CO3.5 Young people not in education or employment

Definitions and methodology

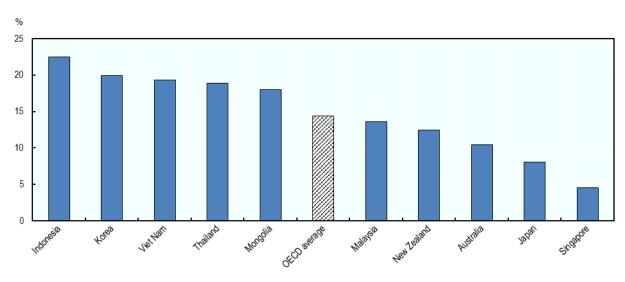
This indicator presents data on young people who are 'NEET' – those who are not in employment, education, or training. Young people are defined as those between 15 and 29 years of age, while an individual is classified as 'NEET' as long as they were neither enrolled in formal education or a training 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 who 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 gender

Key findings

NEET rates vary considerably across the Asia-Pacific countries included here (Chart CO3.5.A). While NEET rates are relatively low in Singapore (6%) and, to a lesser extent in Japan (8%), they are comparatively high in Indonesia (23%) and Korea (20%): in Indonesia and Korea, almost one in four young people aged 15-29 were classified as NEET in 2021.

Chart CO3.5.A. **NEET rates for 15-29 year-olds**Proportion (%) of 15-29 year olds not in employment, education or training (NEET), 2021



Notes: Data for Thailand refers to 2017, Korea to 2019 and Malaysia and Viet Nam to 2020. For Indonesia, Mongolia and Singapore, the data is for 15-24 year olds. For Malaysia, the age range was note stated.

Sources: <u>Australia and New Zealand: OECD Education at a Glance</u>; <u>Indonesia: ILOSTAT Database</u>; Japan: OECD Secretariat calculations based on the Japanese Labour Force Survey; Korea: National Youth Policy Institute (2020); Malaysia: Labour Force Survey (2018); ILOSTAT; <u>Mongolia: Employment Statistics</u>, <u>2021</u>; <u>Singapore: Ministry of Manpower (2022) Summary Table: Youth;</u> Thailand Labour Force Survey 2021; Viet Nam: Viet Nam Household Living Standards Survey 2018, 2020.

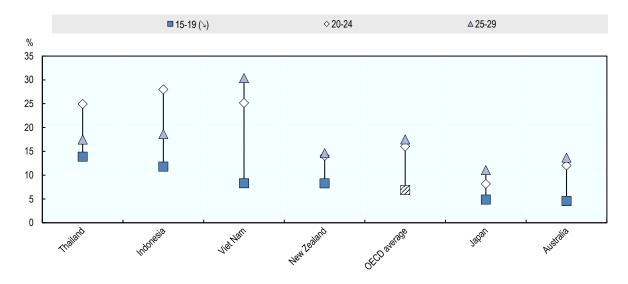
Other relevant indicators: Educational attainment by gender (CO3.1); Gender differences in university graduates by fields of study (CO3.2); and, Literacy scores by gender at age 15 (CO3.4).

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In the selected Asia-Pacific countries, as in most OECD countries, NEET rates are often higher for older youth in their twenties than 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 (30%) are almost four times as likely to be NEET as 15-19 year olds (8%). By contrast, in Thailand and Indonesia, NEET rates were 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, 2021



Notes: Data for Thailand refers to 2017, Viet Nam to 2018.

Sources: <u>Australia and New Zealand: OECD Education at a Glance</u>; Japan: OECD Secretariat calculations based on the Japanese Labour Force Survey; Indonesia: National Labour Force Survey 2021; Thailand: Thailand Labour Force Survey 2021; Vietnam: VHLSS 2020.

NEETs are also more likely to be female than male (Chart CO3.5.C). Across the Asia-Pacific countries included here with available data, NEET rates are higher for women than for men, except for Viet Nam. In most countries, the difference is around 2-3 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 (11%) is less than one percentage point higher than the NEET rate for young men (10%). In Viet Nam, the NEET rate for young men (20%) is around 1.5 percentage points higher than the rate for young women (19%).

Comparability and data issues

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.

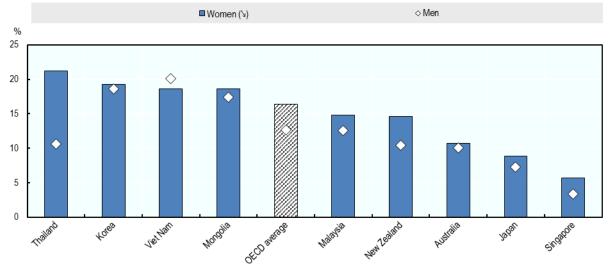
Additionally, some countries oblige young men (and in some cases, young women) to enter military (or national) service. In some countries, labour force statistics only consider the civilian population so any young persons on military service would not be included in the NEET figures. In others, military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

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force but conscripts living in barracks are not, while in other countries 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, 2021



Notes: Data for Korea refers to 2016, Thailand to 2017, and Malaysia and Viet Nam to 2020. For Indonesia, Mongolia and Singapore, the data is for 15-24 year olds.

Sources: <u>Australia and New Zealand: OECD Education at a Glance; Indonesia: ILOSTAT Database;</u> Japan: OECD Secretariat calculations based on the Japanese Labour Force Survey, Malaysia: Labour Force Survey(LFS), 2018; <u>Mongolia: Employment Statistics, 2021</u>; Thailand: Thailand Labour Force Survey 2021; Vietnam: VHLSS 2020.

Sources and further reading:

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

OECD Education Database.

OECD Education at a Glance 2023. https://www.oecd.org/education/education-at-a-glance/.

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