CO3.5 Young people not in education or employment

Definitions and methodology

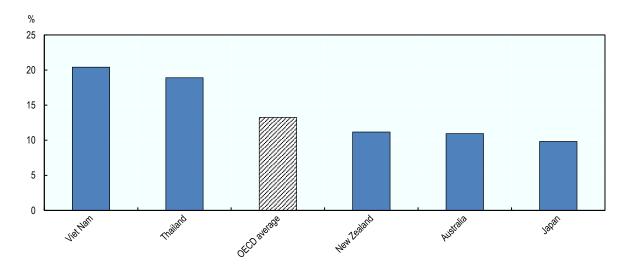
This indicator presents data on young people who are 'NEET' – those who are not in employment, education or training. Young people are defined as those between 15 and 29 years of age, while an individual is classified as 'NEET' as long as they were neither enrolled in formal education or a training programme nor in paid employment (for at least one hour per week) during the relevant survey reference period. Data on NEETs are taken from OECD Education at a Glance and national labour force surveys. Three measures are used:

- i) NEET rates, calculated as the proportion of 15-29 year olds that are classified as NEET
- ii) NEET rates by five-year age groups, for 15-19 year-olds, 20-24 year-olds, and 25-29 year-olds
- iii) NEET rates by sex

Key findings

NEET rates vary considerably across the covered Asia-Pacific countries (Chart CO3.5.A). While NEET rates are relatively low in Japan (10%) and, to a slightly lesser extent, Australia (11%) and New Zealand (11%), they are comparatively high in Thailand (19%) and Viet Nam (20%). Indeed, in Viet Nam, one in five young people aged 15-29 are classified as NEET, according to data from the Viet Nam Household Living Standards Survey 2016.

Chart CO3.5.A. **NEET rates for 15-29 year-olds**Proportion (%) of 15-29 year olds not in employment, education or training (NEET), 2017



Notes: Data for Japan refer to 2014, and Viet Nam to 2016

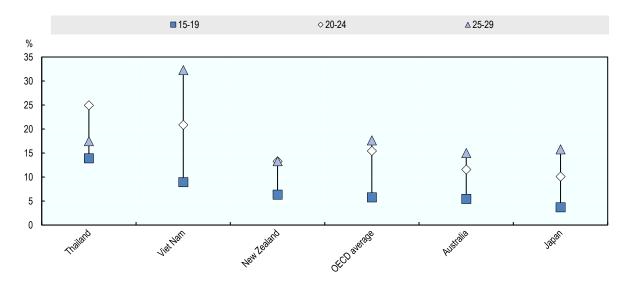
Sources: <u>Australia, Japan and New Zealand: OECD Education at a Glance;</u> Thailand: Thailand Labor Force Survey; Vietnam: Viet Nam Household Living Standards Survey

Other relevant indicators: Educational attainment by gender (CO3.1); Gender differences in university graduates by fields of study (CO3.2); and, Literacy scores by gender at age 15 (CO3.4).

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In the covered Asia-Pacific countries, as also in most OECD countries, NEET rates are often higher for older youth in their twenties than they are for those in their teens (Chart CO3.5.B). Across all five countries with available data, 15-19 year-olds have lower NEET rates than 20-24 year-olds, and especially 25-29 year-olds. Indeed, in Viet Nam, 25-29 year-olds (32%) are more than three times as likely to be NEET as 15-19 year-olds (9%). A partial exception is Thailand, where NEET rates are highest among 20-24 year-olds.

Chart CO3.5.B. **NEET rates across age groups**Proportion (%) of 15-29 year olds not in employment, education or training (NEET), by age group, 2017



Notes: Data for Japan refer to 2014, and Viet Nam to 2016

Sources: <u>Australia, Japan and New Zealand: OECD Education at a Glance;</u> Thailand: Thailand Labor Force Survey; Vietnam: Viet Nam Household Living Standards Survey

NEETs are also more likely to be female than male (Chart CO3.5.C). Across all of the covered Asia-Pacific countries with available data, NEET rates are higher for women than for men. In most, the difference is around five percentage points. However, in Thailand, young women (21%) are twice as likely to be NEET as young men (11%). The smallest gender difference is in Australia, where the NEET rate for young women (13%) is less than four percentage points higher than the NEET rate for young men (9%).

Comparability and data issues

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Cross-country comparisons of NEET rates are complicated by institutional differences. For instance, the length of educational programmes differs between countries, which affects age at graduation from secondary and tertiary levels of education. NEET rates tend to be higher in countries where average graduation ages are lower, at least in part because a smaller proportion of young people are enrolled in education.

Additionally, some countries oblige young men (and some cases, young women) to enter military (or national) service. In some countries, labour force statistics only consider the civilian population so any young persons on military service would not be included in the NEET figures. In others, military personnel living at home are considered part of the labour

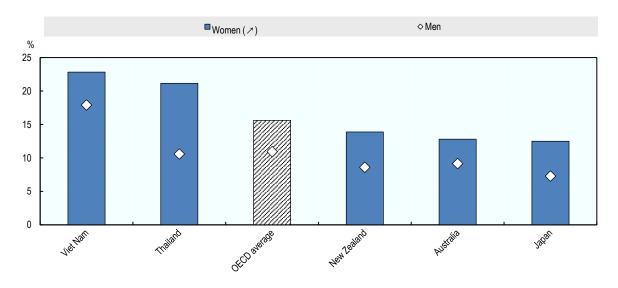
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force but conscripts living in barracks are not, while in certain countries even conscripts are counted as part of the labour force.

Chart CO3.5.C. Gender differences in NEET rates

Proportion of 15-29 year olds not in employment, education or training (NEET), by sex, 2017



Notes: Data for Japan refer to 2014, and Viet Nam to 2016

Sources: <u>Australia, Japan and New Zealand: OECD Education at a Glance</u>; Thailand: Thailand Labor Force Survey; Vietnam: Viet Nam Household Living Standards Survey

Sources and further reading:

OECD (2016) Society At A Glance 2016: OECD Indicators: A Spotlight on Youth. http://www.oecd.org/society-at-a-glance-19991290.htm;

OECD Education Database;

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OECD Education at a Glance 2018;

Carcillo, S., Fernández, R., Königs, S. and Minea, A. (2015) *NEET Youth in the Aftermath of the Crisis*, OECD Social, Employment and Migration Working Papers, no. 164.

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