

UNIVERSITAS ANDALAS



FACULTY OF ECONOMICS AND BUSINESS DEPARTMENT OF ECONOMICS

PADANG

2025

ANALYSIS OF FACTORS INFLUENCING NEET YOUTH IN INDONESIA

by

Dimas Putra Hendika 2010512042

Submitted to Department of Economics

on January 20th, 2025, in partial fulfilment of the requirements for the degree of

Bachelor of Economics

ABSTRACT

Indonesia has the highest NEET rate in Southeast Asia, with 22.3% of its youth population categorized as NEET. This issue is crucial as Indonesia undergoes a demographic bonus, and ineffective utilization of this opportunity may lead to economic losses. This study examines the determinants of youth NEET status by analyzing key socio-demographic factors using data from the August 2023 National Labor Force Survey (Sakernas), which covers 158,816 individuals aged 15 to 24 across 34 provinces. Employing cross-tabulation and binary logistic regression analysis, the findings reveal that NEET youth are predominantly economically inactive. Furthermore, factors such as location of residence, gender, marital status, education level, training experience, health condition, and household size significantly influence the likelihood of youth becoming NEET in Indonesia.

Keywords: NEET, Youth, Indonesia, Logistic Regression

Thesis Advisor: Prof. Dr. Elfindri, S.E., M.A.