

## YOUTH UNEMPLOYMENT

*This report is the first of the two-part series focusing on youth unemployment. Data presented were culled from the Labor Force Survey (LFS) – Public Use Files (PUF) of the National Statistics Office (NSO). Results of the four survey rounds of the LFS in January, April, July and October were averaged to represent annual data from 1998-2002.*

### OVERVIEW

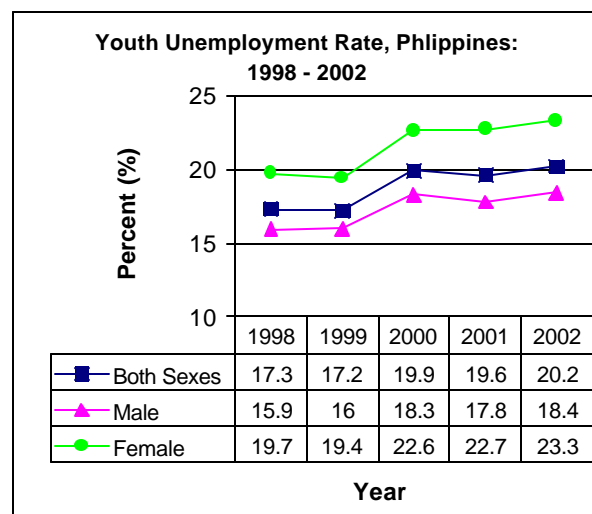
“Youth unemployment is generally viewed as an important policy issue for many economies regardless of their stage of development” according to the International Labor Office (ILO). The term **Youth** as defined by the United Nations (UN) refers to age group between 15 and 24. In practice however, the operational definition of youth varies widely from country to country depending on cultural, institutional and political factors. In the case of the Philippines, youth refers to

the sector of population aged 15-30 years old as defined in Republic Act (RA) No. 8044 -Creation of the National Youth Commission.

Generally, youth unemployment includes the 15-30 age group and not just 15-19 year old teenagers. Including 20-30 year old gives a fairer picture of the performance of all young people in the labor market and takes into account the pattern of employment both during and after leaving school or university.

### TRENDS OF THE FILIPINO YOUTH UNEMPLOYMENT

From 1998 to 2002, the ranks of youth unemployed continued to expand due to the rapid growth of youth labor force (mostly caused by the entry of school leavers, vacationing students and college graduates) and the moderate performance of the economy. From 2.018 million in 1998, the number of young unemployed rose gradually to 2.537 million in 2002 (Table 1). Correspondingly, the group posted a double digit unemployment rate of 17.2 percent to 20.2 percent.



Source of data: National Statistics Office (NSO).

## **DEMOGRAPHIC CHARACTERISTICS OF THE YOUNG UNEMPLOYED**

Almost three out of five young unemployed were males. However, the unemployment rates of their female counterpart were consistently higher over the five year period and even higher than the total unemployment rate of their age group (See graph).

Unemployment is more of an urban phenomenon, where for every

three young unemployed, two were living in urban areas. (Table 1).

Further, almost 50.0 percent of them reached high school level (48.0% in 1998 and 46.6 % in 2002). Those who had college education comprised 34.6 percent in 1998 and 39.5 percent in 2002.

## **MOST OF THE YOUNG UNEMPLOYED HAVE PREVIOUS WORK EXPERIENCE**

Not all young jobseekers are new entrants in the world of work; some have previous job experience. As expected, data reveal that the higher the age group, the higher the proportion of those with previous work experience. The total young unemployed with previous experience reached 1.155

million in 2001 and increased to 1.388 million in 2002. What is noteworthy however is that the proportion increased by 6.4 percentage points from 2001 (48.3% vs. 54.7%). The percent increments (7.0%) were higher however at the higher age brackets i.e., at 20-24 and 25-30 years old. (Table 2).

## **ONE-THIRD ACTIVELY LOOKED FOR WORK**

Despite a greater number who signified their interest in looking for work, only one-third (33.2% or 0.669 million out of 2.018 million in 1998 and 38.9% or 0.986 million out of 2.537 million in 2002) had taken steps to search for jobs/employment. The disparity could be due to the fact that most of them do not possess the required qualifications for jobs that are available in the labor market.

A case in point was the recently concluded Kasama Ka, Kabataan (KKK)

jobs fair (April 5-30, 2003) intended for out of work and out of school youths. Around 707 young jobseekers (15-24 years old) registered under the program. Some 306 registrants were not qualified for the job openings while another 365 or fifty-two percent of the total jobseekers were no longer interested to work when contacted by DOLE. Reasons given were either because of the type of job vacancies or conflict with their studies. Only 36 youths were able to work, 8 of whom eventually were hired permanently.

## **MORE YOUNG JOBSEEKERS PREFER TO APPROACH EMPLOYER DIRECTLY**

The most common method used by the young unemployed in seeking employment was to directly approach employers. About 0.252 million or 37.7 percent in 1998, gradually increasing to years from 35.6 in 1998 to 31.5 percent in 2002. Despite government's efforts to assist the jobseekers through public employment agencies, this avenue was the least course taken. Less than five percent resorted to this method in their job hunt. Young unemployed would

reach 0.386 million in 2002 or 39.1 percent used this mode. Meanwhile, the proportion of the young jobseekers who relied on friends and relatives to obtain jobs/employment fluctuated through the rather opt to register in private employment agencies as they constituted 13.2 percent in 1998 and 14.9 percent in 2002. (Table 3).

## **DURATION OF JOB SEARCH INCREASING**

The length of time spent by jobseekers looking for work is a good gauge of the labor market situation in the country. Data from 1998-2002 reveal that the duration of job search among young unemployed increased from 7.2 mean weeks in 1998 to 9.0 weeks in 2001 but went down to 8.0 weeks in 2002. This job search duration was observed to follow the mean duration of adult job seekers (Table 4) except that it was longer for the adult jobseekers in 2002 (8.5 weeks).

The duration of job search tended to prolong as age of job seekers increased. It was observed that those young unemployed aged 15-19 posted

the shortest length of time spent in looking for work (6.1 mean weeks in 1998 and 6.5 weeks in 2002). This could be explained by their shorter availability for work during school breaks. Those whose ages range between 25-30 registered the longest duration of job search (7.6 mean weeks in 1998, 10.4 weeks in 2001 and 9.7 in 2002). The extended duration might be attributed to the fact that this age group had work experience and higher educational attainment that made them more selective in their preferred jobs.

**Table 1 – NUMBER AND PERCENT DISTRIBUTION OF YOUTH UNEMPLOYED, PHILIPPINES:  
1998 – 2002**  
(In thousands except percent)

INDICATOR	1998		1999		2000		2001		2002	
	Num-ber	% Share	Num-ber	% Share	Num-ber	% Share	Num-ber	% Share	Num-ber	% Share
<b>Total</b>	<b>2,018</b>	<b>100.0</b>	<b>2,016</b>	<b>100.0</b>	<b>2,323</b>	<b>100.0</b>	<b>2,393</b>	<b>100.0</b>	<b>2,537</b>	<b>100.0</b>
<b>Sex</b>										
Male	1,184	58.7	1,193	59.2	1,358	58.5	1,364	57.0	1,444	56.9
Female	833	41.3	823	40.8	964	41.5	1,029	43.0	1,093	43.1
<b>Area</b>										
Urban	1,241	61.5	1,273	63.1	1,438	61.9	1,503	62.8	1,576	62.1
Rural	776	38.5	743	36.9	885	38.1	890	37.2	961	37.9
<b>Highest Grade Completed</b>										
No Grade	22	1.1	20	1.0	27	1.1	29	1.2	29	1.2
Elementary	309	15.3	289	14.3	345	14.9	322	13.5	323	12.7
High School										
Undergraduate	388	19.2	357	17.7	399	17.2	416	17.4	412	16.2
Graduate	581	28.8	588	29.2	674	29.0	709	29.6	771	30.4
College										
Undergraduate	422	20.9	426	21.1	469	20.2	475	19.9	518	20.4
Graduate	277	13.7	314	15.6	376	16.2	441	18.4	483	19.1
Not Reported	19	0.9	22	1.1	33	1.4	-	-	-	-

Notes: 1. Percent share computed based on actual figures.

2. Details may not add up to totals due to rounding.

Source of basic data: National Statistics Office (NSO), Labor Force Survey (LFS) / Public Use Files (PUF).

**Table 2 – NUMBER OF YOUNG UNEMPLOYED PERSONS WITH PREVIOUS WORK EXPERIENCE BY AGE GROUP, PHILIPPINES: 2001 – 2002**  
(In thousands except percent)

AGE GROUP	Total Unemployed		With Previous Work Experience			
	2001	2002	2001		2002	
			Number	% to Total	Number	% to Total
<b>Youth (15 - 30 years old)</b>	2,393	2,537	1,155	48.3	1,388	54.7
15 - 19 years old	793	812	267	33.7	311	38.3
20 - 24 years old	1,027	1,107	499	48.6	616	55.6
25 - 30 years old	574	618	390	67.9	462	74.8

Note: Details may not add up to totals due to rounding.

Source of basic data: National Statistics Office (NSO), Labor Force Survey (LFS) / Public Use Files (PUF).

**Table 3 – NUMBER AND PERCENT DISTRIBUTION OF YOUNG UNEMPLOYED ACTIVELY SEEKING FOR WORK, PHILIPPINES: 1998 – 2002**

(In thousands except percent)

JOB SEARCH METHOD	1998		1999		2000		2001		2002	
	Num-ber	% Share	Num-ber	% Share	Num-ber	% Share	Num-ber	% Share	Num-ber	% Share
<b>Total 15 – 30 yrs old</b>	<b>669</b>	<b>100.0</b>	<b>708</b>	<b>100.0</b>	<b>821</b>	<b>100.0</b>	<b>935</b>	<b>100.0</b>	<b>986</b>	<b>100.0</b>
Registered in public employment agency	24	3.6	27	3.8	36	4.4	30	3.2	48	4.9
Registered in private employment agency	88	13.2	111	15.7	112	13.6	133	14.2	147	14.9
Approached employer directly	252	37.7	270	38.2	292	35.6	340	36.4	386	39.1
Approached relatives/ friends	238	35.6	233	33.0	296	36.1	321	34.3	311	31.5
Placed or answered advertisements	62	9.3	61	8.6	77	9.4	101	10.8	84	8.5
Others	5	0.7	4	0.6	6	0.7	10	1.1	10	1.0

Notes: 1. Percent share computed based on actual figures.  
2. Details may not add up to totals due to rounding.

Source of basic data: National Statistics Office (NSO), Labor Force Survey (LFS) / Public Use Files (PUF).

**Table 4 - MEAN WEEKS OF DURATION OF JOB SEARCH BY AGE GROUP, PHILIPPINES: 1998 – 2002**

YEAR	Mean Weeks Duration of Job Search				
	Youth Jobseekers				Adult Unemployed (Over 30 Years Old)
	Total 15 – 30 years old	15 - 19 years old	20 - 24 years old	25 - 30 years old	
1998	7.2	6.1	7.5	7.6	7.2
1999	7.4	6.0	7.6	8.2	7.7
2000	7.5	5.5	7.9	8.5	7.9
2001	9.0	7.3	9.1	10.4	9.1
2002	8.0	6.5	7.8	9.7	8.5

Note: Mean computed from actual data.

Source of basic data: National Statistics Office (NSO), Labor Force Survey (LFS) / Public Use Files (PUF).

**FOR INQUIRIES:**

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