How Young People are Faring

KEY INDICATORS **2004**

An update about the learning and work situation of young Australians

Dusseldorp Skills Forum
www.dsf.org.au

ACKNOWLEDGMENTS

This report has been prepared by Mike Long, Senior Research Fellow, Monash University-ACER Centre for the Economics of Education and Training (CEET). Thanks as well to Professor Gerald Burke, the Director of CEET, for his input into this report.

Dr Richard Curtain of Curtain Consulting has made a vital contribution to the development of the series and the format and indicators used in the reports.

We are grateful for the generous assistance provided by the Australian Bureau of Statistics (ABS) - James Ashburner and Jeff Carlton in particular - and NCVER.

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ISBN 0 9750250 5 8

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FOREWORD

A lot has happened since we published our first *How young people are faring* report in 1999.

As Mike Long, the author of this year's report, points out post-compulsory education and the transition from school to work have been the site of many innovations: curriculum reforms, the rise of vocational education in schools and the expansion of workplace training among them. Major reforms are underway in most states and territories. At the Commonwealth level, there have been significant reviews and further trials supplementing existing programs.

While further developments are expected in the wake of the Federal election, we are contemplating an unprecedented opportunity to modernise our youth transition arrangements, underscored by the recent confirmation of an unexpectedly large Federal budget surplus. It is now possible to build on the momentum of the last few years, to align Commonwealth-State youth transition policies, ensure personal transition support is available to all young people who need it and to put in place effective local programs connecting young people to education and to work.

One critical element in doing this is to ensure that we have the information we need to assess what policies and programs are effective in improving the participation of young people in learning and in the labour market.

This report suggests we have a considerable way yet to go. There are clear gaps in the existing data and concerns that the measures being developed will leave a significant time lag between the documented events and the reporting. Mike Long cautions us that "measures that monitor policies and programs a decade or so after their implementation provide little incentive for public responsibility". Commonwealth and State Governments must put the information systems in place to ensure reliable and current data against clear indicators. The information needs to be timely and it has to be publicly available.

We have maintained our commitment to producing this update of selected indicators on young people's learning and work circumstances because there is a real hunger for it. Well over ten thousand copies of each edition are downloaded from our website in addition to the hard copies in circulation. We believe this interest is indicative of a strong desire to know just what is happening to young people and how we are travelling in meeting their needs.

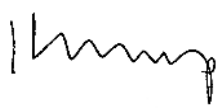
We have been conscious of several shortcomings in the indicators used in this series. I am pleased to say that this year's report goes some way to addressing at least some of these. In particular, the 2004 report attempts to further unpack the impact part-time work might have on estimates on the numbers of young people we suggest might be 'at risk'.

How young people are faring is not about apportioning blame. However, it is very much about accepting our collective responsibilities.

And as you'll see, this year's report again asks some big questions:

- Why is it that 214,800 teenagers (15.5%) are facing a difficult transition from school and potentially a long-term risk in the labour market?
- Why has there been so little change in this number over nearly two decades especially in a cycle of sustained economic growth?
- How significant is the marked shift from traditional apprenticeships towards traineeships for meeting skills shortages?
- Should we be concerned by our difficulty in keeping pace with developments in OECD countries in spite of the improvements in educational attainment for young people?

How young people are faring 2004 does hold some good news on rising levels of educational attainment, participation in training and the high take-up of vocational opportunities in schools. What this report again reminds us though is that there are 214,800 reasons why that's just not good enough.



Jack Dusseldorp,
Chair, Dusseldorp Skills Forum

HIGHLIGHTS

15 to 19 year olds

- In May 2004 84.5 percent of Australian teenagers were in full-time study or full-time work.
- 15.5 percent or 214,800 teenagers were not in full-time education or full-time employment.
- The proportion of teenagers not in full-time study or full-time work has declined only slightly since the recession of the early 1990s and was higher in May 2004 than at any time in the last six years.
- More than a quarter of 18 and 19 year olds were not in full-time education or full-time employment in May 2004.
- The highest proportions of teenagers not in full-time learning or work are in South Australia and Queensland[1].
- In May 2003 78 percent of teenagers had completed secondary school or a Certificate II or higher compared with 75 percent in 2002.

20 to 24 year old young adults

- 22 percent or 309,000 young adults were not in full-time education and were either unemployed or wanting work, or just working part-time, in May 2004.
- 51 percent of young adults had completed a Certificate III or higher, up from 48 percent in the preceding two years.

School leavers

- 78,500 (27 percent of) teenagers who left school in 2002 were not in study and were either working part-time, unemployed, or not in the labour force in May 2003.
- 39,000 early school leavers (47 percent of Year 10 completers and 36 percent of Year 11 completers) in 2002 were not in study or full-time work in May 2003.
- Female school leavers are more likely to experience a troubled transition from school than male school leavers despite a higher rate of completing Year 12 and higher participation rates in post-school education.
- Prospects of work and further education for early school leavers have changed very little in recent years despite the improving economic conditions—43 percent of early leavers and 19 percent of school completers still experienced a troubled transition in 2003.

Employment and training

- In May 2004, there were 6 and 14 percent fewer teenagers and young adults in full-time jobs respectively than in 1995. During the same period, full-time jobs for other adults increased by 15 percent.
- In May 2004, unemployment rates for Australians aged 15 to 19 years were nearly three and a half times higher than for adults aged 25 to 64 years; and unemployment rates for 20 to 24 year olds were two-thirds higher than for adults aged 25 to 64 years.
- Young Australians without an upper secondary qualification are twice as likely to be unemployed as secondary school completers.
- The proportion of teenage apprenticeship commencements in traditional apprenticeships declined from 40 percent in March 1997 to 33 percent in March 2003.
- 12,500 senior secondary students commenced in a School Based New Apprenticeship in March 2003.
- In 2003, 50 percent of students in Years 11 to 12 were enrolled in a VET in Schools program.
- In the year after completing their qualification, 25 percent of TAFE graduates were not in full-time work or study.

[1] The Northern Territory has averaged high values over the last 6 years, but values for any one year are based on a very small number of respondents and are too volatile to interpret.

How Young People are Faring 2004

Introduction

This is the sixth report in the series *How young people are faring.* The series provides timely and accurate information about the participation of young people in study and work, especially by those not initially entering higher education. The measures in this report focus on the various combinations of work and study in the years shortly after students leave school. Measures that focus on either education or employment separately—unemployment rates or school retention rates, for instance—provide only a partial picture of the experiences of Australia's youth.

The results in this report are mainly drawn from the *Labour Force Survey* and the supplementary *Education and Work* conducted by the Australian Bureau of Statistics. These surveys provide an overview of both the educational and labour force participation of the whole population in ways that are usually not available to administrative collections.[2] The analyses are at a single point in time—often in May of a given year. Other data that trace the movements of young people in and out of study and work would provide another view of the experiences of young Australians.

Published results from these surveys and other sources are often too aggregated for the purposes of this report. Hence many of the tables reported here result from more detailed analyses of these surveys. There are limits, however, in the extent to which further detail can be extracted while maintaining acceptable levels of accuracy. For instance, estimates of sex differences within states and territories for narrow age bands are sometimes based on the experiences of only a relatively few individuals. Comparisons of such estimates over time or among states and territories are even more problematic.

This report therefore paints a broad picture of the current experiences of young Australians and the ways in which these have changed in recent years. Sub-groups of young people facing particular difficulties require more detailed and focused study than is possible here. Similarly the results of many educational and labour market policy and program initiatives are unlikely to be easily read from any trends identified in this report unless they produce particularly large effects.

The personal and social benefits associated with higher levels of education and the costs of a poor transition from school to work have led to an interest by governments at all levels in post-compulsory education, particularly for young people. Higher levels of education are associated with higher levels of employment and earnings for individuals as well as a range of other positive personal outcomes such as better health and a lower likelihood of incarceration or social exclusion. Governments gain directly from education through higher taxation receipts and lower welfare expenditure. Higher

[2] Results from these two related surveys may differ somewhat because of the different scopes of their samples and subsequent revision of labour force estimates.

levels of education can contribute to social capital, including greater equity, inclusiveness and political stability. Education also contributes to economic growth through its effect on labour productivity, technological innovation and adaptation, economic, organisational and individual flexibility and the investment environment.[3]

A number of tables in this report provide comparisons with other OECD countries of young Australians' educational attainment and labour force experiences. These are included not just to show the level of improvement that is possible. In an increasingly global economy, it is the *relative* level of education in Australia compared with other countries that is important for economic growth. It is not sufficient simply to improve the educational qualifications and skills of the Australian workforce—they must increase at least as quickly as the educational qualifications and skills of the workforces of Australia's major global economic competitors.

Post-compulsory education and the transition from school to work has been the site of many innovations—reforms to senior secondary curriculum and assessment, the introduction of VET in schools and school-based apprenticeships, the broadening of workplace training through traineeships and their incorporation in New Apprenticeships and a raft of as yet only partly realised proposals associated with MCEETYA's *Stepping Forward* initiatives, among others.

Monitoring the effects of policy and economic changes on the educational outcomes of young people is important. The Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) in July 2004 revised its measures and adopted the following new measures of educational attainment:

- The proportion of 20 to 24 year olds who have completed Year 12 or equivalent or gained a qualification at AQF Level 2 or above and
- The proportion of 25 to 29 year olds who have gained a post-secondary qualification at AQF Level 3 or above.

National and state and territory values will be reported annually. National estimates will be compared with the previous year while estimates for the individual states and territories will be compared with the average for the previous five years. Transitional reporting arrangements are in place until 2007 because consistent reporting of educational qualifications is only available from 2001.

As indicators of recent change in the educational attainments of young people, these measures involve substantial time lags. The measure for Year 12 and AQF Level 2 and above in 2007, for instance, will include some individuals who experienced their transition from school in the late 1990s and will be compared at the state and territory level with the attainment of some young people who left school in the mid 1990s. As an instrument for assessing recent educational and labour market policies, its value is questionable.

Measures that more closely link educational and labour market outcomes with current educational, employment and youth policies are important for political and administrative accountability. Measures that monitor policies and programs a decade or so after their implementation provide little incentive for public responsibility.

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[3] Barro R J, 1997, *Determinants of economic growth: A cross-country empirical study*. MIT Press, Cambridge MA; Romer P M, 1990, Endogenous technological change, *Journal of Political Economy,* 98 part II S71-S102; Knack S. & Keefer P, 1997, Does Social Capital Have an Economy Payoff? A Cross-Country Investigation, *Quarterly Journal of Economics* 112: 1251-1288.

This report presents measures more closely aligned with MCEETYA's original reporting regime for 19 to 20 year olds and for 24 to 25 year olds. It also presents some results more closely allied with the revised MCEETYA measures of attainment for teenagers.

The ABS measure of school-to-work transition is the full-time participation in education and work of 15 to 24 year olds, by single year of age.[4] *Full-time participation* is defined as engagement in full-time education or training, full-time work or both part-time education or training and part-time work. Although this measure is included for the most recent year for which it is available, May 2003, a closely related measure based simply on participation in full-time work or full-time study is often more readily available and more current.

This report shows that young people are now more likely to be employed part-time than ever before. This is not simply because more young people are in full-time study and this more easily accommodates part-time work. Equally though, young people not studying are more likely to be in part-time rather than full-time work. The financial well-being associated with full-time work is increasingly being denied to young Australians. If part-time work without full-time study is a 'stepping stone' to better employment prospects, it appears to be a step on which increasing numbers of young Australians stand for an increasingly long time.

The following sections consider three main measures of the educational attainment and labour force participation of young Australians:

- **The proportion of the population aged 15 to 19 years not in full-time education and not in full-time employment.**
- **The ratio of the unemployment rate among 15 to 24 year olds to the unemployment rate among 25 to 54 year olds.**
- **The proportion of the population aged 20 to 24 years who have completed Year 12 or a post-secondary qualification.**

The evidence suggests that although there is considerable scope for improvement in Australia's performance in the transition of its young people from school to work, there is little sign of improvement in recent years despite relatively strong economic conditions and some policy initiatives.

[4] ABS 2003, Measuring Learning in Australia 15-24 Year Olds' Participation and Attainment Measures. See Table A1 in this report.

Indicator One

The proportion of young people not in full-time education and not in full-time employment.

This chapter presents evidence on the extent to which young Australians are neither in full-time study or work; the way this has changed during the last two decades; and some international comparisons.

The time between the end of compulsory education and young people obtaining their first full-time job has increased in the last decade—mainly because of the increasing time spent in full-time post-compulsory education and partly because of changes in the labour market that have made it more difficult to find full-time employment for young people.[5] Obtaining suitable initial educational qualifications is an important element in assisting young people to achieve the economic and social independence to which they aspire.

Young people who, in their first year after school, have been mainly in either part-time work, unemployment, or outside the labour force are much less likely to make a successful transition to full-time employment.[6] Full-time work after leaving school for both early leavers and Year 12 completers is a crucial factor in assisting young people gain a sustainable full-time place in the labour market over the long term. Full-time training arrangements such as apprenticeships are especially important.

Just over 15 percent of teenagers are not fully engaged in learning or work

In May 2004 most (84.5 percent) teenagers aged 15 to 19 years were actively engaged in either full-time study or full-time work. Sixty nine percent were in full-time education, either at school, TAFE or university. Of the remaining third (31 percent) who were not in full-time education, about a half were in full-time work (Table 1).

The remainder—15.5 percent (14 percent of male teenagers and 17 percent of female teenagers)—were in part-time work, looking for work or not in the labour force (the boxed cells in Table 1). In terms of actual numbers, this group represents 214,800 young people. They are likely to be experiencing difficulty in making a successful transition from secondary education and face a higher level of risk in the labour market over the long term than their counterparts who are fully engaged in education or training.

The longer-term trend since 1986 in the proportion of teenagers not in full-time learning or work is shown in Figure 1. The overall trend is remarkably stable, although there are indications of a slight decline associated with the gradually improving economic conditions since the recession of the early 1990s.

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5 Keating J, 2000/2001, The Kirby Review of Post-compulsory Education and Training Pathways for Young People in Victoria, *Australian Journal of Vocational Education and Training in Schools*, Vol 3, 2000/2001 It took young people six years to move from compulsory education to full-time work in 1998 compared with four years in 1992.

6 McKenzie P, 2001, Pathways for Youth in Australia, in Burke G & Reuling J (Eds) 2002, *Vocational training and lifelong learning in Australia and Germany,* NCVER, Adelaide.

Table 1
Education and labour market status of youth aged 15 to 19 years, Australia, May 2004

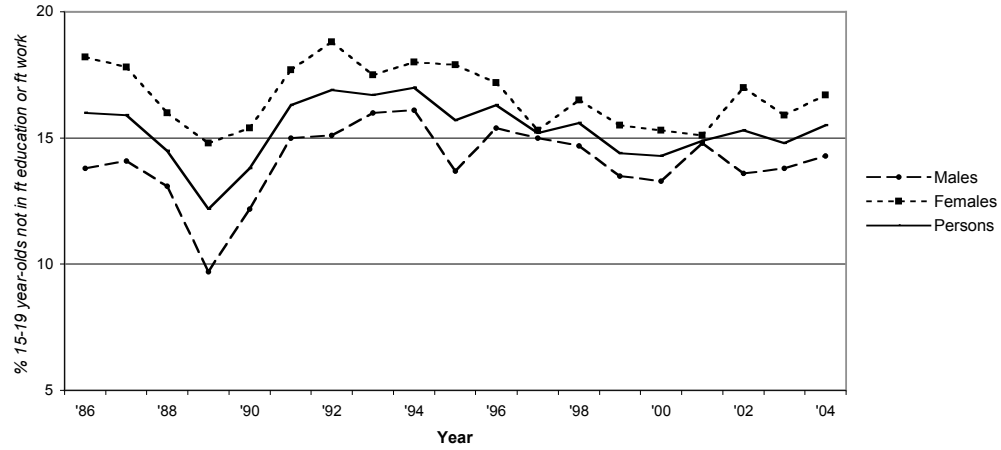
	IN FULL-TIME EDUCATION					NOT IN FULL-TIME EDUCATION					
	Full-time work	Part-time work	Seeking work	Not in the labour force	SUB TOTAL	Full-time work	Part-time work	Unem-ployed	Not in the labour force	SUB TOTAL	TOTAL
Males %	0.4	23.0	4.6	38.2	66.3	19.4	5.6	4.6	4.1	33.7	100.0
Females %	0.6	31.2	5.3	34.4	71.5	11.8	8.7	4.2	3.8	28.5	100.0
Persons %	0.5	27.0	4.9	36.3	68.8	15.7	7.1	4.4	3.9	31.2	100.0

Source: ABS *Labour Force Australia*, 6202.0—ST LM3 as at May 2004.

There are slightly different trends, however, for teenage males and females. For teenage males, over the longer term the proportion not in full-time education or work has increased slightly since 1986, although again declining since the early 1990s. Teenage females, on the other hand, experienced a slight decline from 1986 and a steeper decline since the early 1990s. Over the last decade or so, however, there has been little sign of improvement overall for teenagers and indeed in 2004 the percentage not in full-time study or work increased slightly, despite the otherwise strong employment market.

Figure 1
The proportion of 15 to 19 year olds not in full-time education or full-time work, Australia, May 1986 to May 2004

See Table A2



The estimate of 15.5 percent of teenagers not in full-time study or work understates the extent to which young people experience this situation. Nearly a quarter of 18 and 19 year olds could be considered 'at risk' of not making a successful transition. Table 2 shows substantial consistency in the pattern and level of less than full-time engagement over the last six years. Some changes are likely in the next few years, however, as a number of states and territories—South Australia, Queensland, Tasmania and probably Western Australia—increase their minimum school leaving age.

Table 2
The proportion at each age of 15 to 19 year olds who are not in full-time education or full-time work, Australia, May 1999-2004, percent

Age	1999	2000	2001	2002	2003	2004	Mean 1999-2004
15	2.9	2.2	3.5	2.5	2.4	3.1	2.8
16	6.7	8.5	6.8	7.5	6.0	7.4	7.2
17	13.4	11.3	13.8	14.8	14.9	13.2	13.6
18	23.7	26.3	25.4	28.3	24.5	28.2	26.1
19	26.1	23.5	25.4	23.3	25.9	24.8	24.8
15-19 yrs	14.4	14.3	14.9	15.3	14.8	15.5	14.9

Source: Customised tables, *Labour Force Australia*, May, 1999-2004, ABS 6223.0. Values may differ from those in the corresponding table in the previous editions of HYPAF because of revisions to estimates by the ABS.

Part-time work and part-time study

A combination of part-time work and part-time study might be considered the equivalent of participation in either full-time work or study. Information on the number of young people in both part-time study and part-time work comes from the *Education and Work* and is less readily available than information on those just in full-time work or study. The most recent results are for 2003.

Table 3 shows that including young people in both part-time work and part-time study makes relatively little difference to the proportion not in full-time education or work or both. Only 1.6 percent of teenagers combine part-time study and part-time work. The proportion is somewhat higher for 17, 18 and 19 year olds (2.0, 2.0 and 3.7 percent respectively) and correspondingly lower for younger people.

Table 3
Percent of 15 to 19 year olds not in full-time education or full-time work including and excluding those combining part-time work and part-time study, Australia, May 2003

AGE	Not in full-time education or work excluding part-time work and study	Neither in full-time education or work including part-time work and study
	%	%
15	2.4	2.4
16	5.8	5.4
17	14.3	12.3
18	24.8	22.8
19	25.7	22.0
15-19	14.8	13.2

Source: Customised tables from *Education and Work*, 2003, ABS 6227.0. Values may differ from those in Table 2 because of differences in the scopes of the two surveys and because of subsequent revisions to *Labour Force Survey* estimates.

Some changes in educational provision and cost—part-time study for Year 12, part-time New Apprenticeships and recent increases in tuition costs for TAFE and university—might be expected to lead to increasing numbers of young people combining part-time study with part-time work. This does not seem to have happened yet. In 2001 1.7 percent of 15 to 19 year olds were both working and studying part-time compared with 1.6 percent in 2003.

Not in the labour force

The proportion of young people not in full-time study or work is an indicator of the extent to which young people are having difficulty in making the transition from school to work—but it is by no means a perfect one. Young people can be both studying and working part-time—activities that together could constitute full engagement. Additionally, young people can be fully engaged with society in ways other than through study or work. Some of the small group of young people not in full-time study and not in the labour force (4.1 percent of males and 3.8 percent of females) can also be engaged in other productive activities.

Table 4 shows the main activities of teenagers and young adults who are not in the labour force, including those in full-time study. Some of these activities would be considered positive forms of engagement, but others less so. Focusing on young men not in education, although some 18 percent give travel as their principal activity, the majority are either ill or injured or disabled. For young women, 78 percent report home duties or childcare, with smaller proportions reporting travel, illness or disability.

Table 4
Main activity of males and females not in the labour force: 15 to 24 year olds, Australia, Sept 2003

	Males		Females		Persons	
	%	%	%	%	%	%
Attending an educational institution	91.0	---	73.9	---	81.8	---
Retired or voluntarily inactive	0.6	6.8	0.3	1.1	0.5	2.5
Home duties or childcare	0.6	6.8	20.4	78.3	11.3	62.0
Own disability or handicap	1.4	15.5	1.1	4.1	1.2	6.7
Own illness or injury	2.6	28.6	1.4	5.3	1.9	10.6
Caring for ill/disabled person	0.1	1.5	0.3	1.0	0.2	1.1
Travel	1.6	17.6	1.5	5.7	1.5	8.5
Unpaid voluntary activity	0.1	1.5	0.1	0.5	0.1	0.7
Other	1.9	21.4	1.0	3.7	1.4	7.8
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

Source: Table 2, *Persons not in the labour force*, Sep 2003, ABS 6220.0. The first columns indicate the main activities of those in education and the second columns indicate the main activities of those not in education.

Childcare is a significant reason for young women not being in the labour force. Five percent gave childcare as the main reason for not looking for work and six percent as a reason for not looking for work.[7] Only two percent gave childcare as a reason for not being available for work at all.

Many young people who are not in education and not in the labour force want to work, but for various reasons are not actively searching for a job. They may be travelling, caring for children, caring for others or engaged in voluntary activities. Despite the intrinsic value of these activities, they are exposed to the real risk of poorer long-term labour market prospects.

Variations across the states

States and territories differ in the proportion of their teenagers who are not in full-time education or full-time work. Table 5 shows that the percentage of teenagers neither in full-time work or study has been consistently higher in Queensland, South Australia and Western Australia than in Victoria or New South Wales over the last five years.[8]

Much of the variation among the states and territories is due to different policies about the age at which young children begin their schooling and whether the state has 12 or 13 years of primary and secondary schooling. For instance, students in a given grade in Western Australia and Queensland are on average about six months younger than students in the same grade in New South Wales and Victoria. If all students in all states and territories completed Year 12, other things equal, Western Australia and Queensland would have lower 15 to 19 year old participation rates for full-time schooling than the other states and territories simply because their students would still leave school at a younger age.

Table 5
Persons aged 15 to 19 not in full-time education or full-time work by State and Territory, May, 1999-2004, percent

%	1999	2000	2001	2002	2003	2004
New South Wales	13.3	14.7	13.5	15.2	14.8	14.4
Victoria	11.6	11.1	9.7	10.8	10.3	12.6
Queensland	18.1	16.7	19.2	18	18.1	17.5
South Australia	15.9	13.9	19.1	17.5	17.1	20.2
Western Australia	15.8	14.3	18.7	18.3	16.7	15.1
Tasmania	16.9	17.1	16.1	15.7	15.8	15.9
Northern Territory	26.6	31.3	26.2	31.7	20.7	48.6
ACT	8.8	11.3	16.8	11.3	16.8	12.8
Australia	14.4	14.3	14.9	15.3	14.8	15.5

Source: ABS *Labour Force Australia*, 6202.0—ST LM3. Some values in the table may differ from those in earlier editions of this volume because of revisions to their data by the ABS. Values for smaller states and territories are unreliable.

[7] Persons not in the labour force, ABS 6220.0, Sept 2003, Table 9.

[8] The Northern Territory has averaged high values over the last 6 years, but values for any one year are based on a very small number of respondents and are too volatile to interpret.

Table 6 shows the separate components of full-time activities for teenagers in May 2004—full-time schooling, full-time tertiary study and full-time work. School participation is lower in Western Australia (42 percent) and Queensland (46 percent). Participation of teenagers in full-time tertiary education is particularly strong in Victoria (19 percent), despite its high participation rate for schooling, and in Western Australia (22 percent). The Northern Territory (6 percent) Tasmania (10 percent) and South Australia (14 percent) have relatively low rates of participation in full-time tertiary education. Western Australia, Tasmania and Queensland have the highest percentages of teenagers in full-time employment.

Some meaningful general comparisons can still be made among the states and territories. Western Australia and Queensland have similar age-grade profiles, but Queensland has more of its teenagers not in full-time study or work than Western Australia. New South Wales and Victoria also have similar age-grade profiles, but the extent to which teenagers are engaged in a full-time activity is about two percentage points lower in New South Wales.

Table 6
Persons aged 15 to 19 in full-time school, full-time tertiary or full-time work by State and Territory, May, 2004, percent

Full-time	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUST
All 15 to 19 year olds									
Study	70.3	76.3	63.5	64.6	63.9	62.7	36.8	73.5	68.8
School	51.4	57.2	46.5	50.9	41.7	52.2	31.0	51.7	50.6
Tertiary	18.9	19.1	16.9	13.7	22.2	10.5	5.9	21.7	18.2
Work	15.5	11.5	19.9	15.7	22.0	21.9	15.5	14.9	16.2
Study or Work	85.6	87.4	82.5	79.8	84.9	84.1	51.4	87.2	84.5

Source: ABS *Labour Force Australia*, 6202.0—ST LM3. Some students are in both full-time study and full-time work.

Major reforms of post-compulsory (and earlier) schooling and learning are being implemented or considered in most states and territories but the impact of these may take several years to become apparent in official data. New South Wales has not yet initiated a public review of the adequacy of existing arrangements.

The problematic nature of comparisons of (especially education) participation rates of young people between the states and territories leads to a greater focus on the experiences of young people in their first year after leaving school.

What happens to young people when they leave secondary school?

Leaving school before completing Year 12 is not the end of participation in education. Table 7 shows the major activities of school leavers in 2002 five months later in May 2003. As many as 40 percent of those who left secondary school in 2002 after completing Year 10 were enrolled in study in May 2003, mostly at TAFE institutes. Similarly for Year 11 completers, 38 percent continued in education, again mostly in TAFE.

Early school leavers in 2002 were more likely than Year 12 completers to be not studying and not in full-time employment. Nearly a half of Year 10 completers (47 percent) and just over a third (36 percent) of Year 11 completers were not studying and either unemployed, in part-time work or not in the labour force in May 2003. By comparison, only 19 percent of Year 12 completers were in these activities.

The major difference between the destinations of Year 12 completers and early school leavers is their level of participation in study—Year 12 completers in 2002 were much more likely than others to be enrolled for study in 2003. Relatively few students (15 percent) who left school in 2002 were in a full-time job in May 2003.

While Year 12 completers are much more likely to go on to further education—two thirds went on to either university or TAFE—Year 12 completion was no guarantee of obtaining a full-time job. Only 13 percent of the Year 12 completers not going on to further education were in full-time work. It is evident, however, that young people who complete Year 12 are more likely to make a successful initial transition than are early leavers.

Table 7
Education and labour market destinations in 2003 of persons aged 15 to 24 who left school in 2002 by their highest year of school completed, Australia, May 2003

	IN 2002			
Destination in May 2003	**Completed Year10**	**Completed Year11**	**Completed Year12**	**TOTAL**
Enrolled for study				
Higher education	1.1	1.4	41.0	28.8
TAFE	33.7	30.8	22.0	25.3
Other	3.9	5.6	4.7	4.6
Sub-total	38.8	37.8	67.7	58.8
Not enrolled in May 2003 and . . .				
In full-time work	14.5	26.2	13.0	14.6
In part-time work	13.8	16.8	11.3	12.4
Unemployed	16.3	10.1	4.5	7.5
Not in labour force	16.6	9.1	3.5	6.7
Sub-total (excluding ft work)	46.7	36.0	19.3	26.6
TOTAL	100.0	100.0	100.0	100.0
TOTAL ('000s)	61.4	28.6	205.1	295.1

Source: Customised tables from *Education and Work, Australia*, May 2003, ABS, 6227.0. 'Other' includes business colleges, industry skills centres and other educational institutions. Completed Year 10 includes Year 9 and below.

Overall, in May of the year after leaving school, 27 percent or 78,500 school leavers were not studying and either working part-time, unemployed, or not in the labour force. About half of these, 39,000, were young people who had left school before completing Year 12.

Table 8 shows for the last six years the proportions of young people who are neither in full-time study or work in May in the year after leaving school. In recent years, there is little to indicate either improvement or deterioration in the quality of the transitions young people are making immediately after leaving school for either those who complete Year 12 or those who don't. The table does confirm, however, that in the short term early school leavers are significantly more likely to struggle in their initial transition than are Year 12 leavers.

Table 8
Proportion of all secondary school leavers by year left school in the previous year aged 15 to 24 in 'at risk' activity five months after leaving school: ie not in education and in part-time work, unemployed or not in the labour force in May 1998 – 2003

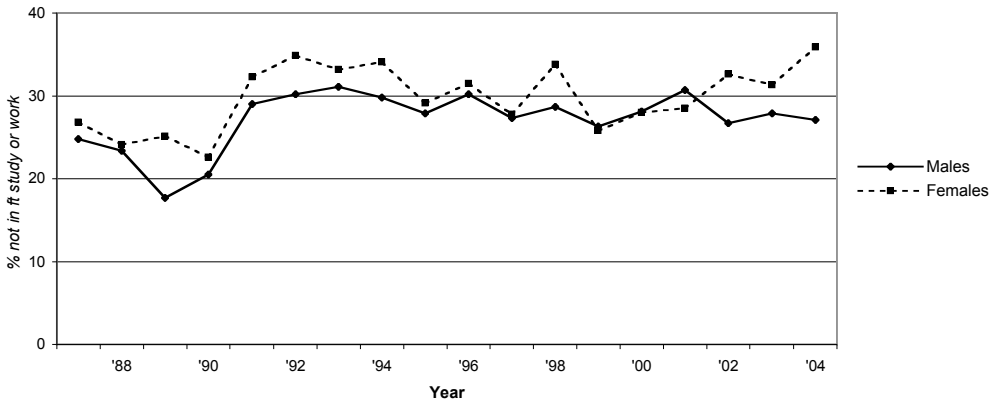
May in . .	Completed Year9	Completed Year10	Completed Year11	Completed Year12	Number ('000s)
1998	62.7	45.1	37.6	20.0	76.7
1999	61.2	39.2	29.9	16.5	68.8
2000	45.8	34.0	33.6	18.5	73.1
2001	51.7	45.5	41.7	17.7	71.6
2002		48.9	36.2	18.7	76.1
2003		46.7	36.0	19.3	78.5

Source: *Transition from Education to Work* Australia May 1998, 1999, and 2000, Tables 16 or 17 and *Education and Work* 2001 and 2002, customised tables from *Education and Work*, 2003. For 1998-2001, *Completed Year 9* includes Year 8 and below; from 2002 *Completed Year 10* includes Year 9 and below.

Based on *Labour Force* data we can see that the proportion of school leavers not in full-time study or work in the year after they leave school is higher than in the late 1980s (Figure 2 and Table A3).[9] The lowest levels occurred in 1989 and 1990 (21.4 and 21.5 percent) as school retention continued to increase and employment conditions remained strong. The recession in 1991 and 1992, however, produced a sudden increase of about 10 percentage points.

[9] This data source also provides information about 2003 school leavers in 2004, in advance of the annual publication of *Education and Work*, which is the primary source for Tables 7 and 8.

Figure 2
The percent of male and female school leavers not in full-time education or full-time work in May the year after leaving school, Australia, 1987 to 2004, 15 to 19 year olds



Source: Table A3

Table 9
Labour force activities of school leavers not in full-time study or work in May the year after leaving school, Australia, 1987-2004

	IN PART-TIME WORK			UNEMPLOYED			NOT IN THE LABOUR FORCE		
	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons
In May	%	%	%	%	%	%	%	%	%
1987	5.9	10.1	7.9	15.2	11.1	13.2	3.6	5.6	4.6
1988	7.2	10.2	8.7	12.5	9.6	11.1	3.6	4.2	3.9
1989	5.9	10.5	8.1	8.4	8.6	8.5	3.5	6.1	4.8
1990	7.3	9.8	8.5	10.1	8.5	9.3	3.2	4.3	3.7
1991	10.2	12.5	11.4	14.2	14.3	14.3	4.6	5.5	5.1
1992	8.9	12.3	10.5	18.4	15.8	17.2	2.9	6.8	4.7
1993	9.0	13.7	11.3	18.0	13.3	15.7	4.2	6.2	5.1
1994	8.0	14.6	11.3	16.6	15.0	15.8	5.2	4.5	4.8
1995	9.7	11.9	10.8	13.9	12.0	13.0	4.3	5.1	4.7
1996	9.2	16.7	12.8	16.5	9.8	13.3	4.6	5.0	4.8
1997	10.4	14.7	12.6	11.1	8.4	9.7	5.8	4.7	5.3
1998	10.6	14.8	12.6	11.1	11.3	11.2	7.0	7.7	7.4
1999	10.2	14.4	12.2	10.4	6.2	8.4	5.7	5.1	5.4
2000	14.0	13.3	13.7	7.4	9.0	8.2	6.6	5.7	6.2
2001	14.7	14.4	14.6	10.0	8.3	9.2	5.9	5.8	5.9
2002	13.6	16.9	15.2	9.1	9.2	9.1	4.1	6.5	5.3
2003	13.1	18.0	15.5	8.6	6.2	7.4	6.2	7.2	6.7
2004	13.3	19.4	16.3	9.1	10.2	9.7	4.7	6.2	5.5

Source: ABS *Labour Force Australia*, 6202.0—ST LM3.

Over the last ten years, however, male school leavers have been slightly less likely to be engaged in marginal activities. In contrast, the likelihood of female school leavers not being in full-time study or work has increased during the last decade, especially during the last six years.

On average, for school leavers females are more likely to be engaged in marginal activities than males by about one and a half percentage points. Table 9 shows the changing composition of this group from 1987.

For males:

- The proportion in part-time work has more than doubled from about 6 percent in 1987 to 13 percent in 2004.
- Unemployment has halved from its peak of 18 percent in 1992-93 to 9 percent in 2004.
- Those not in the labour force have edged up from 3 or 4 percent in the late 1980s to 5 or 6 percent through much of the 1990s and early 2000s.

For females:

- The proportion in part-time work has nearly doubled from about 10 percent in 1987 to 19 percent in 2004.
- Unemployment peaked at 16 percent in 1992 and then declined to under 10 percent from much of the late 1990s and early 2000s before increasing to 10 percent for 2004, although there is substantial movement for one year to the next.
- Those not in the labour force have increased by one or two percentage points, especially in the last three years.

Based on *Labour Force* May 2004 data, available ahead of the later release of the *Education and Work*, the proportion of 2003 school leavers not in full-time study or work six months after leaving school was 31.5 percent or 81,000 young people, the largest number ever and the highest proportion since 1994.[10]

Steps to improve student engagement

The boundaries between schools and TAFE have become blurred over the last decade. Schools authorities have sought to broaden their curriculum offerings by including more vocationally oriented courses in senior secondary schooling. Arrangements differ among states and territories, but under the VET in schools programs school students can enrol in and complete vocational qualifications. In 2003 the distribution of enrolments across qualifications was:[11]

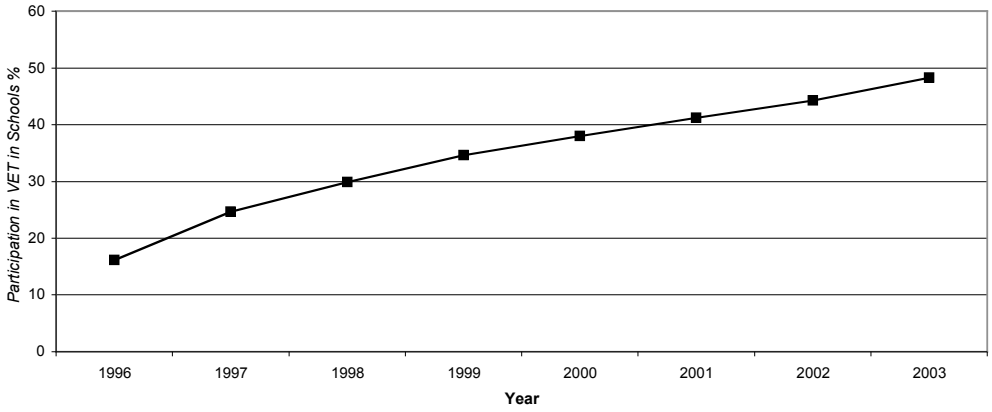
Certificate IV	Certificate III	Certificate II	Certificate I	Other	TOTAL
0.5%	9.1%	64.5%	17.8%	8.1%	100.0%

[10] Derived from table 9 above, drawn from ABS *Labour Force Australia*, 6202.0—ST LM3.

[11] NCVER, *Australian vocational and training statistics: Students and courses 2003*. p.115.

Enrolments have increased quickly (Figure 3) and by 2003 nearly 50 percent of students in Years 11 and 12 were enrolled in a VET in schools program. The penetration of VET programs in secondary school is probably greater than these estimates suggest. While nearly 5 in 10 senior secondary students may be enrolled in a VET program in any one year, an individual student may enrol in either Years 11 or 12.[12]

Figure 3
Participation in VET in schools programs per 100 senior secondary students: Australia 1996 to 2003



See Table A4.

The rapid growth of VET in schools enrolments ameliorates some earlier concerns about the program, especially the possibility of defacto streaming.[13] Nevertheless concerns remain around the quality and funding of VET in schools.[14] The contribution of VET in schools to increased school retention and improved outcomes for young people enrolling in the programs still requires further research.[15]

Students are concentrated in four subject areas—management and commerce (24%), food, hospitality and personal services (20%), information technology (18%) and engineering and related technologies (10%). VET in schools delivery as measured by contact hours, however, is concentrated in three subject areas—management and commerce (34%); mixed fields (17%); and engineering and related technologies (12%).

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12 The two major sources of information on enrolments—MCEETYA's school administration records and the NCVER-managed VET Provider Collection—provide differing estimates of enrolments. Nationally, the estimates from the VET provider collection are about 27% lower than the MCEETYA estimates. In addition to students separately identified as enrolled in VET in schools programs, however, the VET provider collection identifies a further 51,700 VET students who are still at school—about 25% of total VET enrolments for 15 to 19 year olds.

13 Fullarton S, 2001a, *VET in schools: participation and pathways.* (LSAY Research Report No. 21). ACER, Melbourne; Fullarton S, 2001, Does VET in schools make a difference to post-school pathways? in *Understanding youth pathways: research conference; proceedings.* ACER, Melbourne; Ryan R, 2002, Making VET in Schools work: A review of policy and practice in the implementation of VET in Australian schools, *Journal of Educational Enquiry*, Vol. 3, No 1, pp.1-16.

14 ANTA 2000, Review of the ANTA VET in Schools program; ANTA, 2003. Quality in VET in Schools Report.

15 Kilpatrick S, Johns S, Loechel B, Prescott L, 2004, *Pathways from rural schools: does school VET make a difference?* NCVER, Adelaide; Fullarton S., 2001a, *op cit.*

Less than half of total enrolments are spread thinly across a further nine fields of study.[16]

School-based Apprenticeships

School-based apprenticeships and traineeships are a recent innovation. The introduction and promotion of school-based apprenticeships and traineeships is motivated by similar intentions to the VET in schools program—providing alternative forms of study within school in the hope of retaining students at school until they can complete Year 12. Apprenticeships and traineeships, however, place substantially greater emphasis on integrated learning.

Nationally, in the March quarter of 2003 some 12,500 school students began school-based apprenticeships—or about 25% of all apprenticeships commenced by 15 to 19 year olds (Table 10). In the context of school enrolments, this is a little over 6% of total Year 12 enrolments or perhaps a little over 2% of enrolments in Years 10 to 12. The numbers in training throughout 2003 were slightly larger—about 13,650.

In 2003, young women account for just over half of the commencements. Nearly all school-based apprenticeships are in non-traditional areas—the traineeships rather than the apprenticeships. Despite this, a fifth are at Certificate III level and nearly half are of more than two years duration.

While there may always be difficulties in accommodating apprenticeships and traineeships within the standard school timetable, and some concerns about quality need to be addressed, there is scope for expansion of this approach.

Table 10
Characteristics of school-based apprenticeship and traineeship commencements 15 to 19 year olds, March quarter, 2003

No. of commencements	12,480
% senior secondary students [1]	1.9
% female	52.5
% traditional [2]	0.1
% Certificate III or higher [3]	21.0
% more than 2 years duration	45.6
Highest grade completed [4]	
% Year 12	2.6
% Year 11	17.3
% Year 10	80.1

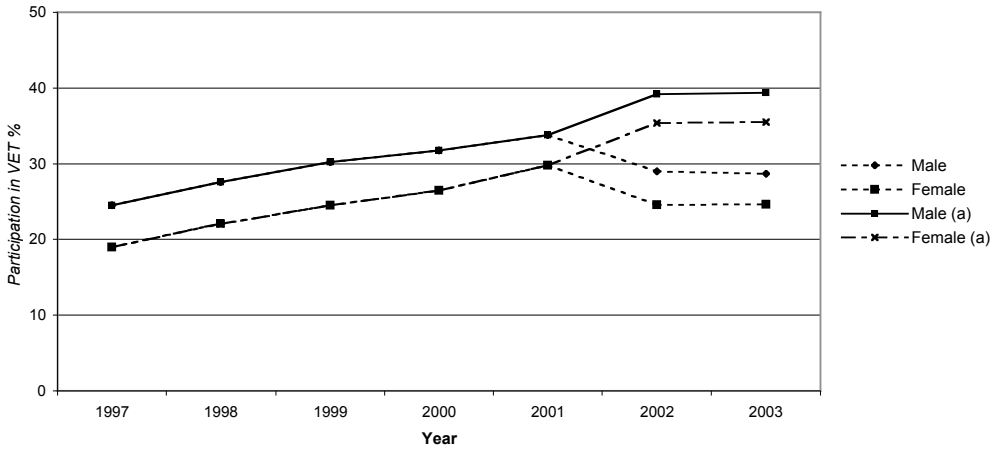
(1) Commencement rates calculated from *Schools Australia,* 2003, ABS 4221.0 and customised tables from NCVER's Apprentices and Trainees database. Minor discrepancies from published values are due to data revisions and approximation in the weightings. Some related values in the table may not correspond because of rounding. (2) *Traditional* approximates apprenticeships, *non-traditional* approximates traineeships. (3) Very few apprenticeships and traineeships were at Certificate IV, Diploma or Advanced diploma level. (4) Highest completed Year 10 includes lower grades.

[16] NCVER, 2004, op cit, pp 117-118.

Pathways beyond school

Vocational education and training (VET) provides the main pathway to further study for young people (and especially early school leavers) and the vast majority of VET for young people is delivered through TAFE institutes. Figure 4 shows participation rates for teenagers from 1997. However, the trend to increasing levels of participation in VET stalled in 2003—there was no increase compared with participation rates in 2002.

Figure 4
Participation in publicly-funded VET courses: Males and females aged 15 to 19 years, Australia 1997 to 2003



See Table A5. (a) includes VET in Schools enrolments.

Estimates of course completion in TAFE are scarce.[17] Until recently, national statistics on course completion were not collected and the statistics that are now collected are problematic. For some students it is likely that they enrol with little intention of completing a qualification, but for younger students in particular many will be seeking their initial post-school qualification when they enrol in TAFE.

Shah and Burke estimated course completion rates for students who enrolled in TAFE courses in 1997.[18] Completion rates varied with the characteristics of the course and student, but in general for younger students about a third of students completed, a third partially completed (completed all units in which they enrolled but not enough to obtain a qualification) and a third withdrew (failed or did not complete some units).

The *Student Outcomes Survey,* conducted by NCVER, focuses on the employment and study outcomes of graduates and module completers of a given year in May of the subsequent year. Table 11 shows these outcomes.[19] In the year after completing their qualification, 25 percent of TAFE graduates were not in full-time work and were not enrolled in further study. For those TAFE graduates not studying (47 percent of all graduates), some form of marginal attachment or no attachment to the labour force is a

[17] Polesel J, Davies M & Teese R, 2004, *Course completion and instructional experience in TAFE*. NCVER, Adelaide.

[18] Shah C & Burke G, 2003, *Completion and partial completion of courses in TAFE, Australia*, CEET Working Paper No. 51, Monash University.

[19] The survey of graduates does not include a simple question about full or part-time study and module completers are not asked about study at all.

more likely outcome in the short term than is full employment. An additional, but unknown, proportion of the 17 percent of graduates who were studying and unemployed or not in the labour force would have been only enrolled part-time and therefore not engaged in full-time (or equivalent full-time) activities.

There is no information on the subsequent study activities of module completers. Compared with graduates overall, however, relatively more module completers are unemployed or not in the labour force and fewer are employed full-time.

Table 11
Labour market and study status May 2003 for 2002 TAFE graduates and module completers aged 15 to 19 years

	Full-time work	Work nfd	Part-time work	Unemployed	Not inthe labour force	Not employed full-time[4]	TOTAL	No.
Graduates %								
Enrolled for study	14.3	0.4	21.3	7.7	8.9	38.6	53.3	13,735
Not studying [1]	21.6	0.3	13.2	7.4	3.5	24.8	46.7	12,029
Total	35.9	0.6	34.5	15.1	12.4	63.5	100.0	25,764
Total [2]	35.4	0.6	32.8	16.7	12.7	64.0	100.0	44,069
Module Completers[3]	23.8	0.5	28.9	22.0	21.1	75.7	100.0	27,166

Source: Customised table from the *Student Outcomes Survey, 2003*. (1) Not studying includes persons who had been enrolled but discontinued. (2) Includes 18,305 self-identifying graduates sampled as module completers who were not asked about subsequent study. (3) Module completers were not asked about their subsequent study. (4) Totals those in part-time work, unemployed, not in the labour force, and persons not working nfd (not further defined).

Of those graduates who are employed, only about 60 percent report that their course was either highly relevant (40 percent) or of some relevance (21 percent) to their current employment. Just under two-thirds reported no benefit from their course.[20] These values are possibly less favourable for those not in employment and module completers.

Apprentices and trainees

In the last decade the apprenticeship system has changed substantially. The New Apprenticeship system includes a range of usually shorter traineeships typically in the expanding service industries with a greater proportion of females and older already-employed workers. User Choice arrangements mean that employers are often able to choose the provider of any off-site training and may themselves be registered providers of training. Some traineeships involve only on-the-job training.

There is substantial debate about the mix of apprenticeships and traineeships and whether sufficient apprentices are being trained. Figure 5 shows a lengthy time series of apprenticeship commencements as a percentage of 15 to 29 year olds. The choice of the broad age range recognises the recent trend towards older apprentices and trainees, but also gives the appearance of relatively low commencement rates. Major features of

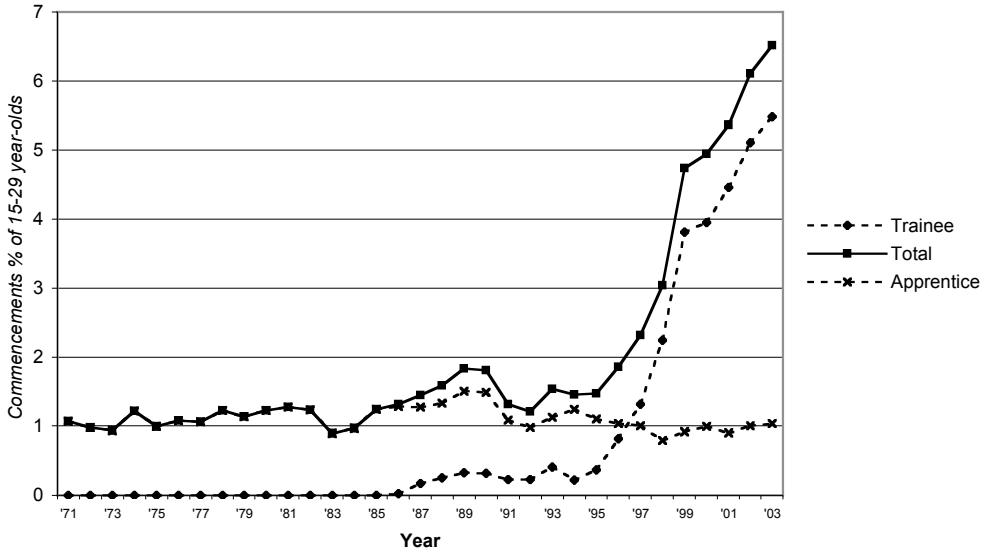
[20] Selected graduate data tables for the 2003 Student Outcomes Survey. www.ncver.edu.au.

the graph are the introduction of traineeships in the mid 1980s and their substantial growth from the mid 1990s.

Figure 5 also shows separately for recent years a proxy measure designed to correspond to traditional apprenticeships. For much of the 1970s, 1980s and early 1990s apprenticeship commencements were above one percent of the 15 to 29 year old population, apart from periods of economic downturn. From the mid 1990s, however, commencements have been only one percent or less. Supply of apprentices is only one part of any discussion of skill shortages—there have been substantial changes in the composition of Australian industry that might affect demand for apprentices.

However the rate at which industry replenishes the stock of skills through taking on apprentices has declined by 16 percent in the key trades since the recession of the early 1990s. Major declines have occurred in metals (19 percent) and the electrical and electronics trades (close to a quarter since 1993). If this rate had not declined, nearly 19,000 additional job opportunities through apprenticeships for young people aged 15 to 24 would have been available. The share of young people in full-time employment would have increased by five percent in 2001.[21]

Figure 5
Commencement rates in apprenticeships and traineeships: 15 to 29 years, Australia 1971-2003



Source: NCVER, 2001, *Australian apprenticeships: Facts, fiction and future* Table 1, p 14; NCVER, *Australian VET statistics: Apprentice and trainee activity*, various years; and *Population by age and sex*, ABS, 3201.0. various years.

[21] Toner P, 'Declining Apprenticeship Training Rates: Causes, Consequences and Solutions', paper for DSF, unpublished. mimeo, 2003, available at www.dsf.org.au

Table 12 shows some details of the more recent changes in apprenticeship and traineeship commencements for teenagers. Between 1997 and 2003, New Apprenticeships for teenage Australians:

- Increased for both males and females, but more for females than males.
- Continued the trend away from traditional apprenticeships towards traineeships.
- Shifted slightly towards Certificate III or higher
- Shifted towards longer courses
- Were more likely to be part-time or school-based
- Were unchanged in terms of highest grade of school completed.

Table 12
Apprenticeship and traineeship commencement rates and characteristics, 15-19 year olds, Australia, 1997 and 2003, March quarter

		1997	2003
		%	%
No. of commencements	('000s)	60.1	105.7
Commencement rate	Males	6.1	8.9
	Females	3.2	6.4
	Persons	4.7	7.7
Sex	Males	66.9	59.1
	Females	33.1	40.9
Area *1*	Traditional area	40.3	32.9
	Non-traditional	59.7	67.1
Qualification *2*	Certificate II or below	40.5	36.0
	Certificate III or higher	59.5	64.0
Duration of course	Two years or less	55.4	48.1
	More than two years	44.6	51.9
Full or part-time enrolment	Full-time	96.2	70.2
	Part-time	3.8	18.0
	School-based	0.0	11.8
Highest grade of school *3*	Year 12	42.2	42.1
	Year 11	18.4	16.8
	Year 10	39.4	41.1

Source: Customised tables from NCVER's Apprentices and Trainees database. Minor discrepancies from published values are due to data revisions and approximation in the weightings. Some related values in the table may not correspond because of rounding. (1) *Traditional* approximates apprenticeships, *non-traditional* approximates traineeships. (2) Very few apprenticeships and traineeships were at Certificate IV, Diploma or Advanced diploma level. (3) Highest completed Year 10 includes lower grades.

The importance of apprenticeships and traineeships as pathways into work for young people has led to considerable interest in their completion rates. About 75 percent of commencing apprentices complete their course compared with between 55 and 60 percent of trainees.[22]

The quality of the training provided to some apprentices and trainees has been questioned.[23] Wage subsidies and taxation exemptions or rebates provide an incentive to employ apprentices and trainees—but not necessarily to provide quality training. The extension of New Apprenticeships to existing employees and the shift to on-the-job training have compounded the problem. An apprenticeship or traineeship for already-employed workers may be more about the recognition and credentialing of already-existing skills than skills formation. Making a larger portion of employer incentives contingent on the completion of the training and creating the Australian Quality Training Framework (AQTF) are motivated by these concerns.

Young people and access to full-time jobs

Growth in part-time jobs and increasing difficulty in obtaining full-time employment are major features of the experience of young people. Part-time employment is more precarious and associated with greater job to job mobility. Some of the growth in part-time employment has been associated with the expansion of full-time education—part-time employment fits more easily with full-time study. Figure 6, however, shows that part-time employment has increased substantially since 1986 even among young people who are not in full-time study.

The percent of teenagers not in full-time education who have a part-time job has increased from 6 percent in 1986 to 17 percent in 2004 for males and from 10 percent to 31 percent for females (Table A6). The ratio of part-time employment to full-time employment has also increased. In 1986, part-time employment for teenage males was nearly a tenth the size of full-time employment. By 2004, this had tripled to nearly three tenths. For teenage females, the ratio of part-time employment to full-time employment increased by a factor of four and a half. Similarly for young adults, both male and female, the ratio tripled (Table A6).

For those not in full-time study, the absolute and relative increase of part-time employment has generally been associated with an absolute and relative decline in full-time employment. For teenagers, the percent of males employed full-time has declined from 72 percent in 1986 to 58 percent in 2004. For females there was a similar, although even more severe decline from 62 percent in 1986 to 42 percent in 2004.

Full-time employment for young adults not in full-time study shows a similar, although less severe, decline. For males, full-time employment declined from 80 percent in 1986 to 72 percent in 2004. For females, however, there has been only a very small decline from 59 percent to 55 percent.

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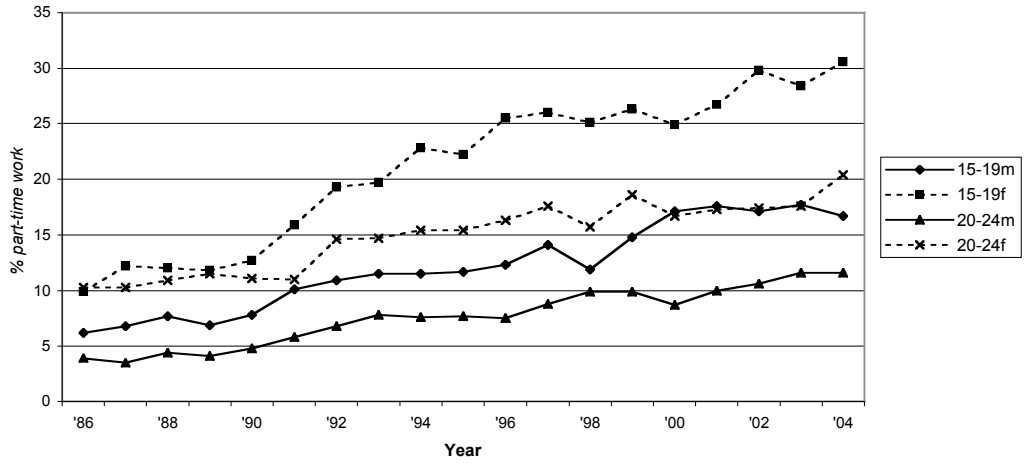
22 NCVER, 2001, Australian Apprenticeships, Facts, Fiction and Future, Table 53, p121.

23 Schofield K, 1999a, *Independent investigation into the quality of training in Queensland's traineeship system, final report*, DETIR, Brisbane; Schofield K, 1999b, *A risky business: Review of the quality of Tasmania's traineeship system*, Office of VET, Hobart; Schofield K, 2000, *Delivering quality: Report of the independent review of the quality of training in Victoria's apprenticeship and traineeship system*, Office of PETE, Melbourne.

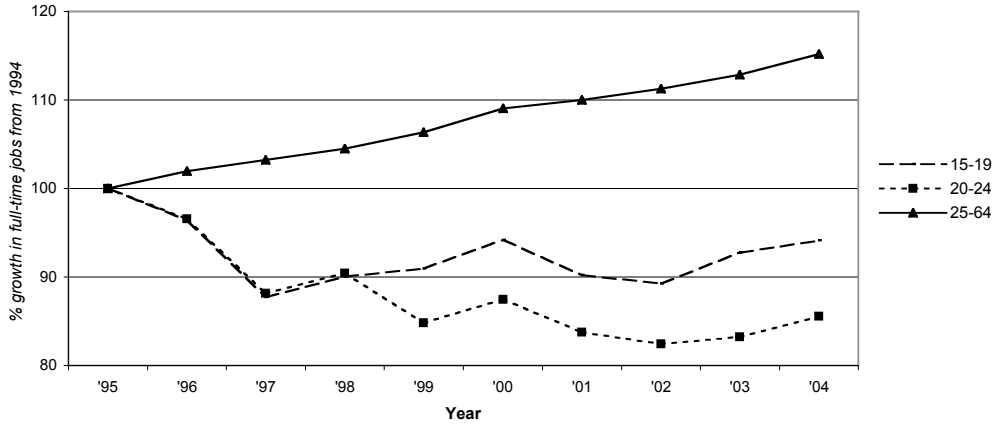
Figure 6
Percent of males and females in part-time work: 15 to 19 and 20 to 24 year olds not in full-time education, Australia, May 1986 to May 2004



See Table A6

Figure 7 shows the relative growth in full-time jobs from 1995 to 2004. In May 2004, there were 6 and 14 percent fewer teenagers and young adults in full-time jobs respectively than in 1995. During the same period, full-time jobs for other adults increased by 15 percent (see Table A7).

Figure 7
Full-time job growth for 15 to 19 and 20 to 24 year olds not in education compared with 25 to 64 year olds, May 1995 to May 2004



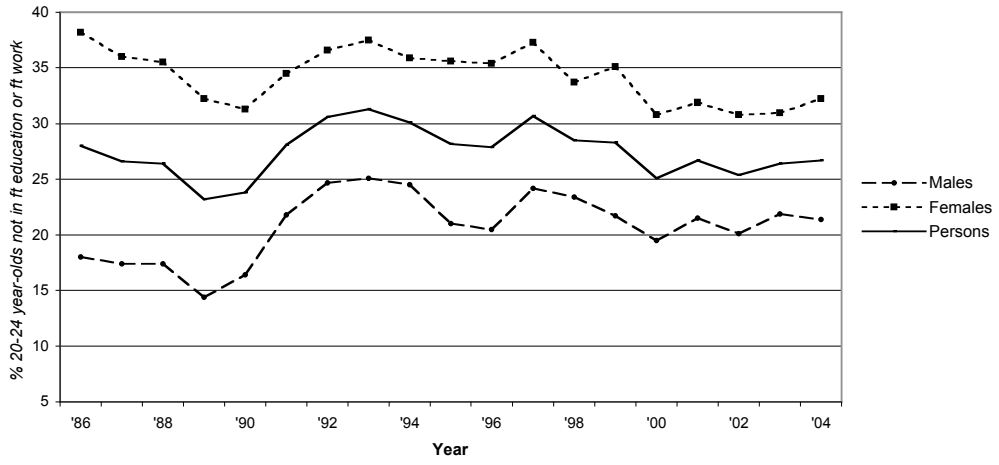
Source: Table A7.

Young adults aged 20 to 24 years

The problems of the school to work transition faced by teenagers do not disappear as they get older. The proportion of 20 to 24 year olds who are neither in full-time work or study is higher than for 15 to 19 year olds. Figure 8 shows the proportion of 20 to 24 year old males and females who are not in full-time work or study over the past two decades. It shows the decline associated with the strong economic growth towards the end of the 1980s and the increase associated with the subsequent recession in the early 1990s.

Although the overall trend from 1986 to 2004 is little changed, the percent of young adults not in full-time work or study has declined slightly in the last decade. The difference between males and females is more marked than for teenagers—females are more likely to be not engaged in full-time activities than males by about 10 percentage points. Table A8 contains a detailed breakdown of the labour force participation of young adults not in full-time education or work from 1986.

Figure 8
The proportion of 20 to 24 year olds not in full-time education or full-time work, Australia, May 1986 to May 2004



Source Table A9

Table 13 shows the details of the participation in study and work of young adults in May 2004. Three quarters of this age group are no longer in full-time education and nearly half have moved into full-time work. Compared with teenagers, young adults are more likely to be not in full-time education and in part-time work (12 compared with 7 percent), unemployed (5 compared with 4 percent), and not in the labour force (10 compared with 4 percent).

Table 13
Education and labour market status of young adults aged 20 to 24 years, Australia, May 2004, percent

	IN FULL-TIME EDUCATION					NOT IN FULL-TIME EDUCATION					
	Full-time work	Part-time work	Seeking work	Not in the labour force	SUB TOTAL	Full-time work	Part-time work	Unem-ployed	Not in the labour force	SUB TOTAL	TOTAL
Males %	1.0	10.2	1.3	10.0	22.4	56.2	9.0	6.1	6.3	77.6	100.0
Females %	1.0	14.9	1.4	10.8	28.2	39.7	14.6	4.1	13.5	71.8	100.0
Persons %	1.0	12.5	1.4	10.4	25.3	48.0	11.8	5.1	9.8	74.7	100.0

Source: ABS *Labour Force Australia*, 6202.0—ST LM3.

Some young adults (especially females) who are not in the labour force are engaged in positive activities (caring for children, household duties and so on). A more accurate measure of risk needs to be derived by looking more closely at those not in education who are looking for work or otherwise want to work.[24]

A narrower definition focused on those not in the labour force but nevertheless still wanting work is presented in Table 14, modelling information about those not in the labour force for September 2003. Nearly half of both the young adult women and young adult men not in the labour force said that they wanted to work although they were either not searching for work or not able to start work in the week of their interview.

Table 14
Percentage of young people, aged 20 to 24 years, not in full-time education who are in part-time work, or wanting work, May 2004.

	Part-time employed	Unemployed	Not in the labour force but wanting to work	TOTAL	NO.
Males %	9.0	6.1	3.1	18.2	129,700
Females %	14.6	4.1	7.0	25.7	179,700
Persons %	11.8	5.1	5.0	21.9	309,300

Source: Values for *Part-time employed* and *Unemployed* are from Table 13. Values for *Not in the labour force but wanting to work* are *Not in the labour force* from Table 13 multiplied by the proportion wanting to work for 20-24 year old males, females and persons respectively—from Tables 3 and 7, *Persons not in the labour force,* ABS 6220.0, September 2003.

[24] McClelland and Macdonald report, using 1997 labour force data, that 78 percent of young women not in education and not in the labour force have dependants (McClelland and Macdonald in *Australia's Young Adults: The Deepening Divide*, DSF, Sydney, 1999.

International comparisons

OECD data on the proportion of young people 15 to 19 and 20 to 24 years who are neither studying nor working shows that Australia's proportions of 'at risk' youth are high compared to other comparable OECD countries (see Table A10). In 2002, Australia ranked 18th out of 27 countries for the proportion of teenagers not studying or working. At 7.1 percent, it was in a group of countries that included Greece, the USA and Portugal. The relative performance for 20 to 24 year olds of 13.9 percent was somewhat better at 11th lowest of the 27 OECD countries in Table A10.

Indicator Two

The ratio of the unemployment rate among 15-24 year olds to the rate among 25-54 year olds

The ratio of unemployed young people to prime age unemployed adults is one measure of how well young people are faring in the labour market compared with older people.[25] In 2003, Australian young people ranked 17th out of the 27 OECD countries for which this measure was available (Table 15). Unemployment in Australia was 160 percent higher (a ratio of 2.6) among 15 to 24 year olds (11.6 percent) than among 25 to 54 year olds (4.5 percent).

Table 15
Unemployment rates for 15 to 24 year olds and the ratio of unemployment rates for 15 to 24 year olds to 25 to 54 year olds: OECD countries, 2003

Rank	*Country*	*Unemployment rate15 to 24 yo*
1	Mexico	5.3
2	Netherlands	6.6
3	Austria	7.5
4	Ireland	7.6
5	Switzerland	8.6
6	Korea	9.6
7	Denmark	9.8
8	Japan	10.2
9	New Zealand	10.2
10	Germany	10.6
11	United Kingdom[1]	11.5
12	Australia	11.6
13	Norway[1]	11.7
14	United States[1]	12.4
15	Hungary	13.4
16	Canada	13.8
17	Sweden[1]	13.8
18	Portugal	14.6
19	Czech Republic	17.6
20	Belgium	19.0
21	Turkey	20.5
22	Finland	21.6
23	Spain[1]	22.7
24	Greece	25.1
25	Italy	26.3
26	Slovak Republic	33.1
27	Poland	43.0

Rank	*Country*	*Ratio of 15-24 to 25-54 yo unemployment rates*
1	Germany	1.16
2	Austria	1.79
3	Ireland	1.95
4	Denmark	1.96
5	Canada	2.12
6	Netherlands	2.13
7	Japan	2.17
8	Slovak Republic	2.19
9	Spain[1]	2.23
10	Turkey	2.36
11	Switzerland	2.39
12	United States[1]	2.48
13	Poland	2.49
14	Czech Republic	2.51
15	Hungary	2.53
16	Portugal	2.56
17	Australia	2.58
18	Belgium	2.71
19	Mexico	2.79
20	Sweden[1]	2.82
21	New Zealand	2.91
22	Finland	2.96
23	United Kingdom[1]	3.03
24	Norway[1]	3.08
25	Greece	3.14
26	Korea	3.20
27	Italy	3.65

Source: OECD *Employment Outlook 2004*: Statistical Annex, Table C; (1) 16 to 24 year olds

[25] Another measure is the unemployment to population ratio for the non-student population. This helps to control for the higher proportion of students who are actively seeking part-time work in countries such as Australia. The OECD notes that Australia has a relatively low unemployed non student to population ratio for 20 to 24 year olds which may reflect a flow-on benefit from earlier opportunities for part-time work as students (OECD, 2001, *Employment Outlook 2001*, p284).

Table 16
Unemployment among persons with below upper secondary educational attainment and the ratio to unemployment among persons with upper secondary education or post-school non-tertiary attainment: 25 to 29 year olds not studying, OECD countries, 2001

UNEMPLOYMENT			RATIO OF UNEMPLOYMENT	
Country	**Percent**[1]	**Rank**	**Country**	**Ratio**[2]
Mexico	1.4	**1**	Turkey	0.66
Luxembourg	2.8	**2**	Mexico	0.78
Netherlands	3.1	**3**	Greece	0.87
Denmark	3.7	**4**	Spain	1.16
Portugal	4.2	**5**	Italy	1.22
Austria	4.6	**6**	Austria	1.44
Ireland	6.1	**7**	Poland	1.53
Turkey	6.3	**8**	Portugal	1.56
United States	8.0	**9**	Belgium	1.57
Norway	8.1	**10**	Canada	1.61
Australia	8.7	**11**	United States	1.67
Sweden	9.5	**12**	Slovak Republic	1.72
United Kingdom	10.1	**13**	France	1.79
Hungary	10.3	**14**	Finland	1.98
Italy	10.6	**15**	Australia	2.02
Greece	10.9	**16**	Hungary	2.06
Spain	11.1	**17**	Germany	2.07
Canada	11.4	**18**	Norway	2.13
Belgium	11.9	**19**	Ireland	2.26
Germany	12.0	**20**	Sweden	2.57
Finland	12.3	**21**	Czech Republic	2.78
France	15.9	**22**	United Kingdom	2.89
Czech Republic	19.2	**23**	Denmark	3.36
Poland	26.6	**24**	Netherlands	3.44
Slovak Republic	30.0	**25**	Luxembourg	9.33
Country mean	*10.4*		*Country mean*	*2.18*

Source: *OECD Education at a Glance 2003,* Table C4.3. (1) Countries ranked by unemployed non-students with an educational attainment below upper secondary as a percent of all persons with educational attainment below upper secondary (2) Countries ranked by the ratio of the percent of unemployed persons among all persons with an educational attainment below upper secondary to the corresponding percent for those with upper secondary and post-secondary not tertiary.

Table 16 provides an extension of the preceding table by considering the relative disadvantage in terms of unemployment of 25 to 29 year olds with low levels of education. Young Australians without a senior certificate are about twice as likely to be unemployed than more educated young Australians (upper secondary and post-school, but not tertiary). Of the 25 countries in Table 16, the relative disadvantage in Australia of poorly educated people is marked—education is more important for employment in Australia than in about half of the OECD countries.

Indicator Three

The proportion of the population aged 20 to 24 years who have completed Year 12 or a post-secondary qualification.

Education attainment is an important influence on a person's capacity to obtain employment. In Australia, for 15 to 64 year olds not in school, full-time employment is highest for men with university qualifications, diplomas or Certificates III or IV (about 80 percent) while only 59 percent of men whose highest level of educational attainment is Year 10 or lower are in full-time employment.[26] For women, full-time employment is also higher for those with university qualifications (52 percent), Advanced Diplomas and Diplomas (43 percent) and Certificates III and IV (40 percent). Lower levels of educational attainment are associated with progressively lower levels of full-time employment, for example only 23 percent of women with Year 10 or lower are in full-time employment.

In Australia, the unemployment rate for men aged 25 to 64 years with less than an upper post-secondary education is nearly double that of secondary school completers (8.1 percent compared with 4.5 percent in 2001).[27] In a majority of OECD countries, men aged 25 to 64 years with less than upper secondary education have an unemployment rate at least 1.5 times greater than those who have completed upper secondary education.[28]

For young adults, this difference in unemployment rates by level of education is even starker. The unemployment rate for non-students without a completed upper secondary education was as high as 16.1 percent in 2001 compared with 7.3 percent for secondary school completers.[29] In contrast, the unemployment rate for tertiary graduates was 1.7 percent.[30]

In Australia, the greatest long-term labour market traction is associated with completion of a Certificate III or above.[31] Year 12 or foundation-level VET certificates are important stepping stones to further qualifications.

The proportion of young Australian adults who have completed Year 12 or a post-school qualification in May 2003 is 80 percent (see Table 17). The longer-term trend from 1994 shows an increase in education attainment for young people. The quite substantial change in the coding of educational qualifications in 2001 introduces a little uncertainty to any interpretation, but since 1998 there appears to have been little increase. Certainly in the three years from 2001 onwards, Table 17 shows no sign of any increase in the proportion of 20 to 24 year olds who have completed Year 12 or obtained a post-secondary qualification.

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[26] Survey of Education, Training and Information Technology, Companion data, ABS 6278.0—15 to 64 year olds not attending school.

[27] OECD, Education at a Glance 2001 Paris, 2001, p 118.

[28] OECD, Education at a Glance 2002, Paris, 2002, p 115.

[29] Excludes secondary completers with a tertiary education.

[30] OECD, Education at a Glance 2002, Paris, 2002, Table C5.2, p 262.

[31] Although for women each additional grade of schooling completed is also important.

Table 17
Proportion of 20 to 24 year olds who have completed Year 12 (or equivalent highest level of secondary school) or have a post-school qualification, 1994 to 2003

Year	Completed Year12 or a post-school qualification %
1994	74.0
1995	78.1
1996	80.4
1997	78.8
1998	82.4
1999	83.5
2000	83.1
Break in series	
2001	81.0
2002	78.9
2003	79.6

Source: *Transition from Education to Work Australia*, specified years ABS 6227.0, Table 14 (1994), Table 15 (1995), Table 10 (1996, 1997, 1998, 1999, 2000. 2001) and *Education and Work Australia* May 2002 (Table 12) and 2003 (Table 14). From 2001 estimates are based on the Australian Standard Classification of Education (ASCED) which differs in substantial respects from the preceding ABS Standard Classification of Qualifications (ABSCQ). For 1994-2000, persons who had not completed Year 12 but who were still in education (secondary or tertiary) in May of the year of the survey were included in the estimates.

Targets for post-compulsory education

We reported in 2002 that the 'Finn targets' established in 1991 by Commonwealth and State Governments for post-compulsory education and training attainment for 19 and 22 year olds in 2001 were not achieved.[32] Several state governments have since set attainment targets for their education systems. MCEETYA has endorsed measures of attainment rather than targets, with the intention of indicating progress over time. In the interests of producing reliable estimates of progress, MCEETYA has recently modified its measures of educational attainment. Instead of focusing on single ages (the educational attainments of 19 and 24 year olds), it has shifted to measures based on broader age bands—20 to 24 year olds and 25 to 29 year olds, with state-based comparisons made against averages of the preceding five years. The measures endorsed in 2004 and to be reported for 2003 onwards are:

- The proportion of 20 to 24 year olds who have completed Year 12 or equivalent or gained a qualification at AQF level 2 or above; and
- The proportion of 25 to 29 year olds who have gained a post-secondary qualification at AQF level 3 or above.

The change in measures was prompted because estimates for single year age groups from the *Education and Work,* the accepted basis for the measures, are often based on

[32] See How Young People are Faring 2002, DSF, Sydney, 2002, p18; and ANTA, 1999, Annual National Report 1999, Vocational Education & Training Performance Volume 3, p21.

fewer than 1000 cases nationally. Hence estimates of attainment for individual states and territories for a single age year, especially for the smaller states and territories, will not be particularly reliable. Comparisons between estimates, either among the states and territories or for a particular state or territory over time, will be even more problematic. As measures to monitor progress in the educational attainment of young Australians, the original measures were clearly unsatisfactory.[33]

The new measures for individual states and territories will be affected by the movement of young people between states and territories, not only to seek work, but also to undertake further study. As measures of the relative educational performance of the states and territories, they may prove problematic, particularly now that the criterion ages have been moved back by several years.

The introduction to this report also pointed out the implications of the revised measures for accountability and policy review. The speed with which changes in any educational arrangements—policies, programs or funding—are reflected in the attainment measures will be glacial.

Before their recent revision MCEETYA's measures of educational attainment were:[34]

- the proportion of 19 year olds who have completed Year 12 successfully or attained a qualification at Australian Qualifications Framework (AQF) Level 2 or above; and
- the proportion of 24 year olds who have completed a post-secondary qualification at AQF Level 3 or above.

Table 18
Percent of 19 and 20 year olds who have completed year 12 or obtained any post-school qualification, Australia and selected states and territories, 2002 and 2003

STATE/TERRITORY	2002	2003
New South Wales	77	77
Victoria	78	82
Queensland	76	80
South Australia	66	72
Western Australia	70	76
Tasmania	54	58
Northern Territory	79	45
Australian Capital Territory	85	90
Australia	75	78

Source: Customised tables from *Education and Work,* ABS 6227.0. Values for smaller states and territories have large standard errors. The few respondents who had not completed Year 12 and whose highest post-school qualification was Certificate I are excluded.

[33] These revised measures still face at least one technical problem. Distinguishing between Certificates I and II has proven difficult as will any attempt to distribute the small proportion (about four percent) of respondents whose recorded highest educational attainment is a Certificate not further defined. Decisions about these matters will affect the MCEETYA measures that are based on Certificate II and above and Certificate III and above.

[34] Australian Bureau of Statistics, *Education and Training Indicators Australia 2002*. 2002, ABS, Cat. No. 4230.0

Table 18 reflects the first of the original MCEETYA measures of attainment. In order to improve the accuracy of the estimates, the age range has been extended to include 20 year olds. Even with this broader definition the estimates for Tasmania, the two territories and possibly South Australia should be treated with caution. The results for some of these jurisdictions are based on fewer than 100 respondents. The only qualifications excluded were those uniquely identified as Certificate I. The measure therefore errs slightly on the generous side.[35]

In 2003, the ACT had the highest level of educational attainment among 19 and 20 year olds (90 percent) followed by Victoria (82 percent) and Queensland (80 percent). New South Wales and Western Australia are slightly below the national average with South Australia (72 percent) somewhat lower and Tasmania (58 percent) and the Northern Territory (45 percent) substantially lower.[36] The values for 2002 lend some support to this broad ranking of states and territories, but also highlight the year-to-year volatility of these measures.

Nationally, the proportion of 19 and 20 year olds with Year 12 or Certificate II increased by three percentage points between 2002 and 2003—a surprisingly large difference given the overlap of the age and year ranges.

Table 19
Percent of 24 to 25 year olds with Certificate III or higher, Australia and selected states, 2001 to 2003

STATE/TERRITORY	2001	2002	2003
New South Wales	54	48	52
Victoria	53	51	59
Queensland	40	46	45
South Australia	34	43	40
Western Australia	47	46	45
Tasmania	40	32	42
Northern Territory	32	68	23
Australian Capital Territory	49	57	52
Australia	48	48	51

Source: Customised tables from *Education and Work*, ABS 6227.0. Values for smaller states and territories have large standard errors.

Table 19 shows the corresponding results for the attainment of Certificate III or higher for 24 to 25 year olds. It also includes values for 2001. Nationally, this measure of educational attainment increased in 2003. Trends for individual states and territories are less clear. Again, caution is required when interpreting results for individual states and territories, but on average over the three years, Victoria, the ACT and New South Wales have relatively high levels of attainment, followed by Western Australia and

[35] The estimates include categories such as Certificate I/II, Certificate I/II not further defined, and Certificate not further defined.

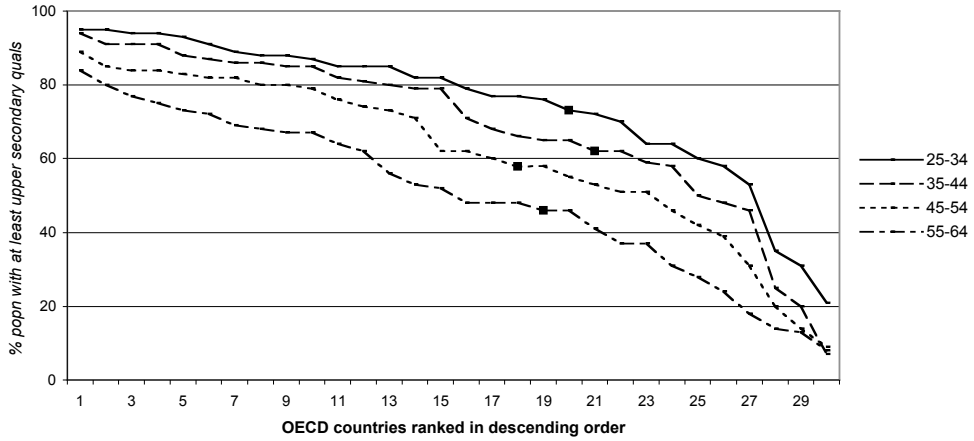
[36] The values for the Northern Territory for any one year are based on a very small number of respondents and are too volatile to interpret.

Queensland with South Australia, Tasmania and the Northern Territory markedly below the national average.[37]

International comparisons

The OECD provides comparisons of the percent of the population that has attained at least an upper secondary education for 30 OECD countries as well as 12 other countries (Table A13). Figure 9 shows the comparisons for the OECD countries for four age groups: persons 25 to 34, 35 to 44, 45 to 54 and 55 to 64.

Figure 9
Percentage of the population that has attained at least upper secondary education by age group, 2002: OECD countries



Source: *S*ee Table A13. Values for Australia are shown as black squares.

The educational attainment of Australians overall is not particularly high compared with other OECD countries. Overall, Australia is placed 19th out of the 30 OECD countries. It is placed with a group of three other countries—Belgium, Ireland and Iceland—and ahead of Luxembourg, Greece, Poland, Italy, Spain and Turkey. This is in the context of Australia having among the highest educational participation rates for people 20 years or older.[38]

In some ways examining the educational attainment of older Australians is like looking back to the educational policies and practices that were operating several decades ago. The educational attainment of younger people is higher for most countries, including Australia—73 percent of 25 to 34 year olds have attained at least an upper secondary education compared with only 46 percent of 55 to 64 year olds.

The improvement of educational attainment for young people in Australia, however, has barely kept pace with changes in other OECD countries. Relative to levels of educational attainment in other OECD countries, Figure 9 shows that younger Australians (25 to 34 years) are 20th out 30 countries while older Australians (55 to 64

[37] Again, Northern Territory values are based on a small number of respondents and are too volatile to interpret.

[38] OECD, 2004, *Education at a Glance 2004,* OECD, Paris, Table C1.2, p278.

years) were 19th out of 30 countries. The relative position of younger Australians is virtually unchanged.

Australia has moved closer to the international mean—we are about one point below the mean for young Australians and about three for older Australians. However, countries already close to universal attainment of upper secondary education probably have less scope for improvement than other countries. Australia's modest movement towards the mean may simply indicate that the goal posts for educational attainment have moved and differences in educational attainment between countries are now better reflected by *attainment of post-secondary* education.

Table A13 shows that more than 90 percent of the youth in many advanced countries attain an upper secondary level of education. For Australia, only 73 percent of 25 to 34 year olds attain an upper secondary education. If Australia is to approach universal attainment of upper secondary education for its young people, it may not be able to just provide more of the same types of education. To produce levels of educational attainment comparable with those in some of the leading OECD countries, Australia needs to involve and retain in education many more young people who have not participated previously in the kinds of education available to them.

Conclusion

Policy interventions that focus on the transition of young people from school to work and further study and from further study to work are perhaps more important in Australia than elsewhere. In Australia, the interface between education and the labour market is relatively *loosely coupled* compared to the more *tightly-connected* interface that characterises some other countries—the pathways are more individually constructed than institutionally structured.[39] In contrast to some other OECD countries, Australia provides a general initial education, a diverse post-school education and training sector offering a wide range of institutions, qualifications levels and courses, combined with open and flexible labour markets subject to comparatively little government regulation.[40] Failure to make a satisfactory transition from initial education to employment or further education can be costly for the individual and society and subtract from any improved outcomes achieved in initial education.[41]

The importance of institutional arrangements for educational outcomes should not be underestimated. Just as group training companies grew to fill an important role in the apprenticeship and traineeship system and facilitated its expansion, so too new institutional arrangements are required to improve the school to work transition.

All states are seeking to improve overall educational outcomes that are vital to better transitions. They have also introduced key curriculum innovations designed to improve retention, learning and the link between school and work—VET for Schools and school-based apprenticeships and traineeships. A number of state governments—Victoria, Queensland, South Australia, Western Australia and Tasmania—have gone further and launched a range of innovative programs that address school to work transitions. These programs include case management of transitions for early school leavers, transition planning, the creation of local area based networks of educational and other groups to improve coordination of provision and some monitoring of outcomes and individual follow-up after students leave school.

A feature of these arrangements has been the sometimes poor coordination with Commonwealth arrangements through Centrelink, New Apprenticeship Centres and the Local Community Partnerships, and other trials and pilots. Improved arrangements covering the transition from school require a more coherent and integrated response at the national level by the Commonwealth Government.

The evidence reviewed in this report leads to one key conclusion. The transition from education to work is not becoming any less troubled for young Australians. The youth labour market is increasingly characterised by part-time employment as full-time jobs become more difficult to find. The lack of any significant improvement in the post-school experiences of young Australians is against a background of improved economic conditions, slight improvements in educational attainment and participation

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[39] McKenzie P, 1998, *The transition from education to work in Australia compared to selected OECD countries*, Paper presented to the Sixth International Conference on Post-compulsory Education and Training, December, Griffith University, Gold Coast, Queensland.

[40] OECD 1998, *Pathways and participation in vocational education and training*. OECD, Paris.

[41] Applied Economics, 2002, *Realising Australia's Commitment to Young People*, DSF, Sydney, and 'The Economy-wide Benefits of Increasing the Proportion of Students Achieving Year 12 Equivalent Education: Modeling Results. Report to the Business Council of Australia', Allen Consulting Group, January 2003.

and the recent introduction of programs designed to improve transitions. The effects of some recent policy innovations may be evident in the coming years.

Should the strengthening economic conditions of the last decade worsen, transitions will be effected directly through reduced opportunities for employment. Educational pathways for youth are now more exposed to economic volatility than previously because of the growing importance of apprenticeships and particularly traineeships. The New Apprenticeship system has not yet had to weather the effects of an economic downturn. Consideration should be given in advance to ways in which this system can be made more recession proof.

Better monitoring of the post-school experiences of Australian young people is vital for the design and improvement of policies and arrangements that address school to work transitions. Relying on existing data collections may not suffice. The OECD review of transition arrangements suggests the following set of goals:

- High proportions of young people completing a full upper secondary education with a recognised qualification for either work, tertiary study or both.
- High levels of knowledge and skill among young people at the end of the transition phase.
- A low proportion of teenagers being at the one time not in education and unemployed.
- A high proportion of those young adults who have left education having a job.
- Few young people remaining unemployed for lengthy periods after leaving education.
- Stable and positive employment and educational histories in the years after leaving upper secondary education; and
- An equitable distribution of outcomes by gender, social background and region.[42]

International comparisons show that there is considerable scope for improvement in Australia's performance in terms of most of these goals. The results in this report suggest that in terms of the main transition measures—the proportion of young people in neither full-time education nor full-time work—little improvement has been achieved in recent years.

[42] OECD, 2000, *From initial education to working life*, OECD, Paris.

Table A1
Full-time participation rates for 15 to 24 year olds, based on participation in full-time education or full-time work, or both part-time education and part-time work, 2003, states and territories, percent

Age	NSW	VIC	QLD	SA	WA	TAS	ACT	NT	AUST
15	97.6	99.0	95.6	99.1	96.4	100.0	88.7	100.0	97.6
16	92.7	96.9	95.0	96.4	91.5	98.4	100.0	96.4	94.6
17	90.3	93.0	79.1	87.5	82.4	80.7	94.2	95.4	87.6
18	75.9	86.3	75.8	67.1	73.5	73.7	94.0	60.2	77.2
19	80.8	82.1	70.8	74.5	79.1	57.3	79.4	79.2	78.0
15-19	87.2	91.5	82.9	84.9	84.4	82.6	91.3	85.3	86.8
20	79.6	80.8	73.0	75.1	86.2	80.1	60.1	89.7	79.1
21	77.4	80.5	71.4	74.0	76.2	78.3	72.4	85.9	76.8
22	75.4	81.1	67.1	85.7	78.9	65.3	64.6	98.1	76.5
23	81.1	76.9	73.7	67.5	74.4	69.1	70.1	89.9	76.8
24	73.6	79.2	75.0	68.5	77.6	70.1	52.5	82.4	75.3
20-24	77.4	79.7	72.0	74.2	78.6	73.0	64.8	89.2	76.9
15-24	82.2	85.3	77.4	79.6	81.5	78.1	78.9	87.4	81.8

Source: Customised tables. *Education and Work,* ABS 6227.0. Many of the estimates in this table are based on relatively few cases and therefore have large standard errors. Greater reliance can be placed on national estimates, estimates for broader age bands and estimates for the larger states. Estimates for single years of age for smaller states and territories are subject to substantial sampling variability.

Table A2
Proportion of 15 to 19 year olds not in full-time education or full-time employment, May 1986 to May 2004, percent

May	Males percent	Females percent	Persons percent
1986	13.8	18.2	16.0
1987	14.1	17.8	15.9
1988	13.1	16.0	14.5
1989	9.7	14.8	12.2
1990	12.2	15.4	13.8
1991	15.0	17.7	16.3
1992	15.1	18.8	16.9
1993	16.0	17.5	16.7
1994	16.1	18.0	17.0
1995	13.7	17.9	15.7
1996	15.4	17.2	16.3
1997	15.0	15.3	15.2
1998	14.7	16.5	15.6
1999	13.5	15.5	14.4
2000	13.3	15.3	14.3
2001	14.8	15.1	14.9
2002	13.6	17.0	15.3
2003	13.8	15.9	14.8
2004	14.3	16.7	15.5

Source: ABS *Labour Force Australia*, 6202.0—ST LM3. There is a break in the series after March 2001. Some values in the table may differ from those in earlier editions of this volume because of revisions to their data by the ABS in the light of Census and other data.

Table A3
Percent of male and female school leavers not in full-time study or work in May of the year after leaving school, Australia, 1987 to 2004

In May	Males percent	Females percent	Persons percent
1987	24.8	26.8	25.8
1988	23.4	24.1	23.7
1989	17.7	25.1	21.4
1990	20.5	22.6	21.5
1991	29.0	32.3	30.7
1992	30.2	34.9	32.4
1993	31.1	33.2	32.1
1994	29.8	34.1	32.0
1995	27.9	29.1	28.5
1996	30.2	31.5	30.9
1997	27.3	27.8	27.6
1998	28.7	33.8	31.2
1999	26.3	25.8	26.0
2000	28.1	28.0	28.1
2001	30.7	28.5	29.6
2002	26.7	32.6	29.6
2003	27.9	31.3	29.6
2004	27.1	35.9	31.4

Source: ABS *Labour Force Australia*, 6202.0—ST LM3. There is a break in the series after March 2001.

Table A4
Enrolments in VET in Schools programs, Australia 1996 to 2003

	1996	1997	1998	1999	2000	2001	2002	2003
Students in VET in Schools ('000s)[1]	60.0	94.1	117.0	139.4	153.6	169.8	185.5	202.9
Students in Years 11 to 12 ('000s)[2]	371.3	381.5	390.9	402.4	403.6	411.5	419.0	419.9
Participation (%)[3]	16.2	24.7	29.9	34.6	38.1	41.3	44.3	48.3

(1) *MCEETYA Taskforce on Transition from School* (2003) and as reported in *Australian vocational education and training statistics: Students and courses 2003*, NCVER, p.115. (2) Number of full-time school students in Years 11 and 12, *Schools Australia* ABS 4221.0. (3) VET in Schools students as a percentage of school students in Years 11 and 12 (MCEETYA)—values are indicative as some VET-in-school provision may occur earlier than Year 11.

Table A5
Participation in publicly funded vocational education and training: 15 to 19 year olds, 1997 to 2003

	1997	1998	1999	2000	2001	2002	2003
	%	%	%	%	%	%	%
As published							
Males	24.5	27.6	30.2	31.8	33.8	29.0	28.7
Females	19.0	22.1	24.6	26.5	29.8	24.6	24.6
Persons	21.8	24.9	27.6	29.4	32.0	26.9	26.8
With VET in Schools							
Males	---	---	---	---	---	39.2	39.4
Females	---	---	---	---	---	35.4	35.5
Persons	---	---	---	---	---	37.4	37.5

Based on tables in *Australian vocational education and training statistics: Students and courses 2003*, NCVER, various years, data provided by NCVER for 1997 and 2003 and *Population by age and sex, Australian states and territories*, ABS, 3201.0. Estimated resident population at 30 June. Missing data were distributed pro-rata among categories.

Table A6
Part-time employment: 15 to 19 and 20 to 24 year olds not in full-time study, Australia, May 1986 to May 2004

	% EMPLOYED PART-TIME			RATIO OF PART-TIME WORK TO FULL-TIME WORK			% EMPLOYED FULL-TIME		
In May	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons
15 to 19 year olds									
1986	6.2	9.9	8.0	0.09	0.16	0.12	71.7	61.5	66.8
1987	6.8	12.2	9.4	0.10	0.21	0.14	70.2	59.5	65.1
1988	7.7	12.0	9.7	0.11	0.19	0.14	71.8	63.0	67.6
1989	6.9	11.8	9.1	0.09	0.18	0.13	79.1	64.2	72.2
1990	7.8	12.7	10.1	0.11	0.21	0.15	73.1	61.2	67.6
1991	10.1	15.9	12.8	0.16	0.31	0.22	62.1	51.2	57.0
1992	10.9	19.3	14.7	0.18	0.46	0.28	60.0	42.1	51.9
1993	11.5	19.7	15.1	0.20	0.45	0.29	57.6	44.3	51.7
1994	11.5	22.8	16.4	0.20	0.57	0.33	57.2	40.0	49.8
1995	11.7	22.2	16.4	0.19	0.52	0.30	62.9	42.4	53.8
1996	12.3	25.5	18.0	0.21	0.60	0.35	59.1	42.4	51.9
1997	14.1	26.0	19.1	0.25	0.61	0.37	57.2	42.4	51.0
1998	11.9	25.1	17.4	0.20	0.64	0.34	58.8	39.2	50.5
1999	14.8	26.3	19.8	0.25	0.61	0.38	60.1	43.4	52.8
2000	17.1	24.9	20.5	0.28	0.55	0.38	60.6	44.9	53.6
2001	17.6	26.7	21.5	0.31	0.61	0.42	56.4	44.1	51.0
2002	17.1	29.8	22.8	0.29	0.76	0.46	58.9	39.1	50.0
2003	17.7	28.4	22.4	0.30	0.67	0.44	58.5	42.5	51.4
2004	16.7	30.6	22.9	0.29	0.74	0.46	57.6	41.5	50.4
20 to 24 year olds									
1986	3.9	10.3	7.1	0.05	0.17	0.10	80.4	58.9	69.6
1987	3.5	10.3	6.9	0.04	0.17	0.10	80.9	60.8	70.9
1988	4.4	10.9	7.6	0.05	0.18	0.11	80.7	61.0	70.9
1989	4.1	11.5	7.8	0.05	0.18	0.11	83.7	63.8	73.8
1990	4.8	11.1	8.0	0.06	0.17	0.11	81.1	64.2	72.7
1991	5.8	11.0	8.4	0.08	0.18	0.12	74.7	59.8	67.3
1992	6.8	14.6	10.7	0.10	0.26	0.17	70.9	56.7	63.9
1993	7.8	14.7	11.2	0.11	0.27	0.18	70.8	55.2	63.1
1994	7.6	15.4	11.4	0.11	0.27	0.18	71.2	57.3	64.3
1995	7.7	15.4	11.5	0.10	0.27	0.17	75.0	57.9	66.5
1996	7.5	16.3	11.8	0.10	0.29	0.18	75.6	57.2	66.5
1997	8.8	17.6	13.1	0.12	0.33	0.21	70.8	54.0	62.6
1998	9.9	15.7	12.7	0.14	0.27	0.20	71.8	58.0	65.1
1999	9.9	18.6	14.1	0.13	0.34	0.22	73.3	55.1	64.5
2000	8.7	16.7	12.6	0.11	0.28	0.18	75.9	60.3	68.3
2001	10.0	17.3	13.6	0.14	0.29	0.21	72.6	59.0	65.9
2002	10.6	17.4	13.9	0.14	0.30	0.21	73.9	57.8	66.2
2003	11.6	17.6	14.5	0.16	0.31	0.22	71.5	57.4	64.7
2004	11.6	20.4	15.8	0.16	0.37	0.25	72.4	55.2	64.2

Source: ABS *Labour Force Australia*, 6202.0—ST LM3.

Table A7
Number of full-time jobs and full-time job growth by age group: Australia, 1995 to 2004

	NUMBER IN FULL-TIME WORK			% CHANGE IN NO. IN FULL-TIME WORK		
	15-19	20-24	25-64	15-19	20-24	25-64
	'000s	'000s	'000s	%	%	%
1995	232.0	793.3	5,153.2	100.0	100.0	100.0
1996	223.7	766.2	5,252.8	96.4	96.6	101.9
1997	203.5	699.3	5,320.7	87.7	88.2	103.3
1998	208.9	717.2	5,385.8	90.0	90.4	104.5
1999	211.0	672.8	5,480.9	91.0	84.8	106.4
2000	218.5	693.6	5,620.7	94.2	87.4	109.1
2001	209.3	664.4	5,667.6	90.2	83.8	110.0
2002	207.1	654.0	5,733.2	89.3	82.4	111.3
2003	215.1	660.4	5,814.8	92.7	83.2	112.8
2004	218.3	678.5	5,935.9	94.1	85.5	115.2

Source: ABS *Labour Force Australia*, 6202.0—ST LM3 and ABS *Labour Force Australia*, 6202.0, Table 03, Labour force status by Sex, Time series workbook.

Table A8
Labour force activities of 20 to 24 year olds not in full-time study or work, Australia, May 1986 to May 2004

	IN PART-TIME WORK			UNEMPLOYED			NOT IN THE LABOUR FORCE		
	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons
In May	%	%	%	%	%	%	%	%	%
1986	3.6	9.5	6.6	9.6	6.8	8.2	4.8	21.8	13.2
1987	3.2	9.5	6.3	10.0	7.3	8.7	4.2	19.2	11.6
1988	3.9	9.9	6.9	9.8	6.6	8.2	3.7	19.0	11.3
1989	3.6	10.3	6.9	7.3	6.0	6.7	3.4	15.9	9.6
1990	4.2	9.7	6.9	8.4	6.0	7.2	3.9	15.5	9.6
1991	5.0	9.5	7.2	12.8	9.2	11.0	4.0	15.8	9.9
1992	5.8	12.3	9.1	15.0	8.9	12.0	3.9	15.4	9.6
1993	6.7	12.4	9.5	14.2	8.3	11.3	4.3	16.9	10.5
1994	6.5	12.9	9.7	12.6	7.9	10.3	5.4	15.0	10.2
1995	6.5	13.0	9.7	9.9	7.5	8.7	4.6	15.1	9.8
1996	6.3	13.5	9.8	9.7	7.1	8.4	4.5	14.8	9.6
1997	7.3	14.3	10.8	12.0	8.8	10.4	5.0	14.2	9.6
1998	8.2	12.6	10.4	10.0	7.1	8.5	5.2	14.1	9.6
1999	8.0	14.6	11.3	7.9	6.7	7.3	5.8	13.9	9.8
2000	7.0	13.0	10.0	7.7	5.6	6.7	4.8	12.2	8.5
2001	7.9	13.5	10.7	8.8	6.5	7.6	4.8	12.0	8.4
2002	8.2	12.7	10.4	7.4	4.6	6.0	4.6	13.5	9.0
2003	9.0	12.8	10.9	7.5	5.5	6.5	5.5	12.7	9.0
2004	9.0	14.6	11.8	6.1	4.1	5.1	6.3	13.5	9.8

Source: ABS *Labour Force Australia*, 6202.0—ST LM3. Some students are in both full-time study and full-time work.

Table A9
Percent of 20 to 24 year olds not in full-time education or full-time employment, May 1986 to May 2004

May in	Males percent	Females percent	Persons percent
1986	18.0	38.2	28.0
1987	17.4	36.0	26.6
1988	17.4	35.5	26.4
1989	14.4	32.2	23.2
1990	16.4	31.3	23.8
1991	21.8	34.5	28.1
1992	24.7	36.6	30.6
1993	25.1	37.5	31.3
1994	24.5	35.9	30.1
1995	21.0	35.6	28.2
1996	20.5	35.4	27.9
1997	24.2	37.3	30.7
1998	23.4	33.7	28.5
1999	21.7	35.1	28.3
2000	19.5	30.8	25.1
2001	21.5	31.9	26.7
2002	20.1	30.8	25.4
2003	21.9	31.0	26.4
2004	21.4	32.2	26.7

Source: ABS *Labour Force Australia*, 6202.0—ST LM3. There is a break in the series after March 2001. Some values in the table may differ from those in earlier editions of this volume because of revisions to their data by the ABS in the light of Census and other data.

Table A10
Percent of young people neither in education or work: OECD countries, 2002

	15-19 YEAR OLDS	%
1	Denmark	2.4
2	Luxembourg	3.0
3	Poland	3.1
4	Norway	3.2
5	France	3.4
6	Iceland	4.3
7	Netherlands	4.6
8	Sweden	4.6
9	Germany	4.7
10	Ireland	4.8
11	Switzerland	5.8
12	Czech Republic	6.0
13	Spain	6.1
14	Greece	6.2
15	Austria	6.3
16	Canada	6.4
17	Belgium	6.8
18	Australia	7.1
19	Portugal	7.2
20	USA	7.5
21	Hungary	8.0
22	UK	8.5
23	Italy	10.5
24	Finland	14.9
25	Slovak Republic	15.8
26	Mexico	17.5
27	Turkey	32.8
	Country mean	7.9

	20-24 YEAR OLDS	%
1	Iceland	6.1
2	Luxembourg	7.0
3	Denmark	7.4
4	Netherlands	7.9
5	Norway	9.7
6	Switzerland	9.7
7	Ireland	10.8
8	Sweden	11.2
9	Austria	11.7
10	Portugal	12.0
11	Australia	13.2
12	Canada	13.9
13	France	14.3
14	Spain	15.1
15	UK	15.3
16	USA	15.6
17	Germany	15.9
18	Belgium	17.5
19	Czech Republic	18.1
20	Finland	18.8
21	Hungary	20.3
22	Greece	22.0
23	Italy	24.3
24	Poland	25.4
25	Mexico	26.6
26	Slovak Republic	33.9
27	Turkey	45.4
	Country mean	16.6

Source: *Education at a Glance,* (OECD, 2004) Table C4.1.2 pp. 330-331.

Table A11
Labour market status of young men and women aged 20 to 24 years, OECD countries, 2001

Rank	Country	Part-time work as proportion of total non-student male employment
1	New Zealand	15.7
2	Australia	11.5
3	Canada	8.7
4	Poland	7.8
4	Switzerland	7.8
6	Sweden	7.7
7	France	6.4
8	UK	6.2
9	Mexico	6.1
9	Belgium	6.1
11	Finland	6.0
12	Italy	4.6
13	Turkey	4.2
14	Germany	3.8
15	Spain	2.9
16	Greece	2.5
17	Austria	2.0
18	Czech Republic	0.8
19	Slovak Republic	0.3

Rank	Country	Part-time work as proportion of total non-student female employment
1	New Zealand	27.7
2	Belgium	26.2
3	Finland	23.2
4	Sweden	21.8
4	Australia	21.8
6	UK	21.6
7	France	21.1
8	Canada	19.6
9	Mexico	19.4
10	Denmark	16.1
11	Poland	15.7
12	Germany	15.2
13	Italy	12.9
14	Spain	12.3
15	Turkey	11.9
16	Austria	9.5
17	Switzerland	8.6
18	Greece	7.1
19	Slovak Republic	5.3
20	Hungary	2.2
21	Czech Republic	2.1

Source: OECD Labour Market Statistics - DATA LFS transition from school to work of young people, sex and age – www.oecd.org

Table A12
Ratio of unemployment rates of youth not in full-time study to unemployment rates of 25 to 64 year olds, Australia, May 1986 to May 2004

	15 TO 19 YEAR OLDS			20 TO 24 YEAR OLDS			15 TO 24 YEAR OLDS		
In May	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons
1986	3.05	3.39	3.21	1.90	1.65	1.79	2.31	2.30	2.30
1987	2.98	3.03	3.00	1.82	1.60	1.72	2.23	2.11	2.18
1988	2.97	2.95	2.96	2.10	1.68	1.91	2.41	2.14	2.29
1989	2.05	3.17	2.55	1.78	1.71	1.75	1.88	2.22	2.03
1990	2.89	3.28	3.06	2.04	1.70	1.88	2.34	2.23	2.29
1991	2.88	2.91	2.89	1.97	1.67	1.84	2.25	2.05	2.16
1992	2.69	3.18	2.90	2.00	1.38	1.71	2.20	1.87	2.05
1993	2.45	2.46	2.45	1.75	1.25	1.53	1.95	1.57	1.78
1994	3.01	3.17	3.08	1.90	1.38	1.66	2.21	1.82	2.04
1995	2.62	3.35	2.93	1.64	1.43	1.54	1.91	1.92	1.92
1996	3.20	2.99	3.11	1.74	1.50	1.63	2.17	1.88	2.04
1997	3.20	2.90	3.08	2.19	1.87	2.04	2.48	2.12	2.32
1998	3.25	3.56	3.38	1.89	1.59	1.75	2.29	2.08	2.19
1999	2.66	2.83	2.73	1.61	1.60	1.61	1.92	1.92	1.92
2000	2.40	3.17	2.73	1.77	1.50	1.65	1.96	1.95	1.95
2001	3.08	2.69	2.92	1.97	1.63	1.81	2.31	1.91	2.13
2002	2.69	3.03	2.84	1.72	1.30	1.53	2.01	1.80	1.92
2003	2.97	3.00	2.98	1.96	1.71	1.85	2.26	2.07	2.18
2004	3.28	3.59	3.42	1.81	1.48	1.66	2.24	2.09	2.17

Source: *Labour Force Australia*, ABS, 6202.0—ST LM3 and ABS *Labour Force Australia,* ABS, 6202.0, Table 03.

Table A13
Percentage of the population that has attained at least upper secondary education[1] by age, 2002: OECD and other countries

AGE GROUP	25-64	25-34	35-44	45-54	55-64
COUNTRY	**%**	**%**	**%**	**%**	**%**
Australia	61	73	62	58	46
Austria	78	85	82	74	67
Belgium	61	77	66	55	41
Canada	83	89	86	82	69
Czech Republic	88	94	91	85	80
Denmark	80	85	81	80	72
Finland	75	88	85	71	52
France[2]	65	79	68	60	48
Germany	83	85	86	84	77
Greece	50	72	58	42	28
Hungary	71	82	79	73	48
Iceland	59	64	62	58	48
Ireland	60	77	65	51	37
Italy	44	60	50	39	24
Japan	84	94	94	82	64
Korea	71	95	79	51	31
Luxembourg	57	64	59	53	46
Mexico	13	21	7	9	13
Netherlands	66	76	71	62	53
New Zealand	76	82	80	76	62
Norway	86	95	91	83	73
Poland	47	53	48	46	37
Portugal	20	35	20	14	8
Slovak Republic	86	93	91	84	68
Spain	41	58	46	31	18
Sweden	82	91	87	79	67
Switzerland	82	88	85	80	75
Turkey	25	31	25	20	14
United Kingdom[2]	64	70	65	62	56
United States	87	87	88	89	84
OECD country mean	*64*	*74*	*69*	*60*	*49*
Argentina[3]	42	52	43	38	28
Brazil[3]	27	32	30	24	15
Chile	47	61	49	42	28
Indonesia	22	32	23	17	9
Israel	80	87	80	78	71
Jordon	39	---	---	---	---
Malaysia[3]	41	58	42	24	13
Paraguay[3]	22	30	23	16	11
Peru[3]	44	55	46	35	22
Philippines	43	54	37	---	---
Thailand[3]	19	28	20	12	7
Uruguay[3]	33	38	36	32	23

Source: *Education at a Glance,* (OECD, 2004) Table A2.2 p.51. (1) Excludes ISCED 3C short programs (some AQF Certificate 3 programs for Australia). AQF Certificates 1 and 2 are ISCED 2 and are therefore excluded. Apprenticeships and longer traineeships are included. (2) Not all ISCED 3 programs meet minimum requirements for ISCED 3C long programs. (3) Year of reference 2001.