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# Transition from Education to Employment in Grenada

January 2021

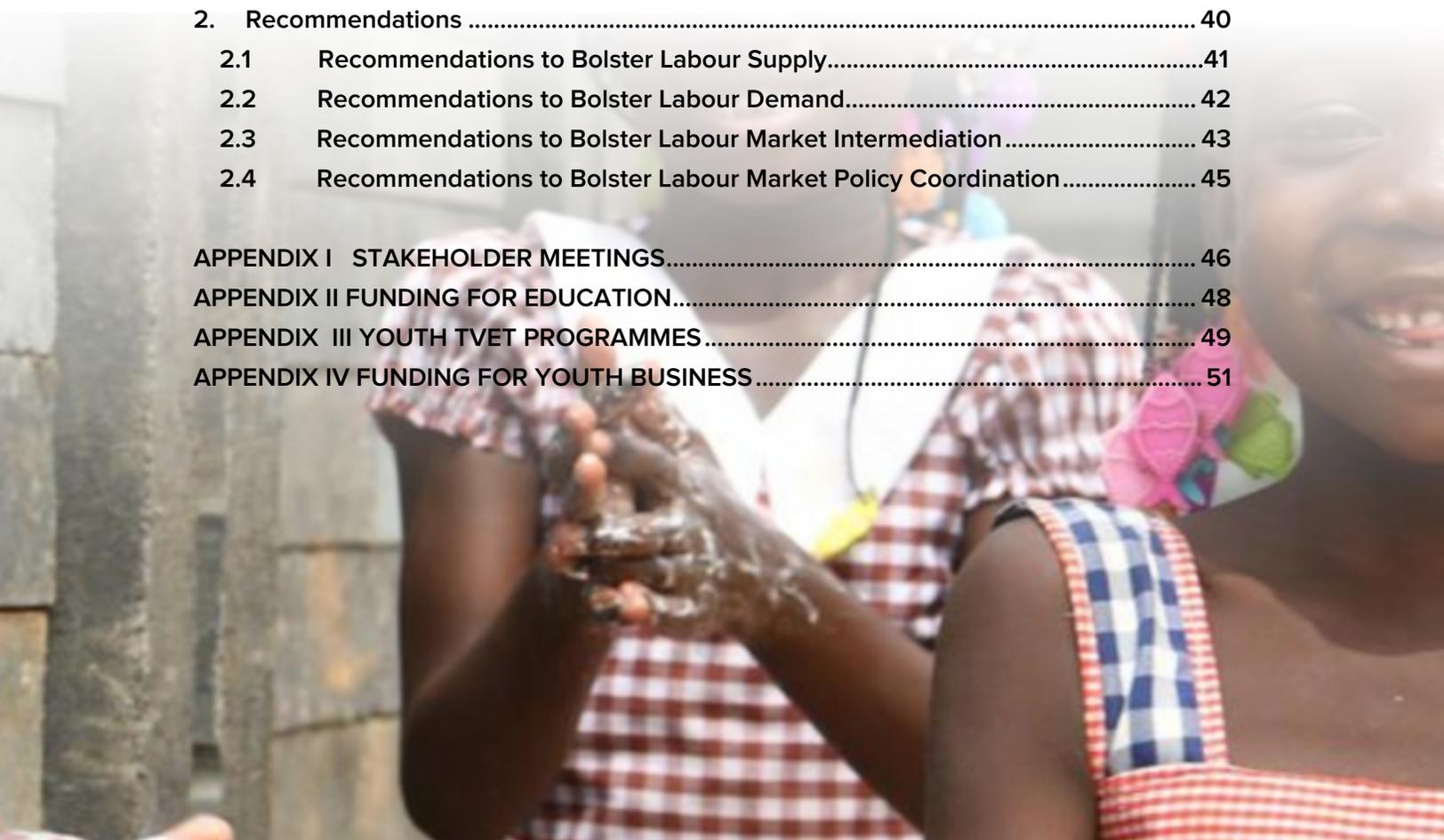
## Acknowledgements

This report is part of the Blue Economists series by United Nations Development Programme (UNDP) Barbados and the Eastern Caribbean and The University of the West Indies (UWI). This partnership aims at responding to the challenges Caribbean islands face with regards to economic diversification, job creation and resilience. For this report, UNDP and UWI received the incommensurable support of The International Labour Organization (ILO) whose mandate and expertise was key for the development of this study. This report was prepared by Mr Diego Rei, Employment and Labour Market Policies Specialist at the ILO Decent Work Team and Office for the Caribbean (ILO-DWT/O) and Dr Indera Sagewan, Specialist Consultant in Competitiveness and Sustainable Development with specialisation in private sector export competitiveness, global value chains and economic clustering. Mr. Miguel Guirao (UNDP Barbados and the Eastern Caribbean) provided instrumental assistance during the various phases or preparation. Ms. Shani Leacock (UNDP Barbados and the Eastern Caribbean) prepared the layout. The team wishes to thank all the informants for the time dedicated to the interviews and the insightful and passionate remarks.



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# List of Acronyms

<b>AGRICOM</b>	Youth in Agriculture Project, and the Regional Agricultural Competitiveness Project
<b>ASPIRE</b>	Awakening Special Potential by Investing in Restoration and Empowerment Project
<b>CARICOM</b>	Caribbean Community
<b>CDB</b>	Caribbean Development Bank
<b>CORE</b>	Cultivating Opportunities for Rewarding Experiences
<b>CVQ</b>	Caribbean Vocational
<b>EU</b>	European Union
<b>FAO</b>	Food and Agricultural Organization of the United Nations
<b>GRENCASE</b>	Grenada Citizen Advice and Small Business Agency
<b>GIDC</b>	Grenada Investment Development Corporation
<b>GCTVET</b>	Grenada Council for Technical and Vocational Education and Training
<b>IFAD</b>	International Food and Agriculture Development
<b>ILO</b>	International Labour Organization
<b>NEWLO</b>	New Life Organization
<b>NSDP</b>	National Sustainability Development Plan
<b>GNTA</b>	Grenada National Training Agency
<b>OECS</b>	Organization of Eastern Caribbean States
<b>NEET</b>	Youth not in education and not in employment rate
<b>NVQ</b>	National Vocational Qualification
<b>SAAT</b>	School of Applied Arts and Technology
<b>SAEP</b>	Climate-smart Agricultural and Rural Enterprise Development Project
<b>SASPS</b>	School of Arts, Sciences and Professional Studies
<b>SKYE</b>	Skills for Youth Employment
<b>SLC</b>	School Leaving Certificate
<b>SCE</b>	School of Continuing Education
<b>TAMCC</b>	T.A. Marryshow Community College
<b>TVET</b>	Technical and Vocational Education Training (TVET)
<b>UNICEF</b>	United Nations Children's Fund
<b>UNDP</b>	United Nations Development Programme
<b>USAID</b>	United States Agency for International Development
<b>UWI</b>	University of the West Indies

## Glossary of Key Terms

**Percentage of persons out of the labour force (Inactivity Rate):** the ratio between all persons of working age who, during the specified reference period, were not in the labour force (that is, were not employed or unemployed) and the total working age population.

**Working-age population:** commonly defined as persons aged 15 years and older, but can vary from country to country.

**Unemployment rate:** the number of working-age population willing and able to work, who are actively seeking and available to take up employment but who are without a job as a percent of the labour force. (The Central Statistical Office of Grenada publishes data on unemployment utilising a relaxed definition of the unemployment rate, i.e. relaxing the active job search criterion).

**Youth not in education and not in employment (NEET) rate:** the share of youth not in education, employment or training as a percentage of the total youth population. It represents the “potential youth labour market entrants” which is greater than the youth unemployment rate, since it also includes young persons outside the labour force who are not in education or training.



# Executive Summary

In Grenada the youth employment challenge has long been a main issue on the political agenda. Youth represent 19% of the total working population of the country and 14.4% of the total population. However, the unemployment rate for the 15-24 age bracket is three times the adult rate (30% vs. 10.8%). Data also show that during the second quarter of 2020 the participation rate of youth ages 15-24 experienced a marked plunge 39.42% compared to 51.4% previously (11.98% change). With respect to the adult labour force (ages 25-64) in the same quarter of 2020 the participation was 77.7% compared to 83.2% previously (5.5% change). Evidence suggests that the COVID-19 crisis increased the number of young people out of the active labour force as many gave up actively engaging in the search for employment or declaring themselves available.

Together with a declining relative share of youth in the total population, there is evidence of progressively lower active participation in the labour force accompanied by substantially stable educational enrolment rates. The Survey of Living Conditions 2018-19 shows that about 35% of the total youth population is considered not in education, employment or in training (NEET) in Grenada.

The service sector is the main employer of youth aged 15-24. Available data indicate that during the past five years (pre-COVID-19) there has been a decrease in the number of youth (especially young men) employed in agriculture and fisheries and an increase in the number employed in construction and selected service activities. Most of the employed youth are salaried employees of the private sector although young women are being more represented within the public sector. The incidence of self-employment is low (less than 4%), higher for young men but decreasing over the past five years. The latter may cast some doubt on the effectiveness of existing (youth) entrepreneurship support policies.

Youth unemployment appears to be a long lasting condition as over 60% of the job seekers aged 15-24 have been searching for a job for over 12 months (and over 80% for more than 6). Most of the unemployed youths are those who quit school after upper secondary education and did not pursue further education. Those who pursued tertiary education but did not obtain a university degree appear to be the second most vulnerable group. Those who pursue TVET training seem to perform relatively well. A small but non-negligible proportion of youth (1 - 2%) find employment abroad for part of the year, but return to the local labour market for the remainder of the year.

While youth represent 30% of the total number of unemployed, 70% of the unemployed are not youth. This suggests that Grenada suffers a more systemic employment problem than a youth specific one.

This study estimates that in 2019 about 4,000 youth in Grenada were either unemployed, available to work but not actively searching or not available to start work for reasons different from family or health related ones but most likely having to do with discouragement. This best approximates the number of youth (setting aside a minimal percentage of frictionally unemployed) who would need the most help to integrate into the labour market and could guide the design of policy measures to facilitate the transition of the youth into the labour force.

According to both government and industry stakeholders interviewed, there is a “disconnect between training and industry needs.” At the level of both the general education system (secondary and tertiary), and TVET, stakeholders describe the system as “too academic”, “not preparing youths for the job market”, “focus is didactic not practical”. Despite the availability of local labour, industries such as manufacturing, yachting and hospitality resort to foreign labour for specific trades and skill sets, starting from mid-level qualifications because of the unavailability of trained locals.

There is a wide (horizontal) offer of TVET curricula but certification is concentrated in lower levels 1 and 2 CVQ. There is both an absence of training facilities and equipment to provide instruction at levels beyond the qualification level 2 as well as an apparent disinterest amongst youth for higher-level certification. Females out represent males in the CVQ level programmes while men dominate in the programmes targeting at risk youths.

Most government and Institutional funded training are free and where fees do apply, there is a high degree of subsidisation. Yet, the dropout rate, even if not ascertained for all programmes interviewed, appears high ranging from 10-30%. Males display a greater propensity to drop out because of the need for an immediate paycheque to meet basic needs. There is no evidence of structured tracer studies of training programmes in place.

The study estimates that approximately 2,323 youth received TVET training in 2019, most of who received CVQ certification (TAMCC, NEWLO, GNTA, GIDC). A minority attended shorter training programmes (8-10weeks) specifically targeted to at-risk-youths who would have been challenged in the CVQ training programmes (Grencase, NEWLO, SAEP). If robust and replicable over time, those numbers would indicate that in Grenada, irrespectively of the existing financial barriers, more than 15% of the total youth population (and 30% of the total employed youth) may access some sort of training during a given year.

Youth unemployment in Grenada is mostly a demand driven phenomenon meaning that there is an absence of sustained labour demand. This study estimates that, *ceteris paribus*, a sustained labour demand might contribute up to 70% towards solving the unemployment problem and guarantee decent employment opportunities for Grenadian youth while better labour supply and intermediation would proportionally benefit less.

Boosting labour demand is a daunting challenge. The public sector is small and at a policy level the government is committed to reducing its size. Vacancies for full time employment only occurs when someone retires and there is a 4 to 1 retire to replace ratio. The private sector is also small with limited absorptive capacity, made worse by the COVID-19 crisis. Notwithstanding the above, there still appear to be some sectors with the potential for growth and to sustainably absorb Grenada unemployed youth. Those include health, manufacturing, yachting, primary agriculture and agro-processing. However, existing training programmes limitedly cater to the needs of those.

The Provision of labour market intermediation services in Grenada is extremely limited. Our review highlights that job search assistance (including collective and individual counselling, building job search skills and dissemination of related material) is virtually non-existent. Some training courses provide some limited guidance on job search but intermediation is not entrenched into any educational curriculum.

### **The following short-term recommendations emanate from this study.**

National stakeholders should be up-skilled to analyse labour market needs so as to better inform labour market policies and training needs. A systematic and uniformed tracing of labour market outcomes of beneficiaries at least after one year of completion for all public and private training should be adopted for the sake of informing the reshaping and resizing of ineffective programmes.

A youth farming pilot cluster initiative could be developed to support the value added needs of the Manufacturing and Retail sectors using targeted soft loan funding through the YUTBIZ soft loan facility, SAEP grant funding or private sector equity investment with built in 2 year mentorship. The new SKYE nutmeg cultivation programme could be redirected into a Pilot Youth Nutmeg processing business incubator specialising in value added on nutmeg.

The enabling business environment should be improved by offering to local businesses incentives similar in scope and depth to that offered to foreign investors. Also worth considering is the immediate provision of capacity building for MSMEs to expand digital skills and to adapt to COVID-19 measures and new business requirements notably those linked to digitalisation<sup>1</sup>. This can be potentially linked with the Government of Grenada's emerging Small Smart State initiative, the above mentioned initiative for pilot youth farming and the UNDP Accelerator Lab with the goal of integrating digital solutions and innovation to the agriculture sector.

A fully-fledged system of labour market intermediation should be develop and operationalised.

Immediately upgrade the career and educational guidance offer by (i) implementing the NSDP's recommendation to introduce an annual "Technology in Agriculture Youth Expo" to get youth involved in the creation of technological applications and scientific inventions that can improve agricultural production, practices, and processes and (ii) promoting open days at boat yards for students about to leave high school to sensitive them to the opportunities which exists in the Maritime industry.

Systematically map and disseminate information to all stakeholders on available programmes with respect to; service training providers, programmes/curricula, costs, employability, employment and entrepreneurship support.

### **The following medium-term recommendations emanate from this study.**

Provide support to trainees to acquire necessary competencies abroad through a system binding (possibly financially) the beneficiary to return to the country and contribute to its growth. Forge strategic alliances with regional/international training institutions to allow for distance learning combined with onsite practicums where practicable. For selected industries or sub industries with growth potential, produce a fully-fledged skills anticipation report highlighting competencies required in the future according to adequately and reasonably constructed scenarios.

Adopt complementary curricula to encourage and educate students from primary and secondary levels towards interest in self-employment and career opportunities within the growth sectors. Envisage harnessing remote coaching programmes in collaboration with foreign suppliers and/or employers organisations to address the absence of systematic and effective systems of business support for youth.

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<sup>1</sup> UNDP [E-Future and Digital Business toolkit](#)

Provide a structured system of incentives to the private sector to assume the perceived risk linked to hiring youth and thus bridge the gap between demand and supply, beyond, or in addition to what the IMANI programme offers. Implement the designed system of labour market intermediation. Train dedicated human resources to manage and monitor the system of labour market intermediation developed within the short time horizon.

In the longer term, ensure better coordination through systematic evaluation of the existing or future labour market programmes. More than that, dissemination/discussion of the findings amongst national stakeholders at a technical level and within a suitable institutional setting is encouraged to ensure lessons are shared and changes are induced systematically.

# Introduction

1.

This report is one of the products elaborated in the context of the Blue Economists programme between the United Nations Development Programme (UNDP) Barbados and the Eastern Caribbean and the University of the West Indies (UWI). This partnership aims to respond to the challenges Caribbean islands are facing when it comes to the sustainable use of marine resources, including impacts on ocean-related sectors, such as fisheries, research, tourism, and on maritime transport infrastructure. The UWI and UNDP signed a Memorandum of Understanding on Friday 21 September 2019 to support governments in the creation of public policies to diversify their economies while ensuring inclusive growth and sustainable development. The International Labour Organization (ILO), the UN organisation specialised to set labour standards, develop policies and devise programmes promoting decent work for all women and men, has led the elaboration of the technical content of this report.

The youth employment challenge in the Caribbean has long been a main issue on the political agenda. The worsened and never fully recovered situation following the 2008 financial crisis and the surge in youth unemployment rates over the past 20 years, prompted a number of investigations on the topic including amongst others: CDB (2015)<sup>2</sup>, Parra Torrado (2014)<sup>3</sup> and ILO (2018)<sup>4</sup>. These analyses identify substantial disadvantages faced by youth in the labour market vis a vis the adult population and a range of explanatory causes. These include a combination of supply side elements such as skills gaps; high reservation wages<sup>5</sup> and demand side features including generally low labour absorption capacity (worsened in some countries by local developments such as the collapse in the banana and sugar industry and public employment); natural disasters and high unit labour costs<sup>6</sup>.

2.

Against this framework, the present study attempts to update, localise and narrow down some of the previous findings while analysing some issues specific to the Grenada labour market and institutional setting. The goal is to provide some detailed recommendations contextualised to the country's current education, vocational training and labour market policies system. The study also caters to the Government of Grenada's interest in the opportunities derived from a Blue Economy approach. The latter is a way to accelerate economic diversification and job creation while maximising the access to and use of the marine resources that fall under its jurisdiction such that this becomes a significant contributor to the national economy, without jeopardising the health of the ecosystems that make up the marine environment.

2 Caribbean Development Bank (2015) "THE IMPERATIVE OF YOUTH EMPLOYMENT FOR SUSTAINABLE DEVELOPMENT IN THE CARIBBEAN"

3 Parra-Torrado, Monica. (2014). "Youth Unemployment in the Caribbean". Caribbean knowledge series; World Bank, Washington, DC. World Bank. <https://openknowledge.worldbank.org/handle/10986/18999> License: CC BY 3.0 IGO."

4 ILO (2018) "Mapping of youth employment interventions in Caribbean countries: Antigua and Barbuda Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Saint Vincent and the Grenadines, Trinidad and Tobago" Draft for research

5 See Ronald James, Jemma Lafeuillee, Mike Xin Li, Gonzalo Salinas, and Yevgeniya Savchenko (2019) "Explaining High Unemployment in ECCU Countries" IMF Working paper WP/19/144 who find that having a household head employed in tourism and public sectors is associated with lower labour force participation"

6 Ibid

3.

The investigation is based on data originating from three sources: (i) a set of 23 interviews with key national stakeholders (See Annex I), (ii) key programmes and documents from target institutions and programmes and (iii) available statistical indicators from the Central Statistical Office/ Ministry of Finance. While the horizontal coverage of the review is extensive, not every intervention, policy or programmatic area is studied with the level of detail and depth that a full evaluation warrants due to need to narrow down the scope, time constraints, limited availability and accessibility of data made more challenging by COVID-19 restrictions. Also, with respect to the statistical indicators, the study focuses on the situation in the country before the COVID-19 crisis while integrating-as far as data allow and stakeholders' perceptions indicate- an analysis of key labour market developments in 2020. The latter was facilitated by the fact that Grenada is one of the very few Caribbean countries where a relatively precise assessment of the immediate impact of the COVID-19 shock is possible via the results of the labour force survey conducted over the second quarter of 2020.

4.

The report is structured as follows: Section 1 contains a situation analysis based on an investigation of four interlinked elements and policy areas. First is the presentation and interpretation of key labour market indicators. Second, is the overview of the main features of youth labour supply and of the educational offer in the country with an emphasis on technical and vocational education training (TVET). Third is the outline of the status of labour demand in the country and an introduction to potential employment opportunities. Fourth is the presentation of the status of labour market intermediation in the country and a brief analysis of the coordination across youth employment interventions. Section 2 builds on the findings in part one to provide some key recommendations accompanied by resource requirement for their execution categorised according to the temporal horizon for their implementation.

# 1| Situation Analysis

## 1.1 Statistical Overview

Table 1. Working age population in Grenada by age group and economic status (2019)

Age	% Of total country population	Headcount				Key Labour Market Indicators			
		Total	Employed	Un-employed <sup>7</sup>	Not in Labour Force (NILF)	Labour force participation rate	Employment of population rate	Unemployment rate	Inactivity rate
15-24	19%	15,871	6,124	2,626	7,120	55.1%	38.6%	30%	44.9%
25-64	65%	54,293	40,138	5,852	8,302	84.7%	73.9%	10.8%	15.3%
64+	15.9%	13,314	2,074	322	10,918	18.0%	15.6%	2.4%	82%
<b>Total</b>	<b>100.0%</b>	<b>83,479</b>	<b>48,336</b>	<b>8,800</b>	<b>26,342</b>	<b>68.4%</b>	<b>57.9%</b>	<b>10.5%</b>	<b>31.6%</b>

*Source: Author's elaboration based on 2019 quarterly National Labour Force Survey Results Basic Tables (averages of values for quarterly survey)*

5.

Table 1 presents an overview of the population distribution in Grenada and its labour market status. An in-depth analysis of the data reveal some key findings:

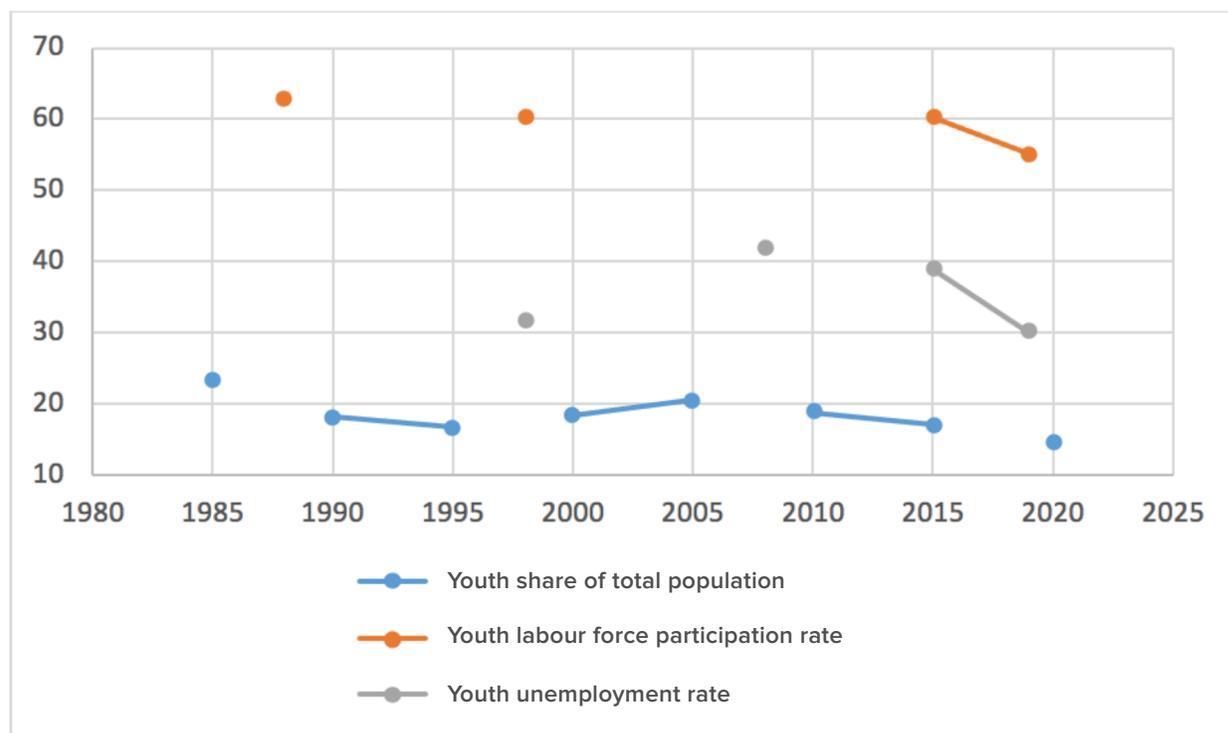
- a. Grenada has a relatively small and declining youth population that is less and less actively engaged in the labour force. Youth represent 19% of the total working population of the country and 14.4% of the total population. Interviews with national stakeholders exposed a perception that youth unemployment is a relatively new phenomenon that only manifested to such an extent in the recent past. Figure 1 presents the evolution of the youth share of the total population, the youth labour force participation rate and youth unemployment rate<sup>8</sup>. Despite data gaps hindering a full analysis, there is sufficient data to show that both youth share over total population and the youth labour force participation rate decreased in 2005 and 2008 respectively, suggesting a relaxation of the pressure of youth labour supply on the labour market. Consistent with such finding, the youth unemployment rate seems to have peaked in 2008 and decreased since (at least until 2020).
- b. The foregoing implies that an oversupply of the youth labour force played a progressively minor role in determining high unemployment levels. Over the past ten years, the trend shows less youth in the population, less youth actively participating in the labour force and a reduction in unemployment rate. In other words, the data seem to confirm what many stakeholders suggested during interviews, i.e. that youth unemployment is a (low) demand driven phenomenon.

<sup>7</sup> The data presented are elaborations on the one produced by the Central Statistical Office. The latter adopts a 'relaxed definition' of unemployment incorporating within the category youth who are not employed, available for work but not necessarily actively searching for work. The implication is that youth who are not actively searching for work are not considered as "out of the labor force" but rather as unemployed.

<sup>8</sup> Youth unemployment rate includes, as measured by the Central Statistical Office those who are not employed, available for work but not necessarily "actively seeking work", a definition relaxing the active search criterion.

- c. Determinants of the reduction in the active labour force participation rate for youth may be twofold. On the one hand, higher (full time) participation in education and on the other, the voluntary choice to remain out of the labour force. To be more specific, in the absence of up-to-date data on educational attendance, if one assumes that educational enrollment for the 15-24 age group has remained substantially stable over the past ten years (a fairly reasonable assumption), then the conclusion of voluntary choice prevails. The latter may itself originate from discouragement (“I do not work or seek work because I think there is none”) or other health or family reasons. Since the latter is not likely to have changed substantially over the past ten years, it seems plausible to conclude that the youth are refraining from engaging in the labour force altogether because they perceive their chances to gain employment are low or non-existent (see below discussion on NEET).

Figure 1. Youth share of total population, labour force participation rate and unemployment rate, Grenada (1985-2020)



Sources by data point:

Youth share of total population: United Nations, Department of Economic and Social Affairs, Population Division (2019). World Population Prospects 2019, Online Edition. Rev. 1.

Youth labour force participation rate:

- 1988: ILOSTAT: Labour force participation rate by sex and age (%)
- 1998: ILOSTAT: Labour force participation rate by sex and age (%)
- 2015: Grenada Central Statistical Office: 2015 NATIONAL LABOUR FORCE SURVEY RESULTS BASIC TABLES
- 2019: Grenada Central Statistical Office: own elaboration based on quarterly NATIONAL LABOUR FORCE SURVEY RESULTS BASIC TABLES

Youth unemployment rate:

- 1998: World Bank World Development Indicators, indicator “Unemployment, youth total (% of total labour force ages 15-24) (national estimate)”.
- 2008: World Bank (2014) “Youth Unemployment in the Caribbean” Caribbean knowledge series, available at <http://documents1.worldbank.org/curated/en/756431468012643544/pdf/883620WP0Box385224B00PUBLIC00April02014.pdf>
- 2015: Grenada Central Statistical Office: 2015 NATIONAL LABOUR FORCE SURVEY RESULTS BASIC TABLES
- 2019: Grenada Central Statistical Office: own elaboration based on quarterly NATIONAL LABOUR FORCE SURVEY RESULTS BASIC TABLES

6.

Table 2 below presents a summary of the number of youth not in education, employment or in training in Grenada (NEET) that is to say, youth that were either unemployed or idle. This is calculated from the Survey of Living Conditions 2018-9. It shows that about 35% of the total youth population is considered NEET and, amongst those, almost 70% are either unemployed, not actively searching or not available for work but arguably maintain some degree of labour market attachment. The remaining 30% (approximately) are more distant (family reasons or lack of information).

Table 2. Grenada NEET population and activity status (2018-2019)

Country	NEETs % of population	Breakdown of NEETs by activity status						Unemployed + NWNSA	
		Unemployed	Not working, not searching, not available (NWNSNA)	Unemployed + (NWNSNA)	Family/personal reasons	Missing	Total	NWNSA as % of unemployed	As % of youth population
Grenada	35%	48%	20%	68%	11%	21%	10%	41%	7%

Source: UNICEF (2020) Youth Unemployment in Barbados and the OECS Area. A Statistical Compendium. Forthcoming. Data presented are based on the analysis of the survey of living conditions 2018-2019

7.

Applying those proportions to the data from Table 1 on total youth population (15,871 individuals aged 15-24 in 2020) and notwithstanding statistical approximation due to sampling, about 5,554 youth (35% of the youth population) are either unemployed, idle, or inactive for family reasons (NEET). Furthermore, putting aside the 21% not classifiable (1,222 individuals) and the ones claiming family reasons for not being in employment, education or training, approximately 2,666 youth are unemployed (48% of 5,554) and 1,110 youth are idle (20% of 5,554). It is probably fair to assume that by 2019 about 4,000 youth in Grenada were either unemployed, available to work but not actively searching or not available to start work for reasons different from family or health related ones but most likely having to do with discouragement. This finding is important because it best approximates the number of youth (setting aside a most likely minimal percentage of frictionally unemployed) who would need the most help to integrate into the labour market and should therefore guide any policy measure to be designed to transition the youth into the labour force.

8.

Despite the high incidence of youth unemployment, youth are not the majority of job seekers and not all youth are equally disadvantaged. The youth unemployment rate is three times the adult rate (30% vs. 10.8%). In addition, data presented by The United Nations Children's Fund (UNICEF) 2020<sup>9</sup> and corroborated by the basic table of the 2019 quarterly labour force survey indicate that:

- a. the unemployment rate for the 15-19 years old is substantially higher than for the 20-24 years old<sup>10</sup>,
- b. the unemployment rate of young women is substantially higher than that of young men (34% vs. 22%) although both rates seem to be higher for the 15-19 old vs the 20-24 years old<sup>11</sup>.

9.

The above are common features across the world and thus unsurprising. For the policy maker, however, it is helpful to highlight that youth represented in 2019, 29.8% of the total number of unemployed, or, in other words, that 70% of the unemployed were not youth. Such value is slightly below the average for Barbados and other OECS countries<sup>12</sup> and hints to a more generalised employment problem than a youth specific one.

10.

The impact of the COVID-19 Crisis is outlined in Table 3 which compares key labour market indicators for Q2 2019 and Q2 2020 for the youth and adult population.

Table 3. Key labour market indicators, Grenada Q2 2019 - Q2 2020 by age

Q2 2019	Employment Rate	Unemployment Rate	Inactivity Rate	Q2 2020	Employment Rate	Unemployment Rate	Inactivity Rate
15-24	36	29.9	48.6	15-24	27.9	29	60.8
25-64	71.8	13.7	16.8	25-64	55.5	28.6	22.3
64+	22.2	6.9	76.1	64+	12.6	22	83.8
Total	56.9	15.7	32.5	Total	43.6	28.4	39.1

Source Q2 2019 and Q2 2020 Quarterly National Labour Force Survey Results Basic Tables

9 See UNICEF (2020) Youth Unemployment in Barbados and the OECS Area. A Statistical Compendium. Forthcoming.

10 UNICEF data, based on the Survey of Living Conditions 2018-2019 and strict definition of the unemployment rate (not employed, searching and available) show a rate almost double for the former group (15-19) (48% vs. 25%).

11 This trend is confirmed throughout 2019 when the average unemployment rate for the 15-19 over four quarter was 44.7% vs 27.7% for the 20-24 year old. Note, however, that there seems to be high variability between quarters implying availability for work is highly contingent on external factors such as school calendar or tourist season. Interestingly enough, for Q2 2020 data indicate a marked difference between young men and young women. For the former, the unemployment rate for the 15-19 years old is 19.7% versus 33.9 for the 20-24 year old. For the latter the reverse is true with a 70.1% unemployment for the 15-19 years old and 21.8% for the 20-24 years old. This is corroborated by a spike in the number of young men aged 15-29 employed (+33.9% year to year for the second quarter) and a plunge in the number of young girls of the same age (-37.7%). We interpret these trends hypothesizing a relative disadvantage of young girls who employers chose to make redundant first in light of the COVID crisis. The number of individuals outside the labour force increased for both segment but more so for young girls (+ 43% vs + 28%)

12 Table 2.3 in UNICEF (2020) shows that for OECS countries, the share of youth unemployment over total unemployment is about 35%.

Analysis of the figures presented indicates that the COVID-19 crisis caused:

- a. A reduction in employment to population rate, more marked for adults than for youth.
- b. A spike in the inactivity rate of youth aged 15-24 with respect to the same quarter of 2020 relative to that of 2019 (60.8 vs. 48.6, +25%) but less so than the adults aged 25-64 (22.3 vs. 16.8, +37%). This implies that a substantial share of both groups gave up declaring themselves available for employment.
- c. A deep hike in the unemployment rate of adults 25-65yrs (from 13.7 to 28.6% but a relatively stable youth one).

11.

In addition to the impact on employment, is the expected impact on poverty. The preliminary findings of the Human and Economic Assessment of Impact (HEAT)<sup>13</sup> for COVID-19 in Grenada revealed that with an approximate 3000 workers projected losing their jobs in the labour force, the poverty rate will increase from approximately 37.3% to 41.3%. We speculate that this shift, together with the progressive relaxation of the stimulus help will in turn increase the supply of labour as youth will be compelled to join the labour force to support their families. This can potentially aggravate the pressure on the labour market.

12.

The main implication of the above is the increase in the number of youth who were out of the labour force (9,692 in q2 2020 vs. 7,807 in q2 2019) i.e. those who declared themselves available for work<sup>14</sup>. The actual implication in terms of labour market attachment remains to be determined. **The main challenge for policy makers will be to ensure those who shifted out of the labour force maintain some sort of labour market attachment and/or are engaged in productive human capital enhancing activities in order to bolster their employability should the recovery kick in.**

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<sup>13</sup> Draft HEAT report for Grenada elaborated by UNDP in collaboration with UNICEF and UN Women.

<sup>14</sup> Recalling that labour force survey analysis carried out by the Central Statistical Office include as unemployed those who are available but are not actively searching.

13.

Other relevant labour market trends.

## a. Employment by industry

Table 4. Relative share of employment (15-24 years old) by industry (ISIC Classification), 2015 (q3)-2018 (average Q2 to Q4) and 2019)

Broad Age Group	Industry	2015			2018			2019		
		Male %	Female %	Total %	Male %	Female %	Total %	Male %	Female %	Total %
15-24	Agriculture, forestry and fishing	14.6	2.5	9.2	5.0	1.9	3.6	9.3	0.2	5.0
	Mining and quarrying	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Manufacturing	3.6	7.3	5.2	6.8	2.5	5.0	8.6	2.7	5.9
	Electricity, gas, steam and air conditioning supply	0.0	0.0	0.0	0.0	0.4	0.2	0.5	0.0	0.3
	Water supply; sewerage, waste management and remediation activities	0.0	0.0	0.0	0.5	0.7	0.7	0.0	0.2	0.1
	Construction	14.4	0.0	7.9	28.2	2.1	16.5	23.8	0.7	12.9
	Wholesale and retail trade; repair of motor vehicles and motorcycles	18.7	14.7	16.9	18.1	20.5	19.1	14.4	17.9	15.9
	Transportation and storage	6.6	4.2	5.5	8.8	0.6	5.1	2.7	0.9	1.8
	Accommodation and food service activities	12.9	23.3	17.6	7.4	12.7	9.7	7.0	14.3	10.6
	Information and communication	1.1	1.0	1.0	1.0	3.2	2.0	1.1	4.2	2.3
	Financial and insurance activities	1.2	4.7	2.8	1.8	4.7	3.0	4.2	6.2	5.2
	Real Estate Activities	0.8	0.0	0.4	0.0	0.7	0.3	0.0	0.0	0.0
	Professional, scientific and technical activities	0.8	3.4	2.0	0.9	0.9	0.9	2.6	1.5	2.0
	Administrative and support service activities	9.4	11.0	10.1	8.1	14.8	11.2	8.9	10.5	9.7
	Public administration and defence; compulsory social society	3.4	2.2	2.9	1.8	4.0	2.9	3.9	8.9	6.2
	Education	5.7	12.6	8.8	3.3	13.1	7.6	2.0	9.1	5.7
	Human health and social work activities	0.9	5.5	3.0	0.0	6.9	3.1	0.4	7.9	3.8
	Arts, entertainment and recreation	1.0	0.0	0.6	1.9	1.7	1.8	0.5	1.8	1.1
	Other service activities	1.9	1.1	1.5	0.9	2.6	1.6	1.2	3.3	2.2
	Activities of households as employers	1.9	4.0	2.9	0.0	1.7	0.7	0.0	0.5	0.3
Activities of extraterritorial organisations and bodies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Not stated	1.0	2.5	1.7	5.5	4.3	5.0	8.9	9.0	8.9	
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 4 presents the relative share of employment by industry for the 15 to 24 year olds over the past five years. Despite a substantial non-response rate for 2019, some significant trends over the 2015 to 2019 period can be highlighted:

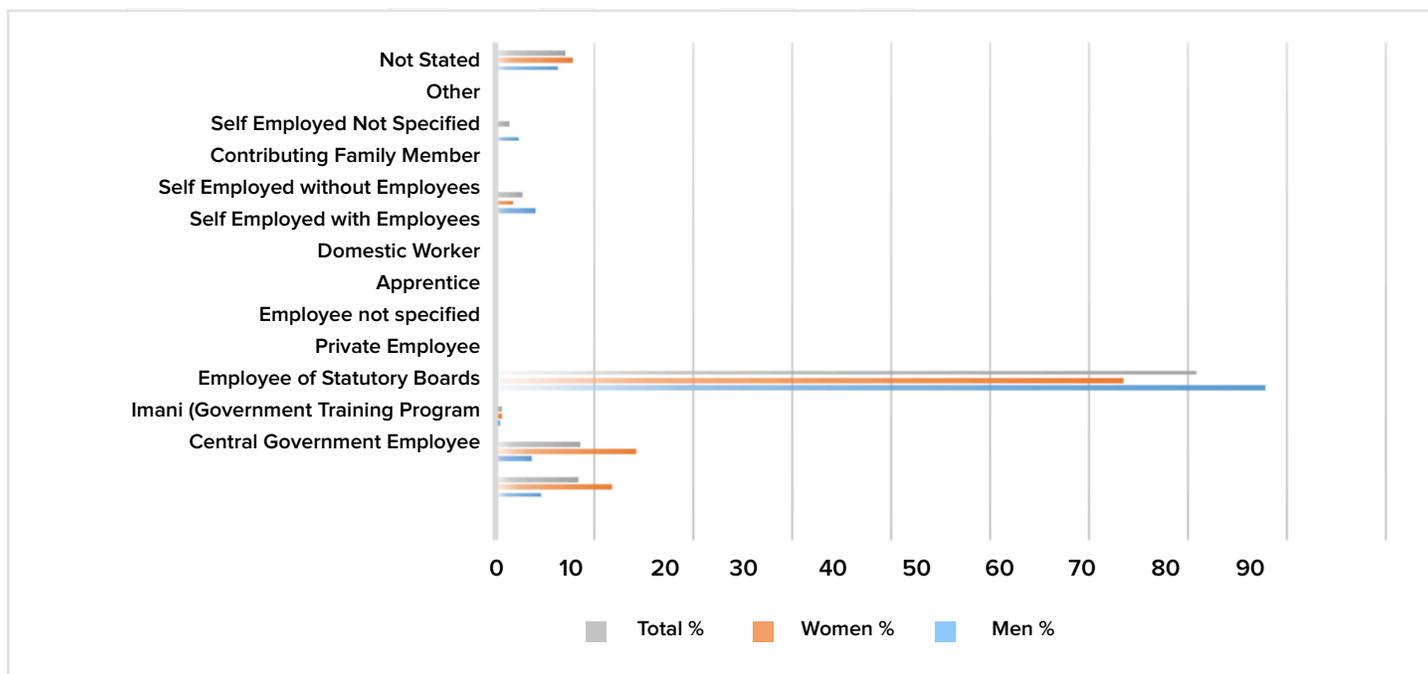
- A marked reduction in the relative incidence of employment in agriculture (itself a predominantly male oriented industry) since 2015.
- An increase (at least until before the COVID-19 crisis) in the relative share of employment in construction, especially for young men. This hints at a booming industry and likely positive impact of incentives to the sector on the youth employment component.
- A substantial fall in the relative share of employment in accommodation and food services, more marked for young women than for young men.
- The sizeable increase (~100%) of the incidence of employment in tertiary industries such as information and communication (especially for young women), financial and insurance activities and arts, entertainment and recreation.

b. Employment by status in employment

Figure 2 presents the distribution of employed youth by status in employment. As expected and common across the world, the vast majority of youth appear to be salaried workers engaged by the private sector. The data reveal some further interesting trends by gender:

- The relative share of young women amongst the IMANI participants and the Central Government is more than double that of young men. At the same time, the relative share of young men employed by the private sector is substantially higher than that of young women. While the private sector remains the main employer of youth in general, the public sector employs more young women than young men.
- The incidence of self-employment (without employees) is higher for young men (3.9 %) than for young women (2.8%).

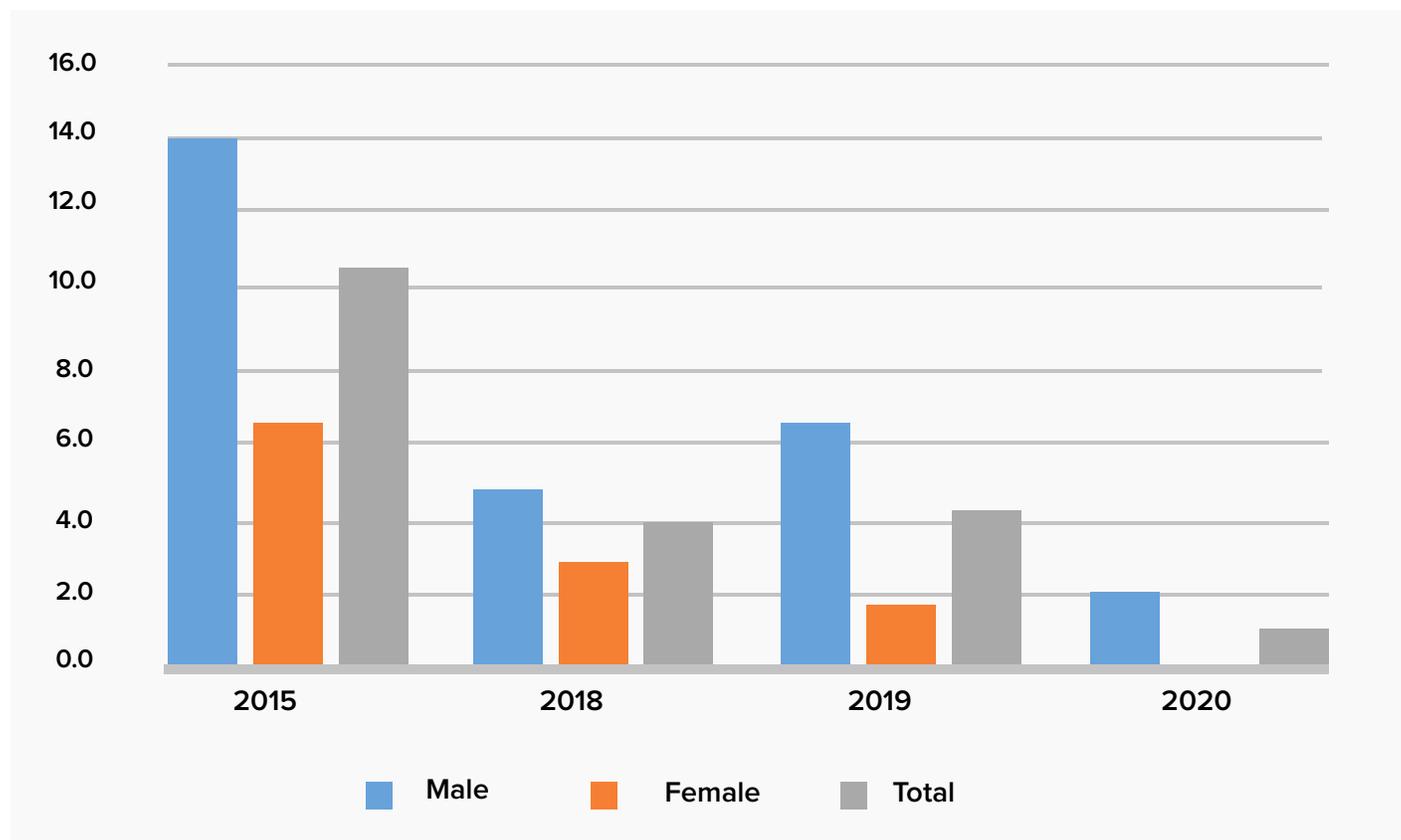
Figure 2. Status in employment as % of total employed population (15-24 years old) -2019



Source: Author elaboration based on data from Grenada statistical Office (Labour Force Surveys)

- The number of youth self-employed with employees, a commonly used indicator of sustainability and profitability of start-up firms is negligible. Further elaborating on the self-employment dimension, figure 3 presents the evolution of the relative share of youth self-employed since 2015. The most notable fact is that for both men and women the share tends to decrease over time. The implication seems to be that any policy aimed at supporting youth entrepreneurship in the country over the past five years seems to have not generated the desired results. Also striking is the situation emerging in the second quarter of 2020, basically indicating a complete interruption of the activity of self-employed youth, hinting not only at a sizeable toll to pay for this category but also generally limited survival probability for youth-led businesses in the face of COVID-19.

Figure 3. Relative share of self-employed over total employed (15-24 years old)-2015(Q3), 2018 (Q2-Q4), 2019, 2020 (Q2)



Source: Own elaboration based on data from Grenada statistical Office (Labour Force Surveys)

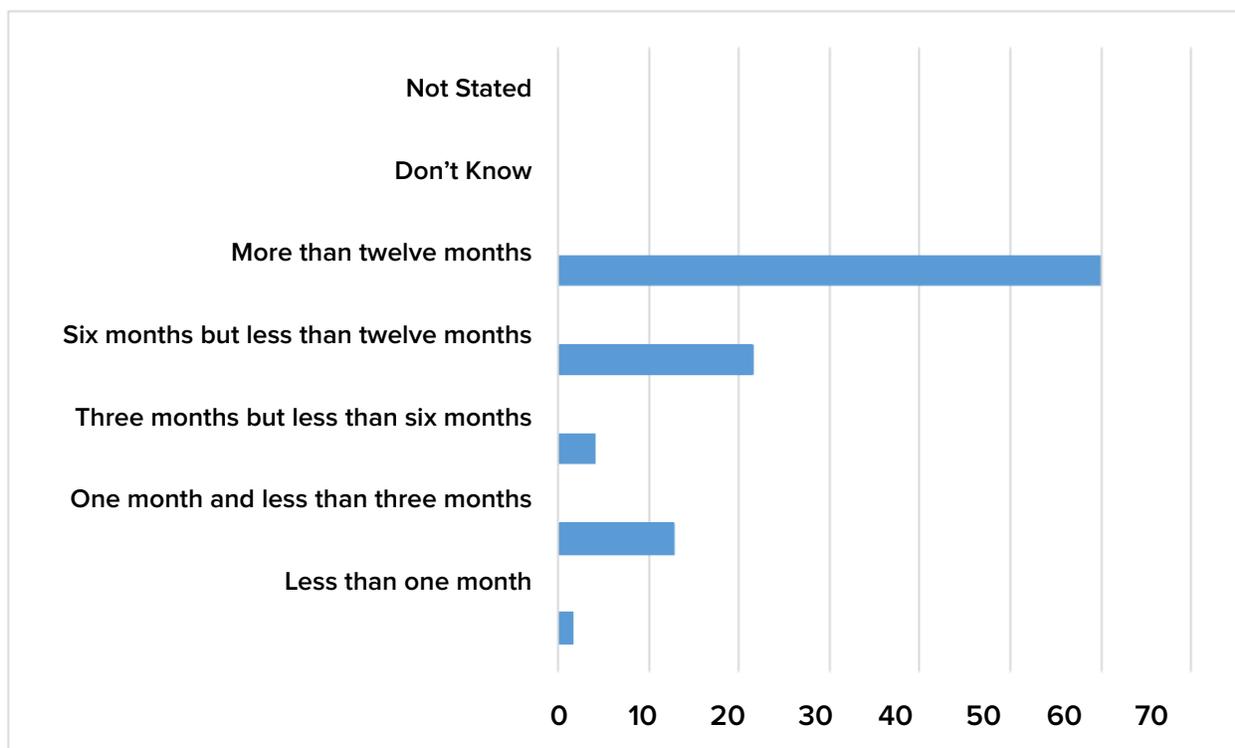
- c. Figure 4 below presents a breakdown of the unemployed youth by duration of job search. The striking revelation is that over 60% of the job seekers aged 15-24 have been searching for a job for over 12 months (and over 80% for more than 6 months).<sup>15</sup> Youth unemployment appears to be, in the majority of cases, a long lasting condition. It is important to note that while out-of-job, youth become vulnerable to loss of skills and labour market attachment and, more generally, increase the risk of bearing the consequence of unemployment later in life. World Bank (2020: 100) finds that youth unemployment has a long-term impact on future labour market performance as adults, or a “scarring effect”. in Grenada<sup>16</sup>. This is directly associated and contingent on the duration of the unemployment spells and the time passed without working.<sup>17</sup> The problem is even more concerning in the current framework of decreased economic activity.

<sup>15</sup> While the data summarise the values for 2019 and 2020, the findings reflect over the previous years as well.

<sup>16</sup> See World Bank Group (2020: 101) “Organisation of Eastern Caribbean States Systematic Regional Diagnostic Report “ Number: 127046-LAC

<sup>17</sup> See ILO (2017:7) “ Profiling youth labour market disadvantage: A review of approaches in Europe” available at [https://www.ilo.org/wcmsp5/groups/public/---ed\\_emp/documents/publication/wcms\\_613361.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_613361.pdf)

Figure 4. Unemployed (15-24 years old) by duration of job search (Average Q2 2019 and Q2 2020)

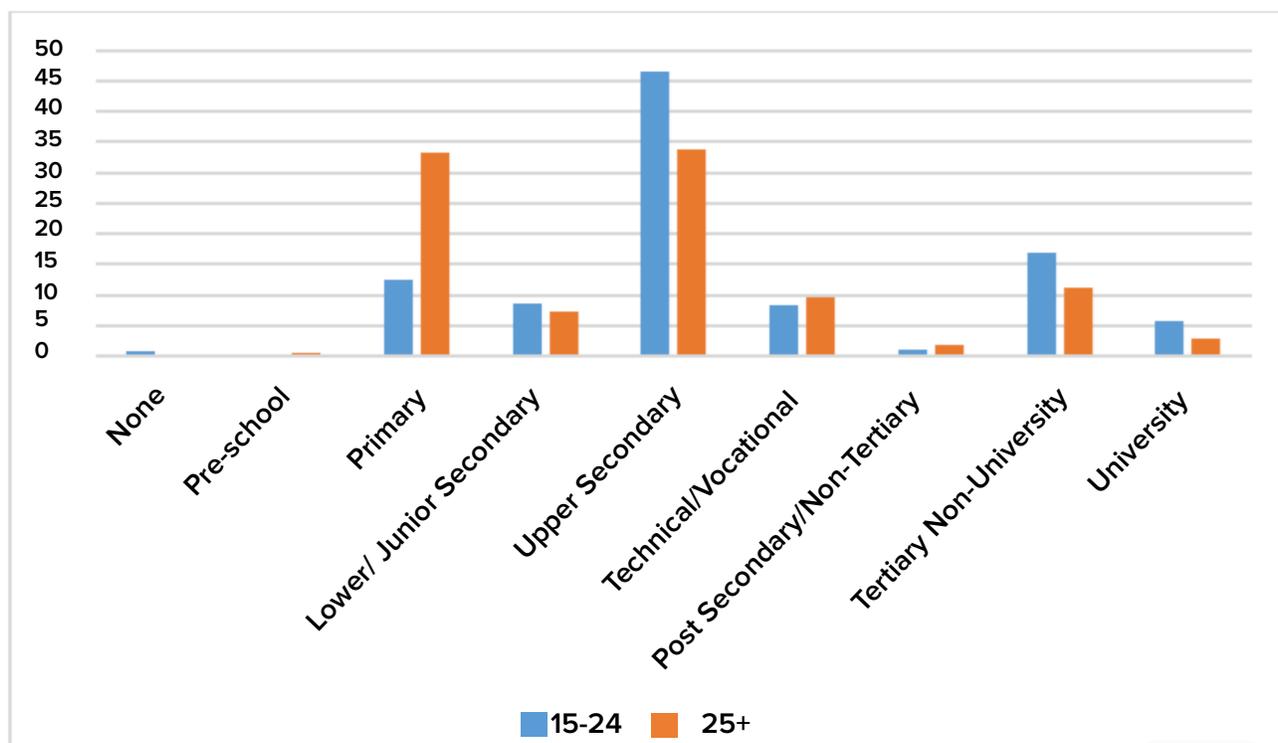


Source: Own elaboration based on data from Grenada statistical Office (Labour Force Surveys)

Another implication of the long unemployment duration for youth is the role that labour intermediation can play to address the situation. This is elaborated later in the report, but it is worth noting here, that the failure to reintegrate the labour market or access educational and training opportunities (which seem to abound in Grenada) may be eased with suitable assistance and orientation if the latter becomes available to young job seekers.

- d. An analysis of the maximum level of educational attainment for youth and adults who are unemployed (Figure 3) shows that for youth, the bulk of the unemployed are those who quit school after upper secondary education and did not pursue further education. Interestingly, those who did pursue TVET training seem to perform relatively well while those who went on to pursue education at tertiary level but did not obtain a university degree appear to be the second most vulnerable group, implying a substantial impact of the degree on the probability of finding employment. As common across the world, the unemployment rate for university graduates seems to reduce with age. Comparing those figures with the ones for adults underscores significantly higher vulnerability of adults who stopped after completion of primary education (likely less youth belong to this category altogether given the advances in educational attainment in the country), followed by those who completed upper secondary and tertiary education without obtaining a university degree.

Figure 5. Unemployed by age and highest level of educational attainment (Average Q2 2019 and Q2 2020)



Source: Own elaboration based on data from Grenada statistical Office (Labour Force Surveys)

There are many potential implications from the above. The main one seems to be that interrupting education after upper secondary tends to cause relevant disadvantage. For those who continue education, obtaining a university degree and a vocational qualification (in that order), there tends to be two options that pay off more in terms of the potential for employment. Pursuing tertiary education without accessing university degrees is also a condition that put youth at higher risk of unemployment. These findings bear a substantial weight for youth educational choices but are most likely minimally known by them and their families. Later in the report, we discuss how structured and educated career and educational guidance may alleviate struggles and improve labour market performance.

14.

**Migration.** Any discussion related to youth employment should address the issue of migration. On the one hand, the high rate of (permanent) out migration (over 50% of total population living abroad on average in OECS countries)<sup>18</sup> may potentially reduce the labour force supply and thus the pressure on the labour market.

18 See World Bank Group (2020: 1) “Organisation of Eastern Caribbean States Systematic Regional Diagnostic Report” Number: 127046-LAC

15.

On the other hand, the human capital flight (estimated at 80% in Grenada)<sup>19</sup> may trigger a vicious cycle of low human capital->low productivity-low growth->low employment generation. In addition, some argue that remittances may raise the reservation (wage or job) for youth and thus contribute to higher unemployment.<sup>20</sup>

16.

One aspect that may be worth further investigation for the present study is foreign employment which is accessed only temporarily throughout the year. Indeed if individuals (re) join the Grenadian labour market intermittently, they may be counted as part of the national labour force and more importantly compete for scarce jobs. While it is hard to provide a precise estimate and a clear identification of the local labour market status, discussions with national stakeholders highlighted that such a phenomenon may involve two categories of young Grenadians:

- a. Those working within the cruise industry. While hard to obtain, data seem to indicate that such opportunity does not employ more than a couple of hundreds at a maximum.
- b. Those accessing the seasonal agricultural farming programmes. About 170 men are part of the programme each year. While no breakdown by age is available (itself a monitoring gap) it is not straightforward to determine to what extent those who participate in the farming programme become actively engaged in the labour force upon their return to Grenada.

These two areas suggest that a small but non-negligible proportion of youth (perhaps 1-2% of the total youth population of 15,871) may find employment abroad in a given year and subsequently join the local labour market.

17.

In addition to the above, a full accounting of the migration phenomenon would have to include the flow of workers into Grenada. Indeed, interviews conducted for this study with stakeholders in specific industries (manufacturing and yachting, hospitality), highlighted that resorting to foreign labour was the norm for specific trades and skill sets, starting from mid-level qualifications. Part of such inflow comes from CARICOM countries where skills needed for the job are available and usually accompanied by necessary certifications, allowing for CARICOM skills certification. Quantifying such CARICOM<sup>21</sup> or OECS nationals was not possible as barriers seem to exist, to either collect, analyse, report administrative data (for CARICOM skills certificates or for work permits in general) or survey data<sup>22</sup>. Having a clear picture of the foreign originated skilled migration may benefit any future employment diagnostic.

<sup>19</sup> See World Bank Group (2020: 98) "Organisation of Eastern Caribbean States Systematic Regional Diagnostic Report" Number: 127046-LAC

<sup>20</sup> See World Bank Group (2020: 100) "Organisation of Eastern Caribbean States Systematic Regional Diagnostic Report" Number: 127046-LAC

<sup>21</sup> For instance, IOM (2019) report "Free movement of persons in the Caribbean: economic and security dimensions" does not contain data from Grenada on "FREE MOBILITY INFLOWS PER COUNTRY"

<sup>22</sup> OECS free movement of persons regime does not require any formal registration but, in principle, household surveys could allow cross tabulation of country of citizenship, labour market status and educational profile

## 1.2 Education and Youth Labour Supply

### Main findings

18.

**General Education System.** The formal education system comprises pre-primary, primary, secondary education, and post-secondary and tertiary level. The major institutions involved in post-secondary training of youth are: The T.A. Marryshow Community College (TAMCC) and St. Georges University. The Ministry of Education is responsible for formal education in Grenada.

19.

In addition to traditional academic courses and contrary to criticisms, **technical and vocational education (TVET)** is offered in the general education pathway from **primary education to secondary and post-secondary**<sup>23</sup>. Students who fail the access to upper secondary education can obtain a School Leaving Certificate (SLC), which provides them the opportunity to pursue further TVET programmes at TVET training centres.

20.

**The T.A. Marryshow Community College (TAMCC)** is a fully funded public educational institution offering post-secondary, tertiary and further education in Grenada. It has three schools: the School of Arts, Sciences and Professional Studies (SASPS), the School of Applied Arts and Technology (SAAT), and the School of Continuing Education (SCE). SAAT offers twelve (12) full-time TVET programmes at the certificate and Associate Degree levels. The SCE School offers Caribbean Vocational Qualification (CVQ) short courses to non-traditional students and are specifically designed based on market needs and emerging trends. SASPS is dedicated to training in general agriculture and Teacher Education<sup>24</sup>. TAMCC recently launched its Hospitality and Tourism Department which seeks to enhance the quality of human resources in the tourism sector. TAMCC engages the private sector through its Industry Advisory Board.

21.

World Bank (2020: 69) under the label of active labour market policies reported the existence in Grenada, of 14 programmes implemented by 12 agencies. The review conducted for this study facilitated the determination that, de facto, most of those are training plus programmes combining some technical training (certified or not) and some additional elements. Below is review of the main ones.

<sup>23</sup> According to the International Centre for Technical and Vocation Education and Training (UNIVOC) TVET Country Profile Grenada May 2020, pg7-9: At the primary level, grades 5 and 6 can for 1 day a week throughout 1 school year, participate in Clothing and Textiles, Woodwork and Food and Nutrition as part of the general education curriculum. At lower secondary level, students can access to 2-3 40 minutes sessions per week throughout 1 school year in Woodwork, Home Management, Electronics and Electrical Technology, Clothing and Textiles, Food and Nutrition. Students can continue these courses plus Technical Drawing at the upper secondary level. Air Conditioning and Refrigeration is available at two secondary schools and Mechanical Engineering at one secondary school. Apart from mechanical engineering, clothing and textiles, and home management, courses can be continued at TAMCC or New Life Organization (NEWLO).

<sup>24</sup> Interview with responsible TAMCC Officer

22.

The **New IMANI Programme** of the Ministry of Youth, Sports, Culture and Religious Affairs targets youths 18-35 years old. It is the most sizeable training programme in the country. A total of 445 trainees received skills training in 2019<sup>25</sup>. In terms of academic or technical qualifications, the candidates are distributed as follows: advanced qualifications 30%; some qualifications 35%; none or below basic entry level qualification 35%. The male to female ratio is 40% to 60% respectively.

23.

Applicants are approved by the Division of Youth Development and may benefit from up to four components: Direct Skills Training; Apprenticeship; Community Development and Small Business. The skills and certification training programmes are based on “Government economic development priority focus areas<sup>26</sup>.” Internship placement is either within the public or private sector.

24.

Trainees receive a stipend from the first month of training ranging from EC\$ 700.00 to EC\$ 1000.00 based on participants academic qualifications. Internship and apprenticeship normally run for a period of one year and nine months. No fees are applicable except for participants who are doing CVQ training who are then required to make a contribution of 20% of their month stipend over a period of 9 months. Where the private sector takes on a graduate trainee within the internship or apprenticeship period, that person continues to receive their stipend but the private business pays 50% of the stipend and government the other 50%.

25.

The New IMANI programme is financed out of Government’s annual budget. Allocation for 2018 was EC\$21 million increasing to EC\$22.2 million in 2019 but reduced to EC\$21.8 million in 2020 (a 1.8% contraction)<sup>27</sup>”

26.

According to the Division of Youth, 40% of IMANI graduates find placement in the private sector. This implies that 60% are placed as trainees/apprentices in the public sector which as discussed later, is on a path to reducing employment and where new permanent employment is a function of attrition. This means that 60% of IMANI trainees have little prospect for securing full time jobs.

27.

The New IMANI programme also supports academic enhancement through scholarships locally, regionally and internationally. In 2019 there were 27 recipients attending TAMCC and St Georges University, 1 at UWI and 1 at a Russian University.<sup>28</sup>

<sup>25</sup> General information on IMANI Programme by Programme Manager

<sup>26</sup> Ministry of Youth, Sports, Culture and the Arts Website

<sup>27</sup> Data obtained from the Division of Youth Development

<sup>28</sup> General information on IMANI Programme by Programme Manager

28.

**Other trainings.** A substantial number of other training institutions and initiatives exist in the country. These include:

- a. The Grenada Investment Development Corporation (GIDC)
- b. Private sector training companies such as The Centre for Development and Training
- c. Fostering Level Headed Youth (FLY), and YUTBIZ provide Caribbean Vocational Qualification (CVQ) in such areas as food and beverage and commercial food preparation, as well as provide skills training in general construction, the hospitality industry, small business development and management,<sup>29</sup>
- d. The Grenada Citizen Advice and Small Business Agency (**GRENCASE**) is a government subsidised Non-Government Organisation which mainly provides skills development training and employment opportunities to unemployed and under employed persons with particular emphasis on women and youth not just in Grenada but also in Carriacou and Petite Martinique.
- e. Trainings specifically targeted to vulnerable youth. MPower and Project REACH of the Ministry of Youth, Sports, Culture and Religious Affairs targets young “on the block” unemployed males 18-35 and inmates 18-30 at Her Majesty’s Prison. Both provide soft skills (personal development and CORE – Cultivating Opportunities for Rewarding Experiences), Skills Training (CVQ training and Certificate training), apprenticeship training with both public and private institutions (35%) and graduation and grant fund distribution. In 2019, 500 young men were registered in MPower, paid a monthly stipend of EC\$700 and once successful with the training element (3 months) had access to a small business grant of up to \$2400. MPower 2.0 was launched in March, 2020. The project was officially commenced with a cohort of 350 males. For this second cohort of training, the project has been extended to Her Majesty’s Prison with a total of 25 inmates. Stipend is not provided for inmates, but they receive a quarterly care package and counselling sessions. Project REACH is funded by the Caribbean Development Bank (CDB) and trained a cohort of 25 inmates over 12 months. It incorporates facets of the IMANI apprenticeship programme.
- f. Agriculture oriented. The Climate-smart Agricultural and Rural Enterprise Development Project (SAEP), the Youth in Agriculture Project, and the Regional Agricultural Competitiveness Project (AGRICOM), are aimed at training youth for increased participation in agriculture, boosting agricultural production and, by extension, creating jobs and improving livelihoods, especially in rural communities.<sup>30</sup>
- g. The Awakening Special Potential by Investing in Restoration and Empowerment (ASPIRE) project, provides financial assistance for graduate and postgraduate studies, i.e. MA and PhD Programmes, in the field of social work and skills training interventions leading to CVQ/NVQ (National Vocational Qualification) certifications to vulnerable and at-risk youths.

29 Dr. Cécile La Grenade, Governor-General (2019: 9) “ Towards Vision 2035: Empowering our Communities, Growing our Economy, Protecting our Environment, Strengthening our Institutions Delivered to the Houses of Parliament By Her Excellency <https://www.nowgrenada.com/wp-content/uploads/2019/10/2019-Throne-Speech-Delivered-by-the-Governor-General-October-4-2019.pdf>

30 Dr. Cécile La Grenade, Governor-General (2019: 15) “ Towards Vision 2035: Empowering our Communities, Growing our Economy, Protecting our Environment, Strengthening our Institutions Delivered to the Houses of Parliament By Her Excellency

29.

**Institutional setting for Technical and Vocational Education and Training.** The Ministry of Education and Human Resource Development is responsible for the development of TVET policies and the Grenada Council for Technical and Vocational Education and Training (GCTVET) is an advisory body that provides guidance and policy advice to the Minister on the overall development of TVET policies. The Grenada National Training Agency (GNTA) is the certification agency for competency-based training in Grenada. The Ministry of Youth, Sports Culture and Religious Affairs is the main financier of Youth TVET training and internship placement through its New IMANI programme.

30.

**The Grenada National Training Agency (GNTA)** is responsible for developing, implementing and maintaining a national TVET plan. It supports training institutions that provide TVET by developing industry standards for courses, assessing the institutions' readiness to deliver those courses, assesses trainees upon completion of those courses and awards NVQ or CVQ at varying levels to those who qualify<sup>31</sup>. It has developed occupational standards and provides TVET in the Tourism and Hospitality sector, Engineering and Maintenance, Agriculture, Business Services and the Creative Industries, in line with the government's priority areas for economic development.

31.

GNTA has approved ten (10) training centres (ATCs) to deliver training and assessment services for the award of NVQ/CVQ certification<sup>32</sup>. Between 2009-2017, CVQ certification was as follows: Level 2, 42%, level 1, 33%, level 3, 22% and level 4, 3%<sup>33</sup>. There is no level 5 certification. Three Sector Advisory Committees have been established for the areas of Automotive Technology, Tourism and Hospitality, and the Marine sector to provide advice on the skills gaps and training needs of the sectors. Occupational standards for the Marine sector in the areas of Traditional Boatbuilding and Marine Service Technician were developed in 2017 and submitted to the GCTVET for approval. These standards, once approved for training, are expected to build capacity in the TVET system to train and certify persons for work in the Marine sector. Occupational standards in Marine Systems Repair Level 2 are currently being developed<sup>34</sup>.

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31 United Nations National report submitted in accordance with paragraph 5 of the annex to Human Rights Council resolution 16/21\* Grenada Jan 2020, pg. 7 [https://www.upr-info.org/sites/default/files/document/grenada/session\\_35\\_-\\_january\\_2020/national\\_report\\_grenada\\_-\\_english.pdf](https://www.upr-info.org/sites/default/files/document/grenada/session_35_-_january_2020/national_report_grenada_-_english.pdf)

32 Grenada National Training Agency (2017: 20) "Annual Report 2017"

33 Grenada National Training Agency (2017: 25) "Annual Report 2017"

34 Grenada National Training Agency (2017: 27) "Annual Report 2017"

32.

In CVQ programmes, female candidates outnumber males. Data for 2017 reveal 79% females to 21% males. This was relatively consistent with the previous four years<sup>35</sup>.

33.

**Financing TVET.** Several ministries are responsible for funding the formal and informal TVET system in Grenada: The Ministry of Education and Human Resource Development, the Ministry of Youth, the Ministry of Social Development and the Ministry of Finance. Financial assistance for TVET in schools is secured through the budget of the Ministry of Education and Human Resource Development. Other TVET related education programmes are financed through government subvention as well as loans and grants from international agencies. Direct funding is also available through projects and programmes, e.g. by the European Union (EU), The Food and Agricultural Organization of the United Nations (FAO), International Food and Agriculture Development (IFAD), USAID, the German Government and CDB.

34.

The GNTA's Strategic Development Plan 2014-2016 identified the need for a contributory National Enterprise Training Fund and its 2018-2020 plan aims to implement such a fund through which all TVET training is to be channelled. TVET in the formal education system at the secondary level is free. However, at the post-secondary and tertiary level, tuition fees are set by the institutions offering the programmes, e.g. TAMCC or NEWLO. Programmes which are funded from international grants are free to participants and may include a stipend. Government subsidised loan funding for tertiary education also exist through the Grenada National Development Bank (summarised in Appendix II). There are financing gaps such as "Seaman Certification (needed for employment in the Cruise industry) which are not available in Grenada. This can cost applicants up to EC\$5,000 as it involves travelling to another island to secure<sup>36</sup>."

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35 Grenada National Training Agency (2017: 29) "Annual Report 2017

36 Interview with Senior Officer, Ministry of Finance

## Analysis of Findings- Education and Youth Labour Supply

### What we already knew

35.

Education offer in Grenada, as in other part of the OECS has to overcome a number of challenges including<sup>37</sup>:

- a. Inadequacies in access at the pre-primary and tertiary levels. Less than 15% of secondary school graduates go on to pursue post-secondary education and fewer than 10% of adults in the OECS have completed tertiary level education. Many do not possess the critical thinking skills required for today's labour market, let alone for the projected higher levels of knowledge and skills for future economies.
- b. Inequality amongst the most disadvantaged economically and socially may cause these individuals to not enjoy the benefits of the education system.
- c. Gender disparities in performance are evident at all levels of the school system and there is declining participation of males at the upper secondary and tertiary levels.
- d. Learners complete secondary schooling with insufficient formal qualifications to proceed to the next level of education.
- e. Attracting and retaining qualified teachers has been difficult, particularly in some critical subjects like Mathematics, Science, English and ICT.

All of the above reflect the sub-par preparation of the cohort of youth for the labour market and consequentially explains in part their sub optimal performance therein.

36.

The GNTA, in its annual report 2017 identified a few institutional challenges facing the post-secondary TVET system. These included:

- a. Sustaining financing as the majority of TVET programmes are state funded and highly dependent on grants and loans from donor agencies. The impact of COVID-19 on government's revenue and given its debt profile will further worsen this;
- b. Insufficiently trained instructors at higher qualification levels. Stakeholder interviews also reveal the need for certifying of trainers to facilitate much needed training in the Maritime sector.
- c. Training facilities and equipment are in need of upgrade to provide instruction at levels beyond the qualification level 2.
- d. Inadequate GCTVET Act, needs to be amended to provide more comprehensive regulation which allows for financing, general structure and outline of TVET and which will lead to the creation of a national TVET strategy.
- e. Insufficient collaboration with industry in TVET programmes and activities.
- f. Facilities and trainers required for some sectors like automotive and marine are very limited to non-existent.

<sup>37</sup> See OECS (2012: 22) "OECS Education Sector Strategy" available [https://www.globalpartnership.org/sites/default/files/2012-2021-oeecs-education-sector-strategy\\_0.pdf](https://www.globalpartnership.org/sites/default/files/2012-2021-oeecs-education-sector-strategy_0.pdf)

## What we found

37.

**General issues with quality of education.** According to both government and industry stakeholders interviewed, there is a “disconnect between training and industry needs.” At the level of both the general education system (secondary and tertiary), and TVET, stakeholders describe the system as “too academic”, “not preparing youths for the job market”, “focus is didactic not practical”. One claimed “students exit formal education with certificate but not ready for work.”

38.

**Substantial number of TVET beneficiaries.** Based on interviews conducted with some key providers of TVET training (See Appendix III), we estimate that approximately 2,323<sup>38</sup> youth receive TVET training in 2019, most of who receive CVQ certification (TAMCC, NEWLO, GNTA, GIDC)<sup>39</sup>. A minority would have attended shorter training programmes (8-10 weeks) specifically targeted to at risk youths who would have been challenged in the CVQ training programmes (Grencase, NEWLO, SAEP). It is instructive that in Grenada, irrespective of the existing financial barriers, more than 15% of the youth population had access to some sort of training. The imperative then is to determine the usefulness of the training to employability.

39.

**Wide (horizontal) offer of curricula exists but certification concentrated in lower levels.** The areas in which current TVET training is concentrated by providers are as follows: general construction, carpentry, cosmetology, hospitality arts, computer engineering, early childhood development, electrical installation, furniture making, garment production, plumbing, refrigeration and air conditioning, small engine repairs, crop production, poultry rearing, agro-food processing, bar and restaurant service, food preparation and cookery, general agriculture, massage therapy, health-geriatric care. Certification is concentrated in level 1 and 2 CVQ. As highlighted above, absence of training facilities and equipment to provide instruction at levels beyond the qualification level 2 is a well-known problem.

40.

**In TVET, different gender representation depending on the programme.** Females out represent males in the CVQ level programmes 75%/25%<sup>40</sup> at the Centre for Development and Training, and 60%/40% in the IMANI and Climate Smart programmes. Men dominate in the programmes targeting at risk youths 75% males to 25% females in the NEWLO programmes. In the YUTBIZ training, females outnumber males 55% to 45%.

<sup>38</sup> There is the possibility that there is an element of double counting as some of the IMANI trainees could be accounted for as well under some of the training providers.

<sup>39</sup> Note that a number for the IMANI programme is not factored in as some of the programmes counted are funded through IMANI, thus the element of double counting is minimized

<sup>40</sup> The Grenada National Training Agency (GNTA) Strategic Plan reported that “the proportion of women receiving CVQ/NVQ certification was substantially higher than for men in 2014 (75%), 2015 (70%) and 2016 (78%). The trend remained the same in 2018. On average, female participation in competency-based training is three times as high as that of men.”

41.

**Fee structure and drop-out rates in TVET.** Most of the government and Institutional funded training is free and where fees do apply, there is a high degree of subsidisation as in the case of the TAMCC programmes where students pay \$EC810 per year for a two year programme<sup>41</sup>. At the same time, the drop-out rate, even if not ascertained for all programmes interviewed, appears high. For the IMANI programmes it's 10% while it is 30% in the privately administered Skye programme. Males display a greater propensity to drop out. Reasons offered are: the need for an immediate pay check to meet basic needs, and the tendency to abuse the system by registering for a training to receive a stipend. One informant also mentioned a perceived gender barrier as women teachers tend to side-line male students if not performing/behaving diligently.

42.

The above trends may suggest a need to initiate a discussion about the revision of the fee structure attached to training programmes. High drop-out rates accompanied by significant public investment leads to a net loss of public resources. Simple provision of stipends for enrolment has proven insufficient to guarantee expected results other than, perhaps, maintaining youth out of the streets. A structured fee combining a fixed part based on enrolment and a variable one based on attendance and performance may be envisaged.

43.

**TVET claims to be designed to reflect market needs but the reality suggests otherwise.** There is significant training capacity in the country as evidenced by the number of service providers, programmes and estimated numbers trained annually. However, this is not transitioning youths effectively into jobs. Sustained youth unemployment suggests –amongst other things – that the TVET curriculum is not meeting its stated objectives of responding to market needs. The problem is acknowledged in the 2017 GNTA annual report (see above) even as it and other training providers articulate stated objectives to the contrary, “in line with the priority areas for economic development” (GNTA), “based on market needs and emerging trends” (TAMCC) and based on “Government economic development priority focus areas” (IMANI). This is further conflicting given that the GNTA has three Sector Advisory Committees and TAMCC an Industry Advisory Board.

44.

There seem to be **several reasons behind such mismatch.**

- a. While there is a broad range of training offer, such offer is arguably not complete (horizontal mismatch) The 2017 GNTA annual report highlights the problem with the marine and yachting industry, but our findings highlight few additional areas where the training offer does not fully cover the industry needs including auto mechanics, car repairs, outboard engine mechanics, and even hospitality.
- b. One informant defined the training offer as “linear” not defined to respond to industry needs but in the hope that after training, the industry will absorb. While ensuring adaptation of training offer to industry needs is not a quick process nor a simple one, what is noteworthy is that this happens in a context where the discussion with the private sector appears to be frequent and informed. Certainly, availability of regular quantitative data via the forthcoming labour market needs surveys will help.

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41 Information provided by Senior Officer, TAMCC

The quality of the training provided (besides what CVQ may entail) was also at times questioned (vertical mismatch), such as the need for the training experience to mirror industry settings in a more intensified manner.”

A partial explanation of the above is the lack of funds, notably linked to the need to purchase expansive training equipment for specific trades and qualifications. While this problem was also acknowledged in the past, what interviews conducted for this report highlight is the limited search for alternatives beyond the pursuing of funds for establishing a local training capacity. Public private partnerships, collaborations with other foreign training institutions, offer of scholarship and traineeships abroad conditional upon bonds or other binding instruments seem to occupy a marginal role in the discussion. Until sufficient funds and/or a critical mass of students to justify it will be available, creative alternatives must be envisaged.

Lack of systematic tracing of beneficiaries. Virtually no training provider has tools in place which allow for an adequate post training assessment and tracing of the labour market performance of students. While such shortcoming is intrinsically linked to resources, consideration should shift in perspective to training less persons and monitoring them better to better leverage opportunities for longer term sustainable job placements. Of course one understands the need to keep as many youth productively engaged as possible even if in a long term “trainee” capacity to avoid less socially acceptable choices. However, policy makers must strike a balance if sustainable transitioning of youth into employment is to be achieved.

45.

**Skills Gap.** The Grenada Labour Market Needs Assessment of 2013<sup>42</sup> indicated lack of qualified workers in occupations such as managers, sales representatives, construction engineers, IT specialists, nurses, carpenters, painters, mechanical engineers, laboratory technicians and electronic security officers, personnel for commercial and service occupations, such as bakers, chefs, pastry chefs, marketing executives, supervisors and HR managers as main gap for the labour market. Our set of interviews found similar results in 2020. In addition, the 2013 report provides empirical validation for some of the issues identified by stakeholders with respect to the employability of school leaver: “57% of employers rate the skills and attitude to work of young school leavers as ‘inadequate to fair’; 49% rated basic numeracy and literacy skills as ‘inadequate to fair’ by 49% and 55% rated “technical and professional skills” ‘inadequate to fair’<sup>43</sup>: These very issues were raised by interviewees in 2020.

46.

While the consistency between the 2013 and the 2020 results may strengthen the latter, the implication is more profound as it reveals that between 2013 and 2020 little seems to have changed.

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42 See Jong, Niek, de Koning, and Jaap (2014) “Grenada Labour Market Needs Assessment”. Report commissioned by the World Bank and the Government of Grenada’

43 Jaap de Koning Niek de Jong. Grenada Labour Market Needs Assessment, Erasmus University Rotterdam 2014, page 41

47.

**Other elements.** Interviews exposed some other perceived gaps:

- a. Absence of national training policy driven by the country's development trajectory
- b. Youth attitude. Some stakeholders described the youth as “uninterested”, “having poor attitude to training” (especially) young males, “interested in earning quick money”, having “poor attitude”, or more mildly a “mismatch between areas in which they are interested and what the job market needs.” It is noteworthy that the Grenada Labour Market Needs Assessment of 2013, seven years ago, found the same issues.

## 1.3 Labour Demand and Job Opportunities

### Main Findings

48.

**Grenada's labour market capacity to absorb unemployed youth.** The statistical analysis provided in part 1 and interviews with key stakeholders clearly highlight the fact that the youth employment performance in the country remains a demand driven phenomenon. More than training (see above) and labour intermediation (see below) a sustained labour demand remains critical to address the issue. We estimate, *ceteris paribus*, that a sustained labour demand might contribute up to 70% towards solving the unemployment problem and guarantee decent employment opportunities for youth. This is supported by the discussion below.

49.

**Public Sector.** The public sector is small and at a policy level the government is committed to reducing its size. Therefore, vacancies for full time employment only occurs when someone retires and there is a 4 to 1 retire to replace ratio<sup>44</sup>. Outside of attrition, the New IMANI programme is the only means through which young graduates can be employed, however, they rarely become permanent employees of the state but remain as temporary workers earning a stipend<sup>45</sup>. Given the reduction in the annual budget allocation to the New IMANI programme in recent years (paragraph 22) which will be further worsened by the COVID-19 effect, this is not sustainable in the long run, and in fact, should not be looked to as the solution to youth unemployment as it circumvents youths transitioning into permanent employment opportunities important to having the capacity to access financing for such things as a home over time.

50.

**Private Sector: Potential for Sustainable Employment by Sectors/Industry/Jobs.** Referencing growth sectors identified in Grenada's National Sustainability Development Plan (GNDP) 2020-2035 and through interviews conducted with key stakeholders, the following sectors are singled out as those which, can contribute significantly to sustainably absorbing Grenada's unemployed youth both in the short and medium term. Adequate support for such expansion and fine tuning of training programmes to the industry needs remain critical.

<sup>44</sup> Interview with Senior officer, Ministry of Finance

<sup>45</sup> Data from the 2019 labour force surveys indicate that on average, during each quarter of 2019, 107 men and 416 women identified themselves as being employed by the IMANI programme, 8.5% of the total employed ones

51.

**Agriculture and Agro-manufacturing**

- a. **Primary Agriculture.** GNDP 2020-2035 speaks to a “modern agricultural sector” as a pillar of growth and emphasises a role for youth involvement, to include “value-added production; youth (both female and male) involvement and technology; capacity building and research and development; and adaptation to climate change<sup>46</sup>.” It singles out nutmeg and cocoa production as having scope to up-scale value-added, “we are merely scratching the surface with our jams, jellies, oils, and chocolates. Research and development must be prioritised with a view to unleashing untapped potential of the cocoa and nutmeg industries” and “the Grenada Cocoa Association and the Grenada Co-operative Nutmeg Association must be fundamentally transformed if they are to remain relevant in supporting the cocoa and nutmeg industries as we approach the 3rd decade of the 21st century.” The Plan also mentions possibilities in crops such as sour soup, cassava, Moringa and marijuana for medicinal purposes. This solidifies that there is a clear understanding of the opportunities which exist for expanding labour demand which as has been underscored remains the critical driver for addressing the youth unemployment dilemma, but which is not sufficiently prioritised and linked into training offer.
- b. **Nutmeg.** Grenada supplies over 20% of the world’s nutmeg production. Indonesia, produces around 75% of nutmeg globally. Pre 2004 (Hurricane Ivan), nutmeg production was approximately 2,700 metric tonnes. Hurricane Ivan destroyed 90% of the tree stock resulting in significant fall in production, currently at 700 tomes (26% of Pre-Ivan volume). The number of nutmeg farmers has also been decreasing over time from 7,000 to currently 3,500 to 4,000. Grenada is the most spice-dense country in the world with a superior quality product in high demand globally, attracting premium prices. However, it is a long term tree crop (6-7 years to bearing and over 20 years to reach full production), so rehabilitation of estates is a medium-term objective. This means that intercropping is needed in order to maintain the estates’ incomes until full nutmeg production. However, the industry is challenged by labour shortages and an aging and exiting farmer class. Notwithstanding, the government of Grenada is committed to the revitalisation of the industry.
- c. Opportunities for youth employment exist in nutmeg from farm hands to managers and in skilled areas such as plant propagation, small crop cultivation, irrigation, transportation. There are also opportunities in value added products from nutmeg with economic potential. Some areas are: drying and rounding of nutmeg for flavouring within the culinary industry (ice cream, rum and chocolate manufacture); nutmeg oils and butters for food, cosmetic and pharmaceutical industries, use of the pericarp for jams, jellies and syrups and the red membrane— mace— as a seasoning, and the outer shell for mulch. These are appropriate to micro enterprise initiatives and areas youth entrepreneurship and business support programmes should target.

- d. **Cocoa.** Pre-COVID-19, there were signs of growth in this industry, particularly in chocolate sales to tourists (90% of chocolate market). COVID-19 has all but wiped out this market<sup>47</sup>. However, once recovery takes place, there are employment opportunities from farm to chocolate factory and in other value added production (butter, nibs, chocolate liquors, tea, soaps). Pre-COVID-19, there were approximately 4 chocolate factories in operation. One has since closed and a second suspended production. The largest factory employs approximately 20 persons. Given the small size of the market, there isn't room for much expansion in chocolate making<sup>48</sup>. In addition, chocolate making in Grenada is expensive rendering the final product uncompetitive in the international market<sup>49</sup>. The average age of a cocoa farmer is over 60 years, so, if young persons are not encouraged to enter the farms, the industry will not survive.
- e. The industry, as is, is unattractive to young people. The low price farmers get for wet beans from the Cocoa Corporative (by law all wet beans must be sold to the Co-op) doesn't allow them to pay above minimal wages which is not a liveable wage<sup>50</sup>. Training is required for the more skilled jobs such as fermenting, drying and roasting, chocolate making, PH testing of soil. However, there are no structured programmes offering such training. While, organic branding can call a higher export price, organic chocolates from Grenada cannot compete in Switzerland with organic bars out of Madagascar. Cost of equipment is high and there are no government incentives to attract young persons into the industry.
- f. **The Agro-manufacturing** sector in Grenada is nascent and largely agro-based. The labour needs are mostly technical (40-60%)<sup>51</sup> for basic mechanical, chemical and electrical skills. The sector currently sources most of these employees from islands such as Trinidad and Tobago, Jamaica and Guyana<sup>52</sup>. Agro-manufacturing based on fresh produce depends on the backward linkages into primary production. The manufacturer interviewed noted that there are at least 10 primary inputs which are needed by manufacturers but not being supplied locally.

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47 Interview with chocolate industry stakeholder

48 Interview with chocolate industry stakeholder

49 Grenada chocolates are uncompetitive in export markets because of high costs of electricity and air freight. The latter went up by 50% recently.

50 Opinion of chocolate industry stakeholder

51 Interview with agro-processor

52 One major agro-processor interviewed currently hires 100% of its technical staff from outside Grenada

52.

**Tourism**

- a. **Hospitality.** Prior to COVID-19 the hospitality industry was on a growth trajectory. The Hotel and Tourism Association (GHTA) is not expecting a return to growth until 2022<sup>53</sup>. Assuming that there is some amount of improvement in 2021, the potential for short-term absorption of unemployed youths is minimal. Prior to COVID-19, the GHTA<sup>54</sup> partnered with TAMCC to establish an in-house restaurant to provide in course practical industry level training thus making trainees more industry ready. The current labour market gaps that exists in the industry include; persons trained in hotel grade restaurant service, equipment handling, infection control (COVID-19 requirement), front desk customer service, line Manager, Kitchen Assistant<sup>55</sup>. Currently Management level jobs are taken up largely by persons from outside Grenada.
- b. **Tours.** COVID-19 has created opportunities which can be tapped into by young persons. COVID-19 has resulted in the increased demand for “Staycations”, “local experience.” This is evidenced by an increase in registered tour operations during the recent crisis<sup>56</sup>. Outdoor recreational activities, best suited to a COVID-19 environment can create opportunities for young persons as guides and tour operators. Prior to COVID-19, the tour industry was dominated by expats who are more price competitive than local operators. However there has been an increase in the number of local operators registering since COVID-19 which can be linked to the increased demand for staycations.
- c. **Yachting and Marine Services.** The yachting industry in Grenada is an important pillar of its Tourism sector and according to industry stakeholders has the capacity to absorb some of the country’s unemployed youths. For youths straight out of high school there are work opportunities such as: crew members on board chartered yachts, employees in the Chandleries, apprentices in the more skilled areas in boat repairs and maintenance such as welders (land and underwater), air-conditioning repairs, boat repairs, painting and furnishing, sail making, IT- coding/robotics. Currently, there are no training programmes in place to meet this need. Stakeholders noted that they have been in discussions with the GNTA to develop industry standards and courses, noting that there are skilled persons who can be certified as trainers, however, the funding is not available for this. This is corroborated by the GNTA 2017 report mentioned above. In addition, actual or perceived race barriers to access or prosper in the industry, perceive as “white-faced” may warrant attention.

53.

**Health.** The Health sector has the capacity to absorb skilled persons in a number of areas. The country has been losing its nursing stock. In 2020 alone, the sector lost 64 nurses to foreign markets. There is a need for specialised nurses, nursing assistants (the country can absorb about 1000-2000 nursing assistants. Other skills needed are: Biomedical engineers and technicians, Lab technicians and technologists, Stenographers, and *Phlebotomist*<sup>57</sup>.

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53 Interview with Senior Official Hotel and Tourism Association

54 GHTA is a member of the Advisory Board of TAMCC

55 Interview with Senior Official, Hotel and Tourism Association

56 Interview with Senior Officer, Hotel and Tourism Association

57 Revealed during interview with Senior Officer, Ministry of Health

54.

**Enterprise creation and supporting youth Business Start-ups and Expansion.** Given the limited capacity of the public and private sectors to absorb the large number of unemployed youths, increasingly there is a focus within policy document and amongst policy makers on entrepreneurship and self-employment<sup>58</sup>. Informants for this study almost unanimously shared the perception that not enough is being done to encourage entrepreneurship or the skills needed by the market in the schools.

- a. **Entrepreneurship training.** Entrepreneurship training is absent in the education system beyond business-related subjects under the CXC curriculum. These subjects are not compulsory with students generally choosing their preferred 5 to 8 subjects to attempt for the CSEC examinations. Also as part of the New IMANI Programme, youth can receive training in small business enterprise, followed by financing and technical support.
- b. **Funding** Appendix IV presents the existing framework through which young persons can access funding for business start-ups. The Grenada National Development Bank is the principal institution through which youth can access soft business start-up loans. The YUTBIZ loan facility is the only dedicated youth business loan facility. Only upon successful completion of the YUTBIZ 5 week's business incubator training programme can graduated apply for and be considered for this funding. Loans up to EC\$25,000 are available at 3% interest over 15 years with no requirement for asset collateral save loans on business equipment. Unfortunately the programme lacks the human capital to adequately monitor loan disbursement to purpose. As a consequence the delinquency rate is 36%. The gender break down of successful loan applicants reveal a female dominance over males 65% to 35%. For the YUTBIZ programme, the approval, lending and monitoring functions are spilt amongst three institutions: the Youth Ministry, the GNDB and The GIDC respectively. The GNDB has no input into the selection process and primarily processes the loan while the GIDC provides post lending monitoring.
- c. The GNDB also has other small business facilities which are available to anyone and which young persons can also access. These include the Bank's Micro Enterprise and General Business loans. The ceiling are higher, EC\$50,000 and no ceiling respectively. And while the interest rates are lower than market rate, they still range between 7-11% and require collateral which young persons may not have.
- d. Other programmes not exclusively targeting youth include the Caribbean Tech Entrepreneurship Programme, the OECS Guarantee Small Business Grant and the Climate Smart Agriculture and Rural Enterprise Development (SAEP) Grant. The latter started in 2019 and targets 400 youth accessing youth Business Grant Fund over 6 years.

<sup>58</sup> See for instance the message in the draft 2020-2035 National Development Plan to "Transform the economy to make it more competitive, productive, and dynamic to expand opportunities for employment and entrepreneurship" and targeted measures therein mentioned (<https://www.nationalplan2030.gd/docs/NSDP2020-2035-DraftFinalNov%20202019.pdf>). In addition, worth noting are the 2020 submission by the Ministry of Agriculture of a EC\$4.0 million Agriculture Youth Entrepreneurship project proposal to the CARICOM Development Fund (CDF), or the Training and entrepreneurial support provided under the M-Power 2.0 project to 360 young men, to help start their businesses or find gainful employment (mentioned in the 2021 budget speech)

e. **Business support services.** Notwithstanding a relatively diversified offer of financial assistance, still arguably insufficient to satisfy the needs of youth who are constrained by poor access to private capital market, our findings indicate that there is insufficient monitoring, mentoring and general assistance available for business owners and even more so the youth ones. On the one hand, monitoring linked to the financing opportunities listed above appears to generally detect issues only when delinquency in repayment of received loans arises. On the other hand, the rest of the local support interventions, such as the small business facility under the Grenada Development Bank or the Grenada Business Development Centre under the Grenada Industrial Development Corporation or the Caribbean Tech Entrepreneurship Programme do provide, at least on paper, business support assistance in principle covering traditional elements such as accounting, legal assistance, marketing. However, this is not perceived as sufficient to guarantee timely support for new entrepreneurs and survival (or profitability of their companies). The limited human resources available is cited as a main barrier to ensuring more comprehensive assistance.

55.

The analysis above identifies a number of market niches, which could provide sustainable – though not quantifiable – employment opportunities if properly exploited. Building on those findings, there are a few recurring elements worth highlighting as relevant to bolster youth labour demand.

56.

**Lower key barriers to a suitable enabling environment.** There is extensive literature and data indicators addressing the main barriers and shortcomings to an enabling business environment in Grenada and the OECS in general<sup>59</sup>. Further, the following are some specific findings from our study focusing on industries with employment generation potential.

- a. In the case of **agro manufacturing**, the **backward and forward linkages are very weak**. The existing farmer pool is small and aging and there is insufficient agricultural extension officers to support farmers. Farming methods are traditional and inefficient, rendering agriculture unattractive to new entrants especially young persons. Production does not match industry needs (Baron Foods alone requires 10 fresh items not being produced) and where farmers are contracted to produce, contractor has no recourse when farmer sells to a third party for a higher price. With respect to nutmeg, farmers are by law bound to sell to the Nutmeg Corporative Association. The price they get relative to the high costs of farm operations renders the industry uncompetitive, and even then, it is cheaper for agro processors to import nutmeg rather than purchase locally<sup>60</sup>. Further, the ownership of nutmeg farms is concentrated in the hands of the elderly who are resistant to releasing to young persons. And finally, the small size of the domestic markets limits opportunities for industry expansion.

59 See World Bank (2019) <https://www.doingbusiness.org/content/dam/doingBusiness/country/g/grenada/GRD.pdf>

60 Interview with Senior Officer, Agro-Processing Industry

## Analysis of Findings - Labour Demand and Job Opportunities

- b. **Lack of training and certification for boat repairs and maintenance in the yachting industry** hinders its expansion plans. The GNTA understands the need for training in technical competences for the Yachting industry but lacks the financial resources to equip training facilities, train and certify trainers and run courses. Skilled persons in the yachting industry are capable but uncertified making “Train the Trainers” programmes an urgent requirement to deliver training as needed<sup>61</sup>. In addition, the design of long term human resources and training policies seem to hinder the development of well-run but still small in size business. Suitable business counselling may facilitate their expansion.
- c.. **Readiness of labour entrants to market needs** is another major challenge often mentioned by the private sector. There is an expectation from employers that employees should come “job ready” in both technical and soft skills yet 60% of entry level recruits are 75% unprepared for the job market and employers then have to conduct in-house training to fill the gap<sup>62</sup>. Many youth lack training in how to respond to real life situations on the job<sup>63</sup>. The textbook solution to the job readiness problem would be an increase in the on the job training component of any curriculum offered.
- d. Further to design elements (the proposed TAMCC associate degree in Hospitality has no internship element), the main obstacle however is still the relative small size of the private sector. Low labour absorption capacity also reflects low trainee absorption capacity and unless a structured and perhaps rotation based system is in place to guarantee the job opportunities the problem will persist. Concurrently, targeted effort must be made to address the encumbrances to business expansion and growth as mentioned above.
- e. Irrespective of the quality of the human resources available, any production function must allow for a limited amount of labour to be employed. The key question to be answered is; to what extent human resources that are more qualified may allow for expanded production (and sales) and therefore generate increases in labour demand.
- f. Addressing the perceived **lack of interest by** youth in the available jobs<sup>64</sup> is also important. While such a claim must obviously be verified upon conditions of work offered, the reservation phenomenon mentioned above may play a role. There are also some questions which must be answered in this regard. To what extent is this why the youth are not actively engaging in the labour market? Are they not accepting an unappealing job because of the availability of public support or remittances? To what extent is job unattractiveness due to a disconnect between training received and the requirements on the job thus raising feelings of disinterest? Can increased entrepreneurship contribute to solve the problem? Given the small size of the domestic consumer base, where are the gaps that can enhance chances of business success? Can self- employment be a way to better match talents, preferences and livelihood?
- g. **A working labour intermediation system, in particular providing up to date information on skills profiles available.** A functioning labour market information system is needed. The private sector actors are unaware of existing skills available on the market because there is no centralised source from which this information can be accessed<sup>65</sup>.

61 Interview with Senior Officer, Marine and Yachting Association of Grenada

62 Results of informal poll of members taken by the Employers' Federation

63 Interview with Senior Officer, Chamber of Industry and Commerce

64 Opinion of the Grenada Chamber of Industry and Commerce and the Employers' Federation

65 Grenada Chamber of industry and Commerce and Employers' Federation

57.

**Explore new productive opportunities.** In addition to the sectors and sub sectors identified above (52-54, **Agriculture and Agro-manufacturing**), **Tourism and Health** additional opportunity may come from:

- a. **Agro processing aimed at production of food for export.** During the COVID-19 crisis it was reported that Baron Food's production increased as did its employment (Baron exports to 40 different markets internationally). The Baron Foods model is based on fresh primary inputs and there are currently 10 such crops which can be produced locally being imported. An organised and expanded agriculture sector has the capacity to supply the needs of the manufacturing sector (Barron Foods), creating jobs both in agricultural production and in manufacturing. Linked to the above, is the facilitation of access to buyers' market for small entrepreneurs. Emerging services in matching local producers and consumers can help to demonstrate and build demand, such as FarmFinder, an e-commerce service for farmers to sell directly to consumers, supported by UNDP and rolled out in Barbados in 2020, set for expansion in Grenada<sup>66</sup>.
- b. Expansion of the **production of nutmeg and cocoa up the value chain into manufactured products** suitable for sustainable small business initiatives. One potentially appealing area could be the expansion of the current production of high value organic nutmeg and cocoa to target conscientious end consumers, by replicating successes in strengthening supply chain traceability through blockchain<sup>67</sup>.
- c. **COVID-19 responsive businesses opportunities exist** in the yachting sector which has shown the potential to operate even in a COVID-19 controlled environment, with this will bring immediate job opportunities for youth. The health care requirement too will continue to grow as COVID-19 restrictions are integrated into the economy. This increases the demand for the associated health care professional in additions to those already existing before COVID-19 (paragraph 52). Similarly, building upon constraints imposed by COVID-19-related restrictions, take this opportunity for upskilling MSMEs, to support them to adapt to new measures but also to build fundamental skills and expand their digital capacities in marketing, finances, digital payments, communications and more, as developed in the UNDP Barbados and Eastern Caribbean E-Future programme<sup>68</sup>.

66 The project also includes a food and fisheries internship granting programme to incentivize training of young people, especially women, to join the sector and to harness new technologies to support their success

67 The interested reader can refer to the UNDP's Ecuador Other Bar project. <https://www.theother.bar/>

68 The interested reader can refer to the [UNDP Barbados and Eastern Caribbean E-Future programme](#).

## 1.4 Labour Market Intermediation Services, Labour Market Programmes and Coordination.

### Main findings

58.

**Labour market intermediation.** The Provision of labour market intermediation services in Grenada is extremely limited. Our review highlights that job search assistance (including collective and individual counselling, building job search skills and dissemination of related material) is virtually non-existent. Some training courses focusing on soft skills component (e.g. Grencase) provide some limited guidance on job search (business etiquette) but intermediation is not entrenched into any educational curriculum.

59.

Career and educational guidance are also missing elements for the most part. There are a few career guidance sessions (introduction to careers, career days, work place visits) within the regular education systems (primary/secondary schools/university). These are usually performed as an aside, under the supervision of an interested teacher. They are not systematic or designed to match individual preferences with career options, but provide only broad based information. Also, the timing of guidance is critical. To be effective, information and advice must be given when educational choices are being made not when students have already undertaken a particular path or dropped out of school.

60.

Job brokering is yet another missing link as there are no unique or reference provider/s of such services. A degree of matching employers and job seekers is performed at the end of selected training programmes (e.g. IMANI). But, this is based on a more or less structured system of gathering information about vacancies and employment opportunities post facto. Specifically, no public employment agency is operational and no Grenada electronic job board is in place. There is one private employment agency which specialises in placement within the cruise industry. This appears to be the only private player in the industry. No data on performance and conditions of operation are readily available.

61.

Services to employers (HR assistance, legal counselling) exist to a very limited extent via the employers' organisations. Consequently, even the smallest companies may have to bear the significant (upfront) cost of identification, screening and hiring employees.

62.

**Labour market programmes.** Related to the above discussion on labour market intermediation is the overall assessment of labour market policies. As presented in the sections above, there are several employability enhancing programmes and interventions available in the country covering a wide array of measures, most notably (i) those aimed at fostering the human capital profile of the youth population via education and on the job training, (ii) those aimed at promoting entrepreneurship and business development for youth led businesses and (iii) those aimed at reducing the risk for employers in hiring new labour market entrants and/or compensating them for training provided (such as the stipend paid via the IMANI project). In addition, considering the broader range of labour market policies, and the often pursued combination of income support and activation measures, it is worth mentioning that there are several contributory and non-contributory social assistance programmes in the country, but these are not combined with labour market reintegration measures.

### Analysis of findings: Labour market intermediation services, labour market programmes and coordination

63.

**Labour market intermediation** is virtually non-existent in Grenada. Notwithstanding the relative small size of the country, such a system is useful. Even in a relatively small labour market such as Grenada, **frictional unemployment** exists, resulting from vacancies not being filled or being filled with some delay and extra costs with the limited competencies available locally. This may be due to barriers such as lack of information leading to lengthy and costly search and recruitment processes, transportation costs or other costs that may become unbearable for the vulnerable job seeker (e.g. paying upfront for certification). Reducing such inefficiencies through market intermediation services could in the short-term, reduce-even if in a limited way- the number of job seekers (by diminishing the time workers and firms spend in unproductive search).

64.

In the longer term, labour market intermediation may further contribute to a well-functioning labour market in a two-fold manner:

- a. First, active intermediation in the labour market may **contribute to addressing the current skills mismatches through collecting information on job seekers and employers need and by organising an efficient sharing of information amongst national stakeholders and the public.** Rather than rely only on survey data (via the proposed annual labour market needs survey), administrative data from intermediaries may provide a steady and readily available source of information regarding desired profiles. In turn, such information could then be utilised to guide training offers or suitable migration policies. Alternatively, or as a complement, the information retrieved via the work permit unit of the Ministry of Labour could also provide valuable information and should systematically inform training offers. Labour intermediation can allow for better career and educational guidance contributing to better allocative outcomes as persons decide about their education paths and companies about their business and human resources strategies based on better information. This will, ceteris paribus, reduce the potential for mismatch and unemployment of future generations of young Grenadians.

- b. Second, and **equally important, a well-targeted system of labour market intermediation contributes towards a minimum level of labour market attachment for job seekers.** Extensive evidence in the literature suggests that longer unemployment spells reduce the employability and the odds of reemployment. Moreover, if this occurs at a young age, scarring effects may arise, leading to lower employability and earning potential throughout life. This is a real risk in Grenada. Figure 2 above shows that most of the unemployed youth have been unemployed for more than six months. As such, they are already experiencing a potential drop in the level/ quality of their competencies, in their capacity to network and are becoming at risk of entering a vicious cycle characterised by loss of confidence, discouragement, less effective job search, access to only lower productivity jobs and an overall lower probability to be hired.

65.

**Labour market programmes.** Despite the relatively complete set of labour market programmes described above, two immediate gaps emerge as either underdeveloped or absent. Those are:

- a. Firstly, **A job seeker guidance and referral system** which could allow for (i) the identification of the most disadvantaged and least employable job seekers, (ii) systematic provision of needed guidance, counselling, support and/or orientation regarding available information, services offered in the country (and perhaps abroad), and personal preferences, (iii) managing or coordinating the support received by individual beneficiaries- including social assistance (iv) monitoring of progress toward labour market integration. Absence of such services is particularly handicapping for those starting from a disadvantaged position. While, arguably, those with higher qualifications and educational attainment can navigate with some ease across the available information, or even afford to spend more time looking for work, school dropouts, youth coming from a disadvantaged background or, simply, those with limited technical and job search skills need targeted assistance. They may be offered some form of training, but they are virtually left to themselves in browsing the ensemble of the information concerning available support and their choices are probably not based on educated assessment. Such structured support service must ensure that information on educational offer, career paths and labour market status is readily understandable to job seekers. So, while quarterly labour force surveys and the forthcoming labour needs assessment may provide orientation on industries and occupations in demand, the transmitting of such information to those in most need is challenging. Unless it is simplified to the level of the least qualified (young) job seeker, he or she is left to seek information about educational and employment opportunities, conditions of work and labour market dynamics by herself or within her own informal network. There is therefore no guarantee of full understanding of the specific contents or of potential future developments, especially given that, as mentioned above, there is no systematic guidance provided at an earlier stage of the educational career or once becoming unemployed.

- b. Secondly, a structured system of incentives to private sector employers for the hiring of youth. Beyond the outreach of the IMANI programme, several employers interviewed highlighted the insufficient skills set of job applicants and the necessity to acquire those skills on the job. At the same time, they expressed reluctance to take the chance and invest in development of human resources without guaranteed return on such investment (as people may leave once trained, drop out while being trained or other). Further, it is likely that the IMANI programme suffers from some intrinsic limitations. Beyond the reported cases of people enrolling just to receive stipends, no full assessment of the extent to which deadweight losses (IMANI paying for stipends that employers may have paid in any case), creaming (only the most deserving receive assistance which they would not have needed should market have operated freely) and substitution (employers replacing full time workers with trainees). Given the above, any extension of the IMANI programme should be informed by careful revision and less distortionary design and better targeting. In addition (or alternative) the introduction of other forms of government help (e.g. legal framework for trainees contracts allowing financial protection for employers' bond system or guarantee deposit for trainees) which might be useful in allowing employers<sup>69</sup> to recoup training costs or, at least sharing the risk<sup>70</sup> could be considered.

66.

**Coordination amongst programmes.** The issue of coordination is an often mentioned one when dealing with educational and labour market programmes. More than a simple flagging of potential duplication and overlapping amongst programmes causing inefficiencies and ineffectiveness, what needs to be highlighted is the implication of such for the job seeker. If receiving assistance is limited to being offered education, training, entrepreneurship support or even financial assistance without being able to exploit the implicit complementarities between existing programmes because of lack of awareness, barriers to access, or nonexistence of mechanisms to ensure combined, consequential or viable access to a bundle of them, then the potential benefit stemming from public interventions is limited. Such mechanisms do not appear to exist in Grenada. Certainly young beneficiaries may eventually benefit from one or more of the services offered but such a path is not a structured one and not based on systematic guidance, referral and complementarities under the aegis of a single guidance and referral system as the one described under point 64-a above.

69 Including, for instance, standard employee training agreements including repayment of training cost clauses

70 See [https://www.ilo.org/wcmsp5/groups/public/---ed\\_emp/documents/publication/wcms\\_466538.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_466538.pdf) for an overview of design issues of such systems.

## 2| Recommendations

Table 5. Summary policy recommendations by implementation horizon

Labour Market/Time Horizon	Short-Term	Mid-Term
Measures to bolster labour supply	<p>Introduce within any training programme a requirement to adopt systematic and uniformed tracing of labour market outcomes of beneficiaries</p> <p>Targeted Training linked to analysis of labour market needs</p>	<p>Targeted scholarships and collaboration with foreign providers to ensure deserving youth access training opportunities not available locally</p> <p>Skills forecasting exercises for dedicated growth sectors</p> <p>New curriculum on sailing (Antigua Model).</p>
Measures to bolster labour demand	<p>Ensure access to same investment incentives by local and foreign investors</p> <p>Quick design and implementation of courses to facilitate digitalisation of SMEs</p> <p>Introduce a technology element in the Agriculture Youth Exposition</p>	<p>Systematic revision of entrepreneurship curricula offer</p> <p>More comprehensive Business Development Support for youth led enterprises (2 years)</p> <p>Subsidies/Fiscal Incentives to employers to diminish risk of hiring inexperienced youth</p>
Measures to bolster labour market intermediation	<p>Design system of labour market intermediation under Ministry of Labour and analysis options for IT tool.</p> <p>Open days at boat yards</p>	<p>Training of staff, dedicated unit or private sector agency</p>
Cross cutting recommendations	<p>Disseminate findings of available mapping exercises amongst technical officers and private sector</p>	<p>Include systematic monitoring and evaluation of labour market programmes and dissemination/ discussion of findings amongst national stakeholders</p>

## 2.1 Recommendations to Bolster Labour Supply

### Short-term

67.

Address the issue of the mismatch between training supply and labour market needs (highlighted in the paper in various places and supported by the labour market needs assessment of 2013 which indicates that not much has changed at least in terms of employers' perception). We recommend the training of national stakeholders in "the analysis of labour market needs". More than just relying on consultations between the public and the private sector, such training would allow participants to acquire the skills to analyse available survey data (quarterly labour force survey and proposed annual labour market needs survey and administrative data (such as work permits). In addition, such training could be deepened to allow for analysis of the implication of data findings on training design. This could be the basis for a more proactive approach to closing the mismatch gaps between labour supply and market needs.

68.

Adopt a systematic and uniformed tracing of labour market outcomes of beneficiaries at least after one year of completion for all public and private training providers in response to the current absence of any monitoring of labour market outcomes for training beneficiaries. While such operation will come at a cost and would immediately require allocation of resources for developing uniform questionnaires, collection of information and analysis, it would allow for immediate gains by informing the reshaping and resizing of ineffective programmes.

### Medium-term

69.

The provision of training for all the market required competencies in Grenada will likely remain non-viable due to high cost of equipment and/or low critical mass of students. To mitigate, trainees can be supported to acquire necessary competencies abroad through a system of binding (possibly financially) the beneficiary to return to the country and contribute to its growth. Additionally, strategic alliances with regional/international training institutions can be forged to allow for distance learning combined with onsite practicums where practicable.

70.

For selected industries or sub industries, it could help to produce a fully-fledged skills anticipation report highlighting competencies required in the future according to adequately and reasonably constructed scenarios. Such material can then be used to shape the supply of skills.

71.

Adopting complementary curricula to encourage and educate students from primary and secondary levels towards interest in career opportunities within the growth sectors. As an example for consideration, in Antigua and Barbuda, an industry funded sailing programme was introduced in the primary and high school system. Twelve schools are targeted. Participants are fully funded and there is Saturday practice racing that allows for practice on bigger boats. This opens up employment opportunities on yachts as crewmen, which can lead to captaincy over time and the opportunity to travel to other parts of the world off the Caribbean Cruise season. Similar programmes can be designed for other sectors with potential for growth and employment generation.

## 2.2 Recommendations to bolster labour demand

### Short-term

72.

Develop a youth farming pilot cluster initiative to support the value added needs of the manufacturing and retail sector. This should combine agronomy and plant husbandry training with new farming methods such as green house, hydroponics and aquaponics/aquaculture. A youth farming estate plotted out for tenants along the lines of a business incubator could be established. Targeted soft loan funding through the YUTBIZ soft loan facility, SAEP grant funding or private sector equity investment with built in 2 year mentorship. Link output to guarantee private sector market (manufacturer/supermarket). This will require retooling of extension officers to provide technical support<sup>71</sup>.

73.

Build on the new SKYE nutmeg cultivation programme to encourage young persons in find employment in nutmeg cultivation by developing a Pilot Youth Nutmeg Processing Business Incubator specialising in value added on nutmeg. By agglomerating the businesses, shared services, purchases of inputs, marketing and capacity building can be encouraged to keep costs down and increase chances of success

74.

Ensure offering to local businesses are similar in scope and depth as incentives that are offered to foreign investors. This measure reflects two elements gathered via the presented analysis. On the one hand, it limits the perceived discrepancy of treatment of local businesses versus foreign ones and on the other, it contributes to improving the enabling business environment. Offer capacity building for MSMEs to expand digital skills and to adapt to COVID-19 measures,

75.

Offer capacity building for MSMEs to expand digital skills and to adapt to COVID-19 measures and new business requirements notably those linked to digitalisation such as through UNDP open [eFuture and Digital Business Toolkit](#)<sup>72</sup>. This can be potentially linked with the Government of Grenada's emerging Small Smart State initiative, the above mentioned initiative for pilot youth farming and the UNDP Accelerator Lab with the goal of integrating digital solutions and innovation to the agriculture sector.

### Medium-term

76.

Address the currently limited (or not systematic) offer of educational opportunities on entrepreneurship and business creation. This could be done by including in the existing educational curricula courses on entrepreneurship education touching upon element such as – why businesses are important, who are entrepreneurs, what kind of entrepreneurs exist and what can you do if you think you would like to be an entrepreneur, as well as valuing the idea of self-employment as a career option.

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<sup>71</sup> Synergies could also be explored with the UNDP and FarmFinder project in order to incentivise internships for youth in farming and fisheries,  
<sup>72</sup> UNDP [E-Future and Digital Business toolkit](#)

77.

Address the absence of systematic and effective systems of business support for youth. While the improvement of such systems may require substantial investment, there are possible ways to reduce this by envelope harnessing remote coaching programmes, collaborating with foreign suppliers and/or employers organisations. In addition, sharing (perhaps via a centralised platform) in a quick and effective way information on already available services and links to mentors/coaches/networks, as well as information on access to loans/grants/financial education would ensure current investments reach out to the greatest number.

78.

Provide a structured system of incentives to bridge the gap between demand and supply. Beyond, or in addition to what the IMANI programme offers, suitable incentives may be designed. These can take the form of gains for the employers (subsidies, tax breaks, duty exemptions) or introduction of other forms of government help (e.g. legal framework for trainees contracts allowing financial protection for employers, bond system or guarantee deposit for trainees). Such systems would then allow employers to recoup training costs or share the risk. This will contribute to addressing employer dissatisfaction with the quality of youth accessing the labour market and their expressed reluctance to take the chance to invest in the development of human resources without guaranteed return on such investment (as people may leave once trained or drop out while being trained).

## 2.3 Recommendations to Bolster Labour Market Intermediation

### Short-term

79.

Develop and operationalise a fully-fledged system of labour market intermediation. This requires a substantial investment in terms of resources and ownership by national stakeholders. The actual cost hinges on the type of functions incorporated (simple information sharing via an electronic board is less costly a system including background checks on job seekers or deciding about employment subsidies for employer). Whether public or private provision is envisaged, the ultimate design could include a combination of the following depending on national preferences, budgetary availability and interest by relevant line ministries:

- a. job search assistance services,
- b. job brokering services, most likely to be performed via a platform for sharing information and matching job seekers, employers and vacancies,
- c. analysis and dissemination of labour market information (either produced by third parties (National Statistical Office or other) or retrieved through the platform sub
- d. assistance (including hardware support) and counselling to job seekers/ end users of the platform

- e. coordination of services offered to job seekers by various local entities and institutions
- f. educational and career guidance information (production and dissemination) including services and opportunities available to promote youth entrepreneurship (and enterprises).
- g. monitoring of the performance of the system itself (number of users, number of matching facilitated, products etc.)

80.

Indeed, with the exception of information produced by the National Statistical Office on labour market trends (which is, however, not necessarily disseminated in a user friendly way) there appear gaps in all areas. At this stage, we recommend the exploration of different alternatives in consultation with national tripartite partners and, on the basis of resources available for the present and future years determine the best solution. Note however, that each of the above areas has different modalities of execution. Job search assistance counselling and placement services can be performed by public employment service officers (requiring physical equipment and qualified staff) and/ or by private employment agencies whose operations may need to bound to public interest objectives via a public/private partnership kind of agreement. Educational and career guidance requires buy in by Ministry of Education, providers of labour market information, researchers and those who will actually design and disseminate relevant material to the youth (teachers or relevant ones). Job brokering may be based on an IT tool, but such tool itself may have very different features<sup>73</sup>.

81.

A key lesson from experiences in other countries is that, regardless of the approach, a multiyear strategy earmarking resources, in particular human, to follow up the establishment phase of each of the above components is key. Once again, taking the example of the job brokering platform, regularly updating the contents, generating and disseminating reports and monitoring its performance is a necessary condition for success or else it is not worth the investment.

82.

In the short-term, some other key initiatives can be promoted:

- a. Support the NSDP's recommendation to introduce an annual "Technology in Agriculture Youth Expo" to get youth involved in the creation of technological applications and scientific inventions that can improve agricultural production, practices, and processes. This should be competition driven with prizes to incentivise active participation.
- b. The Ministry of Education in collaboration with the Marinas and Boat Yards should promote Open days at boat yards for students about to leave high school to sensitise them to the opportunities which exists in the industry (recommendation of The Marina and yachting association)
- c. Ensure, by investing immediately, adequate resources towards monitoring of performance of existing programmes including (i) exact calculation of resources utilised (ii) output produced and (iii) labour market performance of beneficiaries once exiting programmes.

## Medium-term

83.

Whichever shape and design the system of labour market intermediation may take, the next step would be to start put it in place. Most likely training of dedicated human resources and/or determination of modality of implementation via a public/private partnership agreement with selected providers will be needed.

## Short-term

84.

Not wanting to include in the present report a general and overused recommendation to “increase coordination”, the advice ensuing from the present study is threefold:

- a. Whether within the framework of a full-fledged guidance and referral system or within the existing institutional framework, the first step is to ensure systematic mapping of the information about available programmes. Key questions to be answered are: Who is doing what in the domain of education, employability, employment and entrepreneurship support? What curricula are available, where, and at what cost? What financial support is available? Reference to out of the country but relevant information may also be considered (see for example offer of certification in trades particularly relevant for the yachting or cruise industry). Such mapping requires collection and dissemination of information (at least every two years). In turn, such dissemination must be based on specific presentation to the institutions and people more directly in contact with the youth as they will channel the information to them. In other words, it is not sufficient to prepare a complete review of available programmes to the benefit of decision makers but not communicate the results to those most likely to interact with youth and the youth themselves.
- b. Ensure that an inter-ministerial/inter-agency committee is in place charged with sharing information about offer of programmes and defining operational guidelines to ensure beneficiaries of each intervention are informed about the portfolio of offers and can systematically access complementary ones. In other words, define real world scenarios about how potential customers can sequentially or in parallel benefit from more than one assistance programme offered in the country to maximise value to the youth towards increased employability.
- c. Ensure, by investing immediately, adequate resources towards monitoring of performance of existing programmes including (i) exact calculation of resources utilised (ii) output produced and (iii) labour market performance of beneficiaries once exiting programmes.

## Medium-term

85.

In the longer term better coordination will necessarily pass through systematic evaluation of the existing or future labour market programmes. More than that, dissemination/discussion of the findings amongst national stakeholders within a suitable institutional setting will ensure lessons are shared and changes are induced systematically.

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73 While an operational platform, complemented by an app and a public website entails an initial investment estimated at a minimum in 30,000 USD, there are also considerably cheaper alternatives (including free back end only applications) with a lesser degree of automation and thus requiring more human resources.

## APPENDIX I STAKEHOLDER MEETINGS

STAKEHOLDERS MEETINGS							
NO	INSTITUTION	CONTACT OFFICIAL	CURRENT POSITION	CONTACT NUMBERS	EMAIL ADDRESSES	PHYSICAL ADDRESS	Meeting date
1	Ministry of Health	Dr. Francis Martin	Permanent Secretary (Ag.)	440-7988 440-2649	<a href="mailto:ps@health.gov.gd">ps@health.gov.gd</a>	Ministerial Complex Sir. Eric Matthew Botanical Gardens Tanteen St. George's	Monday 28 Sept, 10 am
2	Ministry of Youth Development	Mr. Norman Gilbert	Permanent Secretary (Ag.)	440-6917 440-6918 420-2115	<a href="mailto:ps@youth.gov.gd">ps@youth.gov.gd</a> , <a href="mailto:Earle Williams &lt;willodiamonds@gmail.com&gt;">Earle Williams &lt;willodiamonds@gmail.com&gt;</a>	Grenada Youth Centre Morne Rouge St. George's Grenada	Monday 28 Sept, 11 am
3	Grenada Chamber of Industry and Commerce	Mrs. Petipha Lewis-Smith	Executive Director	440-2937 405-2937	<a href="mailto:ed@grenadachamber.org">ed@grenadachamber.org</a>	Frequente Industrial Park Building 11 P.O. Box 129 St. George's Grenada	Wednesday 30 Sept, 9 am
4	Grenada Employees Federation	Devon La Touche	President	440-1832	<a href="mailto:gef@spiceisle.com">gef@spiceisle.com</a> ; <a href="mailto:msfaainc@gmail.com">msfaainc@gmail.com</a>	Frequente Industrial Park Building 11 St. George's	Wednesday 30 Sept, 9 am Mrs. Mondelle Squires-Francis, Vice President, attended this meeting on behalf of the GEF
5	T A Marryshow Community College (TAMCC)	Mr. David Flemming Dr. John Telesford	Dean, School of Continuing Education	405-4642 440-1389 Ext. 2273 or 2281	<a href="mailto:johnf@tamcc.edu.gd">johnf@tamcc.edu.gd</a> <a href="mailto:davidf@tamcc.edu.gd">davidf@tamcc.edu.gd</a>	Tanteen St. George's Grenada	Wednesday 30 Sept, 10 am with Dr. Telesford
6	Climate Smart Agriculture and Rural Enterprise Programme (SAEP)	Mr. Byron Campbell	Head, Rural Development	435-6802 407-5535	<a href="mailto:saep@saep.gov.gd">saep@saep.gov.gd</a> <a href="mailto:saepmanager@saep.gov.gd">saepmanager@saep.gov.gd</a>	GCNA Complex Kirani James Boulevard Lagoon Road St. George	Thursday 1 October, 11 am
7	Royal Grenada Police Force	Mr. Edwin Martin	Commissioner of Police (Ag.)	440-3999	<a href="mailto:rgpf@spiceisle.com">rgpf@spiceisle.com</a> <a href="mailto:edvinmartin@yahoo.com">edvinmartin@yahoo.com</a>	Fort George Grand Etang Road St. George's Grenada	Thursday 1 October, 11 am with Assistant, Mr. Michael Francois
8	National Training Agency (NTA)	Mr. Lincoln Morgan	Chief Executive Officer	435-9092	<a href="mailto:ceo@grenadanta.gd">ceo@grenadanta.gd</a> <a href="mailto:executive@nta.gov.gd">executive@nta.gov.gd</a>	Paddock St. George's Grenada	Monday 5 October, 12 pm with Mrs. Frances Ruffin
9	Center for Development and Certification Training (CDACT)	Ms. Joan Gilbert	Chief Executive Officer	435-2133 405-0335	<a href="mailto:cdactqda@gmail.com">cdactqda@gmail.com</a>	H.A. Blaize Street St. George's Grenada	Tuesday 6 Oct, 10 am
10	GRENCASE	Mr. Selby Henry	Managing Director	440-6003 435-0554	<a href="mailto:selbyhenry@hotmail.com">selbyhenry@hotmail.com</a> <a href="mailto:grencase@spiceisle.com">grencase@spiceisle.com</a>	National Cricket Stadium Queens Park St. George's	Tuesday 6 Oct, 11 am (His assistant Jacinda Telesford fouru2gd@yahoo.com attended the meeting too)
11	Central Statistics Division	Mr. Halim Brizan	Director	435-8744 405-5741	<a href="mailto:halimbrizan@cso.gov.gd">halimbrizan@cso.gov.gd</a>	NIS Building Melville Street St. George's Grenada	Wednesday 7 Oct, 9 am
12	Grenada Development Bank	Mr. Mervyn Lord	General Manager	440-2382	<a href="mailto:gdbbank@spiceisle.com">gdbbank@spiceisle.com</a> <a href="mailto:mervyn.lord@gdbbank.com">mervyn.lord@gdbbank.com</a>	Melville Street, St. George's	Thursday 8 Oct, 2.30 pm

13	Marine and Yachting Association of Grenada	Karen Stiell Pamela Lenzion	Secretariat Their representative on the board of the National Training Agency in Grenada		<a href="mailto:mayagadmin2@gmail.com">mayagadmin2@gmail.com</a> ; <a href="mailto:jason@grenadamarine.com">jason@grenadamarine.com</a> (director)		Friday 9 Oct, 9 am with Karen Stiell (Secretariat) and Pamela Lenzion
14	Ministry of Trade	Mr. Junior Mahon	Director of Trade	440-2731 415-9592	<a href="mailto:Junior.mahon@gov.gd">Junior.mahon@gov.gd</a>	Financial Complex Carenage St. George's Grenada	Confirmed for 10 am on Friday 23 Oct
15	Ministry of Finance	Alister A. Bain	Senior Project Manager - Department of Economic & Technical Corporation	Tel: (473) 435 8889, Ext. 31126, Cell: 456-2905	<a href="mailto:archie.bain@hotmail.com">archie.bain@hotmail.com</a>	Financial Complex Carenage St. George's Grenada	Confirmed for 9 am on Friday 30 Oct
16	Diaspora Office/IOM	Trisha Mitchell (IOM) – Darius (?)			<a href="mailto:mstrisham@gmail.com">mstrisham@gmail.com</a> ; <a href="mailto:tmitchell@iom.int">tmitchell@iom.int</a>		Confirmed for 10.45 am on Tuesday 3 Nov
17	Ministry of Labour	Ms. Lima Frederick	Permanent Secretary	440-2532	<a href="mailto:ps@labour.gov.gd">ps@labour.gov.gd</a>	Ministry of Labour Ministerial Complex St. George's	Confirmed for 10 am on Tuesday 27 Oct
18	Grenada Hotel and Tourism Association	Ms. Arlene Friday	Chief Executive Officer		<a href="mailto:arlene@ghta.org">arlene@ghta.org</a>		Confirmed for 10 am on Friday 30 Oct
19	Grenada Cooperative Nutmeg Association	Mr. Roderick St. Clair	General Manager	440-2714	<a href="mailto:gcnamails@grenadanutmeg.com">gcnamails@grenadanutmeg.com</a> <a href="mailto:gcnagm@gmail.com">gcnagm@gmail.com</a>	Kirani James Blvd St. George's	Confirmed for Wednesday 21 at 11 am
20	Baron Foods (Gda) Ltd	Ms. Natalie Rennie	Asst. Manager	444-3766	<a href="mailto:admin1@baronfoodsgrenada.com">admin1@baronfoodsgrenada.com</a>	Baron Foods (Gda) Ltd Simon Industrial Est. St. Andrew's	Confirmed for Wednesday 21 at 10 am with Ronald Ramjattan (CEO)
21	Crayfish Bay Organic Cocoa Estate	Lyllette and Kim Russle	Owner/Manager	442 – 1897	<a href="mailto:crayfishbayorganics@gmail.com">crayfishbayorganics@gmail.com</a>	Non-Pariel, St. Mark Grenada	Confirmed for Monday 2 Nov at 9 am

## APPENDIX II FUNDING FOR EDUCATION

Program/Institution	Qualifying Requirement	Loan Amount/interest	Gender profile	Employability	Numbers trained	Delinquency rate	Tracer Study
General Student Loan program for tertiary education GNDB	Parental guarantee secured with property	Loan amount is based on costs of program  8% Pre-COVID_19 5% during study period, and 7 percent on completion (COVID-19)	F-65% M-35%	Estimate 80%		5-6 %  (Early 2000s was as high as 40%)	No formal
Special Student Loan for vulnerable families GNDB	No guarantee needed  Must satisfy 2 below: Member of a low-income household with maximum household income less than EC \$24,000.00 per annum and the market value of the family's assets is less than EC \$40,000.00.  Member of household with a high dependency ratio (at least four dependents per wage earner).  Nuclear Household  Member of a household dislocated by changes in the economy and / or by natural disasters.  member of a vulnerable group/s (e.g., children of disabled or indigent parents, or physically challenged is a member).  a member of a household benefiting from social assistance programmes No guarantees needed	7.9% -Pre-COVID-19  5% during study period, and 7 percent on completion (COVID-19 response)	F-65% M-35%	Estimate 80%		5-6 % (early 2000s was as high as 40%)	No
Work Study Package (CDB funded) GNDB Administered	No guarantee/collateral  Post-secondary Accessed mostly for degrees, masters and PhDs, Available for short, specialized programs	8.5%	F-65% M-35%	Estimate 80%			

## APPENDIX III YOUTH TVET PROGRAMMES

Program	Responsible/Delivery Organization	Target trainees/numbers	Program Details	Gender profile	Source of Funding	Fees/stipend/internship	Dropout rate
IMANI	Ministry of youth, Sports and Religious Affairs /GNTA/ TAMCC GIDC GCIC	Youth 18 - 35  445 trained in 2019	Good academic performance and the desire to take charge in one's life	60%-female  40%-Male	Government - Ministry of youth, Sports and Religious Affairs	No fees  Internship	10%
Climate Smart Agriculture and Rural Enterprise Development (SAEP)  2018-2024)	Rural Development Unit/TAMCC/NEWLO /NTA/GIDC	16-35yrs  CVQ level 2  Target: train 400 youth over 6 years  Started in 2019  Initial Cohort 50	TECVOC Training in Sustainable agriculture  Entrepreneurship Training for needy persons linked to Grant funding for business product testing from GNDB  Matriculation: basic education and Business idea	60%-Female  40%-Male	International Fund for Agricultural Development	No fee  Childcare and transportation allowance provided	
Nursing Assistant	Ministry of Health	18-35 years  2 cohorts per year (68)  1 year course	Matriculation: 3 CXC	90% F  10% male	IMANI	No Fee  Stipend paid (Bonded for 2 years)	
BSc Nursing	St Georges University	Any age group, youth can access  First cohort of graduates 18	5 CXC including English and a science		Loan Funding available from GNDB	Fees apply  Government Scholarships available based on needs/loans available through the Grenada Development fund	
Nutmeg Cultivation	NTA Certified Trainer  (Mr. Panchoo)	First cohort 30  9 months  NVQ certified			SKYE	No fees  Stipend provided	
CVQ/NVQ level 1 certificates in Customer service, web Design, Restaurant Service, Receptionists	Centre for Development and Training (Private)	200 per year (Skye)  200 per year private	6-month training	75%-F  25%-M	USAID (SKYE) and  Private	Stipend provided for Skye funded courses	30% Skye (75% males, 1-2% females)

CVQ/NVQ level 1 certificates in Customer service, web Design, Restaurant Service, Receptionists	Centre for Development and Training (Private)	200 per year (Skye) 200 per year private	6-month training	75%-F 25%-M	USAID (SKYE) and Private	Stipend provided for Skye funded courses	30% Skye (75% males, 1-2% females)
YUTBIZ	Ministry of Youth, Sports and Religious Affairs		2-part program: 5-week training program which is a pre-requisite for accessing a business loan from the Grenada Development bank  Business lab/incubator - 1 week Business financials – 2 weeks Business management/ record keeping- 2 weeks	51 -F 41-M (Currently)	Ministry of youth, Sports and Religious Affairs	No fees	
CVQ certificate TVET programs	TAMCC	Pot Secondary (mostly persons seeking jobs out of Grenada)  90% (17-35)  Annual Intake 475	Plumbing and Electrical Trade/Hospitality/Culinary Arts/Automotive Repairs/Construction  Matriculation: 5 CSEC including Math and English  1 year (up to level 2 CVQ)  6-week internship		Government	Highly Government Subsidized  Students pay EC\$810 per year/No stipend	
Sustainable refrigeration and air conditioning technicians in natural refrigerant technology.	TAMCC/GIZ		2019 A five (5) year memorandum of understanding was signed between TAMCC and the German Agency, GIZ, for strategic co-operation		German Agency, GIZ, for strategic co-operation		
13 Week Life Skills Training  6-18 months TVET training in the following areas:	New Life Organization NEWLO	Target: school dropouts, secondary school graduates from families marked by cyclical violence drugs and other risk factors.  285 trainees' levels 1 and 2 CVQ certificate	Skills Training pre-requisite for TVET Basic Mathematics, English, reading, and computer skills, self-esteem and confidence.  TVET: Hospitality Arts, Plumbing, Electrical Installation, General construction, General Cosmetology, Computer Engineering, Garment Construction/Fashion Design, Air-Conditioning & Refrigeration, Health Care, Carpentry/Furniture Making	25%-F 75%-M		Fees apply  120-350 per term plus cost of CVQ certification	

<p>8-10 week Technical and Soft Skills training in communities</p>	<p>Grencase (NGO)</p>	<p>Targets school dropouts, teenage mothers, socially challenges</p> <p>Basic education, persons who would be challenge in the CVQ training programs</p> <p>90 trained in 2019</p>	<p>Electrical, tiling, plumbing computer literacy, Culinary arts, refrigeration, air-conditioning, general work ethics and other soft skills</p>		<p>USAID/UNDP/Australian Gov't</p>	<p>No fees</p>	
<p>MPower</p>	<p>Ministry of Youth, Sports and Religious Affairs</p>	<p>Target: young males aged 18-30/35 from 'on-the-block' who are unemployed.</p> <p>First cohort of participants, MPower registered 500 males</p>	<p>soft skills, certified direct skills, literacy and numeracy exposure, social care, counseling, social interactive activities, community sport, community projects and apprenticeship placement</p> <p>Participants received CVQ training in Computer Repairs, Property and Facilities Management, Civil Engineering, Excavator Operations, Plumbing and General Construction.</p> <p>Certificate Training included  Electrical Instillation, Plumbing. Small Engines Repair and Welding.</p> <p>Several entities of both private and public sector offered apprenticeship training.</p> <p>Over 20 participants gain full time employment.</p> <p>Successful completion of the training qualifies participants to receive a grant fund no more than \$2400.00 to support engagement in a small business initiative supported and supervised by the Small Business Unit of the Ministry of Youth Development.</p>	<p>100% male</p>	<p>Ministry of Youth, Sports, Culture and Religious Affairs</p>	<p>No fees</p> <p>Stipend of \$700.00 monthly.</p>	

## APPENDIX IV FUNDING FOR YOUTH BUSINESS

Facility/Institution	Qualifying Requirement	Loan Amount/Interest	Gender	Delinquency rate	Tracer Study
Micro enterprise loan GNDB	Legal mortgage, bill of sale, lien on sale, personal guarantee(s), insurance, cash deposit	Max EC\$50,000 up to 10 years 10-12% pre-COVID-19 7-8% interest (COVID-19) 10% equity		36%	
Retail, Agriculture (Farming/Poultry), Restaurant, Taxi and tours, Garment production, fashion design, Stationery services, Day care services, cosmetology (barbering, Hair dressing, Nail technician)	Youth can access				
General Business Loan GNDB	Legal mortgage, bill of sale, lien on sale, personal guarantee(s), insurance, cash deposit	Minimum EC\$10,000, no ceiling 7-11% 20% equity			
YUTBIS – Soft facility/Min of Youth and GNDB	Youth can access				
Business Start-ups/upgrade/expansion	-Noproperty collateral -Leanson equipment/items owned -Completion of YUTBIS 5-week Training workshop	A ceiling of EC\$25,000 3%	F-65% M-35%	36%	no
			Repayment period is 15 years, including a grace period not exceeding 3 years.		
OECS Guarantee Small Businesses Grant/GNDB	Youth can access For businesses over 2 years old Provide 10% equity can be built up over time				
Climate Smart Agriculture and Rural Enterprise Development (SAEP) (2018-2024) IFAD Funded	Supporting start-ups and existing enterprises in rural areas through capacity building, technical support services and financing	Target: 400 youth accessing youth Business Grant Fund over 6 years			



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