Youth transitions in Australia: a moving picture

Highlights from the Longitudinal Surveys of Australian Youth (LSAY) annual report 2013
This publication highlights the key elements from the first edition of the Longitudinal Surveys of Australian Youth (LSAY) annual report. Using LSAY data and research findings, it demonstrates how transitions for young Australians continue to change, underscoring the importance of longitudinal surveys in shaping youth policy.

The LSAY program:

- follows nationally representative cohorts of young people aged 15–25 years over a ten-year period, with interviews taking place annually
- covers a wide range of school and post-school topics, from student achievement and aspirations, to what young people do when they leave school
- allows for more nuanced and sophisticated analytical techniques, making it an important tool for gathering evidence for the development of youth policy
- is one of the few longitudinal surveys in the world that supports multiple cohorts, thereby allowing comparisons to be made across different time periods and between cohorts at the same age (see ‘Youth transition surveys in Australia’ on page 9).

The full LSAY annual report can be found at <http://www.lsay.edu.au/publications/2761.html>.
Students’ aspirations affect their educational outcomes

Educational aspirations have a substantial effect on educational outcomes\(^1\). While various factors drive these aspirations, parental expectations stand out as particularly influential. Students whose parents want them to go to university are:

- four times more likely to complete Year 12
- 11 times more likely to plan to go to university\(^2\).

Over time more young people are aspiring to complete Year 12 (from 81.9% in 2003 to 86.5% in 2009), while university remains the preferred post-school study destination over vocational education and training (VET)\(^3\).

For those who intend to go on to university or VET study, about two-thirds completed a qualification in that sector several years later\(^4\).

When it comes to student engagement with school, once individual background factors are controlled for, school attributes have limited impact on the engagement levels of 15-year-olds\(^5\). If school factors do have an impact on student engagement, it may occur at a younger age.

More 15-year-olds are aspiring to complete Year 12

University is the preferred post-school study option for 15-year-olds
The rates of Year 12 completion are increasing and vary by student characteristics. Reading levels at age 15 in particular are a strong indicator of Year 12 completion. For those from the low reading achievement quartile, 68.5% completed Year 12 by age 21, compared with 97.4% for those from the high reading achievement quartile.

Non-metropolitan students have experienced significant increases in their rates of Year 12 completion, with an increase of 5.1 percentage points, from 76.5% in 2009 to 81.6% in 2012.

Schools play an important role when it comes to academic success, such as Year 12 completion, particularly in relation to the most vulnerable students — those from low socioeconomic backgrounds. These students benefit significantly from attending schools with high academic quality (demonstrated by the school’s performance in terms of tertiary entrance scores and transitions to university). Students from high academic quality schools are more likely to complete Year 12, regardless of socioeconomic background.
Schools also play a part in ensuring successful transitions to post-school study. Schools have an impact on a student’s tertiary entrance score and their probability of going to university in the first year after leaving school\textsuperscript{10}. Although young people’s individual characteristics are the main drivers of success, school attributes contribute to almost 20% of the variation in tertiary entrance scores\textsuperscript{11}.

In addition, taking a break between high school and post-school study is becoming more popular. Fewer young people plan on undertaking post-school study in the year immediately after they leave school compared with earlier LSAY cohorts. On leaving school more young people are choosing other activities such as travelling or taking a ‘gap year’\textsuperscript{12}.
More young people are undertaking post-school qualifications

The proportion of young people undertaking and completing post-school qualifications is increasing, with more young people now completing bachelor degree qualifications (33.7% in 2005 to 37.9% in 2012) and VET qualifications (35.5% in 2005 to 45.0% in 2012) by age 2413. The growth in bachelor degree completions by age 24 has been even greater for females (increasing 6.4 percentage points) than for males (increasing 2.1 percentage points) over the same time period. In contrast, the growth in VET qualifications by age 24 has increased 14.9 percentage points for males compared with 4.1 percentage points for females14.

The increases in the number of young people going on to study after school have impacted the pool of young apprentices, particularly for young men. Young men who were less academically inclined and from low socioeconomic backgrounds contributed to the growth in apprenticeships, while increases in university participation have come from academically lower-performing young men with a higher socioeconomic background15.

Those who scored well in reading at age 15 years are nearly five times more likely to be undertaking or have completed a university qualification than lower-performing students, and participation in VET is three times more likely for those lower-performing students16.

Course completion rates are substantially improved when students are in receipt of the Youth Allowance (based on the eligibility rules in operation at the time of the research in 2009), but enrolment rates are similar, regardless of students’ eligibility for the allowance17.
Transitions to full-time employment are becoming more difficult

While employment remains reasonably stable overall, the Global Financial Crisis (GFC) of 2008 has had a significant impact on full-time employment rates, particularly for young people. The proportion of young people in full-time employment has decreased and the number in part-time employment has increased\textsuperscript{18}. The proportion not in the labour force has increased slightly since 2002, which can be partially attributed to the increased rates of educational participation. Youth unemployment for those not attending full-time education remains high, at 15.0\% for 15 to 19-year-olds and 9.3\% for 20 to 24-year-olds\textsuperscript{19}. This means that young people are taking longer to transition into full-time work. The rate at which young people have gained their first full-time job by age 21 has declined, from 63.1\% (of 21-year-olds) for the 1995 cohort, to 55.2\% for the 2006 cohort\textsuperscript{20}.

For young people starting their working lives, transitions into work can often be into low-skill jobs. Five years after leaving full-time education the wage penalty of a low-skill job still exists, but the effect diminishes over time\textsuperscript{21}. While young people who are part-time workers are likely to remain in low-skill jobs, part-time or casual jobs can be a useful pathway for young people to progress into full-time or permanent positions. With more youth in part-time employment, it seems young people are losing out on opportunities at work. There has been a large decrease in the proportion of 24-year-olds satisfied with their ‘opportunities for promotion’ (down from 73.7\% in 2008 to 67.1\% in 2012) and ‘opportunities for training’ (down from 81.6\% in 2008 to 76.9\% in 2012)\textsuperscript{22}.

### Rates of young people gaining their first full-time job by age 21 have declined

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Y95</td>
<td>63.1%</td>
</tr>
<tr>
<td>Y98</td>
<td>61.9%</td>
</tr>
<tr>
<td>Y03</td>
<td>60.9%</td>
</tr>
<tr>
<td>Y06</td>
<td>55.2%</td>
</tr>
</tbody>
</table>

### Satisfaction with opportunities for promotion at work is decreasing for 24-year-olds

- 2008: 73.7\%
- 2012: 67.1\%
Increased educational participation and the growing number of young people remaining in the parental home show how young people’s transitions are changing. The proportion of 21-year-olds still living in their parental home has increased from 58.6% in 2005 to 65.4% in 2012. Rates of marriage are also falling (from 3.0% in 2005 to 1.9% in 2012), while de facto relationships are on the rise (10.9% in 2002 to 15.0% in 2012).

The vast majority of 21-year-olds are satisfied with their life as a whole. Across 14 measures of life satisfaction, only one measure showed a large decrease in happiness; ‘the way the country is run’ decreased from 78.5% in 2009 to 55.6% in 2012.
Youth longitudinal surveys have a long history in Australia. The aim of the first such study, the Youth in Transition (YIT) study, which began in 1975, was to learn more about the labour market experiences of young people at a time when unemployment had increased significantly. Other youth surveys introduced in the 1980s had a similar remit. In 1995, the three youth surveys then operating were brought together to form the LSAY program.

LSAY follows nationally representative cohorts of young people aged 15—25 years over a ten-year period, with interviews taking place annually. Each cohort starts out with about 14,000 students. To date, there have been five cohorts, the first beginning in 1995 (known as Y95), followed by further cohorts in 1998, 2003, 2006 and 2009 (known as the Y98, Y03, Y06 and Y09 cohorts respectively).

Information collected as part of the LSAY program covers a wide range of school and post-school topics, including:
- literacy and numeracy achievement
- attitudes to school
- aspirations
- post-school plans
- careers advice
- work experiences
- what students do when they leave school.

It also covers a wealth of other information about young people’s family background, their living arrangements, looking for work, job training and satisfaction, their financial situation, and satisfaction with life.

The importance of LSAY

The LSAY program is an important evidence base for youth policy, providing information on the key transition points in young people’s lives up to the age of 25 years.

LSAY findings continue to contribute to the evidence base for policy initiatives. Examples include:
- increased financial assistance to regional/remote Australians for relocating to study
- reforms to youth, career and transition policies and programs
- structured workplace learning opportunities for students undertaking VET at school.

These kinds of policy changes ultimately lead to increased chances of successful study, employment and community outcomes.

Since 2010, there have been more than 300 citations of LSAY work in reports, papers, journal articles and the like. There have been more than 10,000 unique page views of the reports published under the LSAY program in 2013 and LSAY research was cited 76 times in the media.

The program’s capacity for more nuanced and sophisticated analytical techniques enables important policy or research questions to be explored. Because each cohort follows the same young people over a ten-year period, changes to their circumstances can be observed.

The design also allows for comparisons between population subgroups over time, providing useful and relevant evidence for policy development. Governments are interested in what is happening to particular groups of individuals and how they are faring in the context of changing economic, educational and social environments.

LSAY is one of the few longitudinal surveys in the world supporting multiple cohorts, thereby allowing comparisons to be made across different time periods and between cohorts at the same age. This feature substantially adds to the value of the LSAY program.
The full LSAY annual report can be found at <http://www.lsay.edu.au/publications/2761.html>.

To access LSAY research reports and briefing papers, go to the LSAY website <http://www.lsay.edu.au/publications/index.html>.

Summary data tables (LSAY cohort reports and pivot tables) can be accessed at <http://www.lsay.edu.au/data/index.html>.

- The cohort reports summarise the ‘learning and earning’ activities of young people. They contain information on employment, education, study and work, and social indicators. The data presented can be filtered by demographic groups and downloaded into Excel.

- The pivot tables can be used to create customised tables from a range of variables. Selected demographics, including sex, state, geographic location, school sector, country of birth or socioeconomic status, are available for each pivot table.

The LSAY datasets are available for research and analysis from the Australian Data Archive.

- For information on how to access the latest data, go to <http://www.lsay.edu.au/data/access.html>.
- For a full list of data items, refer to LSAY variable listing and metadata <http://www.lsay.edu.au/publications/2621.html>.

For more information

Register with the LSAY website to receive email alerts about LSAY releases or sign up to the RSS feed at <http://www.lsay.edu.au/subscribe.html>.
Notes

1 Homel, J & Ryan, C 2014, Educational outcomes: the impact of aspirations and the role of student background characteristics, NCVER, Adelaide.
4 ibid.
6 NCVER, op. cit.
7 NCVER, op. cit.
8 NCVER, op. cit.
9 Lim, P, Gemici, S & Karmel, T 2013, The impact of school academic quality on low socioeconomic status students, NCVER, Adelaide.
10 Gemici, S, Lim, P & Karmel, T 2013, The impact of schools on young people’s transition to university, NCVER, Adelaide.
11 ibid.
12 NCVER, op. cit.
14 ibid.
16 NCVER, Longitudinal Surveys of Australian Youth annual report 2013.
17 Ryan, C 2013, Student income support and education and training participation in Australia, NCVER, Adelaide.
18 NCVER, Longitudinal Surveys of Australian Youth annual report 2013.
20 NCVER, Longitudinal Surveys of Australian Youth annual report 2013.
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22 NCVER, Longitudinal Surveys of Australian Youth annual report 2013.
23 NCVER, Longitudinal Surveys of Australian Youth annual report 2013.
24 NCVER, Longitudinal Surveys of Australian Youth annual report 2013.
Since 2007, the National Centre for Vocational Education Research (NCVER) has provided the Longitudinal Surveys of Australian Youth (LSAY) analytical and reporting services for the Department of Education. Using LSAY data and research findings, NCVER has produced this publication highlighting the key elements from the first edition of the LSAY annual report.

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