

Social Contract for Ghana's Political and Economic Transformation

Article II (1)

Youth Employment & Skills

*The **Citizens' Convention for Ghana's Political and Economic Transformation** took place in Accra on June 18-19, 2024, drawing 510 participants representing numerous stakeholder groups from civil society, government and business. Building on 18 months of research and nationwide engagements, participants agreed on specific goals and targets for the seven key issue areas underpinning the Compact and **Citizens' Declaration for a Social Contract with the Government of Ghana**, which the convention adopted by acclamation. The issue areas are: gender equality, youth employment and skills, vision and planning, fiscal responsibility, private sector development, climate change, and health.*

Background

According to the 2021 Population and Housing Census, 56 percent of Ghana's population is under the age of 25. However, the unemployment rate for those aged 15 to 35 stands at 19.7 percent, significantly higher than the national average of 13.4 percent. This situation presents both a challenge and an opportunity. With adequate investment in human capital, Ghana could leverage this demographic to accelerate economic growth.

However, to do so, it must overcome a number of challenges. Prominent among them is youth employment. Many young Ghanaians enter an informal economy characterized by underemployment, poor working conditions, job insecurity, and low wages. Many of them are neither in education, employment, nor training (NEET), and find themselves in vulnerable and hazardous work conditions. For those who complete the major levels of schooling – including technical and vocational education and training (TVET) – there is a difficult transition to the world of work. First, there is insufficient career guidance in the school system. Second, due to weak links with industry, there is a significant mismatch between the skills taught in educational institutions and those demanded by the job market, leading to ill-prepared graduates. Adding to this is the lack of internships and training opportunities for students, resulting in inadequate workplace experience. Compounding the situation is an outdated and inefficient labor market information system, which does little to meet varying labor supply and demand.

Youth leadership and empowerment is another important challenge. Young Ghanaians are underrepresented in governance and political leadership roles. Despite their interest, their voices are usually unheard in political discourse and their participation is also limited by the high costs of political activity. Many of the youth have little or no trust in the governance system and there is low youth participation in civic duties due to ignorance of the Constitution and their civic rights and obligations.

Actions and Targets to Boost Youth Employment and Skills Empowerment

1. Youth employment

Issue: Ghana must turn its youth bulge into a productive, knowledgeable and dynamic workforce

- **Action:** Implement programs that align educational curricula with industry needs, through career guidance, student internships and attachments and school-employer networks.
- **Target:** By 2030, all youth and educators should have access to career guidance/clinics, teacher-employer peer networks and student placements and internships.

2. Labor market information

Issue: The predominance of the informal economy along with high levels of underemployment and unemployment indicate the need for a more efficient labor market information system

- **Action:** Set up and roll out a comprehensive and up-to-date information system to forecast labor market trends and facilitate the interaction of labor demand and supply.
- **Target:** By 2025, a well-functioning labor market information system (LMIS) established.

3. Job centers and hubs

Issue: High numbers of new entrants in the labor market each year add to the existing difficulties of looking for a finding employment

- **Action:** Establish virtual and physical job centers to connect jobseekers (especially marginalized youth) with employers and provide upskilling and training opportunities.
- **Target:** By 2030, well-resourced job centers set up on a central digital platform and in physical locations to connect employers and jobseekers.

4. National Service Scheme (NSS)

Issue: Set up more than 50 years ago for graduate students, the NSS needs major revamping to meet the current and emerging needs of Ghana's economy and society

- **Action:** With private sector collaboration, rationalize the NSS to supplement teaching staff and facilitate school-to-work transitions by placing youth in jobs that match their skillset, and deploying youth to sectors and geographical areas with excess demand.
- **Target:** A revamped and sustainable NSS as soon as possible.

5. Youth Entrepreneurship

Issue: In a difficult economic landscape, young people face many obstacles in starting their own businesses and surviving in the small formal sector and the large informal economy.

- **Action:** Promote public-private partnerships to set up large-scale incubators and accelerators along with targeted financial services for youth-run enterprises.
- **Target:** As soon as possible, establish a business environment conducive to youth entrepreneurship.

6. Decentralization of public institutions

Issue: Most public sector institutions are concentrated in Accra and regional capitals, limiting access to services, jobs and other opportunities.

- **Action:** Decentralize key public institutions from Accra to other regions to stimulate local economies and create jobs.
- **Target:** Reduce as soon as possible the concentration of development in regional capitals.

7. Decent jobs throughout the economy

Issue: The need to remove barriers and increase the ease of doing business for young entrepreneurs, especially in the informal sector.

- **Action:** Implement policies to formalize the informal sector and improve working conditions for young people.
- **Target:** Create as soon as possible an enabling environment that facilitates decent job creation, especially by young people.

8. Youth leadership and empowerment

Issue: Low youth participation in governance and civic activities

- **Action:** Involve young leaders at all governance levels through training and mentorship programs and political reforms; intensify and expand civic education to increase youth awareness and participation in political processes and community services.
- **Target:** Immediate and full implementation of the National Youth Policy (2022-2032); mainstream as soon as possible civic education (notably knowledge of the Constitution) in all school curricula.

9. Political financing

Issue: Financial and other barriers to greater youth participation in political processes

- **Action:** Develop regulations for transparent political funding to ensure fair competition among young leaders
- **Target:** By 2030, implement a comprehensive legal framework ensuring transparency in political donations and campaign financing for university and local-level elections.