

**EMBARGOED TO 6:00AM THURSDAY 18<sup>TH</sup> FEBRUARY 2010**

## **A case of youth neglect?**

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In the course of assessing New Zealand's performance as a nation, the New Zealand Institute has observed a disturbing pattern. New Zealand's adequate overall performance on some social measures masks poor outcomes for young people. Several organisations including the Salvation Army, Child Poverty Action Group and The Foundation for Youth Development have raised concerns about outcomes for children and young people in New Zealand. Our research shows that New Zealand's youth are more disadvantaged than youth in other OECD countries.

New Zealand performs relatively well at the basics of primary and secondary education but then fails many youth on the brink of adulthood. New Zealand students consistently score among the highest in the OECD on standardised tests in reading and mathematics at age 15. However, the enrolment rate for 15 - 19 year olds and the school completion rate in New Zealand are among the lowest in the OECD.

Prior to the recession, New Zealand had one of the lowest rates of unemployment in the OECD, so many of those leaving school early could find work. In 2007, ten percent of those aged 15 - 24 were unemployed, slightly lower than the OECD average of 12%. The youth unemployment rate in New Zealand in December 2009 was 17%, one of the highest youth unemployment rates in the OECD. How can we expect world-class economic performance and social outcomes with a population in which so many struggle into adulthood?

Young people in New Zealand are carrying much more of the unemployment load than youth in other countries. The OECD reports that 30% of the unemployed in New Zealand in 2008 were aged 15 - 19, compared with 12% on average for OECD countries.

Early departures from the school system and youth unemployment are more likely for people who are disadvantaged. Measures of inequality show that, while real incomes for New Zealanders on average have been growing, the average income of the poorest 20% of the population has remained stable over the last 20 years. That history demonstrates that New Zealand cannot rely on growing average prosperity to address issues for those who are disadvantaged.

Following the early 1990s recession, New Zealand's youth suicide rate rose dramatically and was amongst the highest in the world. Programmes to reduce the rate of youth suicide have been very successful, with the risk of suicide for people aged between 15 and 24 reducing by almost half between 1995 and 2007. Despite that impressive reduction, New Zealand's suicide rate for people aged 15 to 19 remains among the highest in the OECD. Yet the overall suicide rate for New Zealand is about average within the OECD. Suicide is another measure where young people in New Zealand fare poorly relative to adults.

Young New Zealanders have a high risk of issues with alcohol, violent crime is a problem, and many young adults are incarcerated. These issues may be connected with unsuccessful transitions from school to work.

Last August the New Zealand Government committed \$152 million to assist an estimated 17,000 unemployed youth into work or tertiary education. While this is a positive step, there were nearly 64,000 unemployed 15 – 24 year olds in December.

Young people are the future of the nation. Many do not yet have the vote, and most have few economic resources. It is our responsibility as leaders and adults to get them off to a good start in life. These outcomes demonstrate that we are not yet doing a good enough job.

As Government considers priorities and investments to promote economic growth, with worthy competing demands for investment and difficult fiscal constraints, it should carefully assess the short and long term benefits from reducing youth neglect. Investing wisely in our youth provides economic and social benefits for us all.