

Chapter V

Youth Unemployment and Conceptual Framework for Continuing Development and Employment Opportunities for Non-engaged Youth

Introduction

1. To find solutions for the issue of non-engaged youth, the Commission considers it necessary to base its strategies and actions on a solid conceptual framework, and to design a mechanism to ensure the smooth execution and to monitor the outcomes of the related action plans.

2. The demographic and socio-economic characteristics of non-engaged youth highlighted in Chapter II show an urgent need to enhance the human capital of our young people through training and education. Moreover, there is an urgency to rebuild the social capital of these young people, especially their connectedness with families.

3. Preliminary findings of the needs assessment of non-engaged youth in Chapter III show that great efforts must be placed on prevention of risk behaviours of non-engaged youth. The indications are that they are willing to receive vocational training and on-job training and they are ready to accept the challenge of entering new job markets like sports, culture, recreation, and creative industries.

4. The following paragraphs analyse in detail the problem of youth employment from the education, economic, family and global perspectives.

Youth Unemployment – an Education Perspective

5. Hong Kong launched 9-year compulsory education in 1978. The first cohort is now still in their early 40's. Many who are in their late 30's are the first who enjoyed 9-year basic education, but did not manage to go further in the formal education system. They are vulnerable if they have not undergone further learning in one way or another, because most of them are in jobs that require more than basic literacy and numeracy that are warranted by 9-year compulsory education. The quality of formal education has been such that many who have finished 9-year compulsory education may not be equipped with the basic competence expected by the society. The years of schooling do not guarantee the level of students' knowledge attainment. This is further exemplified by the presence of non-engaged youth, who have finished Secondary 5, but are identified as academically unqualified for employment as well as for work.

6. In spite of the Education Reform, the education system in Hong Kong is still screening students and depriving some young people of the further opportunity for learning, thus aggravating the problem of youth unemployment. Apart from this, there is little evidence that learning in school and re-training efforts are effective. Nor can one establish the confidence that after-school learning could be effective.

7. The solution to the above may lie with learning. In accordance with what is needed in the community and to the long-term benefit of our population, language learning should be given top priority in all learning endeavours. There is an urgent need to focus learning in the system. This would entail:

- 7.1 special attention on learning, and language learning in particular, in the first few years of primary schools;
- 7.2 special effort to improve the language level of secondary school graduates, such that even for those who might be weak in overall academic study, there is a way to learn basic English as a means of further advancement; and
- 7.3 willingness and determination for universities to restore the use of English in their teaching, rather than relying too much on the “exit test”.

8. Professor Cheng has pointed out in his article “Unemployment : Is Education Helping” the blind spot of the existing education system: “Every year, the school system produces at least ten to twenty thousand young people who fail to produce any significant credential. They are not employable. Because of their poor examination results, they are often also deprived of further learning opportunities. Without such opportunities, they have to stay unemployed.” “The education system is legitimately screening and sifting people, such that a majority is seen as only fit for operative jobs. But there are only few jobs left in that category, and they are continuously disappearing. An even more severe crisis is yet to come.”

9. “Hong Kong’s education is still design in a selective ideology, and only a small 18% are given opportunities to formal university education. However, even with this small elite, early specialisation, overemphasis on “study”, inflexible learning paths and indulgence in indicators have all rendered higher learning restricted to the formal curriculum, sometimes aiming only at paper-pencil examinations.” “With few exceptions, students are given only limited opportunities to grow in the other human dimensions such as responsibilities, respects, emotions, values, principles and so forth that are so essential in the contemporary workplace.”

10. There is an urgent cry to follow through the education reform, recognizing that every child should be holistically equipped for life: including family life, work life and community life. In helping the children to know how to “learn” it is important to key in mind that they may have different strengths and weaknesses, according to the framework of “multiple intelligence”. A successful education system will affirm the students according to their strength, so that they can move forward in their learning path and eventually enter a productive career path.

Youth Unemployment – an Economic Perspective

11. Hong Kong is facing economic restructuring and is developing into a knowledge economy providing high value-added services to maintain competitiveness. High value-added services can generate low-end jobs, but the number may not be adequate for those aged 15 to 19 who are low-skilled and with lower education. According to the data of the Census and Statistics Department in 2001, 35.1% of the labour force aged 15 to 60 had an education level equivalent to just Form 3 or below. The mismatch of human resources is therefore serious. When the supply of low-skilled, low-educated workforce exceeds the supply of low-end jobs, unemployment of the low-skilled will rise. Unemployment in Hong Kong is not merely cyclical, but structural.

12. The presence of a high percentage of well-educated labour force will be consistent with the provision of high-value added services in big cities like London and New York. However, in Hong Kong, the education profile of the labour force is not conducive to the development of a knowledge-based economy. The unemployment rate for those aged 15 to 19 reached 32%, which is alarmingly high compared with other age groups.

13. Looking short-term ahead, employment in the Mainland will be an inevitable trend for Hong Kong low-skilled workers since job opportunity and salary in Hong Kong are decreasing. But in the longer term the Mainland labour market will increasingly demand high-level or middle-level management and professional employees rather than lower-end labours from Hong Kong. At present, salary in the Mainland is relatively low, so is the cost of living. Those who choose to work and spend in the Mainland would find their income adequate as long as they live there. But Hong Kong job-seekers may find it difficult to find reasonably affordable housing in the Mainland, while they can live in public housing in Hong Kong. On the other hand, the leading edge of Hong Kong job-seekers is that they have basic skills in English, which most of the Mainland workers do not have. This is advantageous particularly in fields like service.

14. It is not expected that traditional labour-intensive industries would revive in Hong Kong to alleviate unemployment. More importantly, after years of prosperity and stability, the youth of Hong Kong are not willing to take up monotonous and repetitive production jobs in manufacturing.

15. In the short-run, the growing importance of inbound tourism especially upon the opening of the Disneyland, can absorb a certain amount of low-skilled and low-educated youth aged 15 to 19 as manpower requirement in the tourism-related trades is high. Youth in the age bracket of 15 to 19 may also find the nature of jobs in the Disneyland or tourism interesting and suitable for them.

16. As youth are generally creative and energetic, creative industries and sports are fields that may enable them to develop their potentials according to their abilities

and interests. Creative industries such as advertising, publishing, information-technology services, game software, music, television and comics, are playing a role in the globalization of knowledge economies such as Hong Kong. These industries can be the doorways to help non-engaged youth.

17. In the long run, the biggest issue confronting Hong Kong's economic restructuring is manpower mismatch, which can only be redressed through upgrading the calibre of its human capital. Non-engaged youth should equip themselves during difficult times before the revival of the economy. The Government should at the same time try its best to engage and motivate them.

Youth Unemployment – a Family Perspective

18. There are wide variations amongst non-engaged youth and their parents. These youth may vary in their abilities, interests, energy level, personalities and resilience.

19. Similarly, great diversities exist in the parents of non-engaged youth. Some parents who seek help from family or school social work services have demonstrated problems in parenting styles like being autocratic, overly permissive or ignorant. They often failed to productively engage and stimulate their children during the socialization process and were further challenged as parents when their children grow into adolescents eager to assert themselves. Some are limited in information and problem-solving skills. On attitude and values issues, some might adopt a simple dichotomy between study and work, and try to enforce premature and ineffective coercion on young school-leavers to plunge into gainful employment to support the family. Some parents are burdened by personal circumstances issues. Some are sick parents suffering from chronic physical, mental problems or social problems (e.g. marital discord). Some are hard-hit by the current economic situation in Hong Kong. Some are resourceful and functional parents but they are challenged by special and often difficult characteristics of their children. Finally, there is also growing evidence that there are significant differences between fathers and mothers in their attitude, knowledge, skills and relationship with their children. Such differences do not necessarily match what is believed to be the traditional gender role differentiations in Chinese families.

20. In helping to connect their children from school to work and other developmental opportunities, parents have a number of important roles:

20.1 Material supporter

Most young people are dependent on their families for material support. While parents might continue to make such provisions, it is important that the provisions are not so rich and unconditional that they become reinforcements for continuous dependence.

20.2 *Emotional supporter*

Parents should note that being an emotional supporter is an even more important role. Parents should be open to communication, be active listeners, and take note of any trends or patterns in their behaviors or life styles to identify signs of positive or negative movements, and make appropriate reflections to their children. Parents should help to kindle their children's self-esteem so that they regain courage to make use of development opportunities.

20.3 *Role models and stimulators*

What parents do is always more convincing than what parents say. Parents who hold a positive attitude to life, seek continuous formal and informal development, enjoy social connections, and are courageous in fighting adversities stand better chances to move their children out of their avoidant positions. Very often, the parents' open sharing of their own life struggles can be very touching stimulations to their children.

20.4 *Resource person*

Parents often have wider social network than their children, especially with reference to work or training opportunities. Parents can help to identify and secure such opportunities for their children, and prepare them accordingly to make constructive attempts. Youth need a lot of support and encouragement to tide through the initial adjustment in such struggles, and parents' patient coaching, systematic desensitization and shaping skills is necessary to maximize the chances of success.

20.5 *Hope inducers*

Pressing people out of their comfort zones is challenging but often unpleasant. Parents and young people alike might both want to shy away from such discouraging process. Given their greater maturity and experience, it is important that the parents keep up the family's morale, hope and sustain the family's energy to break out of the deadlock.

21. To facilitate parents to discharge the above roles at the right time in the right ways, parents' needs should be recognized and entertained:

21.1 *Parents need reassurance*

Most parents want their children to achieve or even excel. Even when many non-engaged youth might have repeatedly disappointed their parents in their developmental process, parents still want assurances on the security and prospect of occupational engagement for their children.

21.2 *Parents need information*

Parents need to be reminded that they play a unique and important role in connecting their children to developmental opportunities. They need

guidance to check whether they become overly protective or indulgent in being tolerant of their children's condition. They need to widen their exposure on current youth culture. They also need information on alternatives aside from work or study. New service initiatives like the Project Yi Jin, the Youth Work Experience and Training Scheme, establishment of Community College and associate degrees should reach the parents so that they can participate effectively in negotiating development plans with their children.

21.3 *Parents need attitude tuning*

Parents who have faced repeated disappointments in making their children progress in study or work might feel that they have lost all control over their children. They might also become impatient and hostile to their children, and therefore worsen their relationship with the children and dampen the effectiveness of their positive influence on them. Helping parents to maintain a positive outlook on themselves, their children and the opportunities are important to make them functional in tackling this challenging issue.

21.4 *Parents need skills*

Many parents acknowledge difficulties in communicating effectively with their adolescent children. The communication can become even more difficult when it comes to moving the youngsters out of their comfort zones for work or training. Parents need skills in negotiation, conflict management and problem solving. They also need social and IT skills to solicit resources like social contacts, work or training opportunities for their children. Providing necessary training opportunities for these parents should be considered.

21.5 *Parents need support*

Parents suffer double loss if their children remain out of work or training. Parents have to provide for them in cash and in kind, and the return from such investment is absent for the time being and not promising the longer the youngster remains in that situation. Parents need plenty of emotional support to tide through the disappointment and distress. Organizing parents with similar challenges into self-help groups should be useful in buffering their emotions, and creating the synergy to learn the attitude and skills mentioned above.

Youth Unemployment – a Global Perspective

22. According to a 2001 International Labour Organisation (ILO) estimate, more than 70 million young people are unemployed¹. This estimate does not cover

¹ International Labour Organisation, *Labour Market Challenges*, <http://www.ilo.org/public/english/employment/skills/youth/labour.htm>
The ILO defines “young people” as those between the ages of 15 and 24.

the additional millions of young people who are underemployed. These statistics illustrate that the issue of youth unemployment and underemployment are not confined simply to the developing world or transitional economies, but to developed economies as well. This is a global phenomenon and the numbers underscore the urgency in addressing this issue in order to create more employment opportunities for young people as an investment in our future.

23. Nearly every country that is experiencing high unemployment will also show a disproportionately high rate of youth unemployment as compared to adult unemployment rates. Further to this assessment is the understanding that during periods of economic recession, or downturns, young people “embody lower levels of investment” by firms and therefore are easier to dismiss or make redundant. Likewise, because of their relative inexperience and lower skills level, young people are also more greatly affected by hiring freezes.

24. Similarly, evidence suggests that youth wages have declined in relation to adult wages. Many factors account for this, including those not necessarily related to the given health of the economy. For example, low wages have been considered an appropriate response to the known frequency of young people voluntarily quitting jobs in search of ‘something better.’

25. In assessing youth unemployment within the context of general unemployment, it is important to remember the relationship between unemployment and labour force participation. That is, if there were no reasonable expectations in securing a job, young people may not even be willing to look, preferring instead to stay on in education. In this context, therefore, actual figures of youth unemployment may not always be entirely accurate. A general lack of skills, given the current trend towards a knowledge-based economy, is another factor that disproportionately affects young people seeking jobs, who may not have the expertise to compete favourably with those who have greater experience and knowledge.

26. Given the International Labour Organization’s estimate on youth unemployment rates around the world, international bodies have taken up the issue with a high degree of concern. In September 2000, the United Nations Secretary General announced that he was convening a High Level Policy Network on Youth Employment “to explore imaginative approaches to this difficult challenge.” In line with this exhortation, the General Assembly adopted the following Declaration, “We also resolve to develop and implement strategies that give young people everywhere a real chance to find decent and productive work.” The High Level Panel met in July 2001, and put forth a set of recommendations as follows:-

26.1 Youth are an asset in building a better world today – not a problem. In the next ten years 1.2 billion young women and men will enter into the working age population, the best educated and trained generation of young people ever, a great potential for economic and social development.

- 26.2 A real political commitment should be assured by the heads of State and Government “to develop and implement strategies that give young people everywhere a real chance to find decent and productive work.
- 26.3 There is great potential for improving the employment situation through the integration of public policies for young women and men in overall employment policies and by making full employment an overarching goal for global economic and social strategies and for national policies.
27. The High Level Panel also came up with “four top Priorities for all National Action Plans” and these were:-
- 27.1 **Employability**, which was defined as an investment in “education and vocational training for young people”;
- 27.2 **Equal opportunities**, defined as giving young women the “same opportunities as young men”;
- 27.3 **Entrepreneurship**, defined as making “it easier to start and run enterprises to provide more and better jobs for young women and men”;
- 27.4 **Employment creation**, defined as placing “employment creation at the centre of macro-economic policy”.
28. The above points to the direction that specific youth employment policies should be integrated into a comprehensive employment strategy, and that an approach to address youth unemployment is to treat it as part of a wider macroeconomic policy that can expand overall employment opportunities. This would necessitate a framework that involves education, training, enterprise development and social policies. Most importantly, this type of approach avoids simply switching unemployment between different age groups and would broaden the impact beyond specific sectors.
29. Apart from the above, it is also necessary that young people be given a voice in the promotion of employment opportunities. Young people should be included in policy formulation and development, rather than only being seen as a fringe appendage in need of aid. Young people need to be better trained and educated. Life long learning should become the basis on which to ensure that young people retain a competitive edge. What gets ‘covered’ through life long learning should not only include knowledge enhancement and skills improvement, but also values and skills such as oral communication, problem solving, teamwork, self-directed learning, business awareness, and creativity and innovation. Developing more entrepreneurship possibilities offer further opportunities for young people to participate in the economy. Their inherent drive and initiative can be tapped and guided through infrastructural, especially financial, and personal support, such as mentorship programmes. The service sector has the potential to widen employment

opportunities for young people. Young people must have access to employment services and support.

Conceptual Framework

30. From the above, it can be seen that there is a clear need to ensure that our systems seek to increase the sense of success and competency of our young people. There is the challenge to the restructure of labour market to tackle the issue of skill mismatch in our workforce. In view of the new global economy, Hong Kong has to find ways to integrate with other economies. Again, one must not underestimate the role of parents in offering support to non-engaged youth.

31. The following conceptual framework should provide a basis for the way forward in tackling the issue of non-engaged youth.

31.1 Enhancement of human capital

This can be done through multiple channels: formal education, vocational training, pre-employment training and on-job training. All training must be outcome-focused and connected with the demands of labour market, local, the Mainland, and overseas. The government is presently moving towards the target that 60% of students can attain post-secondary education level.

31.2 Strengthening social capital

The improvement of family cohesiveness is most urgent. Improving the connectedness of young people with schools and the community will also help prevent the younger generation from becoming disengaged. Apart from this, the role of parents is most crucial, and the support from peer groups and youth workers can help young people contribute towards the social capital of the community at large.

31.3 Rebuilding cultural capital

The needs assessment shows that the non-engaged youths are shaky in their cultural identity and uncertain in their sense of values and self-worth. Affirmation of the younger generation's cultural identity, rebuilding their cultural values will therefore improve their resilience in the midst of adversities. Strengthening of cultural education in schools and in the community may eventually attract more young people to enter careers related to arts and culture. This would in turn make Hong Kong a more attractive world city with better cultural qualities and more colourful cultural activities.

31.4 Multiple intelligence : broad base formal education and vocational training

Dr. Howard Gardner's research findings and framework on "multiple intelligences" provides direction for education reform (《Intelligence Reframed》). Expanding the curricula of education beyond the two most championed intelligences: linguistic, logic-arithmetic, will increase the sense

of success of students who may be strong in the other seven intelligences. This aside, there is also an urgent need to equip non-engaged youth in intrapersonal and interpersonal intelligences, so that they are better prepared for the workplace, and to develop an assessment and accreditation mechanism for formal education and vocational training based on the concept of multiple intelligence.

31.5 *Restructuring the local labour market*

As non-engaged youth have lower education level and lower skill level, they are at a disadvantage in competing for employment in the existing labour market. However, there is room for job creation in the sectors of sports, recreation, arts, culture, tourism and the creative industries. There are multiple entry points into these sectors, demanding different education levels and skill sets. The skill sets of the non-engaged youth may match the demands of these sectors which have potential for further development.

31.6 *Integration with other economies*

In view of the rapid development of the global economy, to be accelerated by the entry of China into the World Trade Organization, Hong Kong should head for total integration with other economies, and Hong Kong people should learn to become much more mobile. In this connection, creating opportunities and a mechanism to ensure the quality of on-job training in Mainland China and overseas should help equip the younger generation to face the challenge of the future.

31.7 *Life-long learning through on-job training*

Hong Kong needs to build a mechanism to enhance and support on-job training, not only for big corporations but also for small and medium-sized enterprises. The building of more learning organizations cannot be achieved immediately. With the present pace economic rebound, job vacancies will not be ample in the coming two or three years. Nevertheless, on-job training can equip non-engaged youth for the rapid changing labour market in Hong Kong, Mainland China and overseas. In connection with this, vocational training, pre-employment training and on-job training should be outcome-focused and closely connected to the rapid development of the changing labour market.

31.8 *Meaningful engagement for non-engaged youth*

Some non-engaged youth do not have the motivation and skill to enter formal training programmes or the job market immediately. These young people still need to be meaningfully engaged, or else they may become targets of triad elements. During the period of meaningful engagement, in order to recharge them with motivation, these young people may need to go through counseling for the healing of their developmental traumas. They may need informal training to upgrade their basic life skills, for example, language and thinking skills, intrapersonal and interpersonal skills, review of

life habits and learning of work habits, etc.

31.9 *Cross-sector and cross-department collaboration*

To operationalize important concepts which will help re-engage non-engaged youth in a meaningful and productive way, there needs to be a mechanism that facilitates cross-sector and cross-department collaboration, and an effective means to track the effectiveness and outcomes of the various initiatives.

32. The following diagram represents an attempt to summarize the above-mentioned conceptual framework for continuing development and employment opportunities for non-engaged youth.

