

Study: The transition from school to work – the NEET (not in employment, education or training) indicator for 25- to 29-year-old women and men in Canada, 2017/2018

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Slightly more than one in seven Canadians, ages 25 to 29, are not working, are not in education, or in training of some kind.

For a number of years, the Organisation for Economic Co-operation and Development (OECD) has released data on the proportion of youth who are not in employment, education or training (NEET). This is a closely followed indicator because NEET youth could be at increased risk of low income and social exclusion.

However, these youth could be in a NEET situation for many reasons, such as travelling, volunteering, providing community service, caring for children, or because they are permanently unable to work. The most recent data show that the volunteer rate of young adults was 40%. In order to better measure activities such as these, Statistics Canada is in the midst of revising the NEET indicator to make it a more comprehensive one that will more completely reflect the activities of young people who are not engaged in traditional work and school activities.

A new study entitled "[The transition from school to work - the NEET \(not in employment, education or training\) indicator for 25- to 29-year-old women and men in Canada](#)" is now available as part of the *Education Indicators in Canada: Fact Sheet* series and sheds light on young NEETs aged 25 to 29, at both the national and provincial levels.

In 2017/2018, 15% of Canadians aged 25 to 29 were in a NEET situation

Over the past 20 years, the Canadian NEET rate for 25- to 29-year-olds has been between 15% and 19%. In 2017/2018, this proportion was 15%, which represented approximately 376,000 individuals, the majority of whom were women. Two-thirds of these young NEET Canadians were not looking for work (i.e., not in the labour force), while one-third were unemployed (looking for work).

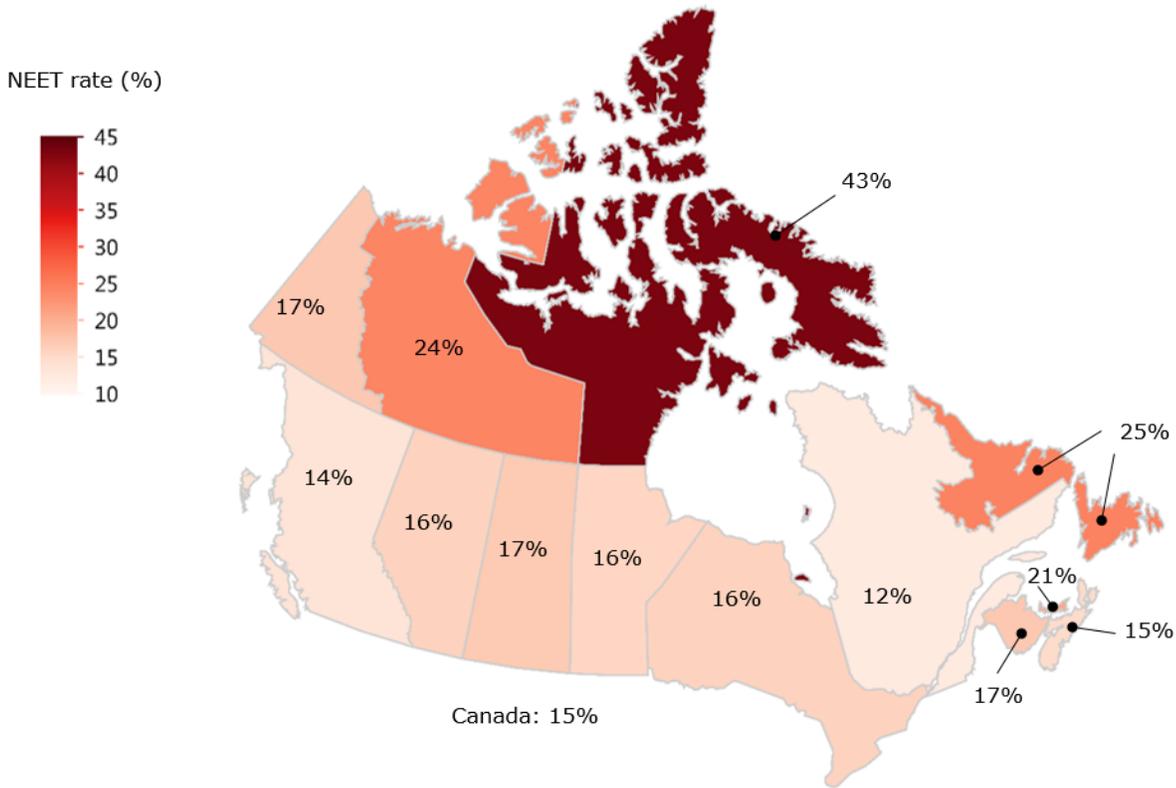
Young women were more likely than young men to be out of the labour force, while young men were more likely to be unemployed than young women. Among young NEET Canadians who were not in the labour force, almost 1 in 10 were permanently unable to work (likely for disability or health reasons), while more than 7 in 10 said that they did not want to work.

NEET rates for most provinces and territories were similar to the Canadian average

The NEET rates for most provinces and territories were similar to the Canadian average of 15%, with the exception of Newfoundland and Labrador (25%), Prince Edward Island (21%), Nunavut (43%) and the Northwest Territories (24%), where the NEET rates were higher. The NEET rate for Quebec (12%) was below the Canadian average. The high NEET rates in Newfoundland and Labrador and in Prince Edward Island were due to the particularly high unemployed NEET rates in these provinces, whereas the lower rate in Quebec was due to a lower proportion of NEET women who were not in the labour market than was the case in the rest of Canada.



Map 1 – Not in employment, education or training rates for 25- to 29-year-olds, provinces and territories, 2017/2018



Notes: Labour Force Survey estimates for Canada are derived using the results of the LFS in the provinces; the territories are not included.

Source: Statistics Canada, Labour Force Survey, September 2017 to April 2018.

The presence of children decreases the labour market activity of women

Young women aged 25 to 29 with children were more than four times more likely than young women without children to be out of the labour market. Among the provinces, the smallest gap between these two groups of women was in Quebec, which may be due to the province's family policies. The recent study "[Fertility rates and labour force participation among women in Quebec and Ontario](#)" showed that policies that reduce the costs of daycare in Quebec have encouraged women with young children to enter and stay in the labour market.

The largest differences in labour market participation between women with and without children were in Manitoba, Alberta and British Columbia. It should also be noted that the presence of children has no impact on the labour market participation of men.

NEET rates are closely linked to education levels

In general, the higher the level of education, the lower the NEET rate for 25- to 29-year-olds. Women and men with a high school diploma have significantly lower NEET rates than those without a high school diploma. The same is true when comparing those with post-secondary education with those with, at most, a high school diploma. However, there was little variation in terms of NEET rates for young people with various levels of postsecondary education.

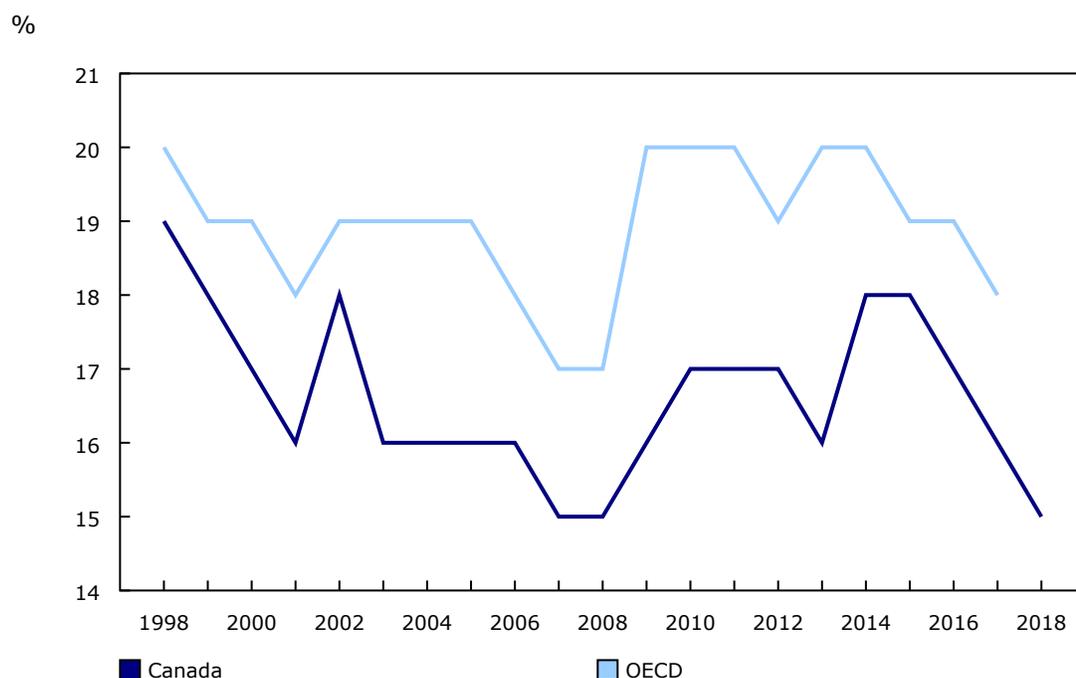
NEET youth more likely than other youth to have a NEET spouse

The majority of NEET youth spouses aged 25 to 29 are employed. However, a young NEET is more likely than other employed young people or students to have a spouse who was also a NEET. This could lead to a precarious income situation for households in which there are no employed adults.

The NEET rate of Canadians aged 25 to 29 is lower than the OECD average

Over the past 20 years, the Canadian NEET rate for 25- to 29-year-olds has been consistently below the OECD average by one to four percentage points. In 2017, the OECD average for this age group was 18%, compared with 16% in Canada for that same year. As observed in Canada in 2017, women from all OECD countries, except Portugal, were more likely than men to be out of the labour market. In that same year, Canada had the third smallest gender gap in labour market participation rates of all OECD countries. This was due to the fact that Canadian men had the fourth highest rate of NEET men not looking for work among OECD countries.

Chart 1
Not in employment, education or training (NEET) rates for 25- to 29-year-olds, Canada and Organisation for Economic Co-operation and Development (OECD), 1998 to 2018



Note(s): OECD data for 2018 were not available when this document was published.
Source(s): Statistics Canada, Labour Force Survey, OECD, Education at a Glance, 1998-2018.

The fact sheet "[The transition from school to work - the NEET \(not in employment, education or training\) indicator for 25- to 29-year-old women and men in Canada](#)," which is part of the *Education Indicators in Canada: Fact Sheet* series ([81-599-X](#)), is now available online.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).