

# Socio-Economic Factors Impacting Youth Unemployment in Namibia



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## **Abstract**

Youth unemployment is a great concern in Namibia due to the increasing rates of unemployment in the country between the periods of 2000-2008. The current overall unemployment rate stands at an alarming 51.2%. Therefore there is a great need to look into the factors impacting this alarming high unemployment rate. However this paper is only interested in youth unemployment and focuses on the socio-economic factors that impact unemployment. Past researches in Namibia focused solely on micro and macro econometric approaches. The data used for this paper was secondary in nature and was taken from Namibia Household Income & Expenditure Survey for the period 2009/2010. The methodologies used in this research were spearman correlation to test for correlation between youth unemployment and socio-economic factors, binary regression to assess the relationship between dependent variable and independent variable. The results obtained shows that youth unemployment is highly influenced by gender, age group, marital status, literacy, education level, citizenship and region. Thus planning methods taken to try and reduce youth unemployment should look in the factors mentioned above.

Key words: Unemployment, Namibia, Youth, Logistic regression

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## **ABBREVIATIONS**

|       |                                       |
|-------|---------------------------------------|
| CBS   | Central Bureau of Statistics          |
| ILO   | International Labour Organization     |
| NPC   | National Planning Commission          |
| NLFS  | Namibian Labour Force Survey          |
| NHIES | Namibia Income and Expenditure Survey |

## CHAPTER ONE

### INTRODUCTION

#### **1.1 Introduction**

This chapter introduces define and gives background to youth unemployment in Namibia. The chapter also outlines the problem statement, significance of study, objectives, hypothesis testing and finally the organizations of the research.

#### **1.2 Background**

Youth unemployment is a great concern in Namibia due to the increasing rates of unemployment in the country between the periods of 2000-2008. The current overall unemployment rate stands at an alarming 51.2% using the broad definition (Mwinga, 2012). The high alarming rate basically paints a clear picture that half of the economically active population of Namibia is basically jobless. Hence for a population as small as Namibia, which is approximately 2 million people according to 2011 census, could result in major social issues within the country as well as affect the country's economy at both local and national scale. Youth unemployment is a problem that can be caused by a number of factors either socially, or economically. Therefore this paper is more focused on the socio-economic factors that influence youth unemployment in Namibia. Determining these factors is basically the first step to understanding the increase experienced in Namibia's high unemployment rate.

According to NLFS (2008), there has been an increase in the overall unemployment rate in Namibia for the period of 2000 to 2008. Using the broad definition, unemployment rate has increased slightly from 33.8 percent in 2000 to 36.7 percent in the year 2004. However, from 2004 to 2008, the increase was by 14.5 percent, which is quite an alarming increase. Overall, the unemployment rate for the year 2008 stood at 51.2 percent. Furthermore the NLFS (2008) reports unemployment rate in percentages by age group and area. , Focusing solely on the youth, of age groups 15-24 which as according to the ILO regards as the youth, the unemployment rate for the age group 15-19 for rural areas was 86.4 percent, whereas the age group 20-24 in rural had a rate of 75.9 percent. As for the urban areas, the unemployment rate for the youth aged 15-19 years consisted of 77.8, while for those aged 20-24 consisted of 56.8 percent. Now considering youth unemployment on the basis of gender, it was reported that females in rural areas were more likely to be unemployed than the females in urban areas for both age groups. The same outcome applied for males in rural areas were more likely to be unemployed than their counterparts in urban areas

for both age groups. The rate for females aged 15-19 in rural areas was 93.3 percent and for 20-24 was 83.0 percent. The rate for females in urban areas was recorded as 81.4 percent for 15-19 and in the 20-24 years an unemployment rate was 59.7 percent. The unemployment figures for males in rural areas with ages 15-19 were 83.0% and 20-24 year were 68.0%, and overall male unemployment rate in urban areas was recorded as follows, age group 15- 19 (74.3%) and age group 20-24 (53.6%). It is thus evident that females are more likely to be unemployed than males and that rural areas hold the highest unemployment rate percentage for both gender and age groups.

### **1.3 Statement of Problem**

A high rate of unemployment within any country is quite critical, even for Namibia. Bell and Blanchflower (2009) states unemployment does not rise because people have chosen to be unemployed. Therefore there is a need not only to examine the factors that are associated with youth unemployment but a clear description on how these factors impact unemployment. Furthermore, there is a great need for this research because past research done has basically focused on micro and macro econometric approaches. According to Bell and Blanchflower (2009), the overall increase in unemployment has been dramatic. The IMF in its World Economic Outlook, 2009, suggests that the unemployment rate in advanced economies will rise from 5.4 per cent in 2007 to 9.3 per cent in 2010.

### **1.4 Significance of Study**

Considering the figures provided by NLFS analysis report in the background section of this paper, it is highly evident that the youth unemployment rates are extremely high. Therefore due to these high rates this will lead to major consequences socially or economically.

#### *1.4.1 Social consequences of youth unemployment*

Due to the alarming rates of youth unemployment Namibia is prone to experience an increase in crime rate because people within the youth are unable to provide for their own basic needs. This also affects family happiness and the mental state of the individual for being unemployed may lead to drug abuse. Another consequence is that people will not afford health care thus this could lead to an increase in illnesses and deaths.

#### *1.4.2 Economic consequences of youth unemployment*

On the economic front, a high unemployed youth leads to a low productive labour force. This reduces the living standards within the country as well as the GDP.

## **1.5 Objectives**

### *1.5.1 Main Objective*

- To determine and describe the socio-economic factors associated with youth unemployment in Namibia.

### *1.5.2 Specific Objectives*

- To determine gender differences when it comes to youth unemployment.
- To determine which age group is highly affected by youth unemployment.
- To determine whether Namibians are more likely to unemployment compared to the youth who are not.
- To determine whether regions play a role in unemployment among the youth.
- To determine whether literacy influence youth unemployment.

## **1.6 Hypothesis**

The testing for the following hypothesis will be executed to determine the relationship between the dependent variable - youth unemployment status and the socio- economic factors.

Ho: There is no correlation between youth unemployment and marital status.

Ho: There is no correlation between youth unemployment and gender.

Ho: There is no correlation between youth unemployment and region.

Ho: There is no correlation between youth unemployment and literacy.

Ho: There is no correlation between youth unemployment and education level.

Ho: There is no correlation between youth unemployment and age group.

Ho: There is no correlation between youth unemployment and citizenship.

## **1.7 Organization of Chapters**

This rest of this project report is organized as follows. Chapter two covers literature of past researches done in relation to youth unemployment and broad unemployment. Chapter three discusses the methodologies used in this paper to reach the objectives set in the introduction chapter. Then chapter four consists of the results and findings on the type of analysis methods set in chapter four and the final chapter five gives the conclusion.

## CHAPTER TWO

### LITERATURE REVIEW

#### **2.1 Introduction**

Chapter two consist of relevant literature relating to youth unemployment. This chapter first covers the definition of youth unemployment, then goes further to explore the link between youth unemployment and education. Finally the chapter looks at types of unemployment.

#### **2.2 Defining the term Youth Unemployment**

The Compact Oxford English Dictionary for Students defines Youth (2006) as follows: *The period between childhood and adult age.*

According to ILO the youth is the age group between 15 and 24 years, however, the operational definitions vary from country to country. In addition, ILO states that unemployment refers to people who have not worked for more than one hour during a reference period. The Namibian Labour Force Survey (NLFS, 2008) computed youth unemployment rate using age groups between 15 and 34 years inclusive. The NLFS (2008) used the broad definition, which states being unemployed as all those without work, who are available for work including whether they attempted to seek work or not.

Youth unemployment has remained a concern in most regions of Africa; hence for Namibia, Lesotho, South Africa and a few others the youth unemployment rate has been above 30 percent in 2008 and however female unemployment rate with 60 percent was the highest in relation to gender (UN, 2008 retrieved from <http://social.un.org/youthyear/docs/>).

#### **Youth unemployment and Education**

Garcia (2011) states that education and labour market are linked; moreover the malfunctions between education and the labour market complicate the efficient transition from education environment to work environment which lead to high unemployment. Through the periods between 1991 and 2008 there has been an increase in the enrolment in primary education but not for secondary and tertiary education (UN, 2008 retrieved from <http://social.un.org/youthyear/docs/> 20 September 2012). Lam, Leibbrandt, Mlatsheni (2008) states that youth that completed grade 12 or higher are more likely to getting employed than youth that completed only grade 10 and lower.



## **2.3 Studies on unemployment and their methodologies**

Marks and Fleming (1998) used four year youth in transition cohort data and carried out bivariate, multivariate analysis on factors that were associated with youth unemployment. The variables considered were age, educational qualification, demographic and social background characteristics. It was reported that low school achievement in literacy and numeracy was associated with unemployment. Furthermore age showed a strong influence on unemployment, where the older the person was the less likely s/he would get employed. Moreover, men were more likely to become unemployed than women, as well as less likely to exit unemployment.

Nazir, Cheema, Zafar and Batool (2009) carried out research on socio- economic impacts of unemployment in Urban Faisalabad, Pakistan. One hundred respondents were randomly selected from the city Faisalabad. They were interviewed and data obtained were age, education, income, type/nature of family, attitude, employment status, region and caste. Majority of the respondents stated that people with jobs were more confident than those without. Furthermore respondents believed that unemployment affects the socio-economic status of the family and it leads to poor mental health, increase in magnitude of corruption, drug addiction, crimes and suicide. A large proportion of the respondents believed that low rate education was responsible for unemployment.

A research by Ashipala and Eita (2010) was carried out using micro and macro models for unemployment. Results showed that there is a negative relationship between inflation and unemployment in Namibia. In addition an increase in investments led to a decrease in unemployment.

Shadare and Tunde (2012) research used an empirical analysis method to examine the causes of unemployment in Nigeria. Data used for this paper was both secondary as well as primary. Hence for primary data a questionnaire was used to solicit responses from respondents. The results reported that economic recession, governmental policy, employment of expatriates and trade union wages increases the rate of unemployment.

## **2.4 Types of Unemployment**

### *2.4.1 Structural unemployment*

This form of unemployment is commonly a result of change in technology. The improvement or introduction of new devices within a business for example basically leave many unemployed as they do not have required skills desired for work.

### *2.4.2 Frictional unemployment*

This type of unemployment is common in all economies; the individuals have to look for work that fits the specific skills that they have. This process takes time and energy since the person looking for work has to find the employer that is seeking the kind of skills that the individual has to offer (Mafiri, 2002).

#### *2.4.3 Cyclical unemployment*

According to ILO (2012) is caused by a fluctuating macro-economy. When the economy is prospering there is a decline in cyclical unemployment otherwise there is a rise when it is not blooming.

## CHAPTER THREE

### METHODOLOGY

#### **3.1 Introduction**

The chapter covers methodologies applied in implementing the objectives set for this specific paper using secondary data. This chapter is organised as follows; brief background on data collection procedures, sample design, data analysis and final description of variables used in this study.

#### **3.2 Brief background on data collection procedures**

The data used in this study was from the Namibia Household Income & Expenditure Survey which was carried out by CBS under the National Planning commission for the period 2009/2010. A pilot study was conducted during August/September 2008 to check the quality of the questionnaire and procedures of the survey to be conducted later. The target population for the survey was the Namibian private household's domiciliation within institutional areas.

#### **3.3 Sample design**

A stratified two stage probability sample method was used in the sample selection. The first stage units were geographical areas and the second stage units were the Namibian households. The final sample size consisted of 10, 920 households in 546 primary sampling units.

#### **3.4 Data Analysis**

Data analysis was done using SPSS version 18 and note that the original data obtained from CBS was received in SPSS format. The data was analysed at three levels: univariate, bivariate and multivariate. At univariate level frequencies are used to basically give brief summaries on the respondents. The use of a non-parametric test at the bivariate level was used to determine if there were any correlations between the dependent variable (youth unemployment) and independent variables (gender, age group, marital status, education level, citizenship, region and literacy). The non-parametric test consisted of the Spearman correlation test, because the data was categorical. Now before the Spearman test was done the data was checked for normality using the Q-Q plot. The Q-Q plot showed that the data was skewed thus a 5 % one tailed analysis was done. Then multivariate analysis using binary regression analysis was used to determine the relationships between the binary dependent variable and the independent variables that were found to have an association with the response variable.

### **3.5 Variables in Study**

Youth unemployment is defined as the total number of people aged 15-24 who have not worked for at least an hour during the reference week of the data collection period (ILO, 2011). Therefore the dependent variable is computed from hours worked during reference period. The variable computed is labeled employment status; hence this variable is binary in nature, where unemployment is set to (0) and employment to (1). The socio-economic factors that might impact youth unemployment are: age, citizenship, education level, gender, literacy, marital status and region.

### **3.6 Limitation of Study**

The major problem encountered during this study was mostly due to missing data in all the variables of the data set. This caused the researcher not to capture relevant information on the variables.

## CHAPTER FOUR

### RESULTS AND FINDINGS

#### 4.1 Introduction

This chapter focuses solely on results obtained from the analysis carried out using SPSS 18. The results are displayed in the following order: univariate analysis, bivariate analysis and multiple analysis (binary regression).

#### 4.2 Univariate Analysis

Using SPSS a frequency table was obtained on the socio-economic factors in order to simply summarize the data set. The results are displayed in three tables, table 4.2.1, 4.2.2 and 4.2.3. The data set consisted of a total number of 9629 respondents.

**Table 4.2.1: Background Characteristics of respondents**

| Variable              | Frequency | Percentage % |
|-----------------------|-----------|--------------|
| <b>Gender</b>         |           |              |
| Female                | 5052      | 52.5         |
| Male                  | 4576      | 47.5         |
| <b>Age Group</b>      |           |              |
| 15-19                 | 5268      | 54.7         |
| 20-24                 | 4361      | 45.3         |
| <b>Marital Status</b> |           |              |
| Married               | 694       | 7.2          |
| Widowed               | 5         | 0.1          |
| Divorced/ Separated   | 20        | 0.2          |
| Never Married         | 8910      | 92.5         |

|                          |             |             |
|--------------------------|-------------|-------------|
| <b>Literacy</b>          |             |             |
| Literate                 | <b>9019</b> | <b>93.7</b> |
| Not literate             | <b>512</b>  | <b>5.3</b>  |
| <b>Citizenship</b>       |             |             |
| Namibia                  | <b>9454</b> | <b>98.2</b> |
| Other                    | <b>173</b>  | <b>1.8</b>  |
| <b>Urban/Rural</b>       |             |             |
| Urban                    | <b>3875</b> | <b>40.2</b> |
| Rural                    | <b>5754</b> | <b>59.8</b> |
| <b>Employment Status</b> |             |             |
| Unemployed               | <b>7599</b> | <b>78.9</b> |
| Employed                 | <b>2030</b> | <b>21.1</b> |

Observing table 4.1, a total of 9629 respondents (52.5%) were females whereas only 47.5% were males. Furthermore most of the respondents (54.7%) were aged 15-19 and the rest of the respondents were (45.3%) aged between 20 -24 inclusive. Where marital status is concerned majority of respondents (92.5%) have never been married while (7.2%) are married, (0.1%) widowed and only (0.2%) were divorced/ separated. A high percentage of the respondents were literate (93.7%) and a very small percentage was not literate (5.3%). Moreover majority were Namibians (98.2%) and only (1.8%) were not. The respondents were also mostly from rural area (59.8%) and (40.2%) were urban areas. The table also reports that a high number of the respondents (78.9%) were unemployed and (21.1%) were employed.

**Table 4.2.2 Respondents distribution by region**

| <b>Variable</b> | <b>Frequency</b> | <b>Percentage %</b> |
|-----------------|------------------|---------------------|
| <b>Region</b>   |                  |                     |
| Caprivi         | <b>851</b>       | <b>8.8</b>          |
| Erongo          | <b>621</b>       | <b>6.4</b>          |
| Hardap          | <b>572</b>       | <b>5.9</b>          |
| Karas           | <b>456</b>       | <b>4.7</b>          |
| Okavango        | <b>1192</b>      | <b>12.4</b>         |
| Khomas          | <b>963</b>       | <b>10.0</b>         |
| Kunene          | <b>350</b>       | <b>3.6</b>          |
| Ohangwena       | <b>1011</b>      | <b>10.5</b>         |
| Omaheke         | <b>342</b>       | <b>3.6</b>          |
| Omusati         | <b>815</b>       | <b>8.5</b>          |
| Oshana          | <b>1104</b>      | <b>11.5</b>         |
| Oshikoto        | <b>828</b>       | <b>8.6</b>          |
| Otjozondjupa    | <b>524</b>       | <b>5.4</b>          |

**Note: percentages are given at 1 decimal place**

Table 4.2 is a continuation of the profile background characteristics of the respondents and it shows that most of the respondents (12.4%) were from the Kavango region and minority of the respondents (3.6%) from Kunene and Omaheke region.

**Table 4.2.3 Why the respondent did not work**

| <b>Variable</b>                             | <b>Frequency</b> | <b>Percentage %</b> |
|---|------------------|---------------------|
| <b>Reason for not working last 7 days</b>   |                  |                     |
| Income recipient                            | <b>1</b>         | <b>0.0</b>          |
| Scholar or student                          | <b>4127</b>      | <b>42.9</b>         |
| Housewife/Homemaker                         | <b>86</b>        | <b>0.9</b>          |
| Unable to work due to illness, disabled     | <b>128</b>       | <b>1.3</b>          |
| Cannot find suitable work/no jobs available | <b>2798</b>      | <b>29.1</b>         |
| Too young to work                           | <b>51</b>        | <b>0.5</b>          |
| Off season/temporary closure                | <b>5</b>         | <b>0.1</b>          |
| Family responsibilities                     | <b>87</b>        | <b>0.9</b>          |
| Other reason                                | <b>33</b>        | <b>0.3</b>          |

**Note : percentages are given at 1 decimal place**

Table 4.3 basically presents the reason why respondents have not work in the last seven days (relating to reference period when data was collected). Majority (29.1%) stated that that it was because they were unable to find suitable work or there were simply no jobs available.

### **4.3 Bivariate Analysis**

Before running any form of regression on a data set there is a need to determine the correlation / relationship between the dependent variable (employment status) and independent variables (age group, gender, marital status, citizenship, region, education level and literacy). Firstly a cross-tabulation is shown below displaying the relationship between youth employment status and socio-economic factors of



the respondents. Secondly, a Spearman correlation test was used to measure association at 5% level of significance. Note, however, that the data was tested for normality before running the non-parametric test using Q-Q plot even though graphs were not displayed (the data was not normally distributed). Table 4.3.1 displays the relationship between the dependent variable and independent variables obtained from a cross-tabulation. The correlation results are displayed in table 4.3.2.

**Table 4.3.1a: Relationship between youth employment status and socio-economic factors**

| VARIABLE     | EMPLOYMENT STATUS % |          |
|--------------|---------------------|----------|
|              | Unemployed          | Employed |
| Caprivi      | 81.0                | 19.0     |
| Erongo       | 63.9                | 36.1     |
| Hardap       | 76.6                | 23.4     |
| Karas        | 78.1                | 21.9     |
| Kavango      | 72.6                | 27.4     |
| Khomas       | 77.6                | 22.4     |
| Kunene       | 64.0                | 36.0     |
| Ohangwena    | 91.0                | 9.0      |
| Omaheke      | 71.6                | 28.4     |
| Omusati      | 89.4                | 10.6     |
| Oshana       | 90.0                | 10.0     |
| Oshikoto     | 71.1                | 28.9     |
| Otjozondjupa | 77.5                | 25.5     |

The table above clearly shows that Ohangwena is the region with the highest unemployment percent (91.0%) compared to the other regions. The region with the lowest unemployment percent is Erongo

region (63.9 %), which is also the region with the highest employment. Now below is a continuation of the table.

**Table 4.3.1b: Relationship between youth employment status and socio- economic factors**

| VARIABLE               | EMPLOYMENT STATUS % |          |
|------------------------|---------------------|----------|
|                        | Unemployed          | Employed |
| <b>Gender</b>          |                     |          |
| Female                 | <u>81.8</u>         | 18.2     |
| Male                   | 75.8                | 24.2     |
| <b>Citizenship</b>     |                     |          |
| Namibian               | <u>79.3</u>         | 20.7     |
| Other                  | 60.7                | 39.3     |
| <b>Literacy</b>        |                     |          |
| Literate               | <u>79.7</u>         | 20.3     |
| Not Literate           | 61.1                | 38.9     |
| <b>Age Group</b>       |                     |          |
| 15-19                  | <u>90.1</u>         | 9.9      |
| 20-24                  | 65.4                | 34.6     |
| <b>Education Level</b> |                     |          |
| No Formal Education    | 60.2                | 39.8     |
| Primary                | 79.4                | 20.6     |
| Secondary              | <u>80.5</u>         | 19.5     |
| Tertiary               | 66.1                | 33.9     |
| <b>Marital Status</b>  |                     |          |
| Married                | 57.5                | 42.5     |

|                     |                    |             |
|---------------------|--------------------|-------------|
| Widowed             | <b>60.0</b>        | <b>40.0</b> |
| Divorced/ Separated | <b>45.0</b>        | <b>55.0</b> |
| Never Married       | <u><b>80.7</b></u> | <b>19.3</b> |

The underlined figures in each variable show the highest unemployment percentage.

**Table 4.3.1c: Test for Association between employment status and the socio-economic factors**

| <b>VARIABLE</b>        | <b>R</b>        | <b>P-VALUE</b> |
|------------------------|-----------------|----------------|
| <b>Age Group</b>       | <b>0.302**</b>  | <b>0.000</b>   |
| <b>Citizenship</b>     | <b>0.060**</b>  | <b>0.000</b>   |
| <b>Education Level</b> | <b>-0.042**</b> | <b>0.000</b>   |
| <b>Gender</b>          | <b>0.074**</b>  | <b>0.000</b>   |
| <b>Literacy</b>        | <b>0.103**</b>  | <b>0.000</b>   |
| <b>Marital Status</b>  | <b>-0.151**</b> | <b>0.000</b>   |
| <b>Region</b>          | <b>-0.068**</b> | <b>0.000</b>   |

\*\* .Correlation is significant at the 0.01 level (1-tailed).

\*.Correlation is significant at the 0.05 level (1-tailed).

Table 4.3.1 show that region, marital status and educational level indicates a weak negative relationship with the dependent variable youth unemployment status and through the relationship is weak the p-value of 0.000 for all three variables signifies that the relationship exists. As for Age group, citizenship, gender and literacy they indicate a weak positive relationship but yet again a p-value of 0.00 for all the variables signifies that a relationship exists.

#### 4.4 Binary Regression Model

This section describes and assesses the relationship between youth unemployment and the socio-economic factors through binary regression. The results are shown in table 4.4.1, 4.4.2 and 4.4.3.

**Table 4.4.1 Binary regression model for youth unemployment status and socio- economic factors.**

| VARIABLE                | ODDS RATIOS  | P-VALUE      | CONFIDENCE INTERVAL 95% |              |
|-------------------------|--------------|--------------|-------------------------|--------------|
|                         |              |              | Lower                   | Upper        |
| <b>Age Group</b>        |              |              |                         |              |
| 15-19                   | <b>0.202</b> | <b>0.000</b> | <b>0.179</b>            | <b>0.228</b> |
| 20-24 (reference)       | <b>1.000</b> |              |                         |              |
| <b>Citizenship</b>      |              |              |                         |              |
| Namibian                | <b>0.465</b> | <b>0.00</b>  | <b>0.327</b>            | <b>0.662</b> |
| Other(reference)        | <b>1.000</b> |              |                         |              |
| <b>Education Level</b>  |              |              |                         |              |
| No Formal Education     | <b>1.609</b> | <b>0.079</b> | <b>0.946</b>            | <b>2.737</b> |
| Primary                 | <b>1.210</b> | <b>0.220</b> | <b>0.893</b>            | <b>1.640</b> |
| Secondary               | <b>0.849</b> | <b>0.365</b> | <b>0.637</b>            | <b>1.132</b> |
| Tertiary(reference)     | <b>1.000</b> |              |                         |              |
| <b>Literacy</b>         |              |              |                         |              |
| Literate                | <b>0.694</b> | <b>0.109</b> | <b>0.444</b>            | <b>1.084</b> |
| Not Literate(reference) | <b>1.000</b> |              |                         |              |

**Table 4.4.2: A Binary regression model for youth unemployment status and socio-economic factors.**

| <b>VARIABLE</b>          | <b>ODDS RATIOS</b> | <b>P-VALUE</b> | <b>CONFIDENCE INTERVAL 95%</b> |              |
|--------------------------|--------------------|----------------|--------------------------------|--------------|
| <b>REGION</b>            |                    |                |                                |              |
| Caprivi                  | <b>0.944</b>       | <b>0.698</b>   | <b>0.704</b>                   | <b>1.265</b> |
| Erongo                   | <b>2.373</b>       | <b>0.000</b>   | <b>1.779</b>                   | <b>3.164</b> |
| Hardap                   | <b>1.369</b>       | <b>0.034</b>   | <b>1.026</b>                   | <b>1.899</b> |
| Karas                    | <b>1.175</b>       | <b>0.334</b>   | <b>0.847</b>                   | <b>1.629</b> |
| Kavango                  | <b>1.563</b>       | <b>0.001</b>   | <b>1.199</b>                   | <b>2.038</b> |
| Khomas                   | <b>1.089</b>       | <b>0.551</b>   | <b>0.822</b>                   | <b>1.442</b> |
| Kunene                   | <b>2.517</b>       | <b>0.000</b>   | <b>1.808</b>                   | <b>3.504</b> |
| Ohangwena                | <b>0.481</b>       | <b>0.000</b>   | <b>0.349</b>                   | <b>0.662</b> |
| Omaheke                  | <b>1.442</b>       | <b>0.035</b>   | <b>1.026</b>                   | <b>2.027</b> |
| Omusati                  | <b>0.614</b>       | <b>0.003</b>   | <b>0.443</b>                   | <b>0.852</b> |
| Oshana                   | <b>0.513</b>       | <b>0.000</b>   | <b>0.391</b>                   | <b>0.721</b> |
| Oshikoto                 | <b>2.186</b>       | <b>0.000</b>   | <b>1.652</b>                   | <b>2.894</b> |
| Otjozondjupa (reference) | <b>1.000</b>       |                |                                |              |

**Table 4.4.3: A Binary regression model for youth unemployment status and the socio-economic factors.**

| VARIABLE                 | ODDS RATIOS  | P-VALUE      | CONFIDENCE INTERVAL |              |
|--------------------------|--------------|--------------|---------------------|--------------|
|                          |              |              | 95%                 |              |
| <b>Gender</b>            |              |              |                     |              |
| female                   | <b>0.662</b> | <b>0.000</b> | <b>0.593</b>        | <b>0.740</b> |
| Male(reference)          | <b>1.000</b> |              |                     |              |
| <b>Marital Status</b>    |              |              |                     |              |
| Married                  | <b>1.583</b> | <b>0.00</b>  | <b>1.320</b>        | <b>1.898</b> |
| Widowed                  | <b>1.307</b> | <b>0.776</b> | <b>0.206</b>        | <b>8.287</b> |
| Divorce/ Separated       | <b>2.374</b> | <b>0.069</b> | <b>0.936</b>        | <b>6.022</b> |
| Never Married(reference) | <b>1.000</b> |              |                     |              |

#### *4.4.1.1 Youth Employment Status and Age Group*

Using the odds ratio (0.202) of age group 15-19 it reads that this group is less likely to be employed compared to age group 20-24 with a p- value = 0.000 to confirm that.

#### *4.4.1.2 Youth Employment Status and Citizenship*

Still using the odds ratios (0.465) Namibians are less likely to be employed compared to the people that come from other parts of the world.

#### *4.4.1.3 Youth Employment Status and Education Level*

Looking at the education level the odds ratio shows that respondents with (1.609) no formal education and (1.210) primary education are more likely to be employed but there is not enough evidence to support this because the p- values for (0.079) no formal education and (0.220) primary education. Thus those who have no formal education and primary education are less likely to be employed. However those who

have secondary education are also less likely to be employed when compared with tertiary (p-value 0.365).

#### *4.4.1.4 Youth Employment Status and Literacy*

The ratio of youth who are literate (0.694) are not less likely to be employed because of the p-value 0.109 than those who are not literate.

#### *4.4.1.5 Youth Employment Status and Region*

Using the odds ratios and varying significance by the p-values in table 4.4.2, the following regions Caprivi, Erongo, Hardap, Kavango, Kunene, Omaheke and Oshikoto is where youth is more likely to be employed than in Otjozondjupa. However the youth is more likely to be employed in Otjozondjupa region than in Karas, Khomas, Ohanhwena, Omusati and Oshana regions.

#### *4.4.1.6 Youth Employment Status and Gender*

On the basis of gender in table 4.4.3 females (0.662) are less likely to be employed compared to males and it is significant with a p-value 0.000.

#### *4.4.1.7 Youth Employment Status and Marital Status*

Table 4.4.3 also displays that married (1.583) people are more likely to be employed than those who have never been married signified by the (p-value 0.000). However widowed respondents are less to be employed than those who have never been married (p-value 0.776). The divorced/separated youth are less likely to be employed than those who have never been married.

## **4.5 Discussion**

From all the analysis done in chapter four it is observable that the objectives set in this research paper have all been executed. As expected from literature it is evident from the results that socio- economic factors covered in this paper play a role in influencing unemployment within the Namibian youth. All the socio –economic factors age group, gender, literacy, region, education level, marital status and citizenship, showed association with youth employment status. Furthermore, females were more likely to be unemployed this could be due to a number of reasons for example if they get pregnant they would have to take paid leave and companies have to find a temporary employee to replace the female employee on leave, or traditional practices are still highly practiced since most believe the male has to take up work

and females stay home. It is also very disturbing that people from other countries are more likely to be employed than Namibians. This could mean that there is a mismatch between skills acquired by Namibians that is not highly acquired in the employment sector thus people from elsewhere are taking up jobs that should have been occupied by Namibians.



## **CHAPTER FIVE**

### **5.1 Introduction**

This is the final chapter of this paper and it consists of a brief conclusion and possible recommendations that can help reduce youth unemployment.

### **5.2 Conclusion**

The results clearly state that socio- economic factors in this paper influence youth unemployment therefore there is a great need to look at methods in which youth unemployment can be reduced. More over all the methods to be considered should look into every factor that influences youth unemployment.

### **5.3 Recommendations**

1. The Government should consider expansion of education, particularly programs targeted towards females as they are more likely to unemployed compared to males.
2. The Government with the involvement of the private sector should look into offering youth with internships for the sake of work experience or come up with possible solutions to making the transition process between education environment and work environment.
3. The private sector should find ways in which employment opportunities are increased as most employment is in the public sector.
4. The Government should also consider even distribution of work opportunities to all regions.

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**Research Topic**

**ANALYSIS OF CONTROLLED CROPS IN NAMIBIA FROM 2004-2011**