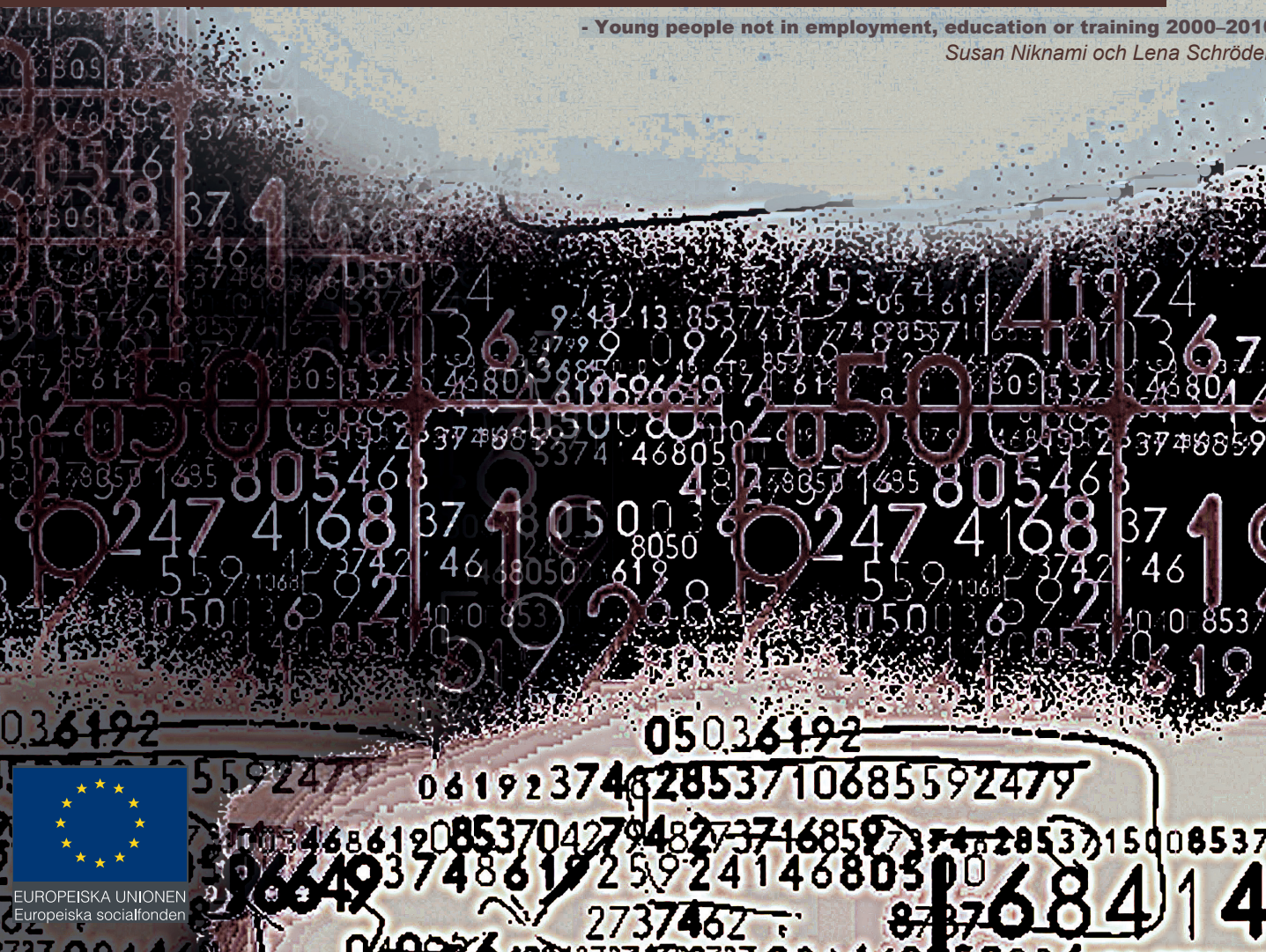


BEHIND THE NUMBERS

- Young people not in employment, education or training 2000–2013

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Theme Group Youth

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Summary

Young people not in employment, education or training (NEET) have attracted much attention in recent years in the Swedish and international debate, as many in this group may find it difficult to establish themselves in the labour market. Knowledge about this group is incomplete despite the extensive coverage. The purpose of this report is to fill in some of these gaps. We analyse the following issues:

- How has the proportion of young people (16 to 25 years) not in employment, education or training developed during the period 2000 to 2010?
- What roles do various background factors play in respect of a young person's risk of not being in employment, education or training (e.g. region of birth and their parents' region of birth and level of education)?
- Has the significance of these background factors changed?
- How has the labour market situation for these young people changed over a five- and ten-year period owing to them not being in employment, education or training for a particular year?
- Which young people permanently end up in the situation 'not in employment, education or training'?
- What is the long-term fate of young people who are not in employment, education or training, and whose activity is unknown, and who are these young people?

The analyses are conducted for three different years: 2000 (low youth unemployment), 2005 (high youth unemployment) and 2010 (high youth unemployment). In all of these sections we attach particular importance to young people with a foreign background and the differences between women and men.

Only slight increase in the proportion not in employment, education or training

There was only a slight increase in the proportion of young people not in employment, education or training despite the dramatic increase in youth unemployment during the period 2000 to 2010. This suggests that the group is not particularly sensitive to cyclical developments, although the two individual components – employment and education/training respectively – are highly sensitive to cyclical developments. They also mirror each other: the proportion in employment reduces during a recession while the proportion in education or training increases.

Background factors are significant

Young people with a background in countries of the western world are at greatest risk of not being in employment, education or training

The proportion of young people with a foreign background who are not in employment, education or training is much greater over the entire period than for young people with a Swedish background. Those born abroad represent the largest proportion, though the proportion of young people born in Sweden of parents who were born abroad is also greater than for young people from a Swedish background. Young people with a background in the Nordic countries, EU15, the United States, Australia and New Zealand (referred to below as 'EU15+') are also consistently more likely not to be in employment, education or training than young people with a background in other parts of the world. This is partly explained by those born in Sweden with a background in EU15+ having a lower level of education than young people from other parts

of the world. There are also signs to suggest that some young people, who were born in EU15+, are not actually in Sweden and thereby have ended up in the category 'not in employment, education or training' despite possibly being in employment, education or training abroad.

Risk increases with age, particularly for women

Age is of great importance. The proportion not in employment, education or training is quite low up until the age of twenty, when there is a sharp increase for everyone regardless of whether they have a Swedish or foreign background.

There is virtually no difference between young women and men in terms of the proportion not in employment, education or training up until the age of 22. The proportion of women not in employment, education or training subsequently increases, while the proportion of men reduces. When young women have children, they stay at home and therefore belong, by definition, to the category 'not in employment, education or training'. On the other hand, when young men have children, they are more likely to be in employment, education or training than men without children.

Those not in employment, education or training have a low level of education and parents with a low level of education

The patterns are as expected for other background factors. Those not in employment, education or training have a lower level of education, their parents have a lower level of education and they are more likely to live in 'vulnerable areas' than young people in employment, education or training.

There are minor differences between the years 2000, 2005 and 2010, but the situation has improved for young people with a foreign background and deteriorated for those between the ages of 20 and 25

We have compared the years 2000 (low youth employment), 2005 (high youth unemployment) and 2010 (high youth unemployment) to see whether there have been any changes in the significance of background factors to the risk of not being in employment, education or training. The overall findings show that these three years are very much alike, despite a significant deterioration in the business cycle over the period. However, there are certain changes between the years. The situation for young people between the ages of 20 and 25 appears to be worse than for those aged between 16 and 19. One explanation for this could possibly be the deterioration in the business cycle, which should have a greater impact on the age group 20 to 25 years old, as they are more likely to be in the labour force than the younger age group.

We also see a tendency towards a reduction in the risk of young people with a foreign background not being in employment, education or training; the difference in relation to young people with a Swedish background has reduced. However, here there is one exception: young people born EU15+. This group continues to have a high risk of not being in employment, education or training. There is also a slight trend towards a small reduction in the significance of parents' education.

Some of the young people not in employment, education or training might not be in Sweden

One puzzling factor is that a relatively large proportion of young people not in employment, education or training have not been registered with the details normally available for everyone registered in the population registry in Sweden, for example, level of education and the family's

disposable income. This may indicate that the individual is not in Sweden. If this is the case, the proportion not in employment, education or training will have been overestimated, particularly among those young people not born in Sweden.

How were the young people not in employment, education or training doing in 2000 and 2005?

The fact that a young person is not in employment, education or training for a year may indeed indicate that they are in a problematic situation. However, it is possible that some are studying abroad or are engaged in another activity to improve their future labour market prospects. On the other hand, it is probable that young people who have not been in employment, education or training for many years in succession are in a difficult situation.

More than a third of them – almost 27,000 people – were not in employment, education or training ten years later. Almost 80,000 young people were not in employment, education or training in 2000 and around half of them were in the same situation the following year. There was subsequently only a slight reduction in the following years. These young people became adults in 2010 and were between the ages of 26 and 35, but just over a third of them (almost 27,000 people) were still not in employment, education or training.

There were no major differences between women and men. The proportion of women who were still not in employment, education or training was three percentage units lower than for men throughout the period 2001 to 2010.

Young people aged between 16 and 19 have greater establishment problems than those aged between 20 and 25. Young people between the ages of 16 and 19 in 2000 had greater establishment problems than those aged between 20 and 25. The proportion of the 16 to 19 year-old age group still not in employment, education or training reduces more slowly than for the older ones. Half of those aged between 16 and 19 were still not in employment, education or training in 2010.

Large proportion of young people with a foreign background still not in employment, education or training. Young people with a foreign background are more likely not to be in employment, education or training than young people with a Swedish background. The development after the start year 2000 subsequently also continued to be more concerning for young people with a foreign background. It is also significantly more common for young people with a foreign background to have left Sweden after ten years compared with those with a Swedish background. However there is a higher risk of those with a foreign background, who stay in Sweden, not being in employment, education or training after ten years. This particularly applies to those born in EU15+ or whose parents were born in EU15+.

Those caring for children got jobs while those who were sick or receiving disability pension were still not in employment, education or training. Young people not in employment, education or training (NEET) are split into six sub-categories depending on what activities they are engaged in instead. The six NEET categories are:

1. registered with the Swedish Public Employment Service
2. financial assistance

² I publikationen används begreppet förtidspensionering om unga som har sjuk- eller aktivitetsersättning.

3. caring for children
4. on sick leave or receiving disability pension or activity compensation
5. combination of 1–4
6. activity unknown

Those who were not in employment, education or training as they were caring for children (mainly women) have the most positive development of all of the NEET categories; only a fifth were not in employment, education or training ten years later. The next most positive development was for those whose activity was unknown in 2000 closely followed by those registered with the Swedish Public Employment Service or those who were in a combination of the various categories. Development for the NEET category of social assistance was significantly less favourable, where almost half were not in employment, education or training ten years later. The most concerning situation was for those not in employment, education or training owing to sickness or disability pension, where more than three-quarters were not in employment, education or training ten years later. The higher risk for the NEET categories 'financial assistance' and 'sickness and disability pension' cannot be explained by any other background variables or by these young people being more likely to leave Sweden than those belonging to other NEET categories.

Just over 10,000 people (13 per cent) were not in employment, education or training for a single year during the period 2000 to 2010

Not being in employment, education or training for a single year during a ten-year period suggests that there is a high risk of never entering the labour market. Thirteen per cent (or just over 10,000 individuals) of those not in employment, education or training in 2000 were not in employment, education or training for a single year during the ten-year period.

Married women and those aged between 16 and 19 in 2000 are overrepresented in this high-risk group. Roughly the same groups are overrepresented within this high-risk group as in the analysis for the individual year 2010. There are no general differences between women and men, but women who were married in 2000 are overrepresented. Those aged between 16 and 19 are also significantly more likely to belong to this risk group than those aged between 20 and 25.

Everyone with a foreign background, with the exception of those born in non-western countries, are overrepresented in this high-risk group

Most of the young people with a foreign background are more likely to belong to this high-risk group than those born in Sweden with a Swedish background.

Most of those not in employment, education or training owing to sickness or because they receive a disability pension belong to this high-risk group

The individuals included in the NEET category 'sickness or disability pension' are in a very problematic situation. Almost two thirds of them have not been in employment, education or training for a single year during the ten-year period. The categories 'financial assistance' and 'activity unknown' are overrepresented in this risk group, but to a significantly lesser degree than those who were sick or receiving disability pension.

Development for those not in employment, education or training in 2005 was more unfavourable for the following five years than for those not in employment, education or training in 2000

When the follow-up period is restricted to five years after an individual has not been in employment, education or training, it is possible to analyse whether there are any differences between those not in employment, education or

training in 2005 and those not in employment, education or training in 2000. The similarities are striking in terms of gender, age and foreign background, but the analysis clearly shows a worsening trend over time for young people not in employment, education or training. The proportion of those not in employment, education or training in 2005 who were in the same situation five years later was greater than for those not in employment, education or training in 2000.

Young people between the ages of 16 and 19 whose activity is unknown

There is a very large group of young people not in employment, education or training whose activity is unknown – they are not registered with the Swedish Public Employment Service, caring for children, receiving financial assistance or on sick leave or receiving disability pension/activity compensation. A concern has been expressed in previous reports that this group of young people comprised people who were very inactive and who were likely to have particular severe difficulties in the future. We have therefore conducted a detailed investigation of those individuals who were between the ages of 16 and 19, not in employment, education or training and whose activity was unknown in 2000, 2005 and 2010.

The very youngest are heavily overrepresented

It is significantly more common for those aged between 16 and 17 to belong to the category 'activity unknown' than those aged between 18 and 19. This trend increased in 2005 and 2010.

Common among those whose parents have a high level of education

Those belonging to the category 'activity unknown' are more likely to have parents with a higher level of educa-

tion than those belonging to the other categories. This trend also increased in 2005 and 2010. This may indicate that they are in education or training abroad.

Young people in families with an unknown disposable income and whose parents have an unknown level of education are overrepresented

The lack of information about disposable income and level of education in Statistics Sweden's register may indicate that young people whose activity is unknown belong to this category simply because they are not in Sweden.

Young people with a foreign background are overrepresented in the category 'activity unknown', with the exception of those born in Sweden with a background in countries of the western world

There was an overrepresentation of almost all young people with a foreign background in the category 'activity unknown' in 2000, 2005 and 2010.

Young people whose level of education is unknown are heavily overrepresented

Most young people in the category 'activity unknown' have an unknown level of education and this proportion increases from 64 per cent in 2000 to 77 per cent in 2010. According to Statistics Sweden, there may be two explanations for why the level of education for a person registered in the population registry in Sweden is unknown. Either they received their education or training abroad or they received their education or training in Sweden but it has not yet been entered into Statistics Sweden's register. One important issue to investigate is whether there could be backlogs in Statistics Sweden's register for those attending education for pupils with intellectual disabilities.

Young people in the category 'activity unknown' are more likely to be in employment, education or training ten years later than young people in other categories

A purely descriptive analysis of the development during the following ten years indicates a positive picture for those aged between 16 and 19 whose activity was unknown in 2000. In previous chapters we showed that there is a slightly higher risk of young people aged between 16 and 25 in the 'activity unknown' category not being in employment, education or training for a single year throughout the period 2000 to 2010. A tentative conclusion is that the category 'activity unknown' is very heterogeneous and may largely comprise young people studying abroad and young people in education for pupils with intellectual disabilities.





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