

# **The Fourth Industrial Revolution, Job Futures and Policy Implications for Reducing Youth Unemployment in Brunei Darussalam**

*Diana Cheong*

## **Abstract**

Reducing youth unemployment is accorded a high priority in the national agenda of most nations. Brunei Darussalam is no exception, with a high youth unemployment rate of 31.7% amongst locals or 9.3% for the general population (Department of Economic Planning & Development, DEPD, 2017). Unemployment imposes economic and social costs – on the individual, the society, and the nation. The problems caused by youth unemployment are obstacles to achieving the three goals of the Brunei Vision 2035 or Wawasan Brunei 2035. With high unemployment, it would be challenging for the people of Brunei to be recognised for the accomplishments of its well-educated and highly-skilled people as measured by the highest international standard (Goal 1); quality of life that is among the top 10 nations in the world (Goal 2); and, dynamic and sustainable economy with income per capita within the top countries in the world (Goal 3).

Youth unemployment affecting Bruneians (Citizens and Permanent Residents) between the ages of 15 and 39 will be the focus of this paper<sup>1</sup>. This age cohort is viewed as the target for policy makers as our youth population (up to 39 years old) comprises approximately 70% of the total population. Furthermore, as the majority and future generation, this is the cohort that requires most policy attention.

This paper examines the extent and main reasons for youth unemployment in Brunei. Describing youth unemployment as a serious problem requiring urgent policy attention, it identifies a number of existing manpower challenges such as mismatches between education and employment, constraints in human resource development and employment practices, an urgent need for attitudinal and mindset change amongst young people, disparities in incentive structures between manual and white collar jobs and between private sector and public sector employment, and a need to improve public infrastructures to enable employment participation, such as in the area

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<sup>1</sup> Currently, youth in Brunei is categorized as between 15 – 40 years old according to the Brunei National Youth Policy (2002)

of public transportation and childcare support for working mothers. In addition, to increase the effectiveness and sustainability of unemployment reduction policies, the paper proposes the adoption of a more futures-oriented approach involving strategic foresight, taking into account the impact of automation and globalisation, and, the country's emphasis to embrace the Fourth Industrial Revolution (4IR).

**Keywords:** *youth unemployment, job futures, the fourth industrial revolution, manpower planning, strategic foresight*

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# Measuring and Modelling Financial Literacy in Brunei Darussalam

*Giuseppe Rizzo*

## Abstract

Over the past decade, following the global financial crisis, there has been growing interest in measuring financial literacy and understanding its causes. The issue of financial literacy has emerged as a key policy theme also in Brunei Darussalam. Several financial education programmes have been implemented by the Government through its Ministries and Departments with the purpose of improving financial knowledge and behaviour among the public. In 2015, CSPS conducted the first Financial Literacy Survey to support the formulation of the National Strategy for Financial Literacy for Autoriti Monetari Brunei Darussalam (AMBD). The purpose of this paper is to illustrate the main findings of the survey and to identify the key background characteristics correlating with financial literacy and its key components. Our findings suggest that a significant proportion of the population, between 30 and 40%, have inadequate financial literacy and behaviour, and that age, income, education, employment status, and, to a lesser extent, ethnicity can be used to identify six at-risk groups comprising three-quarters of the financially illiterate population.

**Keywords:** *financial literacy, financial knowledge, financial attitudes, financial behaviour*

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# Maternal Employment in Brunei Darussalam: The Role of Family Policies

Azrinah Rahman

## Abstract

This paper aims to look at the role of family-friendly policies and their effect on female employment, by comparing family policies in Nordic OECD countries to the Southeast Asian states of Brunei Darussalam, Malaysia, and Singapore. While governments in Nordic OECD countries have taken great initiatives to support mothers in employment in their responsibilities at home and at work, governments in Asian countries in their attempts to protect traditional Asian family values and the strong belief that care should take place within the family are more cautious in providing policies, limiting their role in relation to the care needs of the population. This is one main reason for the non-implementation of family policies in Brunei. The fact that informal support is still strong as employed mothers can tap into assistance provided by family members, especially grandparents, and the ability to hire foreign domestic helpers to ease women of their dual burden, means that family policies will continue to remain low on Brunei's policy agenda.

**Keywords:** *maternal employment; family policies, division of labour, care work*

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## **Implicit Inflation Target in Brunei Darussalam?**

*Jason Lih Cheng Kok*

### **Abstract**

A New Keynesian model in the spirit of Ben Aissa and Rebei (2012) has been developed in order to estimate the influence that subsidies and price controls have in Brunei Darussalam's economy. Specifically, the model is aimed at investigating whether government intervention in pricing has created an implicit inflation target by the government. Results indicate that this is the case with an implicit inflation target of 0.0% +/- 1.0%. Further examination reveals the joint contribution of this result from both subsidies as well as the exchange rate policy adopted by the country. Discussion of policy implications of this result are then explored.

**Keywords:** *Brunei Darussalam, inflation, price controls, subsidies, New Keynesian*

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