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Employment Situation in Latin America and the Caribbean

The transition of young people
from school to the labour market



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Employment situation in Latin America and the Caribbean is a twice-yearly report prepared jointly by the Economic Development Division of the Economic Commission for Latin America and the Caribbean (ECLAC) and the Office for the Southern Cone of Latin America of the International Labour Organization (ILO), headed by Daniel Titelman and Fabio Bertranou, respectively. Work on the document was coordinated by Gerhard Reinecke, Senior Expert on Employment Policies of ILO, and Jürgen Weller, Chief of the Employment Studies Unit of the Economic Development Division of ECLAC.

The first section of this report was prepared by Gerhard Reinecke and Juan Jacobo Velasco and the second by Sonia Gontero and Jürgen Weller. Statistical information for the first part was provided by the Labour Analysis and Information System in Latin America and the Caribbean, under the coordination of Bolívar Pino. Ernesto Espíndola and Mario de la Hoz Schilling processed household survey data and systematized this information for the second part of the report. Juan Chacaltana and Guillermo Dema provided valuable comments on a preliminary version of the second part.

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Contents

Foreword.....	5
I. The employment situation in the first half of 2017.....	7
Introduction	7
A. The negative performance of the main regional labour market indicators has continued.....	7
B. High-quality job creation continues to languish.....	9
C. Job creation in the region has been mainly in manufacturing and in tertiary sectors	10
D. Real wages have risen moderately in most of the countries.....	11
E. Summary and outlook.....	11
II. The transition from school to the labour market and the characteristics of young people combining study and work in Latin America	13
Introduction	13
A. The different dynamics of the school-to-work transition.....	13
B. Estimates for the duration of the school-to-work transition	16
C. Young people who study and work.....	19
D. Conclusions	28
Bibliography	31
Annex A1	33

Foreword

In the first half of 2017 Latin American and Caribbean labour markets followed two main trends. On the one hand, as described in the first part of this report, the main indicators continued to deteriorate as a result of slack economic growth, as has been the case for several years. The employment rate continued to decrease, while the unemployment rate continued to rise. On the other hand, the pace of this deterioration has continued to slow, which could signal “light at the end of the tunnel”.

As in previous years, the trends for the region overall have been strongly influenced by the weak performance of Brazil's labour market, where urban employment fell by 0.7 percentage points and urban unemployment rose by 2.5 percentage points year-on-year in the first half of 2017. After several years of contraction, Brazil's economy is projected to produce a very slight upturn in 2017, with a gradual stabilization in employment indicators. Elsewhere in the region, especially in Central America, labour markets have performed better on the whole.

For a group of countries with information available for the first half-year, the urban unemployment rate rose from 9.3% to 10.2% year-on-year in that period, reflecting the combined effect of a slight reduction in the employment rate and a 0.4 percentage point rise in the participation rate. For 2017 on average, the regionwide urban unemployment rate could come in at around 9.4%, 0.5 percentage points over the 2016 average.

The weakness of labour markets in the region is also evident in the quality of employment. In the first half of 2017, employment creation grew faster in the category of self-employment than wage employment in six of the eight countries for which information was available. Job creation stagnated in several South American countries (Argentina, Chile, Peru and Uruguay), but was more dynamic in Central America and Mexico. Lastly, real wages in formal employment increased in six countries (Brazil, Chile, Colombia, Costa Rica, Nicaragua and Uruguay), but fell in two (Mexico and Peru).

Young people tend to be among the hardest hit by downturns in labour markets. They also face structural problems of integration into employment and decent work. The second part of this report is devoted to the issue of the transition between the education system and the labour market and analyses this trajectory using data from household surveys and School-to-Work Transition Surveys (SWTS).

Young people's paths into the labour market in the region are found to be generally much longer than in the developed countries, something that is heavily shaped by the role of women, often still centred on caregiving and household activities. The analysis of these transitions has been made more complex by the fact that most young people pass through different activity statuses before becoming established in employment.

The data collected suggest that the duration of the transition from school to stable employment is shorter for those who have some previous experience; accordingly, particular attention is afforded to the group of young people who combine work and study. This group has increased relative to the total number of young people in the region, although it is still significantly smaller than in developed countries.

The study analyses the profile of the young people who study and work by age group and finds some significant differences. Among those aged 15-19 years is a large proportion of young students who are working to help support their family economy, either as unpaid workers or by making cash contributions to household subsistence while pursuing secondary studies. By contrast, in the groups aged 20-24 and 25-29, those who combine work and study are predominantly already fully integrated into the labour market and are engaging in post-secondary studies as a means to boost their later career path.

Many programmes and policies have been put in place in the region to foster a better transition between education and employment and to enhance youth employability. Many of these have targeted aspects of both supply (training, career and employment guidance, transport subsidies, care allowances, etc.) and demand (wage subsidies or incentives for enterprise creation), as well as measures to improve employment intermediation systems. They are often aimed at developing training modalities by which young people can combine study with work experience, for example, through internship programmes supported and sometimes subsidized by the government.

Generally speaking, assessments of these programmes have shown positive impacts on both employability and wages, especially in the case of the most vulnerable groups with the lowest incomes and education levels. The main lessons learned seem to concern the benefits of empowered institutions, designs appropriate to the beneficiary population targeted and an approach involving long-term commitment and participation by the different actors involved. Also essential is progress with the collection of statistical information both to analyse aspects such as gender differences or skills gaps and to better monitor existing programmes and conduct ongoing impact evaluations so that the necessary adjustments can be made.

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I. The employment situation in the first half of 2017

Introduction

Since 2014, the Latin American economy has experienced a very low or even negative growth rates that have heavily impacted labour markets. A decline in the regional employment rate drove up the urban unemployment rate in 2015 and, especially, in 2016. This negative tendency continued in the first half of 2017, albeit less strongly, with the weakness of the Brazilian labour market being the main factor.

This section of the report analyses the evolution of the main labour market indicators for Latin America and the Caribbean during the first half of 2017. As the analysis that follows reveals, developments have varied both between countries and between subregions, following a pattern seen since 2015, with greater progress being made in Central America and Mexico than in South America.

A. The negative performance of the main regional labour market indicators has continued

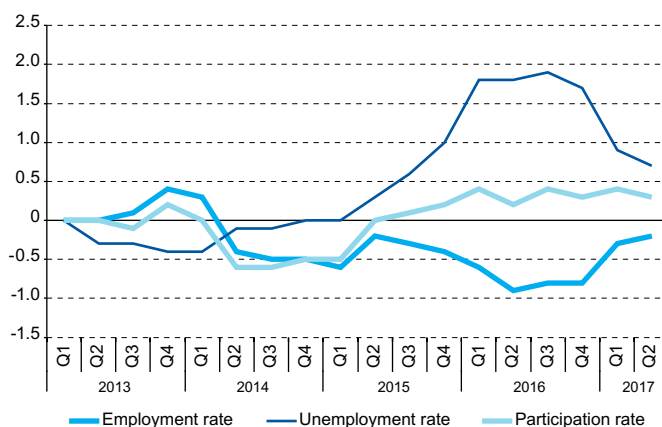
The negative pattern seen since 2015 continued during the first half of 2017. In particular, there was a continuing decline in the employment rate which, in combination with a rising participation rate, meant that the open urban unemployment rate carried on climbing. As figure I.1 shows, employment rates began to contract in the second quarter of 2014, and this trend has continued for 13 consecutive quarters. The constant decline in labour demand associated with the slowdown in the regional economy began to drive unemployment higher in the first quarter of 2015. Nevertheless, the effect of the declining employment rate in pushing up regional unemployment has been easing since mid-2016. Percentage point changes in the unemployment rate from the beginning of 2015 until the second quarter of 2017 take the form of an inverted U. Although the available data are still incomplete, this would seem to suggest that the downward trend in the employment rate, a feature of recent years that intensified in 2016, could be nearing its end.

The regional participation rate, meanwhile, increased steadily by some 0.3 to 0.4 percentage points per year from the second half of 2015 through the whole of 2016 and into the first half of 2017. Thus, the regional labour supply expanded for eight consecutive quarters, probably because the sustained effects of a weaker economic environment forced many people who were inactive (housewives, students, the retired) to seek employment so that they could help supplement their households' incomes.

The outcome of a steadily increasing supply of labour and an ongoing (albeit slowing) decline in demand meant that the open urban unemployment rate in Latin America and the

Caribbean increased from 9.3% to 10.2% between the first half of 2016 and the first half of 2017. However, this rise in the urban unemployment rate was chiefly the result of a substantial increase in Brazil, where the unemployment rate rose by 2.5 percentage points over the period of analysis to become the main factor behind the regional increase.

Figure I.1
LATIN AMERICA AND THE CARIBBEAN (11 COUNTRIES): YEAR-ON-YEAR CHANGES IN THE EMPLOYMENT, PARTICIPATION AND UNEMPLOYMENT RATES, WEIGHTED AVERAGE, FIRST QUARTER OF 2013 TO SECOND QUARTER OF 2017
(Percentage points)

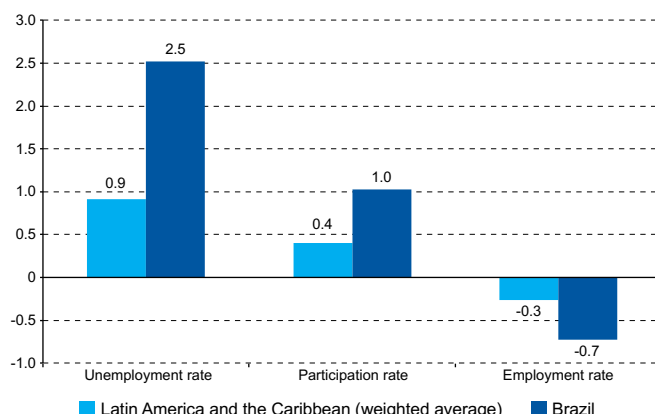


Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

As figure I.2 shows, the weighted average unemployment rate in the region increased because of the substantial rise in Brazil. Much the same is found when the participation and employment rates are analysed. The region's weighted average participation rate rose by 0.4 percentage points between the first half of 2016 and the first half of 2017, largely because of the 1 percentage point increase in the Brazilian participation rate. The difference in the regional trend shows up still more clearly in the employment rate. The weighted regional average for this indicator dropped by 0.3 percentage points, influenced by the decline of 0.7 percentage points in the Brazilian employment rate.

Figure I.2

LATIN AMERICA AND THE CARIBBEAN (14 COUNTRIES) AND BRAZIL: YEAR-ON-YEAR CHANGES IN UNEMPLOYMENT, PARTICIPATION AND EMPLOYMENT RATES, FIRST HALF OF 2016 AND FIRST HALF OF 2017
(Percentage points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

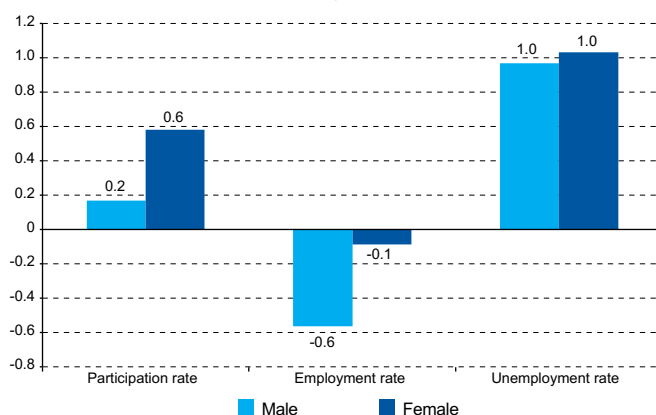
The heterogeneity of developments in Latin American and Caribbean labour markets can be appreciated when unemployment rates are analysed by country. In the first half of 2017, the urban unemployment rates of five countries in South America increased either strongly (Brazil, Paraguay and Uruguay) or more moderately (Chile and Colombia) (see table A1.1 of the annex). Conversely, the unemployment rates of several countries

in different subregions declined. Thus, urban unemployment rates elsewhere in South America decreased considerably (Ecuador) or somewhat (Argentina and Peru), while unemployment rates fell in all the countries of the northern subregion for which information is available (Costa Rica, Mexico and Panama). The picture in the Caribbean is mixed, with worsening unemployment in Belize and an improvement in Jamaica.

The general trends in the main labour market variables differ by sex. Figure I.3 shows year-on-year changes in participation, employment and unemployment rates for men and women. In the 13 countries for which information is available, participation increased slightly for men and more robustly for women. Conversely, the reduction in the regional employment rate was much more substantial for men than for women. The outcome, then, was a fairly even rise in the overall unemployment rate, but with differences between its components. The rise in male unemployment (from 8.5% to 9.5%) was chiefly due to a decline in employment, while the larger rise in female unemployment (from 11.0% to 12.1%) was more on account of increased participation.

Figure I.3

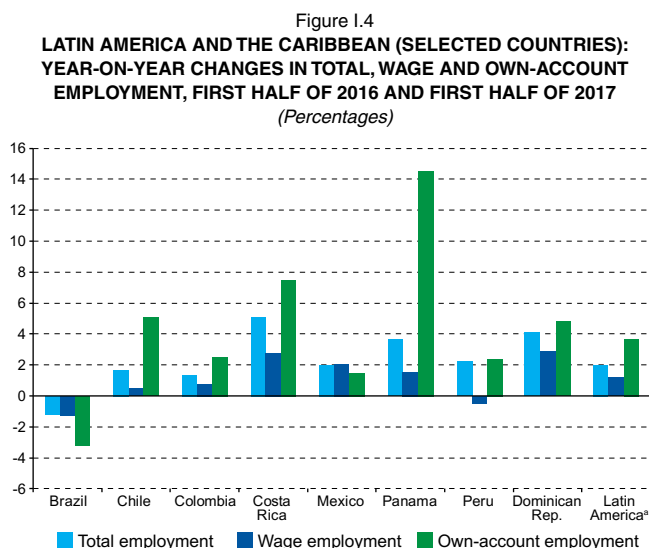
LATIN AMERICA AND THE CARIBBEAN (13 COUNTRIES): MEDIAN YEAR-ON-YEAR CHANGES IN MALE AND FEMALE UNEMPLOYMENT, PARTICIPATION AND EMPLOYMENT RATES, FIRST HALF OF 2016 AND FIRST HALF OF 2017
(Percentage points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

B. High-quality job creation continues to languish

The continuing lack of dynamism in the regional economy has had an impact on both the quantity and the quality of employment in Latin America and the Caribbean. Not only has the regional employment rate fallen steadily, but growth in overall employment, and particularly wage employment, has remained moderate. In the eight countries for which up-to-date information is available, median growth in total employment was 2.0% during the first half of 2017, an increase on the growth rate in the same period of 2016. Median growth in wage employment over the same period was lower (1.2%) because this employment category contracted in Brazil and Peru. Wage employment grew in the other countries, especially Costa Rica, the Dominican Republic and Mexico (see figure I.4).



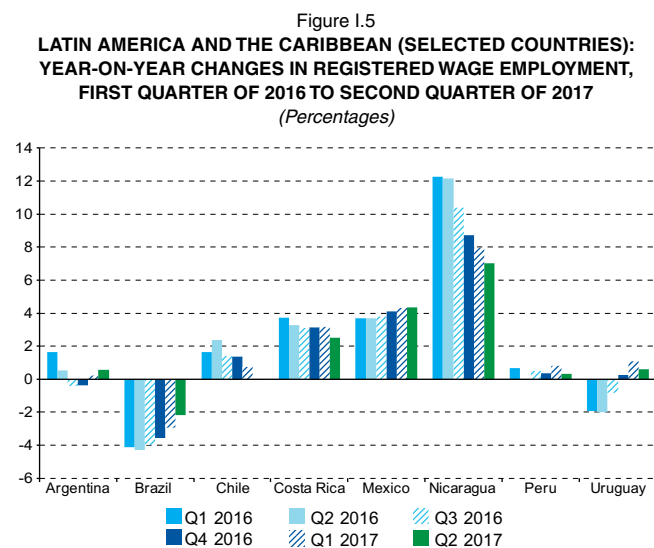
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

^a Median regional year-on-year change.

By contrast with the weakness of wage-paying job creation, own-account working continued to expand in the region. Median growth in this occupational category was 3.7% in the first half of 2017, compensating for the paucity of growth in wage employment. At the country level, own-account employment grew particularly strongly in Chile, Costa Rica and Panama. Brazil was the one country where employment in this category fell. The dynamic of higher own-account employment growth and falling wage employment in a context of declining overall employment rates (beginning in 2015 and continuing into the first half of 2017) reveals the sustained effect of the contractionary phase of the business cycle in undermining the quality of the jobs created over the past two and a half years.

The negative effect of the contractionary phase of the business cycle on the regional labour market is also reflected in its impact on the dynamic of registered employment. Although registered job creation is linked to employment generally in terms of both creation/destruction and composition, it is also driven by the formalization of informal jobs or the informalization of formal jobs in each country. Accordingly, registered employment is a good indicator of shifts in the composition and quality of labour demand.

As figure I.5 shows, registered employment showed the same heterogeneous pattern in the first half of 2017 as in 2016. At the subregional level, registered job creation stagnated in a number of South American countries (Argentina, Chile, Peru and Uruguay) and continued to contract in Brazil, although by less than in the previous quarters. Thus, at a time when employment increased by about 2% in South America other than Brazil, registered employment growth was very weak. The evolution of this indicator supports the argument that the jobs being created in the subregion are mainly of low quality, and this is reinforced by the continuing sharp contraction of registered employment in the Brazilian labour market. Meanwhile, in the three countries of the northern subregion for which information is available, registered employment maintained the same strong dynamic in the first half of 2017 as in 2016. Ongoing programmes to formalize informal employment, particularly in Mexico and Nicaragua, helped boost registered employment growth in those countries.



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

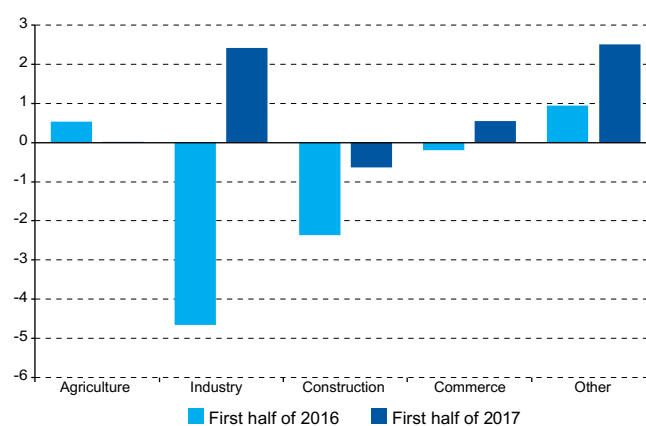
C. Job creation in the region has been mainly in manufacturing and in tertiary sectors

The employment dynamic in the first half of 2017 involved a continuing expansion in the tertiary sector but also growth in manufacturing industry, a striking departure from the usual tendency for manufacturing employment to shrink in relative terms. When changes in the composition of employment by sector in nine countries with information available are analysed (see figure I.6), what stands out is the decline in the construction sector. The simple average change in employment in the sector in the first half of 2017 relative to the same period in 2016 was -0.6%, which reveals the effects of the contractionary phase of the business cycle on a sector that is highly sensitive to private investment and domestic demand. Particularly striking is the drop in construction employment in Brazil, Colombia and Ecuador. Nevertheless, compared with the behaviour observed between the first halves of 2016 and 2015, the rate of job losses in this sector was slower. At the same time, manufacturing employment increased in the period of analysis. The simple average year-on-year change in this sector was 2.4%, driven by increases in Chile, Mexico and Panama.¹ This job growth in industry follows several years of declines at the regional level.

Employment in the commerce sector, accounting for about 20% of the total, also increased in most of the countries. Simple average growth in this sector was 0.5% between the first half of 2016 and the first half of 2017, while simple average year-on-year growth in all other tertiary sectors (transport,

financial services and communal, social and personal services) was 2.5%. These service industries account for almost half of all employment and are characterized by high levels of informal work and female workers. Thus, despite the improved performance of employment in industry (which accounts for about 12% of regional employment), the steady growth of service sector jobs, with poorer employment conditions, reinforces the argument that the deteriorating trend in job quality since 2015 continued in the first half of 2017.

Figure I.6
LATIN AMERICA AND THE CARIBBEAN (9 COUNTRIES): SIMPLE AVERAGE YEAR-ON-YEAR CHANGES IN EMPLOYMENT, BY SECTOR, FIRST HALF OF 2016 AND FIRST HALF OF 2017
(Percentages)



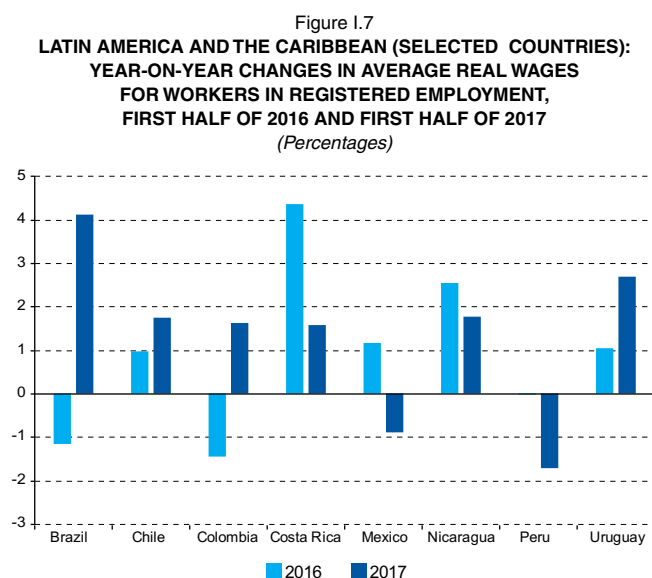
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

¹ The simple average year-on-year change in industrial employment was 2.4% between the first half of 2016 and 2017, largely driven by the dynamism of Panama, where it grew by 14.8%. If Panama is omitted, the simple average for the other countries with information available is 0.9%.

D. Real wages have risen moderately in most of the countries

Real wages in the countries with up-to-date information available rose in six cases and fell in two, Mexico and Peru, between the first half of 2016 and the first half of 2017. Specifically, formal wages in Brazil rose by 1.9% after falling by 2.5% between the first half of 2015 and the first half of 2016.

The simple average increase in the eight countries with information available was 1.4% between the first half of 2016 and the first half of 2017, as compared to 0.9% between 2015 and 2016. However, it is important to consider that these wage figures cover only formal firms in the economy, and part of the deterioration in the region's employment situation has been due precisely to the lack of dynamism in the creation of formal wage-paying jobs, while own-account working, whose income dynamic may be different, has been on the rise.



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

E. Summary and outlook

Following the pattern of behaviour seen during the first half of 2017, the regional employment situation is very likely to carry on deteriorating in the second half of the year, although probably by less than in previous periods. The regional trend will be strongly affected by developments in the Brazilian labour market. Very modest growth of 0.7% is projected for the Brazilian economy after several years of contraction, and the effects on job creation may be delayed.

Despite some good news, labour demand is likely to carry on showing the effects of the contractionary phase of the business cycle, with the year-on-year decline in the employment rate seen

in the year so far continuing. The main trends in employment composition are not expected to change either. In particular, the bulk of new jobs created in the region will continue to be in own-account work. Likewise, the labour force participation rate is expected to carry on rising moderately, since this indicator is associated with the persistence of the contractionary phase in the business cycle and the upward trend in female labour force participation. It is estimated that the region's open urban unemployment rate for the whole of 2017 will rise by about 0.5 percentage points compared to 2016, to reach 9.4%, making it the third year running that this rate increases.

II. The transition from school to the labour market and the characteristics of young people combining study and work in Latin America

Introduction

For most people, moving from the education system into the world of work is an essential step in the life cycle. It is associated with increasing financial and personal independence, with a coming of age in more than the legal sense, and with social recognition. At the same time, the characteristics of this transition, which depend on factors such as educational attainment and social background, are for many people a foretaste of the characteristics of their future working lives, since only a minority succeed in making a qualitative leap and transcending the career prospects this transition holds out for them (for example by obtaining significant qualifications at a later stage or starting a successful business), and some fall short of the trajectory that would be predicted from their educational attainments and the characteristics of their transition to the world of work (for example, because of family or health problems). Thus, improving the characteristics of this transition, especially for young people from low-income households, can be a potentially powerful way of weakening the intergenerational transmission of poverty and improving (in)equality indicators.

A traditional measure of difficulties in the transition from school to work is the youth unemployment rate, and more specifically the unemployment rate among first-time job-seekers (which excludes previously employed job-seekers). However, understanding the transition is not just a matter of analysing

these rates, since it is a more complex phenomenon that cannot be captured by a binary opposition between employment and unemployment. The reality is more dynamic than the linear conception of school-unemployment-employment implies, with combinations of different kinds (e.g., studying and working, studying and seeking work, moving in and out of the workforce, and leaving and re-entering the education system). Over the life cycle, a model based on a clear differentiation of periods with different activities, specifically study and work, is less and less representative of the reality in the region. This is reflected in the discussion about training of the labour force in a context of far-reaching and sometimes swift technological and organizational changes in production processes, summed up in the concept of lifelong learning.

This chapter summarizes a number of indicators developed to capture the complex phenomenon of the transition from school to work in Latin America, using data from both household surveys and the International Labour Organization (ILO) School-to-Work Transition Survey (SWTS). It also presents the main characteristics of a group on which little research has been done in the region, namely young people who combine study and work, with an emphasis on the differences between the various age subgroups.

A. The different dynamics of the school-to-work transition

Analysing the characteristics of the school-to-work transition is crucial for identifying possible policies to help young people participate fully in the labour market. This period, running from the time they cease to attend an educational establishment (whether or not they have completed their education) until they get a job, is considered a crucial stage in life during which fundamental changes take place and foundations of vital importance for personal development and the type of social inclusion that will be experienced in adult life are laid down.

This stage is usually analysed by means of traditional labour market indicators such as the level and duration of unemployment and the level and quality of employment, among others. These indicators only show the situation at a point in

time, however, and it is important to supplement them with consideration of other aspects characterizing the dynamics of the school-to-work transition. This is not straightforward because the transition is not actually a linear process in which students (inactive) complete their studies, seek work (unemployed) and then take up a job for the rest of their active lives (suitable employment). Some young people obtain their first job while still studying, others prolong their studies for a number of years, while others struggle to find work. Again, some young people already in full-time employment carry on some form of study with a view to improving their working skills and opportunities.

A dynamic first approach to the situation of young people in this stage is to observe their employment situation by single

age. Gontero and Weller (2015) present these estimates for 2012, revealing some features that are important in the region. One point to highlight is the relatively early age at which young Latin Americans leave education, as most of them terminate their studies between the ages of 18 and 19, with a higher average age for women, i.e. women tend to remain in the education system for longer.¹ In some cases such as Honduras, Nicaragua, Peru and the Plurinational State of Bolivia, young people may enter the labour market very early, as the age at which 50% of them (preponderantly boys) cease to attend school exclusively is around 14 or 15. A second conclusion is that studying and working at the same time is not as common as in developed countries. This finding, which is particularly applicable to Brazil, Costa Rica, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay, will be dealt with in more detail in the next section.² Lastly, it is observed that the proportions of young people who are no longer attending an educational establishment but are seeking work and those who are neither studying nor working outside the home or seeking employment increase in adolescence but decline with the years, particularly in the case of young men. However, inactivity seems to be a more persistent situation in the case of women, and a large proportion are still in this situation by the age of 29, specifically in the Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama.³

A longitudinal survey especially designed for better comprehension and evidence-based analysis of this stage is the School-to-Work Transition Survey (SWTS) conducted by the International Labour Organization (ILO) as part of the Work4Youth project launched by that body in collaboration with the MasterCard Foundation. The survey gathers longitudinal information among young people aged from 15 to 29 and has been implemented in a number of developing countries since 2003. In Latin America and the Caribbean, it has been carried out in six countries: Brazil (2013), Colombia (2015), the Dominican Republic (2015), El Salvador (2012), Jamaica (2013) and Peru (urban areas, 2012-2013).

One of the characteristics of this survey is that it deems the school-to-work transition to end when young people find regular or “stable” employment. This is defined by the terms of the employment contract (which may be written or verbal) and its duration (which must be over 12 months), such that the worker is provided with a feeling of security or stability. In addition, given that stability is hard to come by in youth employment, the job satisfaction variable is considered as well.⁴ Thus, the transition to employment will be deemed complete when a young person finds regular employment and/or feels personally satisfied with it; if these conditions are not met, the transition is deemed incomplete. The stages in the transition are classified as follows:

1. Transited: young people who at the time of the survey are in
 - A regular job, whether satisfactory or non-satisfactory, or
 - A satisfactory but temporary job, or
 - Satisfactory self-employment.
2. In transition: young people with one of the following statuses
 - Currently unemployed (loose or broad definition),⁵ or
 - Currently employed in a temporary and non-satisfactory job, or
 - Currently self-employed and unsatisfied, or
 - Currently inactive and not in school, with an aim to look for work later.
3. Transition not yet started: young people with one of the following statuses
 - Still in school (inactive students), or
 - Currently inactive and not in school or training (inactive non-students), with no intention of looking for work.⁶

On this definition, about half of all young people aged between 15 and 29 have fully transited in Brazil, Colombia and Peru (see figure II.1).⁷ This falls to one in three in El Salvador

¹ The main findings of these indicators can also be compared with the observations for developed countries presented in OECD (2008) and those for some developing countries analysed in Quintini and Martin (2014). These studies estimate that most young people cease studying between the ages of 21 and 22 in OECD countries such as Australia, Canada and France.

² This situation would appear to be more widespread among adolescents and young people in certain OECD countries such as Australia, Austria, Canada, Denmark, Germany, the Netherlands, Norway and Switzerland (see figure 1.3 in OECD (2008) and figure 4 in Quintini and Martin (2014)).

³ In the case of women, a large proportion devote themselves to domestic duties, so that the “inactive” categorization might be considered invalid. In this study, “inactive” means not participating in the labour market.

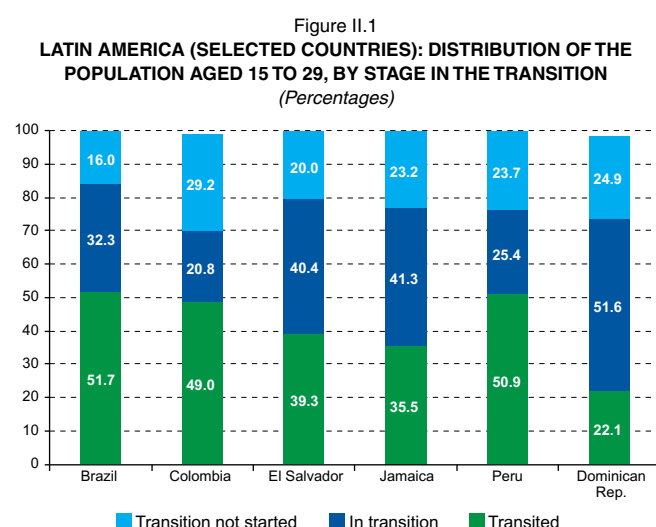
⁴ It is fully appreciated that this is a subjective variable that can vary from one young person to the next, depending on how they view the fit between their situation in their current job and what they believe to be their skills, work experience and potential.

⁵ The flexible unemployment rate used in this survey expands the standard definition of unemployment and reintroduces young people who are “out of work” and “available to work” but have not actively looked for work. This definition makes sense when conventional methods of seeking work are not altogether relevant, when the labour market is very disorganized, when labour force absorption is insufficient or when there is a substantial proportion of self-employment (Handal, p. 25).

⁶ If the “young people in transition” group includes those who are inactive but say that they wish to work at an unspecified future time, the size of the group may be overestimated, since there is no way of knowing whether the young people concerned will ever take practical steps to find work.

⁷ This section summarizes some of the findings from the survey as detailed in the different countries’ national reports. See Ferrer Guevara (2014), Venturi and Torini (2014), Statistical Institute of Jamaica (2014), Handal (2014), DANE (2016) and Central Bank of the Dominican Republic (2016).

and Jamaica and just 22% in the Dominican Republic.⁸ The group of young people “in transition” is about 40% in El Salvador and Jamaica, 32% in Brazil and 25% in Colombia and Peru. Lastly, about 30% of young people aged between 15 and 29 in Colombia have yet to begin their transition. This proportion is 25% in the Dominican Republic and 20% in the other countries considered.



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of regional reports using data from the School-to-Work Transition Survey (SWTS).

There are marked differences in transition status between young men and women (see table II.1). A larger proportion of men than of women had fully transited in all the countries, with a large proportion of the latter belonging to the “in transition” group. These findings are mainly due to different activity and unemployment rates (Gontero and Weller, 2015). Because the proportion of women who are unemployed and not economically active is larger, so is the proportion deemed to be “in transition”. There is no significant gender gap in the group of young people whose transition has not yet started. This may be put down to the definition used, as people who are inactive but say they wish to work in future are deemed to belong to the “in transition” group, and this could well be the situation of many women doing care work who hope to participate in the labour market in future.

⁸ This gap is due to methodological differences, as the study on the Dominican Republic treats young people who are studying and working as having transited, while in the other countries some people in this group will be classified as fully transited if that work is deemed regular.

Table II.1
LATIN AMERICA (SELECTED COUNTRIES): DISTRIBUTION OF THE POPULATION AGED 15 TO 29, BY STAGE IN THE TRANSITION AND SEX
(Percentages)

		Transited	In transition	Transition not started
Brazil	Male	63.6	23.3	13.1
	Female	39.9	41.2	19.0
Colombia	Male	55.0	15.5	28.5
	Female	43.2	26.1	29.8
Dominican Republic	Male	28.8	50.3	20.5
	Female	14.8	53.1	29.7
El Salvador	Male	54.2	28.6	17.0
	Female	25.6	51.3	22.7
Jamaica	Male	41.6	35.5	22.9
	Female	29.3	47.1	23.5
Peru	Male	57.7	18.0	24.3
	Female	44.2	32.6	23.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of regional reports using data from the School-to-Work Transition Survey (SWTS).

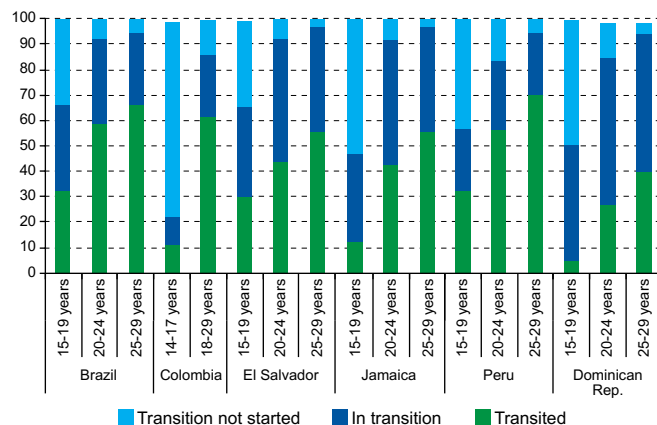
As might be expected, when the different age groups are considered, “young adults”, i.e. those aged between 25 and 29, are found to be more likely to have transited (see figure II.2). However, the data show that some 40% of young adults in the countries considered are still in transition (with the exception of Peru). In Brazil and Peru, some 30% of adolescents aged 15 to 19 have already fully transited.

When education levels are considered, a clear finding is that those with higher education (university or non-university) are more likely to transit fully. This is because young people studying to a post-secondary level begin their transition at a later age and then are usually more likely to enter the labour market quickly, especially in satisfactory jobs, as measured in this survey.⁹

⁹ OECD (2008) confirms this advantage for people with post-secondary education in a number of OECD countries. Analysing the employment rate by education level 1, 5 and 10 years on from graduation, the study shows that this advantage tends to diminish over time but does not disappear.

Figure II.2

LATIN AMERICA (SELECTED COUNTRIES): DISTRIBUTION OF THE YOUTH POPULATION BY STAGE IN THE TRANSITION AND AGE GROUP
(Percentages)



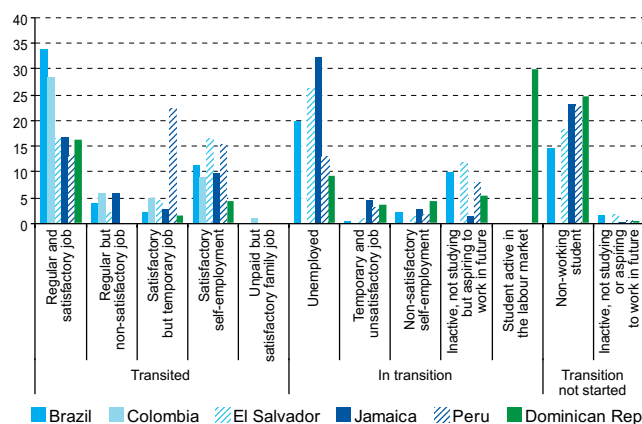
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of regional reports using data from the School-to-Work Transition Survey (SWTS).

It is interesting to look more closely at the subcategories used in each of these stages (see figure II.3). There are differences between the countries. Among young people who have transited, for example, a larger proportion have regular and satisfactory jobs in Brazil and Colombia, while in Peru a larger proportion have temporary jobs but are satisfied and in El Salvador a large proportion of young people are self-employed and satisfied. Colombia includes family workers who are unpaid

but satisfied with their status in this group. A large proportion of young people in transition in El Salvador and Jamaica are unemployed. The Dominican Republic includes young students active in the labour market within this group, which explains why the proportion of young people in transition is so large. Lastly, the group whose transition has not yet started mainly consists of young people who are studying full time.

Figure II.3

LATIN AMERICA (SELECTED COUNTRIES): DISTRIBUTION OF THE POPULATION AGED 15 TO 29 BY STAGE IN THE TRANSITION AND SUBCATEGORY
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of regional reports using data from the School-to-Work Transition Survey (SWTS).

B. Estimates for the duration of the school-to-work transition

Other indicators commonly used in developed countries to evaluate the school-to-work transition are the time it takes to obtain a first job and estimates for the duration of the transition using different methods and data (OECD, 2008; Quintini and Manfredi, 2009; Quintini and Martin, 2014). There have also been advances at the regional level. For example, Viollaz (2014) defines birth cohorts and follows their behaviour over time, Gontero and Weller (2015) carry out estimates for the duration of the transition by country and gender using household survey data, and Manacorda and others (2017) estimate this duration using SWTS data.

Estimating the average duration of the school-to-work transition is a great challenge, both because of the difficulties of defining it and because of data availability issues (see box II.1).

Employment and/or household surveys provide cross-sectional data, i.e. data on a single point in time, which can be used to estimate some indicators of this duration. The main advantage of these data is that they are collected quite often in most of the countries. However, these surveys are not constructed for this purpose, so that the sample of young people who have recently left education is not very large. Furthermore, they do not measure one cohort of young people over time, but different cohorts at one point in time.

BOX II.1

Is there an ideal duration for the school-to-work transition?

Generally speaking, it is safe to say that every society hopes its young people's school-to-work transitions will be as successful as possible, meaning that spells of inactivity are short, job-seeking takes a reasonable time and working conditions in the first job are good, with scope for personal and professional growth.

There are high costs, both individual and social, when these conditions are not met. Long transitions are undesirable if factors beyond young people's control are preventing them from participating fully in the labour market (the need to carry out care tasks, inability to find work). This can have long-term consequences that affect the conditions of future participation (lesser likelihood of employment, lower wages or worse job quality). The negative impact of long periods of unemployment or a first experience of work that is of poor quality is known as scarring, and there is recent evidence for it in the region (Beccaria and others, 2016; Cavero and Ruiz, 2016; Cruces, Ham and Viollaz, 2012). Having generations of young people with long transition periods also brings social costs in the form of wasted human resources, a greater likelihood of high-risk behaviour (violence, alcohol, gangs, etc.), financial independence being attained at later ages, and so on (Paolini, 2013; Weller, 2007; Fougère, Kramarz and Pouget, 2006). But not all long transitions are bad, or all short ones good. Transition periods may be long because young people are taking more time to find a job that meets their expectations; this is mainly possible in situations where financial support, whether from the State or families, allows searches to be prolonged. The search also often involves switching jobs; a study on Peru, for example, established that young people changed jobs frequently and this was associated on average with higher earnings, i.e. they were going to higher-quality jobs (Chacaltana, 2005). Likewise, Cunningham and Bustos (2011) found fairly high rates of transition from unemployment or informal jobs to formal jobs in Argentina, Brazil and Mexico; however, the rate of transition to formal jobs was substantially lower among poor young people. By the same token, there is a need to assess whether short durations are not a response to economic need requiring job quality or suitability to be sacrificed and creating a situation from which it is hard to escape. This can be particularly true for lower-income groups with lower reserve wages and few expectations of finding good jobs.

The variability of estimates for the duration of these transitions, depending on the method and data used, reflects the variety of ways in which this process can be defined. Key points have to be settled, such as when the transition dates from: when people leave the education system, when they leave it and take steps to participate in the labour market, when they leave it and state their intention of participating in the labour market at some point but do not take any steps in this direction for the time being, or when they start work, even if they have not left the education system. Nor is it obvious whether the transition is to be considered complete once people have taken any job that generates income or contributes to the family economy, or only if this is regular and/or satisfactory employment or self-employment. Another question is what it means when an employed person carries on studying and whether those still in transition need to be differentiated from those who are seeking to develop professionally but have already fully transitioned.

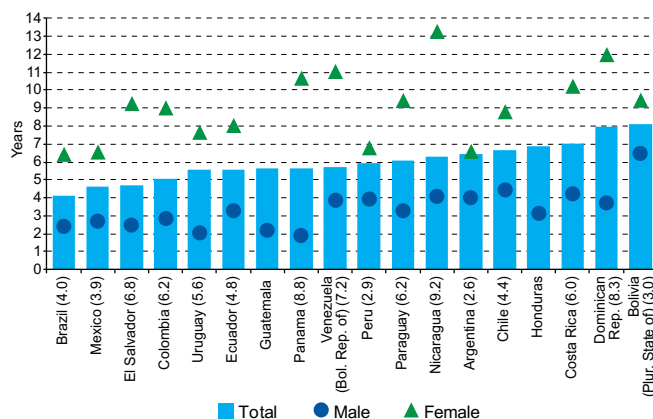
Nor can there be said to be an ideal age for beginning or ending this stage. For example, while it would be desirable for young people to begin their transition having at least completed their compulsory education, in some cases work is among the requirements for finishing secondary school (apprenticeships), implying an early start to the transition. Even young people who have finished secondary education can combine study with work so that there is no phase between study and work, but a phase with study and work. If this proves to be the first step in their ultimate working career, the transition will have had zero duration, but their definitive labour market participation and departure from the education system will have taken place at a relatively late age, which is not necessarily a bad outcome considering that the combination of study and work may have improved the quality of this participation. By contrast, if the work is only a means to facilitate study and is unrelated to its content, there may be a transition (marked by unemployment or inactivity) until the kind of labour force participation desired is achieved.

In summary, although indicators for the duration of the transition can be used as pointers, they need to be supplemented by others and analysed in the light of the context to form a more accurate picture of the factors facilitating or obstructing full labour market participation by the young.

Source: Prepared by the authors, on the basis of L. Beccaria and others, "Una evaluación del efecto scarring en Argentina", *Desarrollo y Sociedad*, vol. 77, 2016; D. Cavero and C. Ruiz, "Do working conditions in young people's first jobs affect their employment trajectories? The case of Peru", *Work4Youth Publication Series*, No. 33, Geneva, International Labour Organization (ILO), 2016; G. Cruces, A. Ham and M. Viollaz, "Scarring effects of youth unemployment and informality. Evidence from Argentina and Brazil", La Plata, Centre for Distributive, Labour and Social Studies (CEDLAS), 2012; G. Paolini, *Youth Social Exclusion and Lessons from Youth Work*, European Commission, 2013; J. Weller, "Youth employment: characteristics, tensions and challenges", *CEPAL Review*, No. 92 (LC/G.2339-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2007; D. Fougère, F. Kramarz and J. Pouget, "Youth unemployment and crime in France", *IZA Discussion Paper Series*, No. 2009, Institute of Labor Economics (IZA), 2006; J. Chacaltana, "Programas de empleo en el Perú: racionalidad e impacto", *Diagnóstico y Propuesta*, No. 19, Lima, Economic and Social Research Consortium (CIES), 2005; W. Cunningham and J. Bustos, "Youth employment transitions in Latin America", *Policy Research Working Paper*, No. 5521, Washington, D.C., World Bank, 2011.

An indicator that can be estimated from these sources and that is calculated for countries in the region in Gontero and Weller (2015) is the difference between the age at which 50% of young people are in the education system (the median age at which young people cease studying) and the age at which 50% are employed (the median age of the start of employment). In other words, the time necessary for 50% of young people to be employed after ceasing to attend an educational establishment (OECD, 2008). According to this indicator, the school-to-work transition lasts between five and seven years in most Latin American countries (see figure II.4).¹⁰ Brazil and Mexico are below this average, as the indicator there was estimated at four years, while the period is as long as eight years in other countries such as the Dominican Republic and the Plurinational State of Bolivia and averages seven in Costa Rica and Honduras. Whereas the average duration of the transition appears to be greater for both genders in the Plurinational State of Bolivia, in the other cases it is longer durations for women that make most of the difference,¹¹ since while the average duration is 3.4 years for men, it is 9.6 for women. Guatemala and Honduras are special cases, as the proportion of women participating in the labour market falls short of 50% even by the age of 29.¹²

Figure II.4
LATIN AMERICA (18 COUNTRIES): AVERAGE DURATION OF
THE SCHOOL-TO-WORK TRANSITION, AROUND 2012^a
(Years)



Source: S. Gontero and J. Weller, “¿Estudias o trabajas? El largo camino hacia la independencia económica de los jóvenes de América Latina”, *Macroeconomía del Desarrollo series*, No. 169 (LC/L.4103), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2015.

^a The figures in brackets are the difference between the duration of women's and men's transitions.

The best way of measuring the duration of the school-to-work transition would be to have longitudinal data that followed the employment situation of each individual over a number of years, but such information is usually very costly and there are no permanent surveys of this type in the region. However, some household surveys do permit longitudinal analysis by following individuals in the sample over a number of survey rounds until they are replaced, allowing certain indicators to be estimated.¹³ This has the advantage of enabling estimates to be produced for each individual, although the samples tend to be very small, besides which international comparisons are restricted by the use of quite dissimilar data sources. A very valuable source of data here is the SWTS already mentioned which, although not longitudinal, did ask about young people's past activities related to this period. Using this survey, the study by Manacorda and others (2017) estimates the duration of low and medium incomes for 23 countries. For the region, this period is estimated to range from 6 months in Peru to 20 in Brazil and El Salvador and as many as 50 (over four years) in Jamaica (see figure II.5). As might be expected, the duration of the transition to the first regular job is greater and can exceed two (Peru) and four years (Brazil and Jamaica).¹⁴ El Salvador is an exception, something that could be explained by its definition of regular employment, as this includes the satisfied self-employed who make up a large proportion of the total in the country. Transition durations in El Salvador are short, as already mentioned, but not necessarily in a good way, since they go along with early departures from the education system and informal working.¹⁵ Because the estimation of average duration can be skewed by outlying values, the authors also estimate the median duration of the school-to-work transition and find shorter durations for all the countries considered. In Jamaica, for example, the median duration falls to two years, or four years before the first regular job.

Analysing this indicator in relation to different characteristics confirms the gender difference, with the median duration of the transition being greater for women (see table II.2). It is also observed that the younger the age at which people left school, the longer it will take them to find their first job. This could be partly because people are leaving the school system before the minimum legal age for working or, in the case of women, because they are leaving it to carry out care work

¹³ To mention just one example, Paraguay's Continuous Employment Survey offers this possibility.

¹⁴ These estimates should be treated with caution, since regular employment is not the rule, which drastically reduces the number of observations.

¹⁵ The study shows this duration for developed countries, where it is usually greater on average. This indicator ranges from a year (Denmark, Ireland) to two years (Finland, France, Italy, Portugal, Spain), while for the first regular job it is as much as three and even four years (Greece, Portugal and Spain). This reflects the struggle some European countries have had to exit the 2008-2009 economic crisis and is an issue of concern, with analysis still ongoing to find the best policy options (see Pastore, 2017; Eichhorst and Rinne, 2017; Albanese, Cappellari and Leonardi, 2017).

¹⁰ The average duration for the region was estimated at 6 years, which compares with an average of 2.7 years for the countries of the European Union (see OECD, 2008, table 1.1).

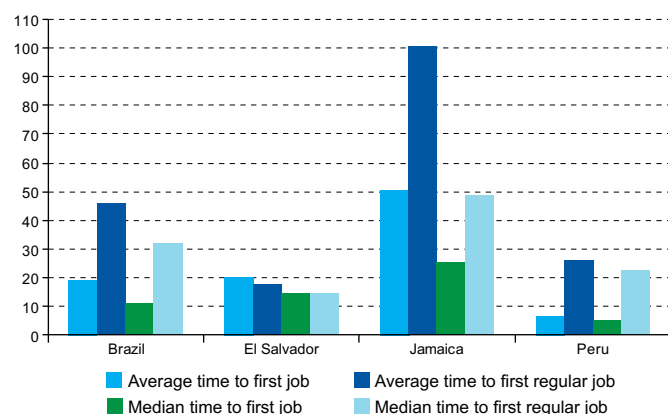
¹¹ People leave the education system very early in the Plurinational State of Bolivia, whence the extended school-to-work transitions.

¹² There are economic, social and cultural aspects that limit female participation in the labour market, but it is also the case that there are countries where large proportions of the rural population mainly work in farming, and the statistics show a low level of female activity because women say they are inactive even though they carry out agriculture-related work.

and only enter the labour market several years later. Lastly, the authors estimate from the data available that the median duration of the transition to the first job is significantly lower for those with previous work experience.

Figure II.5

LATIN AMERICA (SELECTED COUNTRIES): AVERAGE AND MEDIAN DURATION OF THE TRANSITION FROM SCHOOL TO FIRST JOB AND TO FIRST REGULAR JOB
(Months)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of M. Manacorda and others, "Pathways from school to work in the developing world", *IZA Journal of Labor & Development*, vol. 6, No. 1, Springer, 2017, table 5.

Table II.2

LATIN AMERICA (SELECTED COUNTRIES): MEDIAN DURATION OF THE SCHOOL-TO-WORK TRANSITION, BY DIFFERENT CHARACTERISTICS
(Months)

	Sex		School leaving age			Worked and studied?	
	Male	Female	<16	16-18	>18	No	Yes
Brazil	10.3	12.5	20.1	10.7	6.6	16.4	2.0
El Salvador	6.2	19.1	19.1	19.6	14	19.1	8.7
Jamaica	17.4	48.3	114.6	23.9	17.4	38.1	14.6
Peru	4.0	7.4	10.4	5.4	3.7	6.4	3.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of M. Manacorda and others, "Pathways from school to work in the developing world", *IZA Journal of Labor & Development*, vol. 6, No. 1, Springer, 2017, table 7.

It can be seen that the estimates from the STW survey are usually much smaller than those from cross-sectional data like the ones presented earlier. In Brazil, for example, whereas the average duration of the transition was estimated at 4.1 years with household survey data, it was put at 1.6 and 3.8 years until the first job and first regular job, respectively, when SWTS data were used. Among other factors, this is because the cross-sectional estimates are influenced by the average age at which young people leave school.¹⁶

C. Young people who study and work

1. Trends and circumstances

In this school-to-work transition, the young people usually paid most attention to are those for whom achieving full labour market participation is most difficult or risky (young people who have left school, are unemployed or neither study nor work). However, there is another group of young people it is important to analyse, those who strive day by day to combine study and work. The proportion of young people in this group has been increasing in Latin America over the past 30 years. Taking an average of 12 countries, the proportion working and studying rose from 25.9% to 34.9% between 1990 and 2005 in the group aged 15 to 19, from 14.9% to 21.0% in the group aged 20 to 24 and from 7.9% to 11.5% in the group aged 24 to 29 (ECLAC/AECID/OIJ, 2008, p. 179).

The debate about the advantages and disadvantages of this combination of activities and the relevant evidence are still incomplete. At one extreme are those who regard work as having a negative impact on students' present and future well-being because it takes up energy and time they could be devoting to their studies and to other activities characteristic of personal development in youth. A worse educational performance could in turn lead to young people dropping out of school or simply

losing interest in studying. For example, Post and Pong (2009) find differences between countries as regards the impact of work on students' educational performance and observe in the specific case of the United States that working up to 10 hours a week has a small positive impact in mathematics, while working more hours affects performance adversely. For Australia, Robinson (1999) found a variety of motivations for working among secondary school students and a small negative impact on their academic results when they worked more than 10 hours a week.

At another extreme, it is claimed that work not only generates income for students and their households, thereby enhancing their current well-being, but gives them experience and skills that will help them in their future careers. For example, developing qualities such as responsibility, ethics and discipline can help young people in deciding whether or not to go to university, in becoming acquainted with their field of study and even in allocating their time better in order to obtain good results in both activities. All these

¹⁶ Similar patterns have been found in developed countries. For further details, see the discussion in OECD (2008).

factors can convey positive messages to employers and translate into a greater likelihood of employment or better pay (Gong, 2017). Robinson (1999) found in his study on Australia that the work experience young people acquired before graduating from secondary school was subsequently reflected in lower levels of youth unemployment, and the study by Quintini (2015) showed, for a group of developed and transition countries, that work (leaving aside formal apprenticeship schemes) was positively correlated with the results of the Programme for the International Assessment of Adult Competencies (PIAAC) test. Furthermore, as noted in the previous section, SWTS data indicate that the transition is shorter for young people who have combined work and study at some time in their lives.

In general, the literature seems to bear out the idea that the balance of advantages and disadvantages depends on the specific context of each case, the young person's characteristics and background, the hours spent on each activity and other factors such as the type of employment involved; for example, whether it is related to the person's field of study or not, and whether this experience is generally recognized by employers in his or her country or region.

In the Latin American context, it seems relevant to differentiate four situations that influence the characteristics of the study-work combination and its impact in the short and long run:¹⁷

1. Participation in activities belonging to the family economy. This situation arises especially, although not exclusively, in the agricultural sector, where young people traditionally cooperate with production activities, especially at times of strong labour demand, such as harvests. This work is often done as an unpaid family member and is seen not only as an indispensable contribution to the well-being of the family as a whole, but often too as a learning process for young people expected to ultimately work in this same sector, and perhaps even to head the production unit.
2. Work to contribute financially to the household's subsistence and cover study costs. Wage or, to a lesser extent, self-employment work appears to predominate in these cases. Most of the households concerned are low-income ones that need (almost) all household members of working age to contribute earnings for their subsistence but do not want their young people to stop studying for that reason. Young people may also have to work to be able to cover study-related costs (purchases of materials, uniforms, etc.).
3. Work to be able to finance students' own chosen activities and tastes. These cases are typically found mainly in higher-income households, where young people can spend their earnings as they wish because they are not required to meet basic needs.

4. Young people who work full-time and study to improve their future employment prospects. Whereas in the first three categories studying is the main activity and work supplements it, in this group the relationship is reversed. The people concerned may already have some post-secondary training that qualified them for the work they are currently doing. In some cases they may study part-time, while in others they may both hold a full-time job and follow a full-time course of study, for example by attending night classes.

Although the information available from household surveys does not allow the characteristics of the study-work combination to be clearly differentiated into the categories mentioned, some indications can be obtained. Accordingly, the following sections set out the results of a special processing procedure carried out on household surveys from 17 Latin American countries for a year around 2005 and another around 2014, first briefly for the whole of the cohort aged 15 to 29 and then for age subgroups displaying differentiated characteristics as regards the study-work combination.¹⁸

In developed countries, the proportion of young people combining study and work is usually large. In 2012, an average of 39% of students aged 16 to 29 in 23 OECD countries also worked, according to estimates from the Survey of Adults Skills conducted by PIAAC. This group ranges from less than 20% in Belgium, the Czech Republic and Italy to over 55% in Canada, Denmark, Norway and the United States and over 60% in Austria and the Netherlands (Quintini, 2015). In Latin America, an average of over 10% of young people aged 15 to 29 combine work and study, some 21% of working people in this age group also study and 27% of students also work (see figure II.6). The first two rates rose in the period from 2005 to 2014, while the proportion of students working held steady.¹⁹

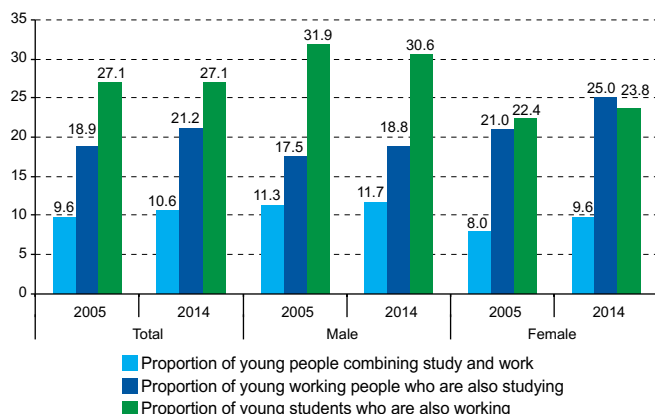
¹⁸ The findings are presented as simple averages of country-level data to highlight trends. The countries covered are: Argentina (urban areas), the Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Panama, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay (urban areas).

¹⁹ The first year is 2005 for Argentina, the Bolivarian Republic of Venezuela, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Panama, Paraguay and Uruguay, 2003 for Peru, 2004 for El Salvador and the Plurinational State of Bolivia and 2006 for Chile, Guatemala and Honduras. The second year is 2014 for Argentina, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Mexico, Panama, Paraguay, Peru and Uruguay and 2013 for the Bolivarian Republic of Venezuela, Chile, Honduras and the Plurinational State of Bolivia. Among adults aged between 30 and 64, there was also a moderate rise in the proportion of those who work and study with respect to both the age group as a whole (from 1.9% to 2.4%) and those working in this age group (from 2.7% to 3.2%), the increases being similar for men and women. Although these increases are not large, they may reflect the start of a trend, widely discussed in occupational training strategies, towards lifelong learning.

¹⁷ A particular combination of study and work is found in "dual-system" occupational training schemes. In OECD member countries, up to 50% of young people aged 16 to 29 who are studying and working are in programmes of this type (Quintini, 2015). In Latin America, however, they play a major role in only a few countries, so this aspect is not gone into here.

Figure II.6

LATIN AMERICA (17 COUNTRIES): PROPORTION OF YOUNG PEOPLE STUDYING AND WORKING, SIMPLE AVERAGES, AROUND 2005 AND AROUND 2014
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries.

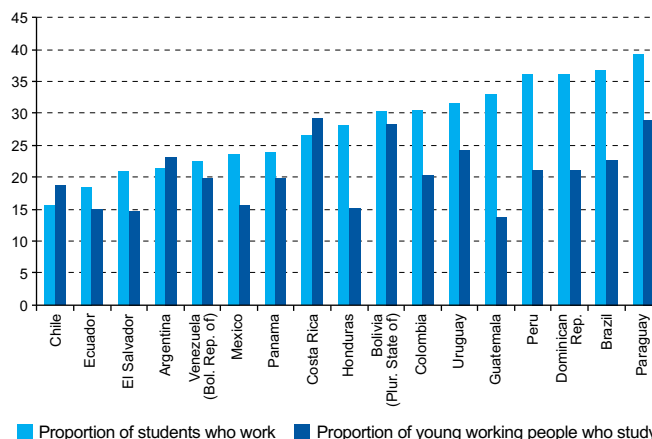
As a proportion of the whole age group, slightly more men than women combine study and work (11.7% and 9.6%, respectively, in 2014). As a proportion of working people in the age group, however, a higher proportion of women than men are also studying (25.0% and 18.8%, respectively), while the opposite is true of students who also work (30.6% of male students and 23.8% of female students). These differences between men and women are connected to the fact that the former enter the workforce for good at an earlier age, while a slightly higher proportion of women study on average.

There is great variety among the countries as regards both the proportion of students who (also) work and the proportion of working people who (also) study. The first indicator ranges from 15.6% in Chile to over 35% in Brazil, the Dominican Republic and Peru and almost 40% in Paraguay (see figure II.7). The following section will discuss an aspect that markedly influences these differences. Meanwhile, the proportion of young working people who (also) study ranges from just under 15% in Ecuador, El Salvador and Guatemala to some 29% in Costa Rica, Paraguay and the Plurinational State of Bolivia.

The proportion of wage earners is slightly lower and that of self-employed workers and employers markedly so among those who both study and work than among those who only work. Conversely, a larger proportion of those carrying out both activities are unpaid workers (see table II.3).

Figure II.7

LATIN AMERICA (SELECTED COUNTRIES): PROPORTIONS OF YOUNG WORKING PEOPLE AND STUDENTS WHO COMBINE STUDY AND WORK, BY COUNTRY, AROUND 2014
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries.

Table II.3

LATIN AMERICA (17 COUNTRIES): EMPLOYMENT CHARACTERISTICS OF PEOPLE AGED 15 TO 29 WHO BOTH STUDY AND WORK, BY SEX, AROUND 2005 AND AROUND 2014, SIMPLE AVERAGES
(Percentages and hours)

	Total		Male		Female	
	2005	2014	2005	2014	2005	2014
Proportion of young people combining study and work who are:						
Wage earners	62.7	67.1	63.9	67.3	61.0	66.7
Self-employed	13.2	12.1	14.3	13.3	11.7	10.6
Unpaid workers	20.6	18.3	21.2	19.0	19.7	17.3
Proportion of young people who only work and are:						
Wage earners	63.9	69.4	68.7	72.8	56.2	63.5
Self-employed	20.7	19.0	21.2	19.3	19.6	18.4
Unpaid workers	11.3	8.6	9.6	7.5	13.8	10.3
Proportion of wage earners combining work and study who are in formal employment:						
	43.8	52.4	39.7	49.2	50.0	56.5
Proportion of wage earners who only work and are in formal employment:						
	45.6	53.4	41.9	50.3	54.0	60.4
Hours worked per week						
Studying and working	34.2	33.8	34.9	34.4	33.3	33.1
Only working	44.8	43.4	47.2	45.7	40.7	39.4

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries.

Among young wage earners, similar proportions of those who only work and those who combine work and study, some 44%, are formally employed, implying that the majority of young people who combine these activities do not benefit from contributions to pension, health-care or social security schemes. This often means too that they do not have other benefits such as vacations, bonuses, sick leave, etc.²⁰

As might be expected, young people who both study and work report fewer hours worked per week than those who only work. However, the difference is not that great (34 and 43 hours, respectively), indicating that the pattern of students working just a few hours each week to earn some (extra) income is not the norm. Strikingly, while there is quite a large hours gap between young men and women who only work (with working

weeks of 46 and 39 hours, respectively), the gap between young men and women who both study and work is small (34 and 33 hours, respectively).

One surprise are the findings for relative wages, since average hourly pay is slightly higher for young wage earners who also study than for those who only work.

When the proportions of people aged 15 to 29 who both study and work are compared across the different per capita household income quintiles, they are found to rise continuously with income. This indicates that, on average, categories 3 and 4, as briefly described in the previous section, may predominate among young people who study and work. The employment situation of these young people across the different age subgroups will now be analysed in the light of this and other aspects.

2. The combination of study and work by age group

A better approach to the situation of young people who combine study and work is to divide them into three age groups. The first is the adolescent group, which includes those aged 15 to 19, most of them in their final years of secondary education and legally of an age to work. The second group comprises those aged 20 to 24, who have usually finished secondary education and decided whether or not to continue with post-secondary studies. Lastly, there is the group of young adults aged 25 to 29, which is more heterogeneous insofar as some will be completing post-secondary studies, others will be committed full time to the labour market, and others again will have made up their minds not to participate in it.

(a) Adolescents aged 15 to 19

The age group from 15 to 19 is not the one with the largest proportion of young people studying and working, since 10.5% of young people in it were in this situation in 2014, as compared to 12.1% in the 20 to 24 age group (see table II.4). However,

the 15 to 19 age group is the one where the largest proportion of young working people also study: 39.5% in 2014, as against 21.1% in the 20 to 24 group and 12.2% in the 25 to 29 group.

The proportion of working people in this age segment who are also studying grew between 2005 and 2014 from 35.0% to the 39.5% already cited.²¹ Although in the age group as a whole the study-work combination was less likely to be found among young women (8.3%) than men (12.7%), the proportion was substantially higher among working women (46.1% in 2014) than among working men (36.3%). Lastly, the proportion of students working dropped from 17.4% to 15.8% as the coverage of education systems increased.

There are marked differences between the countries in the proportions combining work and study in the different age subgroups (see table II.5). Although the 20 to 24 age group usually has the largest proportion of young people combining the two, in Brazil, El Salvador, Guatemala, Honduras, Mexico, Peru and the Plurinational State of Bolivia it was in the youngest group (aged 15 to 19) that the proportions were largest.²²

²⁰ In the case of Argentina, some statistics from the second National Social Security and Protection Survey (ENAPROSS II) for 2014-2015 show that there can be great disparities even within a country, as in some regions many young people have long working weeks (over 48 hours), are paid less than the minimum wage and go without vacations or bonuses (see Ministry of Labour, Employment and Social Security [online] <http://www.trabajo.gob.ar/left/estadisticas/>).

²¹ The proportion of young people combining work and study dropped slightly from 10.7% in 2005 to 10.5% in 2014, however, as education coverage expanded strongly and with it the proportion of young people engaged only in studying.

²² In Paraguay, the proportion of young people combining study and work was the same in the 15 to 19 and 20 to 24 groups.

Table II.4
**LATIN AMERICA (17 COUNTRIES): PROPORTION OF YOUNG PEOPLE COMBINING STUDY AND WORK,
 BY AGE SUBGROUP AND SEX, AROUND 2005 AND AROUND 2014, SIMPLE AVERAGES**
 (Percentages)

	Aged 15 to 19			Aged 20 to 24			Aged 25 to 29		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Proportion combining study and work									
2005	10.7	13.6	7.8	10.7	11.6	9.8	6.8	7.7	6.3
2014	10.5	12.7	8.3	12.1	12.5	11.7	8.8	9.1	8.5
Proportion in work who also study									
2005	35.0	33.7	37.5	18.4	15.9	22.5	9.6	8.8	11.6
2014	39.5	36.3	46.1	21.1	17.4	27.1	12.2	10.5	14.8
Proportion of students who also work									
2005	17.4	22.3	12.5	40.7	45.4	36.2	62.5	71.0	56.1
2014	15.8	19.3	12.3	39.3	43.8	35.1	62.6	68.9	57.3

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries.

Table II.5
**LATIN AMERICA (SELECTED COUNTRIES): PROPORTION OF YOUNG PEOPLE COMBINING WORK AND STUDY,
 BY AGE GROUP AND SEX, AROUND 2014**
 (Percentages)

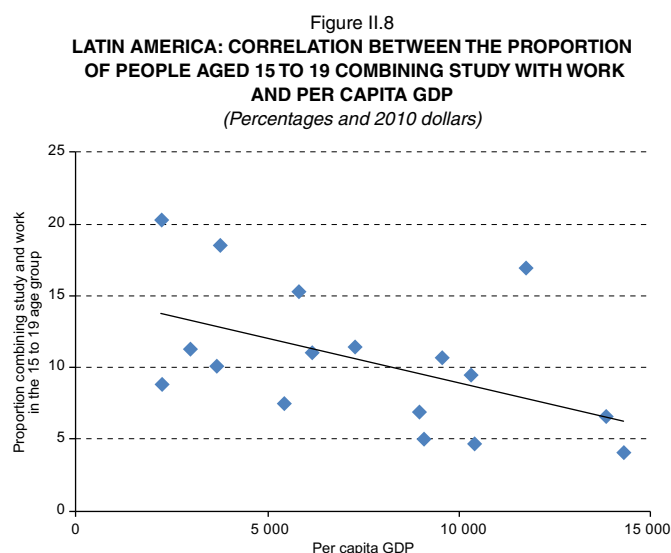
	Aged 15 to 19			Aged 20 to 24			Aged 25 to 29		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Argentina ^a	4.6	5.1	4.1	13.2	12.7	13.6	12.3	12.5	12.2
Bolivia (Plurinational State of)	20.3	22.3	18.3	13.2	15.1	11.4	9.2	10.2	8.2
Brazil	16.9	20.1	13.6	13.9	13.8	14.0	8.0	8.0	7.9
Chile	4.0	4.9	3.1	9.9	10.6	9.2	8.7	10.6	6.8
Colombia	11.4	13.1	9.6	11.9	12.1	11.8	9.0	8.9	9.1
Costa Rica	5.0	6.2	3.7	18.3	19.1	17.6	16.5	16.4	16.6
Dominican Republic	11.0	14.3	7.7	16.5	18.0	14.9	12.2	12.7	11.8
Ecuador	7.5	9.8	5.0	8.5	9.2	7.8	5.0	5.9	4.2
El Salvador	10.1	13.4	6.7	5.6	6.4	4.8	4.1	5.6	2.6
Guatemala	11.3	15.0	7.6	5.7	6.6	4.9	4.7	5.6	3.9
Honduras	8.8	10.6	6.9	8.3	8.5	8.0	5.8	5.4	6.1
Mexico	10.7	13.3	7.9	8.3	9.3	7.3	4.1	5.1	3.1
Panama	9.4	12.9	6.0	11.6	11.3	11.9	7.9	7.7	8.1
Paraguay	18.5	22.0	15.1	18.5	18.2	18.8	11.3	10.4	12.1
Peru	15.3	16.7	13.7	12.6	12.7	12.6	7.0	7.8	6.2
Uruguay ^a	7.3	7.5	7.1	17.6	15.7	19.6	15.0	13.4	16.5
Venezuela (Bolivarian Republic of)	6.9	8.5	5.1	12.2	13.4	11.0	8.9	9.1	8.8

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries.

^a Urban areas.

For an initial look at the relative importance of the first categories in the study-work combination (participation in the family economy and contributions to household subsistence), figure II.8 relates the proportion of young people studying and working to per capita gross domestic product (GDP). It shows that the proportion of people in the 15 to 19 age group combining study and work is negatively correlated with the countries' per capita GDP, which would indicate a substantial presence of categories 1 (participation in activities pertaining to the family economy) and 2 (working to contribute to household income) among these young people.

This correlation, and especially the large role played by family economies in countries with low per capita GDP (category 1), are also reflected in the composition by occupational category of young people who both work and study. As table II.6 shows, the proportion of unpaid family workers among these young people is large, and far greater than among young people who only work.



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries and ECLAC information on the countries' national accounts.

Table II.6
LATIN AMERICA (17 COUNTRIES): PROPORTIONS OF YOUNG PEOPLE WHO BOTH WORK AND STUDY AND OF YOUNG PEOPLE WHO ONLY WORK, BY EMPLOYMENT CATEGORY, AGE SUBGROUP AND SEX, AROUND 2005 AND AROUND 2014, SIMPLE AVERAGES
(Percentages)

	Aged 15 to 19			Aged 20 to 24			Aged 25 to 29		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Working and studying									
Wage earners									
2005	50.1	53.8	43.1	72.7	74.3	70.3	76.0	74.8	77.4
2014	52.0	54.3	48.1	76.5	76.5	76.5	81.3	82.6	79.6
Self-employed and employers									
2005	12.6	13.3	11.0	13.3	14.4	12.2	16.1	19.0	13.3
2014	12.6	14.0	10.5	12.2	14.0	10.3	13.2	13.5	13.1
Unpaid family workers									
2005	32.8	32.1	34.2	11.2	11.2	11.3	6.0	6.1	6.4
2014	32.1	31.5	33.2	9.0	9.1	9.0	3.7	4.2	3.6
Only working									
Wage earners									
2005	57.6	63.0	46.5	66.3	71.1	58.5	64.8	69.6	57.9
2014	63.3	67.6	53.2	71.7	74.9	65.9	69.6	73.2	64.3
Self-employed and employers									
2005	15.7	16.4	14.1	19.3	19.8	18.0	24.9	25.7	23.6
2014	15.1	15.8	13.7	17.3	17.7	16.4	22.0	22.3	21.7
Unpaid family workers									
2005	21.8	20.1	24.9	10.3	8.7	12.8	6.6	4.3	9.9
2014	18.4	16.2	22.9	8.0	7.1	9.5	5.4	4.1	7.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries.

Note: The percentages do not add up to 100 because not all groups are included.

This proportion is probably so high because of the large role played by the farm sector in the occupational structure characterizing countries which have low GDP per capita and where young people traditionally join in the activities of the family economy. It is striking that between 2005 and 2014, the share of this employment category held fairly steady among people aged 15 to 19 combining work and study, but dropped by more than 3 percentage points among young people in this age group who only worked.²³

This context gives rise to other aspects characterizing the employment situation of people aged 15 to 19 who combine study and work and distinguishing them from the other age groups:

- The gap between young men and women combining study and work is greatest in this age group: table II.4 shows proportions of 12.7% and 8.3%, respectively, among adolescents, 12.5% and 11.7% among those aged 20 to 24 and 9.1% and 8.5% in the 24 to 29 group. The gap between men and women narrowed in all the age subgroups between 2005 and 2014.
- Among those combining study and work, the figures show the youngest age group working the fewest hours per week (28 hours) and a substantial proportion (49%) working fewer than 25 hours, which indicates that studying was the main activity for many of these young people. These numbers contrast sharply with those for young people in this same age group who only worked, as they did so for an average of 40 hours a week, with just 20% working for less than 25 hours a week (see table II.7). The average number of hours worked fell slightly for both groups in the 15 to 19 age range, consistently with the general trend in the region's labour markets.

It is interesting to note that, despite the negative correlation between the proportion of young people combining study and work and per capita GDP, and despite the importance of category 1 as already discussed, the background to the work-study combination is diversified. There are clear indications that, alongside category 1, categories 2 (work to supplement household income) and 3 (work to finance personal activities and tastes) are well represented. Besides the important role played by the family economy in this context, the fact that

work is a supplementary activity for many of those combining work and study in this age group is probably due in part to the fact that school attendance is compulsory up to a certain age (varying between countries), which affects some young people in this segment. Consequently, it is unsurprising that the level of formality among young people combining study with wage work is not only very low but is actually lower than it is for those in the same age group who only work (see table II.8).²⁴ This can probably be put down to the type of employment available to these young people and to their own view of these jobs as being not necessarily the first step in their working career, but as serving a functional purpose in meeting the needs of this phase in their life cycle.²⁵

The diversity of young people's social contexts and personal motivations is also reflected in the fact that the proportion combining study and work in the 15 to 19 age group does not greatly differ between members of households in the different per capita income quintiles (see table II.9). In the case of young men, the bottom and top quintiles have the largest proportions combining work and study, while among women these proportions correlate positively with household income. When considering the proportion of working youth who also study, there is a clear increase in this ratio among the top quintile, indicating a large share for category 3.

It may be surprising that hourly earnings are higher for young wage earners who also study; this may be because they are more educated than their peers who only work and have ceased to attend school. Among those in the age group who combine work and study, the average hourly male wage is slightly higher than the female one (see table II.10).

²³ The decline in youth employment in this category has been associated with changes in the agricultural sector and the emergence of other working options for young people from households producing in this sector (Weller, 2016).

²⁴ As will be seen further on, the opposite is true in the following age groups.

²⁵ In a recent survey, young people in the region were asked what they valued about a job. A good wage and working environment were found to be highly valued by all age groups, while aspects such as social protection and union representation were given more importance by young people and young adults than by adolescents (ILO, 2017, p. 19). It is interesting to note that value is set on opportunities to grow and develop in a firm, but this appreciation increases only slightly with age. That could be because many of these young people have employment expectations that could be judged atypical, with many hoping to work in their own businesses, work from home and have flexible working hours (ILO, 2017, p. 22).

Table II.7

LATIN AMERICA (17 COUNTRIES): AVERAGE HOURS WORKED PER WEEK BY YOUNG PEOPLE COMBINING STUDY AND WORK AND YOUNG PEOPLE WHO ONLY WORK, BY AGE SUBGROUP AND SEX, AROUND 2005 AND AROUND 2014, SIMPLE AVERAGES

	Aged 15 to 19			Aged 20 to 24			Aged 25 to 29		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Working and studying									
2005	29.7	30.3	28.9	36.2	37.3	35.0	39.0	42.3	36.3
2014	28.2	28.4	27.7	36.2	37.2	35.1	39.6	41.3	37.7
Only working									
2005	42.2	43.4	39.7	45.0	47.3	40.9	45.8	49.0	40.7
2014	40.3	41.4	37.5	43.9	45.9	40.1	44.0	47.0	39.3

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries.

Table II.8

LATIN AMERICA (17 COUNTRIES): PROPORTION OF FORMAL EMPLOYMENT AMONG YOUNG PEOPLE COMBINING STUDY AND WORK AND YOUNG PEOPLE WHO ONLY WORK, BY AGE SUBGROUP AND SEX, AROUND 2005 AND AROUND 2014, SIMPLE AVERAGES
(Percentages)

	Aged 15 to 19			Aged 20 to 24			Aged 25 to 29		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Working and studying									
2005	18.5	16.2	24.1	49.7	47.0	53.0	63.1	67.8	62.6
2014	23.8	20.7	30.2	57.6	56.7	58.6	72.4	72.1	72.6
Only working									
2005	21.6	19.5	28.0	43.4	40.6	49.5	55.9	52.0	63.8
2014	26.9	24.7	33.4	51.1	48.5	57.3	62.7	60.2	67.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries.

Table II.9

LATIN AMERICA (17 COUNTRIES): PROPORTION OF YOUNG PEOPLE COMBINING STUDY AND WORK, BY PER CAPITA HOUSEHOLD INCOME QUINTILE, AGE SUBGROUP AND SEX, AROUND 2005 AND AROUND 2014, SIMPLE AVERAGES
(Percentages)

	Aged 15 to 19			Aged 20 to 24			Aged 25 to 29		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Proportion of age subgroup combining work and study									
Q1	10.4	13.8	7.1	4.1	5.1	3.2	2.1	2.2	2.2
Q2	9.6	12.3	6.9	6.7	7.0	6.4	4.0	4.5	3.6
Q3	10.5	12.3	8.7	10.6	10.8	10.4	6.9	6.9	6.9
Q4	11.1	12.3	9.8	15.2	14.5	15.9	10.5	9.7	11.5
Q5	12.0	13.2	10.7	15.2	14.5	15.9	16.4	16.6	16.1
Proportion in work who also study									
Q1	37.9	36.1	42.1	9.2	7.8	12.0	4.1	2.8	6.3
Q2	36.9	34.4	43.1	13.0	9.9	18.9	6.4	5.3	8.2
Q3	37.8	34.2	44.4	17.9	14.6	23.4	9.7	7.9	12.6
Q4	39.3	35.1	47.1	23.4	19.2	29.7	13.3	10.8	16.7
Q5	51.0	46.2	59.3	30.8	40.2	19.1	19.1	18.3	20.1

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries.

Table II.10

LATIN AMERICA (17 COUNTRIES): HOURLY WAGES OF YOUNG PEOPLE COMBINING STUDY AND WORK AND THOSE WHO ONLY WORK, BY AGE SUBGROUP AND SEX, AROUND 2014, SIMPLE AVERAGES
(Index: average of all hourly wages=100)

	Aged 15 to 19			Aged 20 to 24			Aged 25 to 29		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Working and studying	59.7	60.9	57.8	84.3	86.9	81.7	111.8	116.4	105.3
Only working	51.2	51.0	51.9	67.5	66.7	69.6	87.6	84.9	92.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of special tabulations of household survey data from the countries.

(b) Young people aged 20 to 24 and young adults aged 25 to 29

The proportion of young people in the 20 to 24 and 25 to 29 age subgroups combining work and study rose from 10.7% to 12.1% and from 6.8% to 8.8%, respectively, between 2005 and 2014. The proportion of those in work in each age group who were also studying rose from 18.4% to 21.1% and from 9.6% to 12.2%, respectively (see table II.4). In contrast, the proportion of students who also worked dropped from 40.7% to 39.3% in the 20 to 24 group while holding steady at about 62% in the older age group.

The characteristics of young people's employment in these age groups differ from those in the youngest age group while resembling each other, albeit with differences apparently arising from the fact that the 20 to 24 subgroup embodies something of a transition between the other two. Specifically, there is a preponderance of category 4 (young people working to improve their future employment prospects), since what predominates is not study plus work but its opposite, work plus study, as reflected in the fact that over 60% of those aged 25 to 29 who are studying (and about 40% in the 20 to 24 group) also work. The preponderance of the work component can also be observed, first, in the number of hours worked per week, which has increasingly closed in on the number worked by peers in the same age group who only work. While this gap is very large in the 15 to 19 group, as established earlier, by 2014 the average numbers of weekly hours worked were 36 versus 44 for those aged 20 to 24 and 40 versus 44 for those aged 25 to 29 (see table II.7). Full-time work predominated in both groups, with 63% of the 20 to 24 age group and 79% of the 25 to 29 group working for 35 hours or more, while just 25% and 15%, respectively, worked for less than 25 hours. These latter proportions were slightly higher for women (27% and 18%, respectively) than for men (24% and 14%), with women presumably having to take on a greater proportion of domestic tasks than their male peers in addition to working and studying. However, the gap between men and women in hours worked was smaller in the working and studying group than in the working only group.

Second, the fact that the category 4 work-study combination predominated in these age groups (young people working and studying to improve their future employment prospects) is further underlined by the observation that, by contrast with the 15 to 19 group, wage earners in these groups were more likely to

be in formal employment if they also studied than if they only worked (see table II.8). This went for both men and women. Comparing the two sexes, the proportions in formal employment were similar in the group combining work and study but higher for women in the working only group.

Third, there was a large hourly pay gap favouring young people who combined work and study in both age groups, suggesting that they were already better qualified on average than their peers who had stopped studying and devoted themselves exclusively to work (see table II.10). They earned an average of 25% more than those who only worked in the 20 to 24 group and 28% more in the 25 to 29 group. Among young people who worked and studied, there was a larger pay gap in favour of men in the older subgroups. This seems to indicate that men benefit more from experience, and could be explained by young adult women (aged 25 to 29) entering and leaving the labour market more often or having less access than men in the same age group to high-level positions, resulting in a smaller presence in more responsible and better-paid jobs (Gontero and Weller, 2015).

Fourth, in the group of working people aged 20 to 24, the proportion of unpaid workers was still slightly greater among those who also studied than among those who only worked (although the gap was much smaller than in the 15 to 19 age group), while this bias was reversed in the 25 to 29 group (see table II.6). Thus, the obligation to contribute to the family economy (category 1) obviously declined in importance as a factor influencing the work-study combination. It is interesting to note that this category was no larger among young women combining work and study than among men in this situation, while in all age groups a greater proportion of women than of men were unpaid family workers.

Lastly, while the proportion of young people combining study and work did not vary greatly between quintiles in the 15 to 19 group, a strong positive correlation is observed between this proportion and per capita household income in the two older groups (see table II.9). Just 4.1% of the 20 to 24 group combined work and study in the bottom quintile, rising to 15.8% in the top quintile, while the figures for the 25 to 29 group were 2.1% and 16.4%, respectively. This once again highlights the fact that category 4 situations (young people working and studying to improve their employment prospects) were the norm in these groups, with category 3 (working to finance personal activities and tastes) perhaps strongly represented too.

D. Conclusions

The transition between school and work has become more difficult to analyse. Most young people do not follow the pattern of study, job-seeking and employment but rather change their status frequently. For this reason, the indicators traditionally used to analyse the labour market need to be combined with others that make it possible to carry out a comprehensive analysis of the dynamic of this period and identify which elements help or hinder young people seeking to participate fully in the labour market.

A review of cross-sectional indicators from household surveys and those estimated from the SWTS shows that this period is still a long and demanding one for many young people in the region. Some cease to attend any educational establishment (at least exclusively) at very early ages, often to contribute to family subsistence with earnings generated in poor employment conditions. Although this situation, on one definition, could be regarded as a complete transition to the world of work, it highlights the importance of considering the context in which the transition takes place. It also underlines the importance of policies targeted on young people at higher risk of dropping out of school right from early adolescence, confirming the relevance of school retention programmes and those relating to investment in education quality, relevance and access. There is also a case for flexible education systems with greater emphasis on training for work, internships and vocational guidance. SWTS data reveal that there are countries where less than 50% of young people have completed their transition to the labour market by the age of 29, insofar as they are not in what could be considered regular jobs. They also confirm a clear gender gap, as they show that young women's school-to-work transitions take longer on average. This reflects, first, how common substandard working conditions are in many labour markets and, second, the persistence of inequality in the sexual division of labour, with young women being given responsibility for care and household work. This suggests a need for gender aspects to be incorporated into public policy design.

SWTS data for the region show that the transition from school to regular jobs is shorter for young people with prior work experience. The better to understand this dynamic in the region, the present document updates and analyses in detail the characteristics of young people combining study and work. Latin America has smaller proportions of young people in this situation than developed countries, but there is an upward trend. A variety of economic, social and cultural factors influence the decision to combine study and work. It has been established here that the dynamics underlying this situation vary by age subgroup. Specifically, a large proportion of adolescents aged 15 to 19 who are still in secondary school work without pay in their family economy or have to find employment to contribute financially to the subsistence of the household. In the other age subgroups (20 to 24 and 25 to 29), where students are

mainly engaged in post-secondary study, a large proportion of young people who combine study and work are already in the world of employment and studying to improve their future prospects. It is also found that some young people engaged in post-secondary studies are working at the same time to be able to afford activities or purchases representing personal preferences or to gain experience in areas relevant to their future careers, particularly in the case of young people from households in the higher-income quintiles. In the older age groups, only a minority seem to combine work and study for reasons of household subsistence (the combination of study and work is unusual in the lower income quintiles), although there appears to be a segment of young people who work precisely to fund their studies. These findings suggest that age groups should be factored into youth employment policies.

State intervention is essential to facilitate successful school-to-work transitions. Youth employment and social integration are on the agendas of most Latin American countries, and a variety of initiatives for policies, plans and programmes to improve young people's employability have been implemented in recent years. The policies considered have targeted aspects of both supply (training, career and employment guidance, transport subsidies, care, etc.) and demand (wage subsidies, incentives for enterprise), as well as measures to improve employment intermediation systems. In 2016, Colombia passed a law, the *Ley Projoven*, to support young people in business ventures and enable them to do work experience in State institutions, work on the staff of private sector firms and deal with the problems that arise if they have no military passbook; in 2016, Ecuador passed the Organic Law for the Promotion of Youth Work, Exceptional Regulation of Working Hours, Severance Pay and Unemployment Insurance; El Salvador has its National Action Plan on Youth Employment, 2012-2024; and in 2013 and 2015, respectively, Paraguay and Uruguay each passed youth employment acts. There has also been progress with the collection of empirical evidence to evaluate these initiatives (Vezza, 2014; González Velosa, Ripani and Rosas-Shady, 2012; ILO, 2015a, 2015b and 2015c; Díaz and Rosas, 2016). The general assessment is that youth employment programmes do help young people improve their position in the labour market, with positive effects on both employability and wages, especially in the case of the most vulnerable groups with the lowest incomes and education levels (Robalino and others, 2016). The main lessons learned seem to concern the benefits of empowered institutions, designs appropriate to the beneficiary population targeted and an approach involving long-term commitment and participation by the different actors involved. Also essential is progress with the collection of statistical information to better monitor

these programmes and conduct ongoing impact evaluations so that the necessary adjustments can be made. It could also be helpful to improve and draw on data sources such as the SWTS, a survey that has been especially designed to analyse this period and could be used to analyse other aspects. More research drawing on this survey and greater coverage to analyse the situation in other countries would be highly valuable. For example, it would be useful to analyse information on the compatibility between young people's field of study and the area they are working in, as this would make it possible to evaluate a very important issue for young people

combining study and work, namely skill mismatches. There is also a need for analyses of access to particular employment and social security benefits in order to evaluate job quality.

Progress towards successful school-to-work transitions must involve lessening the uncertainty characterizing this period and enabling people to obtain experiences relevant to upward employment trajectories at an earlier stage. Improving the characteristics of these transitions, especially for young people from low-income households, can be a potentially powerful way of weakening the intergenerational transmission of poverty and reducing inequality.

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Annex A1

Table A1.1
LATIN AMERICA AND THE CARIBBEAN: ANNUAL AVERAGE URBAN UNEMPLOYMENT RATES, FROM 2006 TO THE FIRST HALF OF 2017
 (Percentages)

Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 ^a	2016 ^a	2017 ^a
												First half	
Latin America													
Argentina ^b	10.2	8.5	7.9	8.7	7.7	7.2	7.2	7.1	7.3	6.5	8.5	9.3	8.7
Bolivia (Plurinational State of)	8.0	7.7	6.7	6.8	...	3.8	3.2	4.0	3.5	4.4	...	...	...
Brazil ^c	10.0	9.3	7.9	8.1	6.7	6.0	8.2	8.0	7.8	9.3	13.0	12.4	14.9
Chile ^d	8.2	7.6	8.2	10.2	8.5	7.4	6.7	6.2	6.7	6.4	6.8	7.0	7.1
Colombia ^e	13.2	12.2	12.1	13.2	12.7	11.8	11.4	10.7	10.0	9.8	10.3	10.9	11.0
Costa Rica ^f	6.0	4.8	4.8	8.5	7.1	7.7	9.8	9.1	9.5	9.7	9.6	9.5	8.6
Cuba ^g	1.9	1.8	1.6	1.7	2.5	3.2	3.5	3.3	2.7	2.4	2.0	...	...
Dominican Republic ^h	6.2	5.4	5.3	5.8	5.7	6.7	7.2	7.9	7.2	6.9	6.3	...	...
Ecuador ⁱ	8.1	6.9	6.9	8.5	7.6	6.0	4.9	4.7	5.1	5.4	6.8	7.0	5.7
El Salvador ^j	5.7	5.8	5.5	7.1	6.8	6.6	6.2	5.6	6.7	6.5	6.9	...	...
Guatemala ^k	...	...	...	...	4.8	3.1	4.0	3.8	4.0	3.2	3.4	4.0	4.0
Honduras	4.6	3.9	4.2	4.9	6.4	6.8	5.6	6.0	7.5	8.8	9.0	...	...
Mexico ^l	4.0	4.0	4.3	5.9	5.9	5.6	5.4	5.4	5.3	4.7	4.3	4.4	3.7
Nicaragua ^m	7.6	7.3	8.0	10.5	10.1	6.5	7.6	...	...	...	...	...	...
Panama ⁿ	10.4	7.8	6.5	7.9	7.7	5.4	4.8	4.7	5.4	5.8	6.4	6.5	6.4
Paraguay ^o	8.9	7.2	7.4	8.2	7.4	6.9	7.9	7.7	7.8	6.5	7.7	7.6	8.4
Peru	6.4	6.3	6.0	5.9	5.3	5.1	4.7	4.8	4.5	4.4	5.2	6.1	5.9
Uruguay ^p	11.3	9.8	8.3	8.2	7.5	6.6	6.7	6.7	6.9	7.8	8.2	8.2	8.6
Venezuela (Bolivarian Republic of) ^q	9.9	8.3	7.4	7.8	8.6	8.3	8.1	7.8	7.2	7.0	7.5	...	...
The Caribbean													
Bahamas ^r	7.7	7.9	8.7	14.2	...	15.9	14.4	15.8	14.8	13.4	12.7	...	...
Barbados ^s	8.7	7.4	8.1	10.0	10.8	11.2	11.6	11.6	12.3	11.3	9.9	...	...
Belize ^t	9.4	8.5	8.2	13.1	12.5	...	15.3	13.2	11.6	10.1	9.5	8.0	9.0
Jamaica ^u	10.3	9.9	10.6	11.4	12.4	12.6	13.9	15.2	13.7	13.5	13.2	13.5	12.4
Trinidad and Tobago ^v	6.2	5.5	4.6	5.3	5.9	5.1	5.0	3.7	3.3	3.5	4.0	...	...
Latin America and the Caribbean ^w	8.7	8.2	7.6	8.8	8.2	7.4	7.3	7.1	6.9	7.3	8.9	9.2	10.1

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of information from the household surveys conducted in the respective countries.

^a Preliminary figures.

^b Includes data for 31 urban centres. The National Institute of Statistics and Censuses (INDEC) of Argentina does not recognize data corresponding to 2007-2015 and is in the process of reviewing them. Therefore, these data are preliminary and will be replaced when the new official figures are published. 2015 data correspond to the average of the first three quarters and 2016 data correspond to the average of the second, third and fourth quarters. Data for the first half of 2016 and of 2017 correspond to the second quarter.

^c Up to 2011, data for six metropolitan areas are included. From 2012 onwards, data for 20 metropolitan areas are included (data are not comparable to those of previous years).

^d From 2010 onwards, a new form of measurement is applied (data are not comparable with those of previous years).

^e Data correspond to municipal capitals. Hidden unemployment is included.

^f From 2009 and from 2012 onwards, new forms of measurement are applied (data are not comparable to those of previous years).

^g Data correspond to the national total.

^h 2016 data are estimates.

ⁱ From 2007 onwards, the minimum age of the working-age population was changed from 10 to 15. Hidden unemployment is included.

^j From 2007 onwards, the minimum age of the working-age population was changed from 10 to 16. Hidden unemployment is included.

^k From 2011 onwards, the minimum age of the working-age population was changed from 10 to 15. Data for the first half of 2016 and of 2017 correspond to February-March.

^l Urban data include areas reflecting low, medium and high levels of urbanization.

^m From 2010 onwards, a new survey is implemented (data are not comparable to those of previous years).

ⁿ Hidden unemployment is included. Data for the first half of 2016 and of 2017 correspond to March.

^o From 2010 onwards, data correspond to Asunción and urban areas in the Central Department. Data for the first half of 2016 and of 2017 correspond to the first quarter.

^p Data correspond to towns of 5,000 or more inhabitants.

^q Data correspond to the national total. Hidden unemployment is included. 2016 data correspond to the January-April average.

^r Data correspond to the national total. Hidden unemployment is included. 2016 data correspond to May.

^s Data correspond to the national total. Hidden unemployment is included. 2016 data correspond to the annual average as at the end of the third quarter.

^t Data correspond to the national total. Hidden unemployment is included. Data for the first half of 2016 and of 2017 correspond to the first quarter.

^u Data correspond to the national total. Hidden unemployment is included.

^v Weighted average with adjustments for lack of information and methodological differences and changes. Includes data adjustments for the exclusion of hidden unemployment in Colombia, Ecuador, Jamaica and Panama. Half-year data correspond to a limited number of countries; thus, these data are not comparable to annual data.

Table A1.2
LATIN AMERICA AND THE CARIBBEAN: ANNUAL AVERAGE URBAN LABOUR FORCE PARTICIPATION RATES, FROM 2006 TO THE FIRST HALF OF 2017
(Percentages)

Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 ^a	2016 ^a First half	2017 ^a
Latin America													
Argentina ^b	60.3	59.5	58.8	59.3	58.9	59.5	59.3	58.9	58.3	57.7	57.5	57.8	57.4
Bolivia (Plurinational State of)	58.7	57.1	58.8	60.5	...	59.6	57.0	58.5	59.4	56.2	...	...	...
Brazil ^c	56.9	56.9	57.0	56.7	57.1	57.1	63.1	63.4	62.8	62.8	63.7	63.4	64.5
Chile ^d	55.0	55.4	56.6	56.5	59.1	60.3	59.9	59.7	60.0	60.0	59.7	59.5	59.6
Colombia ^e	60.6	60.2	60.6	62.9	64.1	65.2	66.0	65.8	66.0	66.3	65.9	65.7	65.7
Costa Rica ^f	58.2	58.5	58.6	62.3	60.7	62.6	64.5	63.3	64.0	62.7	59.3	58.6	60.1
Cuba ^g	72.1	73.7	74.7	75.4	74.9	76.1	74.2	72.9	71.9	69.1	65.2	...	...
Dominican Republic ^h	62.7	62.1	62.3	60.0	61.1	62.5	63.6	63.7	63.5	64.0	64.3	...	...
Ecuador ⁱ	59.1	69.1	67.7	66.3	64.2	62.2	62.8	61.8	62.2	64.1	65.7	65.6	65.6
El Salvador ^j	53.9	63.6	64.1	64.3	64.4	63.7	64.6	65.1	64.6	63.5	63.8	...	...
Guatemala ^k	...	...	...	...	65.2	61.0	65.5	61.9	62.7	62.9	62.3	63.5	62.8
Honduras	52.1	51.7	52.7	53.1	53.7	52.5	51.2	54.3	55.7	57.1	57.4	...	...
Mexico ^l	61.5	61.4	61.3	61.1	60.8	61.0	61.6	61.6	60.9	60.8	60.8	60.6	60.4
Nicaragua ^m	53.1	50.7	53.8	52.1	71.6	74.2	75.2	...	...	...	...	...	...
Panama ⁿ	62.8	62.6	64.4	64.4	64.0	63.2	63.6	64.1	64.3	64.5	64.6	64.8	64.7
Paraguay ^o	57.9	59.6	61.5	62.3	63.9	64.7	64.7	66.6	65.5	66.0	66.3	66.0	65.2
Peru	68.5	71.0	71.1	71.2	71.6	71.6	71.5	71.2	70.0	69.4	70.5	70.3	70.1
Uruguay ^p	60.8	62.9	62.8	63.6	63.5	65.0	64.0	63.6	64.8	64.0	63.8	63.9	63.6
Venezuela (Bolivarian Republic of) ^q	65.4	64.8	64.8	65.0	64.6	64.4	64.0	64.3	65.1	63.7	62.9	...	...
The Caribbean													
Bahamas ^r	75.1	76.2	76.3	73.4	...	72.1	72.5	73.2	73.7	74.3	76.9	...	...
Barbados ^s	67.9	67.8	67.6	67.0	66.6	67.6	66.2	66.7	63.9	65.1	66.6	...	...
Belize ^t	57.6	61.2	59.2	...	...	...	65.8	64.0	63.6	63.2	64.0	63.7	64.3
Jamaica ^u	64.7	64.9	65.4	63.5	62.4	61.7	61.9	63.0	62.8	63.1	64.8	64.5	65.2
Trinidad and Tobago ^v	63.9	63.5	63.5	62.7	62.1	61.3	61.8	61.3	61.9	60.6	59.7	...	...
Latin America and the Caribbean ^w	62.9	63.1	63.3	63.5	63.3	63.1	63.2	63.2	62.8	62.7	62.9	62.7	63.1

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of information from the household surveys conducted in the respective countries.

^a Preliminary figures.

^b Includes data for 31 urban centres. The National Institute of Statistics and Censuses (INDEC) of Argentina does not recognize data corresponding to 2007-2015 and is in the process of reviewing them. Therefore, these data are preliminary and will be replaced when the new official figures are published. 2015 data correspond to the average of the first three quarters and 2016 data correspond to the average of the second, third and fourth quarters. Data for the first half of 2016 and of 2017 correspond to the second quarter.

^c Up to 2011, data for six metropolitan areas are included. From 2012 onwards, data for 20 metropolitan areas are included (data are not comparable to those of previous years).

^d From 2010 onwards, a new form of measurement is applied (data are not comparable with those of previous years).

^e Data correspond to municipal capitals. Hidden unemployment is included.

^f From 2009 and from 2012 onwards, new forms of measurement are applied (data are not comparable to those of previous years).

^g Data correspond to the national total.

^h 2016 data are estimates.

ⁱ From 2007 onwards, the minimum age of the working-age population was changed from 10 to 15. Hidden unemployment is included.

^j From 2007 onwards, the minimum age of the working-age population was changed from 10 to 16. Hidden unemployment is included.

^k From 2011 onwards, the minimum age of the working-age population was changed from 10 to 15. Data for the first half of 2016 and of 2017 correspond to February-March.

^l Urban data include areas reflecting low, medium and high levels of urbanization.

^m From 2010 onwards, a new survey is implemented (data are not comparable to those of previous years).

ⁿ Hidden unemployment is included. Data for the first half of 2016 and of 2017 correspond to March.

^o From 2010 onwards, data correspond to Asunción and urban areas in the Central Department. Data for the first half of 2016 and of 2017 correspond to the first quarter.

^p Data correspond to towns of 5,000 or more inhabitants.

^q Data correspond to the national total. Hidden unemployment is included. 2016 data correspond to the January-April average.

^r Data correspond to the national total. Hidden unemployment is included. 2016 data correspond to May.

^s Data correspond to the national total. Hidden unemployment is included. 2016 data correspond to the annual average as at the end of the third quarter.

^t Data correspond to the national total. Hidden unemployment is included. Data for the first half of 2016 and of 2017 correspond to the first quarter.

^u Data correspond to the national total. Hidden unemployment is included.

^v Weighted average with adjustments for lack of information and methodological differences and changes. Includes data adjustments for the exclusion of hidden unemployment in Colombia, Ecuador, Jamaica and Panama. Half-year data correspond to a limited number of countries; thus, these data are not comparable to annual data.

Table A1.3
LATIN AMERICA AND THE CARIBBEAN: ANNUAL AVERAGE URBAN EMPLOYMENT RATES, FROM 2006 TO THE FIRST HALF OF 2017
(Percentages)

Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 ^a	2016 ^a First half	2017 ^a
Latin America													
Argentina ^b	54.1	54.5	54.2	54.2	54.4	55.2	55.0	54.7	54.0	53.9	52.6	52.4	52.4
Bolivia (Plurinational State of)	54.0	52.7	56.2	57.5	...	57.3	55.2	56.1	57.3	53.8	...	...	...
Brazil ^c	51.2	51.6	52.5	52.1	53.2	53.7	57.9	58.3	57.9	57.0	55.4	55.6	54.8
Chile ^d	50.5	51.2	52.0	50.7	54.0	55.8	55.9	56.1	56.0	56.1	55.7	55.4	55.4
Colombia ^e	52.6	52.9	53.2	54.6	56.0	57.5	58.5	58.8	59.4	59.8	59.2	58.5	58.4
Costa Rica ^f	54.7	55.7	55.7	57.0	56.4	57.8	58.2	57.5	57.9	56.6	53.6	53.0	54.9
Cuba ^g	70.7	72.4	73.6	74.2	73.0	73.6	71.6	70.5	70.0	67.5	63.8	...	...
Dominican Republic ^h	58.8	58.7	59.0	56.5	57.6	58.3	59.0	58.6	58.9	59.6	60.4	...	...
Ecuador ⁱ	54.3	64.3	63.1	60.7	59.3	58.5	59.7	58.9	59.0	60.7	61.2	61.0	61.9
El Salvador ^j	50.8	59.9	60.6	59.7	60.0	59.5	60.6	61.5	60.3	59.4	59.4	...	...
Guatemala ^k	...	...	...	...	62.0	59.0	62.8	59.5	60.2	60.9	60.2	61.0	60.3
Honduras	49.7	49.7	50.5	50.5	50.3	48.9	48.3	51.1	51.5	52.1	52.3	...	...
Mexico ^l	59.0	58.9	58.7	57.5	57.2	57.5	58.3	58.3	57.6	57.9	58.2	57.9	58.2
Nicaragua ^m	49.1	47.1	49.5	46.6	64.4	69.4	69.5	...	...	...	...	...	...
Panama ⁿ	56.3	57.7	60.2	59.3	59.1	59.8	60.6	61.1	60.9	60.7	60.4	60.5	60.6
Paraguay ^o	52.7	55.3	57.0	57.1	59.2	60.2	59.6	61.5	60.4	61.8	61.2	61.0	59.8
Peru	64.1	66.5	66.8	67.0	67.9	67.9	68.1	67.8	66.8	66.4	66.6	66.1	66.0
Uruguay ^p	53.9	56.7	57.6	58.4	58.8	60.7	59.6	59.5	60.4	59.0	58.6	58.6	58.1
Venezuela (Bolivarian Republic of) ^q	58.9	59.4	60.0	59.9	59.0	59.0	58.8	59.3	60.4	59.2	58.2	...	...
The Caribbean													
Bahamas ^r	69.4	70.2	69.7	63.0	...	60.6	62.1	61.6	62.8	64.4	67.1	...	...
Barbados ^s	61.9	62.8	62.1	60.3	59.5	60.0	58.5	58.9	56.0	57.7	60.0	...	...
Belize ^t	52.2	56.0	54.3	...	...	...	55.7	55.7	56.3	56.8	57.9	58.7	58.5
Jamaica ^u	58.0	58.6	58.5	56.3	54.7	54.4	53.3	53.4	54.2	54.6	56.2	55.8	57.1
Trinidad and Tobago ^v	59.9	59.9	60.6	59.4	58.4	58.2	58.8	59.1	59.9	58.5	57.4	...	...
Latin America and the Caribbean ^w	57.6	58.2	58.6	58.1	58.3	58.5	58.7	58.8	58.5	58.1	57.3	56.9	56.7

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of information from the household surveys conducted in the respective countries.

^a Preliminary figures.

^b Includes data for 31 urban centres. The National Institute of Statistics and Censuses (INDEC) of Argentina does not recognize data corresponding to 2007-2015 and is in the process of reviewing them. Therefore, these data are preliminary and will be replaced when the new official figures are published. 2015 data correspond to the average of the first three quarters and 2016 data correspond to the average of the second, third and fourth quarters. Data for the first half of 2016 and of 2017 correspond to the second quarter.

^c Up to 2011, data for six metropolitan areas are included. From 2012 onwards, data for 20 metropolitan areas are included (data are not comparable to those of previous years).

^d From 2010 onwards, a new form of measurement is applied (data are not comparable with those of previous years).

^e Data correspond to municipal capitals.

^f From 2009 and from 2012 onwards, new forms of measurement are applied (data are not comparable to those of previous years).

^g Data correspond to the national total.

^h 2016 data are estimates.

ⁱ From 2007 onwards, the minimum age of the working-age population was changed from 10 to 15.

^j From 2007 onwards, the minimum age of the working-age population was changed from 10 to 16.

^k From 2011 onwards, the minimum age of the working-age population was changed from 10 to 15. Data for the first half of 2016 and of 2017 correspond to February-March.

^l Urban data include areas reflecting low, medium and high levels of urbanization.

^m From 2010 onwards, a new survey is implemented (data are not comparable to those of previous years).

ⁿ Data for the first half of 2016 and of 2017 correspond to March.

^o From 2010 onwards, data correspond to Asunción and urban areas in the Central Department. Data for the first half of 2016 and of 2017 correspond to the first quarter.

^p Data correspond to towns of 5,000 or more inhabitants.

^q Data correspond to the national total. Hidden unemployment is included. 2016 data correspond to the January-April average.

^r Data correspond to the national total. Hidden unemployment is included. 2016 data correspond to May.

^s Data correspond to the national total. Hidden unemployment is included. 2016 data correspond to the annual average as at the end of the third quarter.

^t Data correspond to the national total. Hidden unemployment is included. Data for the first half of 2016 and of 2017 correspond to the first quarter.

^u Data correspond to the national total. Hidden unemployment is included.

^v Weighted average with adjustments for lack of information and methodological differences and changes. Half-year data correspond to a limited number of countries; thus, these data are not comparable to annual data.

Table A1.4
**LATIN AMERICA AND THE CARIBBEAN (13 COUNTRIES): URBAN LABOUR FORCE PARTICIPATION, EMPLOYMENT AND UNEMPLOYMENT RATES,
 BY GENDER, FIRST HALF OF 2016 AND OF 2017**
(Percentages)

Country	Unemployment rate				Labour force participation rate								Employment rate			
	Total		Men		Women		Total		Men		Women		Total		Men	
	First half of 2016	First half of 2017	First half of 2016	First half of 2017	First half of 2016	First half of 2017	First half of 2016	First half of 2017	First half of 2016	First half of 2017	First half of 2016	First half of 2017	First half of 2016	First half of 2017	First half of 2016	First half of 2017
Argentina ^a	9.3	8.7	8.5	8.2	10.5	9.5	57.8	57.4	69.6	69.2	47.2	46.8	52.4	52.4	63.7	63.6
Brazil (20 metropolitan areas)	12.4	14.9	10.9	13.4	14.1	16.6	63.4	64.5	73.6	73.9	54.5	56.2	55.6	54.8	65.6	64.0
Chile (national total)	6.6	6.8	6.1	6.3	7.2	7.6	59.4	59.5	71.7	71.4	47.8	48.0	55.5	55.5	67.1	66.9
Colombia (municipal capitals)																
Broad measurement ^b	10.9	11.0	8.9	9.0	13.3	13.4	65.7	65.7	74.6	74.4	57.7	57.7	58.5	58.4	67.9	67.7
Open unemployment	10.3	10.4	8.5	8.6	12.3	12.5										
Costa Rica	9.5	8.6	8.7	7.7	10.7	9.8	58.6	60.1	71.1	72.9	46.5	47.5	53.0	54.9	64.9	67.3
Ecuador																
Broad measurement ^b	7.0	5.7	5.4	4.7	9.1	7.1	65.6	65.6	78.4	77.9	54.1	54.4	61.0	61.9	74.1	74.3
Open unemployment	6.2	5.1	4.9	4.3	8.0	6.2										
Guatemala ^c	4.0	4.0	3.5	3.7	4.6	4.4	63.5	62.8	79.9	80.2	49.0	47.9	61.0	60.3	77.0	77.3
Jamaica (national total)																
Broad measurement ^b	13.5	12.4	10.0	9.3	17.6	16.1	64.5	65.2	71.1	71.5	58.3	59.1	55.8	57.1	64.0	64.9
Open unemployment	9.2	8.3	7.0	6.3	11.9	10.8										
Mexico	4.4	3.7	4.5	3.7	4.3	3.8	60.6	60.4	76.5	76.5	46.4	46.1	57.9	58.2	73.1	73.7
Panama ^d																
Broad measurement ^b	6.5	6.4	5.5	5.5	7.8	7.6	64.8	64.7	77.0	76.3	53.7	54.1	60.5	60.6	72.8	72.1
Open unemployment	4.9	5.4	3.8	4.4	6.4	6.6										
Paraguay (Asunción and urban areas in the Central Department)	8.3	8.7	6.6	6.9	10.1	10.7	66.4	66.2	72.9	73.0	60.4	59.9	60.9	60.5	68.1	68.0
Peru (Lima metropolitan area)	7.1	7.3	6.2	6.6	8.2	8.2	68.7	68.4	77.9	77.6	60.1	59.8	63.8	63.4	73.1	72.4
Uruguay	8.2	8.6	6.9	7.2	9.7	10.2	63.9	63.6	71.9	71.8	56.6	56.4	58.6	58.1	67.0	66.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of information from the household surveys conducted in the respective countries.

^a Data correspond to the second quarter of each year.

^b Includes hidden unemployment in the economically active population and in unemployment.

^c Data as at February-March.

^d Data correspond to March.

The main labour market indicators declined again in the first half of 2017 in year-on-year terms, owing mainly to still-weak economic activity. However, this downturn is now easing in line with a modest economic upturn, and for the year overall urban unemployment will climb from 8.9% to an estimated 9.4%, compared with a much larger 1.6 percentage point rise in 2016. Much of the rise in the unemployment rate reflects the situation in Brazil, although there, too, labour market conditions are tending to stabilize.

The second section of the report analyses aspects of the transition from the education system to the labour market. Young people's paths into the labour market in the region are found to be generally much longer than in the developed countries, something that is heavily shaped by the role of women, often still centred on caregiving and household activities. The analysis of these transitions has been made more complex by the fact that most young people pass through different activity statuses before becoming established in employment. The transition from school to a stable job is shorter for those who have some previous experience; accordingly, particular attention is afforded to the group of young people who combine work and study.