

The ILO Work4Youth project worked with the ECO Assessoria em Pesquisas [ECO Advisory in Surveys] to implement the School-to-work transition survey (SWTS) in June 2013. The results of the survey are published in Gustavo Venturi and Danilo Torini (2014): *Transições da escola para o mercado de trabalho de mulheres e homens jovens no Brasil [Labour market transitions of young women and men in Brazil]*, Work4Youth Publication Series No. 25 (Geneva, ILO). The objective of this country note is to offer a general summary of youth labour market trends in Brazil based on the SWTS. Youth is defined as 15–29.

## Main findings of the ILO SWTS

### *Human capital and mismatch*

- Nearly all surveyed youth had attended school or a training programme at some point in their lives (99.9 per cent in 2013). Slight more than one-third of the youth population (36.8 per cent) was enrolled in school in 2013 with the remaining having either completed school (29.7 per cent) or left school before graduation (33.4 per cent). Young men and women have equal access to education in Brazil.
- SWTS results showed a strong correlation between the levels of education and a young person's labour market transition: tertiary educated youth completed their transition from school to a stable or satisfactory job in 2 months compared to 11.2 months for secondary level graduates and 26.1 months for youth who left after the primary level.
- With relatively low levels of educational attainment in the country (one half of the youth population remains educated below the secondary level), approximately one-fifth (21.2 per cent) of employed youth in Brazil are undereducated for the job they are doing. Nearly six in ten youth (57.1 per cent) were classified as having qualifications matching their jobs, and a non-negligible fraction of employed youth (14.7 per cent) were deemed overeducated for their occupation.
- Young Brazilians currently in school showed a preference for starting their own businesses or farms (48.2 per cent), but a large share also desired to work in the public sector (25.7 per cent). While the attraction of public sector employment is understandable given concerns with job security, the ability of the sector to absorb a significant number of young workers is limited. Despite the general interest shown in self-employment, only 20.4 per cent of young workers were working for themselves at the time of the survey.

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

See the website [www.ilo.org/w4y](http://www.ilo.org/w4y) for more information.

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

- The survey registered a high youth labour underutilization rate at 46.9 per cent. The share of underutilized labour potential consisted of 15.2 per cent of the youth population in irregular employment (either in self-employment or paid employment with contract duration less than 12 months), 19.6 per cent unemployed and 12.1 per cent inactive non-students.
- The youth unemployment rate (strict definition)<sup>1</sup> stood at 17.9 per cent in 2013, higher than the regional average for Latin America and the Caribbean of 13.4 per cent for the same year.<sup>2</sup> The female youth unemployment rate exceeded the male rate by nearly 10 percentage points (23.5 and 13.9 per cent for young women and men, respectively).
- The most disadvantaged in finding work are those with lower levels of education: the unemployment rate of a young person with tertiary education was nearly one-half that of a young person educated at the primary level (8.3 and 15.2 per cent, respectively).
- The duration of unemployment is comparatively short for most unemployed youth, yet still nearly one-fourth (23.9 per cent) of unemployed youth had been looking for work for longer than one year in 2013.
- The share of youth neither in employment nor in education or training (NEETs) in Brazil stood at 23 per cent. The share of NEETs among young women was almost three times as high as that of young men (33.2 and 12.8 per cent, respectively).

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

- More than half of (53.9 per cent) young Brazilians were employed in 2013. Young men were more likely to work than young women (66.1 and 41.8 per cent, respectively).
- Although three quarters of employed youth (74.8 per cent) were working as wage and salaried workers, a significant share remained in vulnerable employment as own-account workers (18.8 per cent) or unpaid family workers (2.9 per cent). At the same time, 28.2 per cent of youth in paid employment were engaged without a written contract.
- The services sector is by far the largest source of employment for youth in Brazil, providing more than two-thirds of jobs (67.9 per cent). Industry is the second largest employer of youth (24.7 per cent) while agriculture represents only a small share of employment opportunities in the country (7.3 per cent of youth employment).
- Around one in six (17.6 per cent) employed youth worked less than 30 hours during the reference week while 14.2 per cent worked excessively long hours (more than 50 hours per week).

## **Selection of data tables**

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

<b>Education status</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Never attended school	0.1	0.2	0.0
Dropped out before graduation or completion of school	33.4	35.5	31.3
Currently attending school	36.8	36.3	37.3
Education completed	29.7	28.0	31.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

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

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

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

	<b>Total</b>	<b>Male</b>	<b>Female</b>
Employed	53.9	66.1	41.8
Unemployed	11.8	10.7	12.8
Inactive	34.3	23.2	45.4
Total youth population	100	100	100
Youth labour force participation rate (strict definition)	65.7	76.8	54.6
Youth unemployment rate (strict definition)	17.9	13.9	23.5

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

	<b>Total</b>	<b>Male</b>	<b>Female</b>
In regular employment	38.6	48.2	29.1
In irregular employment	15.2	17.8	12.7
Unemployed (broad)	19.6	17.0	22.1
Inactive students	14.5	12.6	16.4
Inactive non-students	12.1	4.4	19.7
Total youth population	100	100	100
Youth labour force participation rate (broad definition)	73.4	83.0	63.8
Youth unemployment rate (broad definition)	26.6	20.5	34.6
Youth labour underutilization rate	46.9	39.2	54.5

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

<b>Sex</b>	<b>NEET rate</b>	<b>of which:</b>	
		<b>Inactive non-students</b>	<b>Unemployed non-students</b>
Total	23.0	16.2	6.8
Male	12.8	7.0	5.8
Female	33.2	25.4	7.8

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

<b>Status in employment</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Wage and salaried workers (employees)	74.8	76.2	72.6
Employers	1.6	1.7	1.3
Own-account workers	18.8	17.4	21.0
Members of producers' cooperatives	0.3	0.4	0.2
Contributing (unpaid) family workers	2.9	2.9	2.8
Other	1.7	1.4	2.2
Total employed youth	100.0	100.0	100.0

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

<b>Type of contract</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Written agreement	71.8	70.3	74.3
Oral agreement	28.2	29.7	25.7
Unlimited duration	90.3	90.2	90.3
Limited duration	9.7	9.8	9.7
<i>Of which:</i>			
– Less than 12 months	65.4	69.3	59.0
– 12 months to less than 36 months	27.5	24.2	32.8
– 36 months or more	7.1	6.5	8.2
Total young wage and salaried workers	100.0	100.0	100.0

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

<b>Sector</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
<b>Agriculture</b>	7.3	10.3	2.6
<b>Industry</b>	24.7	33.8	10.5
<b>Services</b>	67.9	55.9	86.9
Agriculture, forestry and fishing	7.3	10.3	2.6
Mining	0.6	0.8	0.2
Manufacturing	12.5	14.4	9.6
Electricity, gas, steam	0.4	0.5	0.3
Water supply	0.3	0.5	0.1
Construction	10.9	17.6	0.3
Wholesale and retail trade	24.0	22.2	26.9
Transport	4.2	5.4	2.4
Accommodation	5.9	4.6	8.0
Information and communications	2.4	2.5	2.3
Financial activities	1.4	1.5	1.3
Real estate	0.5	0.5	0.4
Professional scientific activities	2.6	1.7	4.2
Administrative and support activities	4.2	4.3	4.0
Public administration	2.5	3.2	1.4
Education	3.7	2.6	5.5
Health and social work	3.2	1.5	5.8
Arts and entertainment	2.2	1.8	2.8
Other services	4.4	2.9	6.9
Private households	6.1	0.8	14.4
Activities of extraterritorial organizations	0.6	0.6	0.7

**Table 8. Employed youth by overeducation, undereducation or matching qualifications and sex, 2013 (%)**

<b>Qualifications match</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Undereducated	14.7	14.0	16.1
Overeducated	21.2	25.5	13.8
Matching qualifications	57.1	53.5	62.8
Not classifiable	6.9	7.0	7.3
Total employed youth	100.0	100.0	100.0

**Table 9. Youth unemployment rate by level of completed educational attainment and sex, 2013 (%)**

<b>Education level</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Less than primary (including no schooling)	-	-	-
Primary	15.2	12.7	20.4
Secondary vocational	21.2	16.8	28.5
Secondary general	14.3	8.5	22.1
Post-secondary vocational	9.7	-	24.8
University and postgraduate studies	8.3	5.4	11.1

**Table 10. Unemployed youth by duration of job search and sex, 2013 (%)**

<b>Duration of job search</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Less than one week	3.3	3.1	3.5
1 week to less than 1 month	12.4	13.6	11.4
1 month to less than 3 months	18.6	18.3	18.9
3 months to less than 6 months	23.5	23.4	23.6
6 months to less than 1 year	16.7	16.8	16.5
More than a year	23.9	23.4	24.4
N/A	1.6	1.5	1.8
<b>Total unemployed youth</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Table 11. Youth population by stages and subcategories of transition and sex, 2013 (%)**

<b>Stage of transition</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
<b>Transition completed</b>	<b>31.8</b>	<b>41.3</b>	<b>22.2</b>
Transited to stable employment	25.0	32.5	17.5
Transited to satisfactory temporary employment	1.2	1.7	0.7
Transited to satisfactory self-employment	5.5	7.0	4.0
<b>In transition</b>	<b>51.6</b>	<b>45.0</b>	<b>58.2</b>
Unemployed (broad definition)	11.0	8.4	13.5
In non-satisfactory temporary employment	3.9	4.9	2.9
In non-satisfactory self-employment	4.6	4.8	4.4
Active students	22.4	23.8	20.9
Inactive non-students with aim to work in the future	9.8	3.1	16.5
<b>Transition not yet started</b>	<b>16.6</b>	<b>13.7</b>	<b>19.5</b>
Inactive students	14.5	12.6	16.4
Inactive non-students with no plans to work in the future	2.1	1.1	3.1
<b>Total youth population</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

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