

Characteristics of Youth not in Education, Employment and Training (NEET) in Sri Lanka



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Labour Force Participation is one of the key labour market requirements in an economy and it gives an indication of how many people of working age actively engaging in labour market. In 2017, the male labour force participation rate was around 74.5 percent, while the similar rate for females stood at 36.6 percent. The highest percentage of unemployment is recorded among youth population of the age groups 15 – 24 years and 25 -29 years.

“NEET” is a relatively new indicator and it provides an important picture of the youth engagement in labour market. NEET rate considers all young people in age group 15 -24 who are neither employed nor in education and training. It captures the unutilized labour potential of the youth population and also can identify the vulnerable individuals in terms of income security in long-run. NEET group consists of both unemployed, those without work but actively looking for work and inactive youths, who are not engaged in any employment or educational or training activity and also not looking for work.

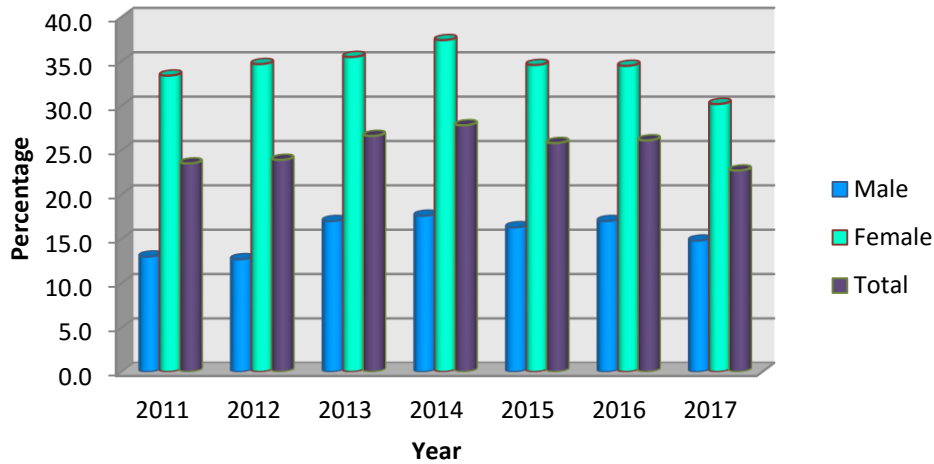
Table 1: Youth not in employment, education or training (NEET) by gender, 2011-2017

| Gender | Year | | | | | | |
|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| Male | 197,940 | 183,929 | 241,183 | 242,421 | 224,501 | 234,616 | 212,226 |
| Female | 546,497 | 523,749 | 547,092 | 547,749 | 510,049 | 516,247 | 461,783 |
| Total | 744,437 | 707,678 | 788,275 | 790,170 | 734,550 | 750,864 | 674,009 |

Source: Labour Force Survey – Annual Report 2017

Above table shows that the female NEET count is higher than the same of males over the period from 2011 to 2017. In 2016, the overall NEET rate was 26.1% which was above the global average of 21.8% as estimated by the ILO.

Chart 1: NEET Rate by Gender



Source: Labour Force Survey – Annual Report 2017

According to the above chart female NEET rate is (30.2%) higher than that of males (14.8%). It depicts that one out of every six youth males belongs to the NEET group, while one out of three female youths are in NEET category. This chart implies a gradual decline in female NEET proportion in consequent to the peak in 2014, which has resulted in similar trend in overall NEET ratio as well.

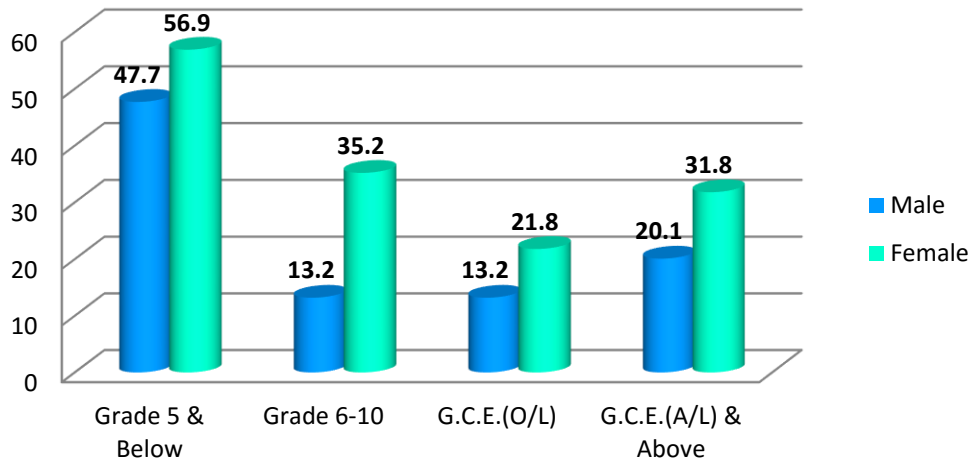
Table 2: NEET Rate by level of education and gender - 2017

| Level of Education | Total | Gender | |
|----------------------|-------|--------|--------|
| | | Male | Female |
| Total | 22.7 | 14.8 | 30.2 |
| Grade 5 & below | 51.5 | 47.7 | 56.9 |
| Grade 6-10 | 23.4 | 13.2 | 35.2 |
| G.C.E (O/L) | 17.8 | 13.2 | 21.8 |
| G.C.E (A/L) & Above | 27.3 | 20.1 | 31.8 |

Source: Labour Force Survey – Annual Report 2017

Less educated youth are having the highest NEET rate. Among them female youth with grade 5 and below level of education are having the highest NEET rate, 56.9 percent. The lowest NEET rate is reported for the group with G.C.E (O/L) education.

Chart 2 : NEET Rate by level of education and gender-2017



Youth with Grade 5 and below level of education are having the highest NEET rate of 47.7% for males and 56.9% for females. The lowest NEET rates are reported for the group with education up to G.C.E. (O/L). It can be concluded that the NEET youth proportion has declined with the rising educational level, except for those who are with G.C.E (A /L) and above. This may be examined along with the relatively high unemployment rate among educated youth, and thereby a higher degree of discouraged youth proportion is visible in absence of opportunities to meet their expectations.

**Table 3: Distribution of youth population by different economic conditions - 2016/2017
Youth in age (15-24 group)**

| Economic conditions | 2016 | | 2017 | |
|---------------------|-----------|------------|-----------|------------|
| | Total | Percentage | Total | Percentage |
| Inactive Non- NEET | 1,352,587 | 47% | 1,465,403 | 49% |
| Inactive NEET | 579,991 | 20% | 520,887 | 18% |
| Unemployed Non-NEET | 31,906 | 1% | 28,015 | 1% |
| unemployed NEET | 170,873 | 6% | 153,122 | 5% |
| Employed youth | 737,391 | 26% | 796,090 | 27% |

Source: Labour Force Survey –Annual Report 2017

It shows the distribution of total youth (15-24) population by different economic conditions and it fluctuating in 2016 and 2017.

According to an IPS study on “Lowering Sri Lanka’s NEETs: Need for smoother School – to – Work Transitions” they have examined the NEET population in Sri Lanka and looked at factors that influence the risks of becoming NEET. It identifies illiterate in English, soft skills gaps contributing significantly to the youth unemployment problem. And it suggests parental guidance plays a vital role in keeping youth engaged in school - to - work transitions. The well-educated parent be more knowledgeable, have necessary resources and social network to guide their children towards the educational, training and employment opportunities. They have identified the resident location is another factor for being NEET group. Youth from remote areas facing higher probabilities of becoming NEET compared to the urban areas.¹

English language is still recognized as an “added advantage” in many aspects in the Sri Lankan job market as well as the social life. So developing soft skills such as English and Information Technology are important areas in making youth more employable. And the responsible authorities need to pay more attention to implement effective mechanism to provide opportunities for youth to develop the employability skills. It is possible to make certain changes from the school level education. The education system has to focus to produce skillful and talented students to match the employer needs. Active labour market mechanism need to be implemented by way of providing labour market information, career guidance and employability development are in need.

¹ Ashani Abayasekara (Jan 24, 2019) Lowering Sri Lanka’s NEETs: Need for smoother School – to – Work Transitions