Duration of transition and access to the first job in Cameroon

Presented by :
Eric Hubert NGOKO

Année 2020

Presentation plan :

- 1. **Context and issues**

- **2. Methodology**

- **3. results**

Context and Problem

In the analysis of transition times and strategies for integrating young people into the labor market, two main approaches are distinguished :

➤ This is the Full General Equilibrium Analysis, which analyzes at the macroeconomic level the impact of labour market tightness and its effects on transition time in particular, on the speed of matching supply and demand for employment (Mortensen and Pissarides, 1999a).

➤ On the other hand, partial equilibrium analyses that analyze the job-seeking behavior of one of the parties, especially that of job seekers, and drawing on the job search theory, conclude that the influence of the individual's socio-demographic characteristics (Ugidos-Olazabal, 1995 ; Mortensen, 1986; Ahu et al., 1995) and public employment policies (Christophides and Mc Kenna, 1996; Bonal et al., 1997) on young people's transition times to the labour market.

Context and Problem

➢ Although the unemployment rate in Cameroon has decreased from 4.4% in 2005 to 3.8% in 2010 (Essi2 Report, 2010), the public employment services and the FNE in particular are recording growth in their activities as intermediaries for the integration of young people.

➢ In terms of statistics, between 2005 and 2015 the number of young people enrolled in the FNE and who have joined the program increased from 13.02% in 2005 to 28.32% in 2010 and 71.20% in 2015 (FNE Report, 2016).

➢ However, the change in the number of people employed in the informal sector, which has risen from 50% of those employed in 1987 to 88.7% in 2014, appears to be the main indicator contributing more and more to the reduction of the unemployment rate in Cameroon (ILO, 2017).

➢ There is reason to believe that young people prospecting through formal channels are increasingly inserted into the private or informal sector.

Context and Problem

- In the face of these alarming proportions, developing countries, like most developed countries, are committed to contributing to reducing the duration of youth unemployment around the world.

- In this regard, mention can be made of the World Conference on Higher Education (Paris, UNESCO, 1998), which recommends widening access to higher education and strengthening links with society, particularly with the world of work.

- and the ILO's Decent Work Agenda for Africa 2007-2015 adopted by the Heads of State at the Ouagadougou Summit in 2004 and finalized at the Eleventh African Youth Meeting for Sustainable Development in May 2011.

Context and Problem

❖ As part of the implementation of the recommendations of the Heads of State of the African Union Ouagadougou in 2004, devoted to employment and the fight against poverty in Africa,

❖ Cameroon has taken the initiative to promote employment in general and youth employment in particular.

❖ It has in turn raised employment as one of the pillars of the new medium and long-term development frameworks (Vision 2035 and DSCE 2010-2020),

❖ developed a first national plan for youth employment (PANEJ) whose evaluation in 2013 recommended, in view of the mixed results, the reformulation of a second generation PANEJ for the period 2016-2020.

Context and Problem

o In addition, the Surveys on Employment and the Informal Sector (INS, 2005 and 2010) and the 1994 INSEE Employment Survey challenge the assumption of duality in the labour market and modes of access to the labour market by providing information on the heterogeneity of job search modes used by prospectors (Lagrarenne and Marchal, 1995, Njikam et al., 2005).

o This work identifies three main job search channels (Sabatier, 2002 and 2003; Njikam et al., 2005). Notably, market procedures (unsolicited applications and classified ads), institutional intermediaries (public and private services providing integration assistance) and the social network (recourse to personal and professional relationships).

o Also, these canvassing channels seem to have a discriminatory impact on the trajectory of young people's integration into the labour market, and in particular the length of time they spend in their first job (Sabatier, 2003; Osberg, 1993).

Context and Problem

❖ The above requirements apply to all workers, regardless of age and gender, and to all modes of remuneration.

❖ There is no maximum hours threshold for student workers.

❖ These working conditions could be one of the causes of poor academic performance among students.

❖ However, despite the government's efforts and some statistics obtained in terms of academic performance, Cameroon's education sector still suffers from very low internal efficiency (Noumba, 2002 and 2006).

Objectives

The main objective of this study is:

- to analyze the effect of job search patterns on the duration of transition of young people to their first job in Cameroon.

Objectives and assumptions

Two specific hypotheses arise from this objective:

Hypothesis 1: The procedures for choosing the prospection modes (types and number of mobilized modes) are selective.

Hypothesis 2: Job-search patterns have an effect on the duration of the transition to the first job.

Methodology

- The data used in this study comes from the Survey on the Improvement of Employment Policies in Cameroon (EAPE) conducted in 2017 by CERDI and CEREG.

- The sample size is 3292 individuals,

- It is a suitable data source for this study in that it provides a good indication of the duration of the transition to the first job, which is indeed uncensored, and information on the channels or intermediaries mobilized by the prospectors in their search process.

- Indeed, in the section on individuals' main activity, the following questions were asked: "Before finding this job, how long were you unemployed? "on the one hand, and the question "What steps did you take to look for a job?

Methodology

Hypothesis 1: The job search instructions are selective.

three equations are specified :

$$A_i = \begin{cases} 1 \text{ If the channel of personal relationships} \\ 0 \text{ if not} \end{cases}$$

$$Y_i = \begin{cases} 1 \quad if \text{ institutional intermediaries} \\ 0 \quad if \text{ not} \end{cases}$$

$$Z_i = \begin{cases} 1 \text{ If directly with the employer} \\ 0 \quad if \text{ not} \end{cases}$$

Estimation method : the decision to use a prospecting channel is estimated by a trivariate probit (**Sabatier**, 2002 and 2003).

The probabilities of the choice of each of the prospecting strategies, determined from the predictors of this estimation, are introduced as inputs for the production of information in order to correct possible selectivity biases in the choice of these modes.

Methodology

- **Hypothesis 2:** Job Search Patterns and Transition Time to First Job

- Three unemployment outcomes are distinguished:
- access to a permanent, fixed-term and simple verbal agreement

- The estimation method: The concurrent risk duration model is estimated by the maximum likelihood method.

- employment. The hazard rate or probability of exiting unemployment at date t is given by :

$$h(t / x) = \lim_{\Delta \to 0} \frac{\Pr(t \leq T \leq t + \Delta / T \geq t}{\Delta} = \frac{f(t / x_1)}{1 - F(t / x_i)}$$

Where f(.) is the density function, 1- f(.) is the survival function and x_i is the vector of the socio-demographic characteristics of the individuals.

Results

Table 3: Trivariate probit of the heterogeneity of prospecting modes

Variables explicatives	Personal Relationships	Directly to the employer	Institutional intermediaries
Age²/100	1,760*	-0,050	-1,680*
Male gender	2,040**	-1,940*	-1,34
Has at least one child	1,150	-0,960	-2,11**
To be single	2,320**	-1,370	-0,390
Residing with your parents	2,350**	-1,16	-2,050**
Sources of family income	4,270***	-1,340	-3,030***
Having an active father	1,680*	-0,040	-2,910***
Having an active mother	0,060	0,700	-0,180
Technical secondary course	0,0224	-0,710	0,910
Bachelor's level	-2,030**	1,330	3,140***
Has a Master's degree and more	-5,660***	3,630***	2,760***
To an executive father	-1,430	0,970	0,860
Worker father	-2,210**	2,330**	2,510**

The estimation reveals the influence of the significant effect of socio-demographic characteristics on job-search behaviour.

Results

Hypothesis 2 :
Table 3: Effect of prospecting methods on the duration of access to the first

Duration of access to a	Open-ended contract	Fixed-term contract	Accord verbal
Personal Relationships	1,650 *	-1,880 *	0,160
Directly to the employer	-1,760 *	0,340	-2,06 **
Institutional intermediaries	1,890 *	-1,430	1,820 *
Institutional intermediary and personal relations	-2,110 **	-0,200	2,610 ***
Public competitions and personal relationships	-0,0800	1,570	1,270
Public and employer competitions	1,300	-1,670 *	0,690

This shows that the factors explaining the duration of the transition to the first job are highly heterogeneous and depend on the type of contract obtained on the labour market.
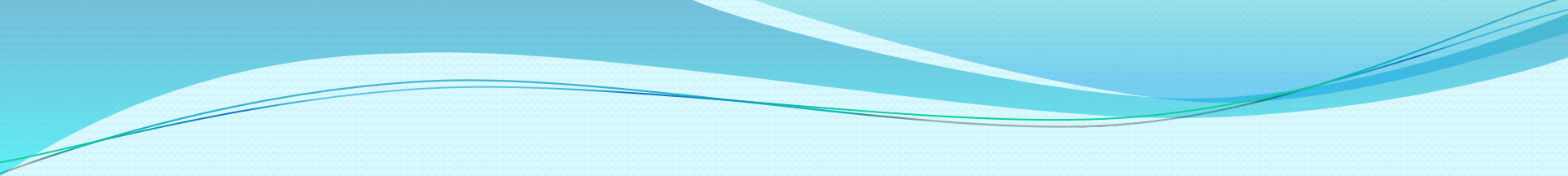
Results

Duration of access to a	Open-ended contract	Accord verbal
Personal Relationships	1,650 *	0,160
With the employer	-1,760 *	-2,060 **
Institutional intermediaries	1,890 *	1,82 *
Institutional intermediary and personal relations	-2,110 **	2,610 ***
Concours publics et relations personnelles	-0,800	1,270
Public Competitions and with the employer	1,300	0,690

Results

In the Private Sector

Duration of access to a	Open-ended contract	Fixed-term contract	Verbal agreement
Personal Relationships	0,850	-2,300 **	-0,760
With the employer	-0,260	1,180	-0,760
Institutional intermediaries	0,270	-1,590	-0,370
Institutional intermediary and personal relations	-2,130 **	-0,09	2,210 **
Public competitions and personal relationships	-0,420	1,120	1,170
Public and employer competitions	2,290 **	-1,960 *	1,230

We thank you for your kind attention