
Executive Summary: Labor Market Study for *Jóvenes Constructores* ***Prepared by Marta Terán, consultant for ADEPRO***



Work outside the home is an important part of the reality for a large number of young Salvadoran men and women. This reality is impacted by two factors that influence the labor and professional trajectories of the majority of young people. On the one hand, abandoning their studies in order to work limits their professional development and limits their employment options. On the other hand, the precariousness of the employment reproduces social exclusion and poverty.

Professional training plays an important role in this environment. However, the dichotomy of attending to the needs of social as well as economic development creates a constant tension between what is urgent and what is strategic. The urgent needs are finding short term solutions for those excluded from the labor market where as the strategic needs require constant accompaniment of the productive apparatus. This dilemma impacts not only training centers, but also those organizations that support projects oriented towards social and economic inclusion of youth at risk.

It is with this view that the labor market study for the program “Jóvenes Constructores” has been carried out in the municipalities of Santa Ana, Soyapango and Mejicanos. The program is coordinated by Catholic Relief Services (CRS) and implemented by local partners Fe y Alegría and Fundación Quetzalcóatl with the financial support of the United States Agency for International Development. The goal of the program is to provide in the short term, tools for social and economic integration of young men and women who have been excluded from the formal educational system and that live in degraded and conflictive urban areas. This study and its results are to provide content for an internal discussion to strengthen the strategies of the program.

The study was carried out using primary and secondary sources, combining both qualitative and quantitative analysis. Available statistical sources have been analyzed, as well as an extensive bibliographical review along with in depth interviews with national actors linked to professional training and employment in general as well as those focusing specifically on youth. The vision and experiences of some of the principal business associations and specific businesses from a variety of economic sectors has also been incorporated.

The document contains five fundamental parts.

The first section is a general profile of youth and their relationship to employment in El Salvador, including some notes on the political and institutional context that enables labor insertion. Data shows worse conditions and greater difficulties are experienced by young people in their efforts to obtain decent employment, particularly those youth that are between the ages of 16 and 19. While the articulation between the efforts to build services which link supply and demand with those of professional training are still weak, they do merit mentioning. Particularly noteworthy is the development of the Action Plan for Youth Employment and the Law for Learning and First Employment.

The second section offers an overview of the socioeconomic and institutional environment that promotes youth employment in Santa Ana, Soyapango y Mejicanos, as well as a description of the labor market and business fabric. The main findings demonstrate that the focus of youth in these areas is linked to violence prevention, where labor insertion is a tool. Yet youth are not seen as a key factor for economic development based on their higher potential for innovation as well as the demographic bonus they represent for the country. The three

municipalities share a very similar employment structure and business fabric, reflected on a national level as well, dominated by commerce and services mainly associated with microenterprises.

The third section analyses the labor supply and demand for training in the private sector using various quantitative and qualitative sources. Current employment opportunities for youth with low educational levels and higher levels of demand for training are identified.

Principle findings show that the majority of opportunities for employment are found in two occupational areas: administrative support staff (cashiers, customer service, call center staff, and drivers/motorcycle delivery/Messenger services) and sales and service representatives (store front sales person, route sales person, telephone sales, sales advisors). These two areas imply overlapping skill sets that are applicable to different positions and a broad set of economic sectors.

Two facts must be taken into account and impact labor mediation strategies. On the one hand the tendency to attribute gender to a particular position either for women or for men highly based on stereotypical gendered roles in the workplace. At the same time, the majority of jobs target those who are between 26 and 35 years of age, thus directly impacting options for young people.

The next section of the study analyzes the pertinence of the training that is offered in Jóvenes Constructores. Courses were classified into three groups: courses with greater possibilities of labor insertion for the target population (preventative maintenance of computers, Messenger services, visual arts); courses in which it has not been possible to identify potential employment but respond to preferences of the population (cosmetology, breadmaking and deserts, national and international cooking, waiter and bartender); courses in which it has not been possible to identify potential employment for various reasons (Administrative assistant which requires a high school degree in commerce, software operator and English, both considered to be complementary competencies; and construction due to the fact that the sector is suffering from a recession and has little ability to generate employment at this time).

Finally, and in light of the findings, a series of conclusions and recommendations are offered for the Program Jóvenes Constructores. These are:

- There is a favor political and institutional context in El Salvador to implement coordinated actions that improve the labor insertion of youth. Strengthening the local and national institutional mechanisms for coordination in order to optimize resources, the effectiveness of the actions and improve the community service component is a recommended strategy for strengthening life skills while providing labor experience.
- Several little explored employment options exist for labor market training, which at the same time offer greater opportunities for employment in the short term. This is due to the demand by the private sector for these positions, and the fact that the skills apply to various positions and economic sectors. Specifically administrative support staff and commercial sales and service representatives. It is recommended that these skills and employment options be incorporated as part of employment training.
- One of the biggest obstacles that youth, especially vulnerable youth, face has to do with labor mediation. This means ensuring permanent support from the pre-work phase through placement in a job.
- In general the Salvadoran labor market conditions present a challenging panorama for employment, which is particularly difficult for youth. Programs that expect labor insertion rates often imposed by external funding in short time periods face particular complications. Based on the experience of the labor insertion specialists and other actors and experts in the field, being able to obtain a 15% insertion rate is a good

result, especially considering the characteristics of the participants in Jóvenes Constructores and the duration of the program itself¹.

- All those interviewed coincided in the need to increase the levels of technical training based on having obtained a high school degree or its equivalent. It is therefore recommended that youth employability projects open up opportunities and support youth to return to the formal educational system. The Ministry of Education offers a variety of flexible and distance modes.
- Finally, the lack of impact evaluations of training programs does not permit a deeper understanding of the effects of these programs in employment of the beneficiary population. Thus it is difficult to measure and evaluate the level of saturation of certain occupations, the quality of employment and the type of insertion among others. Given this, it is recommended that results from the evaluation of Jóvenes Constructores that is being carried out be shared with the pertinent institutions. A case study of this sort will be an important contribution for debate and social dialogue as it relates to the issues of youth and employment in El Salvador.

¹ The targets for the program, based on the number of youth that enroll in the program, have been set at 30% insertion in employment, 20% in self-employment and 10% return to school. The current rate of insertion for those that began training in the first cohort is 26% (slightly higher for women and slightly lower for men) and 22% for the second promotion (slightly lower for women and slightly higher for men).