We had 8% plus growth in 2010 and 2011 but 6.4% in 2012. Why then did the unemployment of the youth increase? It is not enough to have high growth; the structure of growth is also important. When we add the large government expenditure on infrastructure investments, whether such investments create jobs or increase the output of final goods or not, the GDP increases. This is because all government expenditure is automatically added to the GDP calculation unlike in the case of the private sector expenditure where the value added alone is included. All government expenditure is automatically considered as value added and high government expenditure drives a spurious GDP growth.

We have a problem in the private sector as well. The current structure of growth is capital intensive and labor on these infrastructure projects is technically considered as value added and government expenditure is automatically considered as value added and public sector expenditure where the labor force is given a job. This is because all government expenditure is automatically added to the GDP. But even where new jobs are created, there are no takers from among the youth because they either do not like to be employed in such jobs or because they lack the required skills to fill such jobs. So everybody talks about the mismatch between education and employment. Our youth are given a purely academic education which prepares them only for work in offices and in the services sector. But the economy needs mechanics, fitters, plumbers, electricians, carpenters and a host of other skilled workers which our educational system is not geared to produce.

During my schooling, many children would leave school and join the railway workshops and the government factories as apprentices. Dr Udugama introduced vocational subjects to the school curriculum in the 1970s but the UNP government that took office in 1982 abolished it. Apprenticeships are no longer being used as youth below 18 cannot be employed. These measures are responsible for the present situation. Parents also do not realize that their children could be gainfully employed and earn high incomes if they encourage them to go into vocational training. The issue of youth rebellion is a manifestation of the mismatch between education and employment. It is due to the lack of opportunities for the girls who were educated but could not get jobs in the formal sector or who were given jobs in areas in which they lack the required skills. According to Hart, this is a mismatch between education and employment. So here is an opportunity and a challenge to increase growth. Unlike developed countries, developing countries cannot afford unemployable benefits. "Young people ought not to be idle. It is very bad for them," said Margaret Thatcher. To allow that is asking for trouble. We have gone through two youth rebellions which cost much loss of life. Fortunately our young women find employment in the Middle East as housemaids; but what about our young men?

Reform the educational system

If the parents want their children to be educated and not unemployed, they must also be reformed. They should be given training in some manner. Perhaps English should be made a compulsory subject for entry to the universities and incentives given for the study of sciences and technology while reducing admissions to the arts and the social sciences.

Why shouldn't the parents be called upon to fund part of the costs of general education in schools? Free education is no longer affordable for two reasons. Firstly, the government tax revenue is not growing and the demands on it are increasing. Secondly, the costs of school education keep going up as teachers' salaries increase. Thirdly the parents' incomes have increased over the last 10 years. So a significant portion of the income earned with it. In addition, we have already a model for sharing the expenses of school education in the arrangements for the grant aid schools.

The parents' attitudes to education must also be changed. Why should they not be told about the job prospects in vocational and technical jobs such as carpenters, fitters, plumbers etc. In fact Dr Udugama's reforms should be brought back. All school children should be given training in some manner. Perhaps companies could be given tax deductions for training youth in vocational and technical skills. The government must divert a part of the funds from the education budget to the funding of vocational and technical education.