

EXECUTIVE SUMMARY

Youth are important because they will be our future parents, workers, citizens and leaders.

Improving outcomes for disadvantaged youth will provide three important benefits: lower harm and costs while the youth are young, establishing the youth on better trajectories for the remainder of their lives and a better start in life for their children.

Despite the involvement of many government agencies, a large number of interventions and extensive research literature, there is no widely agreed understanding of why New Zealand youth are experiencing poor outcomes and no agreed strategy for improvement.

The New Zealand Institute investigation aimed to identify powerful interventions that can ensure the socialisation process works more effectively to reduce youth issues, rather than improve remediation efforts.

Five social issues that affect youth are education, unemployment, crime, health and safety, and teenage births. Many youth are affected by these issues and many are affected by more than one. The unemployment rate for youth is about 20% and higher proportions of youth are smokers, hazardous drinkers, cannabis users, overweight or obese, or have low education attainment at age 15.

New Zealand youth perform well on average relative to OECD norms in education. However for each of the other four measures New Zealand's average is materially worse than the OECD average.

Every country has disadvantaged youth. New Zealand's are more disadvantaged than youth in other OECD countries on average, the disadvantage is strongly concentrated in Māori and Pacific ethnic groups and there is no convincing sign of improvement trends.

Unemployment is central; it is an important consequence of disadvantage as well as a cause of further disadvantage. Disengaged, inactive youth are at greater risk of lower earnings, needing social assistance, criminal offending, substance abuse, teenage births, suicide, homelessness, and mental or physical ill health.

New Zealand 'allocates' a higher share of unemployment to its youth than any other OECD country. Forty-five percent of New Zealand's total unemployed are youth. Youth aged 20 to 24 years have similar experiences to 20 to 24 year olds in other OECD countries so it is the 15 to 19 year olds here who are different.

Many OECD countries insulate their 15 to 19 year olds from unemployment by keeping them in education or training so they are not in the labour force.

**MORE LADDERS, FEWER SNAKES:
TWO PROPOSALS TO REDUCE YOUTH DISADVANTAGE**

New Zealand does not; it has the lowest median age of leaving initial education among OECD countries. Far too many youth are leaving school early and not successfully transitioning to work. So although New Zealand youth perform comparatively well in education at age 15, they do not do well on average after that.

Māori and Pacific youth are much more likely than other youth to leave school educationally disadvantaged. That makes them more likely to be exposed to the risk of other disadvantages too.

Assuming New Zealand society is unwilling to continue to accept these very poor outcomes and the absence of improvement trends, much more needs to be done. The question is what?

Many arguments are made that disadvantage arises from cultures, communities, parenting, pregnancy and early childhood experiences. There is no doubt that many children start school disadvantaged.

However, there are examples where children have arrived at school disadvantaged and left with successful outcomes. The challenge is to make those successes much more widespread.

Successful education requires more than just turning up at school. If students are engaged they will make the effort to learn but too few students remain engaged at school. By age 16, 36% are reported to be usually or always bored and one quarter want to leave as soon as they can, or already have (Wylie, 2009, p.2).

According to the Ministry of Education, New Zealand has one of the highest proportions of disengaged 14 to 18 year old students of any OECD country (2009, p.23). Yet there is no nationwide measurement of student engagement and no nationwide efforts to retain engagement. Rather there are many intervention efforts that respond to the symptoms of disengagement such as truancy.

E-learning, combined with a school improvement programme, improves student engagement and learning outcomes. For example, Manaia View School is decile one, has a 90% Māori roll and has established an e-learning programme. Last year 89% of their year seven and year eight students performed at or above the level expected for their age in reading, and 71% in writing. The corresponding figures for 2008 were 58% and 32% respectively.

E-learning is not enough by itself. It needs to be embedded in a school improvement programme that includes teacher development and community engagement.

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E-learning can reach everyone and improve outcomes for those already disadvantaged. Therefore it should be scaled urgently and systematically.

Successful scaling will require:

- Provision of turnkey technology solutions to the schools;
- Development and communication of the principles to guide school improvement and to deploy e-learning;
- Resources at a district level to ensure professional support is available where and when it is needed; and
- Effective mechanisms for identification and transfer of best practice.

Despite many e-learning efforts and compelling evidence of its positive impacts on engagement and learning, none of these requirements is yet available.

The school-to-work transition is not working well. Many young people are leaving school but not finding their way into permanent work successfully.

There are many educational institutions that compete for students and the funding they bring. Success depends on being able to offer courses that students find appealing but there is no robust test to ensure that the courses offered will lead to work for the graduates. Most educational institutions do not track what happens to their students when they graduate and there are weak connections between the institutions and employers.

There is no strong mechanism to match aggregate future workforce needs with educational or training capacity either. In a world where workforce needs are changing rapidly that leads to mismatches which are costly for the individuals affected and for the economy as a whole.

To remedy these issues we propose that stronger pipelines be developed to help students progress from school through tertiary academic or vocational training and into work. Examples of successful pipelines exist and the lessons from these should be abstracted and rolled out nationwide.

There should be a central agency, such as Careers NZ, that is mandated to provide oversight of the overall careers system and make changes that will promote life-long career self-management. It should provide professional career guidance for students as they move through the school-study-training-work transition, informed by a sound understanding of student aptitudes and interests, and the expected workforce supply and demand.

Most of the changes we propose involve refocusing existing capacity, capability and effort. An indicative costing indicates that the incremental per annum cost would be around \$200 million, roughly 4% of the current primary and secondary education budget.

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The estimated annual cost from youth unemployment, youth incarceration, youth on the sole parent benefit, including taxes forgone, is around \$900 million. An improvement to the OECD mean outcomes on these variables would repay a \$200 million per annum investment. The best performing OECD countries have much lower costs for these youth issues so large improvements are achievable.

Successes are being achieved in New Zealand but they are isolated examples. The champions of these successes are trying to encourage more widespread adoption of the successful programmes.

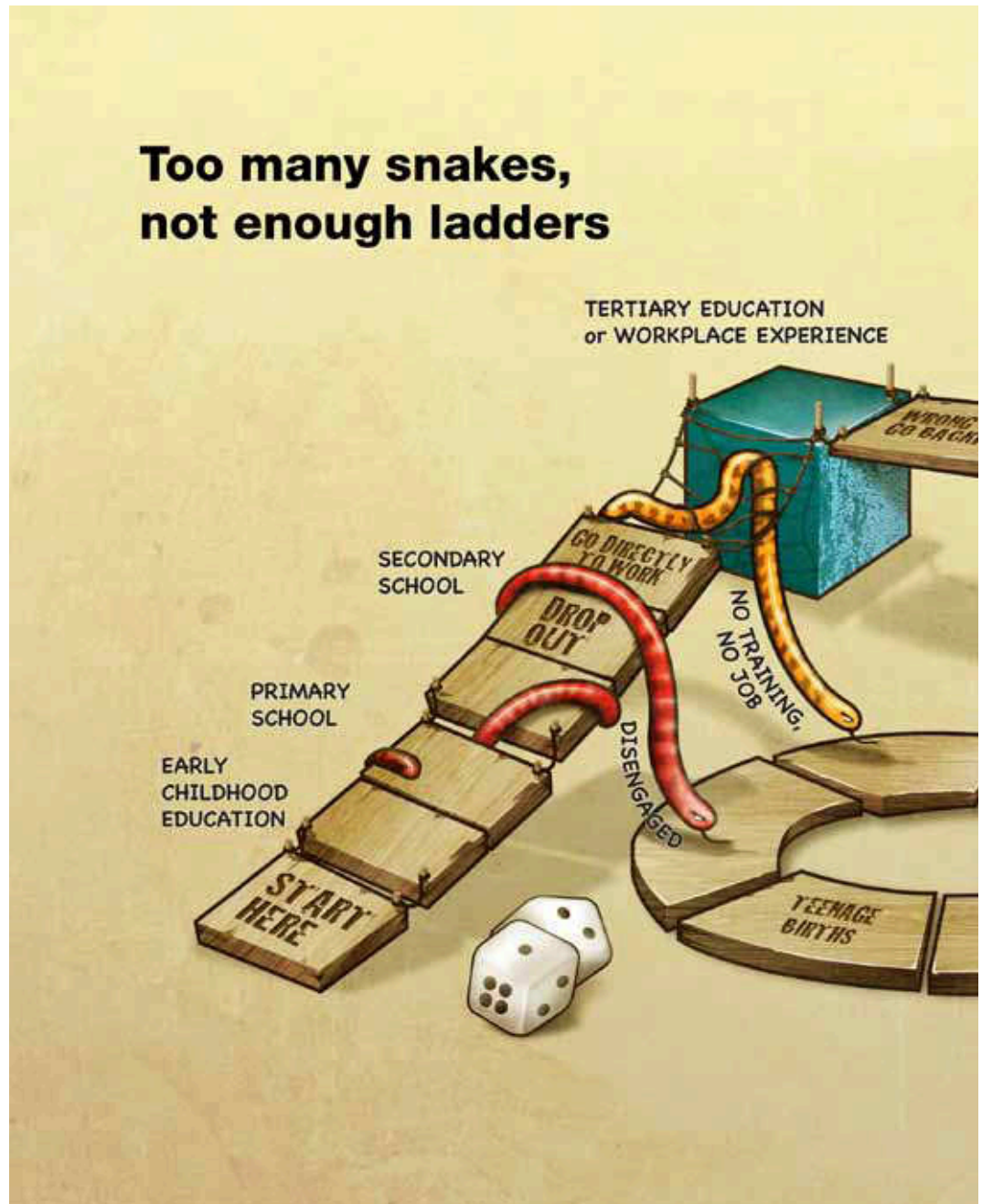
The next step is to combine the best methods and learning from existing efforts and to scale them quickly. In our explorations we met many people who are making a difference. What we did not see was evidence of a well-organised centre hungry for valuable interventions and capable of scaling them.

The challenge is to find a person or agency with the motivation, resources and mandate to successfully launch the changes we propose. The absence of such a readily identifiable person or agency may help explain why there is so much youth disadvantage and so little progress in reducing the social issues experienced by youth, especially Māori and Pacific youth.

Leadership will be essential to initiate and drive the effort, and cooperation among agencies will be needed for successful implementation.

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Too many snakes, not enough ladders



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