

## EMPLOYMENT OPPORTUNITIES FOR YOUTH IN CYPRUS

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### A. THE EXISTING SITUATION

Conditions of almost full employment have prevailed in Cyprus for seven consecutive years; unemployment has never surpassed 1.2% of the economically active population of the Island. During this period an acute demand for skilled personnel has been observed in almost every technical trade and sector of economic activity, and it is expected that the same shortages will continue to exist in the foreseeable future. However, in spite of the existing acute demand in the aforementioned occupations, there still exist some pockets of unemployment. Such unemployment affects mainly (a) secondary school graduates, and (b) graduates of the university and other higher institutions.

#### (a) Secondary school graduates

The average number of unemployed secondary school graduates in 1971 was 666 or 23.4% of the total unemployment as against 745 or 26.5% in 1970 and 836 or 31% in 1969.

The relatively high unemployment among secondary school graduates is mainly due to the fact that the great majority of them aspire to clerical jobs only, whilst the opportunities for such employment are very limited. It is also due to the existing social attitudes and deep-rooted prejudices against manual and technical work which (i) encourage school graduates to look upon "white collar" employment as the best avenue for a successful career and social prestige, and (ii) attract more youngsters to the classical stream of education than the technical.

During the last few years there have been some indications that the situation is changing as regards male graduates. Persistent enlightening campaigns on existing employment opportunities in technical trades and the initiation and/or expansion of various industrial training activities have resulted in persuading graduates to accept training and employment in technical jobs.

The problem is, however, acute for the female graduates, who constituted in 1971 69.8% of the total unemployed graduates. The high unemployment of female school graduates may be attributed to the facts that (i) female graduates seek clerical work only, especially in the government service, and (ii) the industry has not yet created conditions to attract educated females to employment in technical jobs.

A favourable attitude of industry and the trade unions would, of course, enable Government to initiate or expand training programmes for female graduates, which are presently very limited, if not non-existent.

The table below shows the number of registered unemployed graduates of secondary schools. The month of July has deliberately been chosen as the month when most school leavers registered for employment.

	<u>Total</u>	<u>Males</u>	<u>Females</u>
July 1967	728	89	639
July 1968	785	144	641
July 1969	1216	494	722
July 1970	1064	410	654
July 1971	1027	268	759

(b) Graduates of universities and other higher educational institutions

The average number of registered unemployed graduates of universities and other higher educational institutions in 1971 was 183 as against 107 in 1970 and 78 in 1969.

The above figures, because of their magnitude, do not pose at present serious problems. However, considering the large number of persons attending higher studies abroad on the one hand and, on the other, the limited projected manpower requirements for this category, the problem of unemployed professionals is expected to be serious in the forthcoming years.

(c) Agricultural employment

Although no data is available, a form of underemployment exists in Cyprus considering the relatively high percentage of the economically active population engaged in agriculture.

It is estimated that 36% of the total economically active population in 1970 was engaged in agricultural activities whilst its contribution to the gross domestic product was only 17.6%.

The number of persons employed in agriculture was reduced from 96,800 in 1966 to 95,500 in 1971. It is estimated that productivity in agriculture increased by 8.8% during the period 1966-1971 (value added per employed person).

(d) Women and girls

Women in the labour force are estimated to be in the range of 90,000 or 33% of the economically active population in 1971 (economically active population 272,000). 54,000 or 66% of the gainfully employed women are married. The female participation rate is considered to be low and Government should consider measures that will attract more females into the labour force. Otherwise, the present shortages of skilled labour will continue to exist with the known unfavourable repercussions on the whole economy.

B. PROJECTED DEMAND FOR AND SUPPLY OF LABOUR

The economy of Cyprus is in a period of rapid economic growth evidenced by rising income, output and employment, accompanied by increases in the quantity and quality of manpower requirements.

All sectors of the economy increased their contribution to the gross domestic product between 1962 and 1971. Provision of appropriate manpower skills, therefore, is necessary if each sector is to continue to make its appropriate contribution to economic growth. Achievement of economic growth in all sectors will require increases in the quantity and improvements in the quality of manpower.

Data produced in the 1966 to 1969 Island-Wide Manpower Surveys evidenced a shift of the occupational structure of employment in Cyprus. This shift is from the lesser-skilled occupations towards technicians and draughtsmen, managerial, administrative, clerical, and supervisory occupations. Trends shown in the Island-Wide Manpower Surveys are indicative of rising manpower productivity and increases in the levels of manpower requirements.

Manpower requirements are expected to increase by 36,000 persons by 1976. By major occupational groups the additional requirements are as follows (1976):

a. Professional, technical and related workers	4,000
b. Administrative, executive and managerial	1,100
c. Clerical	3,150
d. Sales workers	1,900
e. Farmers, fishermen and related workers	2,000
f. Miners, quarrymen and related workers	300
g. Transport and communication workers	1,150
h. Craftsmen and production process workers	16,900
i. Labourers N.E.C.	2,350
j. Service, sport and recreation workers	<u>3,150</u>
Total	36,000 =====

Analysis of changes in individual occupational groups reveals that craftsmen, the group employing the largest number of persons, will experience the largest increase in additional manpower requirements (16,900 persons or 47% of total additional requirements), whilst no other occupational group approaches the 16,900 increase projected for craftsmen. The next-ranking occupational groups are the professionals with 4,000 and the service and clerical workers with 3,150 each.

Additions to the manpower available in Cyprus by 1976, i.e. from in-plant training and/or promotion by employers, the technical schools, the apprenticeship scheme and the accelerated training programmes, will amount only to 6,000 persons, therefore a need for the training of 11,000 craftsmen arises. 80% of the additional requirements for craftsmen will be needed by the manufacturing and the construction industries.

The next largest occupational group of manpower requirements is the professionals with a total of 4,000 persons. This occupational category is expected to create a problem in the near future, as a large number of Cypriots are attending universities and other higher educational institutions abroad. During the present academic year (1971 - 72) 11,600 Cypriots are pursuing higher studies. Assuming that about 60% of those studying abroad return to Cyprus with a degree or diploma, it is doubtlessly expected that there will be a significant surplus of professional, technical and related workers by 1976.

The categories of service workers and clerical workers follow with 3,150 additional labour requirements each by 1976. Due to the emphasis placed by Government on tourism, demand for personnel of the service workers category, especially in the hotel and catering industry, is rapidly increasing, particularly for basic and middle level personnel.

Another major imbalance between demand for and supply of labour is expected to prevail with regard to the clerical personnel occupational group. Demand is expected to amount to about 3,150 persons, while the output of the classical and commercial secondary schools will reach 17,900 persons. More than that, with the expected competition that is likely to exist between degree-holders and secondary school graduates aspiring to the same post, it is reasonable to assume that the imbalance between the demand for and the supply of labour in this category might be even larger. Only a small proportion of the large numbers of secondary school graduates will, therefore, manage to secure a job for which they have been trained.

### C. CONCLUSIONS

Cyprus has enjoyed for quite a long time conditions of full employment accompanied with increased gross domestic product and per capita income. However, if we are to sustain this upward trend of the economy we have to take firm stands on some of the issues with which we are confronted:

#### (a) The educated unemployed

First, the issue of our possible "army" of educated unemployed. It should be borne in mind that the costs of somebody becoming a secondary school teacher are quite high and the economy cannot afford such a loss; to a lesser extent this applies also to secondary school graduates. Here lies a major policy issue for our society, firstly for the parents and the young people. They should re-examine their own beliefs and ideas about social prestige and successful career-making. "Blue-collar" occupations have nothing less than "white-collar" ones. If society accepts this mere truth, then Government may follow with the necessary changes in its educational system. It is of no use to blame the educational system because it does not provide industry with the required skills.

The above analysis seems to be a long-term one. In the short run, Government should exert all possible efforts to convince secondary school graduates to go through a retraining course and accept a technical-manual job. With respect to the degree-holders, employers should start thinking in the lines of employment for the more academically qualified and trade unions should render a second thought as to their belief that graduates might compete with their own members as far as promotion, acquired rights etc., are concerned. At the same time graduates should prepare themselves for accepting jobs they have not been trained for.

Government, of course, is not out of the picture. The Vocational Guidance Services of both the Ministry of Education and the Ministry of Labour and Social Insurance should be properly manned with the required expert staff. At the same time the existing retraining programmes should be expanded and new ones initiated if the existing problems are to be met. Industrial training and technical education should also be reinforced.

(b) Agricultural employment

Secondly, there is the underemployment of our agricultural population. Although there are no statistical data with accurate information as to the size of the problem, one might say that it is quite big. The solution to it, I would say, lies in the increased occupational and geographical mobility of labour coupled with some other measures such as mechanisation of farming and land consolidation. Mobility of labour, however, should not be seen as Aladdin's lamp. Increased mobility, especially geographical mobility of labour, should be seen from two angles - first, from the viewpoint of the losing region and secondly from that of the gaining region.

(c) Women and girls

Last, but not least, is the issue of attracting more women into the labour force. Once more, the problem is more complicated than it seems. Factors such as children, wage rates of husband and wife, industrial structure of the economy, customs and habits of each district, should be studied and statistically tested before any measures are taken.

From what has been said it seems that employment prospects for youth in Cyprus exist mostly in the technical trades. It rests upon the young persons and their parents to take advantage of these prospects and, to a lesser extent, upon the society to help them to choose the right avenue for making a successful career.