The ILO Work4Youth project worked with the Statistical Institute of Jamaica (STATIN) to implement two rounds of the School-to-work transition survey (SWTS) in 2013 (February–April) and 2015 (June–September). The results of the first survey were published in The Statistical Institute of Jamaica and The Planning Institute of Jamaica (2014): Labour market transitions of young women and men in Jamaica, Work4Youth Publication Series No. 17 (Geneva, ILO). The objective of this country note is to offer a general summary of youth labour market trends in Jamaica based on the SWTS. Youth is defined as 15–29.

# **Main findings of the ILO SWTS**

#### Human capital and mismatch

- Nearly all surveyed youth had attended school or a training programme at some point in their lives (99.8 per cent in 2015). About one-third of the youth population (32.6 per cent) was enrolled in school in 2015 with the remaining having either completed school (55.1 per cent) or left school before graduation (12.0 per cent). Young men and women have equal access to education in Jamaica.
- SWTS results showed a strong correlation between the levels of education and a young person's labour market transition: university-educated youth were able to complete their transition into stable or satisfactory employment in 7.4 months, as compared to 15.7 months for general secondary level graduates and 29.5 months for youth with primary education.
- Nearly two-thirds of employed youth in Jamaica were working at a job that matched well to their level of education (64.9 per cent in 2015). 17.2 per cent of employed youth were deemed overeducated for their occupation in 2015, which was only slightly lower than the share of young workers undereducated for the job they were doing (17.7 per cent).
- A majority of Jamaican students hope to work someday in the government/public sector (44.9 per cent), followed by creating their own job (self-employment) (26.7 per cent) and working for a private company (24.9 per cent).
   While the attraction of public sector employment is understandable given concerns with job security, the ability of the sector to absorb a significant number of young workers is limited.

### Underutilization of the youth labour potential remains a top concern

Both rounds of survey registered a high youth labour underutilization rate: it was 53.3 per cent in 2013 and 52.5 per cent in 2015. In 2015, the share of underutilized labour potential consisted of 11.7 per cent of the youth population in irregular employment (either in self-employment or paid employment with contract duration less than 12 months), 32.4 per cent unemployed and 8.3 per cent inactive non-students.

The ILO **School-to-work transitions surveys (SWTS)** are implemented as an outcome of the Work4Youth (W4Y) project, a partnership between the ILO and The MasterCard Foundation. The project has a budget of US\$14.6 million and will run for five years to mid-2016. Its aim is to "promote decent work opportunities for young men and women through knowledge and action". The immediate objective of the partnership is to produce more and better labour market information specific to youth in developing countries, focusing in particular on transition paths to the labour market.

See the website <u>www.ilo.org/w4y</u> for more information.

- The youth unemployment rate (strict definition)¹ increased from 33.0 per cent in 2013 to 37.1 per cent in 2015, remaining well above the regional average for Latin America and the Caribbean of 13.9 per cent for the latter year.² The female youth unemployment remains significantly higher than the male rate at 44.6 and 30.9 per cent, respectively, in 2015).
- The more disadvantaged youth in terms of finding work are those with lower levels of education. The unemployment rate of a young person with tertiary education was half that of a young person with primary education at 19.9 and 40 per cent, respectively.
- Not only are shares of youth unemployment high in the country, but the durations of unemployment are also long. Nearly one-half of unemployed youth (49.0 per cent) had been looking for work for longer than one year in 2015.
- The share of youth neither in employment nor in education or training (NEETs) in Jamaica stood at 35.0 per cent in 2015, an increase from 30.3 per cent in 2013. The share of NEETs among young women was higher than that of young men (at 39.2 and 31.0 per cent, respectively).

## Low quality jobs remain a strong hindrance to the country's productive transformation

- One in three (35.4 per cent) young Jamaicans was employed in 2015, with young men working to a larger extent than young women (41.2 and 29.3 per cent, respectively).
- While two-thirds (76.9 per cent) of employed youth were engaged as wage or salaried workers, a significant share remained in vulnerable employment as own-account workers (18.0 per cent) or unpaid family workers (3.3 per cent) in 2015. At the same time, nearly half (48.5 per cent in 2015) of youth in paid employment were engaged without a written contract.
- The services sector employed nearly three-quarters (73.8 per cent) of youth in Jamaica, followed by industry (16.8 per cent) and agriculture (9.4 per cent). Young women were more likely to work in services than young men (90.8 and 62.4 per cent, respectively) while the inverse was true for industry (5.2 and 24.6 per cent, respectively).
- Around one in five (21.6 per cent) employed youth worked less than 30 hours during the reference week in 2015, while 27 per cent worked excessively long hours (more than 50 hours per week).

### Selection of data tables

Table 1. Youth population by educational status and sex, 2013 and 2015 (%)

Educational status	Total		Male		Female	
Educational Status	2013	2015	2013	2015	2013	2015
Never attended school	0.0	0.2	0.0	0.2	0.0	0.2
Dropped out before graduation or completion of school	16.3	12.0	16.6	12.7	16.1	11.3
Currently attending school	35.2	32.6	34.2	30.8	36.3	34.6
Education completed	48.4	55.1	49.2	56.2	47.6	54.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

<sup>&</sup>lt;sup>1</sup> The "strict" definition of unemployment refers to persons without work, available to work and actively engaged in a job search. The "broad" definition excludes the job search criteria. The youth unemployment rate is the number of unemployed persons divided by the youth labour force (employed plus unemployed).

<sup>&</sup>lt;sup>2</sup> ILO, *Global Employment Trends for Youth 2015*. Note, the figures are not strictly comparable due to differing age ranges. The regional figure covers youth aged 15–24 while the data on the SWTS refer to youth aged 15–29.

Table 2. Key youth labour market indicators – traditional distribution by sex, 2013 and 2015 (%)

	Total		Male		Female	
	2013	2015	2013	2015	2013	2015
Employed	39.9	35.4	46.3	41.2	33.4	29.3
Unemployed	19.6	20.9	16.9	18.4	22.3	23.6
Inactive	40.5	43.6	36.8	40.3	44.3	47.1
Total youth population	100.0	100.0	100.0	100.0	100.0	100.0
Youth labour force participation rate	59.5	56.4	63.2	59.7	55.7	52.9
Youth unemployment rate (strict definition)	33.0	37.1	26.8	30.9	40.0	44.6

Table 3. Key youth labour market indicators – alternative distribution by sex, 2013 and 2015 (%)

	Total		Male		Female	
	2013	2015	2013	2015	2013	2015
In regular employment	23.6	23.4	26.8	26.6	20.4	20.1
In irregular employment	16.2	11.7	19.4	14.4	13.0	9.0
Unemployed (broad definition)	32.5	32.4	28.1	28.8	36.9	36.2
Inactive students	23.1	24.1	22.8	23.2	23.4	25.1
Inactive non-students	4.5	8.3	2.8	7.0	6.2	9.7
Total youth population	100.0	100.0	100.0	100.0	100.0	100.0
Youth labour force participation rate (broad definition)	72.3	67.6	74.3	69.7	70.3	65.3
Youth unemployment rate (broad definition)	44.9	48.0	37.8	41.3	52.5	55.5
Youth labour underutilization rate	53.3	52.5	50.3	50.2	56.2	54.9

Table 4. Youth neither in employment nor in education or training (NEETs) by sex and composition, 2013 and 2015 (%)

	2013			2015			
Sex		of which:			of which:		
	NEET rate	te Inactive Unemple non- non- students students		NEET rate	Inactive non- students	Unemployed non- students	
Total	30.3	13.1	17.2	35.0	16.5	18.5	
Male	24.6	9.6	15.0	31.0	14.5	16.5	
Female	36.1	16.7	19.3	39.2	18.6	20.6	

Table 5. Employed youth by status in employment and sex, 2013 and 2015 (%)

Status in amployment	Total		Male		Female	
Status in employment	2013	2015	2013	2015	2013	2015
Wage and salaried workers (employees)	68.2	76.9	68.4	76.7	68.0	77.1
Employers	1.7	1.8	2.6	1.9	0.5	1.5
Own-account workers	22.8	18.0	22.7	18.3	23.0	17.5
Contributing (unpaid) family workers	6.9	3.3	6.0	3.0	8.2	3.9
Not classified	0.3	0.0	0.3	0.1	0.3	0.0
Total employed youth	100.0	100.0	100.0	100.0	100.0	100.0

Table 6. Youth wage and salaried workers by type of contract and sex, 2013 and 2015 (%)

Time of continent	Total		Male		Female	
Type of contract	2013	2015	2013	2015	2013	2015
Written agreement	50.7	51.5	47.2	58.3	55.7	46.9
Oral agreement	49.3	48.5	52.8	41.7	44.3	53.1
Contract duration:						
Unlimited duration	75.1	74.9	71.9	72.0	79.6	79.2
Limited duration	24.9	25.1	28.1	28.0	20.4	20.8
Of which:						
<ul> <li>Less than 12 months</li> </ul>	61.3	63.7	65.3	65.2	53.8	60.7
<ul> <li>12 months to less than 36 months</li> </ul>	28.4	26.8	22.6	24.1	39.5	32.0
<ul> <li>36 months or more</li> </ul>	10.2	9.5	12.1	10.7	6.7	7.3
Total young wage and salaried workers	100.0	100.0	100.0	100.0	100.0	100.0

Table 7. Distribution of youth employment by sector, aggregate and 1-digit level, and sex, 2013 and 2015 (%)

Santan	Total		Male		Female	
Sector	2013	2015	2013	2015	2013	2015
Agriculture	9.9	9.4	15.2	13.1	2.6	4.0
Industry	15.5	16.8	22.4	24.6	5.8	5.2
Services	74.6	73.8	62.4	62.4	91.6	90.8
Agriculture, forestry and fishing	9.9	9.4	15.2	13.1	2.6	4.0
Mining	0.3	0.3	0.6	0.1	-	0.5
Manufacturing	7.4	6.2	9.6	8.3	4.3	3.0
Electricity, gas, steam	0.5	0.6	0.4	0.4	0.7	1.0
Water supply	-	-	-	-	-	-
Construction	7.2	9.7	11.8	15.8	8.0	0.7
Wholesale and retail trade	27.0	23.9	25.3	21.4	29.5	27.7
Transport	3.8	4.1	6.2	4.7	0.6	3.1
Accommodation	12.4	11.8	11.1	8.5	14.1	16.8
Financial activities	2.1	5.2	1.1	4.2	3.6	6.7
Real estate	6.1	8.1	4.8	8.4	8.0	7.8
Public administration	3.7	2.7	4.2	2.7	3.0	2.7
Education	5.1	4.1	2.2	3.3	9.1	5.3
Health and social work	2.4	2.9	0.7	1.2	4.7	5.4
Other services	8.8	8.1	5.2	6.9	13.9	9.8
Private households	2.3	2.0	1.0	0.3	4.1	4.5
Activities of extraterritorial organizations	0.8	8.0	0.6	0.7	1.0	1.0

Table 8. Youth informal employment by composition and sex, 2013 and 2015 (%)

	Total		Male		Female	
	2013	2015	2013	2015	2013	2015
Youth formal employment	24.8	23.5	23.6	19.1	26.4	30.1
Youth informal employment	75.2	76.5	76.4	80.9	73.6	69.9
Of which:						
Informal employment outside the informal sector	44.2	57.2	44.8	58.4	43.2	55.2
Employment in the informal sector	55.8	42.8	55.2	41.6	56.8	44.8

Table 9. Employed youth by overeducation, undereducation or matching qualifications and sex, 2013 and 2015 (%)

Qualifications match	Total	Total		Male		
	2013	2015	2013	2015	2013	2015
Undereducated	18.2	17.7	19.3	18.6	16.6	16.2
Overeducated	17.4	17.2	18.6	19.5	15.6	13.6
Matching qualifications	63.6	64.9	61.0	61.9	67.4	69.5
Not classifiable	0.8	0.3	1.1	0.0	0.3	0.7
Total employed youth	100.0	100.0	100.0	100.0	100.0	100.0

Table 10. Youth unemployment rates by level of completed educational attainment and sex, 2015 (%)

Educational attainment	Total		Male		Female	
Educational attainment	2013	2015	2013	2015	2013	2015
Less than primary (including no schooling)	22.6	28.0	33.8	22.0	-	35.3
Primary	35.3	40.0	23.0	32.2	55.4	53.1
Secondary vocational	34.6	46.0	33.3	25.9	36.7	70.7
Secondary general	35.1	39.7	28.0	33.7	45.0	48.3
Post-secondary vocational	31.5	33.6	28.4	26.7	34.5	41.4
University and postgraduate studies	21.8	19.9	15.7	9.8	25.5	25.4

Table 11. Unemployed youth by duration of job search and sex, 2013 and 2015 (%)

Duration of job search	Total		Male		Female	
Duration of job search	2013	2015	2013	2015	2013	2015
Less than a week	0.8	1.7	0.4	2.6	1.0	0.9
1 week to less than 1 month	3.9	10.9	2.4	9.8	5.0	11.7
1 month to less than 3 months	7.3	12.1	8.8	13.8	6.2	10.7
3 months to less than 6 months	8.4	9.5	9.8	9.5	7.3	9.4
6 months to less than 1 year	18.7	16.3	19.5	15.7	18.1	16.9
More than a year	60.8	49.0	58.6	47.6	62.4	50.1
Not classifiable	0.2	0.6	0.5	1.0	-	0.3
Total unemployed youth	100.0	100.0	100.0	100.0	100.0	100.0

Table 12. Youth by stages and subcategories of transition and sex, 2013 and 2015 (%)

Stage of transitions	Total		Male		Female	
Stage of transitions	2013	2015	2013	2015	2013	2015
Transition completed	23.3	22.8	28.9	27.4	17.6	18.0
Transited to stable employment	17.2	18.0	20.4	21.2	13.9	14.7
Transited to satisfactory temporary employment	1.3	0.9	2.1	1.3	0.6	0.5
Transited to satisfactory self-employment	4.8	3.9	6.4	4.9	3.1	2.8
In transition	53.1	52.4	47.8	48.7	58.5	56.4
Unemployed (broad definition)	25.8	26.9	21.8	24.2	29.9	29.7
In non-satisfactory temporary employment	5.2	5.1	5.6	5.8	4.8	4.4
In non-satisfactory self-employment	5.9	3.9	6.6	4.5	5.2	3.4
Active students	12.1	8.7	11.4	7.7	12.8	9.7
Inactive non-students with aim to work in the future	4.1	7.8	2.3	6.4	5.9	9.2
Transition not yet started	23.6	24.7	23.4	23.9	23.8	25.5
Inactive students	23.1	24.2	22.8	23.3	23.4	25.1
Inactive non-students with no plans to work in the future	0.4	0.6	0.5	0.7	0.4	0.4
Total youth population	100.0	100.0	100.0	100.0	100.0	100.0

Note: Unless other specified, the categories exclude current students.