

**CAUSES AND EFFECTS OF YOUTH UNEMPLOYMENT IN OYE LOCAL
GOVERNMENT AREA, EKITI STATE, NIGERIA**

BY

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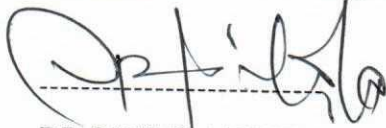
**BEING A PROJECT SUBMITTED TO THE DEPARTMENT OF ECONOMICS AND
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APPROVAL PAGE

This project entitled **Causes and effects of Youth Unemployment in Oye Local Government**, by **Dada Oluwatunmise Ruth. EDS/11/0170**, meets the regulation governing the award of the degree of bachelor of economics and development studies in Federal University and in approval for its contribution to knowledge and literal presentation.



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DEDICATION

This project is dedicated to Almighty GOD for his divine grace and protection in my academic life. Also to my parents Pastor and Mrs Dada, my siblings and friends for their unquantifiable support and encouragement.

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That you once failed does not mean you are out of the track of success but an indication that with more efforts, success will be attained.

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I pray that Almighty God will reward you all. Amen.

ABSTRACT

This study employs both qualitative and quantitative research methods to investigate the causes and effects of youth unemployment in Oye Local Government Area of Ekiti State. The study also attempts to examine the consequences of youth unemployment in the local government area. It was found that low level of education, inadequate manufacturing industries, inadequate job creation by the government, and the neglect of the agricultural sector are largely responsible for youth unemployment in the local government area. On the other hand, the study found that the effects of youth unemployment include low standard of living, high crime rate, among others.

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CHAPTER ONE

INTRODUCTION

1.0 Background to the study

Youth unemployment refers to the unemployment of young people, defined by the United Nations as 14 – 28 years old. In this case, an unemployed person is defined as someone who does not have a job but is actively seeking work. Youth unemployment has recently become a major issue in most developing countries, including Nigeria. It affects young men and women and has the potential for crime and social unrest in the society unless a robust policy is put in place to address the social phenomenon. For example, the recent social unrest and political uprising in the Middle East arguably underscored the perils of high rates of unemployment, especially among youth. Olakitan (2015) also succinctly states that, aside from terrorism, youth unemployment is one of the greatest threats to national security essentially because idle hands are the devil's workshop. In fact, some of the effects of youth unemployment in Nigeria are seen in political unrest, economic instability, drug abuse, crime, prostitution, human trafficking, terrorism and kidnapping (Olakitan, 2015). According to the World Bank (2014), youth unemployment is high in all regions of the world, much higher than adult unemployment. Furthermore, the World Bank shows that, in 2010, the world average for youth unemployment was 12.6 percent, roughly 2.5 times higher than that of adults.

It is obvious that youth unemployment is much higher in Nigeria despite being the most populous and second largest economy in Africa. Nigeria is also the eight most populous country in the world with a population of 167 million people and nominal GDP of \$207.116 billion (World Bank 2012, National Population Commission 2013)). Yet the country's current youth unemployment rate, according to the National Bureau of Statistics (2013), is over 25 per cent. In other words, over 25 million of the country's youth population of about 100 million is unemployed. This is unacceptably high and would have triggered a vote of no confidence on any sitting government in countries such as Britain, the United States, Australia, New Zealand, and

other developed nations. What is abhorrent in these countries is often celebrated in Nigeria and other developing countries with impunity. For example, many graduate job seekers lost their lives recently in Nigeria during a nationwide recruitment exercise by the Nigeria Immigration Service. Yet In Port Harcourt alone, some 25,000 applicants were to participate in a recruitment interview at the 16,000 capacity Liberation Stadium. According to Olakitan (2015), over 500,000 young people applied for the 4,500 job openings. This shows that youth unemployment in Nigeria has reached a crisis point.

Unemployment has assumed a greater dimension with the emergence of "black gold" that is crude oil in Nigeria. By 1986, an estimated 3.7 million people were said to be unemployed with about 1.5 million youths joining the labour force annually. This resulted in an urban unemployment rate of 10 percent and rural unemployment rate of 4 percent (Federal Office of Statistics, 1986). All the components of the labour force suffered from the scourge of unemployment of youths, especially graduates, retrenched civil servants and private sector employees. According to Aganga (2010) and Ogunmade (2013), research has shown that unemployment was high in the 1980s, but the available reports from various local and international bodies and the glaring evidence of joblessness in these decades are clear indications that there was no time in Nigeria's checkered history where unemployment is as serious as now. The national unemployment rates for Nigeria between 2000 and 2009 showed that the number of unemployed persons constituted 13.1percent in 2000; 13.6percent in 2001; 12.6percent in 2002; 14.8percent in 2003; 13.4percent in 2004; 11.9percent in 2005; 13.7percent in 2006; 14.6percent in 2007; 14.9percent in 2008 and 19.4percent in 2009 (Adebayo, 2013). As regards the age group, the report shows that as at March 2009 in Nigeria, for persons between the ages of 15 and 24 years, 41.6percent were unemployed, and for people between 25 and 44 years, 17percent were unemployed (National Bureau of Statistics, 2009, 2010 in Adebayo (2013).

The discussion above has set the contemporary contexts and provided the reason and motivation for this empirical study of the causes and effects of youth unemployment in Oye Local Government Area of Ekiti State. As already stated, Nigeria's unemployment crisis is more serious compared to others. Yet young people continue to be among the hardest hit by the job crisis, especially in the rural areas such as Oye local government area of Ekiti State. As a result,

most parents are frustrated and traumatised at seeing their sons and daughters turn into crimes and prostitution because of unemployment. This is why this study is necessary. Moreover, it is expected that if the causes and effects of unemployment in the study area are known, the solution will not be farfetched.

1.1 Statement of the Problem

Figures from the Manpower Board and the Federal Bureau of Statistics (2008) glaringly show that Nigeria has a youth population of 80 million, representing 60 percent of the total population of the country; 64 million of them are unemployed, while another 1.6 million are under-employed. A number of states in Nigeria, including Ekiti State, experience a rise in unemployment among youths as policy makers are not seen to be committed to evolving pragmatic measures capable of reducing youth unemployment. According to Kehinde et al 2004, Oye Local government has a youth population of 53,842.8 and 33.3% of this are unemployed (National Bureau of Statistics, 2008). It is, therefore, obvious that unemployed youths are alienated and estranged because government programmes, such as the poverty alleviation program by the National Directorate for Employment (NDE) has not in any way solved the problem of youth unemployment in the country. It is for this reason that this research is being undertaken with the hope that the findings will be useful to the government and other poverty reduction stakeholders.

1.2 Objectives of the study

The main objective of this study is to investigate the causes and effects of youth unemployment in Oye local government area of Ekiti state.

The specific objectives are:

- I. To ascertain if youth unemployment has a negative effect on the society or not.
- II. To examine government policies in respect of employment creation in Oye Local Government area.

1.3 Research questions

In order to achieve the objectives of the study, the following research questions must be addressed:

- I. What are the major causes of youth unemployment in Oye Local Government Area?
- II. To what extent is youth unemployment a problem in Oye Local Government Area?
- III. How effective has been government policies towards employment generation in Oye Local Government Area?

1.4 Formulation of the research hypothesis

Based on the objectives of the study, the following hypotheses were formulated.

H₀: youth unemployment has no negative impact on the society

H₁: youth unemployment has a negative impact on the society

1.5 Significance of the study

Unemployment now creates a serious problem in the society. It affects the economic and socio-political life of the society. Embarking on a study of this nature is to find out the causes and effects of unemployment and then find solutions to the problems affecting the society. It is in this light that the researcher wishes to state strongly that the findings from this research will be of immense importance and value to the government and all its agencies. The findings will provide a blueprint for government policies towards the reduction of youth unemployment in Oye Local Government Area and in Nigeria as a whole. It will not only be an educational study, but also lay a good groundwork for further research on the theme in Oye Local Government Area of Ekiti State, Nigeria. Apart from contributing to the existing literature in this area, it is expected that the findings will generate further investigation into the working out of some policies in this area.

1.6 Justification for the study

Data from the national bureau of statistics shows that the unemployment rate in Nigeria as at year 2009 was 19.7 percent with youth unemployment of 41.6 percent. The aggregate unemployment increased to 21.1 percent in 2010 and the youth unemployment witnessed a little decline of about 3.8 percent (Omoh, 2012). This suggests that many Nigerians youth are unemployed or underemployed, in spite of living in a country blessed with varieties of resources.

As a matter of fact, Nigeria is the world sixth largest exporter of oil, but there is nothing to show for this as life for a majority of Nigerians are a daily struggle. Even other African countries with no oil wealth as Nigeria are still able to provide jobs for their citizens. The conclusion drawn from the above assertions is that the rate of youth unemployment in Nigeria is very high despite being blessed with crude oil and other natural resources. This study is aimed at showing the causes and effects of youth unemployment in Oye local government. This study is of great importance, as it will help the government to know the main causes and effects of youth unemployment in the study area, and as well make accurate decisions and formulate the appropriate policy to combat this problem.

1.7 Scope of the study

This study is limited to the study of the causes and effects of youth unemployment in Oye Local Government Area of Ekiti State. Oye Local Government Area was carved out from the defunct Ekiti North Local Government on 17th May, 1989. Oye Local Government is bounded by Ilejemeje Local Government to the North, Irepodun/Ifelodun to the South, Ikole local Government to the East and Ido/Osi Local Government to the West. It is comprised of the following towns and villages: Oye Ekiti, Ilupeju Ekiti, Ayegbaju Ekiti, Ire Ekiti, Itapa Ekiti, Osin Ekiti, Ayede Ekiti, Itaji Ekiti, Imojo Ekiti, Ilafon Ekiti, Isan Ekiti, Ilemeso Ekiti, Oapmu Ekiti, Ijelu Ekiti, Oloje Ekiti and a host of others. There are no distinctive ethnic groups in the Local Government as a greater percentage of the people residents are of the Yoruba Language race. Nearly all the people speak Yoruba Language with negligible dialectical variations (Ekiti state pocket factfinder by Wole Adedoyin, 2012). According to the 2003 data projection of Ekiti state, Oye local government has a total population of 163,160 and youth population of 53,842 at 33% of the total population (National population commission, 2003)

1.8 Organisation of the study

Chapter one focuses on the introduction while chapter two reviews relevant literature Chapter three specifies the type of research methodology adopted, including the limitations of the study, how to source for data, distribution and collection of questionnaires. Chapter four is based on the presentation, analysis and interpretation of data which has been gotten from the questionnaires and secondary data, and as well testing of research questions and hypothesis. Finally, chapter

five will be the concluding part, where the summary of findings, conclusion, restatement of the problems, and recommendations will be drawn.

1.9 Definition of terms

Unemployment

The International Labour Organisation defined unemployment to refer to the share of the labour force that is without work but available for and seeking employment (World Bank, 2015) while Ekanem (2012) defines it as a situation where people are able to work and would willingly accept the prevailing wage paid to someone with skills but either cannot find or have not yet secure suitable employment Ekpenyong E et al (2014).

Youth

Countries vary considerably in their definition of youth, and this difference can be attributed to the variation in the age group distribution of the labour force and the variation in specific socio-cultural, institutional, economic and political factors for individual countries, for instance The African Youth Charter defined youth to mean “every person between the ages of 15 and 35 years” while The United Nation, for statistical consistency across regions, defines ‘youth’, as those persons between the ages of 15 and 24 years (UNESCO, 2015). However, The Nigerian National Youth Policy (2001) defines the youth as all young persons of ages 18-35 years. In the context of this study, the youth definition provided by the Nigerian National Youth Policy (2001) is hereby adopted.

Youth unemployment

According to the Nigerian National Youth Policy definition of youth, youth unemployment can be described as the unemployment of young people, that is, a situation whereby people between the ages of 18-35 years who are willing and ready to work cannot find jobs.

Underemployment

Harold (2009) described underemployment as a situation whereby people are employed only on part time or at work that is ineffective or unproductive, with a correspondingly low income that is insufficient to meet their needs. This implies that the underemployed are individuals who are working outside their areas of specialisation due to lack of jobs and so, could not be paid commensurately to their qualifications or expertise (Asaju, K. et al, 2014), while Echebiri, (2005) described underemployment as a situation whereby young unemployed people are compelled to engage in casual work and other unorthodox livelihood sources, just to ensure their livelihood.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.0 Introduction

Literature is an important part of research studies such as the present one. This is because it provides every study the conceptual, theoretical and empirical foundation. In the light of this, this chapter will endeavour to review relevant and authentic academic reference.

2.0.1 Youth Unemployment

The concept of unemployment: Like others in the fields of human Endeavour has received various definitions and descriptions. This is because human beings view things from different perspectives. Therefore, this sub-section is meant to review some of the definitions of unemployment given by scholars and then, try to agree on a working definition of youth unemployment. According to the International Labor Organization (2007), unemployed workers are those who are currently not working but are willing and able to work for pay, currently available to work and have actively searched for work. Furthermore, Hornby (2010) defines unemployment as “the facts of a number of people not having a job; the number of people without a job; the state of not having a job” while youth unemployment refer to the unemployment of young people between the ages of 18-35years (Nigerian National Youth Policy, 2001).

In the same vein, an operational definition of youth unemployment for this work will include the underemployed, hence youth unemployment occurs when young people who are able and willing to work are without jobs, or cannot find work that is effective and productive to do. It also occurs when young people undertake jobs that are contrary or lower than their academic qualifications or areas of specialization, and this was explained by Harold (2009), as a situation whereby people are employed only on a part time or at work that is ineffective or unproductive, with a correspondingly low income that is insufficient to meet their needs or a situation whereby youth engaged in casual work and other unorthodox livelihood sources, just to ensure a little income: For instance, a youth with first or second degree holder that enrolls as a recruit in any of the armed forces or paramilitary or a degree holder working as a clerk in an office is greatly underutilized and as such could be termed as unemployed even when such person works..

2.1 Theoretical framework on unemployment

There are divergent views of scholars in economics on the theoretical bases of unemployment. However, two prominent schools of thoughts will be applied in this study to discuss the multidimensional situation of youth unemployment in Nigeria with respect to Oye local government area.

2.1.1 The Keynesian unemployment theory

The business dictionary describes the Keynesian theory of unemployment as a Situation whereby low wage rates, which aims at increasing employment levels, fails because the economy is in recession and the employers are facing low demands for their goods and services. This implies that in the Keynesian theory, employment depends upon effective demand, which results in increased output, output creates income and income provides employment when demand for most goods and services falls, less product is needed and consequently fewer workers are needed, wages are sticky and do not fall to meet the equilibrium level, and thus result in mass unemployment.

The Keynesian economists argue further that the number of unemployed workers exceeds the number of job vacancies, so that even if full employment were attained and all open jobs were filled, some workers would still remain unemployed due to some mismatch in the economy. Hence, Keynesian economists see the lack of demand for jobs as potentially resolved by government intervention. Their prescription for reducing unemployment is deficit spending by government to boost employment and increase in aggregate total demand. They further suggested intervention through an expansionary monetary policy that increase the rates, thereby leading to an increase in non-government spending (Harris and Seymour 2005).

2.1.2 The search theory

According to the search theory of unemployment, unemployment is a result of employees quitting their jobs in search of new and better-paid jobs. This involves a certain optimum time spent searching in order to find the best paid job while searching, the worker is unemployed. This seems to be a theoretical explanation of unemployment since only less than 10percent of the unemployed actually quitted their own jobs (Agbodike Chukwudi, 2011).

2.2 Empirical evidence

Youths refer to one of the most vital endowment or resources a country could possess, because they are mostly referred to as the leaders of tomorrow, therefore, there is a need for them to be established and fully empowered. However, the problem of chronic youth unemployment is very evident in Nigeria, every year, thousands of graduates are churned out for whom there are no jobs and the relevant Government agencies like the Federal Ministry of Labour and productivity and that of youth development have spectacularly failed to formulate and implement effective pro-job creation policies to sufficiently galvanize the innate talents and overwhelming energy levels of these young Nigerian graduates of universities and other tertiary institutions (Emmanuel Onwubiko & Nneka Okonkwo, 2015). Moreover, The Minister for Agriculture, Dr. Akinwumi Adesina noted that Nigeria's unemployment rate is spiraling upwards, growing at 11 percent yearly, According to him "Youth unemployment rate is over 50 percent, "Our unemployment rate is spiraling, driven by the wave of four million young people entering the workforce every year with only a small fraction able to find formal employment.

The tide of youth unemployment and also the worry of a bleak future among the youth in Federal Republic of Nigeria, have created them liable to the manipulations of agents as is seen from the increasing cases of violent crimes like armed kidnappings for ransomed payments, incomparable violence, Bomb blasts, kidnaps and killings of innocent Nigerians, employed assassinations and different manifestation of organized crimes like drug and human trafficking that became unprecedented in our environmental condition. (The Sun, Sept 14, 2012). The increasing rate of youth unemployment has caused lots of havoc to the people involved and the society as a whole. Unemployment has a negative effect on the society, for instance, the recent Niger Delta crises which led to the vandalization of oil pipelines, kidnapping as well as other vices that were being perpetrated, started with a simple protest by the unemployed youth of the region appealing to government and oil companies to pay attention to their problem of unemployment and alleviate their sufferings since, according to them, the resources which is building the nation is flowing from their land so by virtue of that they should also be partakers of its benefits (By Emmanuel Onwubiko & Nneka Okonkwo, 2015).

From all evidence, youth unemployment has been described as a treat and an endangerment to Nigerian economy and also to the lives of the unemployed people involved.

2.3 Types of Unemployment in Nigeria

Economists have distinguished between the various overlapping types of unemployment. Some types of unemployment in Nigeria are explained below by Udu and Agu (2005), Harold (2009) in Asaju et al (2014) and some other authors

2.3.1 Seasonal Unemployment

According to Udu and Agu (2005), seasonal unemployment occurs mostly in the industrial sector, and in the enterprise that are seasonal in nature. Such activities engage labour temporarily during peak periods. For example, during the rainy season, many men who are engaged in fishing and building may go out of work during bad weather. Fishing, for instance, is not usually done during the rainy season in many parts of Nigeria. More so, during the Christmas season, shop owners and companies employ extra hands for the seasonal sales. These extra hands are usually relieved of their jobs when demand for products decreased.

2.3.2 Frictional Unemployment

This is caused by industrial friction in which jobs may exist, yet the workers may be unable to fill them either because they do not possess the necessary skill, or because they are not aware of the existence of such jobs. The employable, may remain unemployed on account of shortage of raw materials, or mechanical defects in the working of plants (P. S. O. Uddin and Uddin, Osemengbe O 2013). Therefore, the better the economy is doing, the lower this type of unemployment is likely to occur. Moreover, Harold (2009) in Asaju et al (2014) believes frictional unemployment occurs because workers seeking jobs do not find them immediately. Friction here refers to the inconsistency between the demand for and supply of labour.

2.3.3 Structural Unemployment

Structural unemployment could also result from persistent cyclical unemployment, that is, if the economy suffers from long-term low aggregate demand and in the techniques of the industry, unemployment could occur (Udu and Agu, 2005; and Harold, 2009). For example, as time goes by, there may be a permanent fall in the demand for certain products which may be due to a change in taste. The brick industry in Nigeria, is suffering a permanent fall in demand now because people prefer to use cement blocks to build their houses instead, this has caused sharp

unemployment in that industry. More so, long lasting low demand could make the unemployed disheartened while their skills become rusty and obsolete, and as a result, they many do not fit the job vacancies that would be created when the economy recovers. Some technological unemployment, which occurs due to the replacement of workers by machines, might be counted as structural unemployment.

2.3.4 Technological Unemployment

This is caused by changes in the techniques of production. Technological changes are taking place constantly, leading to the increased mechanization of the production process. This naturally results in the displacement of labor and finally causing unemployment (Oladele, et al 2011) in (P. S. O. Uddin and Uddin, Osemengbe O 2013).

2.3.5 Transitional Unemployment

This refers to a normal unemployment, because it occurs for a short duration. It does not harm the economy. In construction industries or contract jobs which rely heavily on manual labour, workers are temporarily laid off at the end of major assignments. Such workers are re-engaged when other jobs become available. Others may drift to other ongoing projects.

2.3.6 Classical Unemployment

This occurs when real wages for a job are set above the market – clearing level, causing the number of job-seekers to exceed the number of vacancies. Most economists have argued that increased government intervention in the economy leads to increase in the rate of employment of a nation. For instance, the minimum wage as stipulated by Labour Law has also raised the cost of unskilled or low skilled labour above the market equilibrium. This led to a drastic reduction in the employment of these categories of labour. Many of these categories of labour force who even wish to work at the formal wage rate could not be employed due to this law, consequently, adding to the high number of the unemployed in the country. Furthermore, laws restricting layoffs made businesses less likely to hire in the first place, as hiring becomes more risky, leaving many young people unemployed and unable to find work

2.3.7 Hidden Unemployment

Hidden unemployment is the unemployment of potential workers that does not usually reflect on official unemployment statistics, due to the way the statistics are collected in many countries only those who have no work but are actively looking for work (and/or qualified for social security benefits) is counted as unemployed. Other types of unemployment include residual unemployment, disguised unemployment etc

2.4 Trends in unemployment rates in Nigeria

Nigeria does not have any reliable figure on the rate of unemployment, as no institution has so far produced accurate figures showing the current unemployment rate. The figures published by the National Bureau of Statistics, the World Bank, and CIA World Fact book and the recent one given by the Coordinating Minister for the Economy (CME) Dr Okonjo-Iweala, appeared to be contradicting. The reasons for these differences and contradictions can be traced to the problem of ignorance and corruption in each sector of the economy. However, the incidence of unemployment in Nigeria especially in this 21st century is getting deeper and wide spread, cutting across all facets of age groups, educational strata and geographical entities.

According to Okigbo 1989 and Odusola 2010 unemployment in Nigeria was more endemic in the 1980s than any other period because the rate rose from 4.3 percent in 1976 to 6.4 percent in 1980. The unemployment rate in Nigeria rose to 28.0 percent in 1986. According to National Bureau of Statistics (2009:238; 2010:2), the National Unemployment Rates for Nigeria between 2000 and 2009 showed that the number of unemployed persons constituted 31.1 percent in 2000; 13.6 percent in 2001; 12.6 percent in 2002; 14.8 percent in 2003; 13.4 percent in 2004; 11.9 percent in 2005; 13.7 percent in 2006; 14.6 percent in 2007; 14.9 percent in 2008 and 19.7 percent in 2009. However, a 2009 World Bank Report, shows that 40 million (28.57 percent) of the country's employable people are unemployed. The figure, according to the same World Bank, rose to 50 million a year later. Moreover, according to Awogbenle and Iwuamadi (2010), the statistics from the Manpower Board and the Federal Bureau of Statistics (2008), showed that Nigeria has a youth population of 80 million, representing 60 percent of the total population of the country. Also, 64 million of them are unemployed, while 1.6 million are under-employed. However, data provided by the National Bureau of Statistics (2010:3) further showed that as at March 2009 in

Nigeria, for persons between ages 15 and 24 years, 41.6percent were unemployed. For persons between 25 and 44 years, 17percent were unemployed. However, the above statistics imply a high rate of youth unemployment in Nigeria compare to that of developed countries.

2.5 Causes of youth Unemployment

The causes of youth unemployment in Nigeria can be attributed to the following factors

2.5.1 Rapid population growth

Going by the 2006 census in Nigeria, the nation's population was put at 140, 431,790 and recently around 160 million. Projections for the future indicate that the population could be over 180 million by the year 2020, given the annual growth rate of 3.2 percent (National Population Commission & and ICF Macro, 2009:3). With this population, Nigeria is the most populous nation in Africa. It is argued that the high population growth rate has resulted in the rapid growth of the labor force, which is far outstripping the supply of jobs. The accelerated growth of population on Nigeria's unemployment problem is multifaceted. It affects the supply side through a high and rapid increase in the labour force relative to the absorptive capacity of the economy.

2.5.2 Neglect of Agricultural sector

According to Asaju et al (2014), until early 1970s, agriculture remains the mainstay of the Nigerian economy. It constitutes the major income earning for the country and the largest employer of labour as over 90 percent of the populace worked and earn their daily income from this sector. Following the rise in the price of petroleum (oil boom) in 1970s, and the attendance huge foreign income, the agricultural sector suffered a substantial decline till today. The huge finances from the oil sector have brought about the growth of public and private enterprises which are concentrated in the urban centres. This later resulted in rural- urban migration in which able body men who were farmers left their farm land to pick up menial jobs in the urban centres which are scarce and inconsistence. Corporate Nigeria (2007) puts the country's labour force statistics as follows: 70percent in agricultural sector; 10 percent in the industrial sector: and 20 percent in the service sector of the economy. Many analysts have argued that there is a strong relationship between the neglect of the agricultural sector and high rate of employment in the

country. Agriculture remains a panacea for reducing the high rate of unemployment and poverty in Nigeria. The monopolistic nature (over reliance on oil) of the economy remains a contradiction.

2.5.3 Inadequate manufacturing sector

According to a survey carried out as part of its membership operational audit in January 2010 by the Manufacturers Association of Nigeria (MAN), the 834 figure represents the cumulative aggregate of firms that have shut down their operations in 2009 across the country. The MAN survey usually covers five manufacturing enclaves, in which the country is divided, in terms of manufacturing activities. These include the Lagos, Northern, Southeast, South-South and Southwest areas. The report of the survey showed that in 2009, a total number of 176 firms became terminally sick and collapsed in the northern area, comprising the Kano and Kaduna states manufacturing axis. In the southeast area, which is comprised of Anambra, Enugu, Imo, and Abia states, a total number of 178 companies' closed shops during the period? While in the south-south area, which consisted of Rivers, Cross River, and Akwa Ibom states, 46 companies shut down operations before December 2009. According to the survey, the southwest area, which is comprised of Oyo, Ogun, Osun, Ondo, Ekiti, Kogi, and Kwara states, lost 225 companies during the year. It said that the Lagos area, covering Ikeja, Apapa, Ikorodu, and other industrial divisions in the state, followed closely with 214 manufacturing firms closing shops before the end of 2009. There are over 800 collapsed industries in Nigeria and over 37 factories have closed shop in 2009. About half of the remaining operating firms have been classified as ailing (Maiyak, 2010; Okafor, 2008; Oparah, 2011; Usman, 2011). However, there are no vibrant manufacturing sector, which has the capacity to absorb the unemployed youths in Nigeria.

2.5.4 Rapid expansion of the educational system

Moreover, the rapid expansion of the educational system which directly leads to increase in the supply of educated manpower above the corresponding demand for them. This contributes to the problem of the youth unemployment in Nigeria. For instance, according to Manning and Junankar (1998), the total number of graduates turned out by the higher institutions in Nigeria, which were 73,339 in 1986/1987 which rose to 131,016 in 1996/1997. Presently, with over 97 universities in Nigeria (both federal, state, and private) and the increasing demand for higher

education there has been the problem of suitable employment for the varieties of graduates are turned out by these higher institutions every year. Ordinarily, this should not have been a problem, but the reality is that the Nigerian economy is too weak to absorb this large number of graduates.

2.5.5 Outdated school curricula and lack of employable skills

The second reason is the outdated school curricula and lack of employable skills. Some scholars and commentators have argued that as far as the formal sector is concerned, the average Nigeria graduate is not employable and, therefore, does not possess the skills needed by the employers of labour for a formal employment. Often, this is attributed to the Nigeria's education system, with its liberal bias. The course contents of most tertiary education in Nigeria lack entrepreneurial contents that would have enabled graduates to become job creators rather than job seekers. Also, bribery and corruption have crept into the system, thereby giving room to what is call the 'Wait and Get Certificates' that are now paraded by most university graduates.

2.5.6 High level of corruption, fraud and general failure of leadership

The greatest unemployment causing factor in Nigeria has been identified to the ineptitude, corruption, fraud and general failure of leadership. Achebe (1983) in one of the findings in his book "The Trouble with Nigeria" emphasized that the cult of corruption formed by our rulers, and their insatiable quest to loot the national treasury has sailed us into the "ocean" of economic confusion and unemployment. Corruption, which has permeated the entire social structure of Nigeria, has robbed the country of developing a vibrant economic base. Funds meant for development projects have been misappropriated, diverted, or embezzled and stashed away in foreign banks, while some incompetent and corrupt bureaucrats and administrators in the public enterprises and parastatals have liquidated these organizations. In his observation, it is true that a Nigeria free from corrupt rulers would be Nigeria freed from unemployment.

2.5.7 Poor Mechanisation

Mechanization can be described as the use of machines or automations to accelerate the level of production processes. In most developing countries, lack of mechanization is one of the principal causes of unemployment among the citizens of the countries. Some people in developing parts of

the world are still making use of crude equipments for cultivation of crops. This is why many quit or find it difficult to become engaged in agriculture as their source of employment. But when agriculture in that part of the world is mechanized, people will find it interesting to practice agriculture with joy.

2.5.8 Infrastructure Decay

This is yet another dismal factor that has rendered millions of Nigerians unemployed. Haris Dafaranos, a former Greek Ambassador to Nigeria is one of those who believed that if the infrastructure is improved and empowered policies are put in place, people will have the opportunity to be employed and use their talent in sectors like textile which is capable of absorbing both skilled and semi-skilled workers (Abbah, 2009). No doubt that the inability of successive administration to tackle the problem in the power sector has done an incalculable harm to all facets of the economy especially the manufacturing enterprises in the country. Currently, there are barely 200 operators in the real sectors of the economy. For example, Dunlop Nigeria PLC, which was a dominant manufacturing enterprise in the country, has been shutting shops; Michelin, a tyre manufacturing company followed suit. The last surviving textile mill in Kaduna, the United Textile Mills (UNT) PLC has been shut down for long. The United Nation Industrial Development Organisation (UNIDO) statistics indicated that over 170 textile companies have closed shop and 120,000 employees are rendered jobless on account of poor power and water supply, high cost of fuel and massive smuggling of counterfeit products into the country from Asia (Kolade-Otitoju, 2009).

2.5.9 Unfavourable terms and Conditions Placed on Jobs

There is no doubt that years of experience bring about efficiency and productivity. However, the issue of stretching years of experience and age limit of the employers as a criterion for employment has narrowed chances for employment. A 31-year-old unemployed graduate of economics lamented thus:

"I wonder where some of these people want us to get the experience if we are not given the opportunity to even start. In most cases, employers insist on 25 years age limit and five years work experience. But with the challenges people face before graduating in this country, how do you expect a 25 year old to have acquired five years experience?" Akaeze(2011)

Similarly, the presence of over-aged workers, those who are due for retirement, but (for the fear of the socioeconomic insecurity in the country), refused to retire, has left no opening for fresher to come in.

2.6 Effects of Unemployment on the society and individuals

The adverse effects of high unemployment in Nigeria cannot be overemphasized. The implications are daunting on both socioeconomic and political fronts. For clarity and for the sake of this study, the effects of youth unemployment will be grouped into social, economic and political effects

2.6.1 The Social Implications

The social implications of unemployment are first felt at the individual and household level before extending to the entire society and consequently the economy. The unemployed youths are usually unable to earn money to meet financial responsibilities and the basic necessities of life. Across Nigeria, the growing ranks of people who are made homeless today arise from unemployment (Agbaegbu, 2011).

The effects of unemployment on the individual and household include; widespread poverty and inequality with its attendant effects. According to International Labour Organisation (2013), unemployment is directly proportional to poverty. In the 2013 release of the top countries that face high unemployment rate by the International Labour Organization, Africa faces the highest unemployment rate. When this is compared with poverty levels of the African Continent, it is not farfetched that Africa continent is the poorest continent in the world. However, the effects of this apparently become visible in the following ways lack of access to basic necessity of life, such as good food, drinkable water, shelter, health care and education, vulnerability to malnutrition, various kinds of disease, mental stress, loss of self-esteem, lack of self-confidence, feeling of shame, inferiority complex, which can leads to depression and all forms of domestic violence

On the other hand, most of the young people who are caught in criminal acts such as prostitution, thuggery, and armed robbery attributed their involvement in those crimes to the unemployment problem prevailing in Nigeria. In recent times, the high rate of communal crisis, youth

restiveness, hire killings and assassinations, kidnapping, vandalism, 419 and other forms of criminality and even the Niger Delta uprising and the recent 'Boko Haram' insurgents in the northern part of the country were attributed to the high rate of unemployment, especially among the youths in the country (Emmanuel Onwubiko and Nneka Okonkwo, 2015).

2.6.2 Economic Problems Associated with Unemployment

It is clear that any nation facing unemployment will experience a decline in industrial production. This is so because those who are to be employed in various manufacturing companies are not given the opportunity to contribute to the output of the country. According to the World Bank (2008), an economy with high unemployment rate is not using all of the resources, specifically the labour available to it. Since it is operating below its production possibility frontier, it is difficult to have higher output unless the entire workforce is utilised. If as a result of lack of jobs, frictionally unemployed people accept and work below capacity (i.e underemployment), and operate below their skills level, it reduces the economy's efficiency. It leads to a loss in potential output in a developing economy. More so, during a long period of unemployment, workers can also lose their skills, causing a loss in human capital. It could also lead to low level of income and a high rate of income inequality which further aggravates the high rate of poverty and unemployment with its attendance effects.

2.6.3 Political Implications of Unemployment

One of the major implications of high unemployment in a country like Nigeria with a widespread corruption is palpable, increased apathy, cynicism and despondency. Many people become increasingly individualistic and exclusively pre-occupied with the problems of survival or subsistence. They show little or no concern for government issues, activities and policies and programmes. High unemployment has been blamed for civil unrest in Nigeria, in some cases leading to insurgency such as the Boko Haram crisis in the Northern part of the country. It was one of the thematic causes of the mass-protest in Egypt that over-threw president Hosni Mubarak on 11th February, 2011, leading to the current state of anarchy. Hassan (2010) postulated that the high rate of kidnapping, civil unrest and political thuggery in Nigeria can be traced to the unemployment situation in Nigeria. According to the author, former military President, General

and idleness were product of political instability which in turn gave birth to incessant religious and ethnic confrontation which in recent times led to mass slaughter of the Nigerian people.

Blaming unemployment for all these crises, IBB said, "idle hands were always the devil's instrument and that if people were fully engaged, they would hardly have the time to see others as their enemies" insisting that government must develop the economy so as to provide jobs for the youths and older population (Adesanmi, 2010). Addressing the world leaders, employers and Labour at the 100th International Labour Conference (ILC) in Geneva, Switzerland, Obasanjo was quoted as saying that "Nigeria was sitting on a keg of a gun powder given the rate of unemployment, which, according to him leads to revolution, and that hopeless idle hands is not only a devil's workshop, but also a 'tinder.

2.7 Government policies and efforts towards a reduction in youth unemployment

Various policies and programs have been initiated by government at various levels (Federal, State, and Local) and by various administrations over the years to ensure the reduction in youth unemployment. Even international bodies like the World Bank and IMF have also contributed to the efforts directed at reducing youth unemployment. For instance, a Partnership Strategy that covers a four year period from 2014 to 2017 was approved in April 2014 by the Board of Executive Directors of the World Bank to assist the Nigerian government. It focused on three key strategies that aim to foster development, reduce poverty and youth unemployment (The Guardian, Friday 24th of July 2015).

Also the SURE-P was introduced in February 2012 with a focus on the management and investment of Federal Government savings derived from proceeds accruing from the partial removal of the subsidy on petroleum products. The SURE-P is the flagship of recent efforts to provide job opportunities to graduates of tertiary institutions. It is more or less a range of activities and pragmatic schemes, including the Graduate Internship Scheme (GIS), Community Services Scheme (CSS), Vocational Training Scheme (VTS), and Community Services, Women and Youth Empowerment (CSWYE). Another program initiated was the YOU-WIN program which was designed to create job opportunities specifically for graduates of tertiary institutions

that elect to go into business as entrepreneurs. Participants were required to develop and execute their own business ideas that will provide them with jobs and other unemployed youths who may or may not be graduates (The Guardian, Friday 24 July 2015).

Furthermore, government at the state level established various forms of employment-creating programs. For instance, Governor Kayode Fayemi, the formal governor of Ekiti State, empowered 5,000 youths in Ekiti with N150 million to assist them in accomplishing their dreams in different sectors of the economy, the youths were members of the Batches A and B of the Ekiti Project Volunteers (EPV) Corps who had been engaged by the state government since July 2011. Moreover Dr Kayode Fayemi launched another program known as Youth Employment and Social Support Operation (YESSO) in Ado Ekiti in conjunction with the World Bank on 3rd of October, 2014. This program was designed to reduce youth unemployment and poverty in the state (Vanguard, 3rd October, 2014).

Despite all the efforts, youth unemployment remains high. The failure of some of these programs and policies was explained by Tunji Akande, "Public policies directed at addressing youth unemployment have faced different challenges including finance, the absence of good administration and implementation, inconsistent policies, poor planning, weak management, complex structures and inadequate funding hinder success, unimpressive responses from would-be trainees, and unqualified resource personnel handling the training programs"(Akande, 2014).

2.8 Conclusion

From all indications, youth unemployment is a major issue in Nigeria that constitutes a real threat to the Nigerian economy. This is because these unemployed youths can easily be influenced to disorganize the stability of Nigeria's economy at any point in time.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.0 Introduction

This chapter deals with the methodology employed in the course of this study. The chapter is divided into nature and sources of data, study area, statement of hypothesis, sample size, sampling techniques, research methodology, Evaluation criteria, Limitation of the study.

3.1 Study area

This study is limited to the study of the causes and effects of youth unemployment in Oye Local Government Area of Ekiti State. Oye Local Government Area was carved out from the defunct Ekiti North Local Government on 17th May, 1989. Oye Local Government is bounded by Ilejemeje Local Government to the North, Irepodun/Ifelodun to the South, Ikole local Government to the East and Ido/Osi Local Government to the West. It is comprised of the following towns and villages: Oye Ekiti, Ilupeju Ekiti, Ayegbaju Ekiti, Ire Ekiti, Itapa Ekiti, Osin Ekiti, Ayede Ekiti, Itaji Ekiti, Imojo Ekiti, Ilafon Ekiti, Isan Ekiti, Ilemeso Ekiti, Opamu Ekiti, Ijelu Ekiti, Oloje Ekiti and a host of others. There are no distinctive ethnic groups in the Local Government as a greater percentage of the people residents are of the Yoruba Language race. Nearly all the people speak Yoruba Language with negligible dialectical variations (Ekiti state pocket factfinder by Wole Adedoyin, 2012).

3.2 Sample Population

The target population for this study is the youth in Oye local government area which form one-third of the total population (53,843) of the local government area.

3.3 Sample size and sampling techniques

This research adopted a random sampling technique to assign 150 questionnaires to the samples in each of the town selected. Moreso, in order to minimize cost, six towns were selected randomly for sampling, they include: Oye, Ayegbaju, Ilupeju, Imojo, Ayede and Itapa.

Focus group discussion and face to face interviews were conducted to compliment the findings from the questionnaire survey on the causes and effects of unemployment among youths in Oye local government area. One focus group discussion was held in each of the selected towns. The selected participants for the interview included traditional rulers and other pronounced and prominent personality in the local government area.

The sample size for this research was derived using the Cochran formula by William Cochran (1963) cited in Bapat (2000) from which the sample size of 150 respondents were drawn using a prevalent rate of youth unemployment in Ekiti state to be 33.3%. The formular used is $Z^2 \times pq/d^2$

3.4 Sources and Collection of data

The data for this study was derived mainly from primary sources. The primary data was collected through the use of questionnaires, face to face interview and focus group discussion.

3.5 Method of data analyses

To achieve the set objectives of the study, both descriptive and inferential statistics were employed. In the descriptive analysis, the use of percentages was utilized; more importantly in the areas of frequency of respondents to their views on the questions asked. In specific terms, chi-square analysis and correlation were adopted to find out the causes and effects of youth unemployment in the local government area.

CHAPTER 4

DATA PRESENTATION AND ANALYSIS OF RESEARCH FINDINGS

4.0 Introduction

The main objective of this study has been to investigate the causes and effects of youth unemployment in Oye Local Government Area. Therefore, the focus of the present chapter is the presentation and analysis of data. The analysis of the data was carried out in line with the study research questions and hypotheses. Background characteristics of the respondents and employment status as well as their views on the causes and effects of unemployment among youths in Oye Local Government area and other selected characteristics were presented in percentages. The entire hypothesis was tested using chi-square and correlation coefficient at 0.05 level of significance.

4.1 Presentation, Analysis and Interpretation of Data

Table 1: Showing the Percentage Distribution of respondents by age

Age of youth	Frequency	Percentages (%)
18-20	20.00	13.33
21-23	17.00	11.33
24-26	27.00	18.00
27-29	27.00	18.00
30-32	18.00	12.00
33-35	41.00	27.33
Total	150	100.00

Figure 1: Bar Chart showing the age distribution of respondents

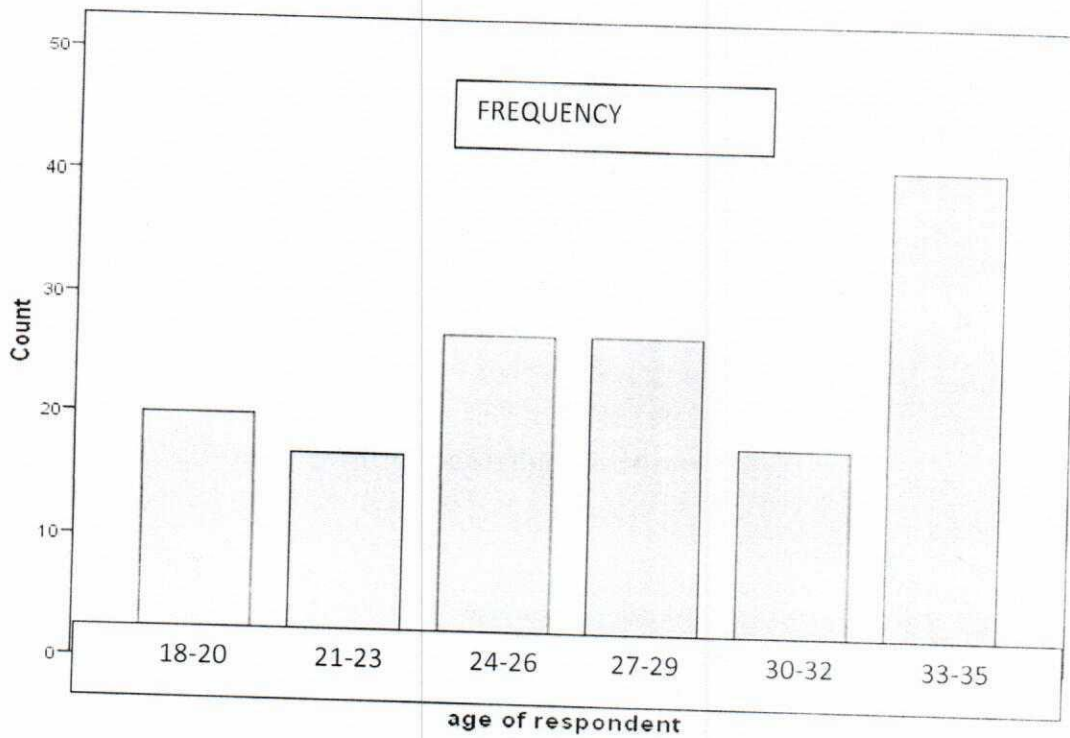


Table 1 above shows the distribution of respondent by age in groups of 6 class interval; the table reveals that a majority of the sampled population are within 33-35 years of age having the highest percentage (27.33%) followed by those within 24-26 years of age and 27-29 years having 18%.

Table 2 showing the gender distribution of respondents

Sex	Frequency	Percentage
Male	72	48.0
Female	78	52.0
Total	150	100.0

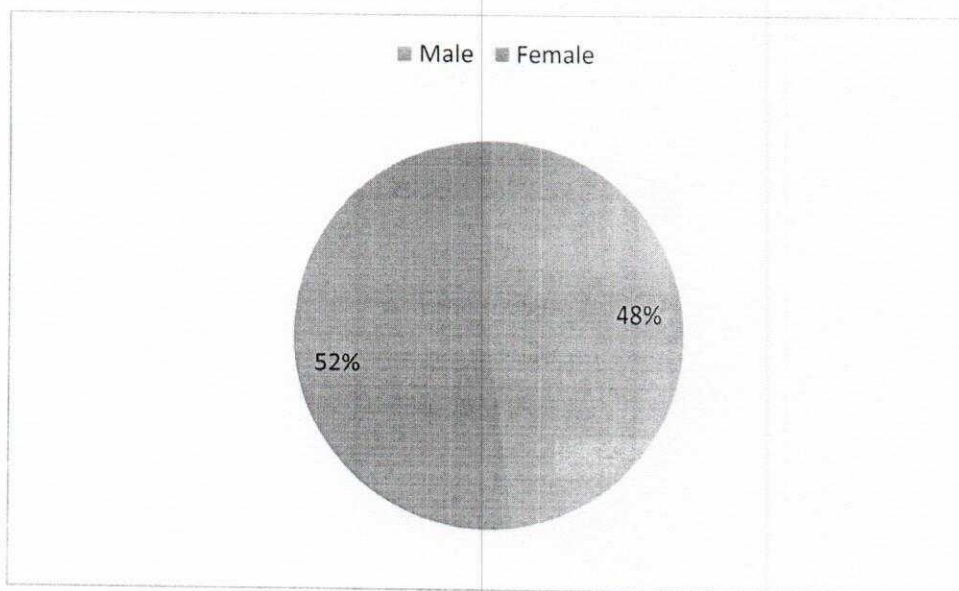


Figure 2: Pie-Charts on Sex of Respondents

The results show that the respondents have almost equal representation (Male 48% and female 52%).

Table 3: Showing the Percentage Distribution of Youth by their Marital Status

Marital Status	Frequency	Percentage
Single	73	48.7
married	67	44.7
divorced	6	4.0
separated	4	2.7
Total	150	100.0

Table 3 indicates that most of the respondents are single (48.7%) while married (44.7%) and divorced and separated shared the remaining (6.7%). This implies that most of the youths in Oye Local government area are either single or married. Details in the pie chart below;

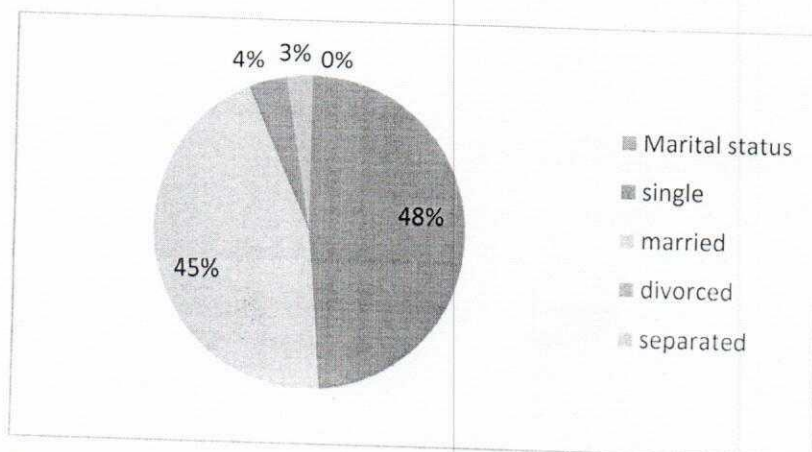


Figure 3: Pie Charts Marital Status

Further enquiry about youth's educational status revealed that most of the youths in Oye local government had secondary education (41.33%). While those with Post graduate qualifications are just (1.33%), B.Sc/BA/HND (11.33%), NCE/OND/Nursing (22.67%) primary (16.0%) and no education are (7.33%).

Table 4 Distribution of respondents by highest level of education completed

Education	Frequency	Percentage
None	11	7.33
primary school	24	16.00
secondary school	62	41.33
NCE/OND/NURSING	34	22.67
BA/BSC/HND	17	11.33
post graduate or professional degree	2	1.33

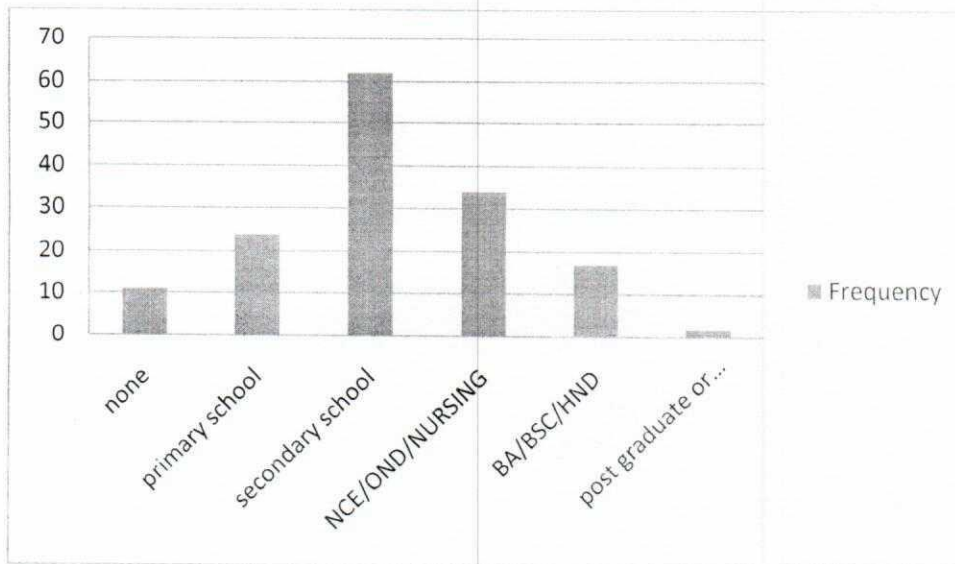
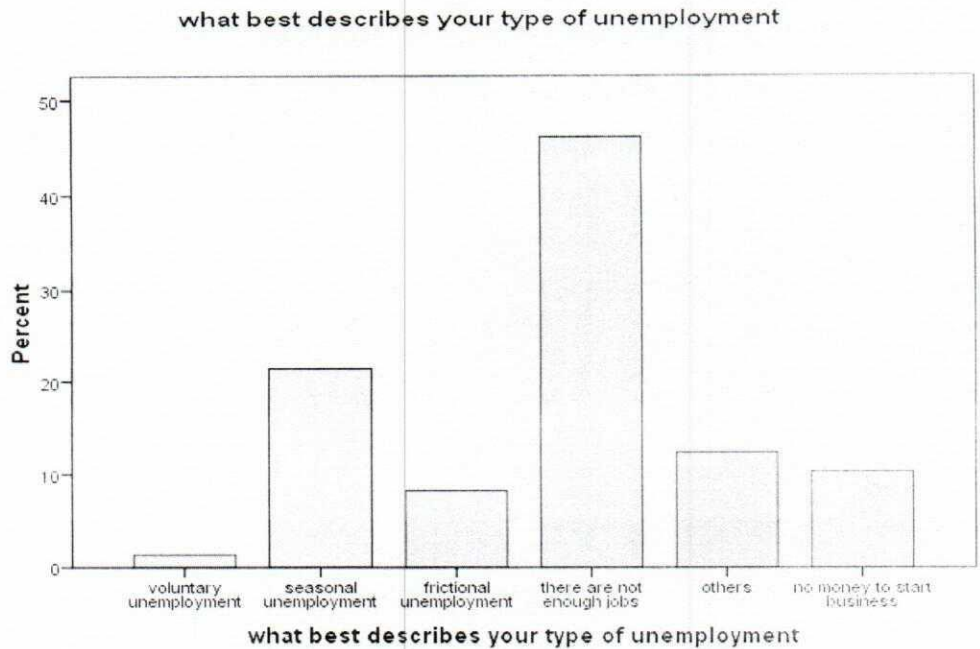


Figure 4: Education status of Youths in Oye-Ekiti Local Govt.

This study found that 94.7% of the youths interviewed in Oye Local government did not engage in any paid job for the past few months. However, in an attempt to secure a job; 39% of them had written and submitted application for jobs, 25.3% applied in person while 23.3% tried starting a business and 12.3% used other methods which may not be specified here.

what best describes your type of unemployment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	voluntary unemployment	2	1.3	1.4	1.4
	seasonal unemployment	31	20.7	21.4	22.8
	frictional unemployment	12	8.0	8.3	31.0
	there are not enough jobs	67	44.7	46.2	77.2
	others	18	12.0	12.4	89.7
	no money to start business	15	10.0	10.3	100.0
	Total	145	96.7	100.0	
Missing	System	5	3.3		
Total		150	100.0		



46.2% of the youths categorized their unemployment as perpetual unemployment caused by inadequate jobs, followed by those whose unemployment are seasonal, based on the nature of their jobs (21.4%) while others complain of startup capital for business (10.3%), Fictional unemployment (8.3%) others (12.4%).

The prolonged and unsolved problem of joblessness in Oye local government has made 30.6% of the unemployed youth to rely on family support to ensure their living, while 21.8% engaged in petty businesses, 16.3% are into bike riding, 11.6% teach in private schools with lower income, 6.1% are into farming, while 8.2% are doing nothing.

Table 5: The Percentage distribution of unemployed youths and effects of unemployment

Are you gainfully Employed?		
Yes		
No	8	5.3%
	142	94.7%

Total		150	100%
Do you actively seek work as an unemployed person during the last four weeks?			
Yes		146	97.4%
No		4	2.6%
Total		150	100%
How do you seek work during the last weeks?			
Wrote Application		57	39.0%
Applied in person		37	25.3%
Tried to start own business		34	23.3%
Other Methods		18	12.3%
Total		146	100%
What best describes your type of unemployment?			
Voluntary unemployment		2	1.4%
Seasonal unemployment		31	21.4%
Frictional unemployment		12	8.3%
There are not enough jobs		67	46.2%
Others		18	12.4%
No money to start business		15	10.3%
Total		145	100%
<u>Unemployment Duration</u>			
less than 6 months		8	5.5%
6-12months		26	17.9%
one year and above		111	76.6%
Total		145	100%
<u>Source living</u>			
Bike riding(okada)		24	16.3%
Petty business		32	21.8%
Farming		9	6.1%

Teach in private school	17	11.6%
family support	45	30.6%
Nothing	12	8.2%
Others	8	5.4%
Total	147	100%
Prior to being unemployed, what is your main profession or occupation?		
Registered nurse	6	4.1%
Personnel manager	6	4.1%
Accountant	8	5.4%
Teacher	18	12.2%
Mechanic	9	6.1%
Electrician	10	6.8%
Fashion designer	21	14.2%
Plumber	6	4.1%
Lecturer	5	3.4%
Ward maid	5	3.4%
Others	54	36.5%
Total	148	100%

Are you able to meet your basic needs		
Yes	40	28.57
No	100	71.43
Total	140	100

The study also found that almost 71.43% of the unemployed youth cannot afford their basic necessities of life while only 28.57% can afford this through family support and engagement in petty jobs.

Table 6: Showing the bi-variate analysis of the effects of youth unemployment and background characteristics of youths in Oye Local government

Independent variable	Unemployment causes poverty and low standard of living				Total		Chi square and correlation
	Agree Frequency / %		Disagree Frequency / %		Total Frequency / %		
18-20	18	(94.74)	1	(5.26)	19	(100)	$X^2=4.867$ $p=0.301$ $R=0.06$
21-23	14	(82.35)	3	(17.65)	17	(100.00)	
24-26	26	(96.30)	1	(3.70)	27	(100.00)	
31-32	37	(82.22)	8	(17.78)	45	(100.00)	
33-35	37	(90.24)	4	(9.76)	41	(100.00)	
Total	132	(88.59)	17	(11.41)	149	(100.00)	

Gender		FREQUENCY/PERCENTAGE					
Male	68	94.4%	4	5.6%	72		100.0%
Female	64	83.1%	13	16.9%	77	100.0%	
Total	132	88.6%	17	11.4%	149	(100)	
Education							
None	4		0		4		$X^2=17.3,$ $P=0.008$
		100.0%		0.0%		100.0%	
primary school	16		8		24		$R=-0.116$
		66.00000007%		33.3%		100.0%	
secondary school	58		3		61		
		95.1%		4.9%		100.0%	
NCE/OND/NURSING	29		5		34		
		85.3%		14.7%		100.0%	
BA/BSC/HND	17		0		17		

	100.0%	0.0%	100.0%
post graduate or professional degree	2	0	2
	100.0%	0.0%	100.0%
Others	6	1	7
	85.7%	14.3%	100.0%
Total	132	17	149
	88.6%	11.4%	100.0%

Table 6: Showing the bivariate analysis effects of unemployment and background characteristics of youths in Oye Local government

Independent Variables	is unemployment a cause of the social vices in the society		Total	Chi-Square/ Correlation $\chi^2 = 11.0931$ Pr = 0.026 R=-0.149
	Agree	Disagree		
18-20	13	6	19	
	68.42	31.58	100.00	
21-23	12	5	17	
	70.59	29.41	100.00	
24-26	15	12	27	
	55.56	44.44	100.00	
31-32	37	8	45	
	82.22	17.78	100.00	
33-35	36	5	41	
	87.80	12.20	100.00	
Total	113	36	149	

	75.84	24.16	100.00	
Gender				
Male	61	11	72	$X^2=6.00,$ $p=0.014$
	84.7%	15.3%	100.0%	
Female	52	25	77	R=0.201
	67.5%	32.5%	100.0%	
Total	113	36	149	
	75.8%	24.2%	100.0%	
Education				
None	1	3	4	$X^2=23.126,$ $P=0.001$
	25.0%	75.0%	100.0%	
primary school	20	4	24	R=-0.011
	83.3%	16.7%	100.0%	
secondary school	42	19	61	
	68.9%	31.1%	100.0%	
NCE/OND/NURSING	30	4	34	
	88.2%	11.8%	100.0%	
BA/BSC/HND	16	1	17	
	94.1%	5.9%	100.0%	
post graduate or professional degree	2	0	2	
	100.0%	0.0%	100.0%	
Others	2	5	7	
	28.6%	71.4%	100.0%	
Total	113	36	149	
	75.8%	24.2%	100.0%	

4.2 Testing of Hypothesis

This study investigates the causes of youth unemployment in Oye local government and to ascertain if youth unemployment has negative impact on the society or not at 5% level of significance. Thus the hypotheses are formulated as follow:

- i. youth unemployment has no negative impact on the society
Accept H_0 : if youth unemployment has no negative impact on the society
- ii. youth unemployment has a negative impact on the society
Accept H_1 : if youth unemployment has a negative impact on the society

Decision Rule:

Reject H_0 if p-value is less than 0.05 and conclude that there is significant evidence that youth unemployment has negative impact on the society, otherwise do not reject H_0 .

The educational status of the interviewed unemployed youths revealed that respondents with primary education were made up of 16.0% while 41.33% represents those with secondary school education and 11% for B.Sc/BA/HND. On the other hand, those with NCE/OND/Nursing constitute 22.67% while those with post graduate qualifications are just 1.33%. However, those with no education are 7.33%. This implies that almost 64.66% of the unemployed youths in Oye local government have a lower educational qualification of secondary school and below. With the current high competition in the labour market, it can be concluded that secondary school education is not enough to secure a decent and well paid job. However, low level of education can be seen to be one of the causes of youth unemployment in Oye local government.

Moreover, inadequate jobs can be seen as another main factor responsible for youth unemployment in the study area, as the highest percentage of the youth of about 46.2% categorized their unemployment as perpetual unemployment, caused by inadequate jobs, followed by those whose unemployment are seasonal (21.4%), while 10.3% complains of startup capital for business, Fictional unemployment (8.3%) others (12.4%).

Test of relationship between age of respondent and the opinion whether unemployment is the direct cause of poverty and low standard of living has shown no significant relationship with chi-square $X^2=4.867$, $p=0.301$ and no correlation coefficient $R= 0.06$. More so, the opinion among genders showed a positive relationship with chi-square $X^2=4.72$, $P=0.03$ and positive correlation coefficient $R=0.178$, the educational status of youth in Oye-Ekiti also indicated a negative relationship with opinion of people with Chi-square $X^2=7.30$, $p=0.008$ negative correlation $R= -0.116$. Since the p-value for gender and education status is less than 0.05, this implies a significant relationship that unemployment is a direct cause of poverty and low standard of living in Oye-Ekiti as we reject the null hypothesis to accept the alternative hypothesis that unemployment has negative effects on the society. Moreso, youth unemployment can be seen as a direct cause of poverty and low standard of living, since 71.43% of the unemployed youth are not able to afford their basic necessity of life.

Test of relationship between age of respondent and the opinion whether unemployment causes social vices in the society shown a significant negative relationship with chi-square $X^2 = 11.0931$, $Pr = 0.026$ and correlation coefficient $R= 0.149$. More so, the opinion among genders showed a positive relationship with chi-square $X^2=6.00$, $P=0.014$ and positive correlation coefficient $R=0.201$, the educational status of youth in Oye-Ekiti also indicated a negative relationship with views of respondents with Chi-square $X^2=23.126$, $p=0.001$ negative $R= -0.011$. Since all the p-value is less than 0.05, this implies a significant relationship that youth unemployment is likely to cause increase in the level of social vices in the society, because an idle hand is the devils workshop, as we reject the null hypothesis to accept the alternative that youth unemployment has negative effects on the society.

Analysis of findings from focus group discussions and face to face interviews

The results of the in-depth interview with the youths: the first male participant says: Oye local government is one of the sixteen local governments in Ekiti state and the main employer of labour in Ekiti state is the state and local government. Ekiti is far from all the industrial state that pays more priority to the industrial sector and this make unemployment to be on the highside in Ekiti state including Oye local government. He further said,

“Government policies towards youth employment have not been effective in Oye local government area because those policies are not targeted at the grassroots but rather employ a top down approach”. **The First male participant**

However youth unemployment has resulted in so many unpleasant and negative situations in Oye Ekiti; such as crime, unhealthy rivalry, youth unrest and slow development. Furthermore, participant two, mention two main factors responsible for youth unemployment in Oye local government.

“First the collapsed of the existing industries, such as Adegbemile grains factory along UBA juncture, the cassava mill factory, along Imojo Ekiti and the rest of others were major causes of youth unemployment in Oye local government.” – *A female participant*

The collapsed of these industries has increased the interest of youth in other means of livelihood in the local government such as okada riders, thuggery, rubbery and many have been victims of different disasters such as untimely death, accidents, severe and societal vices. Secondly the neglect of the agricultural sector is another major cause, because Oye local government is an agrarian environment with good weather condition. But most of the youth are not really interested in agriculture, but instead white collar job. However, the effects of this problem have led to various negative effects in Oye Ekiti, such as poverty, poor standard of living, increase in crime rate and societal vices. Moreover, various traditional rulers and other prominent people in the society were also interviewed and they expressed their own views concerning the problem of youth unemployment in Oye local government area. For example, one of the traditional rulers states as follows;

“Youth unemployment is a national phenomenon that is caused mainly by faulty planning and poor government policies, he therefore elucidated on this that, planning plays a crucial role in the development of any society. Any policy that will be effective and efficient in the long-run must be back up with good planning, relevant information, data and adequate funding”, – **A traditional ruler in Oye local government**

But in Nigeria, the real and accurate statistics of the unemployed youths are not known and government has failed in the generation of optimum employment for the youth.

Moreso, the industries in the state have also failed and many could not continue because of uncondusive marketing environment thereby lay-off many youths who were previously employed and this has increased the number of unemployed youth in the state and consequently led to thuggery, social unrest, drug abuse etc. –A religious leader in oye local government

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

The main objective of this study has been to investigate the causes and effects of youth unemployment in Oye Local Government Area, and also to ascertain if youth unemployment has a negative effect on the society or not. Therefore, the focus of the present chapter is to present the summary, conclusion and recommendation to the study.

5.1 Summary

Chapter one focuses on the introductory aspect while chapter two reviews relevant literature. Chapter three presents the methodology and research design. The data for this study was derived mainly from primary sources. The primary data was collected through the use of questionnaires, face to face interview and focus group discussion. A total of 150 questionnaires were administered in the study area to 72 males and 78 females. Chapter four presents the data and analysis of findings; both descriptive and inferential statistics were employed.

The research questions of the causes and effects of youth unemployment in Oye local government were answered by the findings, which revealed the following factors to be responsible for youth unemployment in Oye local government area; low level of education, inadequate manufacturing industries, inadequate job creation by government. The effects of this can also be seen in low standard of living, poverty and increase in social vices among the unemployed youth, as its test of relationship was significant at 5% level of significance.

The above results are consistent with the in-depth face to face interview and focus group discussion as some of the respondents reported that youth unemployment in the local government is caused by inadequate manufacturing industry and folding up of the existing ones, neglect of agriculture, poor planning and government policies towards the generation of

employment, un-conducive marketing environment and the likes. The effects have led to the larger number of unemployed youth in Oye local government, and this has consequently led to poverty, low standard of living and lots of social vices, in the area.

5.2 Conclusion

The study has conducted a thorough investigation to the causes and effects of youth unemployment in Oye local government and found the following factors to be responsible for youth unemployment; low level of education, inadequate manufacturing industries, inadequate job creation by government, neglect of the agricultural sector, faulty planning and poor government policies towards employment creation. Despite government efforts to mitigate the impact of youth unemployment in Oye local government area, the problem still persists because of corruption, inconsistent policies, poor planning, complex structures and inadequate funding, unqualified resource personnel handling employment training programs and poor economic strategy. This has consequently, as already stated in the preceding chapters led to poverty, low standard of living and social vices, in the study area, because idle hands are the devil's workshop.

5.3 Recommendation

Based on the findings of this study, the following recommendations are made;

1. The Ekiti state government should diversify the economy for the purpose of generating both full time and part time job opportunities.
2. The invigoration of the collapsed local industrial production and the establishment of new ones should be a major priority of the state government. These factories will provide employment opportunities that will absorb the idle youths and feed many hungry mouths.
3. Efforts should be made by the government to encourage and support youth to practice mechanized farming in Oye local government area since it is an agrarian environment with palatable weather condition for the cultivation of various crops.

4. The youths with lower educational qualifications should be encouraged to seek higher education, so as to have higher advantages during job opportunity.
5. Government should encourage small scale businesses for the unemployed youth through the provision of loans to start up businesses.
6. Formulation of policies that encourage the youth to be job creators and self employed rather than to be job seekers is critically important. Also, the reform of the educational system to allow undergraduates to engage in part time jobs that will fetch them some income should also be considered.

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RESEARCH QUESTIONNAIRE

Dear Sir/Madam,

Causes and effects of youth unemployment in Oye Local Government Area

My name is **Dada Oluwatunmise**, a final year student of Economics and Development Studies of the Federal University, Oye-Ekiti. I am currently conducting my final year project research which seeks to explore the causes and effects of youth unemployment in Oye Local Government Area. This involves obtaining the views of the sample population which are between the ages of 18-35 years.

As part of the research design, I have drawn up this questionnaire for the purpose of obtaining your own perspectives on the above research topic. Please note that this is purely an academic exercise. Therefore, any information provided by you will be treated as confidential.

Thanking you for your anticipated cooperation.

Yours faithfully,

Dada Oluwatunmise

Please tick the appropriate answer from the options below

Section A

1. Age as at your last birthday

2. Gender (please tick one):

Male

Female

3. Marital Status (please tick one):

Single

Married

Divorced

Widowed

Separated

4. Highest level of education completed:

None

Primary School

Secondary School

NCE/OND/NURSING

BA/BSC/HND

Post-graduate or professional degree

Others, please Specify.....

Section B

5. Are you gainfully employed?

Yes

No

6. If no, did you actively seek work as an employee or self - employed person during the last four weeks?

Yes

No

7. How did you seek work during the last weeks?

Wrote applications

Applied in person

Tried to Start Own Business

Others, please Specify.....

8. What best describes your type of unemployment?

Voluntary unemployment (quit job or doesn't want to work)

Seasonal unemployment (work available only during certain times of the year)

Frictional unemployment

Inadequate jobs

Others, please Specify.....

9. How long have you been unemployed?

- Less than 6 months
- 6-12 months
- 1 year and above

10. Since you cannot find a job, what do you do for a living?

- Bike riding (Okada)
- Selling petty things
- Farming
- Family support
- Not doing anything
- Others please specify.....

11. Prior to being unemployed, what did you consider as your main job/occupation/profession?
 (Example: registered nurse, personnel manager, auto mechanic, accountant, and electrician).
 Please specify.....

12. If you cannot find the type of work you are looking for would you settle for other work?

- Yes
- No

13. Prior to been unemployed or underemployed, have you been able to meet your basic necessity of life? Such as good food, good water supply, shelter, access to health care, access to education and other social amenities?

- Yes
- No

14. Is unemployment the cause of some of the social vices in the society? such as thuggery, drug abuse, and armed robbery?

Agree [] disagree []

15. Is unemployment a direct cause of poverty and low standard of living?

Agree [] disagree []

16. Does unemployment have negative effects on the society and on the lives of the unemployed youth?

Agree [] disagree []

THANK YOU VERY MUCH FOR YOUR TIME AND INPUT!

**RESEARCH QUESTIONNAIRE FOR FOCUS GROUP DISCUSSION AND FACE TO
FACE INTERVIEW**

Dear Sir/Madam,

Causes and effects of youth unemployment in Oye Local Government Area

My name is **Dada Oluwatunmise**, a final year student of Economics and Development Studies of the Federal University, Oye-Ekiti. I am currently conducting my final year project research which seeks to explore the causes and effects of youth unemployment in Oye Local Government Area. This involves obtaining the views of the sample population and other people in the society.

As part of the research design, I have drawn up this questionnaire for the purpose of obtaining your own perspectives on the above research topic. Please note that this is purely an academic exercise. Therefore, any information provided by you will be treated as confidential.

Thanking you for your anticipated cooperation.

Yours faithfully,

Dada Tunmise

1. What are the major causes of youth unemployment in Oye Local Government Area?

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2. To what extent is youth unemployment a problem in Oye Local Government Area?

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3. How effective has been government policies in respect of employment creation in Oye Local Government area.

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4. Does youth unemployment have negative effects on the society and the unemployed youth? If yes, please specify some of its negative effects.

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1. What are the major causes of youth unemployment in Oye Local Government Area?

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