



SPC/CONF.9 (15)

Supplementary Brief
ORIGINAL: ENGLISH

NINTH CONFERENCE OF THE PACIFIC COMMUNITY
(Alofi, Niue, 3–5 November 2015)

**AGENDA ITEM 6 – HIGH-LEVEL DIALOGUE: GROWING A RESILIENT PACIFIC COMMUNITY THROUGH
YOUTH-FOCUSED DEVELOPMENT**

**A snapshot of vulnerability –
Pacific youth not in employment, education or training (NEET)**

(Supplementary brief presented by the secretariat)

Introduction

1. When we talk about vulnerable youth, the measure most widely used is unemployment – specifically lack of access to and involvement in gainful (paid) employment. Despite its obvious merit as a measure, relying on youth unemployment alone ignores the fact that many young people between the ages of 15 and 24¹ are still at school or university, or undertaking other forms of education and training.
2. To reflect this reality, a more comprehensive single indicator, NEET (not in employment, education or training), has recently gained in popularity. NEET has the potential to '*address a broad array of vulnerabilities among youth, touching on issues such as unemployment, early school leaving, and labour market discouragement*'². However, unlike employment and unemployment, there is as yet no international standard for NEET.³
3. The most widely used measure, which refers to a definition adopted by the International Labour Organization (ILO), Eurostat and other organisations, looks at two components: young people who are not employed, or who currently do not receive any form of education/training. But while representing an improvement over the focus on unemployment per se and an '*early focus on school drop-out among teenagers in the early 2000s*'⁴, NEET ignores the reality that in most developing countries many young people undertake unpaid work. In the Pacific Islands, this work is mainly in the form of subsistence agriculture and fishing, involving a large proportion of young people in rural areas. Undertaking such unpaid work puts these young people in a vulnerable position, which ought to be recognised in social policy.

¹ The United Nations, for statistical purposes, defines persons between the ages of 15 and 24 as youth, without prejudice to other definitions by Member States (Secretary-General's Report to the General Assembly, A/40/256,1985).

² Sara Elder. 2015. *What does NEET mean and why is the concept so easily misinterpreted*. ILO Technical Brief No. 1.

³ Elder, 2015 (ibid).

⁴ Elder, 2015 (ibid).

4. A second definition of NEET recently proposed by the Sustainable Development Solution Network (2014) addresses this situation by focusing on young people who are not in formal employment, nor full-time education or training, with its reference to the *'percentage of youth, who are either unemployed, work in the informal sector, or have other forms of precarious jobs'*. This follows the proposed inclusion of the NEET indicator as the measure for the sole youth-specific target for the post 2015 Sustainable Development Goals (SDGs).⁵ The focus on formal employment emphasises the importance of paid work, which one would also assume applies to informal sector activities. The reference to *'other forms of precarious jobs'* implies a degree of vulnerability, as is the case for both paid occasional day labour and unpaid family work – with the latter prominent in most Pacific Island countries, and likely in most developing countries.

NEET-Plus⁺

5. To provide a more realistic picture that highlights the vulnerability of young people in terms of labour market and education/training marginalisation, and that thus has the potential to provide a more accurate baseline for developing social and economic policies, this brief discussion note compares two measures of NEET: the NEET indicator commonly used now (which does not, as argued by Elder, comply with a current international statistical standard), and a modified NEET indicator, NEET-Plus⁺. NEET-Plus⁺ acknowledges two important and prevailing realities affecting the lives of many young Pacific Island people, and of young people in other developing countries.
6. First and foremost, NEET-Plus⁺ takes into account the large number of Pacific Island youth who work in unpaid employment, particularly in rural areas (where 75% of Pacific people live), most commonly in subsistence farming or fishing, or who undertake various forms of family work, such as fetching water and firewood, or looking after younger siblings. While they are considered to be part of the labour force, and to undertake an economic activity, described as *providing goods and services for own consumption*, their activities are not remunerated. This leaves young people without an income, and thus increases their vulnerability.
7. Secondly, NEET-Plus⁺ includes young people in unpaid employment who are both looking for paid work and are able and willing to take such work if it is available. Their situation can be regarded as a secondary form of unemployment.
8. From a social and development policy perspective, it seems imperative to include both forms of unpaid employment in the NEET indicator for the Pacific Island region to provide a meaningful measure for the sole youth-specific target in the post-2015 SDG agenda that monitors national developments that *'promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all'*. Not including unpaid work, or young people performing this work while also looking for, and willing to take paid employment, does not fit the intended purpose of the indicator. It also presents a misleading picture of the vulnerability of Pacific youth, lulling policy-makers into a belief that the situation is better than it is.
9. The potential for a false picture is powerfully illustrated by current analyses of recent household economic surveys in five Pacific island countries by SPC's Statistics for Development Division. The surveys provide current and comparable labour force statistics (Table 1).⁶

⁵ *'Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all'*.

⁶ All five recently conducted household economic surveys have included a common core set of economic activity questions that correspond to the latest ILO Conference of Labour Statisticians' recommendations (2013). These questions are also proposed for inclusion in national censuses in the upcoming 2020 World Round of population and housing censuses.

Table 1: NEET indicators for selected Pacific Island countries

		FSM	(%)	NAURU	(%)	PALAU	(%)	SOLOMONS	(%)	VANUATU	(%)
Working Age Population (15 - 24)	NEET Category	1,924		596		373		4,750		982	
Labour Force		871		335		99		2,356		574	
<i>paid work</i>		147	7.6	216	36.2	80	21	615	12.9	232	23.6
unpaid work	1	397		12		13		1,559		127	
unpaid work/looking	2	97		8		0		128		110	
unemployed	3	230		99		6		54		105	
Not in Labour Force		1,053		261		274		2,394		408	
<i>Education/Training</i>		727	37.8	158	26.5	229	61	2,107	44.4	288	29.3
HH chores	4	281		95		29		222		111	
no interest in work	5	45		8		16		65		9	
NEET-Standard	(3-5)	556	28.9	202	33.9	51	13.7	341	7.2	225	22.9
NEET-PLUS	(1-5)	1,050	54.6	222	37.2	64	17.2	2,028	42.7	462	47.0

10. Applying the standard NEET measure to account for the proportion of Solomon Islands youth not currently in employment (either unemployed or economically inactive) and not currently in education or training shows a figure of just 7.2%. However, including young people undertaking unpaid work or engaging in such activities while looking for paid employment increases the proportion to 42.7%. This near six-fold increase highlights that nearly every second Solomon Islands youth is in a vulnerable position – that is, not in gainful employment or currently pursuing education or any form of training.
11. A similar picture emerges for FSM (54.6%) and Vanuatu (47%), again showing that around half their young people are in a vulnerable position.
12. Nauru and Palau, in contrast, show only marginally higher NEET-Plus⁺ values compared to conventional NEET values. This is a reflection of very different labour market situations in these countries, where unpaid work, largely in subsistence agriculture or fishing, plays a minor role. In the case of Nauru, youth unemployment accounts for the lion’s share of NEET, whereas in Palau, most young people in the labour force are employed, and most of those not in the labour force remain in education or training.

Summary

13. These results for NEET and NEET-Plus⁺ represent preliminary findings for only five countries, with more refined work yet to be done to look at possible urban/rural variations and gender differentials. However, computation of NEET-Plus⁺ with its inclusion of young people in unpaid work, and those who do unpaid work while looking for and available to take paid work, will provide Pacific Island countries with a better benchmark and indicator for developing pro-youth policies in the context of government efforts to *promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all*, in accordance with Pacific leaders’ recent commitment to the Sustainable Development Goals.