

# At risk youth: a transitory state?Briefing paper 24

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## Overview

By definition, youth transitions involve young people moving between school, post-school study and employment. It is a time of flux, as young people try out different school, post-school work and study options. But are those who don’t find work immediately likely to make a poor transition? Given that many may well have a spell out of the labour force, we need to understand when this becomes a risk factor.

This briefing paper draws on related research and some primary data analysis to consider whether being ‘at risk’ is a permanent or transitory state.[[1]](#footnote-1) It suggests that, rather than counting the numbers of young people who are detached from work, study or other meaningful activities, we should focus on those who remain disconnected.

It is important to be able to identify who may be most ‘at risk’ of an unsuccessful transition to ensure that targeted and appropriate interventions can be implemented. Young people who accumulate disadvantage through poor literacy and numeracy and who are uninterested in school appear particularly vulnerable. They tend to leave school early and suffer disproportionally in the labour market.

If this detachment from work or study continues for an extended period of time, the young person’s inability to develop employability skills and their lack of work experience adversely affect their prospects of future employment. This is detrimental not only to the individual but also to the nation’s productivity. Therefore, programs which help young people to make smoother and faster transitions into further study or employment are important.

## Highlights

* As many as a quarter of young people are ‘disengaged’, in that they are not in full-time employment or study at some time between the ages of 15 and 24 years. However, most of these young people do not view this as a permanent state, indicating they have plans to enter full-time work or study.
* A third of young people from the LSAY Y95 cohort aged 18–19 years in 1999 (typically the year after completing Year 12) experienced at least one month of unemployment at this age. However, the majority went on to achieve satisfactory education and labour market outcomes by their mid-20s. A much smaller proportion of this group, less than 10%, are genuinely ‘at risk’ for significant periods of time between 15 and 25 years.
* One way of identifying ‘at risk’ youth is to consider those who are not engaged in full-time work or full-time study. But, merely counting the numbers doesn’t provide a true picture because of the increasing trend for young people to take a ‘gap year’ and to mix part-time work and study, which can lead to incorrect labelling of young people as ‘at risk’. Even those not studying are frequently undertaking meaningful activities such as travelling or raising children.
* This paper highlights the need to redefine ‘at risk’ youth, while recognising that labelling young people unnecessarily as being ‘at risk’ is not helpful if it means that these young people become stigmatised.

## Introduction

By definition, a youth transition is a period during which young people (aged 15 to 24 years) move between school and post-school study and employment. It is a time of flux, a time when life can take many turns, as young people try different school and post-school work and study options.

During this time, some young people may be considered ‘at risk’ of making an unsuccessful transition and having to endure periods of unemployment, periods of involuntary part-time-only employment, work for fewer hours than they would like, or work in low-paid, low-skilled jobs with limited prospects for progression into more highly skilled work. Fortunately for most, this is only a temporary state, but if it persists it can have longer-term consequences. Early experiences of unemployment or labour market withdrawal can increase the likelihood of subsequent and continuing periods without paid work (Pech, McNevin & Nelms 2009).

Most young people are able to move from being potentially ‘at risk’ into more favourable employment or education participation after a period of one to three months ‘with little apparent difficulty’, and are generally optimistic about their future (Hillman 2005). However, a small proportion of young people do find it difficult to move back into full-time employment or study, particularly if their skills and experiences are outdated or undeveloped. Ryan and Watson (unpublished) found that young people who initially leave education without formal qualifications and who fail to engage with the labour market or further education for an extended duration have diminished prospects of future employment due to the lack of employment experience, missed opportunities to develop work skills and lack of familiarity with changes in workplace technology.

With such unfavourable outcomes, it is important to identify and apply suitable interventions for young people who are likely to be ‘at risk’ for extended periods. But identifying ‘at risk’ youth is not straightforward because of the frequency with which young people move in and out of varying states of employment as they complete their school-to-work transition. In addition, part-time employment may mask underlying underemployment, or it may complement part-time study, providing false classifications of ‘at risk’ youth. Similarly, young people who choose detachment from the labour market, such as through a ‘gap year’ or to care for others may be incorrectly identified as ‘at risk’. It is therefore not surprising that attempts to predict who may be ‘at risk’ have been relatively unsuccessful because of the complex interaction of the personal, institutional and labour market factors involved (Rothman & Hillman forthcoming).

In examining the permanency of being ‘at risk’, we first turn our attention to unemployed youth, using longitudinal data to explore the prevalence of spells of unemployment for young people and the proportion who remain unemployed for extended durations. We then look at the activities of disengaged youth and the permanency of part-time-only employment. Finally, we summarise the characteristics of those most likely to be ‘at risk’ for prolonged periods, and look at strategies which can assist young people to avoid this undesirable state.

## What is ‘at risk’?

In the most general sense, the expression ‘at risk’ youth describes young people whose educational outcomes are considered too low, with an emphasis on not completing senior secondary education (Te Riele 2006). Three of the more common categorisations of ‘at risk’ are:

* *Disengaged youth*: young people who are not engaged in full-time education or full-time employment. This definition has been adopted by the annual *How young people are faring* report series as an indication of an unsuccessful school-to-work transition. Young people who combine part-time work and part-time study are also included in this definition as ‘disengaged youth’.
* *Unemployed youth*: young people who are actively looking for work, who are not employed and who are available to start work.[[2]](#footnote-2) This definition includes full-time students who are actively looking for work.
* *Young people who do not complete their senior secondary education*: otherwise known as Year 12 non-completers. Completion of Year 12 (or its vocational equivalence) is considered the minimal education level for preparing young adults for the first stages of their post-school career, whether this is further study or directly into the workforce.

Using the first two of these relatively straightforward definitions, we can see in table 1 that around 15% of young people aged 15–19 years can be classified as ‘at risk’, accounting for between 123 800 and 236 440 young people, depending on the definition used. The third definition is really only useful for those aged 20–24 years, because most young people aged 15–19 years have not yet completed their senior secondary certificate or the vocational equivalent. Therefore, this definition is discussed in the final section of this paper as a strategy to avoid becoming ‘at risk’.

Similarly for those aged 20–24 years, between 93 000 and 377 200 young people may be ‘at risk’, with a much greater proportion categorised as ‘disengaged’ in this older cohort, despite the unemployment rate being lower than for the younger (15–19 years) age group.

Table 1 ‘At risk’ youth: 15 to 24-year-olds,4 statistics from 2008, 2009

|  |
| --- |
| 15 to 19-year-olds |
|  | Population\* | Unemployment rate^ (Jul. 09) | Disengaged youth$ (2009) | Non-completion of Year 12 or vocational equivalent at cert. II# (2008)\* |
|  |  | Persons | Rate (%) | N | % | N | % |
| Males | 739 500 | 69 700 | 17.2% | 113 100 | 15.3% | 507 300 | 68.6% |
| Females | 700 800 | 54 100 | 13.5% | 123 340 | 17.6% | 452 000 | 64.5% |
| **Total** | **1 440 300** | **123 800** | **15.4%** | **236 440** | **16.4%** | **959 300** | **66.7%** |
| 20 to 24-year-olds |
|  | Population\* | Unemployment rate^ (Jul. 09) | Disengaged youth$ (2009) | Non-completion of Year 12 or vocational equivalent at cert. II# (2008)\* |
|  |  | Persons | Rate (%) | N | % | N | % |
| Males | 759 700 | 56 100 | 8.5% | 169 400 | 22.3% | 142 100 | 18.7% |
| Females | 734 400 | 36 900 | 6.4% | 207 800 | 28.3% | 93 300 | 12.7% |
| **Total** | **1 494 100** | **93 000** | **7.6%** | **377 200** | **25.3%** | **235 400** | **15.8%** |

Note: Non-completion rates are high because the majority of 15 to 19-year-olds are still at school.

Data: \* ABS 3201.0: Estimated residential population by age and sex as at 30 June 2008, data cube.
^ ABS 6291.0.55.001: Unemployment rate from Sept. 09, ST LM2, Labour force status detailed by age, sex, July 2009.
# ABS 6227.0: Survey of Education and Work, 2008: Year 12 or cert. II, additional data cube.
$ Foundation for Young Australians (2009, figure 2, p.8, table 17, p.21).

## Is being ‘at risk’ a transitory state?

Based on these definitions, the numbers of young people who are ‘at risk’ appear quite disturbing, but the important issues are the extent to which young people move in and out of this state and how long they spend in it. We know young people frequently change their employment status. Pech, McNevin and Nelms (2009), using ABS gross flows data, report that every month over the 12 months to February 2007, 20% of 15 to 19-year-olds and 17% of 20 to 24-year-olds changed their labour force status.

In examining the permanency of being ‘at risk’, we first turn our attention to unemployed youth.

### Unemployed youth

Reported youth unemployment rates can seem alarmingly high, and are somewhat problematic because of the numbers moving in and out of employment, as well as those mixing work and study. For example, young people who are studying but also looking for part-time employment, which Pech, McNevin and Nelms (2009) estimated to be as high as 45% of unemployed youth on average during 2008, are included as unemployed young people.

Longitudinal data can be more insightful here because they allow the tracking of an individual from one point in time to another, providing greater understanding of their changing labour market status and the duration of ‘at risk’ status. In this section, we use two different longitudinal datasets. First, we explore the incidence of spells of unemployment using data from the Longitudinal Surveys of Australian Youth (LSAY). These surveys follow young people between 15 and 25 years with annual interview cycles. Table 2 uses data from an LSAY cohort (labelled Y95 cohort) of young people who were aged on average 14.5 years in 1995 through to 2006, when they were aged on average 25.5 years. The data show that, over this period, over a third (36%) of these young people experience at least one spell of unemployment over a 12-month period, most commonly between 18 and 19 years (the year after most complete Year 12). However, by the time they were in their mid-20s in 2006, only one in nine had experienced at least one spell of unemployment in that year.

Table 2 Incidence of at least one month of unemployment for LSAY Y95 cohort, 1995–2006

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
| Average age | 14.5 | 15.5 | 16.5 | 17.5 | 18.5 | 19.5 | 20.5 | 21.5 | 22.5 | 23.5 | 24.5 | 25.5 |
| N | 13 613 | 9 837 | 10 307 | 9 738 | 8 783 | 7 889 | 6 876 | 6 095 | 5 354 | 4 660 | 4 233 | 3 914 |
| Males (%) | - | 1.2 | 23.5 | 24.7 | 35.6 | 28.2 | 23.6 | 21.4 | 20.6 | 18.0 | 13.4 | 10.9 |
| Females (%) | - | 1.6 | 21.3 | 23.2 | 35.8 | 26.9 | 22.7 | 20.5 | 18.8 | 15.8 | 13.0 | 10.8 |
| Persons (%) | - | 1.4 | 22.4 | 23.9 | 35.7 | 27.5 | 23.1 | 21.0 | 19.7 | 16.9 | 13.2 | 10.9 |

Source: LSAY cohort report, Y95 cohort. Question on unemployment not asked in 1995.

Similar findings were made by the Australian Bureau of Statistics (ABS 2007) in its 2007 Labour Force Experience survey. Some 22% of 15 to 19-year-olds reported looking for work in the 12 months up to February 2007, with slightly fewer from the 20–24 age group (19%) reported looking for work over the same period. This suggests that a minority of young people take time to establish themselves in the labour market, but eventually do so.

Another way of following the transition of individuals in and out of unemployment is to use gross flows data from the national labour force survey, in which one-eighth of the dwellings sampled in the previous month are replaced by a new set of dwellings from the same geographic area. This provides an overlap of seven-eighths of the sample, which enables changes in the labour force states to be monitored from month to month. Table 3 presents the proportion of people who remain unemployed from one month to the next, averaged over a 12-month period, by gender and age.

Table 3 Average proportion unemployed from one month to the next: April 2008 – April 2009, by gender

|  |  |  |  |
| --- | --- | --- | --- |
|  | 15–19 years | 20–24 years | 25+ years |
| Males | 47% | 53% | 56% |
| Females | 48% | 47% | 51% |
| All | 47% | 50% | 54% |

Source: ABS (2009, gross flows [ST GM1], gross flows by state, age, sex data cube, calculated as the proportion of young people who remain unemployed from one month to the next, averaged over the period April 2008 to April 2009).

The first point to note from table 3 is that the proportion of young people aged 15–19 years who remain unemployed from one month to the next is slightly lower than that of their older counterparts. The second point is that, after the age of 19 years, more males than females remain unemployed, as females withdraw from the labour market as many take on home duties and caring responsibilities (see table 4).

Table 3 illustrates that, for those who are unemployed, when averaged over a year, around half remain unemployed from one month to the next. While being unemployed for a month or two is hardly a permanent state, it does provide a rather crude estimate that if 15% of youth are unemployed (table 1), then half of this group (or 7.5%) are unemployed in two consecutive months in that year.

In comparing tables 1 and 3, and looking at the 15–19 and 20–24 age groups separately, the 15–19 year age group has a higher unemployment rate (15.4%), but fewer remain unemployed over a two-month period (47%). The 20–24 year age group has a lower unemployment rate of 7.6%, but slightly more (50%) remain unemployed for two consecutive months. Across both age groups, the proportion of males who remain ‘at risk’ is higher than for females, but this may relate to females withdrawing from the labour market.

### Disengaged youth

Since 1999, the Dusseldorp Skills Forum and, more recently, the Foundation for Young Australians have published a series of annual reports titled *How young people are faring* (1999–2008), describing the learning and work situation of young Australians. One of the main indicators of ‘at risk’ in this series is the proportion of young people who are not engaged in full-time education or full-time work. Based on this definition, around 15% of the 1.4 million 15 to 19-year-olds are ‘at risk’, with little improvement in recent years for either males or females (figure 1), and a slight increase between 2008 and 2009, coinciding with the economic downturn. There continue to be more marginalised young females than males. The effect of this downturn is discussed further in an upcoming LSAY briefing paper on young people in an economic downturn (Anlezark, forthcoming).

Figure 1 Proportion of 15 to 19-year-olds who are not engaged in full-time education or full-time employment

Source: ABS Labour Force Australia (2008, data cube LM3), cited in Foundation for Young Australians (2009, figure 2, p.8).

A similar, but more startling picture is evident for 20 to 24-year-olds from the same report, suggesting that a quarter of the 1.5 million young Australians aged 20–24 years are ‘at risk’ of disengagement. As for the younger cohort, more females are ‘disengaged’ than males, although the gap between the two is much larger for the 20 to 24-year-olds (figure 2), and overall the trend has been downwards prior to 2008–09, rather than flat as for the 15 to 19-year-olds.

Figure 2 Proportion of 20 to 24-year-olds who are not engaged in full-time education or full-time employment

Source: ABS Labour Force Australia (2008, data cube LM3), cited in Foundation for Young Australians (2009, table 17, p.21).

Taking the youth disengagement statistics on face value, it would appear that there has been some improvement in the youth labour market over the last decade, consistent with falls in the youth unemployment rate over this period. Structural changes in the labour market since the 1990s recession go part of the way to explaining this improvement, with increased participation of females and a growth in part-time employment. Over the same period, there has been an increase in school and post-school education attainment (Ryan & Watson unpublished), increasing the proportion of young people making the transition from school into full-time employment and into higher-skilled jobs, but notably at a lower rate than for older age groups (Cully 2008).

#### Activities of disengaged youth

Taking a closer inspection of the activities of disengaged youth, we can see that many of these young people are actually undertaking quite meaningful activities, and we should not perhaps be unduly concerned about all those who are disengaged. Using the LSAY Y95 dataset for those not in employment (full- or part-time) and not unemployed, Marks (2005) explored the activities undertaken by those who did not go on to university and who self-identified as undertaking ‘other activities’ three and four years after leaving school. The results are displayed in table 4 for the 4062 individuals three years post-school and for 3381 four years post-school.

Table 4 Main activity of those classified as engaged in ‘other activities’ by gender and years since leaving school, Y95 cohort

|  |  |  |  |
| --- | --- | --- | --- |
|  | Males | Females | All |
| Activity | 3 years | 4 years | 3 years | 4 years | 3 years | 4 years |
| Home duties | 15% | 3% | 57% | 59% | 44% | 40% |
| Travel or holiday | 19% | 27% | 10% | 11% | 13% | 16% |
| Other | 24% | 21% | 5% | 7% | 11% | 12% |
| Studying non-accredited training | 14% | 8% | 6% | 1% | 8% | 3% |
| Ill or unable to work | 4% | 5% | 8% | 5% | 7% | 5% |
| Unable to ascertain | 23% | 35% | 14% | 17% | 17% | 23% |
| **Total** | **100%** | **100%** | **100%** | **100%** | **100%** | **100%** |

Note: Totals may not sum due to rounding.

Source: Marks (2005, table 6, p.378).

As illustrated in table 4, over half of the 10% of ‘marginalised’ young females classified as engaged in ‘other activities’ were performing home duties, such as raising children. This goes part of the way to explaining the larger gender gap in ‘disengaged’ youth in the 20–24 age group when compared with the 15–19 age group. Other activities undertaken by this group included travel and non-accredited training. Those who were unable to work because of illness comprised 5–7% of young people.

Similar findings were made by Hillman (2005). Analysing the Y95 LSAY cohort up to 2003, she found that most young women who were outside the labour force or out of full-time education were caring for children or involved in home duties. For young men who were not studying full-time or in the labour force, she found most were involved in some other form of study or training in the early years, but in the later years tended to be on holiday or travelling, frequently referred to as ‘taking a gap year’.

Curtis, Mlotkowski and Lawley (forthcoming) discuss trends in ‘gap’ taking. They found that at least 16% of the LSAY  Y03 cohort (the majority of whom completed Year 12 in 2006) chose to take a gap of one to two years between completing school and going on to university. This was almost double that of a previous LSAY cohort (Y95), who mostly completed Year 12 in 1998.

#### Young people in part-time-only employment

Young people in part-time-only employment are not categorised as unemployed, but they can still be considered ‘at risk’ if they did not choose to be in part-time-only employment, and want to work more hours (underemployment). While there is evidence that having a part-time job can lead to full-time employment (Marks 2003), there is also evidence that it does not necessarily provide a stepping stone into full-time employment (Lamb & McKenzie 2001).

Using data from the LSAY  Y95 cohort, Marks (2005) found stability in full-time but not part-time work, suggesting that those in part-time work do not remain in this state. Restricting his analysis to only young people who did not go on to university, he found that, of males in part-time work in one year, only 15–30% were in part-time work the next year, and for women the range was slightly higher, at between 25 and 40%.

Using this same LSAY (Y95) cohort, we are able to explore young people who are not doing any study, but whose main occupation is in part-time-only work, as illustrated in table 5.

Table 5 Labour force status for those not in full-time or part-time education, Y95 cohort 1995–2006 (%)

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
| Avg. age | 14.5 | 15.5 | 16.5 | 17.5 | 18.5 | 19.5 | 20.5 | 21.5 | 22.5 | 23.5 | 24.5 | 25.5 |
| **Males** |  |  |  |  |  |  |  |  |  |  |  |  |
| Emp. full-time in main job | 0.0 | 23.7\* | 42.6 | 39.1 | 51.4 | 58.4 | 62.8 | 70.8 | 73.9 | 76.6 | 83.4 | 83.8 |
| **Emp. part-time in main job** | **0.0** | **14.8\*** | **20.6** | **23.0** | **23.4** | **20.6** | **21.9** | **15.3** | **15.1** | **14.0** | **11.4** | **10.3** |
| Not working (NIL or unemployed) | 0.0 | 33.2 | 36.8 | 36.1 | 22.5 | 18.7 | 14.1 | 12.4 | 10.1 | 8.4 | 4.7 | 4.5 |
| Unknown | 0.0 | 28.3 | 0.0 | 1.7\* | 2.6 | 2.2 | 1.1\* | 1.5 | 0.9 | 1.0\* | 0.6\* | 1.3\* |
| **Females** |  |  |  |  |  |  |  |  |  |  |  |  |
| Emp. full-time in main job | 0.0 | 7.3\*\* | 30.0 | 24.1 | 39.4 | 51.7 | 50.8 | 52.8 | 59.4 | 63.9 | 65.0 | 66.7 |
| **Emp. part-time in main job** | **0.0** | **16.0\*** | **34.4** | **32.7** | **37.1** | **27.6** | **29.3** | **29.0** | **24.5** | **22.0** | **22.6** | **20.9** |
| Not working (NIL or unemployed) | 0.0 | 28.0 | 35.6 | 40.7 | 21.8 | 19.2 | 17.8 | 15.0 | 15.3 | 13.0 | 11.4 | 10.7 |
| Unknown | 0.0 | 48.7 | 0.0 | 2.5\* | 1.7 | 1.6 | 2.0 | 3.1 | 0.8\* | 1.1\* | 1.1\* | 1.7 |

Notes: NIL = Not in labour force; \* Estimate has a relative standard error greater than 25%; \*\* Estimate obtained using fewer than 5 respondents.

Source: LSAY cohort report, Y95 cohort.

Table 5 shows that, for those not studying, the proportion of young people in part-time-only employment peaks at around 18.5 years of age (just after completing Year 12 for the majority of students), being much higher for females (37%) than for males (23%). However, it diminishes over time and by age 25.5 years only 10% of males and 21% of females who are not studying are in part-time-only employment. This provides some evidence that being ‘at risk’ for the majority of young people is a transitory state, as they have moved out of part-time-only employment by their mid-20s. A similar trend is evident in table 5 for young people not in the labour force or unemployed.

It is worth noting here that working in part-time-only employment may be a choice for some young people. As noted by Marks (2005), many females who have caring responsibilities choose to work part-time, and some professional part-time workers have well-paid employment which could hardly be classified as ‘at risk’.

## Who is most ‘at risk’?

Being ‘at risk’ for extended periods is associated with a complex interaction of individual, institutional and economic factors. Many previous LSAY and other research studies (Curtis & McMillan 2008; Spierings 2005; Hillman 2005; McMillan & Marks 2003; Lamb, Dwyer & Wyn 2000; Marks & Fleming 1999) identified a range of factors that increase the likelihood that an individual will be ‘at risk’. These are summarised in table 6 as exogenous factors, over which the individual has little or no control, and mediating factors, which themselves are outcomes of choices, but which also contribute to being ‘at risk’.

Some of these factors have different levels of influence, and multiple factors can lead to greater disadvantage. Ryan and Watson (unpublished), identified that low levels of literacy and numeracy or being from a lower socioeconomic background led to an increase of being ‘at risk’. They demonstrated, using data from the LSAY Y98 cohort, that these young people were more likely to complete less school and/or enter post-school education and training. This in turn increased their probability of experiencing spells of unemployment, which cumulatively weakened their chances of future employment.

Rothman and Hillman (forthcoming), using data from the LSAY  Y95 cohort, evaluated different methodologies for predicting who may and may not be ‘at risk’. Using Year 12 non-completion as the measure of ‘at risk’, Rothman and Hillman concluded that the best method for identifying early school leavers was intention to leave school before Year 12.

Finally a note of caution. Some authors suggest that labelling young people as ‘at risk’ can be harmful, sorting ‘winners from losers’ (Grego 2002 cited in Rothman & Hillman forthcoming). An alternative label of ‘marginalised students’ is suggested by Te Riele (2006).

Table 6 Characteristics of young people ‘at risk’ of poor outcomes

|  |  |
| --- | --- |
| Exogenous factors | Mediating factors |
| ⯎ Indigenous | ⯎ Poor attitudes to school |
| ⯎ Born in Australia | ⯎ Attend government school\* |
| ⯎ Live outside metropolitan areas | ⯎ Poor student–teacher relationship |
| ⯎ Low academic achievers  | ⯎ Dislike of school |
| ⯎ Low levels of literacy and numeracy | ⯎ Intention in Year 9 to leave school early |
| ⯎ Low socioeconomic status | ⯎ Poor student behaviour |
| ⯎ Parents work in blue-collar occupations | ⯎ Lack of engagement with school extracurricular activities |
| ⯎ Parents without university education |  |
| ⯎ Non-nuclear family |  |

Note: \* May also be an exogenous factor if limited school choices are available.

## Avoiding becoming ‘at risk’

The previous sections demonstrated that, while being ‘at risk’ is a temporary state for the majority of young people, for around one in nine young adults it can be more permanent, with detrimental consequences, such as reduced future employment prospects.

The difficulties in predicting who may be most ‘at risk’, which occurs with any of the three definitions given earlier, suggest that prevention rather than early detection and intervention are the best approaches to reducing the number of young people ‘at risk’. One strategy to prevent young people from becoming ‘at risk’ is to improve their education attainment.

While not all young people who fail to complete Year 12 are ‘at risk’, the benefits of  Year 12 completion are convincing. For example, McMillan and Marks (2003) concluded that completing Year 12 is associated with lower levels of unemployment and an increase in earnings and, in general, facilitates smoother transitions from school into the workplace. Marks, Hillman and Beavis (2003), using data from the Youth in Transition survey of students born in 1975, reported that by age 25 approximately 13% of males and 11% of females had not completed Year 12 or gained a post-secondary qualification. They found that at this age Year 12 completers, when compared with non-completers, had increased the time spent in full-time work (after adjusting for prior experience of full-time work), and reduced the time spent looking for work, although the effect was small and not as strong as holding a degree.

But  Year 12 completion may not be for all students, and for the less academically inclined students, completing a vocational equivalent may be just as effective as completing Year 12 to avoid being ‘at risk’ for extended periods of time. Curtis and McMillan (2008) found only 4% of young people in the LSAY  Y03 cohort had not participated in an alternative vocational program or found full-time employment by age 17 years in 2005. They also looked at the 16% who did not complete Year 12. They found that the majority of school non-completers were fully engaged in employment, education or training (80% males, 58% females), demonstrating that many students who leave school before completing Year 12 do go on to further study in different settings, such as TAFE and apprenticeships. More recently, Karmel and Liu (forthcoming) found that completion of Year 12 followed by university study is the best pathway (even if an individual has poor academic orientation). But there are strong gender differences. For males, apprenticeships and traineeships score well in terms of satisfaction with life; apprenticeships, after completing Year 12, offer the best pay; and university study offers the highest occupational status. So for males, Year 12 and then university is not always the best pathway. However, the results are less ambiguous for females: completing Year 12 and then university is the best pathway.

McMillan and Marks (2003), Dockery (2005) and more recently Ryan (forthcoming) provide further supporting evidence of successful post-school outcomes for Year 12 non-completers who pursue alternative pathways such as an apprenticeship or traineeship. However, Ryan did not find such positive outcomes for vocational qualifications achieved in institutional settings, highlighting the importance of the link between training and the experiences gained from workplace employment.

The completion of Year 12 or an equivalent vocational qualification is not only important to an individual, but is also important to the contribution they can make to a productive economy. Recent initiatives associated with the Youth Compact[[3]](#footnote-3) demonstrate a commitment to raising educational attainment.

In April 2009, the Council of Australian Governments (COAG) set a target by which, by 2015, 90% of young people in the 20 to 24-year-old age group will have achieved Year 12 or a certificate II or above (as measured by the ABS Survey of Education and Work). Figure 3 illustrates that Year 12 or certificate II is attained by the majority (84.2%) of 20 to 24-year-olds, and this percentage shows a slow but steady increase since 2001.

Figure 3 Proportion of population 20–24 years who have completed Year 12 or attained certificate II level or above, 2001–08

Source: ABS (Education and Work, 2008, cat.no.6227.0, additional data cube).

Figure 3 highlights two other important points: more females complete Year 12 or certificate II than males; and the increase has been more pronounced for females. These data are relatively consistent with that reported in LSAY, with 87.7% of the Y95 cohort in 2006 at age 25.5 years completing Year 12 or certificate II, and 86.3% at this age completing Year 12 or certificate III.[[4]](#footnote-4) Importantly, because 82.1% of the Y95 cohort had completed Year 12 by age 25.5 years, it is the Year 12 completion rather than the vocational equivalent that contributes most to these measures of education attainment.

## Concluding comments

Being ‘at risk’ is associated with a number of factors which can lead to severe disadvantage in the labour market. Low levels of literacy and numeracy, being from a lower socioeconomic background and having no intention to complete Year 12 have been consistently identified in previous LSAY research as factors associated with ‘at risk’ youth. These factors can have a cumulative effect because they can lead to a dislike of school and a lower likelihood of completing school or going on to post-school education and training, which in turn increases the probability of experiencing spells of unemployment, cumulatively weakening their chances of gaining full-time employment and heightening their chances of remaining ‘at risk’ for extended durations. Fortunately, as this briefing paper demonstrates, ‘at risk’ is a temporary state for the majority of young people aged 15 to 25 years.

Just counting the numbers of young people ‘at risk’ at a point in time is not a useful exercise because young people move in and out of this state so frequently. For example, as many as a quarter of young people aged 20–24 years can be classified as ‘disengaged’ from full-time education or full-time work, but being unemployed or not fully engaged for short intermittent periods represents part of the normal school-to-work transition for many young people. This paper provides no evidence that these short stints out of work or study have long-term detrimental impacts.

It may be time to reconsider the definition of ‘disengaged youth’ beyond labour market and education attainment to avoid including these shorter periods out of work or study and to accommodate the increasing trend for young people to combine work and study, to choose part-time-only employment, or to take time out of the labour market, for example, through a ‘gap year’.

Focusing on the young people who remain ‘at risk’ for extended periods of time may be a more useful way of identifying young people who are most likely to benefit from targeted interventions. Certainly, there is compelling evidence that raising education attainment, whether this is Year 12 or a vocational equivalent, assists young people to avoid being ‘at risk’ for prolonged periods.

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1. This paper was prepared in late 2009. All data and research referenced in this paper were correct at the time of writing. [↑](#footnote-ref-1)
2. To be classified as unemployed, a respondent in the ABS Labour Force Survey must satisfy each of the following criteria during the survey reference week: was not employed, had actively looked for work in the previous four weeks, and was available to start work in the reference week. Unemployment rates are calculated as the unemployed proportion of the labour force. [↑](#footnote-ref-2)
3. Under the compact, anyone under 17 years must be in full-time school, training or work. Those under 25 will be guaranteed a training place if they are not working, while those under 20 will be guaranteed a place if it leads to a Year 12 or equivalent qualification (Council of Australian Governments 2009). [↑](#footnote-ref-3)
4. LSAY data report on a cohort of young people, and the attrition of young people from the survey tends to occur among those who have been least successful. [↑](#footnote-ref-4)