

Embargoed 16th October 2012

\$1 invested in youth skills can pay back fifteen-fold in economic growth

Just as new data reveal that aid decreased for the first time in 2011, the tenth Education for All Global Monitoring Report shows that every \$1 invested in education and youth skills in developing countries generates \$10-\$15 in economic growth. Around 171 million people could be lifted out of poverty if all students in poor countries had basic reading skills. The need for investing in these skills is just as urgent in rich countries. In some European nations, one in five young people drop out before reaching upper secondary school.

The 2012 EFA Global Monitoring Report calls on donors to sustain support to education to ensure that it prepares young people adequately for work. The Report calculates that it would cost \$8 billion – less than half the cost of the 2012 Olympic Games – to send all young people to lower secondary school in poor countries to learn vital skills for work.

The annual report, published by UNESCO, shows that progress towards the Education for All goals that were established in 2000 is slowing down. This situation is being made worse as aid donors in rich countries are backtracking on their promise that no country would be left behind due to lack of resources. Only \$1.9 billion was donated to basic education in low income countries in 2010. There are worrying signs that aid to the sector is likely to slow even further as 2015 approaches, reflecting the 3% fall in total aid to development from 2010-2011

Reallocating aid could help fill the funding gap of \$24 billion needed to ensure all children in poor countries enrol in primary and secondary school. A quarter of aid, equivalent to \$3 billion, is spent on higher education, much of which is not even reaching developing countries. Instead it is being spent on students from developing countries studying in the universities of donor countries.

The need for equipping young people with skills is urgent in rich countries too. In some European countries, a fifth of those aged 18 to 24 dropped out with no more than lower secondary schooling, and lack the skills they need to find a job. While some countries such as the Netherlands are offering these young people a chance to re-enter education, such alternative pathways to learning skills are not being offered to Europe's youth on a large enough scale. In Central and South Eastern Europe, almost one in five young people are unemployed.

One long-term effect of leaving school early is poor literacy: the Report estimates that almost 160 million adults in rich countries do not have the skills they need to apply for a job successfully. In Italy, where over half of those aged 16 to 65 never attended upper secondary school, around 50% of adults have poor literacy skills; the same is true for one in five adults in the United Kingdom, one in six in Germany, and just below one tenth of French adults.

The economic downturn has exacerbated youth unemployment and made skills for young people even more essential. By 2010, Italy's youth unemployment reached almost 30%, and in 2012 as many as one in two young people were unemployed. This unemployment can last for years. Even before the financial crisis, over 40% of young people in Greece and Italy were out of work five years after leaving school.

“We are witnessing a young generation frustrated by the chronic mismatch between skills and work. The best answer to the economic downturn and youth unemployment is to ensure that young people acquire the basic skills and relevant training they need to enter the world of work with confidence,” said Irina Bokova, the Director General of UNESCO “Many youth, and women in particular, need to be offered alternative pathways to education, so that they

gain the skills to earn a living, live in dignity and contribute to their communities and societies.”

The report recommends apprenticeships to teach young people skills that are relevant to the workplace and help them find suitable work. In Germany, a successfully apprenticeship system is cited as one reason why only 8% of young people are unemployed, compared with 22% in the United Kingdom. On a smaller scale, France’s apprenticeships have been shown to result in better job opportunities, and higher salaries. At present, however, apprenticeships are not being offered equally to all and risk enforcing disadvantages. In the United Kingdom, ethnic minority youth have a smaller chance of finding an apprenticeship, and female apprentices earn 21% less on average than men.

Pauline Rose, Director of the EFA Global Monitoring Report said: *“Creating jobs on its own is not going to stop youth unemployment. Young people still need the skills to do them. Competitive European economies need young people to join their workforce with skills that are adaptable to the workplace, experience in doing a job and an ability to keep up with changing technologies. More needs to be done to reach young people at risk of leaving school early by making education more relevant to the world of work, such as through apprenticeships. Failing to invest in the potential of young people who want nothing more than to find a good job is a wasted opportunity for growth. Young people’s frustration will grow if something is not done urgently.”*

Recommendations: It is time to take action in support of skills development for young people.

1. Young people, especially the disadvantaged, need a second chance to learn foundation skills.
2. Young people need good quality training in relevant foundation skills at lower secondary school.
3. Upper secondary curricula should provide a balance between vocational and technical skills, including IT, and transferable skills such as confidence and communication which translate easily to the work place. Apprenticeships are a proven way to provide a bridge between school and work, but need to be provided on an equal basis to all young people.
4. \$US8 billion is needed to ensure all young people go to lower secondary school in poor countries. Governments as well as donors and the private sector must help fill the financing gap. The US\$3 billion currently being spent by donors for students to study in their countries must be redirected back to core skills.

-ENDS-

For interviews, photos, case studies, videos, b-roll, quotes taken from focus groups with young people from around the world, or to find out more about the report, please contact:

- Kate Redman (Paris) k.redman@unesco.org on +33(0)602049345
- Marisol Sanjines (New York) m.sanjines@unesco.org + 1 646 201 8036
- or visit the GMR [press page](#)

To download the report and other relevant materials: <http://www.efareport.unesco.org>

Twitter: #YouthSkillsWork. A tweetchat will be taking place on October 16 to discuss the findings of the report.

NOTES TO EDITORS:

The EFA Global Monitoring Report is developed annually by an independent team and published by UNESCO.