

Young people who are not in employment or education

71 000
young people aged 15-29
were neither in
employment, education
or training in 2014

A total of 71 000 young people aged 15-29 were neither in employment, education or training in 2014, which corresponds to 7 per cent of this age group in Norway. Within this group, one in five had been in this situation for five successive years. Almost half were in receipt of health-related benefits, 13 per cent were receiving other benefits, and 32 per cent had an unknown status. It was assumed that those with an unknown status were being supported financially by their family.

Several countries have groups of young people who are neither in employment, nor in education or some other form of training. Interest in obtaining more information about this group is growing, both nationally and internationally. The international term for the group is NEET (Not in Employment, Education or Training), which we also use in this article to describe the situation in Norway. Quantifying and analysing this group can be a valuable supplement to the measurement of unemployment. NEET includes all young people who are not in employment, education or training, regardless of whether they satisfy the criteria for being unemployed or not. These criteria entail a person to actively have sought employment in the four weeks prior to the reference date, and to be available to start work immediately.

NEET consists of people in very different life situations. Some may be taking a year off from work or education, while others are taking a few months off before looking for a job after finishing their education. These people are moving from one activity to another, and are only included in the NEET group for a short period of time. Another group is made up of those who remain unemployed indefinitely after finishing their education. Others who stop actively searching for work or give up on their education become inactive on a more permanent basis. In addition to these groups, there will also be those who have health issues that make it difficult for them to work or study.

Defining and measuring “training” is a challenge

The NEET term is primarily applied to young people under the age of 30 who are neither in employment, education or training. In the context of this article, work or employment means paid work, and also includes those who are temporarily absent from such work. The definition and measurement are well established internationally. This is also the case for education, which encompasses formal education, i.e. education that leads to a grade/qualification that is officially approved in Norway.

In addition to formal education, we want to examine less formal training. The definition and the measurement of this type of training are not as established as for employment and education, and are more difficult to delineate. Much of the informal training is undertaken by persons who are already employed, through seminars, courses etc. For our purposes, we want to examine the training activity of those who are neither in paid work or education, who may be outside the NEET group. This typically relates to jobseekers on various vocational training courses organised by NAV, but it can also include participants of language courses etc. run by other providers.



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Labour Force Survey (LFS)

The LFS is a sample survey covering persons aged 15-74 who are registered as resident in Norway. The sample consists of 24 000 persons per quarter. The survey is primarily aimed at measuring people's attachment to the labour market, but also contains questions about education and training. The response rate is about 80 per cent. Employed persons are individuals with paid work, including those who are temporarily absent from such work. The unemployed are persons without paid work who tried to find work during the four weeks prior to the reference date, and who are available to start working immediately.

The Labour Force Survey (LFS) is the most commonly used data source internationally when citing figures for NEET. The LFS is a sample survey, so the figures are subject to a degree of uncertainty, but the structure is assumed to be reasonably good. The LFS uses the international definition of employment in a set of questions, in which odd jobs are also recorded. The responses to several of the questions in the LFS are used to determine whether a person has been in education or training. The first question relates to main activity, with education as one of the response alternatives, and next is a question on whether the respondent has “attended an educational institution, studied or been a trainee” in the last four weeks. The third question asks whether they have “participated in any other form of training, such as courses, seminars, conferences, etc.”. An affirmative response to any of these questions is enough to be included in the categories “in education” or “in training”. Those who do not meet any of the criteria for work, education or training belong to NEET.

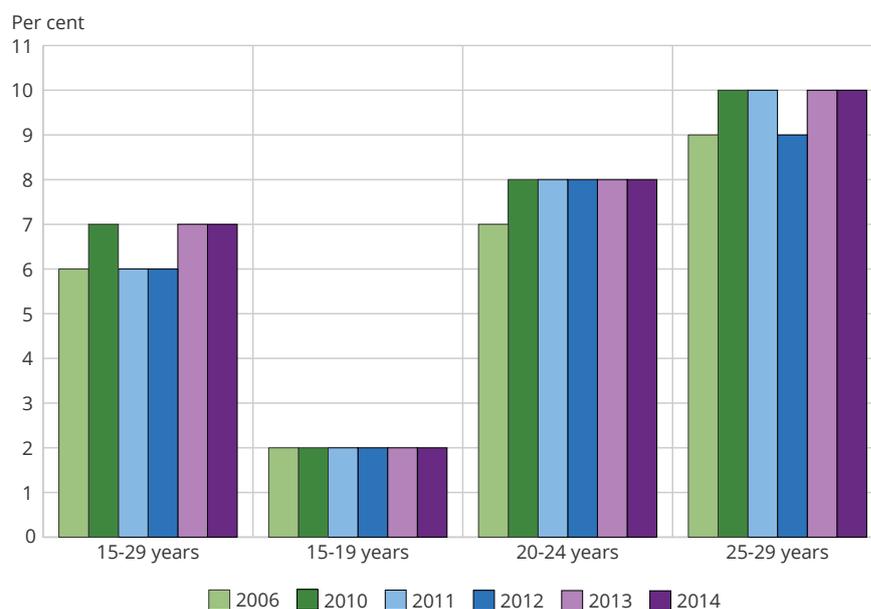
One in ten 25-29-year-olds are neither in employment or education

Most people in the youngest age group (15-19 years) go to upper secondary school. In 2014, only 2 per cent of this age group were neither in paid work, education or training. Among the 20-24-year-olds, the share in NEET has remained stable at 8 per cent over the last five years, and the corresponding figure for the 25-29 age group is around 9-10 per cent, according to LFS figures (see text box and Figure 1).

There is no significant gender disparity in NEET, except in the oldest age group (25-29 years), where there are relatively more women than men. In 2014, the figure was 12 per cent for women and 8 per cent for men. This is assumed to be related to childbirth, with some women postponing their education, and some taking extra maternity leave in addition to the paid leave, at which point they are no longer considered to be in employment. However, the employment rate is generally higher for men than women whether they have young children or not.

In 2014, according to the LFS, 24 000 of the 71 000 NEET group were unemployed. In other words, the unemployment rate was a third of NEET; the same as in 2006. There were nevertheless almost twice as many who expressed a desire to work, but did not meet the criteria to be classified as unemployed

Figure 1. Young people neither in employment or education. Percentage of all persons in each group



Source: Labour Force Survey, Statistics Norway.

in the statistics (see text box). There were also some who were unemployed but were excluded from the NEET group because they were in education or training.

Self-defined status

In the LFS, everyone who does not have a full-time job is asked what they consider to be their main activity. In 2014, 43 000 of the 71 000 NEET group classed themselves as unemployed, regardless of whether they met all the criteria for inclusion in the official unemployment figure, which requires actively search for work in the preceding four weeks and being able to start work immediately. This means that 60 per cent considered themselves to be unemployed; 76 per cent of the men and 47 per cent of the women.

By comparison, a total of 14 per cent considered themselves unable to work, while one in five women classed themselves as homemakers. The number who consider themselves to be unemployed decreases with age for women, as they often classify themselves as homemakers after starting a family. These categories are not mutually exclusive; a respondent may, for example, be a homemaker and jobseeker at the same time, but in these statistics they will only be included in one of the categories.

International comparisons

Eurostat, the statistical office of the European Union, has published corresponding figures based on the LFS in all EU and EFTA countries, using the definition in this article. In the EU as a whole, nearly 16 per cent of all young people aged 15-29 were neither in employment or education in 2013 (Figure 2). In countries such as Greece, Italy and Spain, the share was between 20 and 30 per cent, while the lowest shares were seen in the Netherlands and Norway, with 7 per cent each. In Sweden, Switzerland and Denmark the share was around 8 per cent.

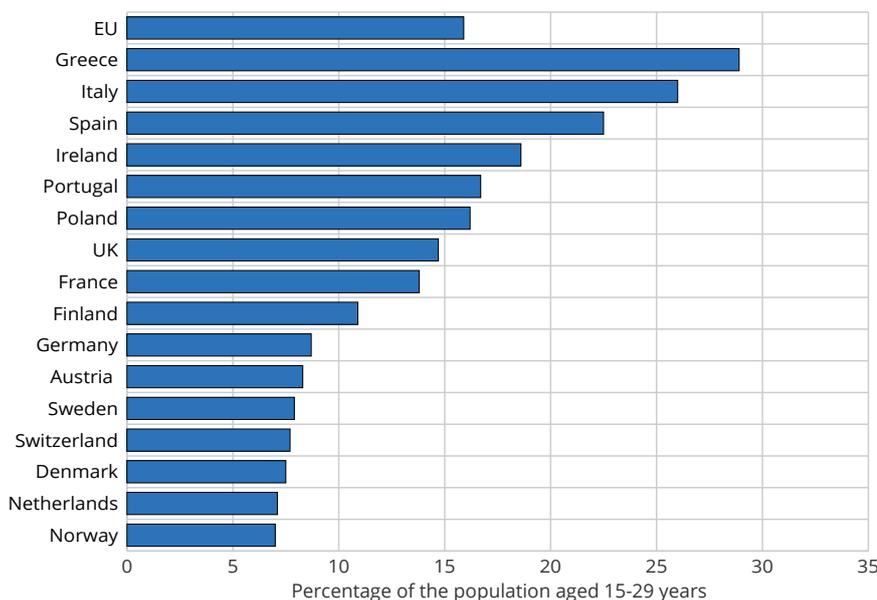
Information from registers

Analysing the group based on the supplementary information found in administrative registers as opposed to solely using LFS data is interesting from a number of perspectives. Register-based statistics (see text box) do not contain the statistical uncertainty and the error margins that are associated with the LFS, particularly in relation to smaller groups. The registers also provide us

**Register-based statistics
(System for Personal Data)**

Statistics Norway’s System for Personal Data (SPD) is an extension of the register-based employment statistics, which as well as providing information on employment, also includes information on education, NAV initiatives and receipt of some state benefits. The SPD is a total count in which the definition of employment is the same, in principle, as in the LFS. Statistics based on data from administrative registers do not contain the sample uncertainty associated with the LFS. The register-based statistics can also provide information on how long an individual remains in NEET by tracking the same people over time.

Figure 2. Young people neither in employment or education in selected countries. 2013. Per cent



Source: Eurostat.

with information on whether the young group we are analysing is participating in NAV initiatives or receiving state benefits, and if so, which benefits they are receiving.

Register-based statistics also enable the same individuals to be tracked over several years in order to show the progress of the NEET group. Comparisons of the progress of the NEET group with others of the same age will help to illustrate how belonging to NEET can be a hindrance to future participation in the labour market. The register-based statistics can also provide information on how long an individual remains in NEET.

Based on the information contained in administrative registers on employment, education and participation in employment initiatives, it is possible to provide register figures for the NEET group using the fourth quarter of each year as a reference period. When using the register data as a source, the size of the NEET group increases compared to the figure from the LFS, from around 6 per cent (LFS) to 10.6 per cent (register) in 2012. The lower percentage in the LFS is mainly because those who are taking informal education, and therefore not in the NEET group, are also included.

Using this definition of NEET, 110 500 of young persons aged 15-29 in 2013 could be classified in the NEET category. Of these, 14.6 per cent were registered with NAV as 100% unemployed, while 11.9 per cent were receiving a work assessment allowance. A further 5.7 per cent were in receipt of disability pension, while almost as many (5.5 per cent) were receiving social assistance.

However, the registers lack details of status for more than half of the cases. It is reasonable to assume that some of these individuals are financially supported by close family or a spouse. Some may also be what is known as “family labour” in a business owned by a member of their household.

One year of inactivity can impact future prospects

In 2008, 915 100 of the residents of Norway were aged 15-29. In excess of 84 300, or 9.2 per cent, could be classified as belonging to the NEET group in the fourth quarter of 2008.

By linking several years of register data, we can form a picture of continuous periods of belonging to NEET. The register data does not provide answers to exactly how long an individual has a specific status: whether, for example, they have odd jobs or receive various benefits at different points in one or more of the years, since it is only the situation in November each year that is analysed. Linking the register data in this way will, nevertheless, provide valuable information.

Our analysis looks at those who were in the NEET group in 2008, and examines how many were still in the group in each of the subsequent four years.

The results show that of the original 84 300, 28 per cent were only in the group in the first year, 8 per cent were in the group for two years, 5 per cent for three years, 4 per cent for four years and 20 per cent could still be classed as satisfying the criteria for NEET in 2013. About a third of the base population had either been in and out of NEET several times over the years, or they had emigrated (Table 1).

Of the 17 200 who belonged to NEET for five successive years from

Table 1. Persons aged 15-29 years in NEET in 2008, by sex and duration of status. Per cent

	Base population	Years in NEET					Not in population all years
		Only 2008	2008-2009	2008-2010	2008-2011	2008-2012	
Total	84 263	23 756	6 878	4 074	3 289	17 222	29 044
Women	44 293	11 849	3 600	2 346	1 963	9 486	15 049
Men	39 970	11 907	3 278	1 728	1 326	7 736	13 995
		Per cent					
Total	100	28	8	5	4	20	34
Women	100	27	8	5	4	21	34
Men	100	30	8	4	3	19	35

Source: System for Personal Data, Statistics Norway.

2008 to 2012, 8 800 or 51 per cent received health-related benefits in 2012, while 2 200 (13 per cent) had other financial benefits, 700 (4 per cent) were unemployed and 5 500 (32 per cent) had an unknown status. Poor health may be one reason why some young people are not in employment or education. Of those who received health-related benefits, such as sick pay, work assessment allowance and disability pension in 2008, 94 per cent were still receiving these benefits five years later.

Some people also find a job. Forty-two per cent of those who were in the NEET group in 2008 were in employment in 2012. Others were in education (7 per cent), and just over 8 per cent were unemployed or seeking employment, while 15 per cent were receiving a health-related benefit. The remainder had an unknown status in 2012.

By tracking those who were employed or in education/training and therefore not in the NEET group throughout the five-year period, we can see that more than 77 per cent were working four years later. Just over 10 per cent were in education, and around 3 per cent were registered as 100% unemployed or seeking employment. Two per cent were receiving a health-related benefit in 2012.

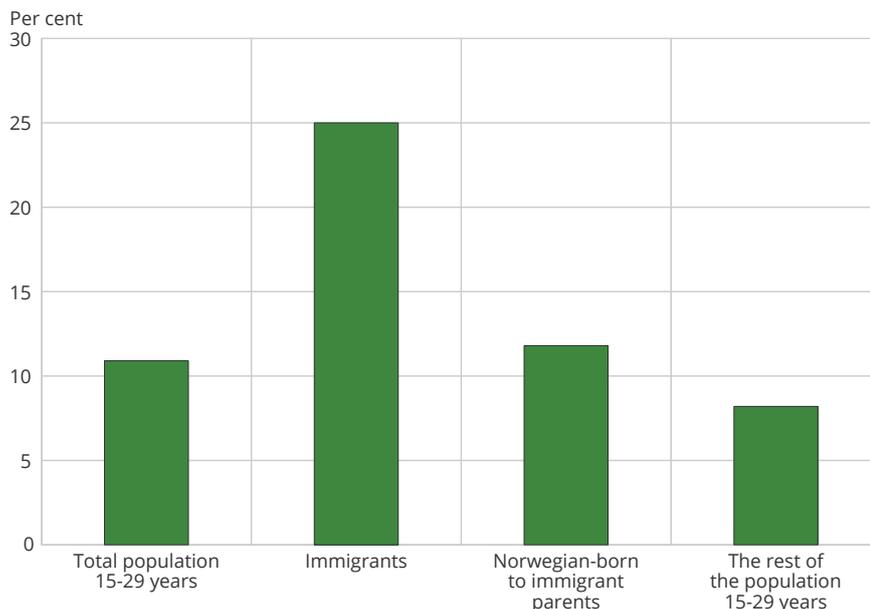
We do not have information on 4 per cent of this group. If we only consider those who were in employment in 2008, i.e. not those in education, the figures show that over 83 per cent were still working in 2012.

Based on status in 2008, we can conclude that those in the NEET group consistently seem to have more long-term problems securing a foothold in the labour market. Some of these will be unemployed, while others drop out because they eventually stop looking for work.

Immigration and level of education

As shown previously, 10.9 per cent of the resident population between the ages of 15 and 29 could be classified as belonging to NEET in 2013, according to register data. When broken down by immigration category, a slightly different picture emerges. The NEET group was made up of 25 per cent of immigrants, almost 12 per cent of Norwegian-born to immigrant parents and 8 per cent of the population at large (Figure 3).

Figure 3. Residents aged 15-29 years in the NEET group, by immigration category. 4th quarter 2013



Source: System for Personal Data, Statistics Norway.

Persons belonging to the NEET group generally have a lower level of education than corresponding groups in the population at large. The education of a relatively large group of the immigrants is unknown, and many have no education from the Norwegian education system. Among the general population, the share with an unknown education is very small (Table 2).

Table 2. **Persons aged 15-29 years by NEET status, immigration category and level of education. 4th quarter 2013**

	Immigrants		Norwegian-born to immigrant parents		The rest of the population	
	Total	NEET	Total	NEET	Total	NEET
Total	100	100	100	100	100	100
Primary/lower secondary	30	27	48	55	40	62
Upper secondary	16	11	25	17	33	24
University/university college	17	11	15	11	21	11
Unspecified education	37	51	12	17	7	3

Source: System for Personal Data, Statistics Norway.

Bibliography

Bø, Tor Petter and Åsne Vigran (2014): «Ungdom som verken er i arbeid eller utdanning.» (Young people neither in paid employment nor in education or training – English abstract only) Report 2014/37, Statistics Norway. <http://www.ssb.no/arbeid-og-lonn/artikler-og-publikasjoner/ungdom-som-verken-er-i-arbeid-eller-utdanning>