Youth Unemployment Trends (2018~2024)

South Korea vs China , Japan, the U.S

Contents

- Data & Methodology
- Post-Pandemic Recovery
- NEET Rates
- Precarious Employment
- Demographic Decline
- Education-Job Mismatch
- International Comparison
- Policy Recommendations
- Conclusion
- Q&A

Data & Methodology
Primary Data Source

OECD Labour Market Statistics

- Unemployment rates
- Employment rates
- Labor force participation rates
- Disaggregated by age groups

World Bank Open Data

- Youth unemployment (ages 15-24) for South Korea

Statistics Korea (KOSIS)

- Detailed labor force statistics
- Including employment/unemployment rates by age group, gender, education level

OECD Euducation at a Glance

- Educational attainment levels
- Percentage of 25-34-years-old with tertiary education in South Korea

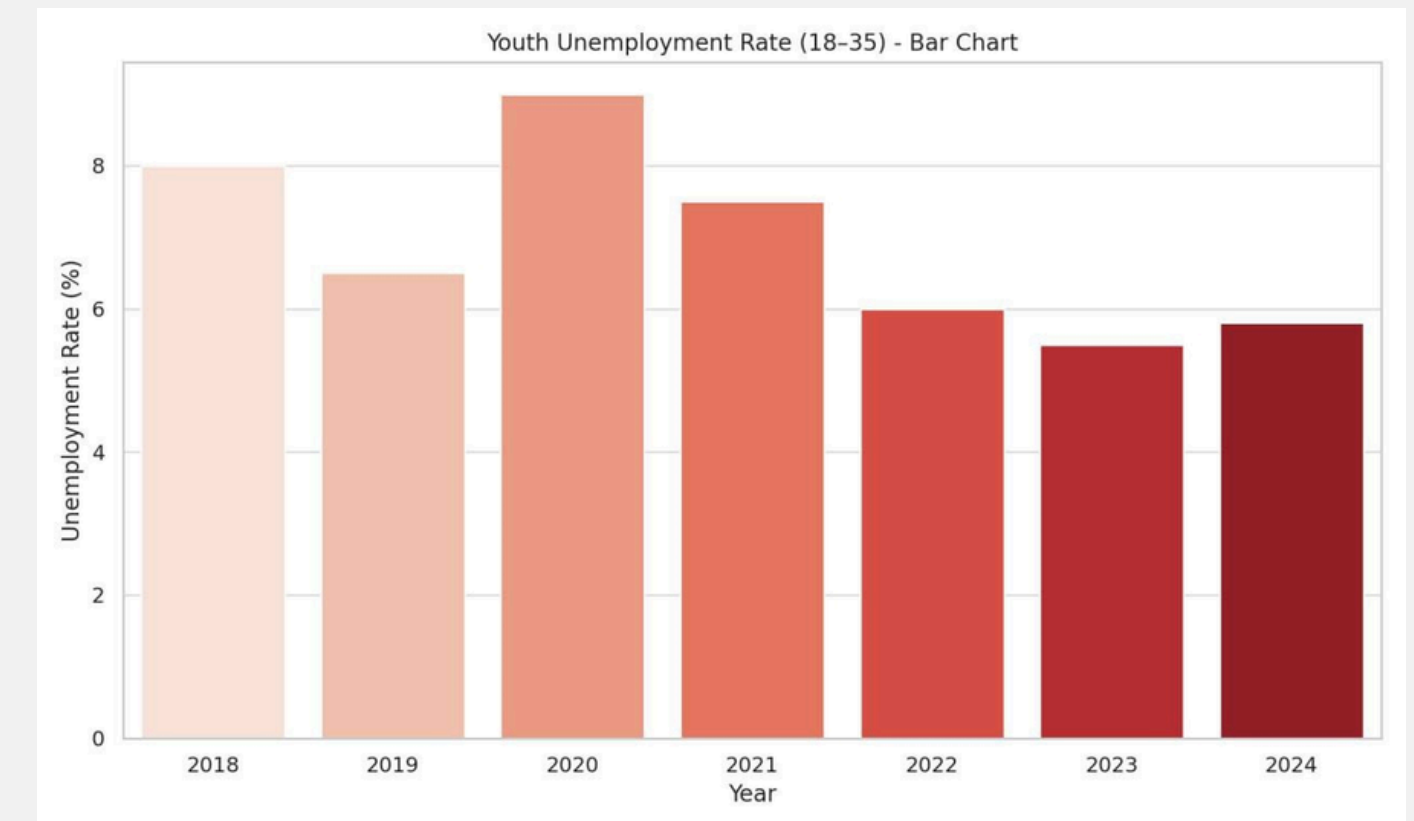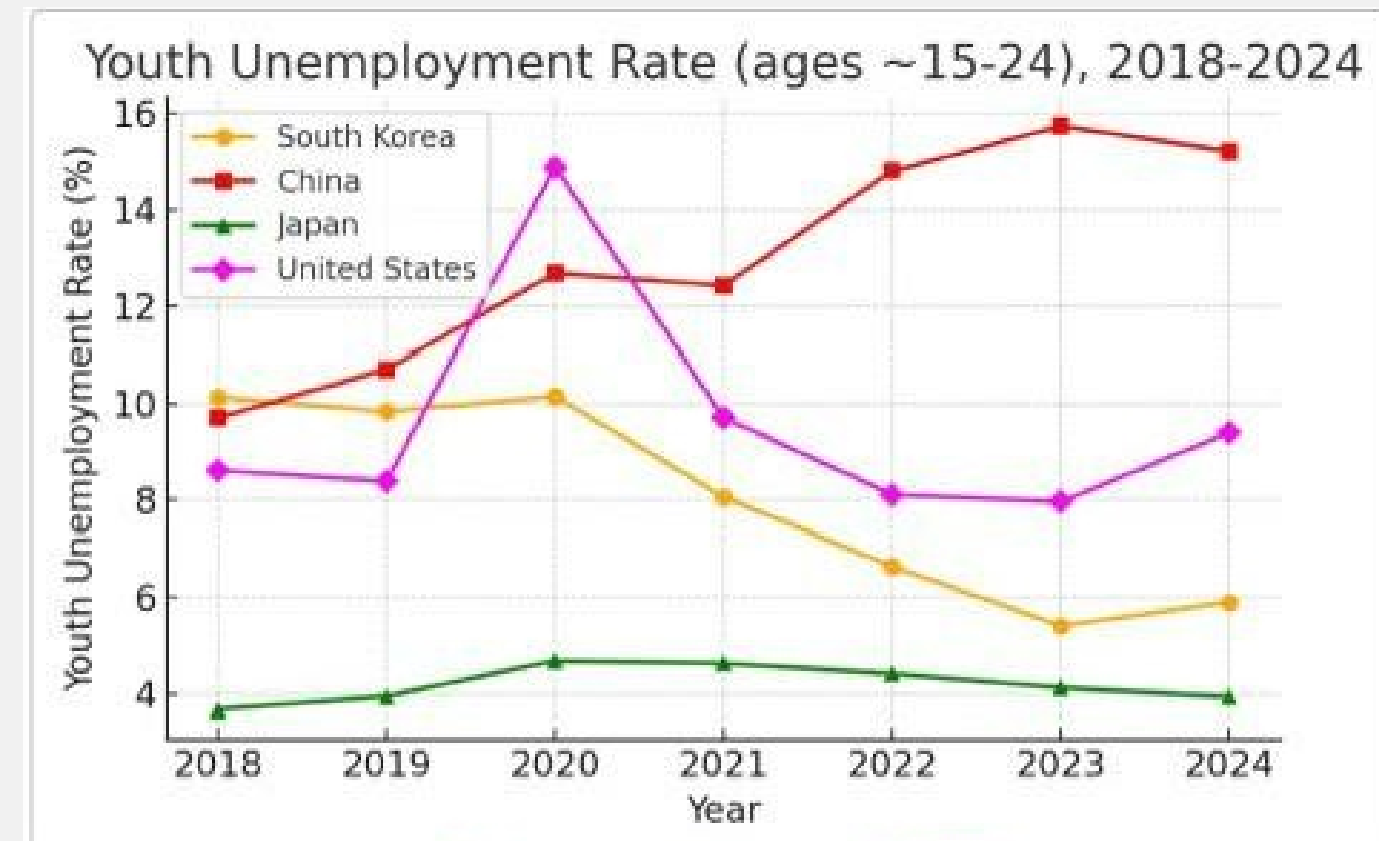Youth Unemployment Rate (ages ~15-24), 2018-2024

- Youth Unemployment Rate (ages 15–24)

  in South Korea, China, Japan, and the U.S.

  → 2018: Japan<the U.S<China<South Korea

  → 2020: Japan<South Korea<China<the U.S

  → 2024: Japan<South Korea<the U.S<China

- Annual Youth Unemployment Rate (ages 18-35)

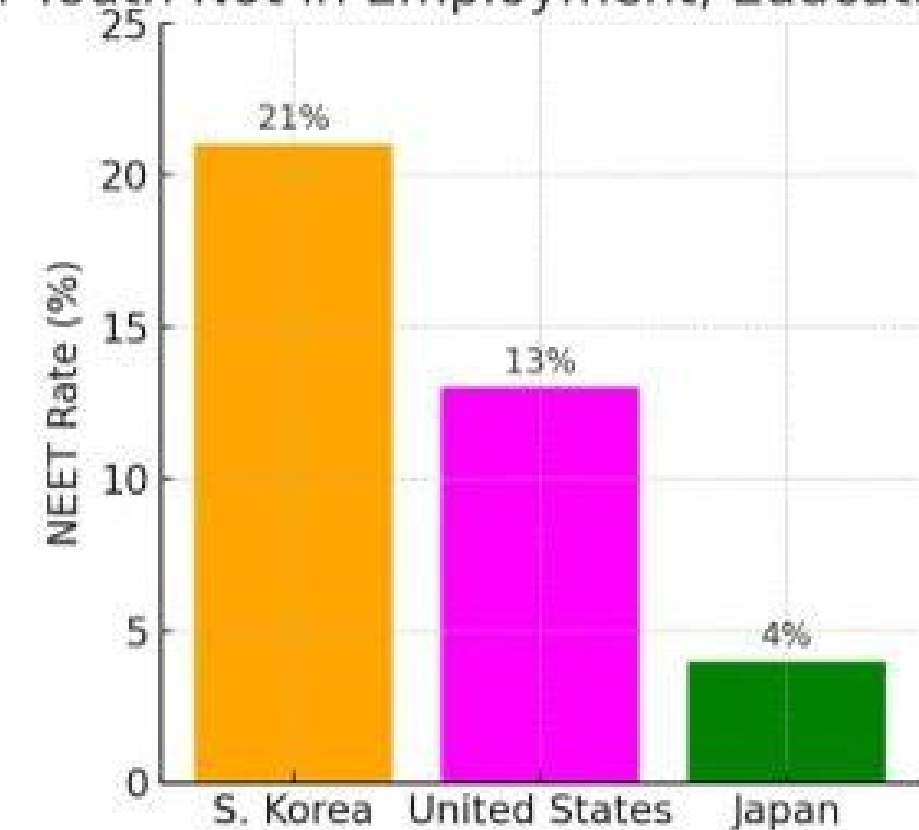Youth Unemployment Rate (18–35) - Bar Chart

NEET Rates

- NEET rates: neither working, nor studying

1. 2010s, South Korea's NEET rate:
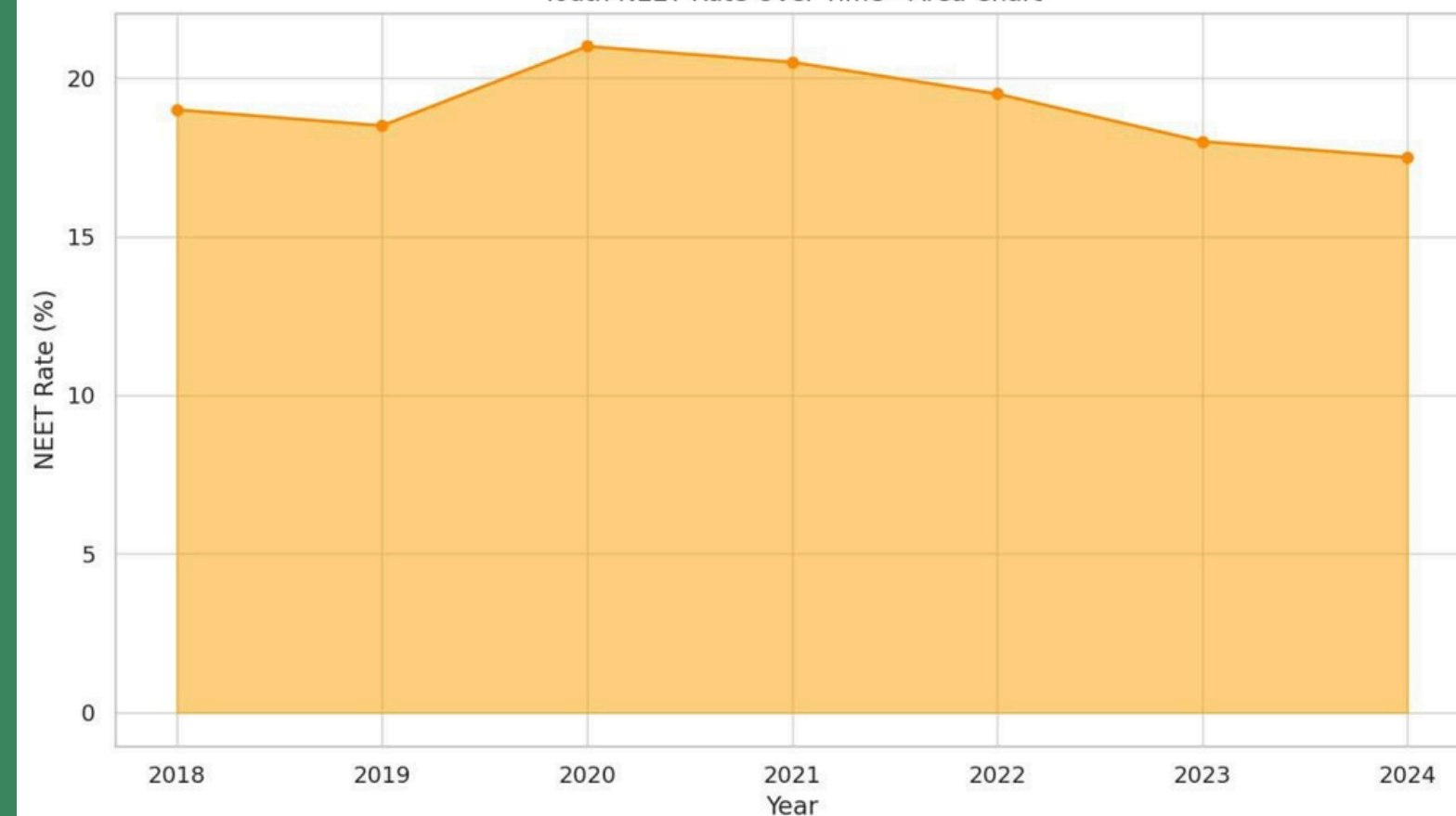   18–20% of youth (15–29)-6th highest in the OECD

2. 3–4% of Japanese youth are NEET, the lowest in the OECD

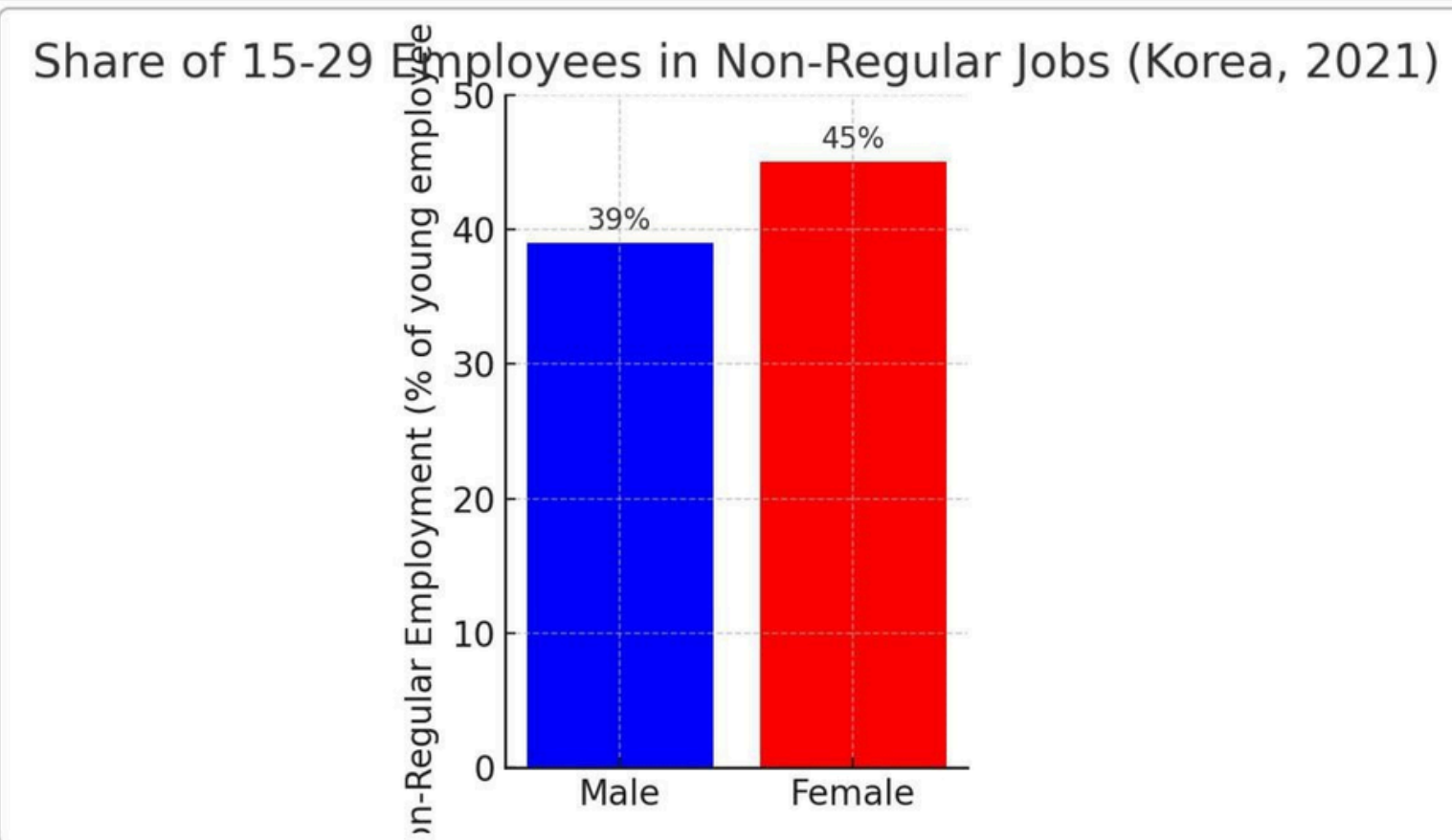3. The U.S NEET rate for youth was around 13% in 2019

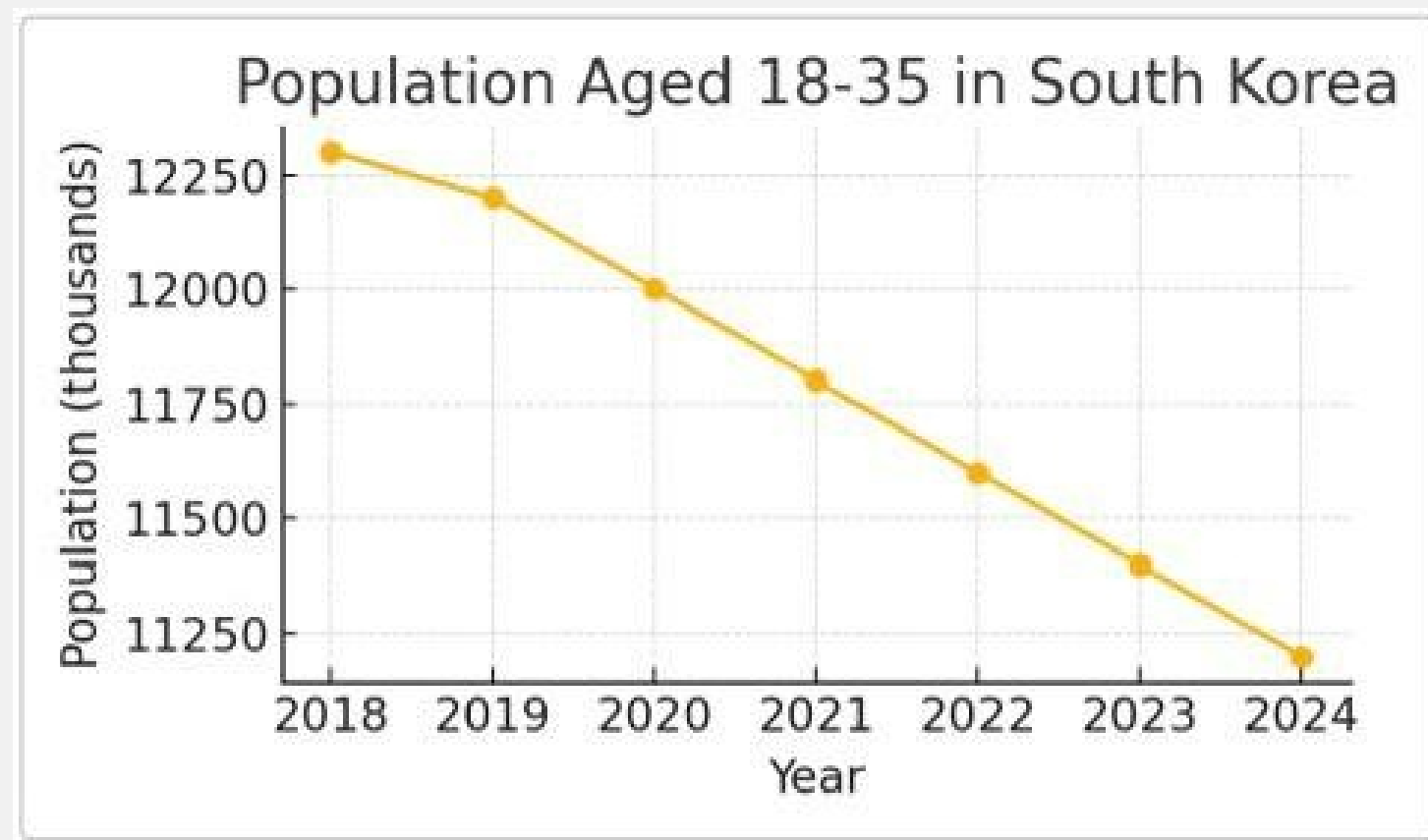Share of 15-29 Employees in Non-Regular Jobs (Korea, 2021)

Precarious Employment

- 2021, a striking 42% of all employees in Korea

- 45% of young female employees

- 39% of young male employees

- Structural labor market challenge: labor market dualism

Demographic Decline

Population Aged 18-35 in South Korea

01. The population aged 18–35 in Korea has been declining each year:
- In 2018, 12.3 million South Koreans
- 2024 this had fallen 11.2 million

02. The steady downward trend in Korea's youth population:
- Long-term economic concerns
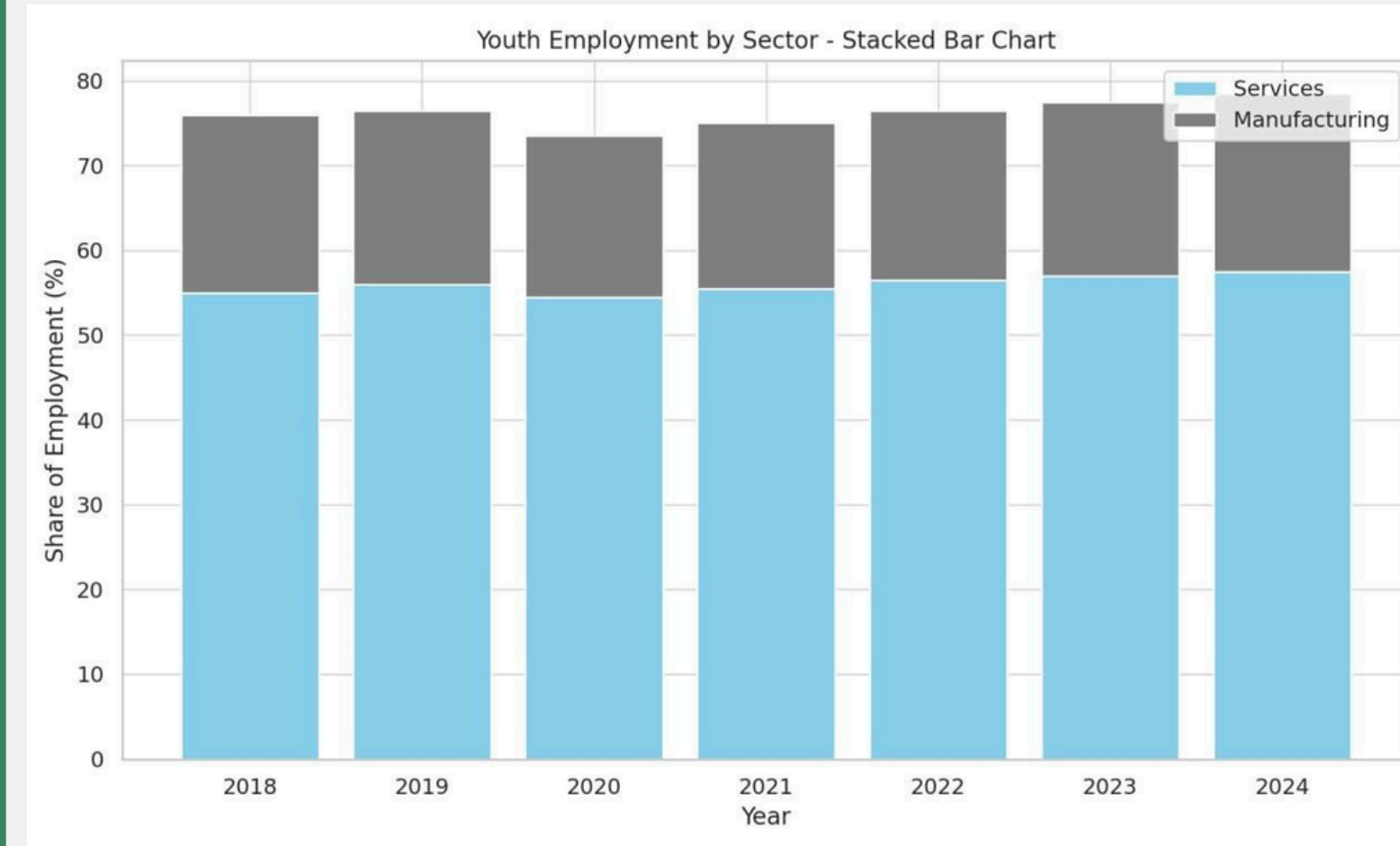- I n the long run, Korea faces a "demographic cliff",

03. Japan is in a similar or even more advanced situation:
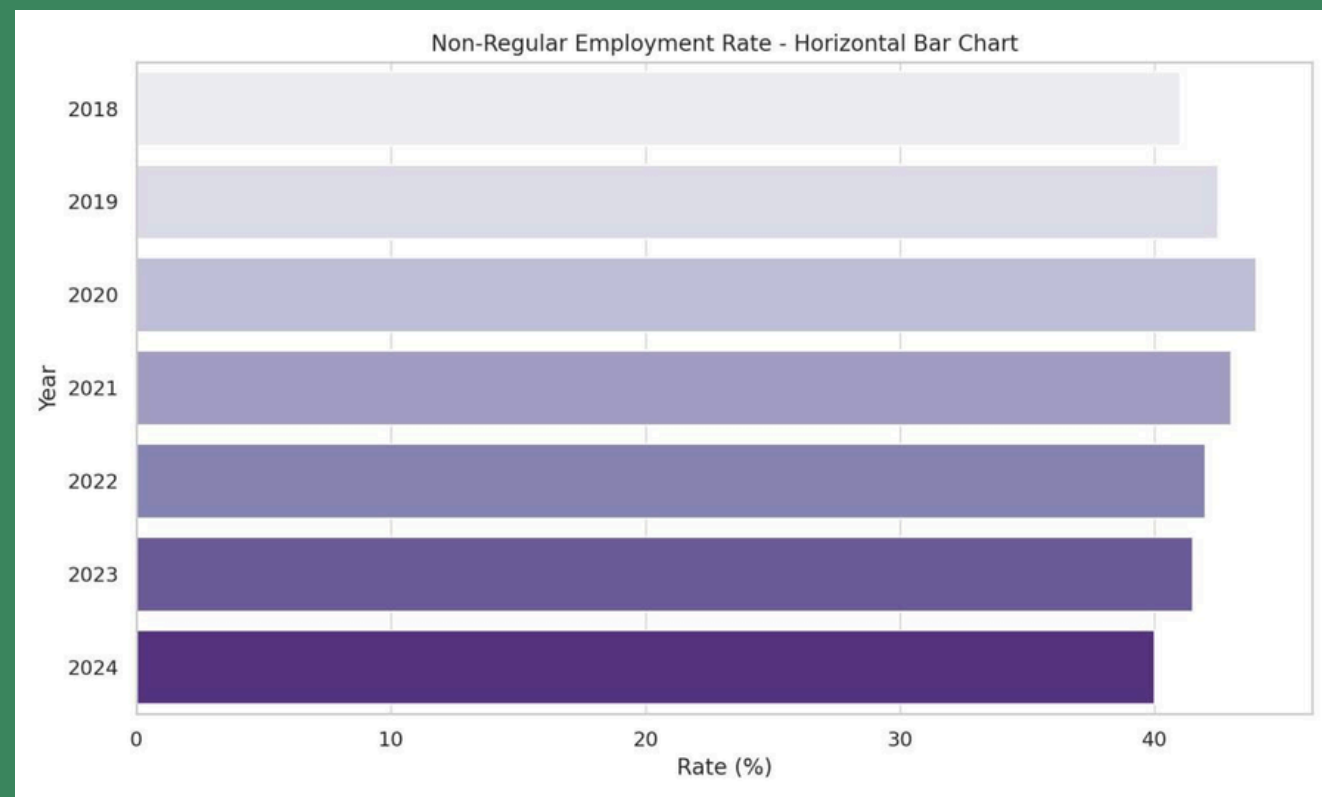- the number of 20–29 year-olds in Japan 15% between 2010 and 2020
- Japan's youth unemployment low

Education-Job Mismatch

- Korean youth are among the most educated in the world:
  → 69–70% of 25–34 year-olds in Korea

- Korean NEETs: college graduates who are unemployed or economically in-active:
  → 45% of NEETs in Korea > average in OECD

- **Golden Ticket Syndrome**

- **Skills Mismatch**

International Comparison

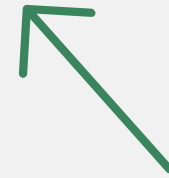Non-Regular Employment Rate - Horizontal Bar Chart

- **China: Similar signs**
→ in 2023–2024 a record 11–12 million new college graduates

- **Japan's education system and labor market: more tightly linked**
→ Japanese firms often train fresh graduates on the job

- **The United States faces mismatch issues of a different sort**

Policy Recommendations

01.
Foster Job Creation in Emerging Sectors:
Invest in tech, green, and digital industries to absorb educated youth.

02.
Reform Labor Market Structure:
Narrow the gap between regular and non-regular employment; improve job stability.

03.
Align Education with Market Demands:
Diversify career pathways; reduce mismatch between qualifications and job availability.

04.
Support NEET Youth Re-engagement:
Expand outreach, training, and incentives to bring disengaged youth into the workforce.

Conclusion

- Unemployment Improvement
→ Youth unemployment dropped to record lows by 2023, showing strong post-pandemic recovery.

- Persistent Structural Challenges
→ High NEET rates, unstable temporary jobs, and education-job mismatch remain key concerns.

- Demographic Pressure
→ Aging population increases urgency to utilize the full potential of the youth workforce.

- Global Comparison Context
→ Japan (low joblessness, aging), U.S. (dynamic but volatile), China (graduate surplus, job shortage).

- Signs of Progress
→ Increased youth labor participation and lower unemployment hint at gradual improvement.

Thank you very much!