



**DIGITAL
SKILLS**

Overlooked and Underprepared

**Why now is the time to tackle
high youth unemployment.**



Prince's Trust



HSBC

Overlooked and Underprepared

For this report, the third in a series, we surveyed almost 13,000 young people in ten different countries to discover their views on the future of work. **We wanted to learn how they were being impacted by the after-effects of the Covid-19 pandemic and by large increases in prices. We asked them about their education and training and about their views on the labour market. The future of work is their future, but young people's voices are often overlooked.**

Governments around the world are putting a lot of effort into tackling the cost of living crisis, but there is another crisis that deserves just as much of their attention: youth unemployment. It has been at unacceptably high levels since the 2008 financial collapse, meaning too many young people face difficult transitions from education into work.

One of the biggest problems, young people told us, is that many of them are not adequately prepared, when they leave education, with the skills they need to thrive in the labour market. The after-effects of the Covid-19 pandemic have added to young people's problems. They disrupted their education and training and, along with the war in Ukraine, have contributed to the recent surge in the cost of living. Seven in ten young people in work have not had a pay increase to keep up with the rising cost of living.

Meanwhile, changes taking place in the labour market, in particular the rapid growth of green jobs, digital jobs and care work, represent excellent opportunities for young people to find rewarding work, leading eventually to lower rates of youth unemployment. But this will only happen if employers create opportunities that young people can fill, and if young people can gain the skills and experience that employers want. Young people tell us this is not happening on the scale that it should, leaving many of them underprepared for the world of work.

Therefore, action is required on three fronts:

1 **Close the jobs gap**

Governments should do more to support job generation and employers should create more entry-level jobs for young people.

2 **Close the skills gap**

Education institutions should ensure all young people leave education with the skills needed in the modern workplace.

3 **Close the experience gap**

Employers should give young people more chances to work and to learn on the job.

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**23
COUNTRIES**

**SUPPORTED
over 1.2 million
YOUNG PEOPLE.**



The Prince's Trust Group: About Us

The Prince's Trust Group is helping young people to thrive in these difficult times.

The Prince's Trust Group is a global network of charities founded by His Majesty King Charles III. Our mission is to transform lives and build sustainable communities worldwide.

The Prince's Trust Group includes the work of The Prince's Trust in the United Kingdom alongside Prince's Trust International, Prince's Trust Australia, Prince's Trust Aotearoa New Zealand, Prince's Trust Canada, Prince's Trust USA and Prince's Trust Group Company. Together, we have supported over 1.2 million young people to change their lives for the better, including 100,000 young people across more than 20 countries in 2022/23.

Our programmes are delivered either directly by The Prince's Trust Group or through our highly-valued delivery partners. Together, we give young people a lifeline into education, employment and enterprise.

We are responding to the overlooked global crisis of high youth unemployment by enabling young people to develop their employability skills, to access the jobs of the future and to set up their own businesses.

We support young people across 23 countries: Australia, Barbados, Canada, Egypt, Ghana, Greece, India, Jamaica, Jordan, Kenya, Malaysia, Malta, New Zealand, Nigeria, Pakistan, Rwanda, Serbia, St Lucia, Tanzania, Trinidad & Tobago, Uganda, the United Kingdom and the United States.

Today, our mission is as relevant as it has ever been. Many young people, especially those living in the poorest communities, are badly disadvantaged in the labour market and need more support to thrive.

We are determined to continue supporting young people through these difficult times, so they can make the most of the future world of work.

Our Partners



Participants, Enterprise Challenge, Pakistan

HSBC

This report, like its predecessors in 2021 and 2022, is supported by HSBC Holdings plc. As our Global Founding Corporate Partner, HSBC Holdings plc enabled The Prince's Trust Group to support over 15,000 young people in Australia, Canada, India, Malaysia, Malta and the United Kingdom over the three years to March 2023.

HSBC's purpose is to open up a world of opportunity. By supporting charity partners around the world, HSBC aims to connect people to opportunities and to strengthen their capabilities, creating a more inclusive and resilient society.

Together, HSBC and The Prince's Trust Group are determined to help more young people gain the skills and experience they need for the future world of work.

"As our working lives become increasingly shaped by digital technology, we need to ensure young people have the skills they need to access meaningful employment, build resilience during challenging times, and reach their full potential.

Together with The Prince's Trust Group, we're proud to help young people in vulnerable communities across the world and to continue giving our youth access to the training and opportunities they need to succeed."

William Chiu, Global Head of Future Skills at HSBC



YouGov

On behalf of The Prince's Trust Group, YouGov conducted a ten-country survey of young people in June 2023, asking them about their education, their work and their ambitions in life.

The survey was conducted using an online interview administered to members of the YouGov panel of individuals who have agreed to take part in surveys. Panellists were selected through non-probability and active quote sampling and invited to take part in the survey through a generic survey link. YouGov collected responses from 12,858 individuals aged between 18 and 34 years old in ten countries: Australia (1,024), Canada (1,046), France (1,054), Ghana (1,026), India (1,076), Mexico (1,122), Nigeria (1,034), Pakistan (1,058), the United Kingdom (2,204) and the United States (2,214).

The Prince's Trust Group delivers projects in eight of these countries (not France and Mexico). They were chosen to represent a broad geographical coverage and an even balance between high- and middle-income countries. Fieldwork was undertaken between 7 and 19 June 2023. YouGov produced the data to allow analysis from an individual country and combined perspective. Figures have been weighted and are representative of all adults (aged 18 to 34).

YouGov conducted similar surveys on behalf of The Prince's Trust Group in 2021 and 2022, covering similar groups of countries.

12,858
individuals
AGED BETWEEN
18 and 34
YEARS OLD IN
ten
countries.



Enterprise Challenge winners, Ghana

Executive Summary: Overlooked and Underprepared

The Prince's Trust Group was founded with the vision that **every young person should have the chance to succeed.**

This report is the third in our series on young people's attitudes to the future of work and, like its predecessors, *Generation 'Stand Up, Start Up'*, published in 2021, and *An Upskill Struggle*, published in 2022, it is supported by HSBC Holdings plc, the Global Founding Corporate Partner of The Prince's Trust Group.

In undertaking this research and publishing our findings, our aim is to ensure the voices of young people:

- 1 are heard by policymakers, education institutions, employers and charities who support young people; and**
- 2 inform the work we do with them and the programmes we deliver.**

In response to our previous reports, which highlighted the desires of young people to access green careers and gain training relevant to the world of work, we have taken a number of actions. We have worked to develop climate literacy content in our education programmes and encourage sustainable entrepreneurship with the creation of green modules to focus on creating sustainable business ideas. We have expanded our work to allow more young people to access skills training in countries such as Tanzania, Uganda, Serbia, Egypt and St Lucia. We have convened business, civil society and governments during key international moments including the Commonwealth Heads of Government meeting, the Conference of the Parties and the UN General Assembly week, seeking to put young people's futures at the forefront of the international agenda.

This third report is necessary because the youth unemployment rate for 15 to 24 year olds globally has been stuck above 13 per cent for the last decade and a half, more than three times the rate for adults aged 25 and over. In some regions of the world, including parts of Africa, the Middle East and South Asia, up to one in three young people are not in employment, education or training. Furthermore, the after-effects of the Covid-19 pandemic and large increases in the cost of living are hitting young people particularly hard. Meanwhile, the nature of the jobs market is changing rapidly. Never has it been more important to discover the views of young people about the future of work.



Husnara, Project Lehar, India

Youth unemployment – the forgotten crisis

High levels of youth unemployment, globally, have been allowed to persist for far too long. In addition, many of the young people who do find work end up in insecure jobs.

Governments need to put the same effort into reducing youth unemployment as they have put into tackling the cost of living crisis over the last year and a half. This is all the more urgent now because the after-effects of the pandemic and large increases in prices have hit young people particularly hard.

Long-term structural changes in labour markets, in particular the rapid growth of green and digital jobs, represent potential opportunities for young people. But they will only be able to exploit them if they are equipped with the skills that employers in these areas are looking for. All the evidence suggests a large proportion of young people are not acquiring the necessary skills. This increases their chances of joining those who are unemployed or underemployed. It also increases the risk that economies will be held back in the future by skill shortages.

The views of young people

A large majority of young people say that big increases in prices have had a negative effect on them personally, in particular on their mental health. Women have been affected more than men, with 54 per cent reporting a negative impact on their mental health, compared to 39 per cent of men.

Overall, young people have a positive view of the future, but this is far more prevalent in middle-income than in high-income countries, where there is a high degree of nervousness about the future. For example, while 84 per cent of young people in the middle-income countries surveyed said they expected to have a better career than their parents, this was true for only 53 per cent of those in high-income countries.

Almost seven in ten young people are interested in a green job, but only three in ten say finding a green job will be easy. A similar proportion are interested in starting their own business or company.

One in three young people think the education system is doing badly when it comes to equipping them with the skills needed for work. Women take a slightly more negative view than men, but this is a view held widely across all the countries in our survey and among young people with all levels of education.

Young people know what skills are needed to do well in the world of work and are eager to acquire them. They believe a large proportion of them are not acquiring these skills due to failings of the education system and employers, leaving them underprepared for work.

How digital jobs can help solve the youth unemployment crisis

Digital technologies are transforming the workplace. Jobs are being lost permanently to digitalisation, but multiple new opportunities are arising.

Young people are keen to take advantage of these opportunities, and most think they are well-placed to do so. But a significant proportion do not have the knowledge or the skills needed to thrive in a digital world. For them, digital jobs are out of reach.

There is a substantial gender divide, with fewer young women expressing interest in digital jobs (58 per cent versus 69 per cent for young men) and believing they have the skills needed for them (49 per cent versus 63 per cent). This is largely the result of outdated social norms and it is particularly important that girls and young women are encouraged to learn digital skills and to believe there is a place for them in the digital economy of the future.

More generally, the rapid growth of digital jobs could be an important part of the solution to the problem of youth unemployment, but only if all young people are acquiring the digital skills that will be needed in the future workplace.

What should be done

If youth unemployment is to be put on a downward path and countries are to avoid skills shortages that will hold back growth and productivity in the future, it is essential that urgent action is taken to close three gaps.

First, close the jobs gap. Governments must support economic growth and job generation and back young entrepreneurs, and employers must create more entry-level jobs for young people.

Second, close the skills gap. Governments and education institutions must ensure all young people leave education with the skills required in the modern workplace, give them information about the skills needed for jobs of the future and encourage more women to acquire digital skills.

Third, close the experience gap. Employers must offer young people more work experience opportunities, create more apprenticeships and internships, and make it easier for young people to develop employability skills in a workplace setting.

Help us support young people

At The Prince's Trust Group, we will continue to support young people around the world to secure the jobs, education and experience they need to succeed in the world of work.

1 Employment:

We will seek partnerships with those willing to provide more opportunities for young people in the workplace.

2 Education:

We will work with education providers to promote the development of life skills in order to prepare young people for their future careers.

3 Experience:

We will support those employers who are prepared to invest in skilling the next generation and help young people to set up their own businesses.

Together, we can help young people get a better start in the world of work, so they can fulfil their ambitions. In the next few years, The Prince's Trust Group will be working with employers and like-minded charities to enhance our support for young people and to ensure their voices are heard.

If you share our vision and passion, join our commitments and partner with us now.

Visit princestrustglobal.org/overlooked-underprepared to find out more.

12,858 YOUNG PEOPLE

SKILLS CRISIS

Key Statistics

ABOUT THE YOUNG PEOPLE

12,858 young people, aged 18 to 34 years old, were surveyed across Australia, Canada, France, Ghana, India, Mexico, Nigeria, Pakistan, the United Kingdom and the United States.



IMPACT OF GLOBAL INCREASES IN THE COST OF LIVING

79% 47% 41% 70%

79 per cent said increases in the cost of living had affected them personally.

47 per cent said increases in prices had negatively affected their mental health.

41 per cent said increases in prices had negatively affected their social life.

70 per cent have not had a pay rise to keep up with the rising cost of living.

THE FUTURE OF WORK

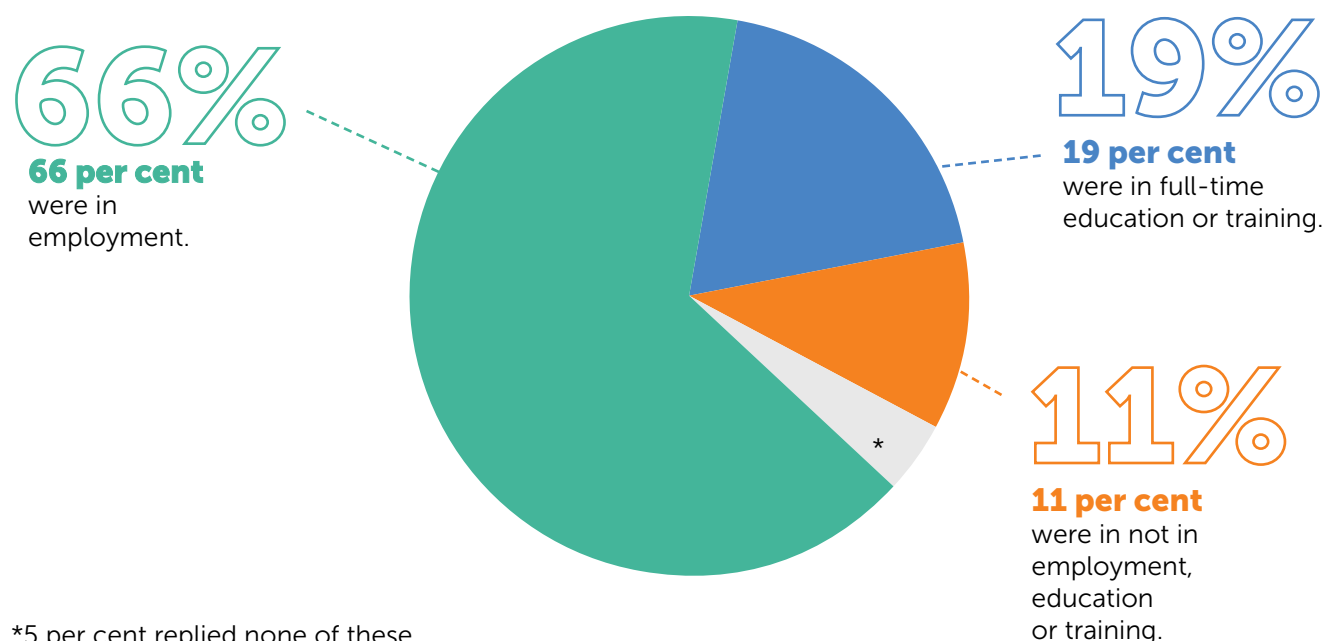
66 per cent said they were confident they would have a better career than their parents – but only **53 per cent** on average in Australia, Canada, France, the United Kingdom and the United States, compared to **84 per cent** in Ghana, India, Mexico, Nigeria and Pakistan.

68 per cent said they were interested in green jobs – but only **33 per cent** said it would be easy to find one in their area.

35 per cent said the education system does a bad job of providing young people with the skills needed for working life.

70 per cent said they would be interested in starting their own business or company.

OF THOSE SURVEYED:



THE DIGITAL ECONOMY

84% 63% 37%

84 per cent said digital literacy will be important for the future of work, more than value a university education or high school diploma.

63 per cent said they were interested in digital jobs – but only **58 per cent** of women, compared to **69 per cent** of men.

37 per cent said they did not have the digital skills required to be successful in work – but **43 per cent** of women, compared to **30 per cent** of men.

Chapter 1: Youth unemployment – the forgotten crisis

Introduction

Over the last year and a half, there has been a lot of talk about a ‘cost of living crisis’, as the after-effects of the Covid-19 pandemic and Russia’s invasion of Ukraine have combined to push up prices significantly and threaten global prosperity.

Young people have been badly affected by these developments. But they are also the victims of a much longer-standing and overlooked crisis, which shows no signs of going away: unacceptably high levels of youth unemployment.

Since the global financial crisis in 2008, youth unemployment globally has been stuck at levels in excess of 13 per cent, more than three times the comparable rate for older workers. In 2023, it is estimated that 70 million young people, over 14 per cent of the total, will be unemployed. This compares with a rate of 4.4 per cent for adults aged 25 and over.¹

As a result, many young people’s transitions from education to employment have been difficult ones, characterised by periods out of work, time in temporary or insecure jobs and being forced to accept work that does not match their qualifications. As the International Labour Organisation (ILO) puts it, ‘Young people (aged 15 to 24) face severe difficulties in securing and keeping decent employment’.² All this will have long-lasting negative impacts throughout their adult lives, affecting the jobs they can secure, the income they can earn and their general wellbeing.

This crisis is unlikely to diminish in the next few years, if economic forecasters are right in expecting weaker economic growth and reduced job creation. Inevitably, this will mean fewer opportunities for young men and women entering the labour market for the first time. Meanwhile, financial pressures created by large price increases for essentials such as food and energy could force some young people to curtail their education sooner than they planned, because it has become unaffordable and they need to work to bolster the family income. And higher interest rates will increase the cost of housing, whether buying or renting, making it harder for young people to become independent. Increases in interest rates will also make borrowing costs prohibitively high for young people who need a loan to start a business.

So far, only limited consideration has been given to the impact of recent economic developments on young people around the world. This report rectifies this oversight by presenting the thoughts of young people about education and work during these difficult times. It is our third report on the future of work for young people, following on from 2021’s *Generation ‘Stand Up, Start Up’* and 2022’s *An Upskill Struggle*.³

This chapter sets out the latest data on the youth unemployment crisis overlooked by governments, education institutions and employers. It also discusses the challenges and uncertainties facing young people as they leave education and look to establish themselves in the world of work, in particular those due to the deterioration in the short-term economic outlook, and longer-term trends in global labour markets.

1

Young
people
FACE SEVERE
DIFFICULTIES
IN SECURING
AND KEEPING
DECENT
EMPLOYMENT.

SUPPORT
& SKILLS

DIGITAL
JOBS

Tracey-Ann, Enterprise, Jamaica

Chapter 2 presents the views of young people on the after-effects of the Covid-19 pandemic and the cost of living crisis and about the future of work. It draws on the findings of surveys in ten countries, which asked young people who will soon leave education, or who have recently done so, about their aspirations and worries for the future.⁴

Chapter 3 focuses on digital jobs and how they can help solve the youth unemployment crisis. It suggests more could be done to enable all young people to make the most of the opportunities created by digitalisation, and that young women in particular should be given more encouragement and support.

Chapter 4 proposes steps that should be taken by governments, education institutions and employers to improve the prospects of young people in the labour market and bring down youth unemployment globally.

The youth unemployment crisis

The effects of recent economic weakness on the labour market may have been muted so far, but global youth unemployment rates remain far too high.

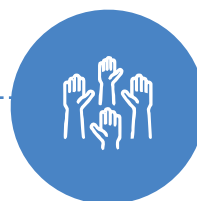
In 2022, the latest year for which estimates are available, almost 1 in 4 (23.5 per cent) of young people globally were not in education, employment or training (NEET), with much higher proportions found in Africa, the Middle East and South Asia.⁵

This suggests a large proportion of young people around the world are experiencing problematic transitions from education to work.

One of the reasons young people are struggling to get established in the labour market is a 'learning crisis', which predates the Covid-19 pandemic but has been exacerbated by it. According to UNICEF, fewer than half of all young people are acquiring the full range of skills they need for employment, with the problem being less severe in Europe and North America, and much worse in all other regions.⁶

The pandemic has also affected young people's prospects in the labour market. Covid-19 hit youth employment disproportionately hard in 2020 and 2021 and its recovery in 2022 and 2023 has lagged behind that of employment for older workers. The World Economic Forum (WEF) estimates that only in Europe and North America will youth employment rates in 2023 be back to their levels of 2019. In all other regions, the deficit relative to 2019 will be significant.⁷

According to the latest estimates from the ILO, the global unemployment rate for young people, aged 15 to 24, will be at the crisis level of 14.1 per cent in 2023, little changed from 2022.⁸ Youth unemployment in high-income countries is expected to be almost back down to its pre-pandemic level, but in other countries it is set to remain higher.



This forgotten youth unemployment crisis means many

young men and women

face the prospect of a troubled transition from education and training into employment.

At 14.1 per cent, the unemployment rate for young people will be more than three times the 4.4 per cent rate for adults aged 25 and over. Furthermore, the global youth unemployment rate has been stuck above 13 per cent since 2009 and, outside high-income countries, there has been a trend towards fewer permanent jobs for young people too.

The crisis of youth unemployment is not, therefore, a new phenomenon, but it is an overlooked one. Without specific action to tackle it, the chances of lower youth unemployment rates over the rest of the decade are very slim. Indeed, there is a risk they will get worse as a result of the after-effects of the pandemic and other problems facing the world economy.

This forgotten youth unemployment crisis means many young men and women face the prospect of a troubled transition from education and training into employment. Their initial years in the labour market will be characterised by uncertainty about their job security and their incomes. Some will fail to secure employment; some will be forced into insecure part-time or temporary work; and others will have to take jobs for which they are over-qualified. Meanwhile, those who are already in work will find it harder to progress to better-paid jobs. For those affected, this will diminish their prospects throughout their lives, putting them at risk of suffering worse labour market outcomes than their contemporaries.

Short-term challenges

The after-effects of the Covid-19 pandemic combined with the effects of Russia's war on Ukraine have created additional challenges for young people.

Although the World Health Organisation (WHO) has declared Covid-19 to no longer be a global health emergency, the after-effects of the pandemic continue to affect young people's lives.

In addition to the lingering effects on the global economy, for example due to disruption to supply chains, there are specific impacts on the young. For many, two or three years of their education and training were badly disrupted and this will hinder their prospects in the jobs market. For others, who had already left education, the problem is finding good jobs at a time when employers are



Achieve participants, Jamaica

reluctant to recruit, which will hold back their progress in future. These challenges have created additional anxieties for young people at a time in their lives that is already potentially very stressful.

At the same time, Russia's war on Ukraine has created new economic problems. Commodity prices have rocketed and inflation rates have soared. Central banks have increased interest rates to tackle inflation and this has revealed weaknesses in financial systems. In most countries, economic growth has weakened and living standards have fallen.

As a result, the economic outlook is fragile. Economic forecasters have downgraded growth estimates for the next few years. The International Monetary Fund (IMF), in its latest World Economic Outlook published in April 2023, predicts global growth averaging 3 per cent a year for the next five years, whereas a decade ago it was forecasting annual growth of 4.5 per cent.⁹ The World Bank is similarly gloomy, noting that world trade, the global labour force and investment are all growing less rapidly than in the last two decades, with no increase in productivity growth to compensate.¹⁰

Weaker output growth will mean fewer jobs being created and reduced opportunities for young people who are seeking employment for the first time. The cohort of young men and women whose crucial final years in education were disrupted by Covid-19 are about to find their first years in the labour market very difficult too. For them, this job opportunity crisis comes on top of the direct effects of the cost of living crisis.

Longer-term trends

Meanwhile, longer-term trends continue to affect global labour markets. These could be harnessed to tackle the youth unemployment crisis, but only if young people are adequately prepared to take advantage of the opportunities being created.

Climate change, and other environmental pressures, represent a huge threat to the future wellbeing of people all around the world, but governments are beginning to respond and their actions have implications for the types of job that will be available to young people in the future.

In the United States, for example, President Biden's 2022 Inflation Reduction Act included \$370 billion in tax credits for the renewable energy sector. This is expected to generate tens of thousands of new jobs. As other governments take similar steps, jobs will be created in 'green' industries; and there will be more green and blue jobs in other industries too.¹¹ The ILO estimates an additional 8.4 million jobs could be created specifically for young people, aged 15 to 29 years, by 2030 if governments implement recommended green and blue policy measures.¹² These jobs would, if they materialise, help ease the youth unemployment problem.

Unlike climate change, technological progress is not an existential threat, but it is still extremely disruptive. Digital technologies create new jobs, alter the way other jobs are done, and make some jobs entirely redundant; and their effects are felt across all parts of the economy. Until recently, it was reasonable to assume the biggest negative effects would be on certain types of low-paid job, while many of the new jobs created would be good quality, well-paid, skilled ones. However, the latest developments in artificial intelligence raise the possibility of a much broader range of jobs soon coming under threat. Chapter 3 examines the digital economy and its implications for the future of work, and young people's employment prospects in particular, in more detail.

The care economy is a big employer of young people, especially of women, and it is expected to expand rapidly in coming years. The ILO believes increased investment in education and health could result in almost 18 million additional new jobs for young people being created in this sector by 2030.¹³ The biggest proportionate growth will be in lower middle-income and low-income

countries because as countries get richer the proportion of their economies accounted for by the care sector tends to increase. But ageing populations in high-income countries will also create additional demand for care workers. This could be another important means of reducing youth unemployment.

In some parts of the world, in particular Sub-Saharan Africa and parts of the Middle East and Asia, there is also a demographic challenge, sometimes referred to as a 'youth bulge'. This is an increase

More needs to be done to ensure young men and women have the skills that employers want.

Only if this happens will

young people be better placed to thrive

in the future world of work.

in the share of young people in the overall population that occurs as a consequence of economic development. The challenges are to ensure these young people are well-prepared for work and to create sufficient numbers of jobs for them as they enter the labour market. If this can be achieved, the outcomes will include stronger productivity and economic growth. But failure to tackle these challenges will lead to even more unemployment and underemployment for young people in these regions.¹⁴

If young people are able to exploit fully the job opportunities created by these major developments, there is a chance that youth unemployment could eventually fall from the crisis level it has been stuck at for the last fifteen years. However, more needs to be done to ensure young men and women have the skills that employers in these areas want. Only if this happens will young people be better placed to thrive in the future world of work.

Conclusion

The youth unemployment crisis has been allowed to persist for far too long. Governments need to put as much effort into tackling it as they have put into dealing with the cost of living crisis over the last year and a half.

If they do not, youth unemployment will remain stuck at its unacceptably high level.

The Prince's Trust Group believes one reason this situation has been allowed to persist is because young people's views are rarely heard. Our research is designed to find out how young people feel about their prospects and to give them a voice in debates about the future of work. To this end, the next chapter presents the findings of surveys of young people around the world.



Around the world, many young people are struggling to get established in the labour market

Canada

In Canada, the youth unemployment rate in June 2023 was 11.5 per cent, more than two and a half times the rate for adults aged 25 and over, which was 4.4 per cent (Statistics Canada, July 2023).

United States

In the United States, the youth unemployment rate was 7.5 per cent in June 2023, two and a half times the rate of 3.0 per cent for people aged 25 and over (US Bureau of Labor Statistics, July 2023).

Mexico

In Mexico, 6.2 per cent of young people aged 15 to 19 and 6.7 per cent of those aged 20 to 24 were unemployed in 2022 (International Labour Organisation, July 2023).

United Kingdom

In the United Kingdom, the unemployment rate for young people aged 18 to 24 was 10.7 per cent in the three months March to May 2023, almost four times the rate for those aged 25 and over, which was 2.9 per cent (Office for National Statistics, July 2023).

France

In the first quarter of 2023, the unemployment rate in France for people aged 15 to 24 was 16.6 per cent, almost three times the rate of 6.4 per cent for people aged 24 to 49 (INSEE, July 2023).

India

In India, 19.5 per cent of young people aged 15 to 19 and 21.1 per cent of those aged 20 to 24 were unemployed in 2021 (International Labour Organisation, July 2023).

Pakistan

In Pakistan, in 2022, four times as many young women, 56 per cent of the total, as young men, 14 per cent, were not in employment, education or training (International Labour Organisation, July 2023).

Australia

In Australia, the youth unemployment rate in May 2023 was 7.6 per cent, more than double the rate for all adults, which was 3.6 per cent (Australia Bureau of Statistics, July 2023).

Nigeria

In Nigeria, the latest estimates show more than one in three young people were not in employment, education or training in 2022 (International Labour Organisation, July 2023).

Ghana

In Ghana, the latest estimates show one in four young women and one in five young men were not in employment, education or training in 2022 (International Labour Organisation, July 2023).

Chapter 2: Highlighting the views of young people

Introduction

In June 2023, The Prince's Trust Group commissioned YouGov to undertake surveys in ten countries around the world to discover how young people are coping with the after-effects of the Covid-19 pandemic and with large increases in the cost of living and how this has impacted their views about their future in the labour market.

This is the third consecutive year in which The Prince's Trust Group has reported on young people's thoughts about the future of work.¹⁵

In all the debates that take place about the global economy and the future of work, young people too often find it hard to have their views heard by policymakers and others in positions of influence. Yet, the future of work is their future and they surely know best what they want from the workplace, what opportunities they see in it and how well prepared they are to exploit those opportunities.

This report gives a voice to young people, presenting the views of thousands of young men and women from ten countries around the world on the future of work and, in the next chapter, on digital jobs in particular.

At The Prince's Trust Group, we are determined to amplify the voices of young people so that they are heard by those with the power to improve the outlook for young men and women. We also use the results of these annual surveys to inform our choices about the projects that we support and to influence the design of those projects.

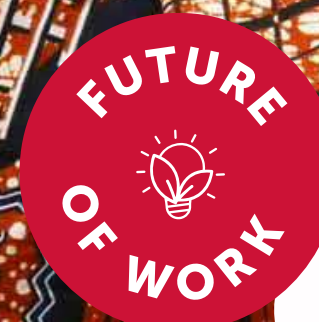
For this report, YouGov surveyed over 2,000 young people aged 18 to 34 in the United Kingdom and in the United States and over 1,000 in each of Australia, Canada, France, Ghana, India, Mexico, Nigeria and Pakistan - a total of 12,858. The United Nations classifies Australia, Canada, France, the United Kingdom and the United States as high-income countries; Mexico as an upper middle-income country; and Ghana, India, Nigeria and Pakistan as lower middle-income countries. In this report, we refer to high-income and middle-income countries using these classifications.

Six of these countries - Canada, Ghana, India, Pakistan, the United Kingdom and the United States - were also included in the 2021 and 2022 surveys, allowing some analysis of how young people's views are evolving over time. The Prince's Trust Group supports young people in eight of these countries. France and Mexico, where it does not work, were included to broaden the geographical coverage of the surveys, while maintaining the balance between high- and middle-income countries.

The key findings from this year's surveys are presented here. A full set of data tables, containing all the results, are available online.

THE COST OF
LIVING CRISIS
IS A PROBLEM
GLOBALLY FOR

young
people.

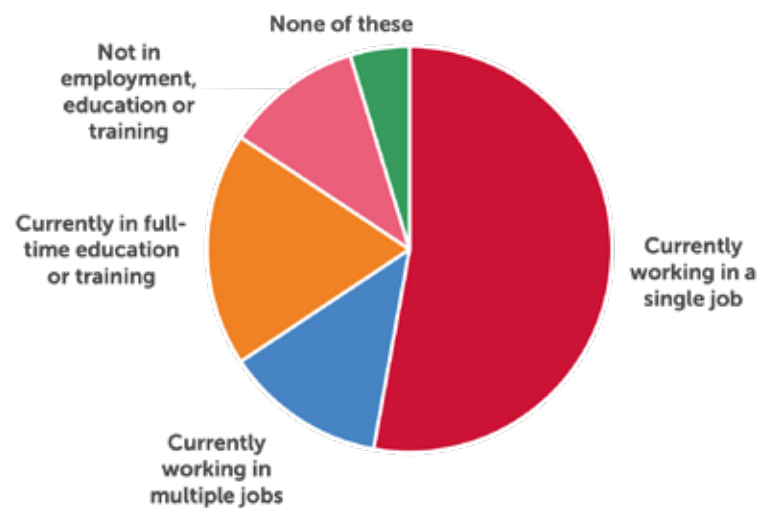


Dorcas, Skills for School, Ghana

The young people

When they took part in our survey, two-thirds of the respondents were working, 53 per cent in a single job and a further 13 per cent in multiple jobs. 19 per cent were in full-time education and training, while 11 per cent were not in employment, education or training (NEET). Compared to the earlier surveys, a slightly higher proportion of respondents were in work.

Chart 1: Work status of the young people who took part in our quantitative surveys (Source: YouGov, 2023)



Working includes being employed or self-employed. Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.

One-quarter of the young people in work described their job as informal, that is without a contract or paid cash in hand. The lack of a formal contract was more prevalent among those aged 18 to 24 (32 per cent) than among those aged 25 to 34 (22 per cent). It was less prevalent in the high-income economies included in the survey, except for the United States (where it was 27 per cent), and more prevalent in Mexico and the Asian and African countries.

A high proportion of those aged 18 to 24 were also in a job where their income could vary from week to week (37 per cent), and in a job where there is nothing stopping them being sacked at short notice (38 per cent). This is the third consecutive year our survey has found a high proportion of young people in unsecure employment, which serves as a reminder that the youth employment crisis goes wider than high levels of youth unemployment.

It is also about many young people finding themselves in poor quality, badly-paid jobs during their early years in the labour market. It has been estimated that 156 million young people in low- and middle-income countries are living in poverty, even though they are in work.¹⁶ They are particularly vulnerable to the cost of living crisis.

Overall, the higher the level of qualification a young person had achieved, the less likely they were to be working in an informal job. In part, this reflects a higher average level of qualification in those countries with the lowest prevalence of informal work. But drilling down to the individual country results, in most countries it was generally the case that acquiring more qualifications reduced the risk of informal employment.

This year's survey, like the previous two, found a significant number of young people – 20 per cent of those in work – saying they had more than one job. For most, the main reason was to boost their income, with two-fifths saying they needed more than one job to cover the basic needs of themselves and their families.

For some, the cost of living crisis is likely to have increased the need to take multiple jobs. As one of the participants in a project supported by The Prince's Trust Group told us:

Everyone is trying to bring down their costs, and trying to find ways to get extra income, not just relying on their salary but setting up side hustles too.

Faith, Nigeria

Despite the prevalence of informal work and working in multiple jobs, almost two-thirds (65 per cent) of working young people said they were satisfied with their current job, compared to fewer than one in seven (13 per cent) who said that they were dissatisfied.

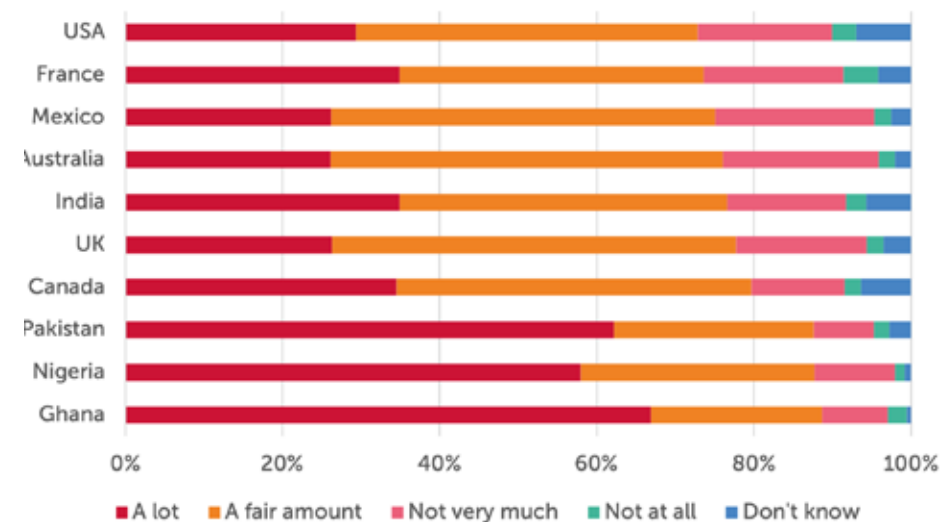
Impact of large increases in the cost of living

2022 and 2023 have seen very large increases in the cost of living for young people around the world. In our survey, we asked them how this had affected their lives.

The cost of living crisis is a problem globally for young people, though there are some geographical differences in its effects.

Overall, four in five young people told us increases in the cost of living had negatively affected them. Across seven of the ten countries surveyed, the results were very similar, but in three countries – Ghana, Nigeria and Pakistan – the proportions impacted were noticeably higher, in particular of those saying they had been negatively impacted a lot.

Chart 2: Thinking about global increases in prices and the cost of living, how much, if at all, would you say this has impacted you personally? (Source: YouGov, 2023)



Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.

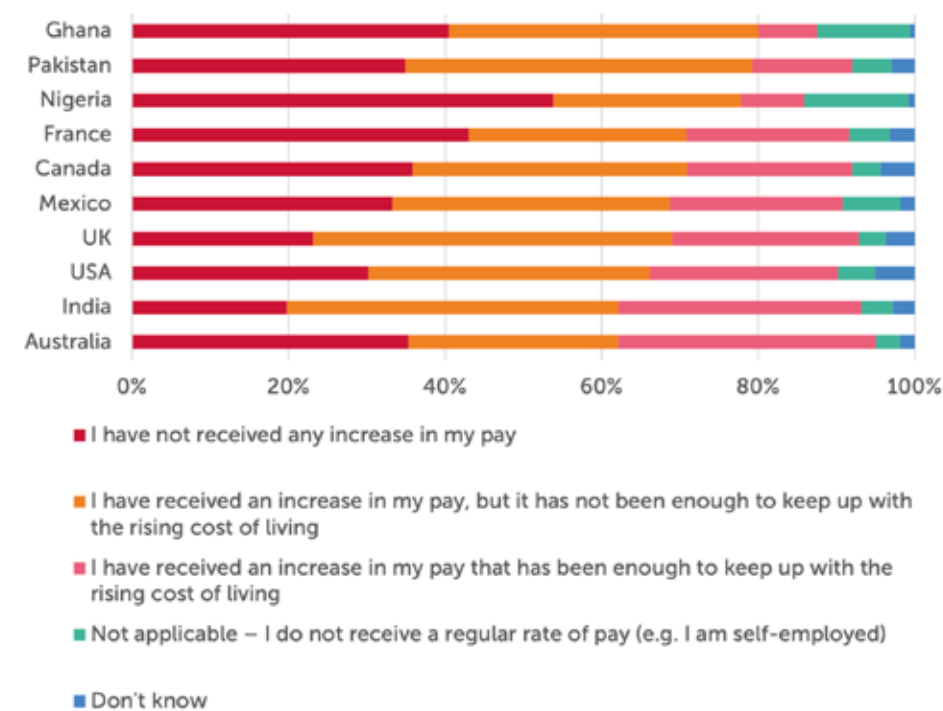
Almost half the young people surveyed said rising prices had had a negative impact on their mental health (47 per cent) and two in five (41 per cent) said they had led to a deterioration in their social life. Young women were more likely to say they had been negatively affected than young men: 54 per cent versus 39 per cent reported a negative impact on their mental health and 46 per cent versus 36 per cent on their social life. Interestingly, in our previous surveys, young women also reported bigger negative impacts from Covid-19 than young men.

There was not a great deal of variation in these proportions across the countries in the survey, with the exception of India. Here, far fewer young people reported negative impacts on their lives. The macro data on economic growth and inflation show India appears to be one of the countries least affected by the after-effects of the pandemic and the fall-out from Russia's invasion of Ukraine, so perhaps this is not a surprising finding.

Overall, seven in ten (70 per cent) of young people in work have not had a pay rise that has been enough to keep up with the rising cost of living. Again, young women have done less well, with 74 per cent saying this was the case compared to 66 per cent of young men.

And there were some significant differences between countries, though no clear pattern. Unsurprisingly, given the other results, India had a lower proportion of young people who had seen their wages fail to keep up with the cost of living, but so did Australia.

Chart 3: Thinking about the rising cost of living, which of the following best applies to you? (Source: YouGov, 2023)



Feedback from 8,445 surveyed 18 to 34 year olds. Source: YouGov global survey.

It is clear from these findings that, with the possible exception of those living in India, large increases in the cost of living have hit young people hard. As one of the participants in a project supported by The Prince's Trust Group told us:

When your salary is not being increased and the cost of living is getting high, the only thing people can do to manage is to adjust their lifestyle, bring down their costs. So, people who run generators are cutting it down to two or three hours just to save costs.

Chigozie, Nigeria

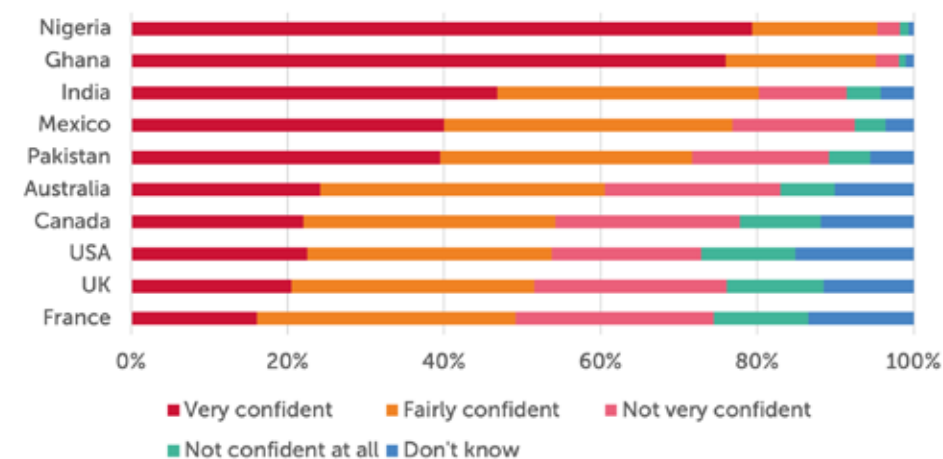
And this has come at a time when many of young people are still coping with the after-effects of the pandemic, including the loss of vital education, training and work experience opportunities. How has this impacted their views on the future of work and their prospects in the workplace?

Longer-term prospects

Young people in higher-income countries like the United Kingdom and the United States are less optimistic about their futures than those from middle-income countries.

Overall, a majority of young people have a positive view of their futures in work. Asked if they think they will have a better career than their parents, 66 per cent were confident that this would be the case, with only 25 per cent disagreeing. However, this aggregate figure masks a wide range of opinion geographically. In Ghana and Nigeria, 95 per cent of young people think they will do better than their parents, and almost 80 per cent are very confident in this view. At the opposite extreme, in the UK and France only half of respondents to the survey expressed this opinion, and only 20 per cent were very confident.

Chart 4: How confident are you, if at all, that you will have a better career than your parents? (Source: YouGov, 2023)



Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.

Similar proportions of young people thought their generation could lead economic growth and create solutions to some of society's and the world's biggest challenges. Again, though, the aggregate figures masked a wide range of views. There was much more optimism in Ghana and Nigeria, and to a slightly lesser extent in India, Mexico and Pakistan, than there was in any of the high-income countries included in the survey.

One reason for this optimism in middle-income countries might be the prospect of working overseas. Over 90 per cent of young people in Ghana and Nigeria thought it was likely they would take a job in another country at some point in their careers, as did between 73 and 80 per cent of young people in Pakistan, India and Mexico. In contrast, in the five higher-income countries in the survey, only 35 to 45 per cent of young people thought they might work abroad, with narrow majorities in each case expecting to work only in their home country.

Given their relative stages of development, it is perhaps not so surprising to find young people in middle-income countries are more optimistic than their peers in high-income countries. On the other hand, for many years it has been taken for granted even in high-income countries that each successive generation would, broadly speaking, be better off than its parents' generation. The fact that only half of young people believe this now suggests a high degree of nervousness about the future. This may be due to a combination of worries about shorter-term factors like the after-effects of Covid-19, high inflation and rising interest rates, and longer-term concerns, including climate change and high levels of inequality.

The green future of work

For the third year in a row, our survey found young people to be excited about the prospect of working in the green economy. However, they are unsure whether they will be able to find the right opportunities.

Despite young people's concerns about climate change and environmental degradation, a recent report on employment trends from the International Labour Organisation (ILO) claimed young people do not see green jobs – for example in environmental work, renewables, sustainable agriculture or industry or recycling – as a viable career option.¹⁷ It argues young people had limited awareness of the nature of green jobs, and so failed to appreciate the full range of opportunities that were available to them.

The young people in our survey are better informed than the ILO analysis would suggest. Asked to what extent they were interested in taking a green job, 68 per cent said they were fairly or very interested. Looking at the individual country results for the six countries that have featured in all three of our surveys, interest in green jobs has remained consistent, and consistently high.

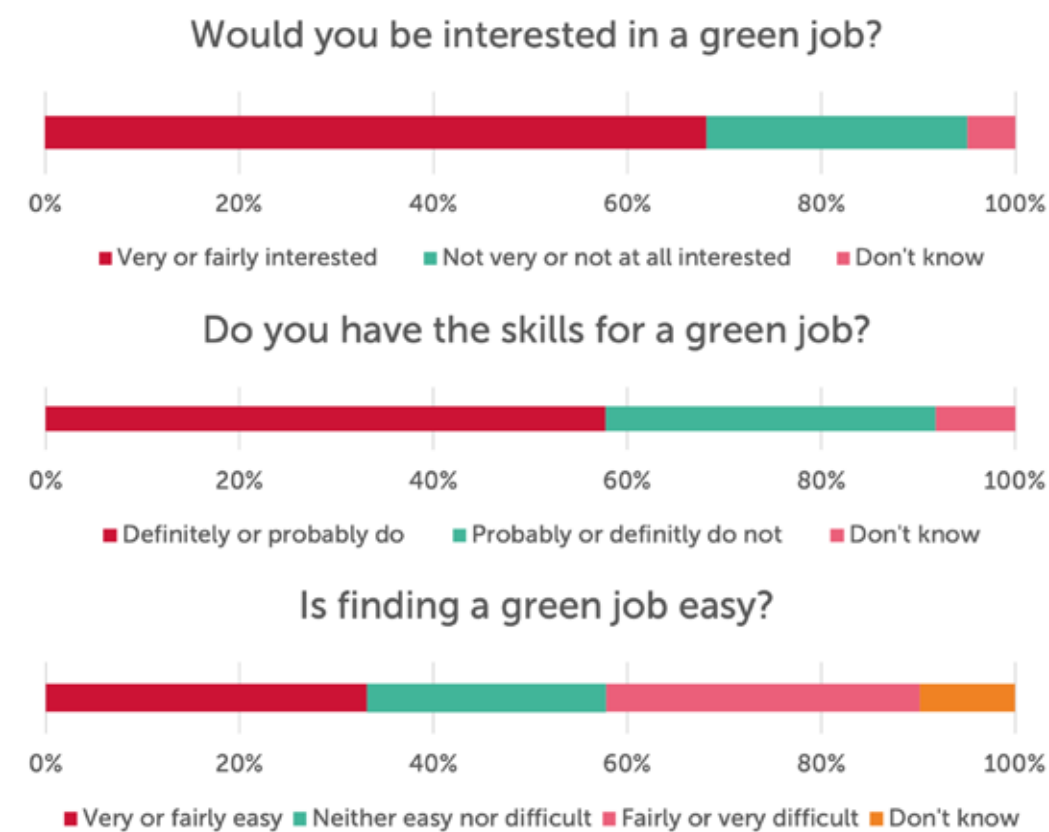
Green jobs appeal to young people who value work for the sense of wellbeing it brings, not just for the pay. As one of the participants in a project supported by The Prince's Trust Group told us:

Before this when I was working in the engineering company, I was more focused on making an income for myself, but now when I'm working with [a forestry conservation organisation], it changed me a lot. The work that I'm doing now is more meaningful and giving an impact to the environment.

Hairul, Malaysia

Young people in the middle-income countries in this year's survey were noticeably more interested in green jobs than their counterparts in the five high-income countries. Again, this is something that was apparent in our two previous surveys too, even though the country coverage was slightly different. Young men were a little more likely to be interested in these jobs than young women, though the difference was small.

Chart 5: Green jobs (Source: YouGov, 2023)



Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.

A majority of young people, 58 per cent, think they have the skills and qualifications needed to work in a green job. However, a very significant minority, 34 per cent, say they do not have them. This is a large group of young people who will be unable to access jobs in what is likely to be one of the main growth areas of the labour market in the next decade.

More worrying perhaps, only one in three young people think finding a green job is easy in the area where they live, with the same proportion saying that it is difficult. This is likely to be a disincentive to many young people who would be interested in theory in taking a green job but in practice might choose not to seek one out.

The Prince's Trust Group supports programmes in many countries that help young people to increase their climate literacy and green skills, and to achieve their ambition to find work in green jobs.

Lydia: 'Get Into' participant, Ghana

As a project co-ordinator for a recycling firm, Lydia oversees initiatives to clear litter and boost recycling, while also creating jobs and security for people on low incomes.



After two years out of work caring for her mother, Lydia landed this role after taking part in our Get Into programme in Ghana, which has a particular focus on helping young people enter green trades.

Designed by Prince's Trust International, and delivered in Ghana by Youth Opportunity and Transformation in Africa (YOTA), Get Into is an employer-led training programme. The content, which varies depending on the sector, is a mixture of general employability skills and technical, sector-specific knowhow, followed by a work experience placement. Each step of the programme paves the way for the next.

Lydia explains: 'The training covered everything we needed to know and it was tailor-made for the internship and the job. Each step was a perfectly smooth transition. This programme gives you an excellent toolbox which you can carry around with you wherever you go.'

Lydia's work experience placement focused on rolling out life and health insurance protections to low-income workers, by giving them the chance to pay insurance premiums in collected plastic bottles instead of cash.

Impressed by Lydia's community engagement skills, the company quickly offered her a permanent job leading a team, fast-tracking her onto the ethical career path she has always wanted. Lydia now co-ordinates a range of green projects, such as installing recycling bins at train stations and employing disadvantaged women as waste collectors.

She says: 'I'm proud that I'm putting smiles on people's faces, creating jobs for others.'

Young people have been telling us for three years that they understand the threats presented by climate change and environmental degradation and they have expressed a high level of interest in jobs that will help tackle these problems. More people like Lydia need to be given the opportunity to fulfil their ambitions in this area.

Becoming an entrepreneur

Many young people would like to work for themselves.

Almost half (44 per cent) of the young people in our survey said they would be fairly or very interested in working as a contractor; two-thirds (66 per cent) expressed the same view about working as a freelancer; and seven in ten (70 per cent) have an interest in starting their own business or company.

In every case, interest was highest in Ghana and Nigeria, lower in India, Pakistan and Mexico, and lowest in the five high-income countries. However, even in the United Kingdom, which had the lowest interest, just over half (54 per cent) of young people were interested in starting their own business or company.

Entrepreneurial ambitions are, therefore, widespread. As one of the participants in a project supported by The Prince's Trust Group told us:

Entrepreneurship provides an opportunity for young people to shape their own lives, sustain themselves in a way that works for them, and make a difference. It also allows for young people to turn their dreams into a reality and spend their lives working on something they are truly passionate about.

Paige, New Zealand

Starting a business is, however, much more complicated than taking a job with an employer, and young people recognise this reality. Only 27 per cent thought it would be fairly or very easy to start a business, with 48 per cent saying it would be fairly or very hard. If these budding entrepreneurs are to realise their dreams, they are going to need support.

The Prince's Trust Group recognises this need and helps to fill the gap.



Adrian, Achieve, Trinidad and Tobago

Blake: He Kākano participant, New Zealand

With start-up support from Prince's Trust Aotearoa New Zealand, Blake has successfully transformed a creative coping mechanism into a thriving business venture.



At 15, Blake woke with severe memory loss caused by an acute deterioration in his mental health. He struggled to recognise faces, remember names or events, and began carrying a camera with him to capture images to aid his memory.

Soon Blake realised that his camera skills had earning potential as well as health benefits, and he set up a side business as a photographer. But his fledgling enterprise did not bring in enough money to make a living.

Blake's retail job was subsidising his photography venture, but with support from the He Kākano programme, Blake, now 19, has built up his business to the point where he has been able to quit his job and become a full-time photographer. He Kākano, meaning 'I am a seed' in Māori, provides start-up grants, mentoring and networking support to aspiring young entrepreneurs. The programme is delivered by Prince's Trust Aotearoa New Zealand, in collaboration with the New Zealand government and corporate supporters.

The programme's financial support enabled Blake to upgrade his camera and editing software, while his mentor focused on building Blake's finance skills. However, Blake identifies the programme's

networking support as being the biggest boost to his business, enabling him to forge new connections and onboard new clients.

Blake explains: 'He Kākano gave me the chance to build my network and meet new goals, develop more understanding of the necessary processes and build a foundation to transition to full-time work in my business.'

Blake is now expanding both his client list and the range of services he offers and in 2023 he was selected as an official photographer for the FIFA Women's World Cup.

Countries, especially those with a high incidence of self-employment among young people, need to put in place the support, such as specialised training and advice, that budding entrepreneurs like Blake need.

Skills development

Young people know what skills they will need in the workplace, but many are not acquiring them.

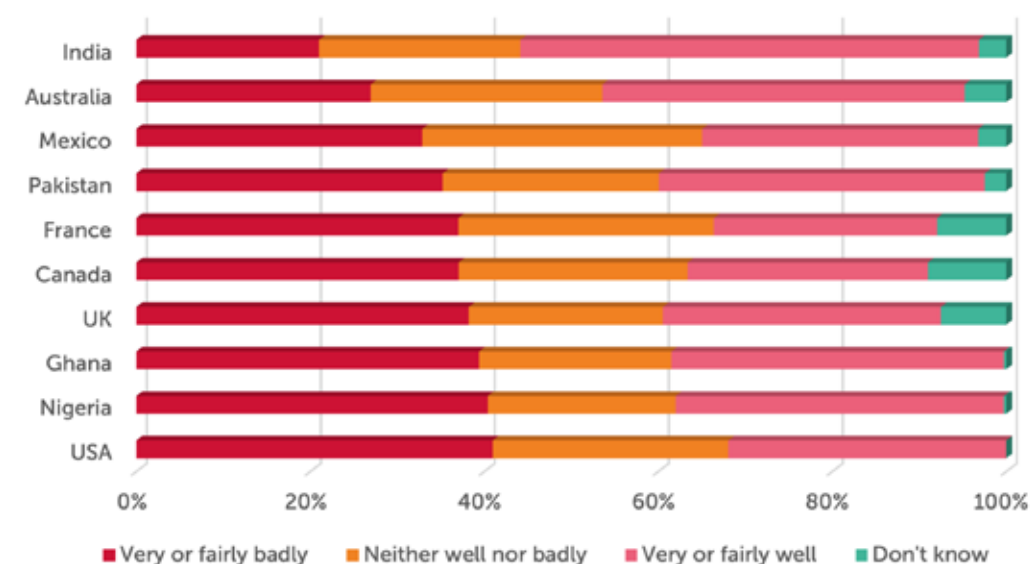
Young people have been telling us for three years that the education system does badly when it comes to equipping them with the skills needed for work. In this year's survey, 35 per cent said this was the case. Women take a more negative view, with 39 per cent thinking the education system does badly, compared to 31 per cent of young men.

This lack of skills holds back young people, and young women in particular, in later life. As one of the participants in a project supported by The Prince's Trust Group told us:

“In my community, there's a huge difference between girls and boys having access to education. When girls finish standard seven [at the age of 14] ... they run a high risk of being married, but boys have the privilege of accessing education. It's important for girls to stay in school because girls have dreams.”

Zamana, Tanzania

Chart 6: How well or badly do you think the education system currently does at providing people with the skills that prepare people for working life? (Source: YouGov, 2023)



Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.

With the exception of India and Australia, where views were more positive, there was not a great deal of difference across the countries surveyed, with between three and four in ten young people saying the education system was doing a bad job in preparing them for work. The extent of young people's education also makes little difference to their views, with young people having a university degree just as likely to say the education system is doing a bad job as those educated to secondary or high school level. This appears to be a significant problem for many young people taking jobs at all levels and across all sectors of the economy.

These are long-standing complaints from young people, but the problems have undoubtedly been exacerbated in recent years. The Covid-19 pandemic disrupted the education of young people all around the world, and led to a loss of learning for many that will never be made up. In particular, those in the vital few final years of education, when young people start to think seriously about their future careers, will have been most badly impacted.

The cost of living crisis now adds to these problems, especially if it makes education unaffordable or means that young people need to leave education early to find work and support their families. As one of the participants in a project supported by The Prince's Trust Group told us:

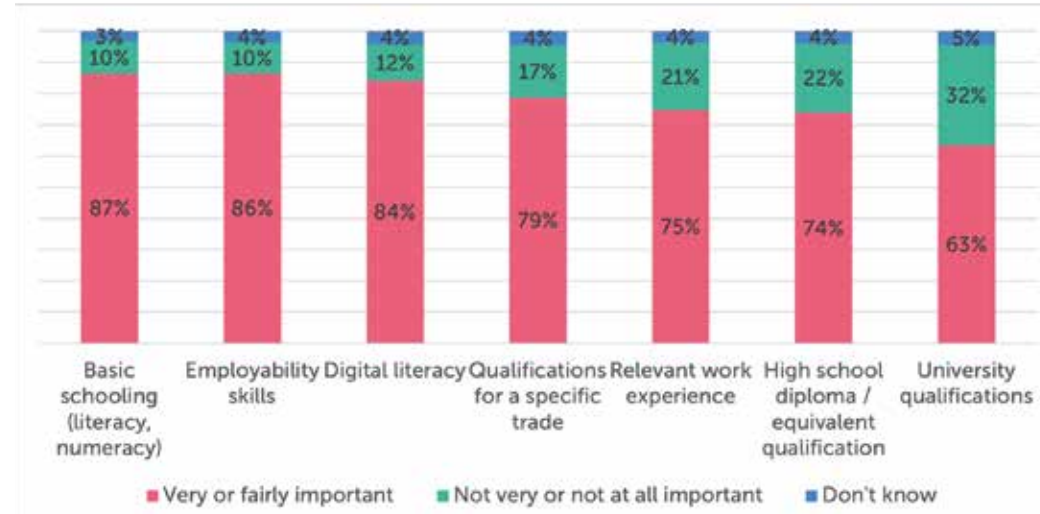
The prices of items are rising and the value of the dollar remains the same. As a result of this, more and more youths are influenced by the 'get rich quick' scheme and are dropping out of school.

Shane, Jamaica

What skills should young people be acquiring and the education system doing better at teaching? Employers are clear that demand for manual and physical skills and for basic cognitive skills will decline in the future workplace, while technological, social and emotional and higher cognitive skills will be increasingly desired.¹⁸ Young people will need certain levels of literacy and numeracy, and also the ability to operate in a digital environment (the latter is discussed in the next chapter). But they will need transferable employability skills too, that allow them to fit into the modern workplace and to adapt to changing ways of working.

Young people know this is the case. When asked about the most important skills needed in the world of work today, more young people think literacy and numeracy, digital literacy and employability skills are important than think the same about a high school diploma or a university qualification.

Chart 7: Thinking about the future of work, how important do you think the following are? (Source: YouGov, 2023)



Employability skills is an average of answers for self-confidence, teamwork, communication skills, problem-solving, resilience and reliability and punctuality. Individual scores for these skills ranged from 82 to 88 per cent thinking them very or fairly important.

Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.

As one of the participants in a project supported by The Prince's Trust Group told us:

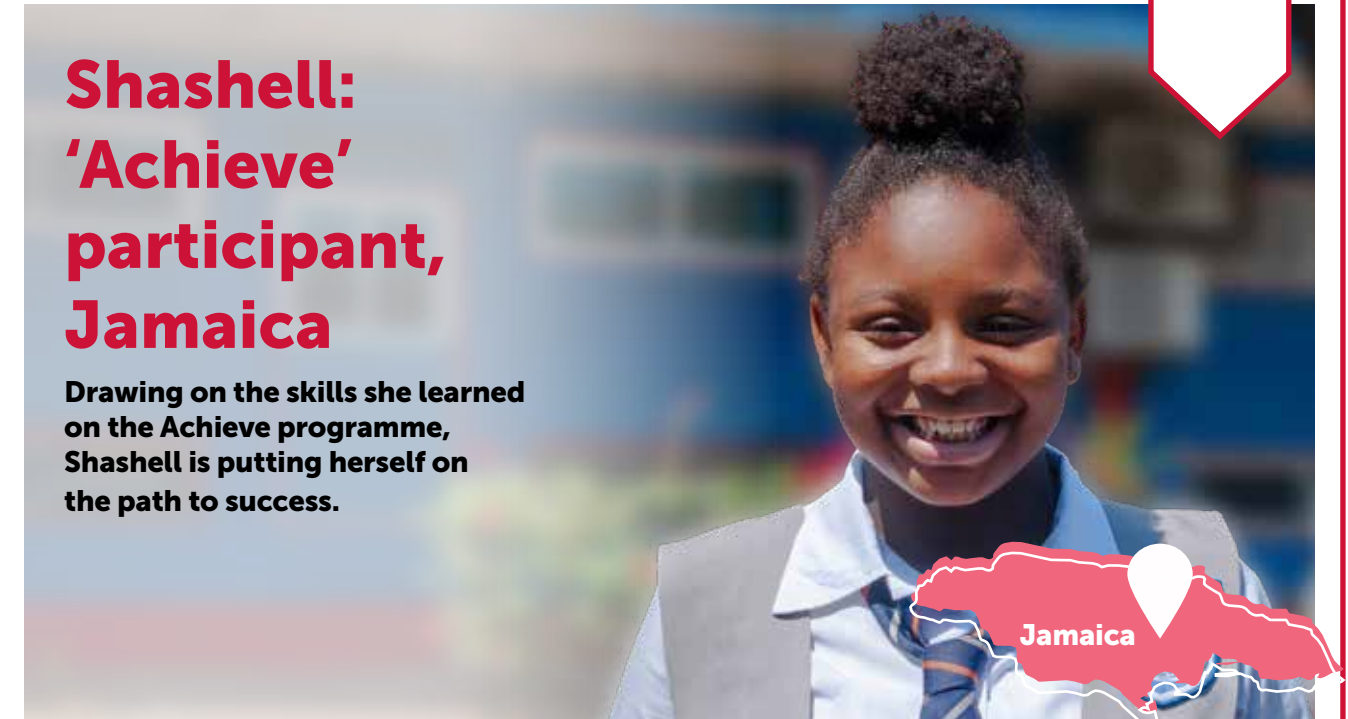
I actually think that soft skills, interest and a willingness to learn are the most important skills. Most employers will offer training on the specifics, but you need to have drive and the ability to communicate.

Shezell, United Kingdom

The Prince's Trust Group's work helps young people acquire the employability skills they will need.

Shashell: 'Achieve' participant, Jamaica

Drawing on the skills she learned on the Achieve programme, Shashell is putting herself on the path to success.



Shashell, 14, is growing up in a disadvantaged inner-city neighbourhood. With no thoughts for her own future, she used to have little interest in school, and her spending was out of control.

She would even beg for cash to buy things she couldn't immediately afford. But through the Achieve programme, Shashell has transformed her approach to schoolwork, money, peers and, crucially, herself, creating a life plan that she is proactively working towards.

The Achieve programme, introduced in Jamaica by Prince's Trust International and Junior Achievement Jamaica (JAJ), is a modular skills programme. Led in schools by specially-trained teachers, the programme offers hands-on learning in small groups, giving students the chance to build the core employability skills that will boost their chances of succeeding at school and beyond.

Shashell found the personal development module particularly inspiring. It supports young people to identify their individual strengths, interests and weaknesses, and provides a framework for how to set goals and achieve them. Shashell was quick to put her learning into practice.

Keen to work in hair and beauty services when she leaves school, Shashell started practising hair combing, got herself a holiday job to develop her workplace skills, and opened a bank account to save her earnings.

Shashell explains: 'Planning for the future helps you know what to do now.'

Now feeling the benefits across several different areas of her life, Shashell highlights how the Achieve programme helps young people to build the skills they need to flourish in the real world.

She stresses: 'In Jamaica there are no programmes in school to teach life skills, career planning and personal development; just the traditional topics. Achieve is preparing me for the real life.'

The task of providing young people with the employability skills they need in the workplace should not be left to programmes like Achieve. Education systems should do more to help them, so that more people like Shashell can thrive in the world of work.

There is a role for employers too. For some years, a common complaint from businesses around the world has been that they cannot find sufficient people with the technical and transferable skills they need. Because young people have lost vital years of learning and training during the worst of the Covid-19 pandemic, it may be even harder now for them to find the skilled workers they need. Young people would argue they could fill these gaps if they had more help from businesses.

In particular, the young people we surveyed argued that businesses should create more entry-level jobs for young people, whether they have few qualifications or have passed through higher education. Many of the particular skills needed in work can best be learned on the job. This requires employers to make work experience opportunities available and to create more entry-level jobs that combine work with skills development.

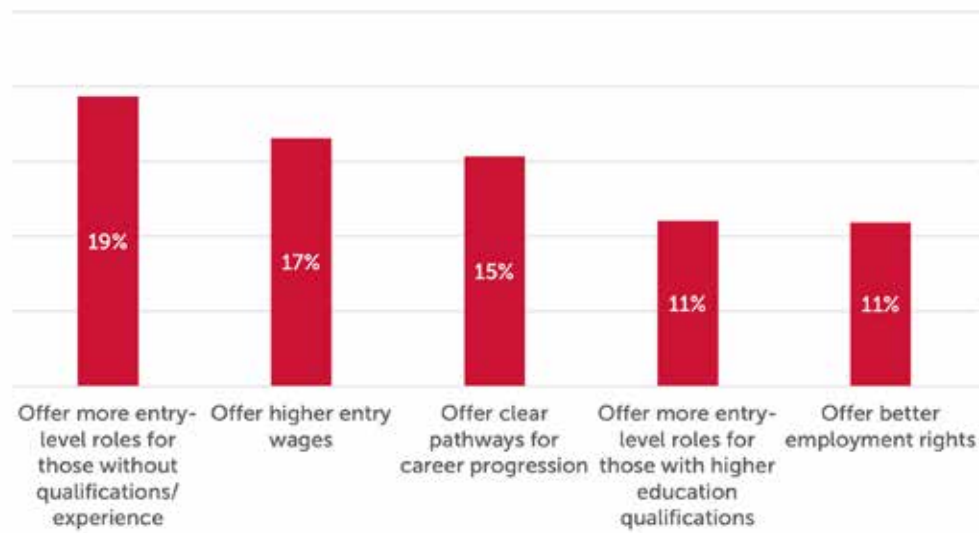
If they do not, young people will find themselves in a Catch-22 situation when it comes to work experience. As one of the participants in a project supported by The Prince's Trust Group told us:

In Jordan, if I give people my CV they say 'oh you don't have any experience, sorry unfortunately we can't take you'. But how can I get any experience if you don't give me the opportunity.

Rand, Jordan



Chart 8: Which one step do you think businesses can take that would do most to support young people? (Source: YouGov, 2023)



Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.

Skills development is vital for the future of work, both for young people if they are to thrive in their chosen careers and for businesses if they are to be able to employ people with the skills they need to succeed. However, too many young people have been leaving the education system inadequately prepared for the world of work, and the after-effects of the Covid-19 pandemic and the cost of living crisis risk making things worse. Education systems and employers need to do more to develop in young people the skills needed for the future of work.

Conclusion

The after-effects of the Covid-19 pandemic, combined with the cost of living crisis, are undermining the prospects of many young people. Not only have their living standards been hit, they have lost education and training opportunities and found it harder to obtain good, secure jobs.

A large minority of young people felt they have not been well-prepared for the future of work and that the education system has let them down.

These young people are likely to experience difficult transitions from education to work, especially if their education and training were badly disrupted by the Covid-19 pandemic. They are at high risk of joining the one in four young people who are not in employment, education or training and becoming another statistic in the youth unemployment crisis.

This is not the result of ignorance on the part of young people. They know the range of skills needed to thrive in the workplace: basic skills, such as literacy and numeracy, employability skills and digital skills. Rather, it is the result of failings on the part of education systems and employers. They need to do more to help all young people acquire the skills that will be needed for the future of work.

The final chapter sets out what needs to be done, but first the next chapter looks at digital skills in more depth.



Sara, Get Into Cooking, UK

Chapter 3: How digital jobs can help solve the youth unemployment crisis

Introduction

Digital technologies are transforming the workplace in all industries and in every corner of the world. If young people were sufficiently digitally skilled, they could fill many of the jobs being created by this revolution; and this would help significantly to reduce levels of youth unemployment globally.

However, young people tell us education and training systems are falling short when it comes to equipping a substantial proportion of them – and of young women in particular – with the skills they need to thrive in this digital world. As a result, an opportunity to ease the youth unemployment crisis is being missed. New technologies have had a profound effect on the global labour market. As a result of digitalisation, many jobs – often poorly-paid ones – have been eliminated, while many other jobs – often better-paid ones – have been created. And this is not happening only in certain parts of the labour market, all industries have been affected.

The dispersion of digital jobs throughout the economy makes it difficult to measure how well young men and women are doing in acquiring them. The International Labour Organisation (ILO) has estimated that around one in six young people work in 'High Digital Intensity' sectors, a similar proportion to older workers.¹⁹ Arguably, though, they should be doing much better because they have the advantage over older adults of having grown up in a highly digital world.

The adoption of new technologies will remain an important, perhaps the most important, driver of change in the labour market over the next decade. Consequently, there is huge potential for the digital economy to play an important role in tackling the youth unemployment crisis. However, this will only happen if young people have the skills that employers want. It is more vital than ever that all young people acquire the right digital skills, so they can take advantage of new opportunities as they become available.

Young people understand the importance of the changes that are taking place. As one of the participants in a project supported by The Prince's Trust Group told us:

We're living in an ever-changing economy and working landscape – GenZ and Alpha were born into a technology-driven world. This has undoubtedly brought a new wave of opportunities into industries that hadn't yet been founded for those that grew up in the 80s and 90s.

Jemma, United Kingdom

84 per cent of respondents to our survey said providing young people with digital skills is fairly or very necessary for their country's economic future. There were, though, some large differences between countries, ranging from 70 per cent in France to 98 per cent in Ghana and

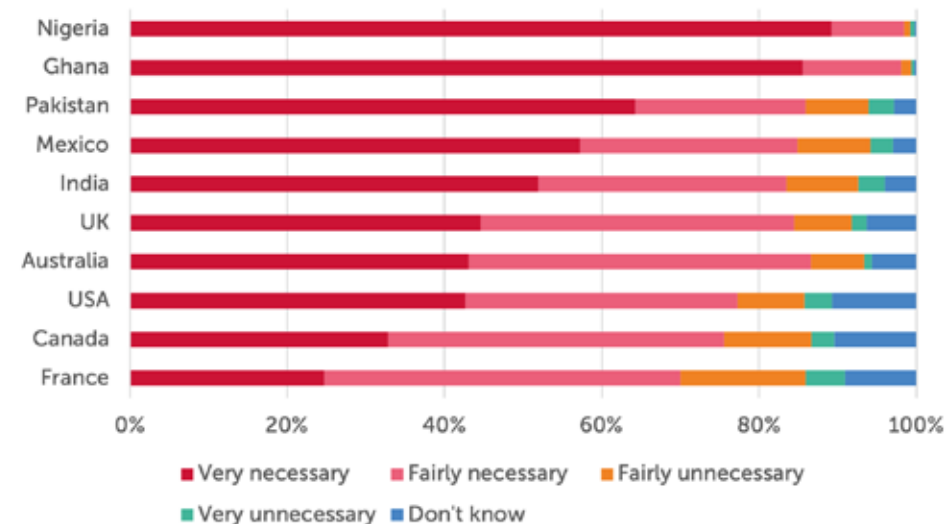


Chigozie, Get Into Renewable Energy, Nigeria

Nigeria taking this view. Even more striking was the range of respondents saying that digital skills were very necessary – from just 25 per cent in France (and less than 50 per cent in Canada, the United States, Australia and the UK), to 86 per cent in Ghana and 89 per cent in Nigeria.

Chart 9: How necessary or unnecessary do you think providing young people with digital skills is for the country's economic future? (Source: YouGov, 2023)

Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.



Digital opportunities

One consequence of the Covid-19 pandemic has been an acceleration in the digital transformation, with more people working remotely and more business transacted online. However, there is still considerable scope for further digitalisation.

The well-established trend towards increased automation will be sustained for the foreseeable future. In addition, a new wave of innovation, led by artificial intelligence technologies, will soon impact on labour markets, threatening jobs that had previously seemed immune, for example those with a high creative or communication element to them.

Despite fears to the contrary, digitalisation will not be bad for jobs at the macro level. A survey of over 800 businesses by the World Economic Forum (WEF) found 26 out of a total of 28 technologies were expected to be net job creators in the next five years.²⁰ Of course, this underestimates the disruptive impact of new technologies, which generate considerable churn in jobs: effectively eliminating some and creating others. But, overall, new technologies tend to create more opportunities than threats.

In theory, young people should be well-placed to take advantage of these opportunities, while avoiding the downsides of technological change, because they can enter the workforce for the first time in growing sectors and occupations. This would be beneficial to the economy too, reducing the risk of digital skills shortages holding back productivity. However, this will only happen if enough young people acquire the necessary skills during their education and training. Regrettably, the evidence suggests this is not yet happening.

63 per cent of the young people in our survey said they would be interested in a digital job. There was, though, a clear difference in interest between those in high-income and middle-income countries in the survey. In France, the United Kingdom, Canada, the United States and Australia, between 43 and 57 per cent expressed some interest in a digital job, whereas in Mexico, India, Pakistan, Ghana and Nigeria, the proportion ranged from 76 to 88 per cent.

While a majority of young people, 56 per cent, also thought they had the skills and qualifications needed to work in a digital job, almost two in five, 37 per cent, said they did not. Again, the positive view was higher in middle-income countries than in the high-income ones in the survey.

Lastly, 36 per cent of survey respondents thought it was easy to find a digital job, but 32 per cent thought it was hard.

Chart 10: Digital jobs (Source: YouGov, 2023)

Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.



Today's young people have grown up in a world where technology is pervasive, so they are very familiar with the ways in which it works. They remain unsure, however, about digitalisation in the workplace: they appreciate the opportunities it creates, but worry about the threats to certain types of job.²¹

They do know, though, that the best way to insulate themselves against the negative effects of technological change is to embrace its opportunities. As one of the participants in a project supported by The Prince's Trust Group told us:

As things become increasingly digital, some sectors and some jobs will be cancelled. It's the people who make the robots and create the coding and the AI who will have a future. They will have the jobs.

Hussein, Jordan

Their biggest worry, though, is that their education and training is not providing them with the skills they need. The responsibility to teach young people digital skills is seen to be mainly on the education system (by 45 per cent of survey respondents). But in every country young people are split on whether their education system prepares people well or not.

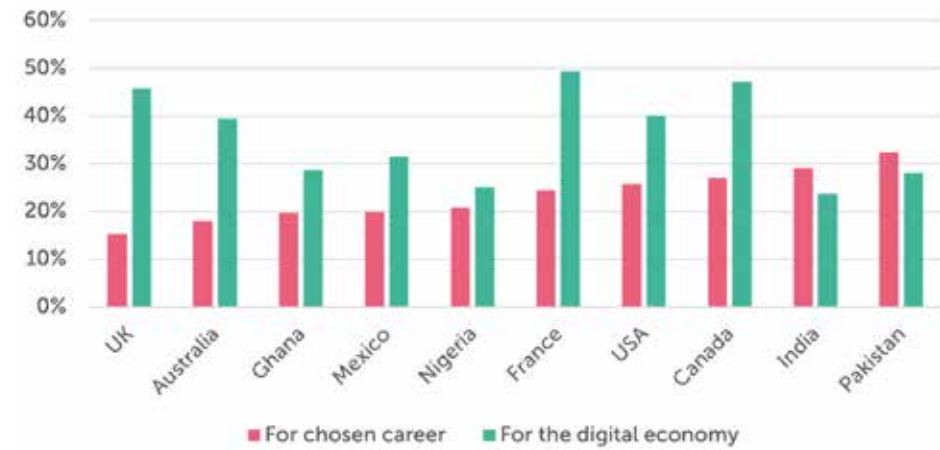
32 per cent of respondents to our survey said they thought the education system in their country does badly at providing people with the digital skills they need, with those in India and Australia taking a less negative view (21 and 23 per cent respectively) and those in Ghana and Nigeria being more negative (41 and 42 per cent). This problem may have been made worse by the loss of learning during the Covid-19 pandemic, but it is a long-standing issue. Those aged over 25 in our

survey, the vast majority of whom will have left education before the pandemic, were just as likely to say the education system did a bad job at providing them with digital skills as those aged 24 and under.

The result is that a substantial proportion of young people do not believe they have the digital skills required for the career they want to pursue, and an even higher proportion believe they do not have the skills required for a job in the digital economy.

Chart 11: Young people saying they lack the digital skills needed for their chosen career and for the digital economy (Source: YouGov, 2023)

Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.



While young people in high-income countries were significantly more likely to say they did not have the skills needed to work in the digital economy, there was not a clear split between high- and middle-income countries when it came to digital skills for jobs in general. Those in the United Kingdom were least likely to feel they lacked the digital skills they needed for their chosen career path, with those in India and Pakistan the most likely to take this view.



Achieve participants, UK

Digital jobs

It is no longer appropriate to talk about the digital economy as if it were a subset of industries within the overall economy. Digitalisation has spread into all industries, in particular through the use of the internet to transfer knowledge and to market, distribute and sell goods and services.

Consequently, digital jobs are found across the whole economy. The digital content of these jobs, however, varies enormously, from those requiring simple skills that any young person who has had access to a mobile phone and the internet is likely to have acquired by the time they start work, through to complex digital skills that are specific to a particular role.

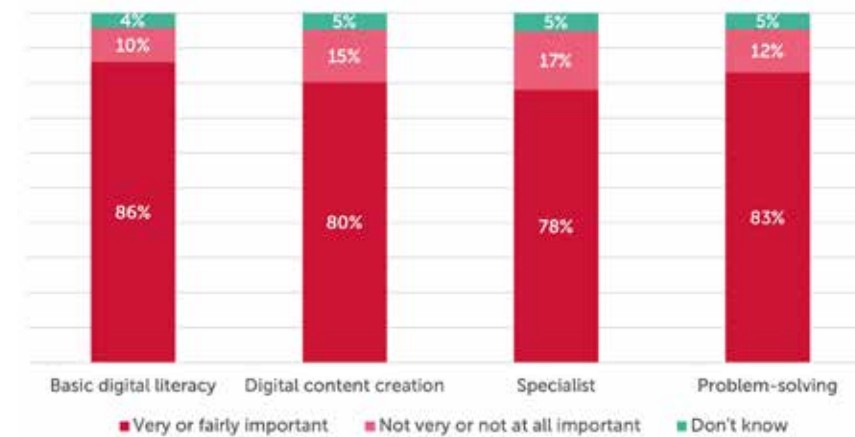
Types of digital jobs

There is now a digital element to a wide range of jobs across all sectors of the economy. These jobs can be distinguished in a variety of ways, but one useful hierarchy is:

- 1 **Jobs requiring a basic level of digital literacy:** browsing, searching for information, sharing digital content safely.
- 2 **Jobs involving digital content creation:** using software to create documents, spreadsheets, presentations and website content.
- 3 **Jobs requiring specialist digital knowledge:** using hardware and/or software specific to a particular occupation or industry.
- 4 **Jobs involving problem-solving:** developing digital solutions.

A very large majority of young people see all types of digital literacy as being important for the future of work. In line with other findings in the survey, this is most likely to be the case in Ghana and Nigeria and least likely in high-income countries, and in France in particular.

Chart 12: How important do you think the following type of digital literacy are for the future of work? (Source: YouGov, 2023)



Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.

Certain digital skills are particularly valued for work in many areas. As one of the participants in a project supported by The Prince's Trust Group told us:

“In this day and age, digital skills are very important as they are utilised in all jobs.”

Anastasia, Greece

Many of the programmes supported by The Prince's Trust Group include a digital element.

Charlotte: AWS re/Start participant, United Kingdom

After 10 years working in a fast food restaurant, Charlotte has retrained to launch a career in the technology sector.



When Charlotte, 28, was furloughed during the pandemic, she started exploring alternative career options.

Although she was interested in technology, she didn't know what skills she would need for a digital job, and she had no relevant experience. Then she heard about the AWS re/Start course with The Prince's Trust and Generation. AWS stands for Amazon Web Services, a popular cloud platform, and the AWS re/Start programme is an introductory bootcamp that aims to empower young people to kickstart a career in technology.

Charlotte explains: 'I've always been interested in tech products and liked the idea of being part of an exciting new industry. Other people on the course had no tech industry experience either, so we all learnt together. I got a laptop from The Prince's Trust to learn from too.'

At the end of the programme, participants sit an exam and Charlotte gained an AWS Certified Cloud Practitioner qualification. After setting up her LinkedIn profile, Charlotte posted about her new qualification, and soon received a message that a cloud tech company was hiring. She now works for them as an associate solutions engineer.

Charlotte says: 'I didn't think I'd find a job so quickly, but I realised the high demand in jobs in the tech industry. I am pleased to now have started my future career in tech and hope to continue to learn and gain more certifications in the future.'

Ensuring that all young people have the skills they need to pursue their interest in digital jobs and to take advantage of opportunities in the workplace, as Charlotte was eventually able to do, should be a priority for education systems.

Digital inequalities

Young people working in the digital economy tend to have a higher level of education, to be more skilled and to be better paid than workers in other parts of the workforce.

In high-income countries, this is because digital jobs are more likely to be found in better-paying sectors and to be in more highly-skilled occupations. In middle-income countries, it is because digital jobs are more likely to be permanent ones.²²

It has been suggested that poor internet connectivity in rural areas in middle- and low-income countries creates digital inequality among young people. If this were reduced by the provision of universal broadband coverage, according to the ILO, 24 million new jobs would be created by 2030, of which 6.4 million would be taken by young people.²³ This would go some way to easing the youth unemployment crisis in these countries.

Because our survey was conducted online, it cannot address this issue directly. It is notable, even so, that 15 per cent of our respondents said they were not confident they had sufficient access to technology and connectivity, and the proportion making this claim was very similar in nine of the ten countries (France being the exception on 24 per cent). The proportion for those living in rural areas was higher, at 20 per cent, but not massively so.

Through its Enterprise Challenge programme, The Prince's Trust Group supports young people to develop digital solutions to the problems facing members of their communities.



Enterprise Challenge participants, Nigeria

Mohammad: Enterprise Challenge participant, Jordan

Mohammad and his classmates came up with a prize-winning business idea.



Jobhunting in Jordan is already difficult and disabled people face extra barriers seeking work. Mohammad, 16, came up with an idea to address some of those challenges: a jobs website and app that connects people with and without disabilities to home-based working opportunities.

The service would be open to all, with a particular focus on craftspeople, but fees would be waived for disabled users. Mohammad has already built the website himself.

Mohammad explains: 'People with disabilities have very low chances of finding work for lots of different reasons. Not all workplaces are accessible, especially here in Jordan, and some people can't manage a job where they work for eight hours a day. Our idea is a connecting service that links people with disabilities, wherever they are, with jobs.'

The team's concept saw them crowned the national winners of Jordan's Enterprise Business Challenge in May 2023. The programme, designed by Prince's Trust International and delivered through our partner INJAZ, gives school students across Jordan the chance to develop entrepreneurial skills through coaching, mentoring and an online business simulation game. Teams of teenagers then develop and pitch their business ideas in a national competition.

Mohammad stresses the importance of digital skills, especially for young people trying to find work in a saturated job market. Youth unemployment in Jordan stands at almost 40 per cent – one of the highest rates in the world.

He says: 'It's difficult to find work here in Jordan. Digital skills are very, very important. You have to know how to market yourself online and have strong communication skills if you're going to find work.'

As Mohammad's experience illustrates, ensuring all young people acquire digital skills during their education and training can be an important means of reducing inequalities and tackling the youth unemployment crisis.

Digital divide

When it comes to the acquisition of digital skills, there is a substantial gender divide, to the detriment of young women.

This is particularly the case in middle- and low-income countries, with the World Bank finding, for example, very low levels of digital literacy among women in Asia.²⁴

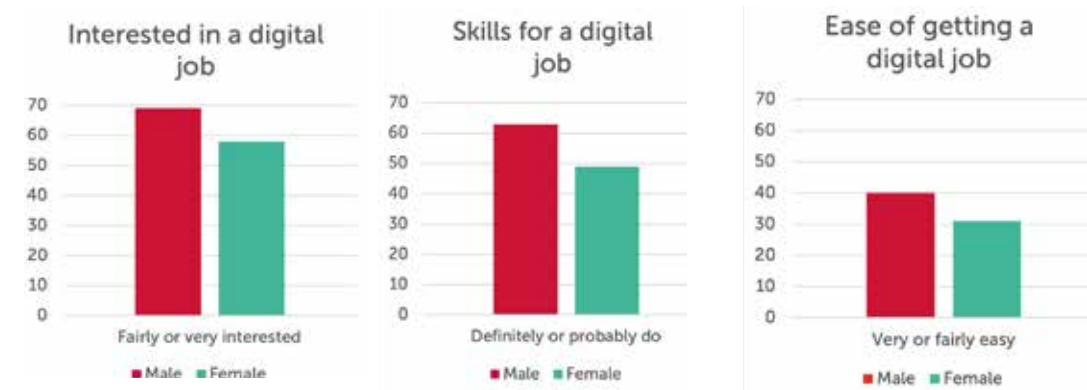
But even in high-income countries young women are significantly underrepresented in the study of science, technology, engineering and mathematics (STEM) subjects. According to one estimate from the World Bank, just 28 per cent of students pursuing careers in information and communications technology (ICT) fields are women.²⁵

There are many reasons for this divide. In some middle- and low-income countries, young women have less access to smartphones and computers and, thus, to the internet. This may be due to the unaffordability of devices and data, but it also reflects social norms around what is appropriate for young men and women.²⁶ In high-income countries, similar social norms appear to be the main reason for the disparity in the numbers of young men and women studying STEM subjects, which puts many more young men than women in prime position to fill the more complex, and thus better-paid, digital jobs.

Our survey found significantly smaller proportions of young women, as compared to young men, who were interested in a digital job; who thought they had the skills necessary for a digital job; and who thought it would be easy to get a digital job.

Chart 13: Digital jobs – the gender divide (Source: YouGov, 2023)

Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.

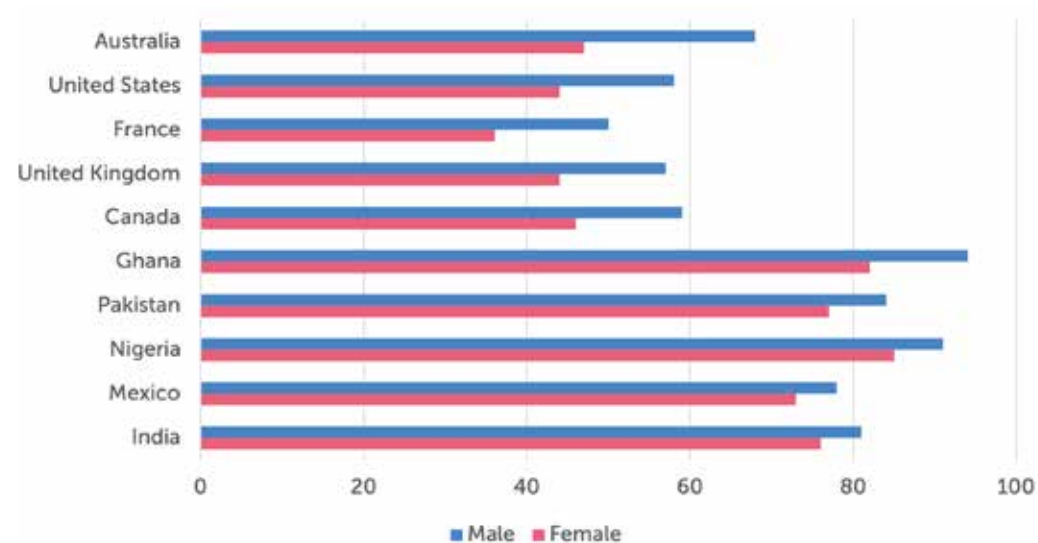


The largest gender divide, in terms of interest in a digital job, was in Australia, followed by the United States, France, the United Kingdom and Canada. The lowest was in Mexico and India. This suggests digital divides, and the social norms dissuading young women from pursuing employment in the digital economy, are greater in high-income countries than in middle-income ones.



Enterprise Challenge participants, Pakistan

Chart 14: To what extent, if at all, would you be interested in taking a job in the digital economy? (Source: YouGov, 2023)



Feedback from 12,858 surveyed 18 to 34 year olds. Source: YouGov global survey.

Many of the programmes supported by The Prince's Trust Group are designed to help tackle this digital divide.

Conclusion

For all young people to thrive in the future labour market, and in their everyday adult lives, it is essential they learn digital skills and literacy from an early age, and that affordable broadband connectivity and devices enable them to put into practice what they learn. Digital inequalities must be reduced.

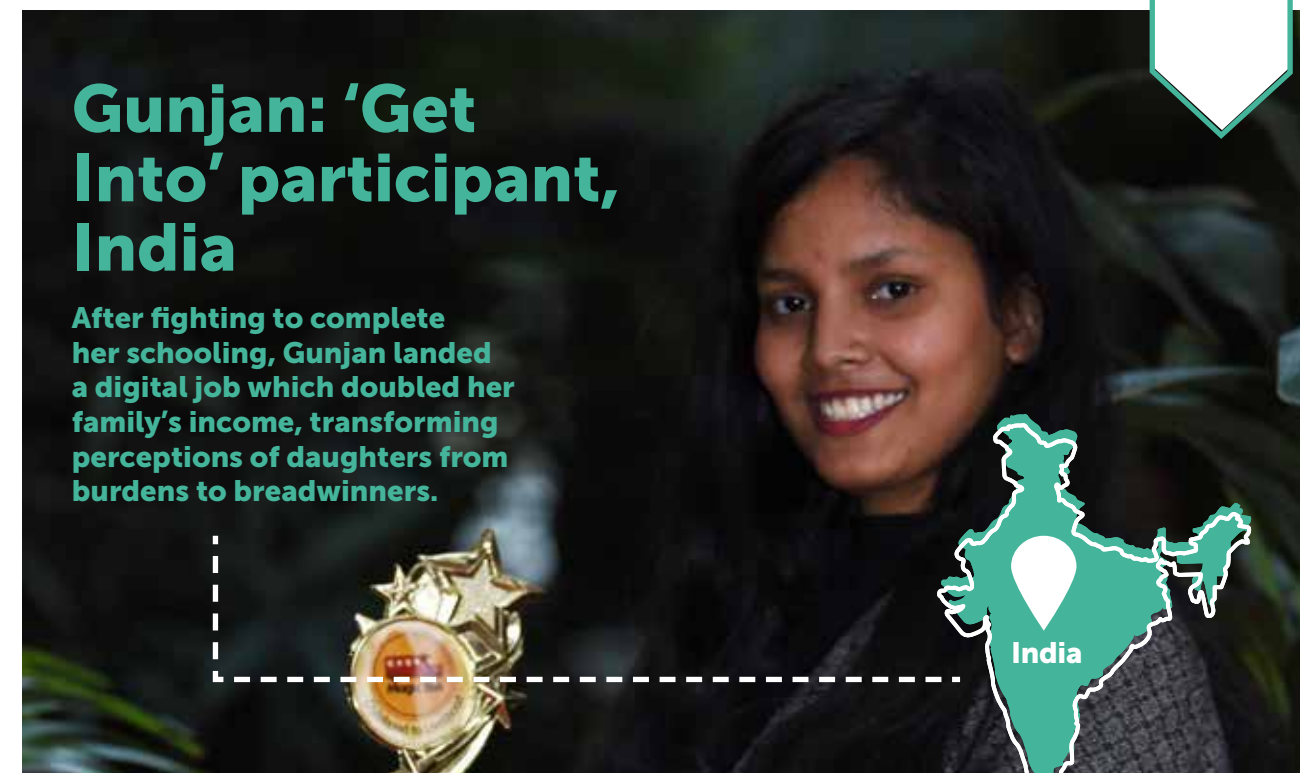
In particular, the digital gender divide must be addressed. Gender stereotyping should be challenged in the classroom and elsewhere; more girls and young women should be encouraged to learn digital skills and to study STEM subjects; and careers information, work experience and female role models should be used to steer more young women towards digital jobs.

More generally, digital jobs represent a great opportunity for young people to get more, and better-paid, jobs and young people can be the means of ensuring digital skills gaps do not hold back future productivity. But this will only happen if young people have the right skills and experience, and a large proportion of young people feel they are being denied opportunities to fill digital jobs because they do not have the skills demanded by employers. Covid-19 disrupted the learning of many of them, but this is an issue that pre-dates the pandemic.

Reducing digital inequalities, narrowing digital gender divides and closing digital skills gaps are essential. Only if this happens, can digital jobs help solve the global youth unemployment crisis.

Gunjan: 'Get Into' participant, India

After fighting to complete her schooling, Gunjan landed a digital job which doubled her family's income, transforming perceptions of daughters from burdens to breadwinners.



Gunjan, 18, comes from a poor neighbourhood in Delhi. When she was 16, her father decided she should get married. But, determined to stay in school, Gunjan resisted. She started tutoring younger children in her community to cover her education costs and successfully completed grade 12 – the final grade at school.

After finishing school, Gunjan joined the Get Into programme to hone her workplace skills. Get Into, designed by Prince's Trust International and delivered in India by Magic Bus India Foundation, is an eight-week employer-led training programme aimed at young people from low-income backgrounds. It covers general employability skills, job-hunting tips and technical, sector-specific knowhow, creating pathways for young people to move into entry-level jobs.

Immediately after completing the Get Into programme, Gunjan secured a job with an IT company. Her earnings doubled the family's income, significantly improving their quality of life. Gunjan's father, who had previously thought he needed to secure a husband to provide for her, came to realise that she could be financially independent.

Having witnessed their daughter's success, Gunjan's parents have become vocal advocates of girls' education, encouraging others to support their daughters to study and to earn. They have already referred five more young people from their neighbourhood to the Get Into programme.

Gunjan explains: 'My parents no longer ask me to get married. They do not see me as a burden anymore but rather a responsible contributing member of the family. I now support my brother's education too with my salary.'

Young women should be given the same opportunities to acquire digital jobs as young men. As Gunjan's experience shows, this can be life-transforming.

Chapter 4:

What should be done

We have been asking young people for their views about the future of work for three years, which is enough time for a consistent picture to emerge.

Although a majority are optimistic about their futures, and looking forward to taking advantage of the opportunities available in the work place, a substantial minority – around one in three – feel underprepared for the challenges they will face as they transition from education and training into work.

These underprepared young people are at heightened risk of ending up not in employment, education or training (NEET) and so becoming part of the forgotten crisis of youth unemployment. It is unacceptable that this crisis has been allowed to persist. Policymakers, education institutions and employers need to ask themselves urgently what more they should be doing to help these young people.

The underlying causes of the youth unemployment crisis are three gaps:

- 1** There is a **jobs gap**: Not enough entry-level jobs are being created for young people.
- 2** There is a **skills gap**: Too many young people are leaving education without the skills needed in the workplace.
- 3** There is an **experience gap**: Young people struggle to obtain the work experience that employers value.

Urgent action is needed to close all three gaps if youth unemployment is to fall over the rest of this decade. This will also reduce the risk of a fourth potential gap: economy-wide skills shortages that hold back growth and productivity.

To close the jobs gap, governments and employers must ensure that economies create more jobs for young people. This is a major challenge for countries in Sub-Saharan Africa and parts of the Middle East and Asia that are experiencing a youth bulge, but more could be done everywhere.

This requires the right macroeconomic policies to be put in place by governments to support economic growth and job creation in general, because young people always fare relatively well when the labour market is strong, and do relatively poorly when it is weak. Increased investment in key sectors, including the digital, green and care economies, will also benefit the young disproportionately.

Employers must create more entry-level jobs for young people. If they are worried about skill shortages in the future, and digital skill shortages in particular, employers should recognise and exploit the keenness of young people to make use of their digital skills in the labour market.

Young people who want to work for themselves must be given more support, so they can build successful enterprises. Starting your own business is far more challenging than going to work for an employer, but many young people want to go down this route. Governments, especially in countries with a high rate of self-employment among young people, should make sure specialised advice and training is available for budding entrepreneurs.

To close the skills gap, all young people have to leave education with the skills needed in the modern workplace. Governments and education institutions must ensure all young people are equipped with the employability skills that employers say will be vital for success in the future of work and with a range of digital skills. Basic digital skills must be taught from an early age, followed later on by more advanced skills such as software use, data analysis, programming and coding.

Young people must be given more information about the labour market and the jobs that will be available to them, so they can acquire the right skills and plan their careers accordingly. In particular, young people need to know what digital skills will help them take advantage of the latest technological developments.

To reduce the risk of digital skill shortages in the future, governments must encourage more young women to acquire digital skills and to study science, technology, engineering and mathematics to an advanced level, in order to close the digital gender divide. Female role models can play an important role in making young women aware of what they could achieve.

To close the experience gap, employers must offer more work experience opportunities to young people. One of the biggest frustrations for young people is being unable to gain the experience employers want because too few jobs are on offer that enable them to acquire the relevant experience.

Employers must increase the opportunities for young people to experience the workplace before they decide on their future career paths. As part of the transition from education to work, they should offer more apprenticeships and internships that allow young people to obtain the skills specific to particular jobs that cannot be obtained in formal education settings.

Similarly, employers must provide opportunities for young people to develop their employability skills. While more needs to be done by education institutions to help young people acquire these skills, they can only be refined in a work setting.

Summary

Immediate action to close the jobs, skills and experience gaps is essential if youth unemployment rates are to be put on a downward path, towards levels closer to the unemployment rate of older adults.

Policymakers, education institutions and employers must work together to facilitate the creation of many more entry-level jobs for young people; to ensure that all young people acquire the skills needed in the workplace; and to give young people the experience that will enable them to thrive in the future world of work.

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