

Youth employment as a condition of the social-labour sphere modernization

The article reveals the role of youth in the modernization of the socio-labour sphere. It determines the main problems of the young people in the labor sphere, based on the analysis of statistical data and monitoring results of the socio-economic status of the Vologda Oblast youth, held by ISEDT RAS in 2012.

Youth, youth employment, modernization of the socio-labour sphere.



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Modernization of the country is accompanied by changing parameters of both economic and social development, with the labour market being the basic indicator, largely determining the level of the population well-being and quality of life [3]. The global financial and economic crisis, having affected Russia among other countries, demonstrated the need for changes in the labour market, actualized the transition from the low unemployment policy to the full employment policy, from 'low-cost and inefficient jobs' to high-skilled jobs with decent salary [6, p. 23]

Describing modernization processes in terms of history, the researchers (V.L. Inozem-

tsev, L.N. Ovcharova, T.M. Maleva, etc.) note that throughout the world, these processes have been proceeding for the last fifty years and consisted of two stages: the possibility of using the existing public institutions, norms and traditions of contemporary life was evaluated at the first stage (1960 – 1970s), while the second stage (since 1980s) was associated with economic deregulation, including the labour market [8, p. 10-12], and was accompanied by the decreasing role of trade unions, changing structure of the labour demand, increasing labour mobility and general employment flexibility, having both positive and negative features.

On the one hand, labour mobility contributes to a more efficient allocation of labour resources, more complete correspondence between the employee and the workplace, and enhances labour productivity and wages (Sabiryanova, 2002; Lukiyanov, 2003). On the other hand, the termination of former employment relationships can result in the loss of accumulated specific human capital (Maltsev, 2007), particularly among the youth [7, p. 3-4].

The youth¹ is one of the most vulnerable groups in the labour market in every country, as well as in Russia. Key events in the life cycle of an individual occur in his/her youth: the completion of general education, occupational choice and professional training, career start, marriage, childbirth [1, p. 261-270]. The youth period ends when the individual acquires independent economic status. Young people are the country's future, the development of which depends on the initial conditions of their activities.

Therefore, there is a need to study the youth employment in the context of modernization reforms.

In the Russian Federation official youth age is between 14 and 30 years (15 – 29 years in Europe), but at the same time the researchers define youth age range differently. Thus, age limits are defined between the ages of 11 and 24 years, when studying consumption of psychotropic substances among youth; 15 – 26 years, when studying professional orientation; 18 – 30 years, while studying economic, political issues (considering voting rights of the population).

The problem of youth employment is not only typical of certain territories, but has a global reach, the fact confirmed by the results

¹ Youth is a special socio-demographic group in the 14 – 30 age range, with such degree of mobility, intellectual activity and health, that distinguishes it from other social groups and ensures quick adaptation to new living conditions due to socio-psychological, creative and physical characteristics. The group plays a significant role in the development of the innovation potential of the territory (the author's definition).

of the regulatory legal acts and empirical data of the International Labour Organization (ILO) analysis.

In the twentieth century, the ILO has developed a number of policy documents, regulating the issues concerning job placement, protection and well-being of the young. (the Night Work Of Young Persons (Industry) Convention, 1919; the Medical Examination of Young Persons (Industry) Convention, 1946, etc.). In the 1978 – 1998 period, five resolutions on issues relating to youth employment were adopted. The Global Jobs Pact, adopted in 2009 due to the financial crisis, defined youth as one of the groups, facing greater risks and whose needs are to be taken into account within the crisis response policy [2, p. 4].

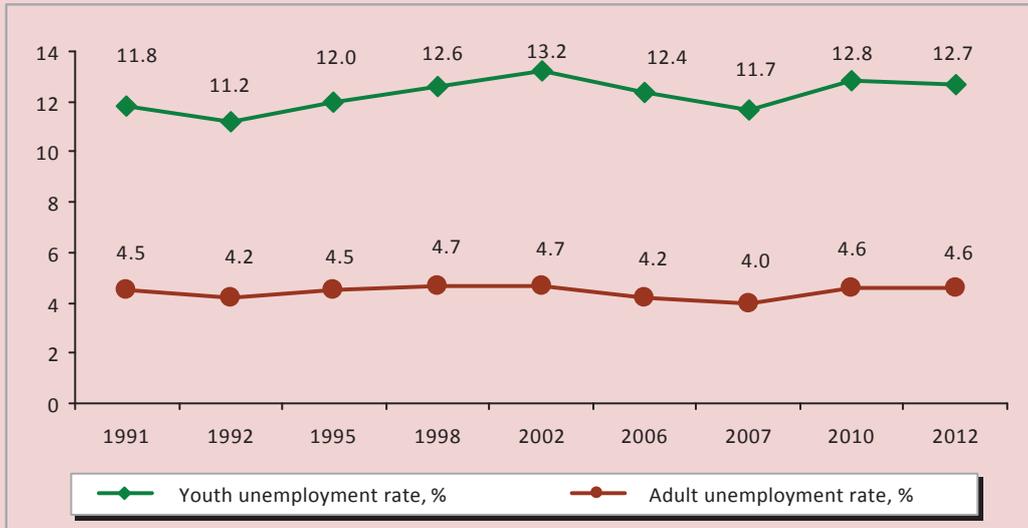
The most significant youth employment issues include an increase in registered and hidden unemployment (*fig. 1*), its rising duration. Of greatest concern is the growing unemployment among young people with higher education that results in the dequalification of young specialists, as well as little return on the money invested in education and training.

Increasing youth employment in the informal sector of the economy² is one of the negative trends, caused by unfavourable socio-economic situation in the territory (the crisis phenomena in the economy), declining rates of jobs creation, etc. [2, p. 3].

The analysis of statistical data indicated, that in some countries youth informal employment exceeded adult informal employment by more than 30% in 2009 (*fig. 2*).

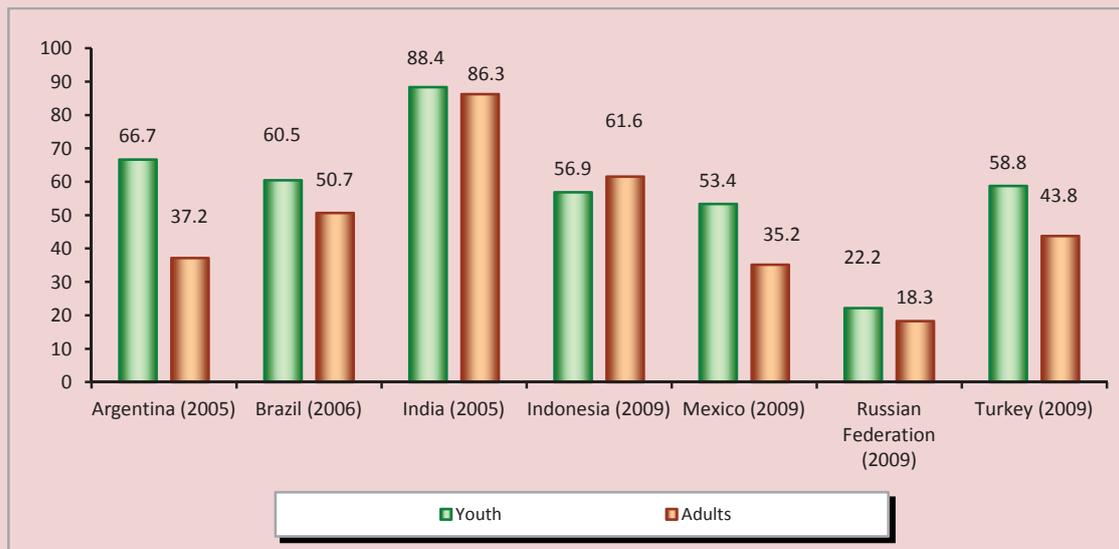
² According to the methodological recommendations of the Federal State Statistics Service, the enterprises of the informal sector are households or unincorporated enterprises owned by households that are engaged in the production of goods and services for sale in the market and that are non-legal entities. Of those employed in the informal sector of the economy include individual entrepreneurs (without forming a legal entity), the employees working for natural persons, working individuals (self-employed) and the employed producing home-made goods for sale.

Figure 1. Global youth and adult unemployment rates, 1991 – 2012, %



Source: The youth employment crisis: Time for action. Report V. Geneva: ILO, 2012. P. 13.

Figure 2. The share of youth and adult employees in the informal economy by countries, %



Source: The youth employment crisis: Time for action. Report V. Geneva: ILO, 2012. P. 19.

In European countries the share of youth in the informal sector of the economy made up about 17%, as compared to 7% among the employees of other age groups (the ages of 25 – 54 years) [2, p. 18-19].

The phenomenon of the ‘working poor’ is one of the contemporary problems in the labour sphere. Data on the salary in certain countries of the EU and the USA shows that the pro-

bability to get a low-paying job is 2.5 – 5.8 times higher for young men and women than for other age groups. An exceedingly high level of young employees in low-paid jobs is confirmed by the data on the employees receiving minimum wages. For example, in the United States young workers account for almost half of all those, receiving the wages not exceeding the minimum ones [2, p. 18-19].

Summing up certain trends at the international level, the authors note that for the last twenty years the growth of both hidden and officially registered unemployment among the youth has become more obvious, the number of young people, engaged in the informal sector of the economy has increased, while rates of jobs creation have declined, the phenomenon of the 'working poor' has spread. These and some other phenomena demonstrate that the existing labour market institutions are not able to adjust flexibly to the changes of situation, characterized by weakening of employment security, some worsening of youth financial position. Such negative changes may demotivate young people to employment, to the display of proactive attitude, to creative and innovation activity that could ultimately affect the quality of modernization processes in the future.

These and many other negative trends concerning youth employment have spread across Russia and the Vologda Oblast. According to statistical data, in 2010, the youth amounted to a quarter of Russian and the Vologda Oblast population, with the share of young people in the total number of the employed in the region reaching 48% [11].

Russian researchers define the following key problems of the youth labour market:

- high level of unemployment among the youth, as compared to other population groups (according to the ILO, the level of unemployment among the Russian youth exceeds the average value for developed countries) [9, p. 36-37];
- unemployment duration (the average duration of a job search is 4.3 months, and the share of those searching for a job for longer than a year is more than 33%, according to some estimates);
- the need for additional retraining and professional development in the employment process (according to the results of surveys conducted by the Levada-centre, more than one third of the young people needs retraining and professional improvement).

It should be highlighted, that the urgency of the problems in the youth employment sphere is largely determined by such parameters as age, gender, educational level, income group, geographic group (living in urban or rural areas).

Thus, when characterizing certain parameters of the labour market depending on the age, it can be noted that a higher level of unemployment, low level of economic activity and material security are revealed during adolescence (15 – 19 years of age) when compared to other age groups of the young. This is understandable, as the key events in the life cycle of an individual occur during this period: the completion of general education, occupational choice and professional training, and career start for some people [1, p. 261-270].

The highest level of the economic activity of the Vologda Oblast youth falls at the age of 25 – 29 years (92% in 2010), the lowest level falls at the age of 15 – 19 years (15%; *table 1*). In the 2000 – 2010 period, the tendency was negative: the level of economic activity among 15 – 19 year-olds decreased almost twice (from 26% to 15%), while among 25 – 29 year-olds it increased from 88% to 92%.

The socio-economic situation in the country and in the region is one of the parameters, which may affect the state of affairs in the youth labour market. The threshold of 2008 economic crisis was marked by the decline in the youth employment rate, particularly among 15-19 year olds (*table 2*).

At the same time, the unemployment level increased in the 2008 – 2010 in comparison with the pre-crisis period (almost to the level of 2000; *table 3*). However, changes were more significant throughout the country than in the Vologda Oblast. Moreover, the fact that the population receives education between the ages of 19 to 24 is to be also considered.

The level of registered unemployment has also increased: the oblast population registered

Table 1. Level of the youth economic activity, %

Age group	Year											2010 / 2000, p.p.
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Vologda Oblast												
15-19	25.7	28.0	22.6	20.5	19.1	17.0	20.0	15.5	19.3	20.9	14.8	- 10.9
20-24	80.4	78.6	76.7	74.7	68.4	80.4	74.3	75.8	76.7	70.9	70.1	- 10.3
25-29	87.8	89.6	90.4	89.3	91.3	91.7	92.2	89.6	90.9	90.9	92.2	+ 4.4
Russian Federation												
15-19	18.4	15.8	16.5	15.1	15.1	15.5	14.5	14.4	15.3	13.8	11.9	- 6.5
20-24	68.7	68.0	67.3	64.9	62.3	62.5	61.3	61.2	64.9	64.9	63.0	- 5.3
25-29	86.3	86.2	87.5	87.8	87.6	88.4	87.3	88.7	86.5	86.7	87.0	- 0.7

Source: Labour and the Vologda Oblast population employment in 2010: statistical digest. Vologdastat. Vologda, 2011.

Table 2. Youth employment rate, %

Age group	Year											2010/ 2000, p.p.
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Vologda Oblast												
15-19	19.0	20.9	19.1	19.1	15.2	12.0	17.1	13.7	10.8	13.7	10.8	- 8.2
20-24	69.1	70.1	70.0	69.5	63.5	75.6	69.9	62.5	60.3	62.5	60.3	- 8.8
25-29	80.8	81.5	85.5	84.1	86.6	89.4	88.2	82.6	86.2	82.6	86.2	+ 5.4
Russian Federation												
15-19	13.3	11.2	12.0	10.6	10.2	11.0	10.4	10.9	10.6	9.5	8.1	- 5.2
20-24	57.6	57.7	57.6	55.6	53.7	54.8	52.6	54.4	58.5	54.1	53.5	- 4.1
25-29	77.2	78.6	79.6	80.9	81.0	82.1	81.0	84.3	80.9	78.8	79.9	+ 2.7

Source: Labour and the Vologda Oblast population employment in 2010: statistical book. Vologdastat. Vologda, 2011.

Table 3. Youth employment rate, %

Age group	Year											2010/ 2000, p.p.
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Vologda Oblast												
15-19	26.0	25.5	15.3	6.9	20.4	29.3	14.7	17.8	26.5	34.5	26.6	+ 0.6
20-24	14.0	10.7	8.7	7.0	7.3	6.0	5.8	1.5	7.0	11.9	13.9	- 0.1
25-29	8.0	9.1	5.5	5.8	5.2	2.5	4.4	2.5	4.0	9.1	6.5	- 1.5
Russian Federation												
15-19	27.6	28.8	27.3	30.0	32.1	29.2	27.8	24.0	30.9	31.1	31.9	+ 4.3
20-24	16.2	15.2	14.4	14.4	13.8	12.3	14.2	11.2	12.9	16.6	15.1	- 1.1
25-29	10.6	8.8	9.0	7.8	7.6	7.1	7.2	5.0	6.5	9.1	8.2	- 2.4

Source: Labour and the Vologda Oblast population employment in 2010: statistical digest. Vologdastat. Vologda, 2011.

in employment service offices increased by 27% among the 18 – 24 age group, and by 74% among the 25 – 29 age group in 2010, as compared to the level of 2000. The share of the employed students willing to work out of studies was more than 90%.

Statistical data is supplemented by the results of sociological surveys on the youth

status³, having facilitated the recognition of the key problems in the youth environment, related to the employment of the young in terms of municipal territories.

³ Sociological survey of the youth socio-economic status in the Vologda Oblast was held in 2012 in all municipal entities. The sample comprised 2923 respondents, representing the youth of the oblast in the 14-29 age range, by the following three age groups: 15-19 years old, 20-24 y.o., 25-29 y.o.

According to the results of the sociological data analysis, one of the most acute problems is that a significant share of the young people (over 50%) does not work. The most difficult situation was observed in Mezhdurechensky, Tarnogsky, Chagodoshchensky districts of the oblast (with 60 – 80% of the young people being unemployed).

The prevalence of informal recruitment channels, which makes the state regulation of the youth employment difficult, and in a number of cases leads to the lack of social guarantees provided to the young.

However, in spite of these disadvantages, such way of employment is in demand among the youth, especially during the crisis. Thus, 20% of the interviewed young people of the Vologda Oblast resort to the help of friends and family.

Personal contact with the representatives of HR departments of enterprises and organizations is in the second place (13%; *table 4*).

The prevalence of these or that employment methods depends on the territory. Thus, informal channels is the most common method for a job search among the young people in Babayevsky and Nikolsky municipal units (20%), while the formal methods of employment are very popular among the youth of Vozhegodsky District (15% consult Government Employment Services).

When choosing a workplace, young people focus primarily on high wages (58%), interesting work (41%), convenient work schedule (36%) and the relationships in the team (22%; *table 5*).

The significance of the intangible incentives for an employee has been decreasing in favor of material, particularly, monetary forms of

Table 4. Answers to the question: 'Define the method you used when searching for a job' (% of the number of respondents)

Opiton	Vologda	Cherepovets	Regions	Oblast
Through friends, acquaintances	25.2	20.3	19.1	20.0
I come directly to the human resources department of the enterprise	17.7	10.9	12.4	12.8
Through relatives	8.1	8.1	8.5	8.4
By invitation of the company management or employees	4.1	5.2	5.7	5.5
Through Government Employment Services	4.1	5.7	5.0	5.0
Job placement	2.0	1.3	1.5	1.5
I do not work	38.0	48.2	47.2	46.3

Source: hereinafter the monitoring data of the Vologda Oblast youth status, ISED T RAS, 2012

Table 5. Answers to the question: 'What are you guided by when choosing a job?' (% of the working respondents)

Option	Vologda	Cherepovets	Districts	Oblast
High wages	55.6	72.9	55.2	57.5
Interesting work	46.3	40.7	40.1	41.0
Convenient work schedule	39.7	42.7	33.9	35.8
Relationships in the team	24.8	13.1	22.5	21.6
Opportunity for professional growth	23.8	14.6	18.5	18.7
Employment benefits	23.4	18.6	16.6	17.8
Prestigiousness of work	15.9	19.1	15.0	15.7
Home proximity	9.8	5.0	13.2	11.7
Opportunity of getting an accommodation	5.1	6.5	6.3	6.2
Long holiday	0.0	3.0	3.5	2.9
I do not work	0.5	0.0	0.3	0.3

compensation, may lead to declining work and innovation activities motivation of the employer, in case of discrepancy between the desired and actual levels of remuneration, which may negatively affect modernization processes in future.

However, the situation is not the same in all districts of the oblast. Higher wages as an incentive to employment prevails in the responses of the young people in Tarnogsky, Nikolsky districts (80%), Cherepovetsky, Chagodoshchensky, Syamzhensky, Kirillovsky, Kaduysky, Vytegorsky, Vashkinsky, and Babayevsky districts (60%).

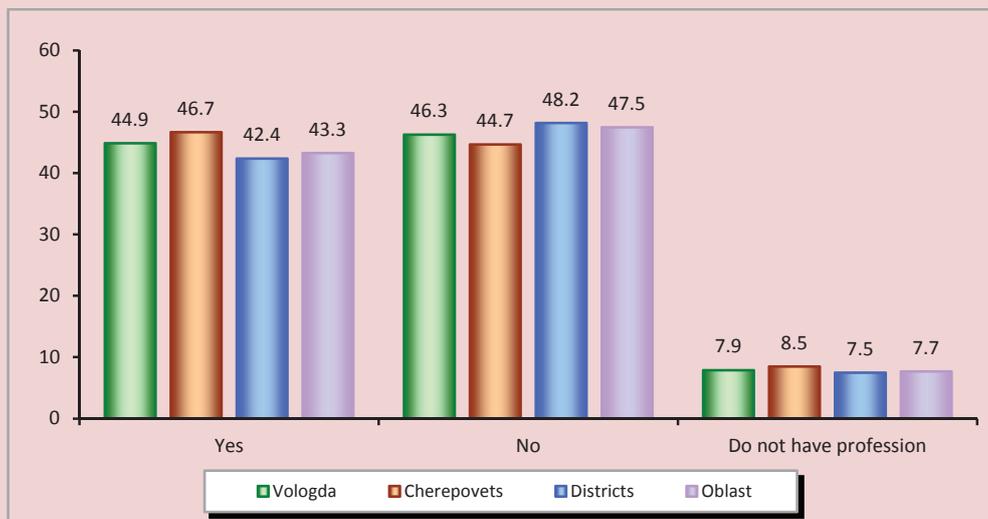
While the core employment criterion for the youth of Babayevsky District is prestigiousness of work (38%), for the young people of Mezhdurechensky District it is a high level of wages (77%), for the youth of Vytegorsky, Kichmengsko-Gorodetsky, Mezhdurechensky, Sokolsky, and Tarnogsky districts – an opportunity of getting an accommodation (from 7 to 14%), for the young people of Vashkinsky, Velikoustyugsky, Verkhovazhsky, Vologodsky, Gryazovetsky, Mezhdurechensky, Tarnogsky

and Chagodoshchensky districts – home proximity (from 12% to 32%).

One of the most common problems among the young is the direction mismatch between educational training and further employment. It should be highlighted that the majority of young people do not work in the specialty (more than 47%; *fig. 3*), that may lead to the fact that the accumulated knowledge, abilities, skills are not implemented to the extent required in the labour activity, i.e. shaped potential is not used in practice. The process may be accompanied by dequalification of specialists and in general it devalues the importance of the educational attainment of the population.

In terms of the oblast's districts, the highest share of young people not working in the specialty is observed in Ustyuzhensky (68%), Nikolsky, Vytegorsky, Verkhovazhsky, Velikoustyugsky (over 60%) districts. The given indicator is more favourable in Mezhdurechensky, Tarnogsky, Vozhegodsky municipal districts with less than 20% of the young people not working in the specialty in each of the regions.

Figure 3. Answers to the question: 'Do you work within the specialty obtained in the educational institution (university, technical school, vocational school)?' (% of the number of respondents)



The young people note changing professional plans (20%) and the lack of demand in the labour market (20%; in the territorial context such situation is common for Kirillovsky district) as the main reasons of not working within the specialty obtained in the educational institution.

A considerable part of the youth state their qualification is corresponding to the requirements of the job. At the same time, specialized training is needed to perform higher skilled functions (49%; *table 6*). Among the respondents giving a similar answer, 70% of young people are from Babayevsky District, and 60% are from Totemsky, Nyuksensky, Gryazovetsky, and Vytegorsky districts each.

The degree of compliance with the qualification requirements of the job is determined primarily by the educational level of employees. Among young people with higher or incomplete higher education, the number of those, who consider their qualifications above job requirements, is 2 times higher. Young people in the high income population group assess their qualification the same way.

Higher education and high level of professional training create prerequisites for effective high-performing labour, and let an employee use the accumulated potential for the implementation of innovation development (*table 7*).

However, the original assumption has not been confirmed by the estimated results of the region's youth innovation activity. Thus, the analysis of the survey data has shown that the majority of the young people of the Vologda Oblast (over 50%) are not engaged in creative, innovatory and inventive activities. 18% of the oblast youth become more active creatively on the instructions from 'above'. In the context of territories, Vologda and Cherepovets residents demonstrate greater activity, while residents of the oblast districts are less active.

One of the parameters exerting motivating influence on the youth creative potential and the tendency to innovation creation is the accessibility of projects in different fields and the opportunity of self-fulfillment in them. According to the results of the study, young people are not mainly satisfied with the degree

Table 6. Answers to the question: 'To what degree your qualification corresponds with your work?' (% of the number of respondents)

Option	Vologda	Cherepovets	Districts	Oblast
My qualification (training) is higher than required for the job. I can undertake more qualified work.	28.0	20.6	16.1	18.3
My qualification (training) corresponds to the requirements of the job (in order to do the work, I need to study a little more)	51.4	56.8	47.3	49.1
My qualification (training) is lower than required for the job	4.2	6.0	7.0	6.5
I cannot say	13.1	15.6	25.1	22.3
I do not work	2.3	0.0	1.6	1.5

Table 7. Answers to the question: 'To what degree are you engaged in creative (innovatory, inventive, etc.) activities at present?' (% of the number of respondents)

Variant	Vologda	Cherepovets	Districts	Oblast
I constantly invent, write, compose, etc. – this is my lifestyle	10.7	7.0	10.5	10.1
I invent, contrive, etc, when there is a practical need to do something, but it is not known how to do that, there are no ready-made solutions	22.9	16.1	15.1	16.3
I invent, write, compose, etc, when such a task is given by my supervisors	21.5	23.6	16.0	17.7
I never undertake anything, just do what I had been taught to do, or what others advise, things I can read about in books, manuals, etc.	39.3	53.3	53.3	51.4

of projects accessibility in the field of scientific research (60%). About half of the young respondents considers projects in cultural and sport spheres inaccessible, that can impede the accumulation of creative potential of the young generation.

Hence, the authors conclude that the potential of the young generation is not properly used in modernization transformations, due to high unemployment level, decreasing level of economic activity of this population group, the prevalence of informal channels of employment and job placement, which makes it difficult for the state authorities to control the situation in the youth labour market and interferes with the provision of the required social guarantees to the young. One of the main obstacles for the youth participation in modernization is the low level of innovation activity, the prevalence of material motivators over nonmaterial ones in the incentive struc-

ture (search for an interesting job, career and professional growth, self-realization, etc.).

It should be underlined that the adaptation mechanism of socialization is not formed due to the low subjective involvement of the youth in social processes, which hampers innovation transformations significantly. In spite of the fact, that the measures to change the situation are being taken at the country and regional levels, they are not sufficient enough to solve the problems in the youth environment and frequently are not of systemic nature. In order to overcome the negative trends, well-coordinated state and public organizations efforts are required, ensuring the national youth policy, aimed at increasing the cohesion and social activity of young people, strengthening their professional and career orientation and responsibility, while choosing the direction of educational training and subsequent employment.

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