

Future topic areas for the Longitudinal Surveys of Australian Youth – Y15 cohort

**NATIONAL CENTRE FOR VOCATIONAL
EDUCATION RESEARCH**

Longitudinal Surveys of Australian Youth



Publisher's note

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 Australian Department of Education and Training. 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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Understanding Australian Youth

In 2014, the Department of Education and Training undertook a thorough review of the Longitudinal Surveys of Australian Youth (LSAY). This review highlighted the importance of the LSAY program but it was widely acknowledged that the time was right its redevelopment. As a result, the Department of Education and Training commissioned the National Centre for Vocational Education Research (NCVER) to redevelop the Longitudinal Surveys of Australian Youth (LSAY).

One component of this redevelopment is to improve the quality of information that LSAY provides to policy-makers and researchers and to provide the flexibility to add topics as they emerge, whilst maintaining the power of the longitudinal survey. As part of the redevelopment of LSAY, NCVER will develop the initial 2016 questionnaire for the new 2015 cohort (aged 15–16 years), and also seek to develop a topic map for the whole ten years of the cohort. The topic map will provide a high-level road map for the core topics to be included for the life of the LSAY cohort and give LSAY the flexibility to include contemporary or one-off topics as they emerge.

In order to inform the development of the topic map, NCVER is undertaking consultations with a wide range of people and organisations who develop policy, work with or undertake research on topics related to young people and youth transitions. These consultations will help to ensure that LSAY continues to inform youth transition policy, while producing fresh approaches to the analysis of the rich data provided by the surveys.

The age of 15 is a critical age for young people in terms of choices they have to make regarding schooling, post-school study and career aspirations. These choices will lead to various paths in the years that follow. In addition, their social circumstances will change as they gain greater independence, form relationships and have families of their own. How young people deal with these transitions is of great interest to policy makers, parents, teachers, career advisers and the young people themselves (Nguyen et al. 2010).

The choices young people make or that are available to them has become more complex over time. While the basics of schooling, post-school education and the labour market remain similar to what they were thirty years ago, the options available to young people have become much more varied. The broader social setting in which young people now find themselves has also changed.

To gain a sophisticated understanding of young people's transitions requires robust data evidence in the form of longitudinal surveys. The longitudinal nature of LSAY allows for a more sophisticated and nuanced analysis of the data to answer important policy or research questions. Because each cohort follows the same young people over a ten-year period, changes to their circumstances can be observed. There are also multiple cohorts within LSAY, meaning that comparisons can be made over different time periods of young people at the same age.

The consultation process provides an opportunity to inform on topic areas that will enhance the relevancy of the LSAY survey program in the immediate and longer-term. To aid the discussion, this paper provides a brief background to the LSAY program and the areas of focus thus far. It also provides a brief summary of the key messages from research undertaken to date, as well as offering topics for consideration for future surveys.

An identification of the salient topics may also prompt consideration of future research, particularly in light of current policy directions and trends in youth transitions. In addition, when considering future topics areas for LSAY it is important to reflect on how the surveys can be used most effectively to ensure

the most efficient use of its data. Feedback for improving access to data will also be welcome as part of these consultations.

The format for the questionnaire for the new cohort, which will begin in 2016, will differ to that of previous cohorts. In particular, modules of questions on specific topics will be asked at specific points in time in addition to a bank of core questions. This enables the flexibility to include modules of topical issues relevant to young people at different stages in their lives as and when they arise, while maintaining the continuity of the core bank of questions to allow longitudinal analysis to be undertaken. A robust questionnaire development cycle will also be developed. This will enable a review and evaluation of all potential topics and the ability for rigorous questionnaire testing before inclusion.

What else do we need to know?

The LSAY program is clearly important as an evidence base for youth policy, providing information on the educational and occupational outcomes of young people, as well as their broader social circumstances. But if we consider what the post-school world will look like for young people ten to 15 years from now, what else do we need to know? What are some of the factors that are going to impact on, or further impact, a young person's transition from school to the post-school world?

Research undertaken for the Foundation for Young Australians as part of their 'Unlimited Potential' work shows that investment in young people is decreasing and that in many aspects of everyday life (for instance, under-employment, gender pay gap, housing affordability, education costs and standards), young people are worse off than their parents were¹. The issue of growing youth unemployment – an upward trend following the aftermath of the Global Financial Crisis in 2008 – as well as the issue of the growing proportion of educated, unemployed young people is also highlighted; for instance in recent work of the Brotherhood of St Laurence (BSL 2015). In addition, many young people are underemployed or in jobs not commensurate with their skills (skills mismatched). However, young people are doing better than their parents in areas such as school completion, technology, health care and life expectancy².

The Australian Bureau of Statistics predicts that the number of young people (12–25 years) will increase by 50% by 2050 (ABS 2014a). This increase is because of increased fertility rates and migration (ABS 2013). This increasing population of young people brings with it many benefits in terms of economic growth. As Phillip Lowe, Deputy Governor of the Reserve Bank of Australia in his address to the Sydney Institute on productivity and innovation noted:

...this generation of young people will promote innovation and entrepreneurialism and grow our economy to maintain our standard of living despite the fact that more older people are about to leave the workforce than younger people are about to enter it. (Lowe 2014)

But for young people to promote innovation and entrepreneurialism, they need the skills and also support from the education system in place. They also need the skills to be contributors to, and workers in, the technology-driven workplace they are entering: 40% of jobs in today's workplace are highly likely to be automated or computerised within 15 years (Durrant-Whyte et al. 2015). This will require increasingly greater levels of digital literacy skills. Furthermore, there may be growth in self-employment, which also carries with it particular skills requirements (CEDA 2015).

1 See <<http://unlimitedpotential.fya.org.au/snapshot/young-people-are-facing-new-challenges-that-are-publishing-their-transitions-to-adulthood-back-to-an-older-age/#start>>, accessed 29 June 2015.

2 *ibid.*

Potential future topics

In order to meet future research and policy needs, we are interested to know which topic areas should be covered by LSAY. Future topic areas could include but are not limited to:

- foundation and basic employability skills (i.e. literacy, technology, problem-solving and the like)
- enterprise skills which are a broad range of skills that enable the individual to successfully engage with the modern world of work
- digital literacy capability and application, which is more than basic computer technology skills
- innovation and entrepreneurialism, including self-employment
- flexibility and resilience of young people to respond to the changing demand for skills in the job market
- young people's contribution to civic society, community and volunteerism
- the extent to which young people engage in global citizenship, particularly in regard to Asia
- the health of young people
- issues facing youth in regional Australia.

But there are a potential myriad of other topic areas that may be of relevance. The purpose of the consultation process is to find out what these relevant topics are (noting that existing topics are also to be evaluated and assessed). It is worth reiterating here that the format for the new questionnaire will be in the form of a bank of core questions supplemented by specific topic modules that may vary from year to year. To inform the consultation process and development of topic areas, the following chapter provides some background context to LSAY and what the existing research tells us.

The consultation process

The consultation process will take place between August and September 2015. During this time a series of face-to-face consultations will take place. We also invite written submissions as part of the consultation process. We are specifically interested in inviting ideas for topic areas that will make LSAY relevant for the next ten years.

Responses for the submissions can be emailed to <lsay.submissions@ncver.edu.au> by 31 August 2015.

LSAY and what we know so far

Longitudinal surveys of young people have a rich history in Australia. It began with the Youth in Transition (YIT) study in 1975, which focused on 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 purpose. In 1995, the three youth surveys then in operation were brought together to form the LSAY program.

LSAY has followed nationally representative cohorts of young people aged 15–25 years over a ten-year period, with interviews taking place annually. Each cohort begins 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).

LSAY provides a rich source of data relating to the transitions of students from school to post-school destinations. Initial information (provided through the Programme for International Student Assessment [PISA]) includes a measure of literacy and numeracy achievement, basic demographics and also study and work plans, and attitudes to school. PISA also includes an initial school principal questionnaire that gathers information on school resources, school environment, qualifications of staff and teacher morale.

The main sections of the LSAY questionnaire are:

- school
- school transitions
- post-school study
- work
- job history
- job search activity
- not in the labour force
- living arrangements, finance and health
- general attitudes.

What we know...so far

The topic areas covered in LSAY have allowed for a considerable amount of informative research and analysis to be carried out over time. Some of the more research and analytical highlights are described below and are illustrative of how the various topic areas of LSAY can be used to inform young people's transitions.

Students' aspirations affect their educational outcomes

Educational aspirations have a substantial effect on educational outcomes (Hornel & Ryan 2014). While various factors drive these aspirations, parental expectations stand out as particularly influential (Gemici et al. 2014). Additionally, over time more young people are aspiring to complete Year 12, and university remains the preferred post-school study destination over vocational education and training (VET).

However, school attributes have limited impact on the engagement levels of 15-year-olds once individual background factors are controlled for (Gemici & Lu 2014). If school factors do have an impact on student engagement, it may occur at a younger age. LSAY does not capture data on engagement before the age of 15.

Schools matter when it comes to academic success

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 (Lim, Gemici & Karmel 2013). 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 such schools are more likely to complete Year 12, regardless of socioeconomic background.

Schools have a key role in young people's transition to post-school study

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 (Gemici, Lim & Karmel 2013). 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 (Gemici, Lim & Karmel 2013).

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' (NCVER 2014b).

More young people are undertaking further study after school

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 24 (NCVER 2014a). 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 females (NCVER 2014a).

The increases in the number of young people going on to study after school have impacted the potential 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 background (Karmel, Roberts & Lim 2014).

In addition, university and full-time vocational education and training course completion rates were found to be 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 allowance (Ryan 2013).

LSAY has also allowed analysis of the important issue of combining school with part-time work. From a policy perspective it is valuable to know whether combining part-time work and school assists academic performance and transitions into the labour market. Of course the results are nuanced, as found by research by Anlezark and Lim (2011), and Gong, Cassells and Duncan (2012), but overly long work hours

would seem to hinder post-school study, while working a few hours a week (as compared to no work) would seem to be beneficial to post-school full-time employment.

Moving to full-time employment is becoming more difficult

While employment remains reasonably stable overall, the Global Financial Crisis of 2008 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 over time (NCVER 2014a). This means that young people are taking longer to transition into full-time work (NCVER 2014a).

For young people starting their working lives, transitions into work can often be into low-skilled jobs. Five years after leaving full-time education, the wage penalty of a low-skilled job still exists, but the effect diminishes over time (Karmel, Lu & Oliver, 2013). 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.

Young people are living at home for longer

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 (NCVER 2014a). 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; NCVER 2014a).

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