An Analysis of Employment Prospects in Fiji’s Urban Area

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ABSTRACT

This study analyses the determinants of employment in urban Fiji. The analysis is conducted in two steps: (1) identify the factors that affect labour market participation decision of males and females individually, and (2) identify the factors that increase or reduce the likelihood of formal and informal sectors’ employment once an individual has entered the labour market. The analysis shows that determinants of employment and formal sector participation in Fiji vary by gender and age cohorts. In general, being female reduces individuals’ likelihood of employment; and factors such as marital status and having dependent children further reduce females’ chances of employment and formal sector employment, which illustrate females’ disadvantaged position in the labour market. Moreover, education significantly increases the likelihood of employment for both genders.

KEY WORDS: employment, formal and informal sectors, probit model, marginal effect