

SUSTAINABLE YOUTH LET ACTION PLANS FOR SRI LANKAN YOUTH UNEMPLOYMENT ISSUES

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1. Introduction:

1.1. Youth Unemployment in Sri Lanka

"Youth unemployment has been recognized as a serious problem in Sri Lanka since the 1960's"[1]. In the labour market, youth experience discrimination and inequalities due to different factors such as class and status, geography and sector, gender, ethnicity and physical or mental disabilities. According to a recent study from the Ministry of Tertiary Education and Training "about 73% who had passed out as graduates were unemployed"[10]. Thus unemployment is a pressing problem in the country even among the "educated".

Annually, around 150,000 youths enter the labour market. Hence, unless there are realistic sustainable development programmes, unemployment is bound to increase, exacerbating the present socio-economic problems in the country.

1.2. An Analysis of the Profile of Youth Unemployment in the Country Portrays the Following Features

Youth unemployment is concentrated among the educated youth, and the rate escalates with higher levels of education. At low levels of education, youth unemployment is low. Unemployment is highest among ordinary level (O/L) and advanced level (A/L) qualified young people. "There is a high degree of educated youth unemployment. Nearly 50% of the unemployed have attained O/L or higher education [1]. Young urban women in the 20 to 24 age group have the highest rate of unemployment, which amounts to approximately 45%. World Bank study at the University of Colombo done in,2006, shows that degree holders waste years at home before finding jobs. A large percentage of university graduates remain unemployed for long periods after completing studies. Less than 20% find employment in the first 4 years after graduation.

It is also worth to note that in Sri Lanka, as a custom the majority of youth who passed out from Universities wish that the government has an obligation to create job opportunities for them. This is one of the reason many youth are demanding the government to offer them job opportunities. A majority of youth prefer employment in the public sector as these jobs are seen as more respectable and of a higher status than those offered by the private sector. The reluctance of youth to enter the private sector job market may be due to real and experienced disadvantages in and barriers of finding private sector employment, such as prevailing working conditions and exclusionary attitudes towards non-English speaking employees among other factors. See table – 1 in appendix-1 for more information.

The main aim and objective of this paper is therefore to case study on sustainable youth let action plans for Sri Lankan youth unemployment issue. This paper is composed of five sections: Section 1 Introduction of Youth Unemployment in Sri Lanka; Section 2 gives the background of the study; Section 3 derives the youth unemployment survey and its results; Section 4 describes youth employment and entrepreneurship; Discussion is given in the last section.

2. Background of the Study:

Labour has a dual role in the economic process. It is both an input to production and a source of income. Young job seekers face increasing difficulties finding work in the current economic scenario. Barriers youths face in the labor market, youth employment and entrepreneurship, lucrative initiatives for youth entrepreneurship, strategies for tackle unemployment problem action plans, how to tackle difficulties in accessing capital for business startups have been extensively analyzed by focusing Sri Lankan unemployed youth.

A survey was conducted among the unemployed youth from various unemployment backgrounds by focusing above points. The result of the survey depicts the real situation of Sri Lankan's youth unemployment issues. From the survey several issues and barriers youth face in the labor market in different angles were identified. Based on the findings, I could propose the sustainable solutions with the help of key stakeholders in terms of youth let action plans for Sri Lanka's unemployment issues. The proposed youth let action plans would be an instant remedy when they properly implement.

2.1. How does Youth Unemployment Affect an Individual, Town and Local Country (Sri Lanka)?

During the time at university in Sri Lanka, students are given very little opportunity for practical knowledge and training, but only the theoretical knowledge which has little opportunity in the professional field. Increasing number of unemployed graduate will affect to find a job when graduation of the students. High rate of unemployment indirectly affect graduates' wage rate, privacy, social status, political stability...etc. Further it will impact graduates' city's, region's, country's disposable income and development.

Graduate unemployment has already become a serious problem in Sri Lanka and may become worse in the future, as the numbers are increasing each year. As a result the national production of Sri Lanka loses the valuable human resource contribution. Hence, Sri Lanka is also losing most of the talented men and women (the best talents) to western countries and countries like Australia, New Zealand etc, as there are no proper incentives for such persons in Sri Lanka. Due to high unemployment rate, the disposable income of a major segment of the population remains at a low level causing a drop in their purchasing power, thereby affecting industrial development. Shortage of labour in the agricultural sector has increased the cost of production of many of the agricultural commodities in Sri Lanka. This is one of the major contributory factors for the increase in prices of some of the agricultural commodities. The majority of youth involved in the informal sector and have limited chances of earning a decent living and breaking out of the poverty cycle.

Sri Lankan unemployment leads to poverty resulting in low living standards, malnutrition and diseases and many social problems. Poor educational and vocational training facilities, particularly in rural and plantation areas, are another reason for high youth unemployment. Young people from such underserved areas do not get the correct education to meet labour market demands and are forced to remain unemployed or take any job that comes their way. Marginalization and exclusion occurs in the estate and rural areas due to poor infrastructure, poor educational facilities, and the lack of qualified teachers, particularly in English, Mathematics and Science. Poor infrastructure has also meant that there is less investment and job creation in the rural and estate sectors. On the other hand youth unemployment has other national and social impacts notably increased violence, crime, rape victims, starvation and political instability.

Youth unemployment is recognized as a serious societal problem, but it also has other repercussions. Because the work environment provides opportunities for learning, showing initiative, and developing social contacts and self-reliance. In Sri Lankan context

unemployment can be expected to have a negative impact on the growth, and even mental health, of the individual. Adolescents are especially vulnerable to the negative effects of unemployment. Further in terms of unemployed parental divorce, children from divorced families generally show poorer patterns of adjustment than do those from intact families. For example, divorce has been shown to place children at greater risk for delinquency and substance abuse, early sexual activity, teenage pregnancy, school failure and emotional problems.

3. Youth Unemployment Survey and It's Results Overview of the Survey:

To examine the youth unemployment problem in Sri Lanka, a survey was conducted on 10.03.2010 among the youth by issuing a questionnaire. A random sample of 100 youth selected from various unemployment background from various region. The collected data were analyzed using SPSS (Statistical Package for the Social Sciences) software and some of the output were summarized and given in Table 3.1.

Table 3.1: Summary Output

Factors	Sector	Percentage	
Where do you like to work?	Private	54%	
	Government	40%	
	Other	6%	
Do you think that, the following sectors have enough vacancies?	Private	"YES"	"NO"
		87%	13%
Do you like to work in foreign country?	Government	20 %	80%
		53%	47%
Do you have professional qualification?		73%	27%
Do you think that, professional qualification is essential to get job in job market?		86%	14%
Do you feel your qualification is enough to face job market demand?		60%	40%
Technical or vocational training qualification is essential to find a job?		67%	33%
Having degree is enough to find a job in the job market?		13%	87%
Do you think that English literacy is essential to get job in the job market?	Private	96%	4%
	Government	46 %	54%
Do you think that IT knowledge is essential to get job in the job market?	Private	89%	11%
	Government	20 %	80%

The summarized result shows the real information of the nature of the Sri Lankan unemployment issue. The above result shows that, most of the unemployed youth willing to work in private sector because private sector has many vacancies than the government sector. Further foreign employment also liked nearly half (53%) of my region's youth. Most Sri Lankan youth have professional qualification, though it doesn't match with job market or not sufficient. In addition to that, most unemployed youth believe professional qualification is essential to get job in job market. Most of unemployed youth trusts that, they have sufficient qualification to face job market demand. Even though the youth unemployment is exist in Sri Lanka. While technical and vocational qualification is a vital deciding factor and most youth believe it is essential to find a job. Moreover there were 42 unemployed graduates included in the survey, though most of youth believe that, having degree is not enough to find a job. Meanwhile, most of the unemployed youth believe that to find a job in the privet sector English literacy and computer skills are very essential.

3.1. Reason for Youth Unemployment: Problem Identification

In this survey a question “Specify reasons for youth unemployment problems?” was included, the reasons which were commonly specified by the unemployed youth such as “Language problem and lack of professional qualifications, Improper guidance and youth do not find appropriate vocational training and skills in terms of job market, Most of the people haven’t proper educational background, The students have only the theoretical knowledge they haven’t practical knowledge to work, political influences when giving jobs to people, not having determined objectives, lack of skills and language proficiency. Lack of IT and English knowledge, Late retirement and bias in government appointment, Dislike in working in private sectors and self employment, Expecting government jobs mostly, No self confidence to start some own businesses, Less motivation and lack of finance for youth entrepreneurship initiatives”.

3.2. Barriers Youth Face in the Labor Market

- The current education system in the country is unsuitable for meeting the requirements of the job market, in terms of both curriculum content and requirements of the job market
- Newly passed out graduates from local universities lack of self confidence and not fluent in English.
- "Soft Skills" such as communication skills and interactive skills which are not available in the University course structure. Due to this youth faces many problems in labor market.
- Technical Education and Vocational Training graduates are low due to outdated study programmes, inadequate facilities, irrelevant industrial training, insufficient practical work etc.
- Lack of analytical, communication, leadership, presentation skills and lack of innovative and entrepreneurship plans.
- Young people in Sri Lanka find it harder to find employment and employment is still dependent on ‘Connections (nepotism)’ rather than merit.
- Youth get poured into the labor market without being equipped with the skills and Knowledge to be competitive for jobs or prepared for entrepreneurship.
- Lack of career plan, proper guidance and poor working experiences.
- Mismatch of qualification and underemployment with low wages.
- IT trend and private sector recruitment limitation as well as highly qualified youth with industrial experience only recruited in private firm.

3.3. Suggestion for Tackle Unemployment Problem (Youth Let Action Plans)

To tackle youth unemployment problem, in this research study questions “*Why have you been unsuccessful in finding a job? What skills are needed for youth to compete in job market?*”, *Specify your suggestions, how we can solve youth unemployment problems?*. were included in the survey. The answers are extensively declared below.

Employment creation has been a priority for the government in addressing youth unemployment. To expand employment creation for formal sector need to be revised, especially with relevant stakeholders, including the trade unions, to identify suitable adjustments to the Sri Lankan context. Building self confidence in youth and understanding the dignity of labour needs to start through education at a grassroots level in order to encourage more youth to start self-employment projects. Young people need to be encouraged to choose their own career path and study subjects that interest them and that they are well suited to. By having more motivated young entrepreneurs operating in the market, more youth will be inspired to follow in their footsteps, creating new industries that offer employment to youth. Some possible suggestions based on this study action plans are listed below.

- Create awareness among youth about the scope of employment and advantages available within the call centre/BPO (Business Process Outsourcing) industry and create a youth society within his/her community, providing training on soft skills thereby increasing their employability status.
- Create different education fields and opportunities to youth. Introduce IT including the internet in order to promote IT and other opportunities amongst youth and conduct seminars and career guidance workshops.
- Encouraging youth to be self-employed and in order to do this, conduct skills development training programmes to boost confidence. Develop links with credible training institutes and specialize in training sessions on self-employment.
- Through proper guidance and practical skills training, youth would have a better chance of gaining employment. To do so, team up with NGOs, social organizations and youth organizations to design a training programme and conduct workshops and training sessions that will be beneficial and valuable for youth seeking employment.
- By operating a vocational training centre, providing career guidance related programmes and facilitating self-employment facilities and address the problems related to youth unemployment in the community. Develop training programs specifically targeted to young women, disabled youth and poor youth living in remote rural areas could also be piloted.
- Basic infrastructure has to be developed to spur growth and employment in underprivileged areas. This would facilitate private sector investment in these areas, as well as stimulate both the creation and expansion of firms, among others by facilitating the outsourcing of established, formal sector firms to informal businesses.
- Helping the poor children and youth to improve their education outcomes will improve their labour market chances. Education is a crucial component in addressing youth employment and the use of English and ICT in education need to be promoted.
- Opportunities to increase the value-added created by migrants should be considered. At the government level, forging bi-lateral cooperation with appropriate countries to secure short-term assignments for skilled and semi-skilled labour, coupled with development of relevant training programmes can increase the revenue generation for youth. Concurrently, nonresidential saving schemes could to be promoted for the migrants, to ensure higher economic gains.
- Culture and ethics on certain aspects of employment could be targeted for change. Campaigns that address work ethics, attitudes, perceptions, and aspirations about manual, technical, and entrepreneurial work, and on issues related to gender and disability, could reduce youth unemployment levels. The design and target such campaigns, the experience of the recent ILO-sponsored campaign aimed at promoting private sector employment should be studied, and relevant lessons should be drawn.

4. Youth Employment and Entrepreneurship

(Bottlenecks in self-employment/entrepreneurship among youth have to be eliminated):

Bottlenecks are observed in three main areas: policy/regulatory environment, access to finance and access to business support. Entrepreneurship training is increasingly seen as an important need and it is recommended that it is offered in schools and universities as well. All young people need to be exposed to basic values of entrepreneurship in school curriculum and training programmes. To ensure sustainability of start-up businesses of youth, credit schemes that are conditional on capacity building programmes should be considered. Moreover, business to business linkages and other non-financial business support services, could supplement credit schemes for the youth. A distinction needs to be made between entrepreneurship training with a view to self employment and entrepreneurship training for developing a particular set of values and skills to increase the employability of youth. Skills such as creativity, innovativeness and flexibility are important

for any type of employment and education should ensure that young people are equipped with these skills. Entrepreneurship training with regard to self employment should be provided for those who are interested in it and designed appropriately. But care should be taken that entrepreneurship training that is basically designed for self employment or business should not be offered generally as a means of providing youth with skills such as creativity, innovativeness and flexibility.

4.1. How to Tackle Difficulties in Accessing Capital for Business Startups

To start business activities young entrepreneurs can use several ways to get their capital. Banks are a straightforward source of funds. Many offer small-business loans if you have already started your business. The government can also help in terms of encouraging small medium business in the country. Moreover entrepreneurs often raise funds from friends and family, local leasing companies, finance companies provide many financial loans to start new businesses. In Sri Lankan context there are several state and private banks as well as finance companies is being provided financial assistants to the new business startups. Further, start your capital search with a good business plan that shows investors and lenders your business potential. Follow that up with a thorough knowledge of the resources available and a determination to make your business a reality and you should be on your way to uncovering a source that fits your new business's cash needs.

4.2. Lucrative Initiative for Youth Entrepreneurship

As way back as 1971 Sri Lanka has a mismatch between the products of the school system and the demands of the employment market, but 39 years later we are still attempting to bridge that gap [11]. 'white collar bias' which still exists today is dangerous for the development of the country; And we need to move towards more innovative and creative skill based teaching to face the challenges faced by the youth today. It is not all about being a lawyer, doctor or engineer anymore.

In Sri Lanka employability is not only about earning a living, but is intrinsically linked to the aspirations of young people, which is in turn linked to social status and social mobility. I can suggest lucrative initiative to develop and change the youth entrepreneurship within Sri Lanka.

1. Deal with the lack of spontaneity: include more novel methods and innovative of teaching such as 'Outward Bound' learning where adventure becomes a way of learning. "Also sports and the performing arts must be encouraged because they make you think out of the box."
2. Have access to finance : Finance is readily available, but to a youth, 'accessing' it becomes an issue because he/she has no credibility or credit history, "So systems like National Youth Services Savings and Credit Co-operative is a good start to obtain the credit history required to approach the larger banks."
3. Maintain and widen access to programmes such as Young Entrepreneurs Sri Lanka (YESL) which encourage entrepreneurial skills while still in school.
4. Conduct youth entrepreneurship courses to assess the strengths, weaknesses, threats and opportunities which have been created for Sri Lankan youth with respect to entrepreneurship.
5. Encourage the formal business sector to take on the matter of unemployed youth.
6. IT education in educational curricula: IT skills are considered essential to improve one's employability. The lack of access to adequate training opportunities with lack of IT facilities like Internet Cafes in rural areas severely limit young people's acquisition of IT skills and parents encourage both girls and boys to acquire IT skills.
7. Sri Lanka also must encourage the private sector to create more job opportunities, for that, the Government must play an important role by encouraging private entrepreneurs.

8. There are over "8,000 youth clubs across the island and 38 Youth Corps centers" [11]. 10000 school dropouts are assisted to turn their lives around. Identify seed entrepreneurs and provide them a course for the future entrepreneurship.
9. Youth development, Capacity building through Vocational Training, competency in Sports and Arts, Leadership, IT, Mass Communication, Tamil, English and other selected language training and encouraging participation of the youth in public welfare activities, micro-financing, entrepreneurship.
10. Give the youth a stake in society: When you are young you are more capable of taking risks. Take advantage of that. Establish a Universal National Service where for a year or two youth are made to serve compulsorily in hospitals, schools or other institutions across the island. Send the urban youth to the rural areas and bring the rural youth to the urban areas. Let them learn and serve.
11. Reduce the burden placed on small and medium businesses by governments: Simplify taxation rules, codes, procedures, labour and environmental controls. Half the time, our young entrepreneurs just can't take the hassle of expanding their businesses.
12. Ensure the skills provided to the youth are relevant and cutting edge and not the skills of dinosaurs.
13. Appreciate the difference of each youth and give them the space and support to grow and blossom. "A management trainer once said, 'Give me a delinquent and I'll create an entrepreneur', so help them grow while understanding that each one is different."
14. Provide countrywide counseling and guidance system integrated into the educational and training institutions and consider special needs of conflict-affected youth.

5. Discussion:

Youth unemployment is an urgent global issue that has impact on demographic, social, economic, health, and environmental spheres. These impacts will be felt at the individual, familial, national and global levels if not addressed, and this is a prescription for disaster. In Sri Lankan context, Youth unemployment has been recognized as a serious problem since the 1960's. High unemployment among educated such as graduates, O/L and A/L qualified young people and their low skills level is one of the burning issue in Sri Lanka.

Unfortunately in Sri Lanka, employment opportunities and labour conditions for many young people remain unstable and there is much to be done in our efforts to build a sustainable future. To examine this unemployment issue in Sri Lanka, a survey was conducted among the youth by issuing a questionnaire. A random sample of 100 youth was selected from various unemployment backgrounds. The collected data were analyzed using SPSS software and the results shows significant output about the unemployment youth in Sri Lanka. These results and output are applicable to the countries which are similar to Sri Lanka. Meanwhile, I could propose a sustainable solution for Sri Lankan youth unemployment issue with the help of the survey conducted for this research study. Also, I could clearly identify the youth unemployment issues in various problem domains. Then with the participation of stakeholders such as government, private sector, investors and the youth, I have included practically applicable suggestions as a sustainable solution for Sri Lankan youth unemployment issue. I have no fear to suggest that, my youth let action plans definitely would be instant remedy for youth unemployment issues when successfully implement them.

Appendix-1:**Table 1: Activity Status of sample Youth (Percentage)**

Groups	Employed (Permanent)	Employed (Casual)	Unemployed (Seeking Job)	Schooling/ Studying	Unable to work	Domestic work	Others
All groups	11.0	15.0	30.3	39.0	0.2	4.0	0.5
Male	13.9	21.0	29.2	33.6	0.2	1.3	0.2
Female	7.1	7.2	31.8	46.1	0.2	7.5	0.2
Sinhalese	9.6	14.2	31.4	40.7	0.3	3.6	0.2
Tamil	16.7	18.3	26.5	32.9	-	4.0	1.6
Moor	14.0	15.9	26.1	33.8	-	8.7	1.4
Malay	-	25.0	25.0	50.0	-	-	-
Burger	-	25.0	37.5	37.5	-	-	-
Western	13.7	17.3	30.9	35.2	0.1	2.4	0.4
Central	9.8	11.2	31.6	42.6	-	4.0	0.8
Southern	8.4	9.9	33.2	44.9	-	3.3	0.3
Northern	12.9	19.0	19.6	42.9	-	3.1	2.5
Eastern	17.2	8.3	27.6	39.1	-	6.8	1.0
North - western	8.0	15.8	27.0	41.7	1.1	6.3	-
North - central	7.7	14.9	37.0	34.8	-	5.5	-
Uva	7.8	20.0	28.3	38.3	-	4.4	1.1
Sabaragamuwa	10.7	18.8	31.6	34.6	0.4	3.7	-
Urban	12.6	16.2	23.0	43.4	0.2	4.1	0.5
Rural	10.0	14.6	32.4	38.5	0.2	3.7	0.5
Estate	16.1	15.5	28.6	32.1	-	7.1	0.6
15-19 years	2.8	8.7	21.6	63.0	0.2	3.4	0.4
20-24 years	14.1	20.0	40.3	20.3	0.1	4.8	0.4
25-29 years	29.6	23.2	34.6	7.0	0.5	4.0	1.4
Grade 1-5	20.3	28.8	23.7	19.5	1.7	5.1	0.8
Grade 6-11	10.0	17.4	34.4	32.0	0.1	5.6	0.5
Ready for A/L	8.9	10.3	22.9	54.9	-	2.5	0.5
Passed A/L	15.4	13.0	34.0	35.5	-	1.9	0.2
Degree/higher	11.4	7.6	27.8	51.9	-	1.3	-
No schooling	15.8	36.8	26.3	-	10.5	5.3	5.3

Statistical overview of youth unemployment in Sri Lanka. Source: Sri Lankan Youth Challenges and responses