



Youth employment challenges in Zambia

A statistical profile, current policy frameworks
and existing interventions

Haroon Borat, Aalia Cassim, Gibson Masumbu,
Karmen Naidoo, and Francois Steenkamp

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2015

This scoping paper is one of a series jointly commissioned by the International Development Research Centre and the MasterCard Foundation to shed light on the critical challenge of youth employment in sub-Saharan Africa. The aim is to inform new areas of research support that will build an evidence base for practical and policy-relevant solutions.

Opinions stated in this paper are those of the author and do not necessarily reflect the views of the International Development Research Centre and the MasterCard Foundation.

About the authors

Haroon Bhorat is Director of the Development Policy Research Unit (DPRU) at the University of Cape Town. **Aalia Cassim** and **Karmen Naidoo** are senior researchers at the DPRU, where **Francois Steenkamp** is also a researcher. **Gibson Masumbu** is Research Fellow in Poverty Analysis at the Zambia Institute of Policy Analysis and Research.

All comments and queries on the substance of this paper can be directed to haroon.bhorat@uct.ac.za.

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Contact

International Development Research Centre
PO Box 8500, Ottawa, ON
Canada K1G 3H9
Tel: (+1) 613-236-6163; Email: sig@idrc.ca
www.idrc.ca

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Contents

Executive Summary	1
1. Introduction: The Zambian context	5
2. What do we know about youth in the Zambian labour market?	7
2.1. Defining youth	7
2.2. How youth are faring in the labour market	7
2.3. Segmentation and nature of youth employment	10
3. Youth employment patterns: Supply-side considerations	17
3.1. Youth and educational outcomes	17
3.2. Technical and vocational training (TVET)	20
3.3. Youth and labour market access	21
3.4. Youth perspectives: Barriers and aspirations	23
4. Policies, programs and interventions	27
4.1. Youth employment policy interventions in Zambia	27
4.2. Challenges of youth policy in Zambia	31
5. Mapping key stakeholders in the Zambian youth sector	33
5.1. Government	33
5.2. International donors	36
5.3. Private sector and civil society	37
6. The research landscape: knowledge gaps and needs	39
6.1. Current data sources	39
6.2. The evidence gaps	40
6.3. Towards a new research agenda	41
7. Conclusion	43
Appendix	45
References	46

Executive Summary

This paper examines the potential role of research in addressing the youth employment challenge in Zambia, focusing in particular on what evidence is needed to inform responsive policies and interventions. It overviews what is known about how youth are faring in today's labour market; it identifies key stakeholders in the Zambian context, and the policy and program responses geared to equipping youth for success in the workplace; it assesses the available data and identifies knowledge gaps; and it concludes with recommendations for a forward looking program of research to address the issue.

The Zambian context

Over the past decade, a combination of relatively rapid population growth and a slow decline in the fertility rate has produced an increasingly youthful population in Zambia. The Zambian labour market is likewise young, and set to remain so for some time. As an economy that faces a youth-biased labour supply trajectory, and as a newly graduated middle-income African country, Zambia faces a unique set of challenges and opportunities in formulating growth and development policy. One of these challenges is to ensure that the rapidly growing pool of new job seekers entering the Zambian labour market is able to find decent work.

A newly graduated middle-income country, Zambia faces the challenge of generating work for a growing pool of young job seekers as it continues to grow its economy.

Young labour market participants face a dual challenge of unemployment and underemployment. Our analysis shows that unemployment is essentially an urban youth problem, particularly for those with a completed high school education. In mainly rural areas, a large share of the youth employed in the informal sector find themselves in marginal forms of employment or underemployment, such as own-account self-employment in agriculture, and unpaid household work in agriculture. Furthermore, youth in these marginal forms of employment are disproportionately female. Overall, youth are more likely than non-youth to be underemployed, in jobs in which the employment relationship is characterised by temporary and casual employment.



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For Zambia, existing low levels of human capital development represent an urgent socioeconomic challenge. This is evidenced by the increased scarcity of skilled workers, and youths' limited access to higher and tertiary education. In addition, the absence of appropriate and effective linkages across the various participants of the labour market has resulted in the mismatch between the supply of skills and the current labour demand profile.

Despite significant progress on primary school enrolment rates since 2002, evidence shows that relative to other SADC countries, the rate of progression from primary to secondary schooling is low. A partial explanation relates to the quality of schooling in Zambia; school drop-out rates are also driven by household economic constraints. The low pass-through rate of children from primary and secondary education has direct implications for skills development at higher levels of education. Given that these learning deficits are occurring at such a young age, they likely prevent many youth from obtaining a post-schooling qualification. Only one in every hundred students manages to progress from primary education to tertiary education. Meeting Zambia's employment targets therefore requires an improved ability to provide tertiary education to secondary school drop-outs, as well as finishers who are currently not being absorbed into the tertiary system.



Developing an effective TVET system is key to addressing the existing skills gap in Zambia.

Technical and vocational education and training (TVET) is increasingly being promoted as a core solution to the global youth unemployment challenge, given its orientation toward the acquisition of employable skills, which makes this type of education more responsive to issues that often impede the school-to-work transition (UNESCO-UNEVOC, 2013). Currently, access to TVET in Zambia is very low, with capacity acting as a major barrier. A second key hindrance to the growth of the TVET sector is the historical tendency to view the higher education sector as defined solely by the university system. For Zambia, developing an effective TVET system represents an important mechanism through which to address the existing skills gaps in the country. This seems implicit in any attempt to absorb the large and growing numbers of young people who are unable to complete secondary schooling or attend one of the existing universities.

The weakness of the Zambian education system is further evidenced by the within-school transition, as well as the school-to-work transition, taking considerably longer for young Zambians than for those in other developing countries. Entry into non-marginal segments of the labour market is strongly associated with higher levels of education, as well as access to networks and social capital. Youth who do not have adequate levels of education or the networks and social capital to smooth their way into the labour market are seemingly left behind.

From the demand-side, employers cite the high turnover rate of employees as an important barrier to young people finding employment, along with their lack of experience and technical skills.

As an alternative to finding employment with an employer, entrepreneurship is viewed very positively by Zambian youth. The most binding barrier to self-employment, however, is a lack of access to credit, which continues to constrain the ability of young people to start their own businesses.

Current interventions

The Zambian government has recognised the challenge that youth unemployment places on broader economic development and economic policies, and particularly labour market policies aimed at including young people in the mainstream economy. As such, public policy on the participation of young people in the economy is well established, at least in terms of policy statements and frameworks. Yet in practice, implementation of these policies is weak. The donor community, however, has complemented these public policy objectives with a number of specific micro-interventions, thus buttressing the relatively low-key approach of the Zambian government. This paper identifies a number of recent interventions by government, international donors, and NGOs.

While youth employment policies are extensive, a few key issues stand out. Along with weak implementation of policy there is a dearth of independent evaluation. While the donor community may have monitoring and evaluation processes in place for the initiatives they have undertaken, there has been limited evaluation of public policy and programming, at least prior to 2013. Thirdly, despite the usefulness of programs that focus on supply-side solutions, policies addressing youth employment from the demand side are limited.

Knowledge gaps and research needs

From our analysis of youth participation in the Zambian labour market, the various interventions targeting youth employment, and the available data and research literature, a number of evidence gaps emerge.

Firstly, the lack of evaluation and assessment of existing interventions limits the national capacity for scaling up success. Secondly, with regard to education and training, there is a need for further understanding of the determinants affecting school drop-out rates, and opportunities for and approaches to overcoming the evident skills gap between what youth have learned, and what the labour market demands. Thirdly, given the importance of the informal sector to Zambian youth employment, there is a need for more research on youth-owned small businesses, and how they can be supported. This paper thus proposes a research agenda that focuses on the following questions:

1. How do we ensure that government, NGO, private sector, and international donor interventions are independently evaluated, and in ways that allow for lessons to be extracted and shared from experience?
2. How can successful programs be scaled up to be implemented at a national level?
3. What accounts for the high drop-out rates in the Zambian school system, and what incentives might encourage student progression to secondary and tertiary levels?
4. What are the major obstacles to expanding and improving the TVET sector in Zambia? How can this be effectively financed over time?
5. What labour market mechanisms can be put in place to gain a dynamic understanding of skills gaps in the economy over time? What would be the role of government, businesses, universities and TVET institutions?
6. How can we better understand the life-cycle of youth-owned small informal businesses in Zambia?
7. What is the impact of access to microfinance on informal firms' performance in Zambia? What is the role of financial literacy and management training?



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In this paper we provide an analytical and empirical lens on the labour market, education and training system, and economic growth trajectory for young people in Zambia. We describe and assess the current policy frameworks and relevant institutions in place to deal with the growth and development challenge facing young Zambians. We also address research gaps and questions that may help shed light on the youth employment challenge in Zambia, and thus inform responsive policy and interventions.

While youth employment policy frameworks are encouraging, implementation has been weak.

1 Introduction: The Zambian context

Since 2000, Zambia has been registering economic growth averaging six percent per annum (MLSS, 2013). While impressive, this growth has been criticized for being neither inclusive nor pro-poor. The number of quality jobs, described as formal jobs, has not been commensurate with the level of economic growth. Furthermore, the majority of jobs created have not succeeded in lifting workers out of poverty. The country's headcount poverty stands at 60.5 percent (Central Statistical Office, 2012). While the country's economy is growing, so too is its population. In 2013, it stood at 14.5 million, a 3.3 million increase from a population of 11.2 million in 2004 (World Bank, 2015). Over the last decade, Zambia's population has expanded at an annual average rate of almost 3 percent, exceeding the sub-Saharan African average (at 2.7 percent and stable over the last decade) and that of fast-growing Nigeria and Angola in recent years.

A growing number of new entrants into the labour market each year is a key part of Zambia's employment challenge.

As with a number of countries in Africa, Zambia has a very youthful population: 80 percent of all Zambians are below the age of 35 years¹. According to the UN's *World Population Prospects* (2015), youth of working age (15-35) are expected to remain at close to 34 percent of the population for the next two decades. This would translate into the Zambian youth labour force almost doubling from the current estimate of 5.5 million in 2015 to 10.1 million by 2035. This proportion of the youth in the labour force is similar to that of Nigeria, and substantially higher than countries like Egypt, India, Indonesia, and Brazil (Lam & Leibbrandt, 2013).



More importantly for Zambia, however, is that fertility rates seem to be declining at a slower rate than the sub-Saharan Africa (SSA) average, suggesting that the high number of youth expected to enter the labour market each year will not subside for some time. As a result, between 2015 and 2020, 922,000 individuals will be added to the working-age youth category. Similarly, between 2020 and 2025, 2025 and 2030, and 2030 and 2035, 1 million, 1.2 million, and 1.3 million individuals will be added to the working-age youth category, respectively. This fast growing working-age population represents a key part of Zambia's long-run development challenge: ensuring that as the economy grows, sufficient jobs are created to provide opportunities for young people entering the workforce.

¹ Authors' own calculations using the Labour Force Survey, 2012 and the World Population Prospects: The 2015 Revision database. Note, the national definition of youth is 15-35 years.

2 What do we know about youth in the Zambian labour market?

The analysis here benefits from household survey data gathered through the 2012 Labour Force Survey conducted by Zambia's Central Statistical Office. This nation-wide survey covered a representative sample of 11, 520 households, from all ten provinces and in both rural and urban areas.

2.1. Defining youth

In this paper, we use the definitions employed by the Zambian Central Statistical Office (CSO), which conform to international standards and those used by the International Labour Organization (ILO)². We use these definitions in order to be consistent with the CSO's understanding of key labour market concepts and definitions. A key definition, given the subject and purpose of this paper, relates to the term 'youth'. For consistency and alignment with youth policy in Zambia, we apply the definition used in the Zambian National Youth Policy, which defines youth as people aged 15 to 35 years (Central Statistical Office, 2013).

2.2. How youth are faring in the labour market

Table 1 illustrates the relative size of the youth cohort in the Zambian labour market. Youth comprise 64.2 percent of the working-age population and 55.9 percent of the labour force. As mentioned, recent estimates project, that the Zambian population will double by 2030, yielding a fast-growing and youthful Zambian labour market over the next decade and a half (World Bank, 2013). As an economy that faces a youth-biased labour supply trajectory, and as a newly graduated middle income African country, Zambia faces a unique set of challenges and opportunities vis-à-vis its growth and development policy. One of these challenges is to ensure that jobs are provided to the rapidly growing number of new job seekers entering the Zambian labour market.



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² A list of the concepts and definitions adopted by the Zambian CSO can be found in Chapter 3 of the 2012 Zambia Labour Force Survey Report.

Table 1. Overview of the Zambian labour market by age category

	15-24		25-34		Non-youth <65		Non-youth >65		Total	
	(000s)	(%)	(000s)	(%)	(000s)	(%)	(000s)	(%)	(000s)	(%)
Labour market aggregates										
Working age population ³	3 071 (28)	39.1	1 970 (24)	25.1	2 427 (26)	30.9	383 (11)	4.9	7 852	100
Employment	1 094 (19)	22.7	1 477 (22)	30.7	2 014 (24)	41.9	224 (9)	4.7	4 809	100
Unemployment (strict) ⁴	237 (9)	55.4	122 (7)	28.4	68 (5)	15.8	2 (0.6)	0.4	428	100
Labour force (strict) ⁵	1 331 (20)	25.4	1 599 (22)	30.5	2 082 (24)	39.8	226 (9)	4.3	5 238	100
Discouraged workers ⁶	110 (6)	57.2	51 (4)	26.3	30 (3)	15.7	2 (0.7)	0.9	192	100
Not economically active ⁷	1 630 (22)	67.3	321 (11)	13.3	315 (10)	13.0	156 (7)	6.4	2 422	100
Labour force participation rate (%) ⁸	43.3		81.1		85.8		58.9		66.7	
Unemployment rate (%)	17.8		7.6		3.3		0.7		8.2	

Source: Authors' own calculation using Zambia Labour Force Survey 2012.

Note: The data are weighted. Standard errors are in parentheses.

It is evident in Table 1 that despite youth aged 15 to 24 having the lowest labour force participation rates, individuals within this age group are the most prone to unemployment or discouraged worker status. Their labour force participation rate of 43.3 percent is substantially lower than that of youth aged 25 to 34 (81.1 percent) and non-youth under 65 (85.8 percent). This can be explained in part by the fact that individuals aged 15 to 24 are likely to be in secondary or tertiary education,

and hence not economically active. However, a substantial portion of those aged 15 to 24 have entered the labour force, and comprise a quarter of the labour force, yet a disproportionate share cannot find employment. In fact, over half of the unemployed in Zambia are from within this age group, despite constituting only 25.4 percent of the labour force. Youth aged 25 to 34 are also more likely to be unemployed than the non-youth, but less likely than their younger counterparts.

³ With respect to the definition of 'Working Age Population', we follow the definition employed by the CSO. The CSO defines the Working Age Population as: 'all persons in the population aged 15 years and above. No upper age limit is considered' (Central Statistical Office, 2013). We suspect that no upper age limit is used because of high labour force participation rates among those over the age of 65. The retirement age in Zambia is 65 and thus we distinguish between non-youth labour force participants above and below the retirement age. The CSO stipulates that retired persons who were running their own businesses were also considered to be employed (Central Statistical Office, 2013).

⁴ With respect to the definition of 'unemployment', we follow the definition employed by the CSO. The CSO defines the unemployment as: '...a situation in which persons above a minimum age are without work, currently available for work and actively seeking work during a specified period' (Central Statistical Office, 2013). This definition of unemployment is typically referred to as the strict definition of unemployment.

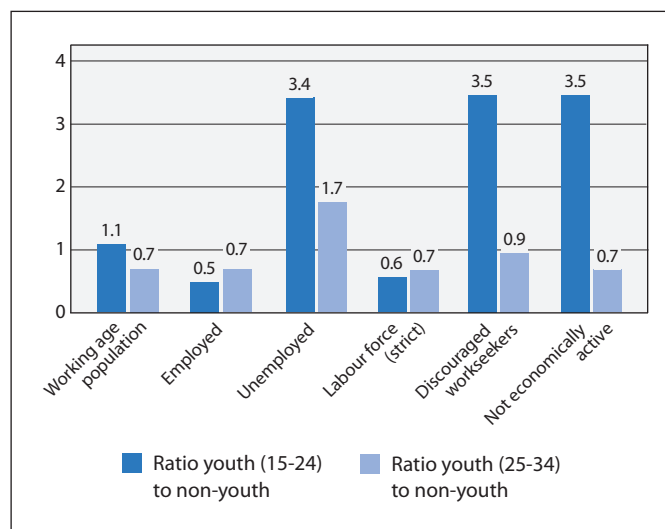
⁵ The CSO defines the Labour Force or Economically Active Persons as: '...all persons above a specified minimum age who were either employed or unemployed at the time of the survey. For the purposes of the Zambian Labour Force Surveys, the minimum age used is 15 years' (Central Statistical Office, 2013).

⁶ Discouraged workers are defined as persons above a minimum age who are without work, currently available for work but not actively seeking work during a specified period. This definition is not used by the CSO but is a standard labour market measure, which provides useful information.

⁷ The CSO does not provide a definition for inactivity. However, in this case it refers to individuals within the working age population who are neither employed nor unemployed (i.e. not in the labour force).

⁸ The CSO defines the Labour Force Participation Rate as: '...the ratio of the economically active population to the working age population in the same reference period expressed as a percentage' (Central Statistical Office, 2013).

Figure 1. Labour market measures - Ratio of youth to non-youth

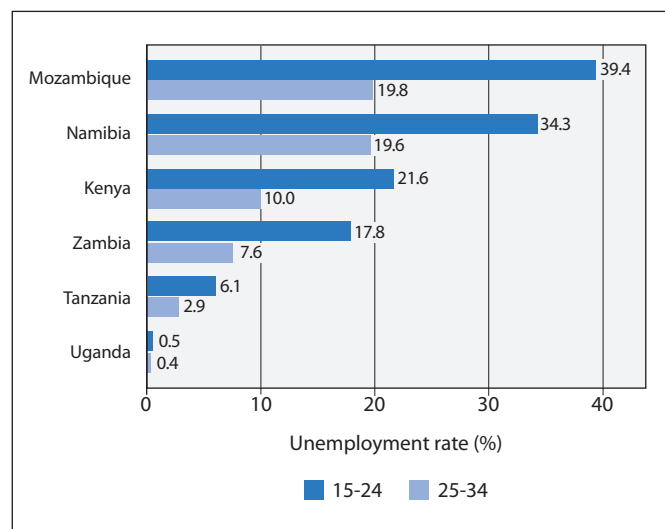


Source: Zambia Labour Force Survey (2012) and authors' own calculations.
 Note: The data are weighted. The bars of the graph measure the ratios of youth, 15 to 24 and 25 to 34, to non-youth by labour market measure. Ratios greater than one indicate that the youth are more prevalent within that segment of the labour market than the non-youth.

Youth aged 15 to 24 are 3.4 times more likely to be unemployed than those 35 and over.

Figure 1 depicts the extent to which the youth, particularly those aged 15 to 24, are prone to unemployment and discouraged worker status. It shows the ratio of the two youth groupings, relative to the non-youth, by labour market status measure. Ratios greater than one indicate that the youth are more prevalent within that segment of the labour market than the non-youth. These ratios confirm the following: (i) the ratio for the working age population confirms the magnitude of the youth in the Zambian labour market; and (ii) unemployment, whether defined strictly or broadly, is a youth problem. Youth aged 15 to 24, and those aged 25 to 34, are 3.4 and 1.7 times more likely to be unemployed than the non-youth, respectively.⁹

Figure 2. Comparative Youth Unemployment Rates in Eastern and Southern Africa



Source: Kenya Integrated Household Budget Survey 2005/2006; Namibia – Labour Force Survey 2012; Tanzania – Labour Force Survey 2005/2006; Uganda – National Panel Survey 2011/2012; Zambia – Labour Force Survey 2012; Mozambique – ILOSTAT (2012).¹⁰
 Notes: The data are weighted.

Given the extent of unemployment among the youth in Zambia, it is important to get a broader perspective of this feature of the Zambian labour market by comparing youth unemployment across regional peers. Figure 2 shows youth unemployment rates across a sample of five low-income countries in Eastern and Southern Africa. We have excluded South Africa, as it is both an economic and labour market outlier in this sample. However, many economies in the region have also been growing fast, and in some cases face similar growth challenges to Zambia.

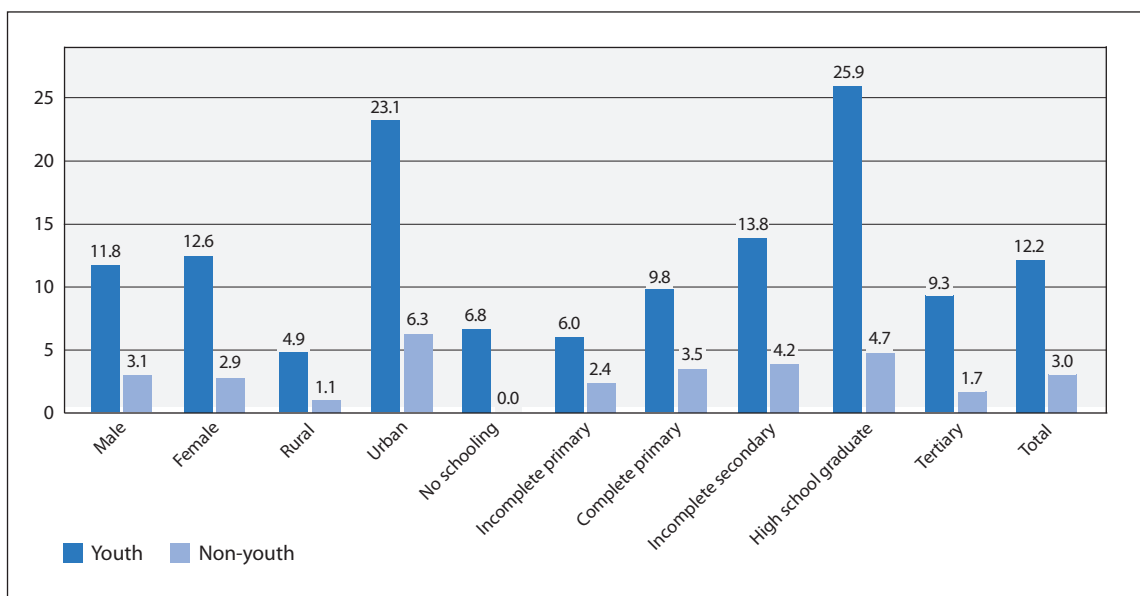
In this sample then, it is worth remembering that while Zambia's youth unemployment rates are high, they are exceeded, by some margin, by those of Kenya, Mozambique, and Namibia. As in other countries in the region, unemployment figures however mask the massive underemployment, which as we will see later affects the youth even more.

⁹ The broad definition of unemployment is a combination of the strict unemployed and discouraged work seekers.

¹⁰ The youth unemployment estimates for Kenya, Namibia, Tanzania, Uganda, and Zambia are based on recent labour market profiling of select African countries conducted by the Development Policy Research Unit (DPRU) at Cape Town University. The advantage of using these data is that a consistent method of measuring key

labour market indicators has been applied across the respective datasets related to respective labour markets of these countries. The unemployment measure for Mozambique is taken from ILOSTAT (<http://www.ilo.org/ilostat>), and is thus not necessarily measured in the same manner as with the other countries. Nevertheless, Figure 2 provides a comparative perspective of youth unemployment rates across a selection of sub-Saharan African countries.

Figure 3. Unemployment rates by age category



Source: Zambia Labour Force Survey 2012 and authors' own calculations.

Note: The data are weighted.

Figure 3 depicts the structure of unemployment across youth and non-youth by providing the unemployment rates experienced by various sub-groups within these two age categories. The unemployment rate for non-youth is three percent, whereas the unemployment rate for the youth is four times larger at 12.2 percent (driven by high unemployment for those aged 15 to 24). Looking at the structure of unemployment across the urban-rural divide suggests that unemployment is higher in urban areas for both age categories. The urban-youth unemployment rate is 23.1 percent, which suggests that approximately one in four youth in urban areas who are willing, able, and searching for a job, cannot find one.

Roughly one in four young urban job seekers are unable to find work.

Unemployment rates do not differ substantially between male and female youth, standing at 11.8 and 12.6 percent, respectively. Although differences in unemployment rates across gender are not substantial, we do find differences in employment characteristics across gender as shown above.

It is also interesting to note that increasing levels of education are associated with higher unemployment rates up until a completed secondary education, after which the possession of tertiary education results in a marked drop in the unemployment rate. This pattern of unemployment across education categories is consistent across age categories, but more apparent among the youth. In particular, one in every four youth with a completed high school education who are willing, able, and searching for employment, are unable to find a job. Therefore, a key unemployment dynamic depicted in Figure 3 is that a large share of unemployed young people, despite having completed their high school education, remain unable to find jobs, predominantly in urban areas.

2.3. Segmentation and nature of youth employment¹¹

Although informal employment is the main source of employment among both youth and non-youths in Zambia, it is more pervasive among the youth.¹² Table 2 shows that only 11 percent and 14.9 percent of the youth and non-youth in Zambia are employed in the formal sector, respectively.

¹¹ From this point onwards, we do not distinguish between younger youth (15-24) and older youth (25-34), and instead combine the two into one grouping. Similarly, we combine the non-youth under 65 and the non-youth older than 65 into one grouping.

¹² As per the definition applied by the CSO, the measures of formal and informal employment in Table 2 define informality using a combination of the registration of enterprise and employment relationship definitions (Central Statistical Office, 2013).

Conversely, 77.1 and 70.5 percent of employed youth and non-youth are in informal forms of employment, respectively. This illustrates that young Zambians are less likely to find formal employment relative to their non-youth counterparts.

The largest employer in the formal sector is the public sector, which, in conjunction with widespread informal employment, suggests a small private sector that is unable to absorb a young, growing, and increasingly more educated labour force.

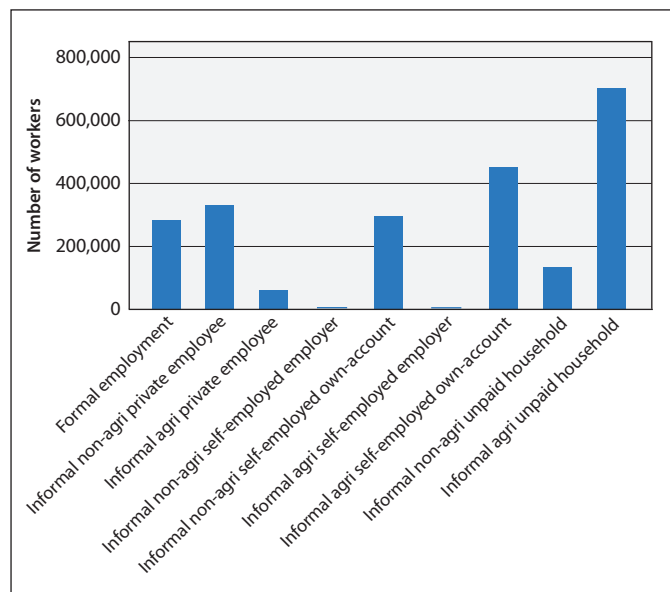
Table 2. Segmentation of employment by sector and age category

	Youth (000s)	(%)	Non-youth (000s)	(%)	Total (000s)	(%)
Formal employment						
Non-agriculture, private employees	85 (6)	3.3 (0.002)	85 (6)	3.8 (0.003)	170 (8)	3.5 (0.163)
Agriculture, private employees	8 (1)	0.3 (0.001)	6 (1.3)	0.3 (0.001)	15 (2)	0.3 (0.040)
Public employees*	145 (7)	5.7 (0.003)	164 (8)	7.3 (0.003)	309 (10)	6.4 (0.205)
Non-agriculture, self-employed, employer*	1 (0.6)	0.0 (0.000)	7 (1.6)	0.3 (0.001)	9 (1.7)	0.2 (0.036)
Non-agriculture, self-employed, own-account*	31 (3)	1.2 (0.001)	52 (4)	2.3 (0.002)	82 (5)	1.7 (0.112)
Agriculture, self-employed, employer	- -	0.0 (0.000)	0.1 (0.1)	0.0 (0.000)	0.1 (0.1)	0.0 (0.003)
Agriculture, self-employed, own-account*	12 (1.9)	0.5 (0.001)	18 (2)	0.8 (0.001)	30 (3)	0.6 (0.057)
Total formal employment	283	11.0	332	14.9	615	12.8
Informal employment						
Non-agriculture, private employees*	330 (11)	12.9 (0.004)	180 (9)	8.0 (0.004)	510 (14)	10.6 (0.284)
Agriculture, private employees*	63 (4)	2.5 (0.002)	33 (3)	1.5 (0.001)	96 (5)	2.0 (0.110)
Non-agriculture, self-employed, employer	1.3 (0.7)	0.0 (0.000)	2 (0.8)	0.1 (0.000)	3 (1)	0.1 (0.023)
Non-agriculture, self-employed, own-account*	295 (10)	11.5 (0.004)	293 284 (10)	13.1 (0.004)	589 (14)	12.2 (0.368)
Agriculture, self-employed, employer	0.5 (0.3)	0.0 (0.000)	946 (0.4)	0.0 (0.000)	1 (0.6)	0.0 (0.012)
Agriculture, self-employed, own-account*	449 (12)	17.4 (0.004)	739 (15)	33.0 (0.006)	1 188 (18)	24.7 (0.368)
Non-agriculture, unpaid household worker*	133 (7)	5.2 (0.002)	31 (3)	1.4 (0.001)	164 (7)	3.4 (0.150)
Agriculture, unpaid household worker*	708 (15)	27.5 (0.005)	297 (10)	13.3 (0.004)	1 004 (17)	20.9 (0.348)
Total informal employment	1 983	77.1	1 578	70.5	3 561	74.0
Total employment¹	2 571	100.0	2 238	100.0	4 809	100.0

Source: Authors' own calculation (Zambia Labour Force Survey 2012).

Notes: The data are weighted. Standard errors are in parentheses. Totals for formal, informal, and total employment do not add up because there are a number of observations in the data that do not fall within one of the listed segments of the labour market or are unclassified. * Indicates that the estimated population mean for the youth sub-group is statistically significant to that of the non-youth sub-group by labour market segment.

Figure 4. Youth employment by labour market segment



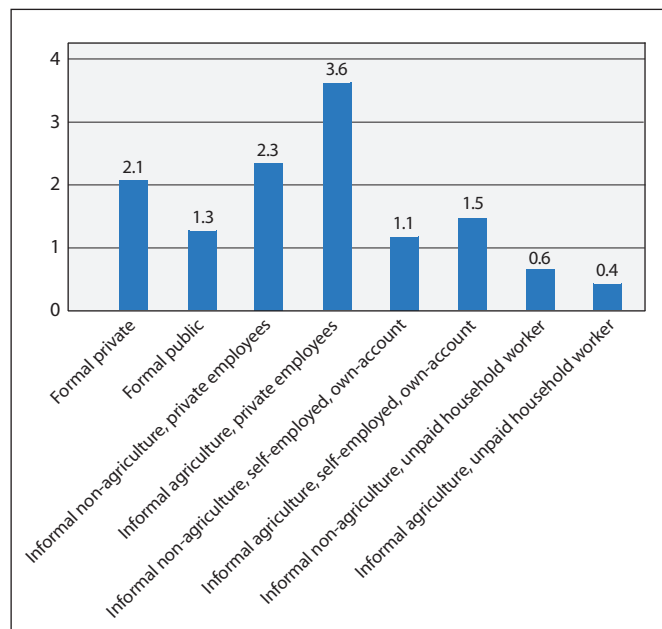
Source: Zambia Labour Force Survey 2012 and authors' own calculations
 Note: The data are weighted. All formal employment across labour market segments is combined into one measure of total formal employment.

Agriculture is by far the most important source of employment, for both youth and non-youth.

In many senses, this typology of employment is replicated in much of sub-Saharan Africa, where employment is disproportionately rural (in subsistence agriculture and non-farm household enterprises), while urban employment is separated into private sector wage employment, public sector wage employment, and a fast-growing urban informal sector. This provides much statistical validity then to the baseline Harris & Todaro (1970) model, together with its extensions, most notably as outlined in Fields (1975)¹³.

Further investigation into the types of informal employment shows that 17.5 and 27.5 percent of the employed youth are self-employed without employees in agriculture, and unpaid household workers in agriculture, respectively. These are the largest sources of employment for young people, suggesting that those youth who remain in rural areas find themselves in informal agricultural activities of a marginal nature.

Figure 5. Ratio of male to female youth employment shares by labour market segment



Source: Zambia Labour Force Survey (2012) and authors' own calculations.
 Note: The data are weighted. All formal employment across labour market segments is combined into formal employment in the public and private sectors. The bars of the graph measure the ratios of male to female employment shares by labour market segment. Ratios greater than one indicate that male youth are more prevalent within that segment of the labour market than the female youth. Self-employed employers are left out of this graph because there are few female self-employed employers and thus the ratio cannot be calculated for these segments.

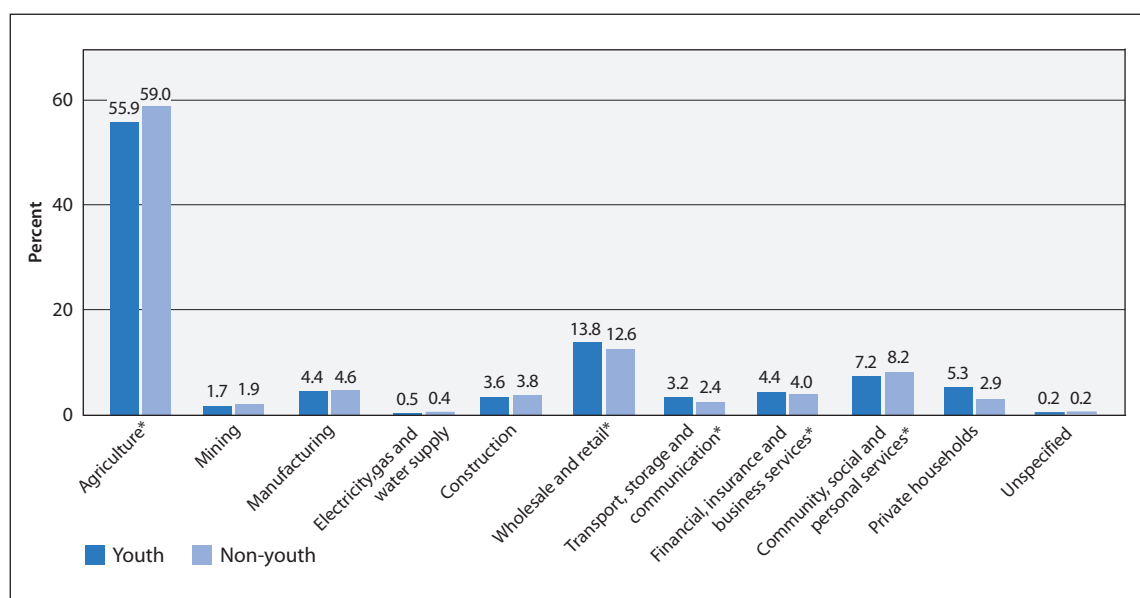
In addition, a further 12.9 and 11.5 percent of the employed youth are private employees in non-agricultural activities, and self-employed without employees in non-agricultural activities, respectively. These individuals may be the youth who have moved to urban areas in search of formal employment opportunities, but are unable to find secure employment, and thus take up marginal informal sector activities.

The results in Table 2 (and depicted in Figure 4) reveal that employed youth tend to find themselves in marginal forms of employment, and Figure 4 points to segments of the labour market where policy interventions might be targeted. It shows that after informal unpaid household work and own-account self-employment in agriculture, the other major sources of employment for Zambian youth are non-agricultural wage employment and own-account self-employment in the informal sector, as well as employment in the formal sector. These

¹³ The Harris-Todaro (1970) model, and its extension in Fields (1975), explains the utility-maximizing rationale behind rural to urban migration in the face of high levels of unemployment in urban areas. Rural workers migrate to urban areas due to expected income differentials between urban and rural areas. Migration causes

overcrowding and unemployment in urban areas as the rate of migration exceeds the rate of job creation in the formal sector. Furthermore, as a result of unemployment in urban areas, many individuals enter employment in the informal sector.

Figure 6. Employment by industry and age category



Source: Authors' own calculation (Zambia Labour Force Survey 2012).

Notes: The data are weighted. * Indicates that the estimated population mean for the youth sub-group is statistically significant to that of the non-youth sub-group by industry. The industry classification 'Private households' refers to domestic work.

latter three segments are presumably located in urban locales.¹⁴ In addition to the unemployment problem facing urban youth, it is noted above that rural youth tend to find themselves in marginal forms of employment or underemployment.¹⁵ It is possible that these two labour force issues facing the youth are connected. For instance, youth in rural areas may choose to remain in marginal forms of employment in these localities because of limited employment opportunities in the cities. Therefore, it can be argued that policy attention needs to be directed at both urban and rural labour markets.

Further analysis of the segmentation of the Zambian labour market indicates that female youth are more likely to be employed in marginal forms of employment than male youth. The bars in Figure 5 show the ratio of male to female employment shares by labour market segment. A ratio greater than one points to male youth being more prevalent within that segment of the labour market than the female youth. Male youth are twice as likely as female youth to be private employees or self-employed in the formal sector. Interestingly, the same ratio for the public sector is closer to one, which could indicate gender equity policies within the public sector.

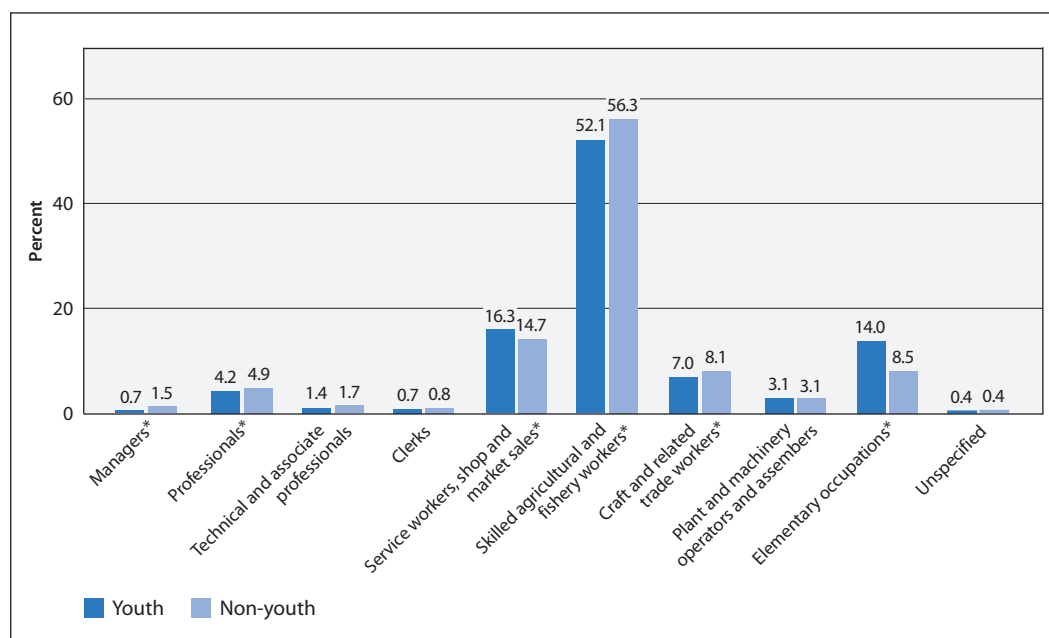
However, looking at the informal sector, it is interesting to note that the segments of the labour market that can be considered as marginal forms of employment are characterised by a bias toward female workers. In particular, the ratios for household workers in the informal sector working in agricultural and non-agricultural activities, as well as own-account self-employed, are less than one and close to one, respectively. In addition, these segments of the labour market account for large shares of youth employment (see Table 2), which suggests that female youth tend to disproportionately find themselves in marginal forms of employment.

The prominence of employment opportunities in agriculture relative to wage employment is indicative of Zambia being an agrarian economy. This is evident in Figure 6, which shows youth and non-youth employment by industry category. Agriculture is by far the most common source of employment, comprising 55.9 and 59 percent of youth and non-youth employment, respectively. However, it is important to note that a large share of this is unpaid household work or subsistence agriculture, which are categorized as marginal forms of employment.

¹⁴ Further inspection of the data reveals that 88 percent of youth employed in informal household work, and 90 percent of those in informal own-account self-employment in agriculture, live in rural areas.

¹⁵ It is important to note that these marginally employed youth are classified as employed due to the broad way in which employment is defined. The CSO defines employment as the following: "...persons who performed work for pay either in cash or kind, profit, barter or family gain...the minimum number of hours of work considered in measuring employment was one hour."

Figure 7. Employment by occupation and age category



Source: Authors' own calculation (Zambia Labour Force Survey 2012).

Notes: The data are weighted. * Indicates that the estimated population mean for the youth sub-group is statistically significant to that of the non-youth sub-group by industry.

The extent to which agriculture still dominates the Zambian economy relative to manufacturing suggests that the economy has not undergone a sufficiently meaningful structural transformation.¹⁶ Other key industries serving as employment sources are the wholesale and retail trade industry, and the community, social, and protection services industry.¹⁷ The latter would consist mainly of public sector employment. Ultimately, this sectoral breakdown in employment does confirm that while a focus on youth employment and youth job creation is critical, such a focus and policy approach must be viewed as one element of a broader growth and development strategy for Zambia. Such a strategy would inevitably involve improving the competitiveness of the agriculture sector in the economy, and trying to create appropriate conditions for the growth of labour-intensive manufacturing.

Figure 7 shows the breakdown of employment for youth and non-youth by occupation, and indicates that most

employed youth are found in semi-skilled or unskilled occupations.¹⁸ Again, the prominence of agriculture is evident, with 52.1 and 56.3 percent of youth and non-youth, respectively, being employed as skilled agriculture or fishery workers. The main non-agricultural occupations that employ youth¹⁹ are semi-skilled occupations such as service work, shop and market sales, craft and related trade activities, and unskilled elementary occupations.²⁰

The likelihood of unemployment among youth increases as the level of education rises, from incomplete primary education to high school graduate.

Table 3 provides further indication of the average characteristics of the employed youth. It is evident that employed youth in Zambia are more likely to be male and in a rural locality. In terms of education, the spread of employment is distributed

¹⁶ Structural transformation as defined by Hausman, Hwang & Hidalgo (2007) is the shift from 'poor country goods' (i.e. agricultural products) to 'rich country goods' (i.e. technology-intensive manufactured products).

¹⁷ Figure 2A in the Appendix shows the breakdown of non-agricultural employment by industry. The main sources of non-agricultural employment for the youth are manufacturing, wholesale & retail, financial, insurance & business services, community, social & personal services, and private households.

¹⁸ Skilled occupations include managers, professionals, and technicians and associate professionals. Semi-skilled occupations include clerks, service workers, shop and

market sales, skilled agriculture and fishery workers, craft and related trade workers, and plant and machinery operators and assemblers. Unskilled occupations include elementary occupations.

¹⁹ Appendix Figure 2A depicts the key non-agricultural occupations that comprise youth employment.

²⁰ Elementary occupations refer to: cleaners and helpers; agricultural, forestry and fishery labourers; labourers in mining, construction, manufacturing, and transport; food preparation assistants; street and related sales and service workers; and refuse workers.

across educational categories. Approximately 43 percent of employed youth have either an incomplete or complete primary education, while 40 percent have either an incomplete or complete secondary education. Interestingly, by examining the ratio of the employed youth to the unemployed youth by education level, it is evident that the likelihood of unemployment among the youth increases as the level of education increases from incomplete primary education to high school graduate. The ratio of employment to unemployment for the youth is lowest for high school graduates, which is consistent with earlier estimates of unemployment rates being highest for this sub-group of the youth. The employment to unemployment ratio increases substantially for youth with a tertiary education, implying that employment is more likely for youth with a tertiary education.

Young Zambians are more likely to be underemployed than their non-youth counterparts, with one in five employed youth willing and able to work more.

In addition to the earlier evidence pointing to youth being employed in marginal forms of employment in the informal sector, Table 3 shows evidence that young Zambians are more likely to be underemployed than their non-youth counterparts. For instance, one in every five employed youth are willing and able to work more if the opportunity presents itself. In addition, over a third of the employed youth, if presented with the opportunity to change their current job, would do so.

The phenomenon of youth finding themselves in marginal forms of employment in the Zambian labour market is further evident in the nature of employment measures listed in Table 4. Here, the data show that employed youth are less likely to have a written employment contract, and more likely to have an oral employment agreement, than non-youth.

Youth are less likely to be employed in a permanent position than non-youth, and are more likely to be employed under fixed-contract, seasonal, or part-time employment. This evidence is instructive: where young people are being employed, it appears that their terms of employment are more irregular than those of adult workers.²¹ While at first glance this may reflect more irregular forms of employment for young people, it may also be indicative of a lower barrier to employment entry for younger people.

Table 3. Characteristics of the employed by age category

	Youth	Non-youth
General characteristics		
Male*	51.9 (0.006)	55.6 (0.006)
Rural	64.6 (0.006)	65.0 (0.006)
No schooling	0.1 (0.001)	0.0 (0.000)
Incomplete primary	28.9 (0.005)	28.6 (0.006)
Complete primary*	14.3 (0.004)	15.5 (0.005)
Incomplete secondary*	24.4 (0.005)	20.6 (0.005)
High school graduate*	15.6 (0.004)	12.0 (0.004)
Tertiary*	3.8 (0.002)	5.5 (0.003)
Underemployment		
Work more?*	20.3 (0.005)	19.0 (0.005)
Change job/business?*	34.6 (0.006)	25.4 (0.006)

Source: Authors' own calculation (Zambia Labour Force Survey 2012).

Notes: The data are weighted. Standard errors are in parentheses.

* Indicates that the estimated population mean for the youth sub-group is statistically significant to that of the non-youth sub-group.

Table 4. Nature of employment by age category

General characteristics	Youth	Non-youth
Written contract*	49.8 (0.012)	64.6 (0.014)
Oral contract*	46.7 (0.012)	30.9 (0.013)
Permanent*	41.0 (0.012)	55.7 (0.014)
Fixed contract*	28.9 (0.011)	24.6 (0.012)
Casual*	22.4 (0.010)	13.4 (0.010)
Part-time*	3.2 (0.004)	1.9 (0.004)
Seasonal*	1.8 (0.003)	1.1 (0.002)

Source: Authors' own calculation (Zambia Labour Force Survey 2012).

Notes: The data are weighted. Standard errors are in parentheses.

* Indicates that the estimated population mean for the youth sub-group is statistically significant to that of the non-youth sub-group.

²¹ It must be noted that this pattern of youth having more irregular forms of employment than non-youth is also evident if one restricts the sample to formal sector employees. However, the magnitudes do change with irregular forms of employment being less evident among employees in the formal sector.



STEVIE MANN

The analysis presented in this section indicates that the Zambian labour market is young, and set to remain so for some time. The opportunities available to youth, and the extent to which they are participating in the labour market, are therefore of economic importance. As shown above, unemployment is essentially an urban youth problem, particularly among those who have completed high school education. In terms of employment, young people are less likely to work in the formal sector than non-youth. An additional problem facing the youth is that a large share of those employed in the informal sector find themselves in marginal forms of employment or underemployment, such as own-account self-employment in agriculture and unpaid household work in agriculture. Furthermore, youth in these marginal forms of employment are disproportionately female. There is evidence of youth finding employment in non-agricultural activities in the informal sector as private employees, or self-employed own account workers. These informal, non-agricultural activities may be

temporary forms of employment in urban centres, as the youth wait for better opportunities in the formal sector. Finally, youth are more likely than non-youth to be underemployed, in jobs that are temporary and casual. Zambian youth therefore face a dual problem of high levels of unemployment in urban labour markets and high levels of underemployment in rural labour markets.

It must be emphasized, however, that young, secondary-educated individuals working mainly in agriculture and urban informal employment should be central to the development of growth and employment policy options focused on young people in Zambia. In particular though — and this cannot be emphasized sufficiently — such a policy menu focused on youth must be located within a broader discussion of Zambia's growth and development challenges.

3 Youth employment patterns: Supply-side considerations

The previous section clearly shows that young Zambians are overrepresented in the share of unemployed in the country, as well as in the group of discouraged workers. In particular, urban youth are most vulnerable to unemployment. Poor educational outcomes were shown to be an important determinant of labour market outcomes, where youth with a tertiary qualification are significantly more likely to find employment, particularly in the formal sector. This section combines both qualitative and quantitative evidence to uncover some of the underlying factors that shape the school-to-work transition for young Zambians, and patterns of youth employment. Finally, it outlines youth perceptions of the barriers to employment they face, and their career aspirations.

Having low levels of human capital development is one of Zambia's most pressing challenges.

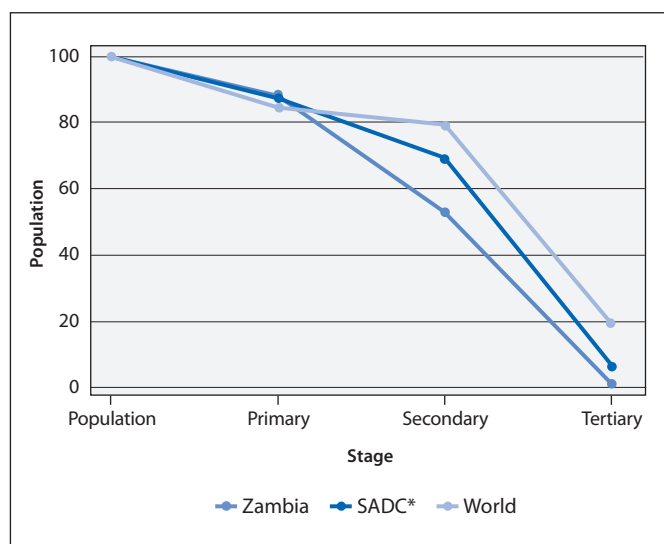
3.1. Youth and educational outcomes

As evidenced in East Asia, human capital development can play an important catalytic role in poverty reduction and economic development. For Zambia, existing low levels of human capital development represent one of the most urgent socio-economic challenges. This is evidenced by increased scarcity of skilled workers and limited access to higher and tertiary education. In addition, the absence of appropriate and effective linkages across the various participants of the labour market has resulted in the mismatch between the supply of skills and the current labour demand profile.

While primary enrolments have increased to 94%, rates of progression to secondary school and beyond are low.

There has been much progress made on primary school enrolment rates in Zambia over the last decade. The net primary school enrolment rate has increased from 72 percent in 2002, to 94 percent in 2012. Yet progression from primary to secondary

Figure 8. Transition rates from primary school to tertiary institutions — world, SADC and Zambia



Sources: UNESCO Institute for Statistics (2015), World Development Indicators (2014).

Notes: * Complete data does not exist for South Africa and Zimbabwe.

school has remained low and stagnant. A more succinct way to determine the health of an education system is through examining conversion rates — the proportion of primary school students who enter the tertiary education system. This is illustrated in Figure 8 above. It is clear that while the proportion of students attending primary school is similar between SADC, the world, and Zambia, there is a large divergence in enrolment rates at the secondary and tertiary education levels. Zambia clearly shows a considerably steeper drop-out rate between primary and secondary enrolment, and even more so between secondary and tertiary, than the rest of SADC or the world.

The estimates above show that in SADC, for every 100 primary school children, only 6.2 will enrol at a tertiary institution — an exit rate of 94 percent. In Zambia, this figure is 1.07 — nearly six times below the SADC average and 19 times below the world average. The high and rapid attrition rate is perhaps the most powerful indictment of the ineffectiveness of the Zambian educational system. The small number of graduates at Zambian universities also suggests that the skills that employers demand will be in short supply. Student absorption into TVET institutions also remains very low; this is discussed in more detail in the next sub-section.

Over a third of youth aged 15-24 are literate.

A partial explanation for the low rate of progression from primary to secondary education relates to the quality of schooling in Zambia. Zambia's average pupil-teacher ratio of 49 is substantially higher than that of other lower-middle income countries (UNESCO 2015). Furthermore, five percent of all primary school pupils and seven percent of secondary school students repeat a grade at least once. This has resulted in slightly more than one third of all youth between the ages of 15 and 24 being illiterate. This basic level of skill lays the foundation for a student's potential to progress through an educational system, which is clearly not being nurtured in the current environment. School drop-out rates are, of course, also driven by household economic constraints, which are discussed in more depth in the next section.

The low pass-through rate of children from primary and secondary education has direct implications for skills development at higher levels of education. Given that these learning deficits are occurring at such a young age, it is likely that the accumulation of these learning deficits prevents many youth from obtaining a post-schooling qualification. In 2005, Zambia had 25,584 students enrolled in a tertiary institution — of whom 12,810 were in teacher training colleges, 9,250 attended the University of Zambia, and the remainder were at Copperbelt University — against a potential demand for tertiary education among 1.63 million youths (UNDP, 2011). This mismatch is

attributed both to candidates not satisfying an institution's criteria and, more importantly, institutions lacking the financial and human resource capacity to admit all qualified applicants.

Improving school quality and secondary school retention rates will be crucial to achieving the government's employment targets.

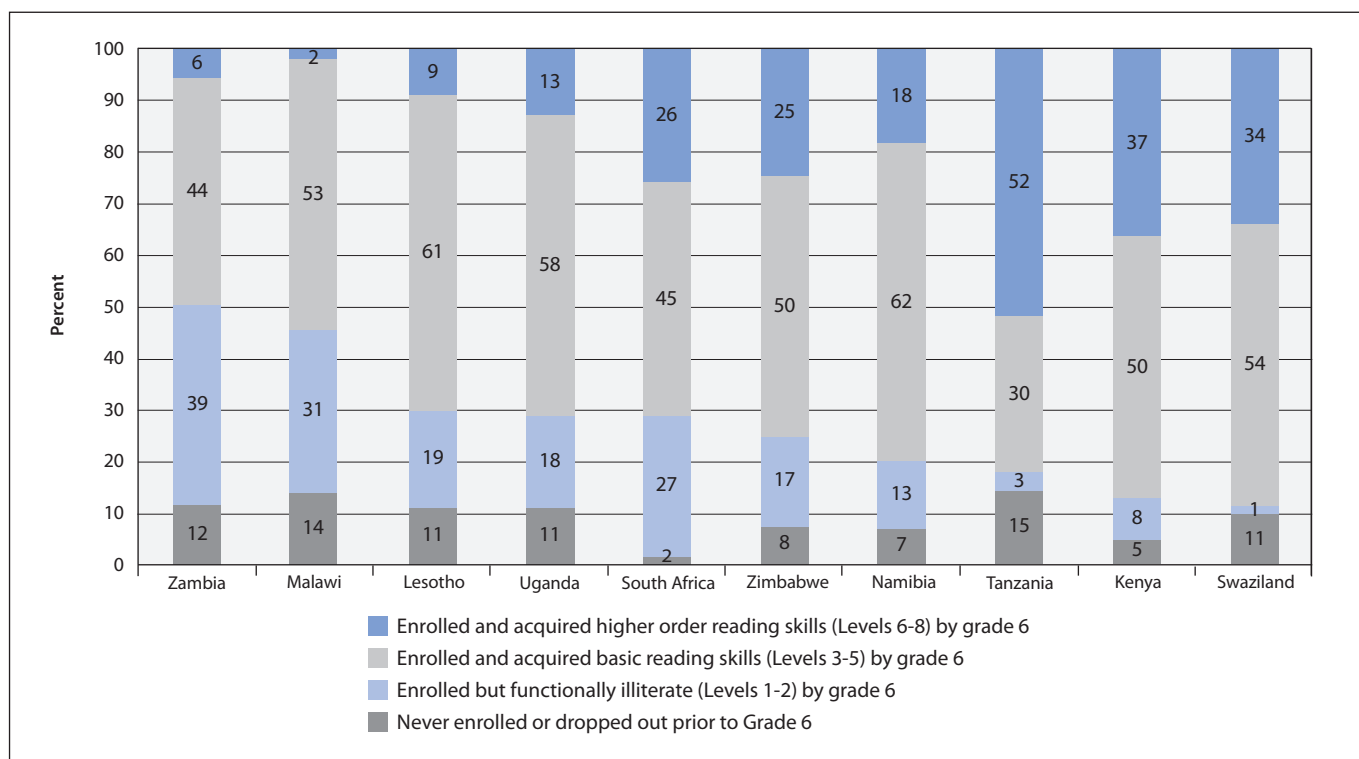
The inability of Zambia's primary and secondary educational institutions to provide a sufficient quantity and quality of education has resulted in Zambia's pupils falling behind those in comparator countries. Using 2007 survey data from the Southern and Eastern Africa Consortium for Monitoring Educational Quality (SACMEQ), Spaul and Taylor (2012) compare access to and quality of education across these countries. Figures 9 and 10 show, firstly, that Zambia has the third lowest Grade 6 enrolment rate of this sample of countries. Secondly, that Zambia has the highest proportion of functionally illiterate and functionally innumerate Grade 6 pupils of this sample, at 39 percent and 59 percent, respectively. Low-income countries like Malawi, Uganda, Zimbabwe, Tanzania, and Kenya all outperform Zambia on the proportion of Grade 6 pupils that have acquired basic literacy and numeracy skills, and with the exception of Malawi, they also outperform on the proportion of those students who have acquired higher order reading and numeracy skills. This highlights that the government's ability to improve both the secondary school retention rate and the quality of schooling at all levels will be important factors in determining whether Zambia will reach its employment creation targets.

Specifically, meeting Zambia's employment targets will require an improved ability to provide tertiary education to secondary school drop-outs, and finishers who are currently not being absorbed into the existing tertiary system. In Zambia, as in many SADC countries, enrolment in tertiary education institutions is highly skewed toward 'academic' institutions (universities and universities of technology) and away from further education and training (FET) colleges (Bhorat and Mayet, 2010).²²

²² For example, Swaziland has approximately three university enrollees for every one attendee at a TVET institution, and this figure is close to five in Lesotho. In contrast, for the year 2001, the most recent year for which figures could be found, only

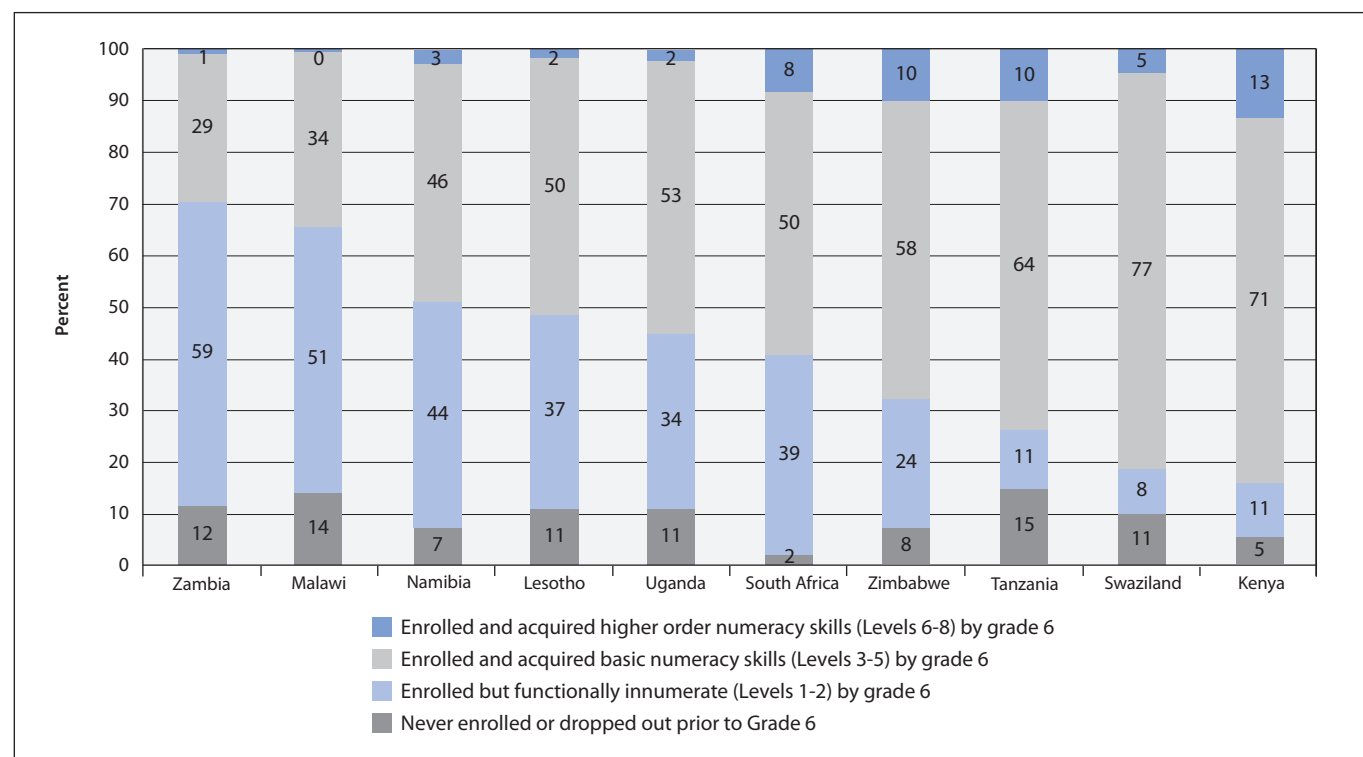
36.6 percent of students attending a tertiary institution in the United Kingdom were attending a university or technical institute, with the remainder (63.4 percent) attending FET colleges (Bhorat and Mayet, 2010).

Figure 9. Grade 6 literacy skills



Source: Spaul and Taylor (2012).

Figure 10. Grade 6 numeracy skills



Source: Spaul and Taylor (2012).

3.2. Technical and vocational training (TVET)²³

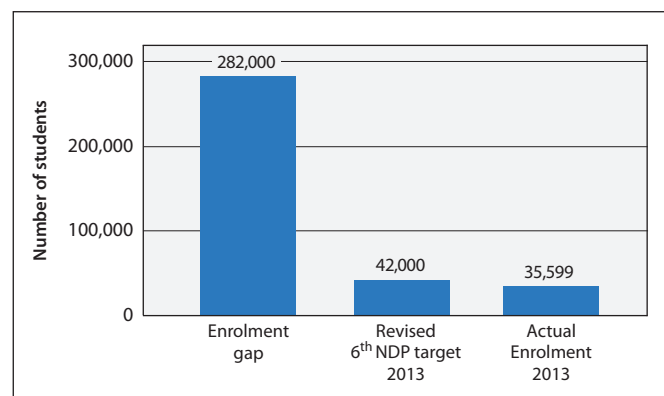
Technical and vocational education and training (TVET) is increasingly being promoted as a core solution to the global youth unemployment challenge, given its orientation toward the acquisition of employable skills. TVET is seen as more responsive to skills mismatch challenges that impede the school-to-work transition of many young people (UNESCO-UNEVOC, 2013). Both funding and perceptions of the quality of TVET are seen as the major hindrances to its growth. In many SADC economies, donor agencies and multilateral institutions have played a major role in funding and setting up TVET institutions, as have private sector companies, though levies. Nonetheless, it is clear that in most SADC economies, this sector has been the most neglected within the educational system.

Currently, access to technical education and vocational and entrepreneurship training in Zambia is very low, with capacity acting as a major barrier. About 300,000 youths leave the school system every year at both grades 9 and 12 (MoF, 2014a). It is estimated that the higher education (HE) and the TVET systems can only enrol or absorb about six percent of the youth entering the labour market annually, with TVET alone absorbing about 14,000 students annually (i.e., about 4.6 percent). Zambia's latest national development plan (R-SNDP)²⁴ set a total enrolment target of 42,000 for 2013 in TVET institutions. The actual total enrolment was reported to be 35,599 (MESVTEE, 2014). Combining both HE and TVET enrolment, it can be estimated that in 2013, the enrolment gap was about 282,000 youth (see Figure 11).

Given high and rising youth unemployment rates linked to high drop-out rates, as well as the chronic need for semi-skilled workers in Zambia, more sustainable, long-term financing of the TVET sector is crucial.

A second key hindrance to the growth of the TVET sector, which is in part linked to the differential fiscal outlays, is the historical tendency to view the higher education sector as defined solely by the university system. There is a long-held view within most economies in the SADC that a university qualification is preferable to TVET certification. This is in stark contrast to numerous developed economies, where a technical or artisanal training is in held in high regard both culturally, and by employers.

Figure 11. Tertiary education enrolment gap and policy target vs actual total enrolment in TVET institutions in 2013



Source: MESVTEE (2014).

- Note: 1. Enrolment gap refers to the gap between the estimated number of youth entering the labour market each year (300,000 individuals), and the estimated 6 percent of these youth that higher education and the TVET system are able to absorb (6 percent of 300,000 equals 18,000).
2. Revised 6th NDP target 2013 refers to the policy target for enrolment in TVET institutions for 2013.
3. Actual enrolment 2013 refers to the actual enrolment in TVET institutions in 2013.

According to UNESCO-UNEVOC (2013), Zambia has partnered with the Commonwealth of Learning on a project that introduces cheap technology so that skills-based learning can reach youth at the lower end of the income distribution and those further away from urban centres. These technologies include recorders, DVDs, CDs, and videos to support independent learning. A significant challenge to scaling up this approach is the lack of access to basic technological infrastructure such as computers and a reliable internet connection.

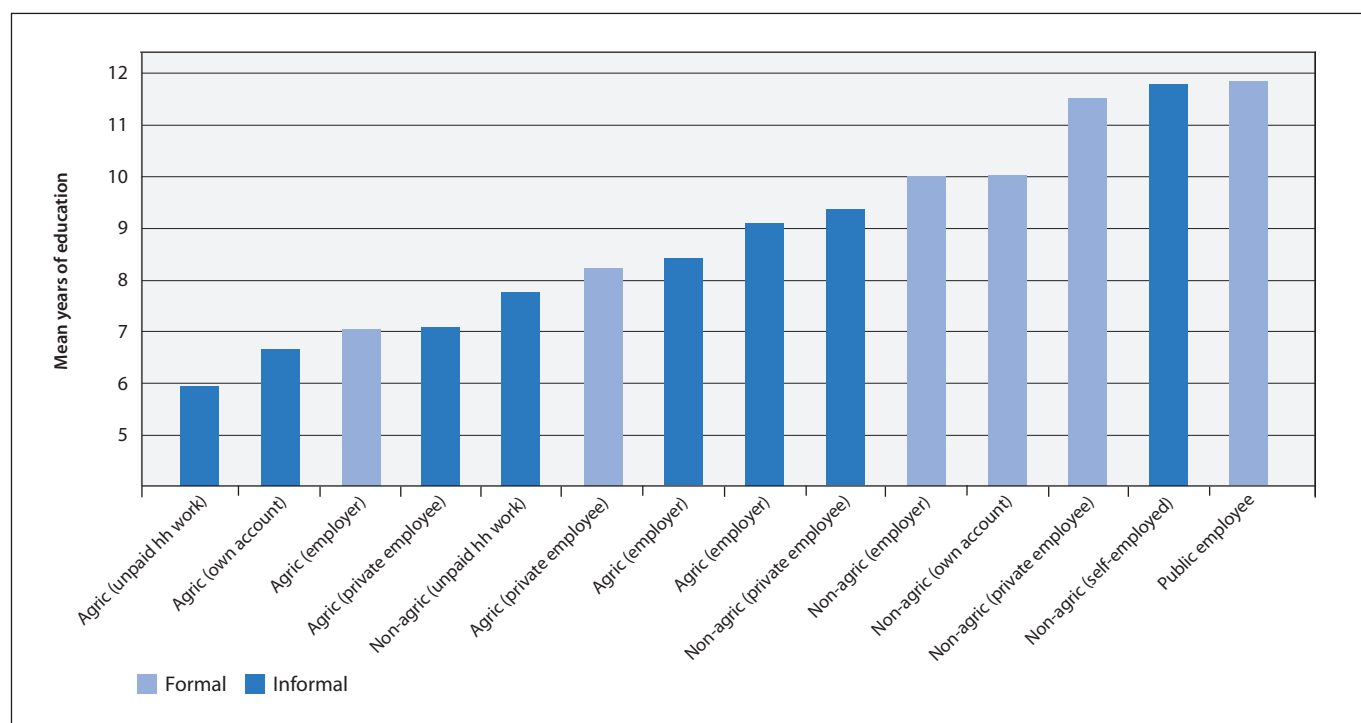
Developing an effective system for technical and vocational education will be key to addressing Zambia's skills deficit.

For Zambia, developing an effective TVET system represents an important mechanism through which to enhance youth skills and address the existing skills gaps in the country. This seems essential to any attempt to absorb the large and growing numbers of young people who are unable to complete secondary schooling or attend one of the existing universities.

²³ It is worth noting that reports specific to Zambia use the acronym TEVET, which stands for Technical, Entrepreneurial, and Vocational Training. The use of TEVET is specific to Zambia and there is no material difference between it and TVET. Therefore, for the purposes of consistency with international norms, we use the term TVET.

²⁴ Revised Sixth National Development Plan. See Sections 4 and 5 for more detailed policy analysis.

Figure 12. Education and labour market access for Zambian youth: Average education level by labour market sector, Zambia 2012



Source: Authors' own calculation (Zambia Labour Force Survey 2012).

Notes: The data are weighted. The sample is restricted to working age youth (15-35). Own-account and employer refer to self-employed who operate on their own-account or employ other workers, respectively. Agric = Agriculture; hh = household.

3.3. Youth and labour market access

In 2008, the World Bank's Poverty Reduction Group conducted a study in response to concerns about the marginalisation of youth in Zambia, which focused on transitions within the educational system as well as from school to work and between different forms of employment.²⁵ One of their principle findings was that within-school transitions and school-to-work transitions take a considerably longer time period for young Zambians compared to the typical time period of these transitions for youth in other developing countries.

The results of their study further suggest that poorer Zambian youth move in and out of school depending on their ability to find sponsors to pay for them, resulting in students only graduating from secondary school in their twenties. These financial constraints also produce a high level of churning in the labour market for young people as they move between temporary work and schooling.

These results are supported by the ILO's (2013) School-to-Work Transition Survey conducted in Zambia.²⁶ It found that almost two-thirds of all early school leavers report economic reasons (could not afford school or needed to work for the household) for leaving school. In this sense, there are distinct differences in the characteristics of those young people who have transitioned²⁷ full-time into the labour force, compared to those who are still in transition, in that they are either (full-time or part-time) students or in irregular employment.²⁸ The status of 'transitioned' is determined not only by the type of employment (which includes self-employment and unpaid family work), but also by the job-holder's subjective satisfaction with the job.

Females are much more likely to be in-transition than males, as are those who are poor or fairly poor compared to those who are financially better off. The proportion of youth in-transition in urban areas is five percent higher than for youth in rural areas. Lastly, youth with a university education are 1.6 times more likely to have transitioned to full-time employment than

²⁵ Interviews were conducted with 60 Zambian youth (23-30 years old) living in either urban or rural areas.

²⁶ This survey was conducted on a nationally representative sample of youth aged 15-29.

²⁷ Those that are considered to have transitioned are in full-time regular employment, which includes self-employed and unpaid family workers. A transitioned person is a young person who is currently employed in: a stable job, whether satisfactory or

unsatisfactory; a satisfactory but temporary job; or satisfactory self-employment. A youth 'in-transition' falls into one of the following categories: unemployed; employed in a temporary and unsatisfactory job; in non-satisfactory self-employment; or currently not in school, inactive, but will look for work in future. Satisfactory employment is subjective, based on self-assessment of the job-holder.

²⁸ See Figure 1A in the Appendix.

Table 5. Employment of young Zambians interviewed for Locke & Verschoor's (2008) study on economic empowerment of young people in Zambia (% of each survey category)

Survey category	Formal employment	Informal employment	Self-employment	Students	Farmers	Unemployed	Total (n)
Already successful	0.8 (1)	-	0.2 (0)	-	-	-	5 (2)
Going places	0.54 (0.4)	-	0.45 (0.6)	-	-	-	11 (5)
Solid start	0.55 (0.6)	0.11 (0)	0.22 (0.4)	0.11 (0)	-	-	9 (5)
May have potential	0.2 (0)	0.2 (0.5)	0.4 (0.5)	0.1 (0)	-	0.1 (0)	10 (4)
Little potential	0.23 (28)	0.3 (0.42)	0.38 (0.14)	0.07 (0.14)	-	-	13 (7)
Unable to find a job	-	-	-	-	-	1 (1)	7 (3)
Economically excluded	-	0.2 (0)	-	-	0.2 (0.5)	0.6 (0.5)	5 (2)
Total (n)	20 (9)	8 (5)	17 (8)	3 (1)	1 (1)	11 (4)	60 (28)

Source: Locke & Verschoor (2008).

Note: 1. All cells are percentages (e.g. 0.8 = 80 percent), except for the 'Total' column and 'Total' row, which are numbers.

2. The respective shares and numbers for females are provided in parentheses.

3. '-' indicates zero values for both males and females.

youth with a vocational education, and 1.55 times more likely than youth with a secondary education. This latter piece of evidence may suggest that some of the key financial barriers to further education lie within the TVET segment of the higher education pipeline.

A simple analysis of average educational levels across the different segments of the labour market reveal that those youth with lower levels of education are concentrated in agriculture and informal sectors.

In keeping with simple Mincerian-type²⁹ results, these tabular estimates here confirm that higher levels of education tend to be more strongly and positively associated with wage employment in the public and private formal sector. Access to jobs in larger private enterprises and in the public sector is thus more likely for those with a high school completion and higher, confirming the notion above of strong levels of segmentation, again much in the mould of the Harris-Todaro (1970) and Fields (1975) models of labour market duality in sub-Saharan Africa. While this suggests that returns to education increase with the level of education regardless of quality, we do find considerable unemployment among high school graduates in particular, and somewhat also among tertiary graduates. Although this can be linked to relatively higher reservation wages, it is fundamentally a story related to skills mismatches. In essence, the

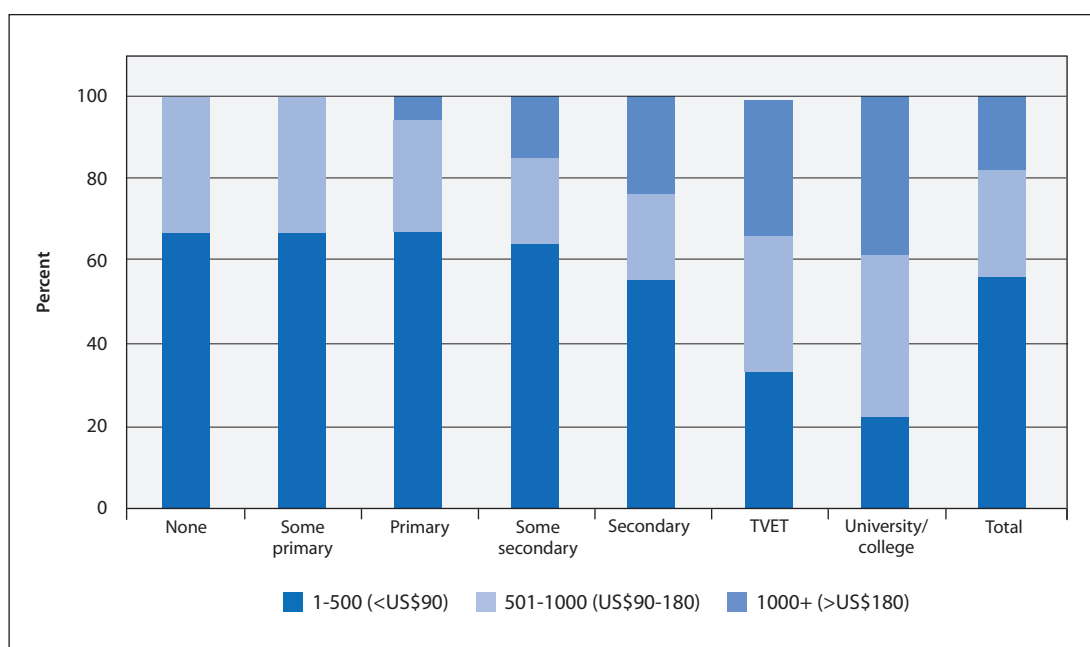
employability of tertiary graduates is directly related to the skills demand patterns in the economy; therefore, those who graduate with low-demand qualifications still find it difficult to access full-time regular employment.

Networks and social capital are important for job connections and entrepreneurship.

Another key factor in the transition process of young people into the labour market in Zambia is the role of networks and social capital. Having better educated parents who can provide social connections is an important factor in the success of young people in Zambia. Better educated and more financially secure parents mean a stable source of funds for the education of young Zambians. Studies indicate that those families with some social capital were able to provide significantly more support to their children regarding career choices, as well as helping them to find internships and jobs through their social contacts (Locke & Verschoor, 2008). As shown in Table 5, for those youth with 'some potential' or a 'solid start', whose families were not as financially well-off as those with better educated parents, their social capital helped them to become informal sector entrepreneurs. These individuals worked in family business (often for no pay) until they learned the necessary skills to start their own businesses.

²⁹ The Mincerian Earnings Function models earnings as a function of schooling and work experience (where earnings rise with both).

Figure 13. Monthly salary by educational level (% of respondents in each educational category)



Source: International Youth Foundation (2014).

Those youth who do not have adequate levels of education or the networks and social capital to carve out a smooth entry into the labour market are seemingly left behind. The survey findings suggest a lack of government support for young people in adverse circumstances. In the absence of providing schools, there was no formal state support for young people who experienced destitution or abuse, or who were forced to temporarily or permanently drop out of school due to the lack of funding or poor grades.

In addition, for those young entrepreneurs interviewed in the study by Locke & Verschoor (2008), none had been able to receive credit from a formal credit institution. In light of the importance of the informal sector in absorbing working-age youth into the labour market, this represents a critical barrier to increasing youth employment, which is discussed more in the next sub-section. There remains much space for government intervention and initiatives to support the operation and growth of micro and small businesses.

3.4. Youth perspectives: Barriers and aspirations

The data analysis in the section above shows that youth are highly represented in the informal sector, though some find formal sector entry-level jobs as technicians, call centre operators, cashiers or sales representatives. When employers were asked to rate these entry-level jobs by the YouthMap Zambia³⁰ (2014) study, 37 percent rated them as 'fair', a further 37 percent as 'good', and six percent as 'very good'. The employer perceptions of the quality of these jobs, however, did not match the young work seekers' perceptions. Only 38 percent of the youth interviewed reported that the salaries that they earned from these entry-level jobs were sufficient or almost sufficient.

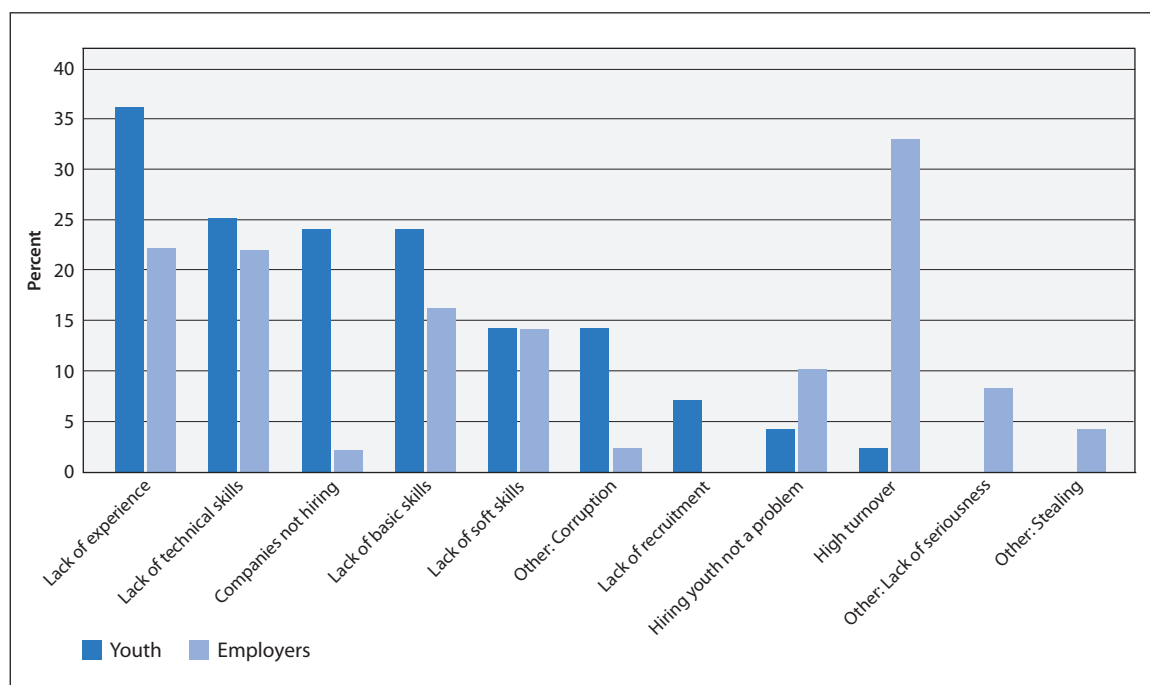
In essence, the youth claim that their salaries are inadequate to cover their high living costs, particularly in urban Zambia. Figure 13 above shows the majority of young people in this study earn less than US\$90 a month, or US\$3 a day on average.³¹ This equates to, at the upper bound, US\$1,080 a year, which is slightly less than 60 percent of Zambia's 2013 GDP per capita. Clearly, those at higher levels of education earn substantially more.

³⁰ YouthMap Zambia (International Youth Foundation, 2014) is a study that seeks to assess the opportunities and challenges facing young people (ages 15-29) in the country, by talking to both the youth and other key stakeholders. Essentially, the results of the report are based on focus groups, surveys, case studies, and inter-

views with 450 youth, 52 key stakeholders (including government, civil society, and educational institutions), and 49 companies. The results of this study are not intended to be nationally representative.

³¹ Using an average of 30 days per month.

Figure 14. Youth and employer perspectives on the barriers to finding employment



Source: International Youth Foundation (2014).

The high levels of youth unemployment and under-employment, and the proportion of the young labour force that is discouraged, all point to there being significant barriers to employment. YouthMap (2014) shows that only about half of the youth surveyed took less than three months to find a job. Of the other half, the large majority took more than six months to find a job.³² The perceptions of these barriers to employment differ between young work seekers and employers. The youth perceive their lack of experience, lack of technical and basic skills, and the notion that there is a lack of available jobs, to be the most important barriers to finding formal paid employment (YouthMap, 2014; Chigunta et. al., 2013).³³

Employers, however, cite the high turnover rate of employees as an important barrier to young people finding employment, along with their lack of experience and technical skills (Figure 14). In this sense, employers stated that youth lack career focus and direction, and are often trained for, or accept a job, regardless of their interest in it, or ability to fulfil its requirements. This was also seen in the previous section, where it was estimated that youth are more likely to change their jobs

than non-youth workers. This perception ties in quite closely with evidence of skills mismatches (Locke & Verschoor, 2008), where study respondents stated that they often found work that was not related to their field of training, and therefore had to continue to upgrade their skills, in line with the job requirements. Where the direction of this post-work training is not in line with their original career desires, young employees may be less committed to their jobs and continue to seek other work opportunities, or continue to search for formal sector jobs.

Zambian youth see entrepreneurship as a positive choice: Zambia has one of the highest rates of early-stage entrepreneurship among countries sampled by GEM.

As an alternative to finding employment with an employer, entrepreneurship — or informal employment — is viewed very positively by youth. Of the self-employed participants in the YouthMap (2014) study (over a quarter of all participants), 57 percent enjoyed the work they were doing, compared to 34 percent of full-time salaried youth. Furthermore, according

³² These results provide useful insights, but are not intended to be nationally representative.

³³ It is useful to remember that formal paid employment makes up a small proportion of total youth employment in Zambia, at 11 percent of youth employment shown in Table 2.

to the Global Entrepreneurship Monitor (GEM) 2012 Report for Zambia, 80 percent of all youth respondents have a strong perception of good opportunities for starting a business, and 84 percent of these youth also believe they have the skills and knowledge needed to do so (Chigunta, 2012). Relative to the adult population in Zambia, the proportion of youth with entrepreneurial intentions is high (Chigunta, 2012). This has resulted in Zambia having one of the highest early stage entrepreneurship rates among GEM sampled countries, with the activity being driven primarily by those aged 25-34.

The most binding barrier to self-employment, however, is the lack of access to credit, which continues to constrain the ability of young people to fulfil their desire to start their own businesses (YouthMap, 2014; Chigunta et. al., 2013). To emphasize the depth of the problem, the ILO (2013) estimates that only one percent of self-employed youth use start-up financing from a microfinance institution or bank. The large majority use their own savings or money from family or friends. Credit provision to the private sector in Zambia more generally remains considerably low at 16.5 percent of GDP, compared to countries like Mozambique (29 percent), Botswana (32 percent), Lesotho (20 percent), and Malawi (19 percent) (World Bank, 2015). Therefore, the finance and microfinance industries seem to be particularly underdeveloped in Zambia, and industry regulation has been slow to respond to the growing need for this type of small-scale finance.

There is some evidence, however, that there is more diversity in the aspirations of the youth, given an overwhelming preference for a public sector job (Chigunta et. al., 2013). Overall, ILO (2013) shows that 81.5 percent of youth respondents prefer a future job in the public sector, compared to other options such as working in their own business, a private company, an international organization, or a family business. This proportion is considerably higher for rural youth (85.5 percent) relative to urban youth (75.5 percent). This may indicate that rural youth perceive a much narrower range of job opportunities available to them, and may be more generally indicative of a labour market partly characterised by a 'queuing model'³⁴ for wage employment in the public sector. The latter is a fairly common feature of many developing country labour markets. When self-employed youth were asked to provide reasons behind their choice to start a business, over half responded that it was because they could not find a salaried job.



CORDELLA PERSEN

This may be closely related to the fact that despite some evidence of there being a strong interest in entrepreneurship among its youth, Zambia has one of the lowest rates of established firms, where 'established' refers to those enterprises that have been in existence for at least three-and-a-half years. Estimates suggest that only two percent of all youth business owners are considered established (Chigunta, 2012). This then places Zambia's rate of business failure at a substantially higher rate than the African average, as well as those for other developing regions. This may be partially explained by businesses being necessity-driven, as opposed to opportunity-driven, and so when other forms of employment or income generation become available, entrepreneurs stop running their businesses. However, given the positive perceptions of entrepreneurship among the youth, and their strong desire to start their own businesses, it may be symptomatic of a poor business environment and a lack of institutional state support for small businesses. There are indications that government supported programs do not address the important challenges that young entrepreneurs face in running their businesses, and an overwhelming majority of these youth are not even aware that these programs exist (Chigunta, 2012).

³⁴ Whereby graduates wait for a job in the public sector, even if it means a period of unemployment.

4 Policies, programs and interventions

The previous sections have presented a detailed overview of the landscape of youth unemployment in Zambia from both the supply and demand side of the labour market. Indeed, the Zambian government has recognised the challenge that youth unemployment places on broader economic development and economic policies, and particularly labour market policies aimed at including young people in the mainstream economy. As such, public policy on the participation of young people in the economy is well established, at least in terms of policy statements and frameworks. In Zambia, the National Youth Policy (NYP) dates back to 1994. Yet in practice, implementation of policies directed at young people in Zambia seems to be poor.

Zambia's National Youth Policy dates back to 1994, but implementation has lagged behind.

The donor community, including the International Labour Organization (ILO) and African Development Bank (AfDB), together with Zambia's NGO sector, have complemented these public policy objectives with a number of specific micro-interventions, thus buttressing the relatively low-key approach of the Zambian government. The focus of these initiatives includes skills development, capacity building, facilitating decent work, and the use of technological platforms to enhance employability. This section provides an assessment of the key policies and interventions specifically targeting youth employment in Zambia from government, the NGO sector, and the donor community.

4.1. Youth employment policy interventions in Zambia

Government-led interventions

The overarching youth policy in Zambia is the NYP, adopted in 1994, with the National Plan of Action for Youth prepared in 1997 (Chigunta et. al., 2013). At the time that the policy was taken up, the government had recognised that large numbers of youth were alienated, excluded from the labour market, and participating in unproductive activities. Therefore, an objective of the NYP was to engage youth by creating jobs for them in



the formal labour market, and creating access to relevant information around policy as well as processes. An amended policy was adopted in 2006, and this revised framework became the central policy on youth development. In terms of youth employment, the policy objectives were largely on the supply side and include (Ministry of Sports, Youth and Child Development, 2006) the following:

- i. Establish school-leaver programs to prepare youth for employment;
- ii. Involve youth in agriculture and other sustainable employment ventures;
- iii. Assist skilled youth to settle in communities by providing start-up capital for development of small businesses;
- iv. Encourage the formation of youth co-operatives;
- v. Promote viable projects in order to reduce unemployment;
- vi. Promote ICT as a major job creation program for youth; and
- vii. Prioritize economic growth for employment creation.

Essentially, the policy seeks to provide an enabling environment for youth to participate in areas of economic activity; strengthen the capacity of service providers; advocate for regular review of legislation related to youth development; and encourage freedom of expression among youth. Further, the policy seeks to promote and support youth participation in policy processes, increase budget allocation to youth programs, and strengthen operations and structures at the National Youth Development Council (NYDC). However, while this policy was set in 2006, the NYDC still lacks the capability to make a tangible change to measured outcomes for young people in Zambia. The World Bank has recognised, nonetheless, that councils such as this play an important role in providing direction and coherence among a number of activities developed by youth organized associations, and serving as interlocutors between youth and the relevant organs of government (World Bank, 2007).

The mandate of the NYP is ambitious in scope and scale, as it is intended to apply to youth all over Zambia. In 2013, the ILO reported that the NYP had not yet articulated a coherent youth employment and job creation strategy, but had highlighted areas for action, including a shift in the approach toward simultaneously addressing demand- and supply-side constraints, improving the governance of the labour market, and enhancing the policy and program implementation process.

It has been suggested that implementation of the policy has been constrained by a severe lack of funding and personnel within the ministry (IYF, 2014). In 2011, a survey undertaken by NYP found very poor awareness of its policy interventions among the target population. The survey results show that in the Copperbelt and Central provinces, only 16 percent of young people interviewed had heard of the policy, while of those that knew about it, three percent had read it, and only half of those could remember at least one provision. While this suggests very limited awareness, this could be because this particular survey was conducted in rural settings, apart from the Mindolo Constituency (Nyimbili, 2012).

Promoting youth entrepreneurship is a key objective of policymakers. The NYP was reviewed again in 2013, with an added focus on employment, entrepreneurship, and education. As part of the 2013 review, the government developed a National Action Plan on Youth Employment in Zambia (NAP) with support from the ILO (and Swedish development agency Sida), to specifically address youth employment challenges. The mandate of the NAP is to: “provide a framework for an informed and effective support in the design, monitoring and evaluation of policies and programmes that will promote productive and job-rich growth for our Zambian youth” (Ministry of Youth and Sport, 2013).

The NAP also recognised the shortcomings of previous policy and has articulated key focus areas:

- i. a process of migrating from scattered micro-interventions to coherently mainstreamed sectoral and local economic development approaches;
- ii. a human capital building process targeting youth readiness to fully participate in and benefit from economic growth and employment expansion; and
- iii. an institutional capacity enhancement process to improve the provision of critical intermediation and support services (Chigunta et. al., 2013).

Building on this work, the ILO Youth Employment project (2014) aims to provide technical support to the government and social partners to strengthen the coordination capacities for the implementation of NAP.

The Ministry of Youth and Sport is also implementing a Youth Development Fund (YDF) which is aimed at supporting the growth of sustainable, youth-led small and medium enterprises (SMEs) into the private sector for wealth and employment creation. The YDF has two disbursement facilities, namely loans and grants. The YDF has disbursed funds for 1300 youth groups since 2012 but a number of loans have not been paid back and the funding impacts are not known. This fund has been criticized for lacking a monitoring and evaluation (M&E) system to track the performance of beneficiaries. The lack of M&E means that it is difficult to assess the effectiveness of the fund. Other weaknesses include political interference and a lack of technical capacity to determine funding potential for proposals (NEAC, 2013).

Job creation is an overarching objective of Zambia's most recent national development plan.

Of course, improving levels of employment extends beyond youth, and forms part of a broader development agenda. The National Employment and Labour Market Policy (NELMP), introduced in 2005, identified employment creation as a key factor in achieving greater economic growth. The objective of the policy was to create “adequate and quality jobs under conditions that ensure adequate income, protection of workers and basic human rights” (Chigunta et. al., 2013). On the demand side, the Government of Zambia revised the Sixth National Development Plan (R-SNDP), which has employment creation as one of its overarching objectives, with an emphasis on mainstreaming youth in all programs and strategies (ILO, 2014). Additionally, the Industrialization and Job Creation Strategy (IJCS) has been developed as a vehicle to achieve the realization of the one million decent jobs target by 2016. Against this backdrop, the Ministry of Labour and Social Security is in the

process of reviewing the NELMP to align it to the R-SNDP, and make it responsive to the IJCS. The donor community, however, remains critical, suggesting that these broader economic policies do little to actually integrate the youth into the mainstream economy (IYF, 2014).

The Zambian government has also launched a number of initiatives to address the inadequacy of the skill set that school leavers have vis-à-vis job opportunities, particularly in terms of vocational training and entrepreneurship (World Bank, 2007). This included the re-introduction of the Zambia National Service program (ZNS) in 2013. Initially introduced in 1961, the basic role of the ZNS was to harness the Zambian youth who had no opportunity for further education, and teach them basic skills. In 1973, compulsory military training was introduced as part of the ZNS. In 2013, the re-introduction entailed compulsory training for school leavers in entrepreneurial skills, without military training. This was initially suggested to take place in 81 districts over 18 months. The program was to provide practical, hands-on experience to school leavers and unemployed youths through civic service in reconstruction and development programs (Kasanda, Youth Employment in Zambia). However, this policy was challenged by legislators, who suggested that compulsory training would infringe on the rights of school leavers to choose their career trajectory. Since 2013, there has been little review or engagement on the outcomes of ZNS in the public discourse, despite the significant amount of funding committed to this initiative.

A number of technical and vocational education initiatives are being implemented to bridge the skills gap.

A number of policies and programs are being implemented under the TVET system, which provides a framework for developing skills in Zambia. The Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA) regulates the provision of TVET and is also responsible for curriculum development. Currently, a number of initiatives are being implemented to bridge the skills gap. Recently, the government has introduced a vocational training stream in the secondary school system which will enable young people leaving school at Grade 9 and Grade 12 to be assessed and certified for award of trade certificates by TEVETA, based on practical skill subjects they would have studied; in addition to junior and senior secondary school leaving (academic) certificates (MESVTEE, 2014). There are currently initiatives to develop accreditation systems for workplace and on-the-job training (MESVTEE, 2014). The extent to which these vocational skills are increasing employability in the labour market and improving the school-to-work transition has not been appropriately examined or evaluated.

There are also currently a number of schemes implementing learnership programs. These are mainly dual training systems whereby the learners are exposed to both theory and practical work; they are essentially demand driven. Currently, such schemes are being implemented in the banking and mining sectors. One such example is the Kwambula Learnership Programme implemented by Kansanshi Mining Plc based in Solwezi, Zambia. The company entered into an agreement with the Solwezi Trades Training Institute (SOTTI) in 2011, with the intention of establishing a learnership program aimed at providing people with the opportunity to get a valid craft qualification, and a better chance at getting a good job. The multi-billion kwacha investment in the community led to increased training resources, the upgrading of infrastructure, and additional facilities to expand the institute (First Quantum, 2012). Kwambula provides practical and theoretical training in various mining trades (including mining electrical, metal fabrication, welding, and machining), which are conducted under the auspices of the Ministry of Science and Technology and TEVETA. As a result of this program, students are given the opportunity to gain work experience at Kansanshi and Sentinel mines.

NGO efforts have focused on rehabilitation, skills development, and enhancing Zambia's technology platform.

NGO-led interventions

Historically, NGOs have also responded to the youth employment challenge in Zambia. The main focus of this sector has been to rehabilitate children, provide skills development, and more recently, enhance Zambia's technology platform. Street Kids International arrived in Zambia in 1996, and established the Youth Skills Enterprise Initiative (YESI), with the objective of providing street and working youth in Lusaka with an opportunity to earn increased daily income, and to learn useful business and life skills. By 1998, YESI was run by the Young Women's Christian Association (YWCA) and Zambia Red Cross. The program aims to be a youth-centred participatory process that addresses their practical economic needs, as well as their broader social and health needs (Suave, 2003). In addition, the program highlighted the need for programs to pay equal attention to skills training and peer-support networks. Basic descriptive evidence on early impacts have included:

- i. greater financial resources to buy food, medical supplies, clothes, and household essentials;
- ii. the ability to identify concrete, practical goals for themselves and for their businesses;
- iii. reduced involvement in high-risk situations;

- iv. strengthening of street-based peer support and co-operation;
- v. improved family relationships;
- vi. increased sense of purpose, self-identity, and pride; and
- vii. ability to return to school.

However, as with the TVET program noted above, more detailed impact studies of the program have not been available (Youth Employment Inventory, 2015).

The technology community, including platforms upon which to communicate and interact, have only been developed in the last five years. BongoHive — Zambia's first technology and innovation hub — was established in May 2011. Its objective was to build upon the entrepreneurship hub concept that has already proved successful in several other sub-Saharan countries, such as Kenya, which have a well-established tech community. The bulk of those who come to the tech hub are young, university graduates, with few job prospects given the limited number of jobs available in urban areas. BongoHive provides a space for these young graduates to join an informal learning environment where they can network, practice programming, and subsequently gain employable skills. In 2013, it secured funding from Google and is trying to connect entrepreneurs with business opportunities through its network. This suggests a growing dynamism in terms of job searching and skills upgrading for young people.

International donors have played an important role by supporting and complementing government efforts to enhance youth employment.

Donor-led interventions

The donor community is a significant participant in Zambia's economic and human development trajectory, and particularly so for youth. The list below provides youth-specific initiatives and others that, while not specifically focussed on youth, have provided assistance to young people:

- The ILO-led UN Joint Programme with the Food and Agricultural Organization (FAO) on decent work and food security aims to create job opportunities for young entrepreneurs along agricultural value chains and to boost food security for rural populations in Zambia.
- The ILO/ Sida partnership (mentioned above) supported a number of micro-initiatives to promote decent and productive employment for young people. In addition, the program aims to strengthen country level implementation through the development of capacity building materials. Other initiatives include skills training for youth associations, mentorship of young women, career expos, and creating links between young people and business.³⁵
- UK Department for International Development (DFID) programs in Zambia are designed to support improved governance and health systems, as well as to contribute to agriculture, education, and infrastructure. A particular focus for DFID is ensuring that its programs address the interests and needs of adolescent girls and women (IYF, 2014).
- UNICEF implemented the Zambia U-report, which promotes youth participation in the national HIV response (IYF, 2014).

The AfDB is supporting implementation of the Support to Science and Technology Education Project (SSTEP). SSTEP aims to help improve the quality and relevance of skills development levels in Zambia for job creation and youth employability. SSTEP will be implemented for a period of five years (2014 – 2018) in four training colleges in conjunction with the Ministry of Education, Science, Vocational Training and Early Education.

Given that some of these programs are ongoing, official estimates on the number of youth participants are not yet publically available. In terms of monitoring and evaluation, we therefore do not know the number of youth affected by the donor community, but we do have a sense of the funds directed to projects, and certain objectives that were achieved. These include training initiatives and youth forums (where capacity was provided and events organised), but the outcomes of these programs, and the extent to which they contribute to solving pressing developmental issues concerning the youth, are not yet known.

³⁵ Sourced from: <http://www.ilo.org/employment/areas/youth-employment/sida/lang--en/index.htm>

4.2. Challenges of youth policy in Zambia

As evidenced above, youth employment policies and programs are extensive. There are, however, a few issues that stand out.

Firstly, policy implementation seems to be a key challenge for the Zambian government. In 2012, the Minister of Information, Broadcasting and Labour, Fackson Shamenda, suggested that the key challenges for policy in terms of employment creation were:

- Uncoordinated efforts that result in duplication;
- Poor management of strategies;
- Implementation of piece-meal activities that do not address the problem in its entirety;
- Poor program or activity design;
- Relatively poor funding towards the initiatives;
- Implementation of strategies that result in dependence on government as opposed to real empowerment;
- Lack of consistency or continuity to ensure sustained results; and
- Weaknesses in employment and labour related legislation and the system of labour administration.

Secondly, while the donor community may have monitoring and evaluation processes in place for the initiatives undertaken, there has been limited evaluation of public policy, at least prior to 2013. This suggests that we do not have a clear view of what does or does not work, seriously limiting specific

ideas on which programs should be scaled up, and where there are relatively higher returns on investment. Shamenda (2012) further stated that:

“Overall, the future for employment creation lies in the review of the current employment and labour market policy [framework] and [the] development of a well-integrated and coordinated national employment creation strategy. The overarching aim should address (the) promotion of decent jobs in the informal sector and [the] expansion of formal sector employment.”

There is a clear notion that policy coherence and program design and implementation are the foremost challenges facing the Zambian youth employment policy landscape. Thirdly, while the policies listed here are extensive, the list is not exhaustive. Those outlined above primarily target the supply side through interventions to upgrade young people's skills, build capacity, and increase mentorship. Despite the usefulness of such programs, policies addressing youth employment from the demand side are limited. This could result in youth being trained in skills that are not necessarily relevant to the labour market. Where demand-side policies are available, it is unclear whether work has been done to test for scalability. While this may be an error of implementation of broader economic policies, this process has not been communicated adequately through coherent policy dialogue. In Section 6, we consider whether an additional research program on youth employment could assist in better targeting of youth employment policy.



CORDELLA PERSEN

5 Mapping key stakeholders in the Zambian youth sector

The previous section presented a detailed assessment of existing policies, programs and interventions targeting youth employment that have been initiated by a range of public, private, and non-governmental actors. It also explored the various challenges facing youth-orientated policy in Zambia. This section attempts to map the key stakeholders working on youth employment issues and some of the main policy intermediaries that can play an important role in linking research evidence to policy, an important consideration to be built into a future research agenda on youth employment in Zambia, as presented in Section 6.

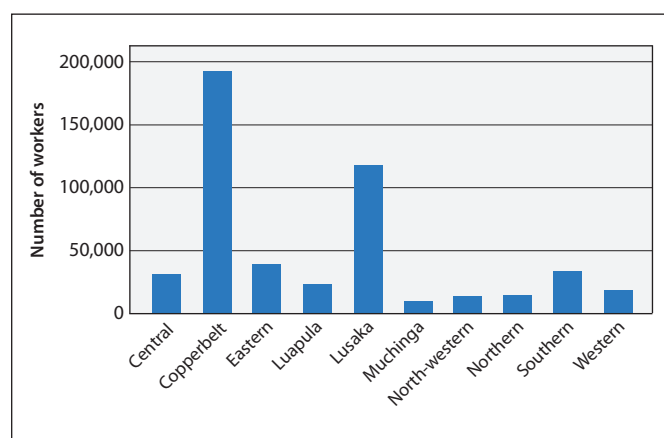
5.1. Government

Since the formation of a new government in 2011, the youth employment challenge has been at the forefront of Zambia's development priority areas. A number of stakeholders contribute to this development agenda. Chief among these is the Ministry of Youth and Sport (MYS). The MYS is mandated to spearhead youth development programs in Zambia. The Ministry supports programs for youth development through the National Youth Policy (NYP) and the National Plan of Action for the Youth.

The Ministry of Youth and Sport spearheads youth development programs in Zambia.

The major interventions include youth skills development centres and the Youth Development Fund (YDF). The MYS supports 35 youth resource centres (YRCs) dotted across the country that provide out-of-school youth with training in life skills, basic technical skills, and entrepreneurship. The programs target school drop-outs at various levels of the education system. For the most part, there are two YRCs in each province in Zambia, mainly located in areas where TVET institutions are not available. This is despite the fact that the levels of unemployment vary by province. The number of YRCs is not correlated with the provincial variation in the number of unemployed.

Figure 15. Total unemployment in Zambia, by province



Source: Authors' own calculation based on the 2012 Labour Force Survey.

Figure 15 thus shows how, despite the fact that the number of unemployed varies by province, most provinces have only two YRCs to serve the population. In addition to the unemployed youths, there are also high numbers of underemployed youths who require training to improve productivity.

In 2013, the annual enrolment was estimated to be around 1,000 youths (Chigunta & Chisupa, 2013). The total budget allocation for the centres in 2015 averaged US\$10,000 per centre (MoF, 2014b). The YRCs mainly depend on government support to operate efficiently. The grants, however, are usually insufficient to support their operational requirements (AfDB, 2013).

Through the YDF, the MYS also plays a specific role in increasing access to finance for young people. The YDF has a grants component as well as a revolving fund. Grants are provided to qualifying youth clubs across the country to enable them to undertake entrepreneurship activities. The total budget in 2015 for these grants is US\$411,000 (MoF, 2014b). In addition, the MYS runs a revolving fund targeted at individual entrepreneurs. The provision of loans to young entrepreneurs through the YDF has a budget allocation of US\$2.8 million in the 2015 budget. The Ministry has so far provided loans to 1278 youths since 2012, spending a total of US\$5.9 million, with an average loan size being US\$4,600. The maximum loan size provided under this facility is US\$5,500. The youth have used the funds to support a range of businesses such as trading, chicken rearing, and metal fabrication.

The MYS has never conducted an evaluation of the YDF. It is therefore difficult to critically analyze its performance. However, the indication on the ground is that the number of defaulting youths is high. A major weakness with the fund is that the Ministry uses provincial administrative structures to manage the fund. A small committee is set up to appraise and approve the loans. When loans are approved, the repayments are made through deposits to a bank account. However, the MYS has no capacity to effectively monitor the loan repayments.³⁶ The ministry intends to address this challenge by establishing a youth bank to operate the fund. The youth bank will, however, only deal with the operational challenges of the revolving fund. There is still a need to complement this with other interventions that provide business development services to the youth. Currently, these are either unavailable or provided on an ad hoc basis by other institutions such as the National Youth Development Council.

Table 6 shows a summary of selected youth intervention programs being implemented by government bodies and co-operating partners. The total budget for the interventions currently being implemented amounts to US\$46.5 million. This amount is only 0.71 percent of Zambia's total fiscal expenditure in 2015.

Supporting the role of the MYS is the National Youth Development Council (NYDC), a statutory body that was created to, among other things, coordinate youth training and development programmes. Its functions include advising the Minister of Youth, coordinating youth activities, building the capacity of youth organizations and mobilizing resources for

Table 6. Direct youth employment programs

Institution/ Programme	Activities	Budget (US\$000)
MYS	Grants and revolving fund to support youth entrepreneurs	3,200.00
NYDC	Coordinating youth training and developing programs	305.50
MCTI	Implementing an industrialization and job creation strategy	3,500.00
ILO	Support to policies, jobs, skills for youth in Zambia	500.00
AfDB	Improving quality and relevance of skills in Zambia	39,000.00 ³⁷
Total budget		46,505.50

Source: Constructed by author from reports and interviews.

youth development. The Council operates through a grant from MYS. In 2015, the total grant allocation was US\$305,500 (MoF, 2014b) to mainly cater for administrative costs. The grant is not enough to help the Council effectively implement youth development programs across the country. This being the case, the NYDC has been criticized for its ineffectiveness in dealing with the youth development challenges, with contributing factors being poor funding, inadequate personnel to coordinate youth activities countrywide, and a lack of institutional capacity and structures at provincial and district levels (Chigunta & Chisupa, 2013).

The Ministry of Labour and Social Security (MLSS) plays a pivotal role in Zambia's socio-economic development through the formulation and implementation of labour market policies. The Ministry is implementing the overarching National Employment and Labour Market Policy (NELMP) aimed at increasing employment with decent working conditions. The NELMP has been in place since 2004. The main objective of the policy is to create sufficient jobs in conditions that ensure adequate income and respect for workers' human rights. The NELMP has not been implemented in a systematic manner, largely due to the absence of adequate resources that have hindered the implementation of crucial programs outlined in the policy (MLSS, 2013). The NELMP is currently undergoing review with the support of the ILO.

³⁶ Based on interviews with MYS staff.

³⁷ Equivalent to UA25.9 million (1UA= US\$1.51326 at time of writing).

Table 7. Actual and expected annual job growth per sector

	2008 (Actual)	2012 (Actual)	2016 (Planned)	2008-2012 Actual annual growth rate (net change)	2012-2016 Expected annual growth rate under the IJCS (net change)
Agriculture	71,888	87,420	637,420	5.1 (15,532)	64.4 (550,000)
Manufacturing	36,923	73,814	162,814	18.9 (36,891)	21.87 (89,000)
Construction	13,889	36,676	121,676	27.4 (22,787)	34.96 (85,000)
Tourism	16,689	29,574	329,574	15.38 (12,885)	82.7 (300,000)

Source: Authors' own calculations based on CSO 2008 and 2012 Labour Force Survey Reports.

The Ministry of Commerce, Trade and Industry (MCTI) provides the enterprise support framework for entrepreneurship. The MCTI provides guidance on government policy and regulations related to small-scale industry licensing and business development support. The Ministry is currently pushing a number of enterprise development policies and programs. Key among these is the Industrialization and Job Creation Strategy (IJCS) paper which outlines the intentions of the Zambian Government to create a million jobs between 2012 and 2016, targeting four economic growth sectors. Agriculture, manufacturing, construction and tourism are expected to contribute 550,000, 89,000, 85,000, and 300,000 jobs, respectively. The strategy further estimates that implementation would cost US\$3.4 million over a period of five years (GRZ, 2012).

The weakness with the strategy is that there is no clear implementation plan designed to support the creation of the jobs. There has also not been any defined budget allocation for the planned initiatives. As can be seen in Table 7, the Government needs to formulate and implement a clear action plan for achieving this aspiration. Looking at the creation of new net jobs between 2008 and 2012, annual job growth varied across the four targeted sectors, with the highest being in construction (27 percent p.a.) and manufacturing (19 percent p.a.). Annual growth in jobs was lower for tourism (15 percent p.a.) and agriculture (5 percent p.a.). The aspirations in the IJCS entail increasing the pace of job creation particularly in agriculture, construction, and tourism. To create an additional 550,000 jobs in agriculture by 2016, jobs in the sector will need to have increased by 64 percent annually. In tourism and construction, the jobs will need to have increased by 82 percent and 35 percent annually.

With the IJCS in place, the Government aims to create an average of 200,000 jobs per year. However, according to government reports, only about 58,000 formal sector jobs were created in the first nine months of 2013 — 71 percent short of the target. This highlights the enormous challenge facing Government, and the need to put in place the right interventions to spur job creation. Since the Zambian government's target is not specifically focussed on the youth, young people will be further disadvantaged if this poor performance is sustained.

Several other agencies that are connected to employment creation fall under the MCTI. These include the Zambia Development Agency, which has a department that focuses on micro, small and medium enterprise (MSME) development. The Citizens Economic Empowerment Commission was created to empower Zambian citizens through access to finance, promotion of joint ventures, and skills development among other objectives.

In 2015, US\$17 million was allocated for empowerment funds, which account for 0.3 percent of the total national budget. There is no publicly available assessment of the impact of these funds on targeted beneficiaries. The Private Sector Development Reform Programme (PSDRP) also plays an important role in improving the business environment. The PSDRP is a unit under the Cabinet Office responsible for coordinating business regulatory and licensing reforms in Zambia. The unit was key in the development of MSME policy in Zambia. It has prioritized five key reform areas, namely: business licensing reform, MSME development, public-private partnership development, and labour law reform and productivity. The PSDRP currently has no direct program on youth employment, but its enterprise development activities are linked to entrepreneurship development.

Through its budgeting and planning mandate, the Ministry of Finance (MoF) plays an important role in planning and funding development programs in Zambia. The Ministry is coordinating the implementation of the Revised Sixth National Development Plan. The MoF is currently developing an employment projection model that seeks to estimate the future capacity of the economy to create jobs, which it intends to use in developing the Seventh National Development Plan.

Education and skills development serves as a backbone for youth employment and empowerment. The Ministry of Education, Science, Vocational Training and Early Education (MESVTEE) is at the heart of skills development and training. The MESVTEE is involved in basic entrepreneurship skills through curriculum development. It is also responsible for the formulation and implementation of policies related to general education and skills development.

The Ministry's main arm for providing skills development and training is the Technical Education and Vocational Training Authority (TEVETA). TEVETA is the major player in the regulation and coordination of technical and vocational skills provision in Zambia. Between 2008 and 2013, the number of public TVET institutions increased from 58 to 88, while those in the private sector declined from 107 to 77 (MESVTEE, 2014). However, the capacity of the sector remains inadequate and, as shown earlier, there remains a significant enrolment gap.

TEVETA is enhancing its contribution to skills development but introducing new learning pathways aimed at complementing the conventional training system, which is focused on full-time training. TEVETA has introduced systems that include workplace learning, learnership schemes (including dual learning systems), recognition of prior learning, and distance, open, and flexible learning (DOFL)³⁸. In 2013, a total of 2,016 people were trained, with the majority (1,602) being trained through DOFL. These schemes have the potential to contribute substantially to skills development in the country. However, they are currently implemented only on a pilot basis and have yet to be scaled up.

5.2. International donors

The International Labour Organisation, The African Development Bank, The World Bank, and the UK Department for International Development are among the international donors that have supplemented youth employment efforts by the Zambian Government. In the recent past, the ILO has implemented programs such as the Support to the National Plan of Action for the NYP in Zambia. This was implemented between June 2012 to March 2014 with a view to supporting the government, social partners (employers and workers representatives), and youths to review and update the 2005 NYP. This project also supported stakeholders to develop the first ever National Action Plan on Youth Empowerment and Employment (NAPYE). The program further implemented entrepreneurial training for the youth.

According to the ILO, 800 youth were trained, in collaboration with NYDC, in readiness for application to the Youth Development Fund. Another 200, who were entrepreneurs in the creative arts industry in Livingstone, were trained in the ILO's Improve Your Exhibition Skills (IYES) program to prepare them for the United Nations World Tourism Organization (UNWTO) Conference. The other 1000 youths were mainly from Lusaka and Copperbelt who participated in various ILO tailored entrepreneurship training programs.³⁹

Currently, the ILO is implementing the Support to Employment Policies, Jobs, and Skills for Youth in Zambia program, which started in 2004 and continues until March 2016. The main intervention of the program is systems strengthening for the MYS, social partners, and youth associations, to implement and monitor the NAPYE. The program will also support the MYS in the implementation of the NAPYE. The NAPYE has been aligned to the IJCS, through which government plans to create 1 million jobs. The NAPYE has set a target that 40 percent of the jobs created under the strategy should be for the youth. By supporting implementation of the NAPYE, the ILO hopes to influence the creation of 80,000 jobs annually for the youth. The program has a total budget of US\$500,000.

The AfDB has been involved in supporting youth employment programs in Zambia. In 2013, the AfDB conducted a study on youth skills training, entrepreneurship development, and employment. The study was aimed at assessing the skills in demand by public and private sector employers and how this demand is being met by higher education and TVET institutions. As noted above, the AfDB has since approved the SSTEP project which aims to help improve the quality and relevance of skills development levels in Zambia. The project, which is

³⁸ This is a process that TEVETA will use to evaluate skills and knowledge (learning) acquired outside the classroom for the purpose of recognizing competence against a given set of standards, competencies, or learning outcomes.

³⁹ Internal evaluation was conducted by the ILO but this report is not publicly available.



implemented by the MESVTEE, has embarked on a number of activities, including the upgrading of training facilities at selected TVET institutions, building the capacity of TVET lecturers, and the review of TVET curricula. A direct intervention for school leavers and out of school youth involves working with youth resource centres across the country to train at least 2,000 school leavers and out-of-school youths in work-based entrepreneurship training programs. The program further plans to link the trainees to financial schemes such as the YDF.

The World Bank has been an active player in the youth employment policy arena. In 2013, the Bank produced an economic brief on Zambia's job challenge. The Bank is now implementing a new project dubbed the Let's Work Partnership – Implementing Zambia's Job's Strategy. The Let's Work Partnership has designated Zambia as one of the country pilots and aims to work with the Zambian Government in implementing its Industrialization and Job Creation Strategy. The program will run for three years, and will focus on creating linkages between large firms and SMEs in the agro-process, transport, warehousing, and logistics value chains.⁴⁰

DFID has been involved in supporting private sector initiatives in Zambia. Currently, DFID supports the Private Enterprise Programme (PEP) which was launched in 2014 and will run for five years at a cost of US\$19 million. The program is aimed at building the capacity of Zambian MSMEs in the private sector in order to create jobs and contribute to the diversification of the economy. The PEP is currently running a business plan competition that will provide financial support to 20 entrepreneurs, with the winning business plan receiving US\$34,000. The services also include entrepreneurship training and mentorship.

5.3. Private sector and civil society

The private sector and civil society are also playing a pivotal role. The Zambian Federation of Employers (ZFE) is at the fore of employment policy matters. The Federation is an employer's organization that represents the private sector on labour related matters at the Tripartite Labour Council. Other parties represented are Government (MLSS) and trade unions. The ZFE is active in dealing with labour market policies such as minimum wages, employment creation, and reducing the cost of doing business in Zambia. The federation has also been working with the MLSS to implement a skills development program involving its members.

Other organizations involved directly or indirectly with employment creation are private sector intermediaries. The Zambia Private Sector Alliance brings together apex private sector intermediaries such as the Zambia Association of Chambers of Commerce and Industry, the Zambia Association of Manufacturers, the Chamber of Mines, and the Zambia National Farmers Union, among others. The Alliance serves as an interface with government on business regulatory issues.

A number of other civil society organizations also champion youth development issues. Many of these are coordinated through the NYDC and are dotted across various parts of the country.

The role of research institutions in supporting employment creation and policy formulation and implementation has increased. For example, the National Economic Advisory Council (NEAC) has developed an integrated youth employment model for Zambia. The model recommends the creation of a statutory body to facilitate youth employment creation in Zambia. The Zambia Institute for Policy Analysis and Research (ZIPAR) has undertaken a number of studies on employment creation. Currently, ZIPAR is implementing a flagship project on employment creation, which aims to inform policy in a unique way, by providing stronger, more systematic, more comprehensive, and more conclusive empirical evidence. The project is underpinned by communication and policy uptake strategies, which will influence policy and practice changes for addressing the employment problem in Zambia.

⁴⁰ Based on interviews with Bank staff.

6 The research landscape: knowledge gaps and needs

Following the mapping of major stakeholders, and analysis of current interventions to address the youth employment challenge in Zambia, this section first overviews available data and research and then points to areas where gaps are potentially undermining the development of evidence-based solutions. It concludes with a set of questions that could form the basis of a new research agenda to address the Zambian context.

6.1. Current data sources

The donor community, as well as the Zambian government, have articulated the labour market challenges based on both qualitative and descriptive quantitative research, as presented above. The donor community has been involved in a number of thorough research programs of both a qualitative and quantitative nature, which potentially serve as building blocks for understanding the nuances of the Zambian youth unemployment challenge. While this list is not exhaustive, a few of the key research initiatives are listed below:

- The ILO has undertaken two complementary surveys on Zambia (Chigunta et. al., 2013):
 - The School-to-Work Transition Survey (SWTS) was run in conjunction with the MasterCard Foundation (MCF). The SWTS, from which we have provided estimates in this paper, studied young people aged 15 to 29 years and aimed to generate information on their current labour market situation, history of economic activities, and perceptions and aspirations. In Zambia, the SWTS was commissioned in December 2012 and targeted a sample size of 3,200 youth. The survey aimed to shed light on the quality of transitions between school and work, which has contributed to measuring the concept of “decent work.”
 - The Labour Demand Enterprise Survey (LDES) complements the supply-side picture provided by the SWTS, by examining the current and expected workforce needs of enterprises, along with managers’ perspectives of on the pool of available young job seekers and workers. The LDES targeted 475 enterprises. It provides a useful gauge of employers’ perceptions and the extent to
- which demand for labour is being met. In addition, it provides a sense of the hard and soft skills both TVET and other training programs should focus on.
- The AfDB conducted a study on youth skills training, entrepreneurial development, and employment in 2013. The study assessed the skills in demand by private and public employers, and how this demand is being met by higher education and TVET institutions. The study undertook an in-depth analysis of the curricula, with a view to matching them with market requirements. On the basis of the study, the AfDB developed the Support to Science and Technology Education project.
- In 2014, YouthMap, also mentioned above, conducted focus groups and interviews with 52 key stakeholders from the government, private sector, civil society, donor organizations, and education institutions most informed about youth conditions in Zambia to provide an informed assessment of youth circumstances in the country. To obtain more data on the perspective of employers, YouthMap also surveyed and interviewed 49 companies in target growth sectors including agriculture, tourism, retail, telecommunications, and construction.



TRUST FOR AFRICA'S ORPHANS

The studies identified above, some of which we cover in detail in this paper because of the quality and accessibility of their data, as well as Zambian labour force surveys, have presented a useful overview of the landscape of youth employment and the characteristics of unemployed youth. Naturally, they have also found key areas where additional research would be useful, particularly in terms of understanding and evaluating systems that have been put in place to facilitate absorption of youth into the labour market. This includes numerous vocational and entrepreneurship training programs that have been established by the Zambian government as well as in partnership with the private sector. In addition, areas that do not seem well understood in terms of the cost and constraints of doing business include competitiveness of the informal sector, existing barriers to entry, and constraints in expanding the credit market to the youth. Lastly, communication barriers between labour, government, and business do not facilitate youth being active in the mainstream economy, suggesting that current initiatives are not well-targeted. A research program that aims to shed light on these issues and provide insights for policy design, implementation, and scalability, would therefore be useful.

The challenges of the education system, the vocational education system, the prevalence of the informal sector, labour demand, and information asymmetries are complex issues. The current research base and available statistical data form a basis for understanding where challenges exist. Further research methods that might be useful include firm level surveys; informal sector surveys differentiating between household enterprises and micro-enterprises; and possibly tracer surveys to better understand the school-to-work transition. In addition, an analysis of credit institutions in Zambia, including formal and informal micro-lenders, would be useful. Lastly, qualitative research would be important in order to understand youth, business, and government perceptions of labour market policies.

6.2. The evidence gaps

As noted above, efforts to scale-up successful interventions are hampered by a lack of program evaluation. A first research priority would be to better understand what policy and program efforts are working and which are not. In addition to integrating rigorous assessment into program design, there is a need for independent evaluation of current and recent interventions.

On the labour supply side, Zambia's education system is currently failing to graduate students from high school, let alone from tertiary education. There are some fundamental constraints relating to the quantity and quality of schooling that need to be addressed. A better understanding of the determinants of school drop-out rates would help attempts to formulate the appropriate policy response. For example, the state may need to support funding mechanisms that allow parents to keep their children enrolled in school until they at least complete secondary school. Financial assistance (including bursaries) for post-secondary education (particularly focused on the TVET sector) could also be used to encourage students to gain skills that are scarce and in demand. This is fundamentally important in light of the positive wage premium for those with higher levels of education and the persistence of skills mismatches in the economy. The TVET sector could play a vital role in increasing the employability of Zambian youth by focusing on developing employable skills in the students, especially scarce skills. There are number of programs that have been undertaken within this field by the Zambian government and partner institutions. However, the limited review of these programs suggests that they have not been tested for scalability.

Given the importance of the informal sector in providing employment opportunities to youth with lower levels of education, there is a need to better understand its functioning and development. Importantly, what are the main barriers to business start-ups? What are the major constraints on businesses becoming established (i.e. surviving for more than 3.5 years)? Given the lack of data on the informal sector in Africa more generally, it is often difficult to analyse the life-cycle of informal businesses. Case study-based research on the informal economy in smaller geographic areas of Zambia might provide key insights into the constraints these businesses face, and the reasons why they fail.

The lack of access to finance has been highlighted as a major constraint to informal business start-ups, and may also affect parents' ability to invest in their children's education. There are important knowledge gaps around the potential impact of microfinance on businesses with young owners. Furthermore, a thorough analysis of the important barriers to expanding the microfinance industry — within the challenge of broader financial sector development — would be valuable. Finally, the currently low levels of education of the self-employed youth suggest that entrepreneurship training and financial literacy education can help young Zambian business owners improve their businesses and, perhaps, make accessing financing slightly easier. It is currently unclear whether training on its own may be sufficient, or whether it needs to be coupled with other initiatives. It is possible that microfinance and business training are complementary in improving informal business performance, as has been seen in cases in other developing countries; experimental approaches to testing this in Zambia could provide more concrete answers.

Finally, the differences between employers' and work seekers' perceptions of barriers to employment suggest the prevalence of labour market information asymmetries. There is a lack of communication between all components of the labour market, which include work seekers, workers, employers, and government and educational institutions. This results in inadequate access to information and knowledge, and poorly coordinated policies across institutions and sectors. New research and analysis methods can be developed to better understand skills gaps in the economy, and can be used to coordinate policy across the different labour market actors, such as those instituting internship and apprenticeship programs, or directing funding toward different educational institutions, and more specifically, types of qualifications. Another channel to reduce information asymmetries between rural youth and the urban labour market, and for those that have relatively less social capital, is the creation of job-search platforms that leverage modern communication technology to reach a wider set of youth.

6.3. Towards a new research agenda

We can synthesise these findings into some key research questions:

In terms of youth employment program and policy efficacy, and the potential for scaling up successful interventions:

1. How do we ensure that government, NGO, private sector, and international donor interventions are independently evaluated, and in ways that allow for lessons to be extracted and shared from experience?
2. How can successful programs be scaled up to be implemented on a national level?

In terms of education, training, and other supply-side alternatives to addressing the issues:

3. What accounts for the high drop-out rates in the Zambian school system, and what incentives might encourage student progression to secondary and tertiary levels?
4. What are the major obstacles to expanding and improving the TVET sector in Zambia? How can this be effectively financed over time?
5. What labour market mechanisms can be put in place to gain a dynamic understanding of skills gaps in the economy over time? What would be the role of government, businesses, universities and TVET institutions?

And, given the important role of the informal sector in the Zambian economy and in providing opportunities for youth:

6. How can we better understand the life-cycle of youth-owned small informal businesses in Zambia?
7. What is the impact of access to microfinance on informal firms' performance in Zambia? What is the role of financial literacy and management training?

7 Conclusion

As elaborated above, Zambia has a young population and, as such, a young labour market. In addition to economic growth not being inclusive or pro-poor, unemployment and underemployment are a twin challenge facing the Zambian economy. While unemployment is primarily a problem for urban youth, especially those who are high school graduates, underemployment is widespread.

The formal sector, where workers are at least guaranteed social security, is underdeveloped in Zambia, and currently absorbs only one in eight people in the labour force, and only one in nine youths. The majority of the workforce, young and old, works in the informal sector. Rural youth are found predominantly in marginal and vulnerable activities, such as unpaid household work, and own-account self-employment in agricultural activities. Their urban counterparts, meanwhile, find themselves largely in non-agricultural activities such as informal wage employment and own-account self-employment. It is to these segments of the labour market that youth-orientated policies must be directed.

Various factors contribute to the poor employment outcomes for youths in Zambia, particularly for those in the informal sector. One is their lack of basic skills in the workforce, and the challenges they face in acquiring even basic numeracy and literacy that would allow them to perform successfully on the job (World Bank, 2013). These skills are also important for raising productivity, be it in agriculture-related activities, self-employment, or in wage employment (World Bank, 2013). This problem is in part a function of high drop-out rates, the poor overall quality of the education system, and weaknesses in technical, vocational, and entrepreneurship training. At the national level, only 6.8 percent of the working population aged 15 years and older received skills training in 2012 (CSO, 2013). Additional barriers to obtaining the requisite education to enter formal sector employment are the lack of resources to complete schooling, an absence of networks and intermediation services, and an inability to access credit.



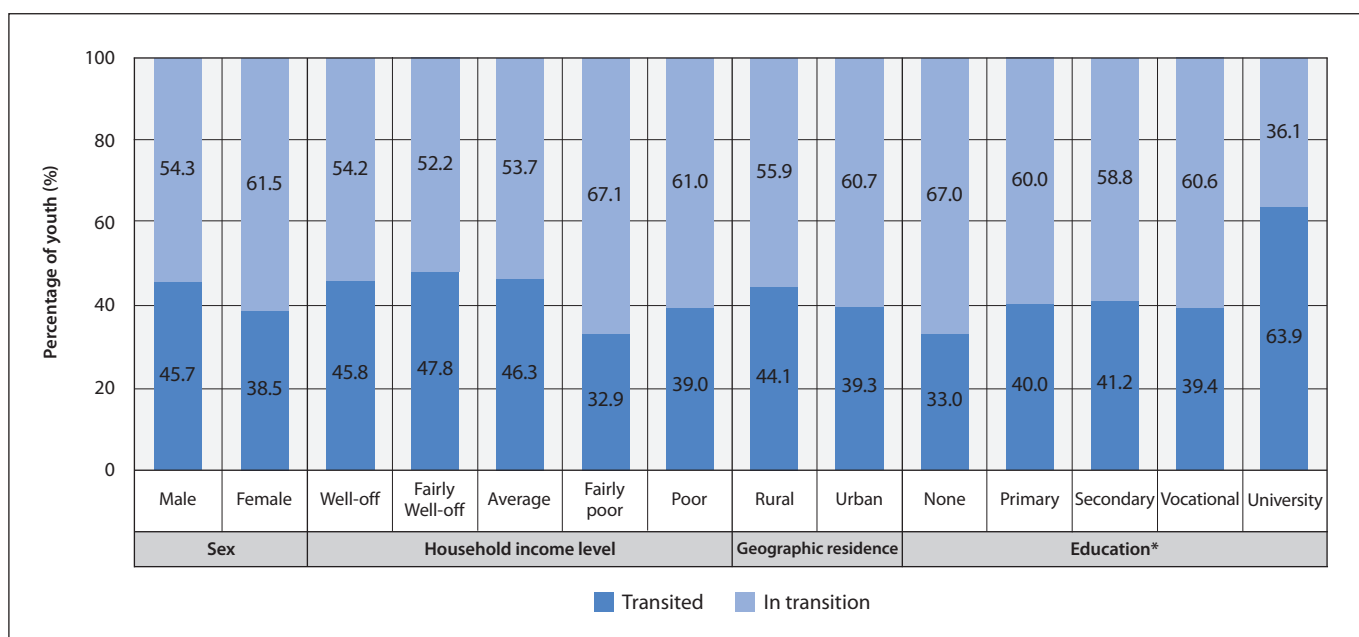
For those pursuing self-employment, which provides an important outlet for youth in Zambia, a lack of credit and low levels of education and skill attainment also undermine their chances of success. They are hampered by the fact that the finance and micro-finance industries seem to be particularly underdeveloped in Zambia.

In addition to mapping the landscape of stakeholders and interventions that have focused on integrating youth into the Zambian labour market, this paper has identified knowledge gaps and proposed a number of policy relevant, evidence-based research avenues that could inform a future research program on youth employment in Zambia. It should be emphasized that high quality, policy-orientated research needs to be undertaken in coordination and consultation with key stakeholders — including youth themselves, as the intended beneficiaries, and the main policy intermediaries that can play an important role in linking evidence to policy.

Ultimately, addressing youth employment is both a current and long-run challenge. It presents a unique set of opportunities and dilemmas for the country's policymakers, and the broader community of researchers, donors, and civil society organizations who aspire to work with them.

Appendix

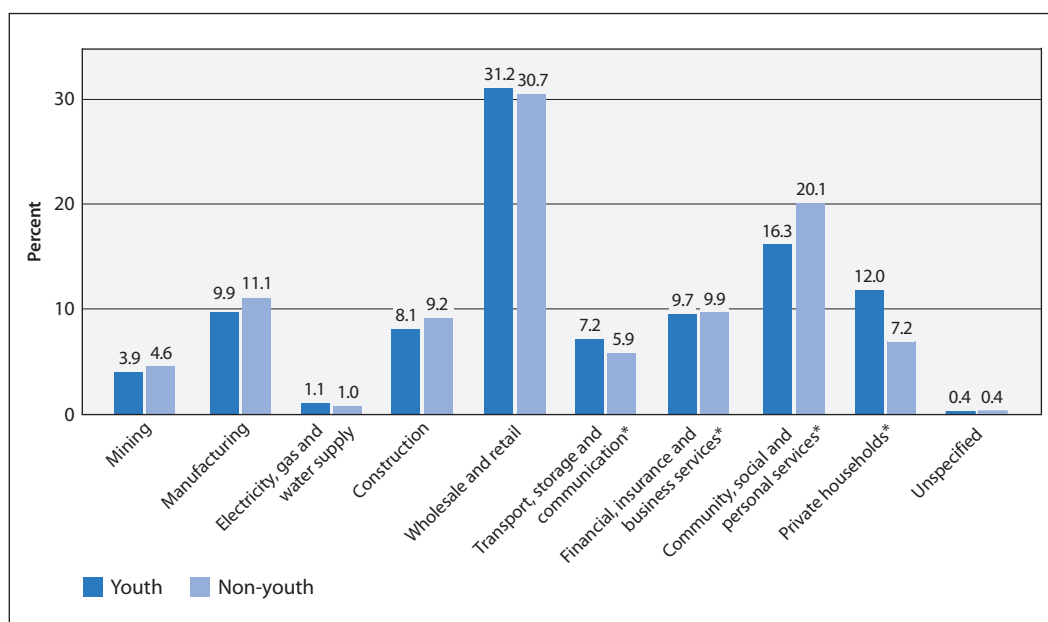
Figure 1A. Characteristics of transited and in-transition youth groups



Source: Extracted from Chigunta, Chisupa & Elder (2013).

Notes: 1. The distribution of stage-of-transition by level of completed education excludes current students whose final education level is still unknown.
2. The categorisation of household income level is based on the perception of the young respondent.

Figure 2A. Non-agricultural employment by industry and age category



Source: Authors' own calculation based on Zambia Labour Force Survey 2012.

Notes: * Indicates that the estimated population mean for the youth sub-group is statistically significant to that of the non-youth sub-group by industry.

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