



3.1 Pathways through education and training

Education and training are crucial to a person's development and ability to lead a productive and fulfilling life. They promote self-confidence and independence and provide the skills and competencies needed to obtain employment and stay competitive throughout adulthood. Completion of schooling and higher levels of educational attainment (particularly tertiary level qualifications) open up broader employment opportunities and outcomes (such as higher relative earnings) in the future.

In Australia, schooling is compulsory until the completion of Year 10, after which young people must participate in full-time education, employment or training (or a combination of these activities) until the age of 17. After secondary school, young people can enter the workforce, complete further study, or combine both. There are several education and training options available, with many young people continuing their education pathway through higher or vocational education and training (including apprenticeships and traineeships) (see Chapter 3.3 'Apprenticeships and traineeships'; 3.4 'Tertiary education').

However, not all young people are participating in education, employment or training (those who are not are referred to as the 'NEET' group). Non-participation among young people has been linked to future unemployment, lower income and employment insecurity (Pech et al. 2009), placing these young people at risk of social and economic disadvantage and social exclusion.

Transitions

Key milestones

Achieving certain milestones is important if young people are to successfully move on to full-time employment or further study. Evidence has identified the following key transition ages:

- 15—engagement in school, with sufficient literacy and numeracy skills to complete Year 12 or an equivalent vocational qualification (like a Certificate III)
- 19—possessing an initial qualification (or be in the process of completing it)
- 24—being in the process of establishing a career path, having obtained a higher-level vocational qualification or a higher education qualification (for example, a Bachelor degree); young people without an initial qualification at age 19 should have re-engaged with education and training (Liu & Nguyen 2011; Victorian Government 2010).





School completion and transition to further study or work

Students who complete Year 12 tend to have more successful transitions from education to work (Ryan 2011) and are more likely to gain employment and/or continue onto tertiary education. These transitions are established early—for example, over 6 in 10 students establish academic success in early to middle childhood and a similar proportion maintain this through to school completion. Similar proportions are also fully engaged in education or work by their mid-20s (Lamb et al. 2015).

Completion rates have been rising over time, with the proportion of people aged 15–64 who had completed Year 12 (or equivalent) increasing from 65% in 2006 to 76% in 2016 (ABS 2016b) (see Chapter 3.2 'School retention and completion').

Many factors can influence the likelihood that a student will complete their schooling. For example, literacy levels at the age of 15 are a strong indicator for future achievements, including Year 12 completion, university attendance, and university completion. Parental aspirations are also important—secondary students whose parents wish them to attend university are far more likely to complete Year 12 (NCVER 2014).

Australia still has a high number of people who are not completing Year 12 by the time they are 19 (estimated at around 81,000 in 2014) (Lamb et al. 2015). Attending and completing school can be challenging for some young people. Year 12 (or equivalent) completion rates at age 19 are generally lower for people attending school in *Remote* and *Very remote* areas, who live in low socioeconomic areas, who are Indigenous (Lamb et al. 2015) or who have a disability (ABS 2016a).

Optimal pathways

There are many possible pathways through and beyond the education system. There is not one path of 'best fit'. However, certain factors will maximise one's chances of positive outcomes after secondary school.

Longitudinal research that considered the most successful 'paths' (defined as leading to goals to undertake further higher study and/or gain employment) found slightly different results for males and females. While the 'best' path for males differs across a range of desired outcomes, Year 12 completion is a common factor in each. For females, the 'best' pathway was clearly identified as completion of Year 12, followed by university study (Karmel & Liu 2011).

Employment outcomes

In 2016, people with higher levels of educational attainment were more likely to be employed: 80% of people with a Bachelor degree or above and 76% with a Certificate III or IV were employed, compared with 67% of people with Year 12 and 44% of people with Year 11 or below as their highest educational attainment (ABS 2016b). However, while educational attainment has been improving over time (see Chapter 3.2 'School retention and completion'; Chapter 3.4 'Tertiary education'), it is becoming more challenging for young people to find sustainable or full-time employment, even after graduating from higher education (Torii & O'Connell 2017).





The proportion of young people (aged 15–24) in full-time work is decreasing, and the percentage working part time is increasing. This trend is consistent with that for all people of working age (see Chapter 4.1 'The changing nature of work and worker wellbeing'). As at March 2017, 27% of people aged 15–24 worked full time, compared with 35% 10 years ago and 48% 30 years ago. The proportion working part time in 2017 was 31%—increasing from 28% a decade ago and 13% three decades ago (AIHW analysis of ABS 2017).

Understanding employment outcomes and opportunities for young people is complicated by the fact that young people are generally disproportionately affected by tough labour market conditions. Labour market outcomes have not improved for Australians aged 15–29 since 2008 (OECD 2016a)—as reflected in the youth unemployment rate. This rate has continued to rise since the Global Financial Crisis, but has been consistently higher than the overall unemployment rate over many years (13% in 2016 compared with an overall unemployment rate of 5.7%) (see Chapter 4.2 'Key employment trends').

University graduates

In 2016, 71% of university graduates were working full time within 4 months of finishing their undergraduate degree. While this was an increase from 69% for the previous year, it was a large drop from 85% in 2008. Since the Global Financial Crisis, graduates have taken longer to gain a position in the labour market (QILT 2016).

University graduates from more skill/practical based degrees are more likely to succeed in entering the labour market immediately after graduating. For example, Medicine and Pharmacy graduates were the most likely graduates to gain full-time employment (at more than 96% of graduates) in 2016. In contrast, for more generalist degrees in fields such as Creative arts, Communications, and Science and mathematics, less than 62% gained full-time employment immediately (within 4 months) after graduating (QILT 2016).

Apprentices and trainees

Most people (around 80–90%) who have completed an apprenticeship or traineeship are employed after training (Hargreaves et al. 2017). Older apprentices are more likely than their younger counterparts to be undertaking training at a higher level, and are more likely to complete their training.

There is a continuing growth in the proportion of apprentices undertaking apprenticeships at older ages. These are often workers with established skills, experience and prior qualifications. There is a need for more apprenticeship pathway options (and higher learning options, such as diploma and associate degrees) for this group (see Chapter 3.3 'Apprenticeships and traineeships').

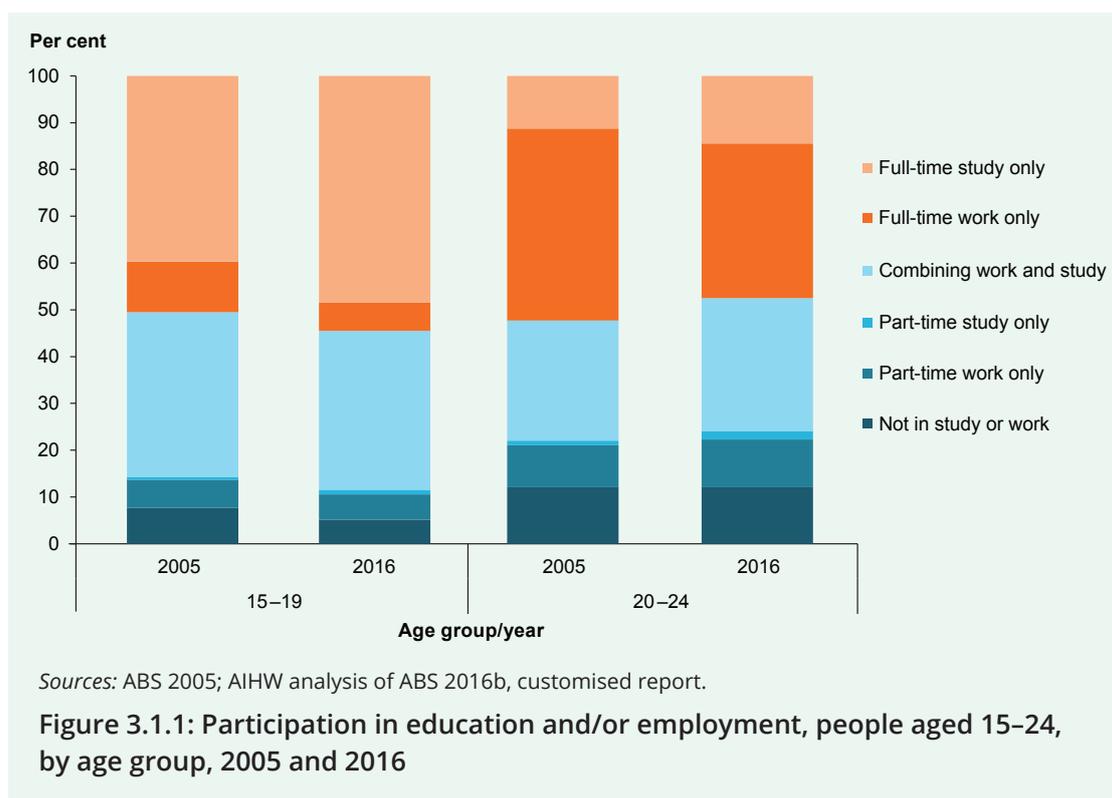




Who is missing out?

Young people who are not in education, employment or training (often referred to as the 'NEET' group, or 'NEETs' for ease of reference) are seen to be completely disengaged from work and study. Low educational attainment and poor literacy and numeracy skills increase young people's risk of being a NEET, with around 40% of NEETs in Australia never having obtained an upper secondary qualification (OECD 2016a; 2016b). Females make up around 60% of the NEET group in Australia—this over-representation is often attributed to their domestic duties and child care obligations. NEET rates are also higher than average among Indigenous youth (making up 10% of the NEET youth, compared with around 3% of the population) and among migrants from non-English-speaking countries (18%) (OECD 2016c).

In 2016, most (91%) people aged 15–24 were engaged in education and/or employment (AIHW analysis of ABS 2016b; customised report). However, 8.8% of people aged 15–24 were not. This varied by age: 5.1% of people aged 15–19 (75,300 people) and 12% of people aged 20–24 (200,400 people) were not engaged in education and/or employment (Figure 3.1.1).



Between 2005 and 2016:

- the proportion of 15–19-year-olds not in employment, education or training decreased (from 7.7% to 5.1%, respectively)
- the proportion of 20–24-year-olds not in employment, education or training remained similar (at around 12%)





- the proportion of young people aged 15–19 and 20–24 engaged in full-time work (and not studying) decreased, while the proportion increased for young people engaged in full-time study only
- the proportion of 20–24-year-olds combining work and study increased slightly—from 26% to 29%.

Relative to the international scene in 2015:

- the proportion of Australians aged 15–19 who were not in education or employment was similar to the Organisation for Economic Co-operation and Development (OECD) average (6.0% compared with 6.3%, respectively), with Australia ranked 18th out of 32 OECD countries with available data
- among people aged 20–24, the Australian non-participation rate in 2015 (13%) was lower than the OECD average (17%), and ranked 11th out of 32 OECD countries (OECD 2017).

As already indicated, labour market conditions affect employment opportunities for young people. Several other factors may influence the proportion of the population who are NEETs, such as changed entitlements to Youth Allowance (see later in this article), or perceptions by young people that Year 12 and post-school qualifications are needed to be competitive in the job market (Gilfillan 2016).

Government financial support

The Australian Government offers several payments to support young people undertaking study, training or an apprenticeship. The two main payments are Youth Allowance (Student and Apprentice) and ABSTUDY (Non-living allowance), with around 155,800 and 20,800 recipients, respectively, as at December 2016 (DSS 2017).

The Council of Australian Governments made a commitment to help young people to achieve their educational potential and make the transition to employment through the National Partnership Agreement on Youth Attainment and Transitions (COAG 2009). This agreement outlined that young people who have not attained Year 12 or equivalent must undertake full-time education or training to be eligible for Youth Allowance.

The Australian Government can also assist eligible students with the cost of their tuition fees through subsidised university places, known as Commonwealth Supported Places (CSPs) and the Higher Education Loan Program (HELP). Information about CSPs and HELP loans are available on the Study Assist website at www.studyassist.gov.au.

What is missing from the picture?

While longitudinal data, such as from the Longitudinal Surveys of Australian Youth, can provide substantial insight into educational pathways, a large gap remains in the ability to identify and track individuals over time. Unique student identifiers, which could remove duplicate records and allow tracking of movements across state/territory and educational sectors, would provide a means to do this in future.





The annual Australian Bureau of Statistics Survey of Education and Work provides the most detailed data on youth participation in education and training; however, reliable estimates by Indigenous status and for smaller geographical areas are not available from this survey. Indigenous data are available, less often, from the National Aboriginal and Torres Strait Islander Health Survey and National Aboriginal and Torres Strait Islander Social Survey. Both Indigenous and small level geography data are available every 5 years from the Census.

Where do I go for more information?

More information on youth participation in education and training is available from the ABS [Survey of Education and Work](#) and from the [National Centre for Vocational Education Research](#).

For the latest information on available payments and eligibility criteria, see the Department of Human Services website at www.humanservices.gov.au.

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