorts. The bias is difficult to determine. If there is a secular increase in school leaving age without relevant changes in the age of first employment across cohorts one might end up underestimating the length of the transition period from school to work in each single country. If also the age of first employment shows a secular increase, the bias could go in either direction. However if one is ready to assume that these biases are similar across countries, then one can still make a sensible inference on differences across countries. This is what we assume below.

88. Looking first at the starting point of the transition, average school leaving ages are relatively high, not far below even those of OECD countries.<sup>23</sup> Most children entering school stay there well beyond the basic cycle in both Iraq and Yemen, leaving at the average age of 18.2 years in the former and at the average age of 17.5 years in the latter. Transition times, however, are very long in the two locations. Iraqi young persons take an average of 4.6 years after leaving education to secure their first job. In Yemen, the average transition time is even longer, at 4.8 years. Girls begin the transition earlier and take more time to transition than their male peers in both locations. The long average transition time for Iraqi female youth – 7.9 years – is a particular concern. For those never entering school in Yemen, the average starting age of work is very low, at 11.4 years. In Iraq, this group begins work on average at the age of 15.3 years.

89. As noted at the outset, our summary indicator does not permit conclusions to be drawn regarding the “efficiency” or “success” of the transition in specific country contexts. A better understanding of the transition period would require integrating the analysis of optimal school leaving age with that of employment search and labour force participation. Nonetheless, the summary indicator does reveal two important features of the transition in the two countries which fit within this more detailed analysis – the relatively late starting age of the transition and its typically long length.

### **A more in-depth look at the transition based on evidence from the ILO School to Work Transition Survey (SWTS) programme**

90. Data from the ILO School to Work Transition Survey (SWTS) programme permits a more in-depth look at the timing and nature of the transition to work in the two locations in the region where the survey has been implemented – Jordan (2012) and the Occupied Palestinian Territories (2013). The SWTS programme is intended to supplement information not currently available from the national statistical programmes by focusing on the specific issue of entry into the labour market of young people as they leave school.<sup>24</sup> The survey programme provides a wealth of

<sup>23</sup> The calculation of average school leaving age is, however, different; comparisons are therefore indicative only.

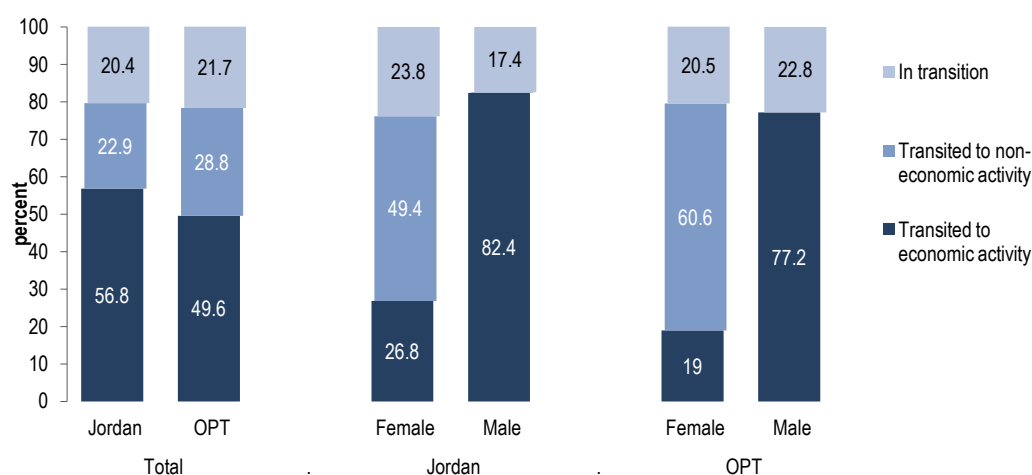
<sup>24</sup> ILO, *ILO school-to-work transition survey: A methodological guide*. International Labour Office. - Geneva: ILO, 2009.

current and retrospective information on schooling and training, work, joblessness and job search experiences of youth aged 15-29 years.

91. The largest shares of Jordanian and Palestinian youth who were no longer in school at the time of the SWTS survey had transitioned to economic or non-economic activity. Figure 27 divides the youth populations no longer in education in the two locations according to their transition status at the time of the SWTS survey. It shows that the largest shares of Jordanian and Palestinian youth, 57% and 50%, respectively, had completed their transition to a first job. The next-largest shares of Jordanian and Palestinian youth, 23% and 29%, respectively, had transitioned to non-economic activity, i.e., had taken up full-time domestic responsibilities within their own homes without ever entering the labour market. The remaining shares of youth, 20% in Jordan and 22% in OPT, were in the process of transitioning to economic activity.

Figure 27. The largest shares of Jordanian and Palestinian youth who were no longer in school at the time of the SWTS survey had transitioned to either an economic or non-economic activity

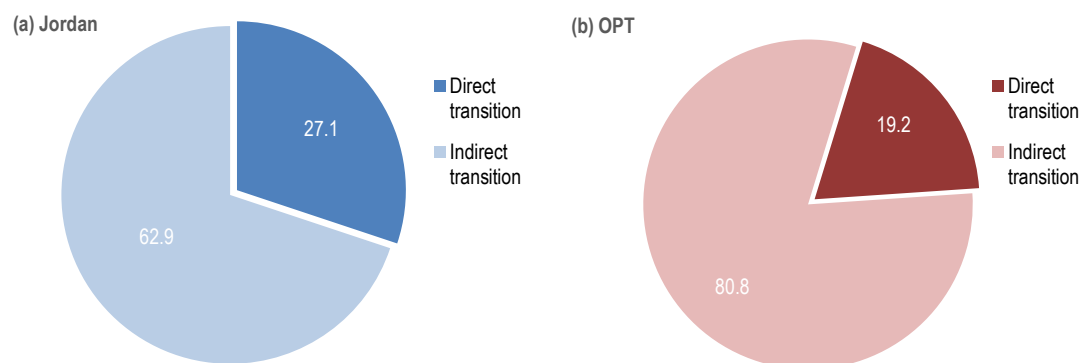
Percentage of youth no longer in school, by transition status



Source: UCW calculations based on ILO School-to-Work Transition Surveys, Jordan and OPT.

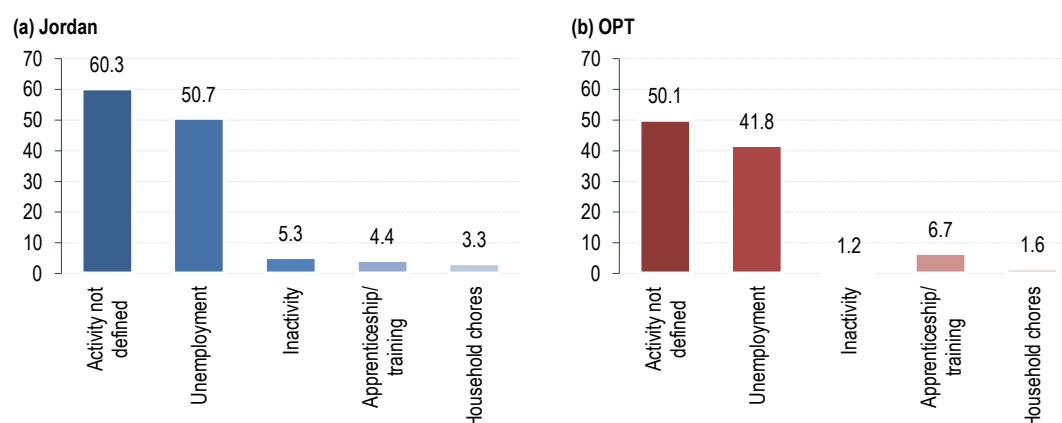
92. These average figures, however, mask very large differences in the transition status of male and female youth in the two locations. In both, a far higher share of female youth had transitioned to non-economic activity and a far higher share of male youth to economic activity. This again is undoubtedly a reflection different socio-cultural paths taken by male and female youth upon leaving education, as discussed above.

93. Most youth in the two locations require a period of time after leaving education before finding a place in the labour market. Only about one-quarter of youth in Jordan and about one-fifth in OPT transiting from education to economic activity manage to do so directly without any interim period (Figure 28). The activities undertaken during the transition for the remaining youth who do not transition directly are reported in Figure 29. Active job search (i.e., unemployment) is the most common, accounting for about one-half of all youth with indirect transitions in Jordan and for 40 percent of similar youth in OPT. Very few Jordanian and Palestinian youth on the other hand (four percent and seven percent, respectively), are assisted during the transition period with any form of apprenticeship or training.

**Figure 28. Most youth transiting to economic activity to not do so directly from school**Share of transited youth transiting directly<sup>(a)</sup> and indirectly<sup>(b)</sup> from education (youth population aged 15-29 years)

Notes: (a) Direct transition refers to transitions that do not involve an interim period between education and first job; (b) Indirect transitions refer to transitions that involve a period of time between leaving education and beginning employment

Source: UCW calculations based on ILO School-to-Work Transition Surveys, Jordan and OPT.

**Figure 29. Active job search (i.e., unemployment) is the most common activity undertaken by youth with indirect transitions while relatively few benefit from apprenticeship or training**Transition activities undertaken by youth (percentage of youth with indirect transitions)<sup>(a)</sup>

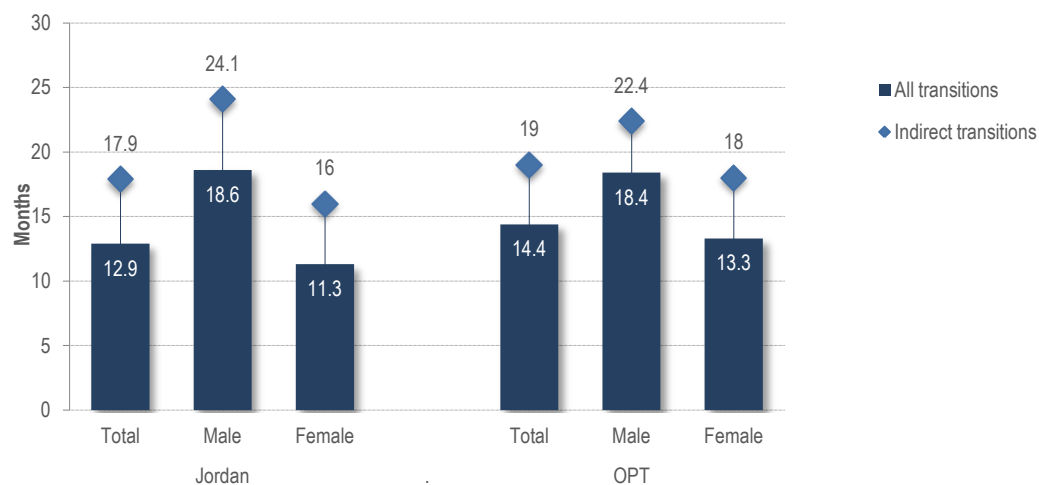
Notes: (a) Activities do not sum to 100 because some youth undertake more than one activity

Source: UCW calculations based on ILO School-to-Work Transition Surveys, Jordan and OPT.

**94. Young persons in Jordan and OPT take more than one year on average to secure a job after leaving school.** In both locations the average transition time for female is shorter than that for their male peers. In Jordan, the time difference is almost eight months and in OPT the difference is five months. These overall transition times, however, include those who transit directly from education to work without any intervening period. Average transition times when the calculation is restricted to those with indirect transitions are not surprisingly much longer – 18 months in Jordan and 19 months in OPT. In other words, if young persons do not find a job right away upon leaving education, they face a relatively prolonged period prior to securing a first job. The percentiles of transition time (in months) to first job for youth with non-direct transitions are reported in Annex Figure 1.

Figure 30. Young persons in Jordan and OPT take more than one year on average to secure a first job after leaving school

Average transition time (in months) to first job by country, all transited youth aged 15-29 years

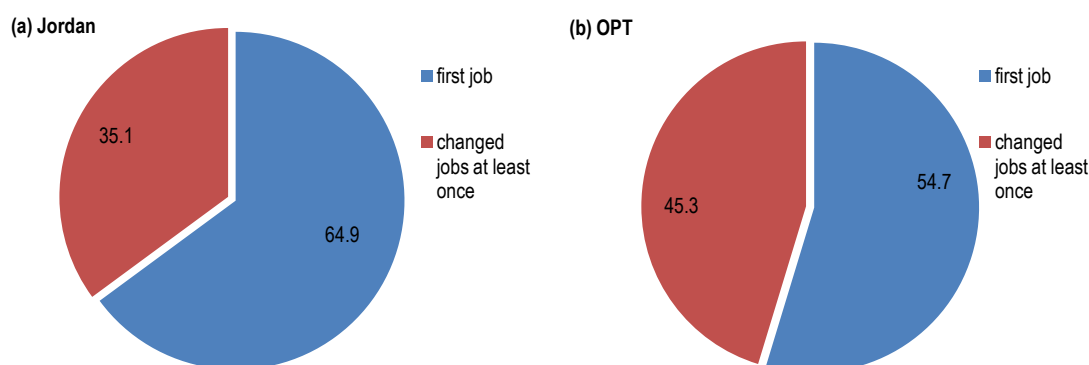


Source: UCW calculations based on ILO School-to-Work Transition Surveys, Jordan and OPT.

**95. The first job is only temporary for many young persons.** It is important to note in interpreting the above figures that while we have defined the end point of the transition as the first job, many young persons do not remain in this first job. Figure 31, which reports in the share of transited youth in their first job, illustrates this point. This figure shows that over one-third of transited youth in Jordan and almost half of the same group in OPT have changed job at least once. This could be interpreted both as a sign of job precariousness forcing youth to change jobs or as a sign of a flexible labour market permitting youth to change jobs in their search for their preferred work. More information is needed to understand which of these forces is most important in the two locations.

Figure 31. Many young persons do not remain in their first jobs

Share of transited youth who are still employed in their first job (youth population aged 15-29 years)



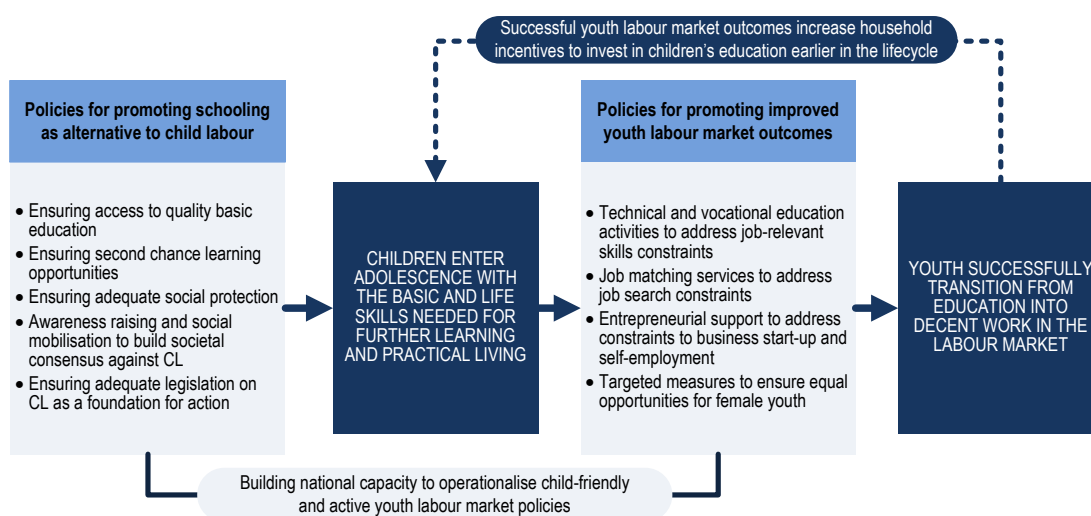
Source: UCW calculations based on ILO School-to-Work Transition Surveys, Jordan and OPT.

## 5. ACCELERATING ACTION AGAINST CHILD LABOUR AND YOUTH EMPLOYMENT CONCERNS

### 5.1 An integrated response

96. This chapter presents policy priorities for combating child labour and promoting youth employment in the Arab States, drawing on the empirical evidence presented in the previous chapters and on lessons learnt from past policy efforts. As noted at the outset of the report, child labour and youth employment are closely linked, underscoring the importance of addressing the two issues hand in hand, following a lifecycle approach.

Figure 32. An integrated response to child labour and youth employment problems



97. Figure 32 illustrates key components of an integrated response to child labour and youth employment concerns. A set of child-centred policies are needed to promote schooling as an alternative to child labour, and, following from this, to ensure that children enter adolescence with the basic and life skills needed for further learning and practical living. This foundation is turn crucial to the success of active labour market policies for promoting improved youth employment outcomes, and to ensuring that youth successfully transition from education into decent work in the labour market. This causal chain can also work in the opposite direction: successful youth labour market outcomes can increase household incentives to invest in children's education earlier in the lifecycle.

98. Specific policy priorities for responding to child labour and responding to youth labour market concerns are discussed in the next two sections of this chapter.

### 5.2 Responding to child labour

99. The results presented in Chapter 3 of this Report indicate that child labour, while not high relative to the global average, remains an important policy concern in the Arab states. Many of those Arab children in child labour must log very long working hours each week, increasing their exposure to workplace hazards and reducing their time for other activities. Another important concern is the adverse impact of child labour on Arab children's education and therefore on their future prospects. Children in employment are much less likely to attend school than their non-working peers, underscoring the barrier that child labour poses to the goals of universal

primary enrolment and Education For All. What is more, those child labourers that do manage to attend school lag behind their non-working counterparts in terms of grade progression, an indication in part of poorer school performance.

100. Child labour therefore continues to require policy attention in the Arab States. Evidence from The Arab States and elsewhere<sup>25</sup> suggests the following pillars are of particular importance as part of an integrated response – basic education, second chance learning, social protection, awareness raising and advocacy and capacity building – while improved child labour legislation is needed as a foundation for an integrated policy response.

### Improving school access and quality

101. There is broad consensus that the single most effective way to stem the flow of school age children into work is to extend and improve schooling, so that families have the opportunity to invest in their children's education and it is worthwhile for them to do so. School attendance needs to be made an attractive prospect for children and parents both by addressing the costs of school attendance and by ensuring that schooling is inclusive and relevant. The empirical results presented in this Report indicate that Arab working children are less likely to be attending school, and, if enrolled, are more likely to lag behind their non-working counterparts and to drop-out prematurely. These results underscore the need to address the school access and quality issues influencing parents' decisions to enrol and keep their children in school rather than sending them to work prematurely.

102. We saw earlier that the share of children in the primary school age range who are out of school is still high in Yemen and Iraq. This underscores the importance of continued efforts towards school expansion using needs-based criteria to ensure that the most disadvantaged and under-served groups are reached. Out-of-pocket costs also can be an important access barrier, pointing to the need for measures such as the provision of educational materials (e.g., exercise books, pencils and uniforms) for free or at subsidized rates and for those who cannot afford them and the elimination of all formal and unofficial school fees.

103. A growing body of evidence<sup>26</sup> also indicates that incentive schemes that provide cash or in-kind subsidies to poor families conditional on school attendance offer another promising route to extending participation in school, although such programmes remain in their infancy in the Arab region. These schemes can increase schooling directly by providing poor families with additional resources as well as indirectly by compensating parents for the foregone economic product from their children's labour and thus reducing child work. The benefits of providing free school meals each day are also well-documented,<sup>27</sup> both as an incentive to keeping children in school and as a means of ensuring are able to benefit fully from their time in the classroom.

104. Access to schooling matters but in many Arab states it is only a part of the answer. There is also general need to improve school quality in order that schooling is seen by parents as a worthwhile alternative to child labour. At present, schooling

<sup>25</sup> For a complete discussion of evidence relating to policy responses to child labour, see: UCW Programme, *Child labour: trends, challenges and policy responses – Joining Forces Against Child Labour*. Inter-agency report for The Hague Global Child Labour Conference of 2010, May 2010.

<sup>26</sup> See, for example, de Hoop, Jacobus and Rosati, Furio, *The complex effects of public policy on child labour*. UCW Working Paper, Rome 2013.

<sup>27</sup> See, for example, Edström et al. (2008), Ahmed (2002), Lazamaniah et al. (1999), Simeon et al. (1989), Jacoby et al. (1996), as cited in World Food Programme (2009). *WFP School Feeding Policy. Policy Issues*. Executive Board, Second Regular Session, Rome, 9–13 November 2009 (doc. WFP/EB.2/2009/4-A).

standards vary considerably across and within the Arab States and quality is undermined by factors such as incomplete school buildings, teacher shortages, inconsistent teaching standards and poor curriculum relevance. There is an overarching need for inclusive education strategies, including girl- and child-friendly schools, which are adaptive to and supportive of the differing learning needs of children. There is also a need to continue and intensify on-going curriculum reform efforts aimed at ensuring that schooling is relevant and provides an appropriate foundation for higher level learning and skills acquisition. The promotion of good quality education also means the absence of bullying and corporal punishment, and the introduction of methods of learning that encourage questioning and children's participation rather than learning by rote.

### Providing second chance learning opportunities

105. "Second chance" policies are needed to reach former working children and other out-of-school children with educational opportunities as part of broader efforts towards their social reintegration. They are critical to avoiding large numbers of children entering adulthood in a disadvantaged position, permanently harmed by early work experiences. Children with little or no schooling will be in a weak position in the labour market, at much greater risk of joining the ranks of the unemployed and the poor. If left alone, these children and youth are likely to be in need of other (more costly) remediation policies at a later stage of their life cycle. Second chance programmes are based on the premise that working children are often difficult to insert directly (back) into the formal education system because of their age, different life experiences and lack of familiarity with the school environment. Second chance education programmes offer out-of-school children a "bridge" to successful integration or (re-integration) in the formal school classroom.

106. Empirical evidence presented above on educational attainment indicates that such policies are particularly relevant in Yemen and Iraq, where many students leave the system prior to the end of the compulsory education cycle and many of those out of school lack the minimum amount of school time considered by UNESCO as necessary for acquiring basic literacy skills. Programming experience elsewhere points to two main options for reaching disadvantaged, out-of-school children with opportunities to ease their transition back to the formal school system: *mainstreaming*, providing returning children with special remedial support within the regular classroom context; and "bridging" education, involving separate intensive courses, delivered within or outside the formal school system, designed to raise academic proficiency prior to returning to the regular classroom.

### Expanding social protection

107. The importance of social protection to the fight against child labour has been well established. Social protection makes it less likely that families have to pull their children out of school and send them to work as a coping strategy when faced with economic vulnerability or shocks. At present, social protection coverage is concentrated primarily among workers in the formal sector; the large number of people working in the informal sectors of the economy generally have very limited coverage. At the same time, social and economic risks in region are growing, owing to demographic trends, political instability, governance challenges, globalisation and a range of other factors.

108. In this context, establishing adequate social protection floors (SPFs) constitutes a critical priority, both for child labour elimination efforts and for broader poverty reduction and social development goals. The ILO Social Protection Floors



Recommendation (No. 202) of 2012 provides a key framework for efforts in this regard. The Recommendation sets out that SPFs should contain basic social security guarantees that ensure that all in need can afford and have access to essential health care and have income security at least at a nationally defined minimum level over the life cycle.<sup>28</sup> A wide range of policy measures are relevant to expanding SPFs, including conditional and unconditional cash transfers, public employment schemes, schemes, family allowances, school feeding schemes, social health insurance, unemployment protection and old age pensions.<sup>29</sup>

### **Awareness raising and social mobilisation**

109. Awareness raising and social mobilisation is needed to build a broad-based consensus for change to engage civil society and social partners in achieving change. Child labour is a clear example in which both social norms and economic considerations are important, and strategic communication efforts need to be designed with this in mind. Households require information concerning the costs or dangers of child labour and benefits of schooling in order to make informed decisions on their children's time allocation. Cultural attitudes and perceptions can also direct household decisions concerning children's schooling and child labour, and therefore should also be targeted in strategic communication efforts.

110. Communication efforts are needed at both national and local levels. A mix of conventional (e.g., radio, television and print media) as well as of non-conventional communication channels (e.g., religious leaders, school teachers, health care workers, chiefs and other opinion-formers) is important in order to achieve maximum outreach. Additional baseline information on local knowledge and cultural attitudes towards child labour is needed to tailor communication messages, and to evaluate changes in awareness and attitudes following communication activities. Providing information on national child labour legislation, presented in terms that are understandable to the populations and communities concerned, is a third communication priority.

111. Achieving sustainable reductions in child labour requires social consensus well beyond the level of the household. Policy responses to child labour are also unlikely to be effective in the absence of the active participation of civil society and of social partners in implementing them. Similarly, laws to protect children from child labour are unlikely to be effective if they are not backed by broad social consensus. Building on efforts being undertaken with support from ILO-IPEC, UNICEF and other groups, religious organizations, educational institutions, teachers' organisations, NGOs, the mass media, community-based organizations, trade unions, employers' organizations and numerous other groups need to be actively engaged in the societal effort against child labour.

### **Strengthening legislative and policy frameworks.**

112. Achieving sustainable reductions in child labour requires a supportive policy and legislative environment which is in line with international standards and effectively mainstreamed into national development plans and programmes. This has the important effect of signalling national intent to eliminate child labour and

<sup>28</sup> ILO, 2011. *Resolution and conclusions concerning the recurrent discussion on social protection (social security)*, International Labour Conference, 100th Session, Geneva, 2011, in Record of Proceedings (Geneva, 2011), No. 24: Report of the Committee for the Recurrent Discussion on Social Protection.2011b, paras. 4 and 5.

<sup>29</sup> For a detailed discussion of this point, see *World report on child labour: Economic vulnerability, social protection and the fight against child labour* / International Labour Office. - Geneva: ILO, 2013. ISBN 978-92-2-126234-3 (print); 978-92-2-126235-0 (web pdf).

providing a framework in which this can be achieved. The Arab States have ratified ILO Convention No. 182 (Worst Forms) and Convention No. 138 (Minimum Age). The critical next step on the legislative front is to ensure that these Conventions are effectively domesticated into national legislation.

113. The effectiveness of legislation in protecting children from child labour also depends on mechanisms for monitoring and enforcing laws. National capacity to monitor formal workplaces is generally limited in the Arab States, and the informal sector of the economy is largely outside formal inspection regimes. Formal systems for labour inspection and child labour follow-up therefore need to be strengthened, but given resource constraints it will likely continue to be difficult for the formal system alone to be effective in protecting children from workplace violations. This points to an important potential role of community monitoring systems, whereby labour officers join hands with other organisations (e.g., community volunteers, religious leaders, women and youth groups, teachers, workers, employers, local leaders and district staff) to form broad-based child labour monitoring systems at the local level.

#### **Building institutional capacity**

114. Building institutional capacity to ensure that policy and legislative frameworks are effectively operationalised is another important priority in the Arab States. Institutions require strengthening in a number of areas, including using data for strategic planning, policy and programme design, programme monitoring and evaluation, and the mainstreaming of child labour in broader development plans, budgets and programmes. As child labour is a cross-sectoral issue, requiring close collaboration across a range of government bodies, the clearer delineation of roles and the strengthening of coordination and information-sharing is also critical to the effective functioning of government institutions and their social partners in efforts combating child labour. Currently, assistance in the child labour field is often highly fragmented, with a large number of actors operating with little or no coordination or linkages. This leads to overlaps in assistance in some areas and to gaps in assistance in other priority areas.

### **5.3 Responding to youth employment challenges**

115. The results presented in Chapter 4 of this report highlighted the challenges faced by young people entering the labour market. The youth unemployment rate in the region is the highest in the world, and almost four times higher than that for adult workers. At the same time, youth labour force participation is lowest in the world, and a large share of youth are not in education, employment or training (NEET) and therefore at risk of social marginalisation. Many of those with employment must suffice with low-quality, informal sector jobs without written contracts and the benefits associated with them. While youth literacy rates are high, feedback from employers suggest that youth lack job-relevant skills. The best-educated Arab youth appear to have the greatest difficulties securing work, undoubtedly affecting incentives to continue in education. These findings point to the urgent need for active labour market policies designed to improve labour market outcomes for young people.

#### **Promote skills development**

116. In addition to the need to improve the quality and relevance of basic education (see above), there is a strong need for continued investment technical vocational

education and training (TVET) systems to effectively meet the skills requirements of Arab young people. Firms interviewed as part of the World Bank Enterprise Survey programme in Syria, Lebanon, Jordan and Iraq all point to inadequate skills levels as a major constraint to growth. Current TVET systems are hampered by inadequate resources to provide the training most in demand by the labour market. At the same time, the World Bank Enterprise Survey programme results indicate that few firms themselves offer formal training to their workers.

117. This situation points to need for continued efforts in a number of areas within the framework of on-going efforts in the Arab States. Priorities better national coordination in policy design for vocational training and greater participation of industry in policy and planning. There is a general need for greater focus on the informal sector, where a large share of young workers are concentrated. Competency-based skills recognition standards are also needed to make labour markets more transparent and skills more portable. Another priority is promoting job-placement, volunteer schemes and or internships offering youth hands-on means to acquire work-related competencies and increase their employability. This in turn underscores the importance of expanded public-private-partnerships between training institutions, employers and government.

#### **Job search support**

118. A difficult transition to the labour market in the Arab States is partly the result of the lack of both labour market information and job search skills. At present, there are not enough formal mechanisms linking young job seekers with matching labour market with employers with job openings, leading to an over-reliance on informal networks and family contacts to search for jobs. There is a need for close public-private partnership in developing employment services programmes providing job search information to young people.

119. It will be important to ensure that at-risk youth are able to access these employment services programmes. This can be difficult because most at-risk youth live in either marginal urban or rural areas, while most employment services are offered in more central locations. One general criticism of employment services programmes has been that those who benefit from the programmes are typically more qualified and connected to begin with and therefore more likely to become employed. This points to the importance of targeting job search support to disadvantaged young people most in need.

120. Better preparation of school-leavers for labour market entry is also critical to facilitating the job matching process and reducing the period of unemployment, thereby easing the school to work transition. Labour market information and gender sensitive career guidance should be offered in this context to in-school youth through the education and training system and to young jobseekers through the media. This in turn requires efforts on the part of the education ministries and other relevant bodies to strengthen in-school career guidance services.

#### **Promoting youth entrepreneurship and self-employment**

121. Promoting youth entrepreneurship represents an important demand-side strategy for expanding youth employment opportunities and improving employment outcomes for the large number of Arab youth currently unemployed or underemployed. A number of policy measures are relevant to expanding entrepreneurial opportunities for young people in the Arab States.

122. Expanding access to credit is perhaps most important in this context. A major stumbling block for young entrepreneurs is the lack of access to credit and seed funding, since young people lack the collateral that banks require for a loan and are considered a high-risk group. This underscores the need to develop specialised lending instruments in order to facilitate the access to finance for young entrepreneurs (e.g., grants, soft loans, and support activities in improving the quality of loan requests). Promoting a culture of entrepreneurialism among young people is also important. Entrepreneurship is often considered a last resort (and only out of necessity).

123. Expanding access to effective business advisory and support services, and the capacity to deliver them, is another critical element in promoting youth entrepreneurship. Isolation and lack of support are problems many young women and men entrepreneurs experience. Relevant support services for young entrepreneurs include work space or business incubators services; mentoring and business coaching; on-the-job training and workshops focusing on start-up issues; and youth chambers of commerce. The formation of self-help groups and membership-based organizations, including cooperatives, by young people would also allow for better access to supplies, credit and market information

#### **Ensuring equal opportunities for female youth in the labour market**

124. Female youth continue to suffer from fewer opportunities in the labour market in the Arab States. The labour market participation of female youth lags significantly behind that of their male counterparts, while the share of female youth that is inactive and not in education much higher than that of male youth, both pointing to importance of gender as a factor in determining the labour market outcomes of young Arab youth. Young women are also confined to a narrower range of occupational opportunities than men and tend to be crowded into the informal economy.

125. Underlying this situation are perceptions of appropriate gender roles, and of the division of responsibilities between men and women, which remain deeply rooted in many segments of society and continue to influence women's position and opportunities in the work force. Young women's opportunities to plan a career are severely limited when they are expected to quit their work after marriage or after the birth of the first child. In many cases traditional attitudes and perceptions cut short women opportunities to gain their own income. Thus, young women face serious disadvantages already from the start of the transition to the work force.

126. The disadvantaged position of female youth in the labour market underscores the need for continued efforts ensuring towards equal opportunities and treatment of young women and men in education, employment and societal affairs. To ensure that female youth benefit from equal opportunities to enter and succeed in the labour market, particular policy priorities include ensuring gender sensitivity throughout the education/training system and in career guidance services; communication campaigns aimed at changing traditional perceptions of gender roles; and reviewing laws and practices to eliminate discrimination of women in the labour market

## ADDITIONAL STATISTICS

Table A1. Decomposition of population, persons aged 15-24 years, by country

	Decomposition of labour force (% population)						
	Inactive			Active			Total
				Employed		Unemployed	
	Discouraged worker <sup>(a)</sup>	Student	Other inactive	Student <sup>(b)</sup>	Not student		
Iraq	1.5	35.4	32.8	1.4	23.2	5.6	100
Jordan	2.2	49.1	20.2	1.4	21.5	5.5	100
OPT	-	50.9	18.1	4.0	14.1	12.9	100
Yemen	1.3	24.9	30.5	8.0	32.4	2.4	100

Notes: (a) Discouraged workers are defined as those who are not working, report to not looking for a work because they feel discouraged about their prospects for success, but would accept a job if offered.

Source: UCW calculations based on national household surveys (see Table 1).

Table A2. Aggregate labour market indicators, persons aged 15-24 years, by residence and sex

Population category		Labour mkt. participation (% pop.)	Education participation (% pop.)	Inactive and out of education (% pop.)	NEET <sup>(a)</sup> (% pop.)	Employment rate (% active)	Unemployment rate (% active)	Relaxed unemployment rate <sup>(b)</sup> (% expanded active)
Iraq	Urban	27.1	42.8	32.0	37.1	79.5	20.5	25.7
	Rural	37.4	25.6	38.6	43.9	84.8	15.2	18.0
	Male	51.1	43.2	8.8	16.8	82.9	17.1	20.2
	Female	8.2	31.4	60.9	62.9	72.3	27.7	38.1
	Total	30.3	37.5	34.1	39.2	81.5	18.5	22.8
Jordan	Urban	27.9	51.1	22.6	27.6	81.1	18.9	25.6
	Rural	31.5	49.9	20.9	27.3	78.8	21.2	30.7
	Male	43.1	49.9	9.8	16.2	83.8	16.2	20.7
	Female	12.1	52.0	36.5	40.3	67.7	32.3	46.5
	Total	28.5	50.9	22.3	27.6	80.6	19.4	26.6
OPT	Urban	17.8	56.7	19.0	32.3	57.2	42.8	56.3
	Rural	19.5	62.9	13.4	24.4	63.9	36.1	48.9
	Male	32.0	52.1	7.8	27.4	62.0	38.0	46.2
	Female	4.3	63.3	28.2	34.5	40.7	59.3	79.7
	Total	18.1	57.7	18.1	31.0	58.3	41.7	55.1
Yemen	Urban	30.3	43.4	32.9	36.1	87.6	12.4	20.4
	Rural	48.6	30.0	31.0	32.7	96.3	3.7	6.0
	Male	60.8	42.4	10.1	13.5	93.6	6.4	9.5
	Female	24.7	24.8	54.6	55.2	97.1	2.9	7.9
	Total	43.3	33.9	31.6	33.7	94.6	5.4	9.0

Notes: (a) NEET refers to youth who are not in education or employment. It is a measure that therefore reflects both youth who are inactive and out of education as well as youth who are unemployed; (b) Relaxed unemployment considers both unemployed workers and other individuals who are not working but are available for work. It therefore "relaxes" the "actively searching for work" criteria that is required for the strict definition of unemployment. The relaxed unemployment rate is the sum of unemployed workers and non-working individuals available for work, expressed as a percentage of the expanded active population. The expanded active population, in turn, comprises non-working individuals available to work and the active population.

Source: UCW calculations based on national household surveys (see Table 1).

Table A3. Decomposition of population, persons aged 15-24 years, by residence and sex

		Decomposition of labour force (% population)						Total
		Inactive			Active		Unemployed (c)	
					Employed			
		Discouraged worker(a)	Student	Other inactive	Student(b)	Not student		
Iraq	Urban	1.6	40.7	30.6	1.4	20.0	5.6	100
	Rural	1.1	23.9	37.5	1.2	30.4	5.7	100
	Male	1.7	39.8	7.3	2.3	39.9	8.7	100
	Female	1.2	30.8	59.8	0.3	5.6	2.3	100
Jordan	Urban	2.0	49.4	20.7	1.3	21.3	5.3	100
	Rural	3.3	47.5	17.7	2.0	22.8	6.7	100
	Male	2.1	47	7.8	2.3	33.9	7.0	100
	Female	2.4	51.4	34.1	0.5	7.7	3.9	100
OPT	Urban	-	49.9	19.0	3.9	13.9	13.3	100
	Rural	-	56.2	13.4	4.3	15.2	11.0	100
	Male	-	40.6	7.8	6.9	25.1	19.6	100
	Female	-	61.2	28.2	1.1	3.2	6.3	100
Yemen	Urban	2.2	36.2	31.3	5.6	20.5	3.8	100
	Rural	0.9	20.3	30.2	8.9	37.2	1.8	100
	Male	1.5	28.9	8.8	12.2	43.8	3.9	100
	Female	1.0	20.5	53.8	3.5	20.1	0.7	100

Notes: (a) Discouraged workers are defined as those who are not working, report to not looking for a work because they feel discouraged about their prospects for success, but would accept a job if offered.

Source: UCW calculations based on national household surveys (see Table 1).

Table A4. Decomposition of population, persons aged 15-24 years, by age

		Decomposition of labour force (% population)						Total
		Inactive			Active			
					Employed			
		Discouraged worker <sup>(a)</sup>	Student	Other inactive	Student <sup>(b)</sup>	Not student		
Iraq	15	1.4	61.8	24.2	0.7	9.2	2.6	100
	16	1.4	51.5	30.1	1.6	12.0	3.4	100
	17	1.4	49.2	28.3	1.1	16.1	3.9	100
	18	1.6	40.1	31.1	1.5	20.4	5.1	100
	19	1.4	35.8	32.9	1.3	23.2	5.4	100
	20	1.0	29.6	33.9	1.7	27.1	6.5	100
	21	1.4	26.9	35.4	2.0	27.0	7.2	100
	22	1.5	19.5	38.4	1.4	31.7	7.3	100
	23	1.7	13.5	38.1	1.0	36.8	8.6	100
	24	2.1	9.3	40.3	1.3	39.0	7.9	100
Jordan	15	0.2	89.6	5.4	1.6	2.6	0.7	100
	16	0.5	83.9	8.7	1.4	4.3	1.2	100
	17	0.9	79.0	11.0	1.6	5.5	2.0	100
	18	2.1	55.5	26.0	1.1	11.1	4.4	100
	19	2.6	51.1	22.7	1.2	16.4	6.1	100
	20	3.1	43.8	22.0	1.5	23.5	6.1	100
	21	1.6	38.7	23.7	1.7	28.2	6.3	100
	22	3.6	20.6	27.4	1.3	36.3	10.8	100
	23	4.7	12.4	26.4	1.5	44.8	10.2	100
	24	3.6	6.7	31.0	1.6	48.4	8.7	100
OPT	15	-	85.6	5.4	5.6	1.3	2.1	100
	16	-	81.5	4.4	3.5	4.4	6.2	100
	17	-	73.3	10.1	4.3	5.2	7.1	100
	18	-	56.9	15.6	2.9	10.1	14.5	100
	19	-	49.6	19.2	4.6	12.8	13.8	100
	20	-	43.1	24.5	3.9	14.9	13.6	100
	21	-	36.6	21.2	3.3	23.0	16.0	100
	22	-	27.0	28.9	4.2	20.0	20.0	100
	23	-	18.0	26.1	2.8	33.2	19.9	100
	24	-	11.8	35.1	4.4	26.3	22.4	100

Notes: (a) Discouraged workers are defined as those who are not working, report to not looking for a work because they feel discouraged about their prospects for success, but would accept a job if offered.

Source: UCW calculations based on national household surveys (see Table 1).

Table A5. Decomposition of population, persons aged 15-24 years, by age

		Decomposition of labour force (% population)						Total
		Inactive			Active			
					Employed		Unemployed	
		Discouraged worker <sup>(a)</sup>	Student	Other inactive	Student <sup>(b)</sup>	Not student		
Jordan	15	0.2	89.6	5.4	1.6	2.6	0.7	100
	16	0.5	83.9	8.7	1.4	4.3	1.2	100
	17	0.9	79.0	11.0	1.6	5.5	2.0	100
	18	2.1	55.5	26.0	1.1	11.1	4.4	100
	19	2.6	51.1	22.7	1.2	16.4	6.1	100
	20	3.1	43.8	22.0	1.5	23.5	6.1	100
	21	1.6	38.7	23.7	1.7	28.2	6.3	100
	22	3.6	20.6	27.4	1.3	36.3	10.8	100
	23	4.7	12.4	26.4	1.5	44.8	10.2	100
	24	3.6	6.7	31.0	1.6	48.4	8.7	100
OPT	15	-	85.6	5.4	5.6	1.3	2.1	100
	16	-	81.5	4.4	3.5	4.4	6.2	100
	17	-	73.3	10.1	4.3	5.2	7.1	100
	18	-	56.9	15.6	2.9	10.1	14.5	100
	19	-	49.6	19.2	4.6	12.8	13.8	100
	20	-	43.1	24.5	3.9	14.9	13.6	100
	21	-	36.6	21.2	3.3	23.0	16.0	100
	22	-	27.0	28.9	4.2	20.0	20.0	100
	23	-	18.0	26.1	2.8	33.2	19.9	100
	24	-	11.8	35.1	4.4	26.3	22.4	100

Notes: (a) Discouraged workers are defined as those who are not working, report to not looking for a work because they feel discouraged about their prospects for success, but would accept a job if offered.

Source: UCW calculations based on national household surveys (see Table 1).



**Table A6. Inactive and out of education, young persons aged 15-24 years, by education attainment, sex and residence**

		No schooling	Read and write	Primary	Secondary	Higher	Total
Iraq	Urban	22.5	26.2	33.1	11.1	7.1	100
	Rural	38.3	26.7	30.5	3.1	1.4	100
	Male	27.8	25.4	34.0	7.2	5.8	100
	Female	28.1	26.5	31.9	8.4	5.0	100
	Total	28.1	26.4	32.2	8.3	5.1	100
Jordan	Urban	3.0	-	33.5	46.5	17.0	100
	Rural	5.2	-	30.9	47.1	16.8	100
	Male	5.4	-	37.1	45.9	11.7	100
	Female	2.5	-	31.3	46.9	19.3	100
	Total	3.4	-	33.1	46.6	16.9	100
OPT	Urban	22.9	-	37.5	25.5	14.0	100
	Rural	25.4	-	43.5	16.6	14.5	100
	Male	37.6	-	41.0	11.7	9.7	100
	Female	19.3	-	37.5	27.9	15.3	100
	Total	23.2	-	38.27	24.43	14.1	100
Yemen	Urban	53.6	-	19.4	25.3	1.7	100
	Rural	81.2	-	8.9	9.2	0.7	100
	Male	56.0	-	17.0	25.4	1.7	100
	Female	76.3	-	11.0	11.8	0.9	100
	Total	72.9	-	12.0	14.1	1.0	100

Source: UCW calculations based on national household surveys (see Table 1).

**Table A7. Unemployment duration, young persons aged 15-24 years, by sex, residence and income quintile**

		Less than 1 month	1-3 months <sup>(a)</sup>	3-6 months	6-12 months	1-2 years	2+ years	Total
Iraq	Male	-	17.1	11.9	23.1	34.4	13.6	100
	Female	-	15.5	11.5	24.2	40.5	8.4	100
	Rural	-	16.1	8.0	22.7	38.7	14.5	100
	Urban	-	17.1	13.5	23.6	34.2	11.7	100
Jordan	Male	16.7	15.5	15.4	16.6	9.9	25.9	100
	Female	17.9	11.0	10.6	30.7	7.6	22.2	100
	Urban	16.5	15.7	14.3	19.9	8.4	25.2	100
	Rural	19.3	7.9	12.1	26.4	11.6	22.8	100

Source: UCW calculations based on national household surveys (see Table 1).

Table A8. Relaxed unemployment rate,<sup>(a)</sup> young persons aged 15-24 years, by country

	Sex		Residence		Age range		Migrant status		Income quintile		Total
	Male	Female	Rural	Urban	15-19	20-24	Migrant	Non-migrant	Lowest	Highest	
Iraq	20.2	38.1	18.0	25.7	24.8	21.5	26.1	22.7	-	-	22.8
Jordan	20.7	46.5	30.7	25.6	32.6	24.9					26.6
OPT	46.2	79.7	48.9	56.3	59.6	52.6					55.1
Yemen	9.5	7.9	6.0	20.4	7.7	10.4					9.0

Notes: (a) Relaxed unemployment considers both unemployed workers and other individuals who are not working but are available for work. It therefore "relaxes" the "actively searching for work" criteria that is required for the strict definition of unemployment. The relaxed unemployment rate is the sum of unemployed workers and non-working individuals available for work, expressed as a percentage of the expanded active population. The expanded active population, in turn, comprises non-working individuals available to work and the active population.

Source: UCW calculations based on national household surveys (see Table 1).

Table A9. NEET status, young persons aged 15-24 years, by country

	Sex		Residence		Age range		Total
	Male	Female	Urban	Rural	15-19	20-24	
Iraq	16.8	62.9	37.1	43.9	34.1	45.3	39.2
Jordan	16.2	40.3	27.6	27.3	18.3	37.1	27.6
OPT	27.4	34.5	32.3	24.4	19.6	44.3	31.0
Yemen					26.0	43.2	33.7

Source: UCW calculations based on national household surveys (see Table 1).

Table A10. Sector of employment, 15-24 years age group, by sex, residence and country

		Agriculture	Manufacturing	Services	Commerce	Other	Total
Iraq	Male	13.7	6.4	30.3	14.2	35.4	100
	Female	72.8	1.5	21.0	2.3	2.4	100
	Urban	2.5	7.9	35.7	18.5	35.4	100
	Rural	45.2	2.9	20.4	5.0	26.5	100
Jordan	Male	4.9	14.3	51.6	18.3	10.9	100
	Female	6.7	8.7	76.6	6.5	1.7	100
	Urban	3.5	14.7	51.9	19.0	10.9	100
	Rural	12.4	7.5	72.2	5.1	2.9	100
OPT	Male	9.5	15.9	22.7	30.5	21.5	100
	Female	8.5	6.3	71.1	14.2	0.0	100
	Urban	7.7	13.9	30.6	30.7	17.1	100
	Rural	16.8	18.9	19.0	18.3	27.0	100
Yemen	Male	40.9	5.9	20.5	21.5	11.1	100
	Female	51.4	3.5	42.8	2.1	0.2	100
	Urban	17.2	12.1	31.8	29.5	9.4	100
	Rural	50	3.7	25.7	13	7.7	100

Source: UCW calculations based on national household surveys (see Table 1).

Table A11. Status in employment, 15-24 years age group, by sex, residence and country

		Non-wage family	Wage	Self	Other	Total
Iraq	Male	13.8	64.3	21.4	0.5	100
	Female	64.6	28.6	6.8	0.0	100
	Urban	7.1	70.8	21.5	0.7	100
	Rural	38.3	44.5	17.1	0.1	100
Jordan	Male	5.0	89.9	5.0	-	100
	Female	5.2	93.6	1.3	-	100
	Urban	4.5	90.6	4.8	-	100
	Rural	7.3	90.3	2.5	-	100
OPT	Male	13.5	79.8	6.7	-	100
	Female	13.9	81.5	4.7	-	100
	Urban	12.1	80.7	7.2	-	100
	Rural	20.2	76.8	3.0	-	100
Yemen	Male	34.7	47.8	17.5	-	100
	Female	88.7	5.6	5.7	-	100
	Urban	25.1	51.1	23.8	-	100
	Rural	55.7	32.5	11.9	-	100

Source: UCW calculations based on national household surveys (see Table 1).

Table A12. Employment formality, 15-24 years age group, by sex, residence and country

		Formal	Non-formal	Total
Iraq	Male	34.2	65.8	100
	Female	19.5	80.5	100
	Urban	36.8	63.2	100
	Rural	26.5	73.5	100
	Total	32.6	67.4	100
Jordan	Male	56.4	43.6	100
	Female	77.9	22.1	100
	Urban	55.8	44.2	100
	Rural	77.3	22.7	100
	15-19	31.5	68.5	100
OPT	Male	-	-	-
	Female	-	-	-
	Urban	-	-	-
	Rural	-	-	-
	Total	-	-	-
Yemen	Male	74.8	25.3	100
	Female	92.9	7.1	100
	Urban	67.8	32.2	100
	Rural	82.6	17.4	100
	Total	79.9	20.1	100

Source: UCW calculations based on national household surveys (see Table 1).

Table A13. Possession of a written contract, 15-24 years age group, by sex, residence and country

		Yes	No	Total
Iraq	Male	30.5	69.5	100
	Female	76.3	23.7	100
	Rural	31.8	68.2	100
	Urban	33.5	66.6	100
	Migrant	36.9	63.1	100
	Non-migrant	32.9	67.1	100
	Total	33.0	67.0	100
Jordan	Male	96.3	3.7	100
	Female	65.2	34.8	100
	Urban	89.6	10.4	100
	Rural	96.4	3.6	100
	15-19	94.7	5.3	100
	20-24	90.1	9.9	100
OPT	Male	12.5	87.5	100
	Female	49.5	50.5	100
	Rural	17.0	83.0	100
	Urban	17.0	83.0	100
	Total	17.0	83.0	100
Yemen	Male	47.2	52.8	100
	Female	33.6	66.4	100
	Rural	43.8	56.2	100
	Urban	47.7	52.3	100
	15-19	51.9	48.1	100
	20-24	43.6	56.4	100
	Total	46.6	53.4	100

Source: UCW calculations based on national household surveys (see Table 1).

**Table A14. Education attainment, 15-24 years age group, by sex, residence and country**

		No education	Primary or less	Secondary	Higher	Total
Iraq	Male	19.5	64.6	8.6	7.4	100
	Female	27.9	56.2	7.8	8.2	
	Total	23.9	60.0	8.2	7.9	
Jordan	Male	2.7	36.3	46.7	14.4	100
	Female	2.4	30.7	43.0	24.0	100
	Total	2.5	33.7	45.0	18.8	100
OPT	Male	27.9	39.7	19.1	13.3	100
	Female	16.1	32.6	24.5	26.7	100
	Total	22.7	36.6	21.5	19.2	100
Yemen	Male	56.8	19.7	21.4	2.2	100
	Female	78.2	9.8	10.6	1.4	100
	Total	68.6	14.2	15.5	1.7	100

Source: UCW calculations based on national household surveys (see Table 1).

**Table A15. Unemployment rate, 15-24 years age group, by educational attainment, sex and residence**

		No education	Read and write	Primary or less	Secondary	Higher
Iraq	Male	15.6	15.8	16.0	14.7	28.3
	Female	9.7	11.0	15.2	54.8	53.5
	Rural	13.1	13.5	15.0	12.0	32.1
	Urban	16.6	16.7	16.5	18.1	39.5
	Total	14.5	15.3	16.0	16.7	38.2
Jordan	Male	9.8	-	16.4	15.2	18.2
	Female	0.0	-	11.8	30.7	42.9
	Rural	8.1	-	15.4	16.3	28.6
	Urban	7.9	-	18.3	18.2	35.3
	Total	8.0	-	15.8	16.8	29.8
OPT	Male	35.3	-	39.2	29.7	46.5
	Female	62.1	-	60.4	50.0	65.0
	Rural	39.6	-	41.0	34.1	55.2
	Urban	24.8	-	40.7	23.4	60.2
	Total	36.5	-	40.9	32.2	55.8
Yemen	Male	5.3	-	5.0	10.1	17.8
	Female	1.0	-	4.6	12.9	31.2
	Rural	3.1	-	2.9	6.7	13.5
	Urban	7.6	-	11.3	18.4	29.0
	Total	3.7	-	5.0	10.5	22.1

Source: UCW calculations based on national household surveys (see Table 1).

**Table A16. Sector of employment, 15-24 years age group, by educational attainment**

Iraq		No education	Read and write	Primary	Secondary	Higher
	Agriculture	38.6	22.5	15.0	7.6	7.2
	Manufacturing	4.2	6.6	5.9	6.1	3.8
	Services	15.4	22.4	32.4	40.8	65.2
	Commerce	7.5	11.5	14.1	20.9	11.3
	Other	34.3	37.0	32.6	24.6	12.5
	Total	100	100	100	100	100
Jordan	Agriculture	24.8	-	7.4	2.3	1.9
	Manufacturing	9.8	-	17.7	14.2	6.5
	Services	29.4	-	40.1	61.5	76.8
	Commerce	5.1	-	22.7	13.8	8.0
	Other	31.0	-	12.2	8.2	6.8
	Total	100	-	100	100	100
OPT	Agriculture	11.0	-	6.7	6.0	2.1
	Manufacturing	19.4	-	16.5	17.1	7.7
	Services	11.6	-	25.7	22.8	61.4
	Commerce	30.7	-	27.5	31.7	21.7
	Other	27.3	-	23.6	22.4	7.1
	Total	100	-	100	100	100
Yemen	Agriculture	45.4	-	30.0	26.4	16.7
	Manufacturing	4.8	-	6.6	6.8	6.1
	Services	28	-	27.7	34.1	55.8
	Commerce	13.4	-	21.9	22.1	18.7
	Other	8.3	-	13.8	10.7	2.8
	Total	100	-	100	100	100

Source: UCW calculations based on national household surveys (see Table 1).

**Table A17. Formality of employment, 15-24 years age group, by educational attainment**

Iraq		No education	Read and write	Primary	Secondary	Higher
	Formal	22.5	24.8	34.2	49.8	56.7
	Non-formal	77.5	75.2	65.8	50.2	43.3
	Total	100	100	100	100	100
Jordan	Formal	22.7	-	36.0	68.1	79.8
	Non-formal	77.3	-	64.0	31.9	20.2
	Total	100	-	100	100	100
Yemen	Formal	15.9	-	31.3	36.9	46.0
	Non-formal	84.1	-	68.7	63.1	54.0
	Total	100	-	100	100	100

Source: UCW calculations based on national household surveys (see Table 1).

**Table A18. Written contracts, 15-24 years age group, by educational attainment**

Iraq <sup>(a)</sup>		No education	Read and write	Primary or less	Secondary	Higher
	Written	16.7	21.2	33.1	46.7	78.2
	Non-written	83.3	78.8	67.0	53.3	21.8
	Total	100	100	100	100	100
OPT	Written	2.2	-	14.8	13.7	52.8
	Non-written	97.8	-	85.2	86.3	47.2
	Total	100	-	100	100	100

Notes: a) Only for employees.

Source: UCW calculations based on national household surveys (see Table 1).

**Table A19. Average earnings,<sup>(a)</sup> 15-24 years age group, by educational attainment, sex and residence**

		No education	Primary or less	Secondary	Higher
Jordan	Male	141	137	171	224
	Female	79	93	121	198
	Urban	138	131	163	217
	Rural	103	131	179	201
	Total	128	131	167	214
OPT	Male	1128	1437	2061	1306
	Female	3	757	723	4395
	Urban	1016	1407	1982	2810
	Rural	1384	1411	1830	1625
	Total	1102	1408	1953	2690
Yemen	Male	23968	28775	30969	35640
	Female	16268	13275	17582	23754
	Urban	22952	30449	30094	32427
	Rural	23707	27502	29999	31657
	Total	23542	28327	30032	32097

Note: (a) Country currency

Source: UCW calculations based on national household surveys (see Table 1).

Table A20. School to work transition points, by sex and residence

Background characteristic		Children ever in school <sup>(a)</sup>			Children never in school
		Beginning point of transition (average age of dropping out)	End point of transition (average age of entering into work for the first time)	Transition duration	Average age of entering into work for the first time
Iraq	Total	18.2	22.8	4.6	15.3
	Male	18.4	22.3	3.9	15.2
	Female	17.9	25.8	7.9	16.4
	Rural	17.4	20.6	3.2	14.9
	Urban	18.7	23.2	4.5	16.2
	Male/Urban	18.8	22.7	3.9	15.8
	Female/Urban	18.6	25.8	7.2	-
	Male/Rural	17.9	21.1	3.2	14.9
	Female/Rural	16.7	21.2	4.5	15.3
Jordan	Total	19	24	5	-
	Male	19	21	2	-
	Female	19	-	-	-
	Urban	20	24	4	
	Rural	18	23	5	
	Male/Urban				
	Female/Urban				
	Male/Rural				
	Female/Rural				
OPT	Total	19	20	1	
	Male	18	19	1	
	Female	19	22	3	
	Rural	19	20	1	
	Urban	19	20	1	
	Male/Urban	-	-	-	
	Female/Urban	-	-	-	
	Male/Rural	-	-	-	
	Female/Rural	-	-	-	
Yemen	Total	17.5	22.3	4.8	11.4
	Male	17.9	22.6	4.7	11.8
	Female	17.0	21.9	5.0	10.3
	Rural	17.9	22.9	5.1	11.7
	Urban	17.1	20.6	3.4	11.5
	Male/Urban	18.0	23.5	5.5	11.6
	Female/Urban	17.7	23.6	5.9	11.2
	Male/Rural	17.8	21.9	4.2	11.9
	Female/Rural	16.1	18.3	2.2	10.5

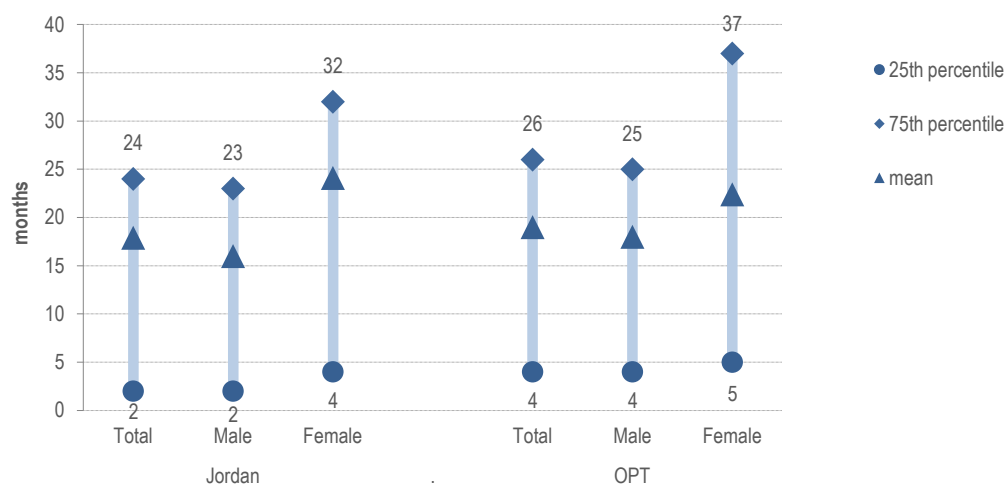
Notes: (a) Estimated probabilities calculated on the basis of the age at which work participation rate is at its maximum.

Source: UCW calculations based on Uganda Labour Force and Child Activities Survey (NLF&amp;CAS) 2011/2012.



**Figure A1. Percentiles of transition time (in months) to first job by country, non-direct transitions**

Percentiles computed on youth experiencing a non-direct transition and aged 15-29 years



Source: UCW calculations based on ILO School-to-Work Transition Surveys, Jordan and OPT.