

Decent work and youth in the Philippines

Facts and trends

January 2020

ILO and the future of work for youth

The world of work is undergoing profound transformations driven by technological, demographic, climate and environmental changes, and globalization. The 2019 ILO Centenary Declaration for the Future of Work highlights the need to direct efforts to developing effective policies aimed at generating full, productive and freely chosen employment and decent work opportunities for all, and in particular facilitating the transition from education and training to work, with an emphasis on the effective integration of young people.

About this fact sheet

The ILO is the United Nations agency for the world of work. This country fact sheet provides an overview of selected key labour market indicators for youth aged 15-24 years in the Philippines. The fact sheet on decent work and youth aims to support government, employers' and workers' organizations, youth and key stakeholders to drive a human-centred approach to the future of work, in line with the objectives of the 2030 Agenda for Sustainable Development and the UN Global Initiative on Decent Jobs for Youth.

The majority of youth aged 15-24 years are still out of the labour market

1. Youth account for 20.5 million persons of the working-age population in the Philippines, giving rise to an early demographic dividend. Up to 10.8 million youth will enter the working-age population until 2025.
2. More than 1 out of 3 youth in the Philippines actively engage in the labour market, either by working or looking for work. Yet, gender gaps in labour force participation remain at 16.8 percentage points.

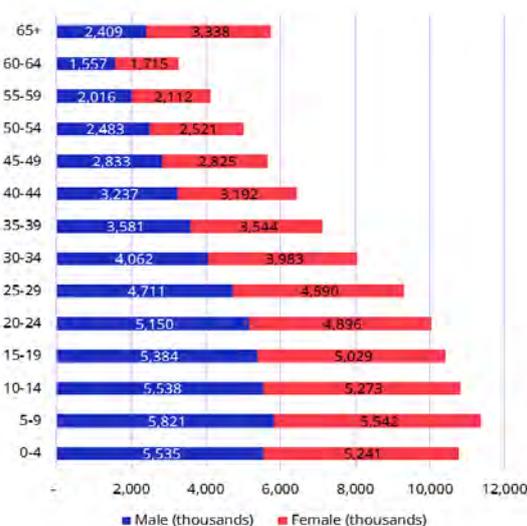


Figure 1: Population by sex and age (thousands).

Source: ILO modelled estimates based on UN estimates, July 2019. The demographic stage in the Philippines is categorized as early dividend according to the ILO Asia-Pacific Employment and Social Outlook 2018.

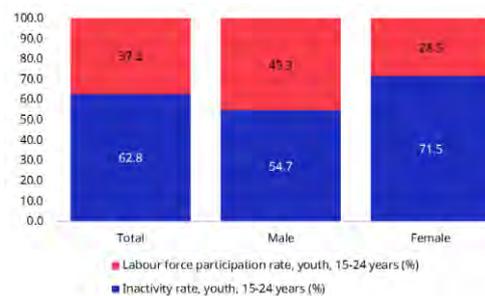


Figure 2: Labour force participation rate and inactivity rate by sex for youth, 15-24 years, 2019 (%). Source: ILOSTAT.

3. Around 7.1 million young women and men are employed. Among working youth, 21% live in moderate or extreme poverty. Working poverty rates are higher for young men (26.0%) compared to young women (12.3%).

Indicators: Employment, youth, 15-24 years, 2019. Employment distribution by economic class by sex for youth, 15-24 years, 2019 (%). Moderately poor \geq USD 1.90 and $<$ USD 3.20 PPP; Extremely poor $<$ USD 1.90 PPP. Source: ILOSTAT.

4. More than 7 out of 10 youth in employment are employees.

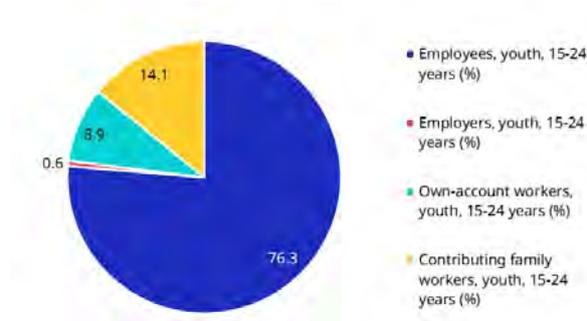


Figure 3: Employment distribution by status, 2019 (%). Source: ILOSTAT.

5. A very young person's first job, if a 15-year-old is already working, is most likely to be in agriculture (53% of 15-year olds in 2018) or in market services (30%). As more youth enter the labour market at an older age, they are much more likely to engage in other sectors, mainly in services.

6. The share of employees increases with age, from 42% for 15-year-olds to a peak of 82% for 24-year-olds. The share of employees then gradually declines among older cohorts.

Indicator: Employment distribution by economic activity. Source: ILOSTAT. Labour Force Survey 2018.

Youth are four times more likely to be unemployed than adults

7. Within the labour force, more than 470,000 young women and men are unemployed.

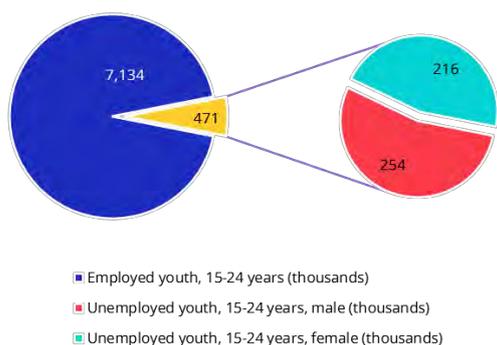


Figure 4: Employment and unemployment by sex for youth, 15-24 years, 2019 (thousands). Source: ILOSTAT.

8. Unemployment rates in the Philippines are higher for young women (8.2%) compared to young men (5.8%). The unemployment rate for all youth is 6.7%, more than four times the unemployment rate for adults aged 25 years and above (1.5%).

Figure 5: SDG indicator 8.5.2: Unemployment rate, youth, 15-24 years, 2018 (%). Source: ILOSTAT.

The economic impact of COVID-19 in the Philippines can have disproportionate consequences for young persons who are more vulnerable to falling labour demand. Promoting full, productive employment and decent work for youth is therefore a pressing concern to be addressed.

9. Almost 1 out of 5 youth (19.9%) are not in education, employment or training (NEET), with NEET rates higher for young women (25.7%) than for young men (14.4%). NEET rates are substantially higher for young married women compared to men.

Indicator: SDG indicator 8.6.1: Proportion of youth (aged 15-24 years) not in education, employment or training by sex, 2018 (%). Source: ILOSTAT.

10. Underutilization: More than 1 out of 5 youth (20.4%) in the extended youth labour force are in unemployment, time-related underemployment or the potential labour force.

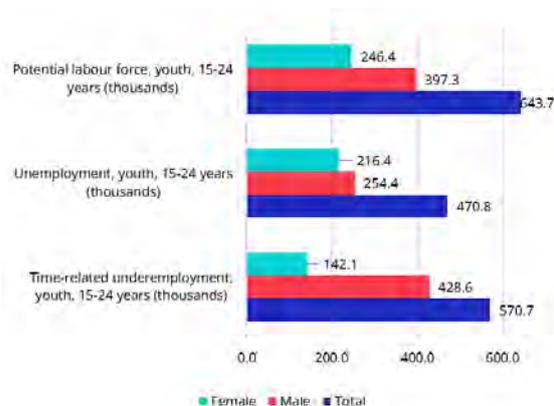


Figure 6: Labour underutilization by sex for youth, 15-24 years, 2019 (thousands). The composite measure of labour underutilization is the share of the extended labour force that are in unemployment, time-related underemployment or the potential labour force. Source: ILOSTAT.

More information about decent work and youth in the Philippines: www.ilo.org/philippines