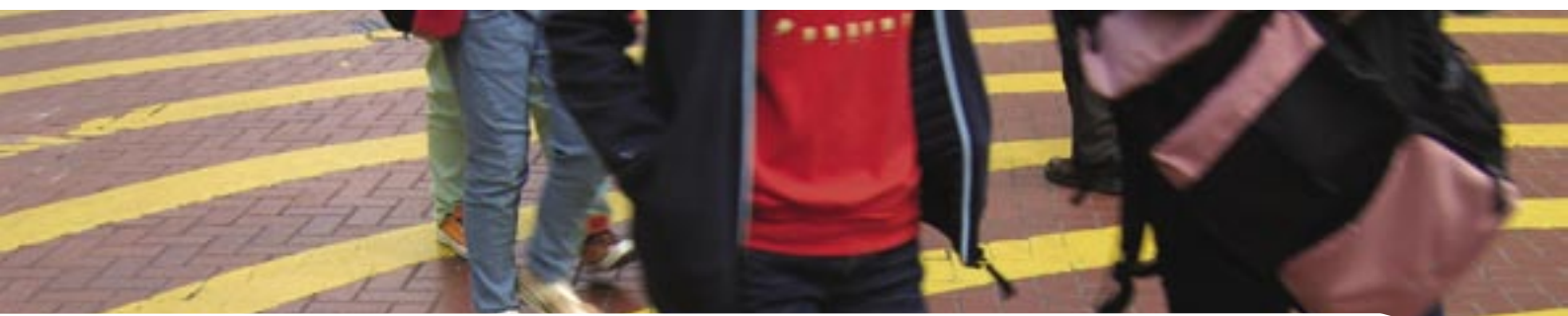


November 2006



# How Young People are Faring 2006 **AT A GLANCE**



Dusseldorp Skills Forum  
[www.dsf.org.au](http://www.dsf.org.au)

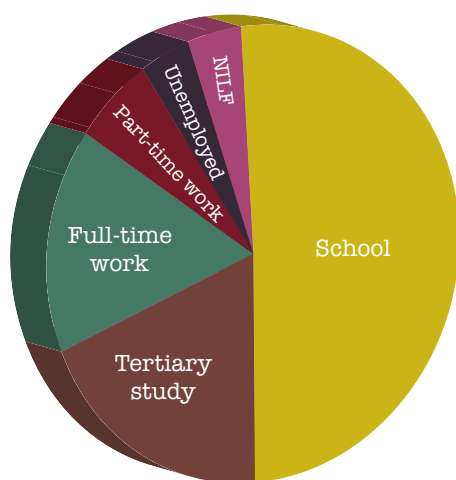
# How Young People are Faring 2006

## AT A GLANCE

### Overall participation in learning and work in 2006

What are the main ways young people participate in learning and work? Through three charts below we provide a brief overview of and comment about the main activities of teenagers and young adults in May 2006, and school-leavers in May 2005. *At a Glance* is derived from *How Young People are Faring 2006*, which is available at <http://www.dsf.org.au>.<sup>1</sup>

1.



At school 51%; tertiary study 19%; full-time work 16%; part-time work 6%; unemployed 4%; NILF 4% (not in the labour force)

#### TEENAGERS: all 15-19 year olds

##### Major points:

- Nearly 86 percent of teenagers are studying or working full-time<sup>2</sup>
- 70 percent of teenagers are in full-time study: 51 percent were still at school and 19 percent were in tertiary studies, at university or TAFE. More females (74 percent) than males (66 percent) are in full-time study
- 16 percent of teenagers are in full-time work. Nearly twice as many teenage males (21 percent) were working full-time compared to teenage females (10 percent)

**Most teenagers are studying or working full-time. Full-time work remains important for teenagers, especially males.**

#### SOME DEFINITIONS

**Full-time work:** work involving 35 hours or more per week

**Part-time work:** work involving less than 35 hours per week

**Not in the labour force (NILF):** people who are neither employed nor unemployed. The ABS says, "many people not in the labour force can be considered strongly attached to the labour force. They would like to work but for a variety of reasons are not actively looking for work or are not currently available to start a job. There is an expectation that many of these people will move into the labour force in the short term, or could do so if labour market conditions change." Most young people in this category are carers or young mothers; or have a disability or illness.

**Unemployed:** generally, people not employed in the week of the ABS survey, and who had actively looked and were available for work in the previous four weeks

**School completers:** people who have attended school and completed Year 12

**Early school leavers:** people who have left school without completing Year 12

1. Independent commentaries, and a range of tools from the report and associated social indicators report by Mike Long, *The Flipside of Gen Y*; and *Fearless and Flexible: Views of Gen Y*, by Saulwick Muller Social Research, a report of focus groups of 16-24 year olds discussing learning, work and living in Australia are available at <http://www.dsf.org.au>. *How Young People are Faring 2006* was prepared and written by Mike Long at the Monash University-ACER Centre for the Economics of Education and Training (CEET).

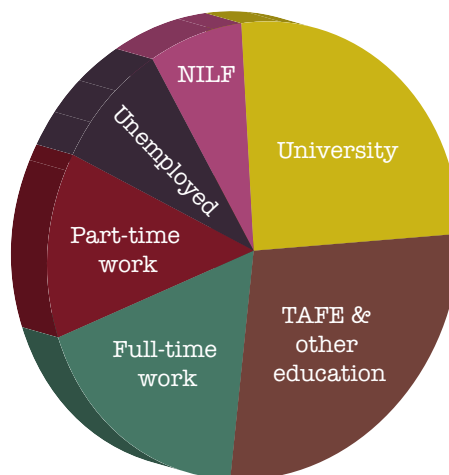
2. A number of students combine full-time study with some part-time work. These charts omit the part-time work of these students, which is detailed in the full report.

## **SCHOOL-LEAVERS:** all young people who left school 5-6 months previously

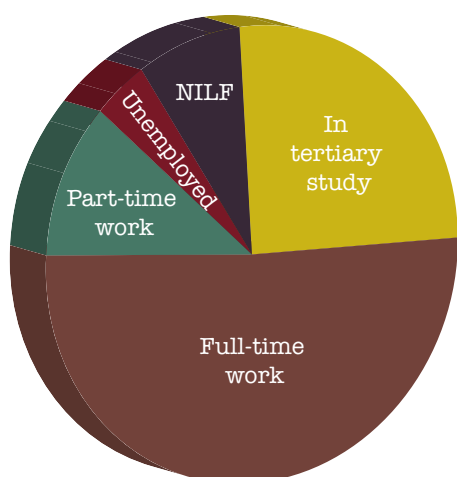
### **Major points:**

- In 2005, 54 percent of school-leavers from the previous year continued onto study at university, TAFE or in other forms of education
- School completers are more likely to go to university than TAFE and more early school leavers are likely to go to TAFE than university
- 18 percent of school-leavers were in full-time work.

**Most of Australia's school-leavers continue with study and almost as many go on to TAFE as university. Full-time work is an important pathway for nearly one in five school-leavers.**



*At university 26%; TAFE & other education: 27%; full-time work: 18%; part-time work: 13%; unemployed: 9%; NILF: 7%*



*In tertiary study 26%; full-time work 51%; part-time work 11%; unemployed 4%; NILF 8%*

## **YOUNG ADULTS:** all 20-24 year-olds

### **Major points:**

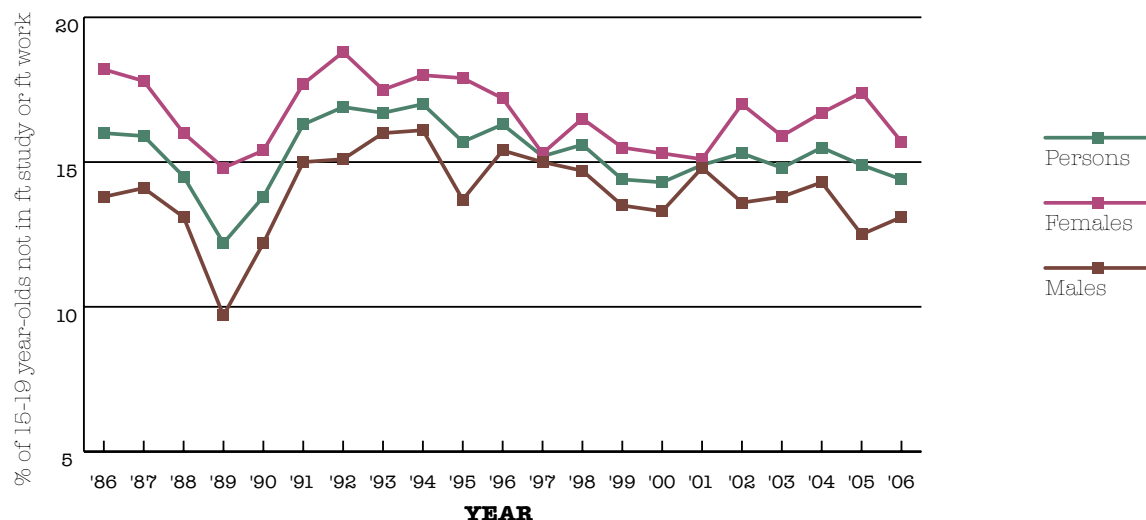
- Just over half of Australia's young adults are in full-time work and a quarter are in full-time education.
- Young women (28 percent) are more likely to be in full-time study than young men (23 percent) but young men (58 percent) are more likely to be in full-time work than young women (43 percent). Overall, more young men (81 percent) were in full-time learning or work than young women (72 percent)

**Three-quarters of Australia's young adults are in full-time learning or work.**

## Young people not fully engaged in learning or work

The focus here is on young people (teenagers, school-leavers and young adults) who are unemployed, not in the labour force, or in a part-time job and not studying full-time. We provide a snapshot of the situation in 2006 and describe some important trends over time. A focus on these trends may improve the participation of young Australians in learning and work now and in the future.<sup>3</sup>

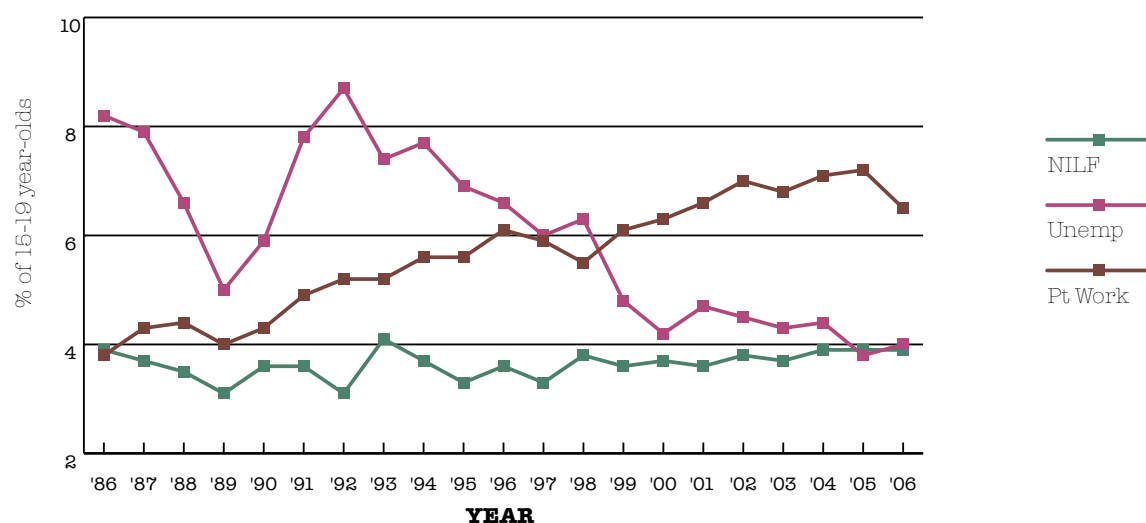
### 202,200 TEENAGERS WERE NOT IN FULL-TIME LEARNING OR FULL-TIME WORK IN MAY 2006



#### Major points:

- In May 2006, 14.4 percent (or 202,200) teenagers were not in full-time learning or work. Females were less likely to be fully engaged than males.
- The percentage of teenagers not in full-time study or work has declined slightly in recent years but is still higher than in 2000.

### TEENAGE UNEMPLOYMENT HAS BEEN FALLING, AND PART-TIME WORK HAS BEEN INCREASING OVER THE PAST 20 YEARS

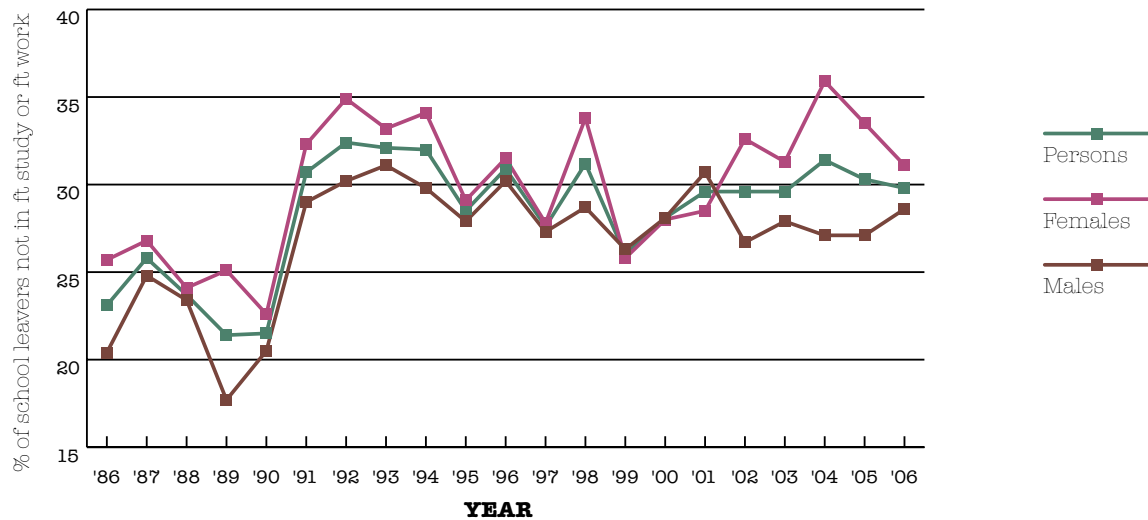


#### Major point:

- Teenagers *working part-time* and not in full-time study increased from 4 percent in 1986 to 6 percent in 2006 while the proportion of teenagers that were *unemployed* halved—from 8 percent to 4 percent over the same period.

3. The proportion of young people combining part-time study and part-time work, effectively an equivalent of full-time engagement, appears to be relatively small: 1.6 percent of teenagers - 3.2 percent of 19 year-olds - in 2005.

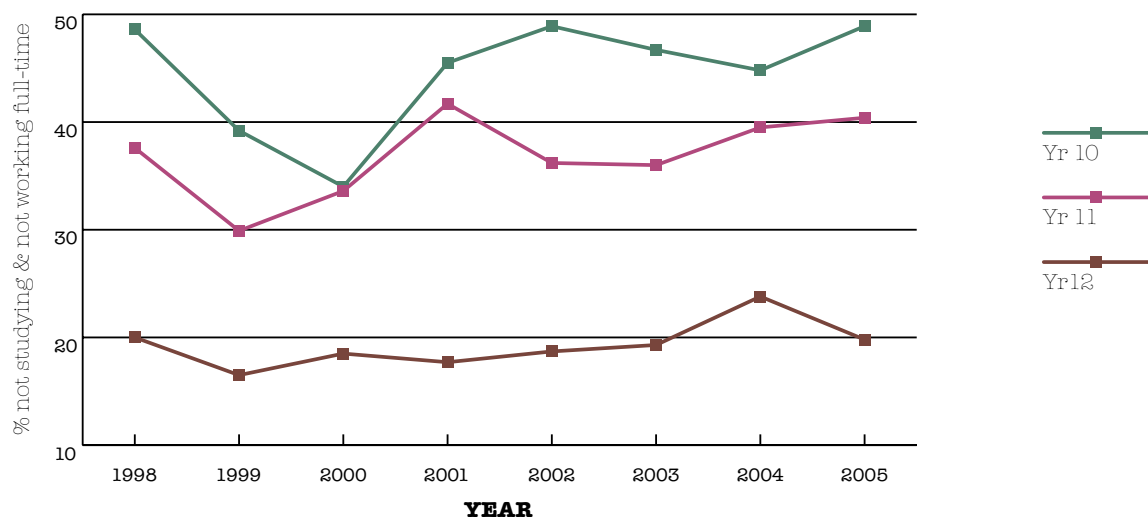
## THE PROPORTION OF SCHOOL LEAVERS NOT IN FULL-TIME LEARNING OR WORK IS RELATIVELY STABLE



### Major points:

- Nearly 30 percent of school-leavers who left school in 2005 were not in full-time study or work (86,200). Of these school-leavers, 14 percent were working part-time, nine percent were unemployed and seven percent were not in the labour force.
- The percentage of school leavers not in full-time study or work has declined slightly in recent years but is still higher than in 2000.

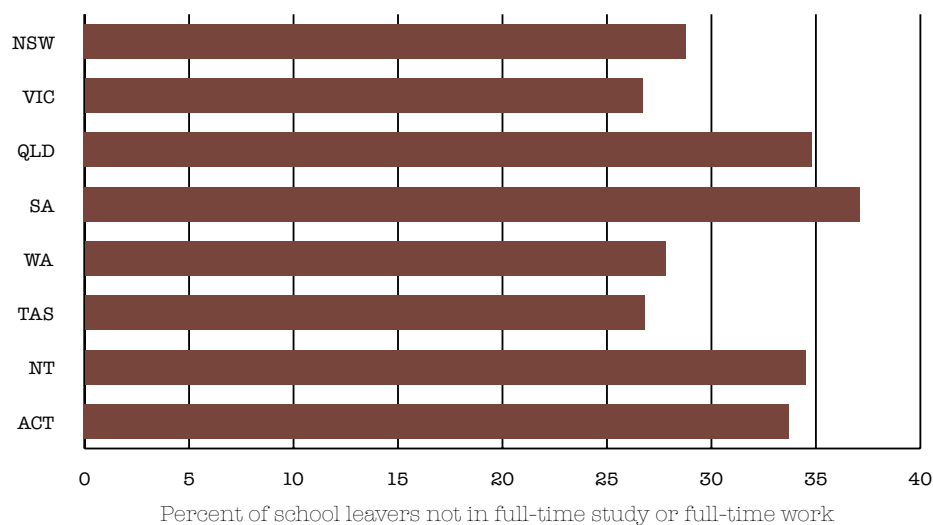
## COMPLETING YEAR 12 DOES MAKE A DIFFERENCE



### Major point:

- In May 2005, 20 percent of school leavers who had completed Year 12 were not fully engaged in study or work compared with 40 percent of year 11 completers and nearly 50 percent of Year 10 or below completers. There were 48,100 early school leavers not fully engaged in learning or work. School completers are relatively advantaged in terms of education and labour force destinations.

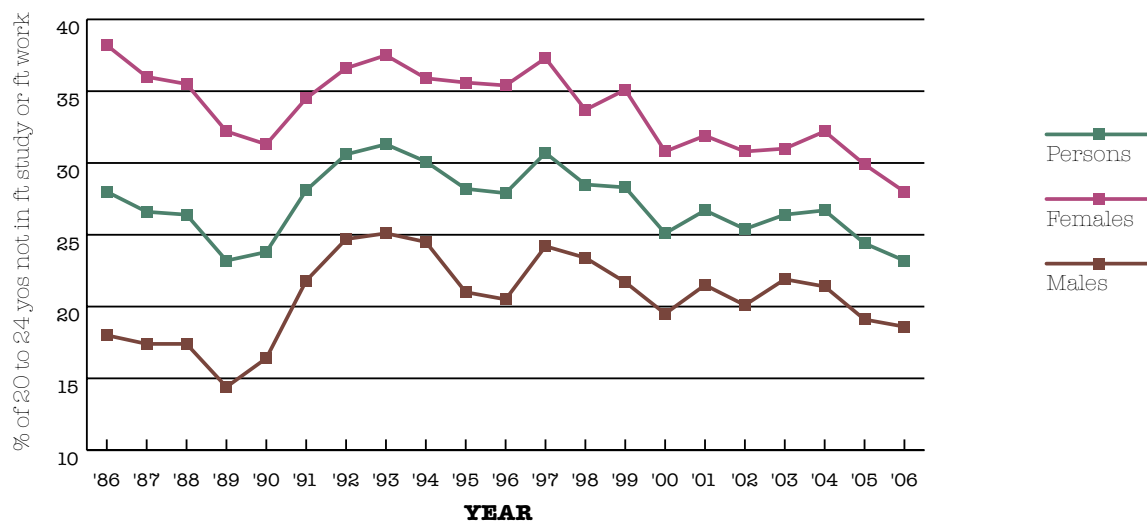
## MORE SCHOOL-LEAVERS WERE NOT FULLY ENGAGED IN SOME STATES



### Major point:

- The proportion of school leavers not fully engaged in learning or work is higher in SA, the NT, Queensland and the ACT than other states.

## THE PROPORTION OF YOUNG ADULTS NOT FULLY ENGAGED IN LEARNING OR WORK IS FALLING



### Major point:

- Participation rates in full-time learning or work in May 2006 were higher for young adults than at any time in the past two decades. However nearly a quarter of young adults (23 percent or 352,500 people) were not in full-time study or work in May 2006.

## Australia's rising economic tide has not yet lifted all boats

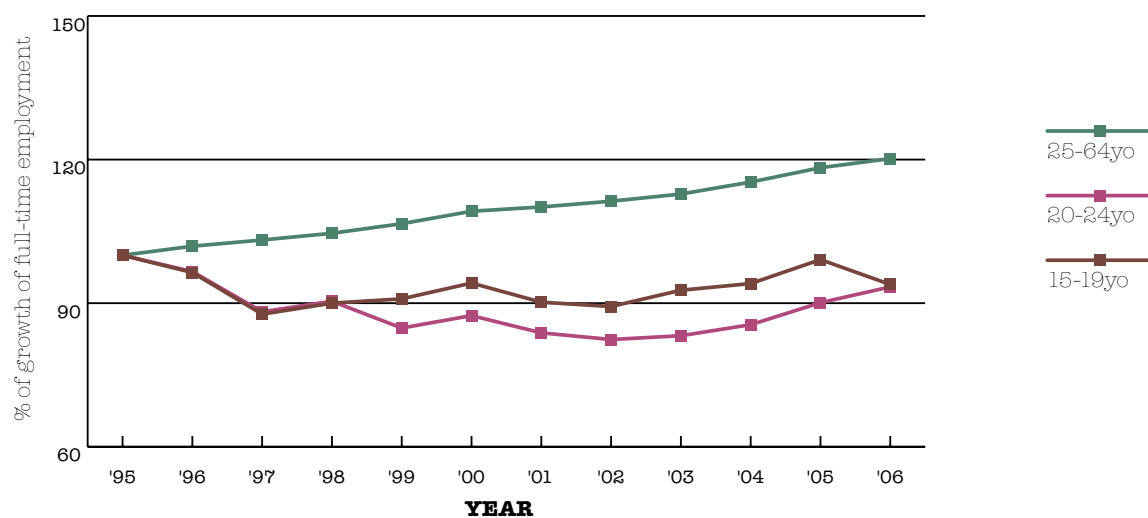
540,000 young Australians (teenagers and young adults) were not in full-time learning or work in May 2006. Of these approximately 330,000 were unemployed, working part-time but wanting more hours, or were not in the labour force but wanting to work. This represents 10 percent of teenagers, 13 percent of young adults and 12 percent of all young Australians aged between 15 and 24 years.

Part-time work is very important for students. 34 percent of school students, and 50 percent of young Australians in tertiary education are also working part-time.

But for most young Australians under-employment, perhaps more than unemployment, is a major issue.

Nearly a quarter of young Australians who are working part-time do so only because they cannot find full-time work. Two-thirds of teenagers and 46 percent of young adults employed part-time would prefer to work more hours. Close to a half of young Australians not in the labour force want to work.

### FULL-TIME JOB GROWTH FOR YOUNG AUSTRALIANS COMPARED TO OLDER AUSTRALIANS HAS DECLINED SINCE 1995



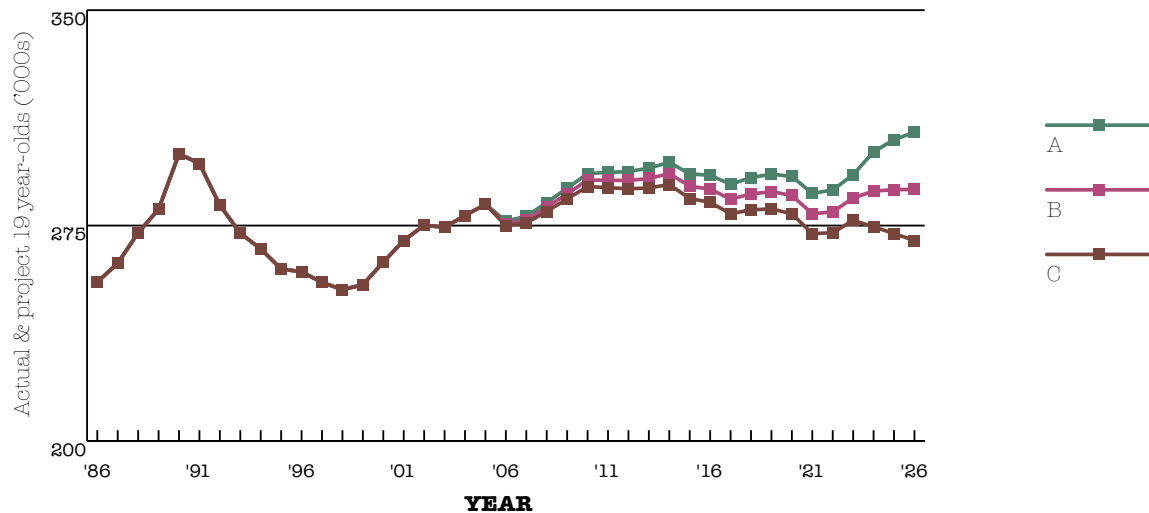
#### Major points:

- Full-time jobs for Australians aged 25-64 years have risen by more than one million since 1995 and declined by 14,000 for teenagers and 52,000 for young adults.
- This gap in opportunity is not a result of fewer numbers of young people entering the labour market.





## AUSTRALIA IS NOT RUNNING OUT OF YOUNG PEOPLE



### Major points:

- Growing numbers of young Australians will enter the workforce in coming years. The graph charts the actual and projected number of 19 year olds in Australia from June 1986 to 2026. Series A estimates are higher because of more generous assumptions about future birth rates, life expectancy and net migration, Series B and C result from progressively more conservative assumptions.
- The number of 19 year-olds will increase over the next decade from 282,400 in 2005 to between 283,000 and 292,000 in 2016.
- Teenagers as a proportion of the prime working age population (20 to 59 year-olds) will decline only slightly from 12.2% in 2005 to about 11.5% in 2016.
- Nevertheless the ratio of people working to people dependent in the Australian economy is likely to decline over the long-term
- Skilling young Australians to be able to participate and to be productive in the economy and society must be a major national priority.



## Conclusion

Governments, employers and communities have good economic and social reasons to try to improve the transition of young people from school to further study and work—and in the main they have. Many state governments have introduced often innovative policies and programs designed to improve the transition by delivering better school outcomes, providing advice and support to young people and creating new post-school pathways. The Commonwealth Government has also actively pursued a policy agenda designed to improve the skills and labour force participation of young people.

Overall, in May 2006, 540,000 young Australians were not in full-time learning or work. Of these approximately 330,000 were unemployed, working part-time but wanting more hours, or were not in the labour force but wanting to work. This represents 10 percent of teenagers, 13 percent of young adults and 12 percent of all young Australians aged between 15 and 24 years. Under-employment, perhaps more than unemployment, is a major issue for young Australians.

The incentives for government could not be clearer. There is ample evidence supporting the fiscal benefits of better transitions. Skills shortages and the ageing of the workforce preoccupy public policy; and improved labour force participation of young Australians is part of the solution.

The number of young people available to enter the labour force in coming years will continue to increase - despite an ageing population - and the number of young people will continue to be substantial compared with the prime working age population.

Educational and labour force participation is socially distributed. Some groups, such as Indigenous Australians and people with disabilities, experience higher levels of less than full-time participation in study or work. The targeting and implementation of government policies and programs will be more effective if it is mapped against this distribution and takes into account the various needs of young Australians who are not fully engaged.

The young people who make a poor transition from school to further education and work experience more financial and personal stress and lower levels of participation and integration with civil society. They are less satisfied with their lives.<sup>4</sup>

The present situation in which part-time and intermittent work is the everyday reality for a significant proportion of the population, the greater the risk that a culture of its own will emerge and become more difficult to change. For the moment, most young people continue to aspire to the goals of a wider Australia, including full-time paid employment. Governments, employers and communities need to continue to work to make sure that these aspirations can be realised.

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We welcome your feedback and comment on this snapshot and the main report.

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4. See M. Long, *The Flipside of Gen Y*, DSF, Sydney, 2006.

