

# DOMINICAN REPUBLIC

The ILO Work4Youth project worked with the Central Bank of the Dominican Republic to implement the School-to-work transition survey (SWTS) in 2015 (July-September). The results of the survey were published in Departamento de Cuentas Nacionales y Estadísticas del Banco Central de la República Dominicana (2016): *Transiciones en el mercado de trabajo de las mujeres y hombres jóvenes en la República Dominicana [Labour market transitions of young women and men in the Dominican Republic]*, Work4Youth Publication Series No. 43 (Geneva, ILO). The objective of this country note is to offer a general summary of youth labour market trends in Dominican Republic 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 (98 per cent in 2015). More than one-half of the youth population (54.7 per cent) was enrolled in school in 2015 with the remaining having either completed school (12.0 per cent) or left school before graduation (33.3 per cent). Young men and women have equal access to education in the Dominican Republic.
- 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 to a stable or satisfactory job in 4.5 months, as compared to 12.6 months for graduates at the secondary level and 28.6 months for youth who left school after the primary level.
- With relatively high levels of educational attainment in the country (62.8 per cent of youth educated at the secondary level or higher), some of the higher educated youth find it difficult to find work that matches to their qualifications; as many as 31.5 per cent of young workers were overeducated for their job. More than half (52.2 per cent) were classified as having qualifications matching their jobs, and less than one in six (15.6 per cent) were deemed undereducated for their occupation.
- Dominican students did not show a strong preference for future work in any particular sector: while 33.8 per cent expressed a preference for future work in the government/public sector, 31.6 per cent said they wanted to work for themselves (self-employment) and 28.8 per cent aimed to work in private companies.

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 39.1 per cent. The share of underutilized labour potential consisted of 11.4 per cent of the youth population in irregular employment (either in self-employment or paid employment with contract duration less than 12 months), 20.2 per cent unemployed and 7.6 per cent inactive non-students. The youth unemployment rate (strict definition)<sup>1</sup> stood at 17.9 per cent in 2015, higher than the regional average for Latin America and the Caribbean of 13.9 per cent for the same year.<sup>2</sup> Young women are three times as likely to be unemployed as young men with unemployment rates at 30 and 10.3 per cent, respectively.
- In the Dominican Republic, the higher the level of education, the higher the youth unemployment rate. The unemployment rate of a young person with tertiary education was 24.2 per cent, thus higher than that of both youth with general secondary level education and primary education (17.2 and 15.4 per cent, respectively). For young men, however, the unemployment rate of tertiary-educated youth was below that of youth at the general secondary-level education (7.9 and 13.7 per cent, respectively).
- More than one-quarter (29.6 per cent) of unemployed youth had been looking for work for longer than one year in 2015.
- The share of youth neither in employment nor in education or training (NEETs) in the Dominican Republic stood at 16.5 per cent in 2015. The share of NEETs is three times higher among the young female than male population (24.8 and 8.8 per cent, respectively).

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

- Around half (49.2 per cent) of young Dominicans were employed in 2015, with young men working to a larger extent than young women (63.6 and 33.7 per cent, respectively).
- Although almost three-quarters of employed youth (72.2 per cent) were working as wage and salaried workers, a significant share remained in vulnerable employment as own-account workers (16.4 per cent) or unpaid family workers (8.9 per cent). At the same time, nearly half (49.4 per cent) of youth in paid employment were engaged without a written contract.
- The services sector is by far the largest source of youth employment in Dominican Republic, providing more than two-thirds of jobs (68.2 per cent) in 2015. Industry was the second source of jobs for youth (20.9 per cent), while agriculture absorbed a small share of working youth (11.0 per cent).
- One in five (19.5 per cent) employed young persons worked less than 30 hours during the reference week in 2015, while 21.8 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, 2015 (%)**

<b>Educational status</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Never attended school	2.0	2.7	1.2
Dropped out before graduation or completion of school	32.6	34.8	30.3
Currently attending school	53.7	51.9	55.6
Education completed	11.7	10.6	12.9
<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, 2015 (%)**

	<b>Total</b>	<b>Male</b>	<b>Female</b>
Employed	49.2	63.6	33.7
Unemployed	10.7	7.3	14.5
Inactive	40.1	29.1	51.9
Total youth population	100.0	100.0	100.0
Youth labour force participation rate	59.9	70.9	48.1
Youth unemployment rate (strict definition)	17.9	10.3	30.0

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

	<b>Total</b>	<b>Male</b>	<b>Female</b>
In regular employment	35.5	45.0	25.5
In irregular employment	11.4	16.7	5.8
Unemployed (broad definition)	20.2	14.1	26.6
Inactive students	25.4	21.3	29.7
Inactive non-students	7.6	3.0	12.5
Total youth population	100.0	100.0	100.0
Youth labour force participation rate (broad definition)	67.0	75.7	57.9
Youth unemployment rate (broad definition)	30.1	18.6	45.9
Youth labour underutilization rate	39.1	33.7	44.9

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

<b>Sex</b>	<b>NEET rate</b>	<b>of which:</b>	
		<b>Inactive non-students</b>	<b>Unemployed non-students</b>
Total	16.5	10.4	6.1
Male	8.8	4.3	4.5
Female	24.8	16.9	7.8

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

<b>Status in employment</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Wage and salaried workers (employees)	72.2	70.5	75.7
Employers	2.6	3.3	1.1
Own-account workers	16.4	18.1	12.9
Contributing (unpaid) family workers	8.9	8.1	10.3
Other	0.0	0.0	0.0
Total employed youth	100.0	100.0	100.0

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

<b>Type of contract</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Written agreement	50.6	45.5	60.4
Oral agreement	49.4	54.5	39.6
Unlimited duration	90.1	88.7	92.7
Limited duration	9.9	11.3	7.3
<i>Of which:</i>			
– Less than 12 months	80.5	84.7	68.3
– 12 months to less than 36 months	17.4	12.8	31.0
– 36 months or more	2.1	2.5	0.8
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, 2015 (%)**

<b>Sector</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
<b>Agriculture</b>	<b>11.0</b>	<b>15.3</b>	<b>2.2</b>
<b>Industry</b>	<b>20.9</b>	<b>24.4</b>	<b>13.7</b>
<b>Services</b>	<b>68.2</b>	<b>60.3</b>	<b>84.1</b>
Agriculture, forestry and fishing	11.0	15.3	2.2
Mining	0.1	0.1	0.1
Manufacturing	12.5	12.8	11.8
Electricity, gas, steam	1.2	1.6	0.4
Water supply	0.3	0.5	-
Construction	6.7	9.4	1.4
Wholesale and retail trade	23.6	26.0	18.7
Transport	5.1	6.5	2.3
Accommodation	7.2	6.6	8.4
Information and communications	2.8	2.2	4.0
Financial activities	2.3	1.2	4.3
Real estate	0.1	-	0.2
Professional scientific activities	2.0	2.2	1.6
Administrative and support activities	2.0	2.1	1.7
Public administration	2.9	3.1	2.4
Education	2.1	1.1	4.1
Health and social work	3.3	0.9	8.2
Arts and entertainment	4.7	1.7	10.8
Other services	6.9	6.3	8.1
Private households	3.3	0.4	9.3

**Table 8. Employed youth by overeducation, undereducation or matching qualifications and sex, 2015 (%)**

<b>Qualifications match</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Undereducated	15.6	13.6	20.0
Overeducated	31.5	38.6	16.1
Matching qualifications	52.2	46.8	63.9
Not classifiable	0.7	0.9	0.1
Total employed youth	100.0	100.0	100.0

**Table 9. Youth unemployment rates by level of completed educational attainment and sex, 2015 (%)**

<b>Educational attainment</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Less than primary (including no schooling)	3.1	2.6	6.9
Primary	15.4	8.8	37.7
Secondary vocational	53.1	12.2	65.9
Secondary general	17.2	13.7	22.2
University and postgraduate studies	24.2	7.9	35.2

**Table 10. Unemployed youth by duration of job search and sex, 2015 (%)**

<b>Duration of job search</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
Less than one week	3.2	2.8	3.4
1 week to less than 1 month	15.8	12.0	17.9
1 month to less than 3 months	19.3	17.8	20.2
3 months to less than 6 months	14.1	20.5	10.7
6 months to less than 1 year	12.7	15.5	11.1
More than a year	29.6	23.7	32.8
Not classified	5.3	7.8	3.9
<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, 2015 (%)**

<b>Stage of transitions</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>
<b>Transition completed</b>	<b>22.4</b>	<b>28.9</b>	<b>15.2</b>
Transited to stable employment	16.4	20.7	11.6
Transited to satisfactory temporary employment	1.6	2.5	0.7
Transited to satisfactory self-employment	4.4	5.7	2.9
<b>In transition</b>	<b>52.4</b>	<b>50.5</b>	<b>54.4</b>
Unemployed (broad definition)	9.4	6.0	13.1
In non-satisfactory temporary employment	3.6	4.1	3.0
In non-satisfactory self-employment	4.3	6.4	1.9
Active students	29.8	31.8	27.6
Inactive non-students with aim to work in the future	5.3	2.1	8.8
<b>Transition not yet started</b>	<b>25.3</b>	<b>20.6</b>	<b>30.4</b>
Inactive students	24.6	20.3	29.3
Inactive non-students with no plans to work in the future	0.7	0.3	1.0
<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.