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A STALLED GENERATION?

**Transitions to adulthood in
Scotland today**

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1 Introduction

How are transitions from youth to adulthood changing? And what do those changes mean for individuals, families and communities, and for organisations working to support young people?

Those are the key questions we address in this short report commissioned by **ProjectScotland**, the national volunteering programme for 18 to 30 year-olds. By drawing on a variety of existing sources, we highlight some of the long-term changes in the experiences of young adults but also the way in which these are interacting with the recent effects of the downturn in the specific local context of Scotland.

We argue that, like most advanced industrial economies, Scotland has seen a gradual transformation of the transition from youth to adulthood – one characterised by more extended and diverse pathways into work, independent living and family formation. Although all of these changes are inter-related, one of the most important has been the enormous expansion in participation in higher education, which has affected young women in particular.

For most young people – and against the backdrop of economic growth and rising societal affluence – these long-term developments have been broadly positive. Graduate level education has generally been rewarded with graduate level employment, and a wider group of young people has been able to enjoy a gradual start to their adult lives – a time often associated with a sense of exploration, possibility and self-determination. There are some signs, however, that increasing numbers of young adults are finding their progress stalled and are unable to move beyond this stage into fully-fledged adult life.

This is by no means the experience of all, so talk of a ‘lost generation’ is perhaps unhelpful. Indeed, even with rapidly rising unemployment, a majority of young adults will still manage to move successfully into permanent careers and develop autonomy in other realms of their lives. But there is a growing number for whom the transition into adulthood is increasingly characterised more by constraint than choice. As always, those from more disadvantaged backgrounds, with poorer educational qualifications and fewer socio-economic and familial resources are the most vulnerable here. But the data presented in this report suggest that there may be wider and more diverse vulnerabilities emerging, too, among older groups of young people and even those with significant levels of educational attainment.

2 Long term changes in transitions to adulthood

In thinking about social life, we often fall into what has been termed ‘epochalism’ – the belief that contemporary experience is somehow radically different from that which has gone before. This can be especially pronounced in relation to young people, perhaps because they represent so obviously the newness of the world. But there are obvious dangers in this: first, that we gloss differences within particular groups; and secondly, that we underestimate continuity in the way that society operates or, at the very least, see social change as happening much faster than it actually does.

There is no doubt that, for most young people in Scotland today, the transition to adult life is very different from that experienced by their parents or grandparents and that recent economic developments have had some far-reaching consequences. But those differences have not arisen overnight, or even in the last few years, and are rooted in significant social, economic and demographic shifts that can be traced back over several decades. In this section, we briefly recap some of the most important of those, with the aim of setting in context more recent and contemporary developments. First, however, we highlight some of the ways in which these changes have been conceptualised within the academic literature.

2.1 Academic perspectives on transitions to adulthood

During the 1960s and as recently as the first half of the 1970s, transitions between youth/school and ‘adulthood’/work tended to be seen in relatively direct and linear terms. Most young people left school and entered directly into employment – often (at least for males) via an apprenticeship. A small minority went on to university, and typically entered graduate-level employment thereafter. Domestic transitions were similarly straightforward: as Bynner has put it, ‘the transition to independent living comprised getting engaged, getting married and setting up a home of one’s own’ (2002, p.15).

In the 1970s and 1980s, sharp rises in youth unemployment led to an awareness of growing diversity and discontinuities in the pathways followed by young people into adulthood and concern with the structural aspects of vulnerability to unemployment and exclusion. During this period, ‘with a strong emphasis being placed on family background, educational attainments and external contexts, outcomes were frequently regarded as being largely outwith the control of individuals’ (Furlong et al, 2003, p.4). From the late 1980s onwards, however, alternative perspectives began to emerge that emphasised the ways in which individual young people deployed agency and actively negotiated or ‘navigated’ their own pathways – albeit within the context of overarching structural conditions and constraints.

One influential perspective in this context has been that of ‘emerging adulthood’ (Arnett, 2000). This suggests not only that transitions to adulthood have become extended, but that they represent a new stage in the life course, between the ages of 18 and 25, which bridges the space between wholly dependent youth and fully-fledged adulthood. Arnett sees this as a largely positive development, associated with identity exploration, instability, self-focus, and feeling in-between; and above all, with possibilities in terms of love, employment and worldviews.

The implicit notion of agency in the construction of one's own biography finds wider resonance elsewhere in youth studies and within the social sciences more generally, where there has been a concern with theories of risk and individualisation (see, for example, Beck et al, 1994, and Giddens, 1991).

Such perspectives have been criticised, however, for their failure to address differences in the circumstances, life chances and experiences of young people within and across different societies. Heath (2008) and others insist instead on a continuing distinction between 'standardised' or 'normal' biographies, on the one hand, and 'choice' biographies on the other. The former are associated with relatively early entry to the labour market, partnership and parenting, often through highly gender-specific routes for people from less advantaged backgrounds. The latter are more extended, reflexive and self-directed and are more common among those who have benefited from the expansion of higher education. The suggestion, then, is that transitions to adulthood are becoming not just more diverse but increasingly polarised. As Bynner has put it, there are both 'fast and slow lanes to adulthood'.

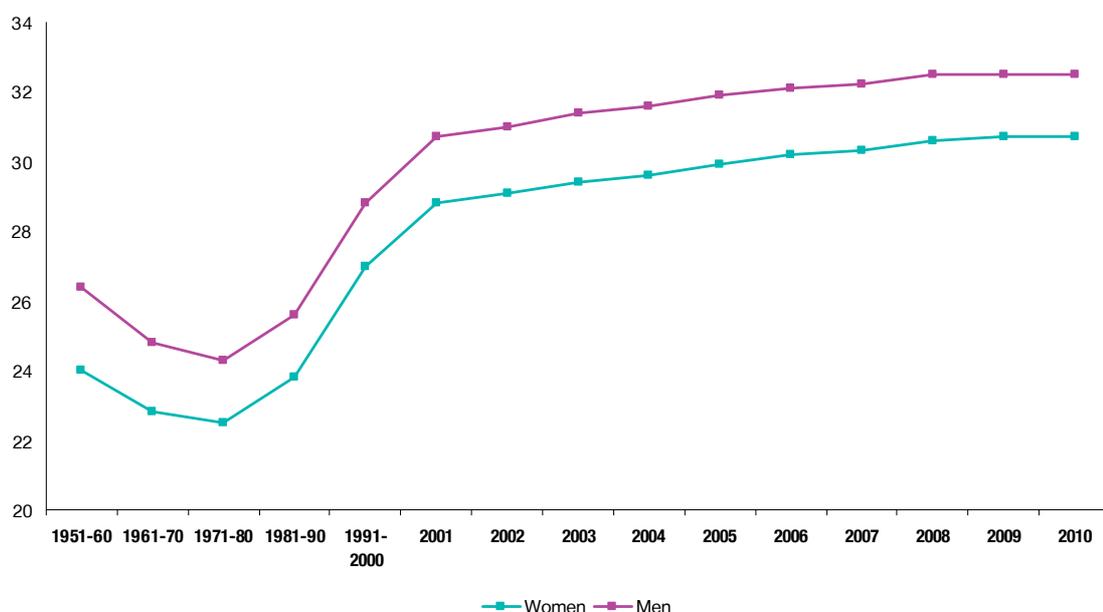
In the context of the current report, we are particularly interested in the latter group – those who might have expected to be able to exercise a high degree of choice in navigating a route to adulthood but who find themselves, as a result of increasing economic constraint, not 'exploring possibilities' but unable to move on. Such an emphasis is not intended to downplay the seriousness of the problems faced by those from more disadvantaged backgrounds – but those problems are relatively well-established. Rather, the aim is to consider the case for broadening the focus of public debate and public policy to ensure that all young people receive appropriate advice and support at what is a potentially difficult juncture both in their own lives and for Scottish society more generally.

2.2 Family formation, parenthood and living arrangements

A key marker of adulthood is independent family/couple formation and marriage has traditionally represented the start of that process. While the rise of cohabitation – both in advance and in place of marriage – has diluted that significance, the statistics on **average age at first marriage** remain a useful reminder of the extent to which societal expectations about family formation have changed, and have continued to do so, even in relatively recent times.

As the following graph shows, for both men and women, there have been marked increases in average age at first marriage over the past three decades, with particularly steep increases occurring between 1971 and 2001. Even in the last decade – a period in which the total number of marriages has remained relatively stable – there has been an increase of around two years in the average age of first marriage for both men and women.

Figure 2:1 Mean age at first marriage, Scotland, 1951-2010



Source: General Register Office for Scotland

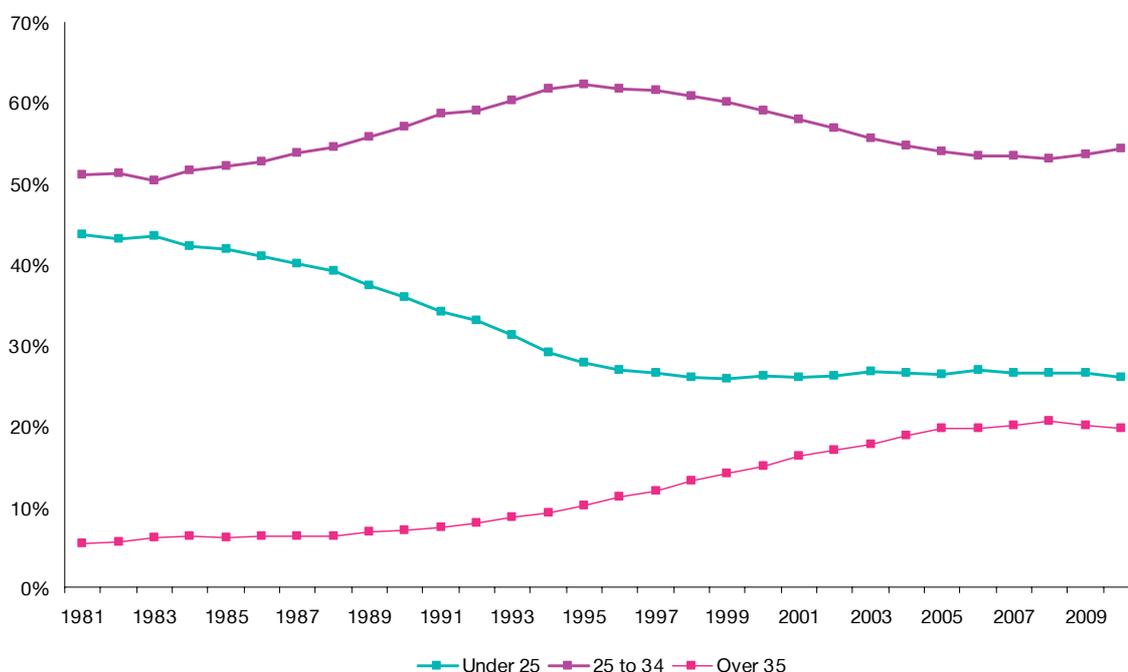
As noted above, cohabitation has partly displaced marriage. But while the 2001 Census data for Scotland indicated that married couple families represented 43% of all families in contrast with 51% a decade earlier, the corresponding increase in cohabiting couple families was only from 4% in 1991 to 7% in 2001.

Delay in family formation is also apparent in the **age at which individuals become parents**. While it will not be a surprise to learn that this is happening at a later point than in the past, the extent of the change is nevertheless striking. The following graph shows the percentage of births in Scotland to women of different ages over the past three decades.

What this shows is a relatively rapid and marked trend towards delayed childbirth, perhaps best illustrated by the change in the gap between the proportions of births to

mothers in the youngest and oldest age groups. In 1981, just one birth in twenty (5%) was to a mother aged 35 or over, while 44% were to mothers aged under 25 – a gap of 39 percentage points. In 2010, by contrast, four times as many births were to women aged 35 or over (20%) and the proportion born to mothers under 25 had fallen to 26% – a gap of just six percentage points.

Figure 2:2 Percentage of births by mother's age, Scotland, 1981-2010

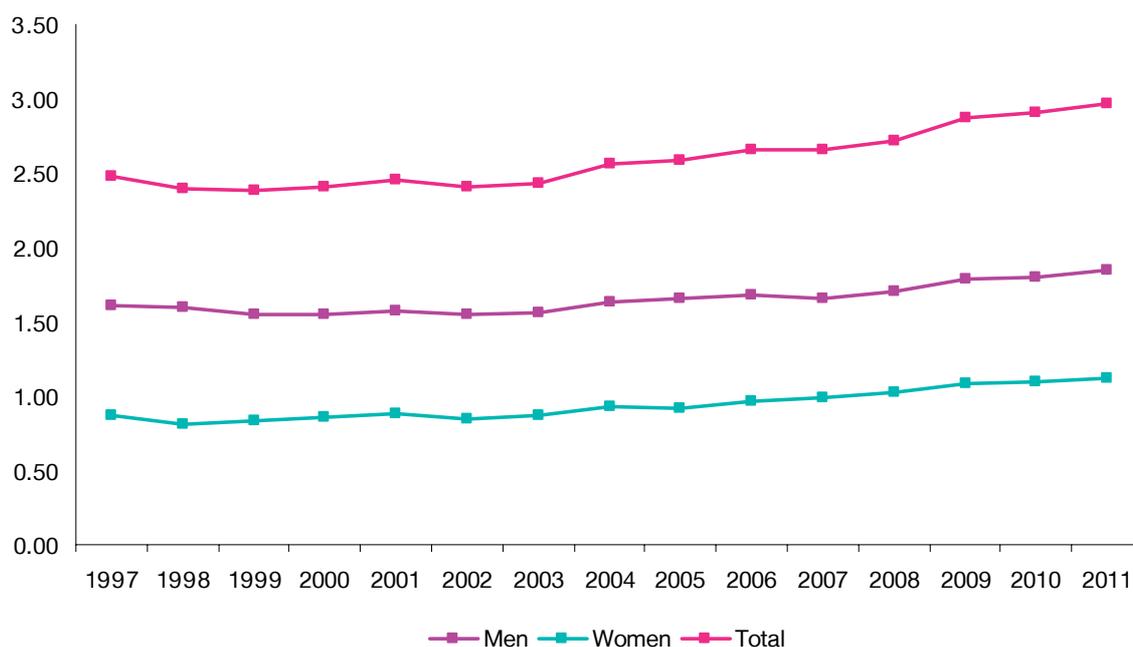


Source: General Register Office for Scotland

Of course, the fact that young people are now marrying and having children later does not mean that they are necessarily still living in their parental home. Indeed, another long-term trend is toward **greater levels of independent living** – either as part of a couple (married or cohabiting), or in other shared or solo accommodation. This has been part of a much wider trend (across all age groups) towards a larger number of smaller households. Between 1981 and 2001, for example, the census data indicated an increase in the proportion of single person households in Scotland from 22% to 33%, with the greatest increases among women aged 25 to 34 and men aged 35 to 44 (Scottish Government, 2010, p.5).

Since the middle of the last decade, however, there have been some signs – at a UK level at least, as the following graph shows – of an increase in the number of young people living with their parents.

Figure 2:3 Men and women aged 20-34 living with parents, UK, 1997-2011 (millions)



Source: Labour Force Survey, Office for National Statistics

Young men are much more likely than young women to still be living at home. There are three main reasons for this. First, women tend to partner with men who are slightly older, and therefore tend to leave the family home at an earlier point. Secondly, young women are more likely to be living alone as single parents. And finally, young women are more likely to participate in Higher Education, and so to leave home to study elsewhere.

Overall, the number of young people in their late teens and early twenties living independently of their parents shows little sign of falling – at least as long as current rates of participation in higher education are sustained. There are, however, signs of an increase in the proportion *returning* to the family home at a later stage, often after university or college. The experience of these so-called ‘boomerang’ offspring highlight the need for longitudinal data sources that allow a more detailed understanding of individual trajectories over time. This issue is returned to in the concluding chapter.

It is also clear that, for those young adults living away from home, there is much greater (and longer) dependence on rented accommodation – particularly within the private rented sector – than was the case in the relatively recent past. One indicator of this is the age of first-time buyers. Although this has remained relatively flat among *all* first-time buyers, this disguises the increasing involvement of parents and other family members in providing financial support for home purchases. (The Council for Mortgage Lenders estimates that around 80% of first-time buyers under 30 are likely to be receiving such help.) The sharp decline in lending at high Loan to Value ratios has made it much more difficult for those who lack such support to establish a foothold in the property market: there is evidence that the age of this group of first-time buyers has risen by at least 3 years (to over 36 years of age) since the onset of the financial crisis.

Taking a longer-term view of these trends – and projecting forward on the basis of existing data and policy scenarios – the Joseph Rowntree Foundation has estimated that by 2020 in the UK:

- the total number of young people owning their own properties will decrease by approximately 1.1 million (in 2008) to 1.3 million
- the number of young people living with parents in owner-occupied accommodation will increase by approximately 550,000 to 3.7 million
- the total number of young people living in their own private rented sector tenancies is predicted to increase by approximately 1.3 million to 3.7 million
- the number of young people living in their own social rented tenancies is predicted to decrease by approximately 360,000 to 780,000, while the number living with parents in social rented accommodation is predicted to increase by approximately 170,000 to 870,000 (Joseph Rowntree Foundation, 2012)

2.3 Participation in Higher Education

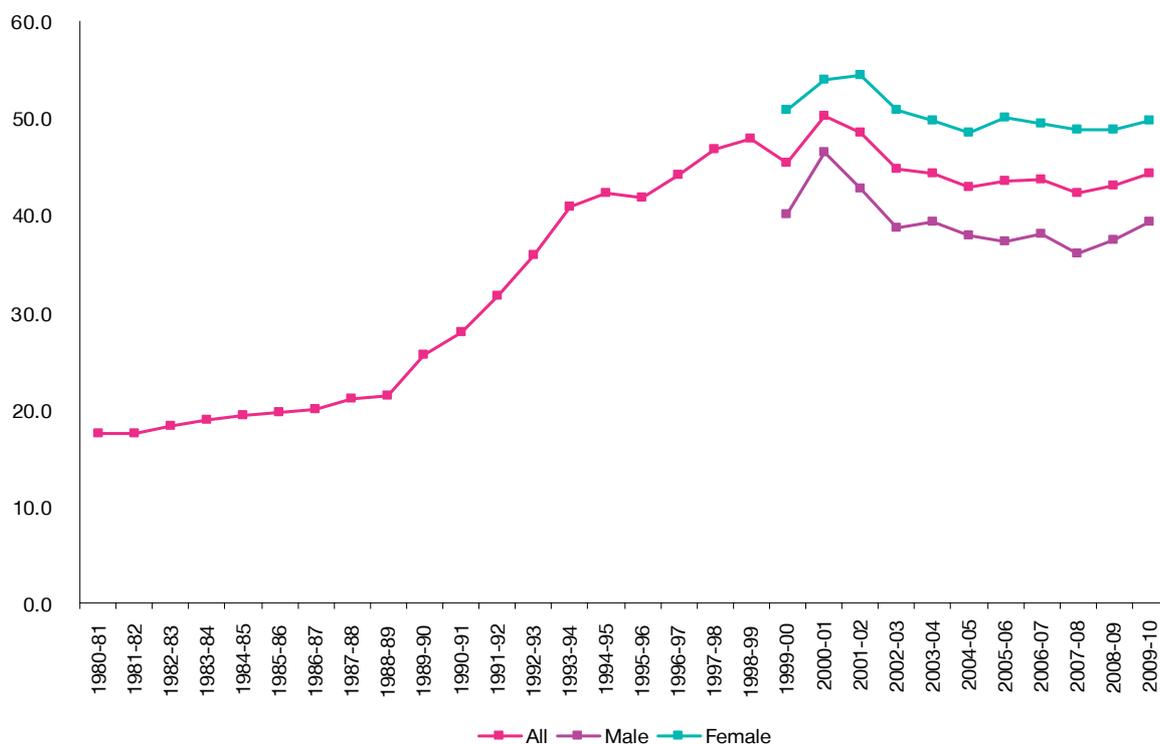
We have already noted the importance of the increase in participation in higher education and begun to suggest some of the ways in which this has interacted with other aspects of young people's transitions into adulthood. Again, however, the extent of the change is worth highlighting. The number of full-time undergraduates in the UK as a whole tripled between 1970/71 and 2006/7 (ONS, cited in Berrington et al, 2010, p.7), while Furlong et al could write in 2003 that 'Higher Education, which was once associated with privilege and elitism, is rapidly becoming a mass experience with one in two young people in Scotland now studying at this level' (2003, p.1).

The following graph shows the Age Participation Index, which is an estimate of the proportion of 17 year olds in the population who can be expected to enter HE for the first time before their 21st birthday.¹ The Scottish API rose from less than one in five in the first half of the 1980s to a peak of 50% in 2001. Although it has since fallen back, the API remains above 40% - a very high figure in terms of historical comparisons and relatively high in cross-cultural terms. It remains, however, to be seen how the changing fee structure and cost of HE may impact on this in the coming years.²

¹ More precisely, the Scottish Age Participation Index (API) for a given year is defined as the number of young Scots aged under 21 who enter a full-time HE course for the first time in that year taken as a percentage of the population of 17 year olds at 31 December in the same year.

² Figures from UCAS in October 2011 suggested a year-on-year decline of 12% in applications from UK students to UK universities. <http://www.bbc.co.uk/news/education-15430180>

Figure 2:4 Age Participation Index, Scotland, 1980-2010 (and by gender, 1999-2010)



Source: Scottish Funding Council (API figures by gender not immediately available prior to 1999-00)

It is worth noting that – over this period as a whole – the API rose especially steeply among females, and that female participation rates are currently around ten percentage points higher than those for males. In 2009-10, for example, the API stood at 49.6% of females compared with 39.2% for males.

As we will see below, however, it cannot be assumed that participation in HE effectively removes individuals from the labour market, as it has become increasingly common for students also to be working or seeking work.

2.4 Long term trends in youth employment

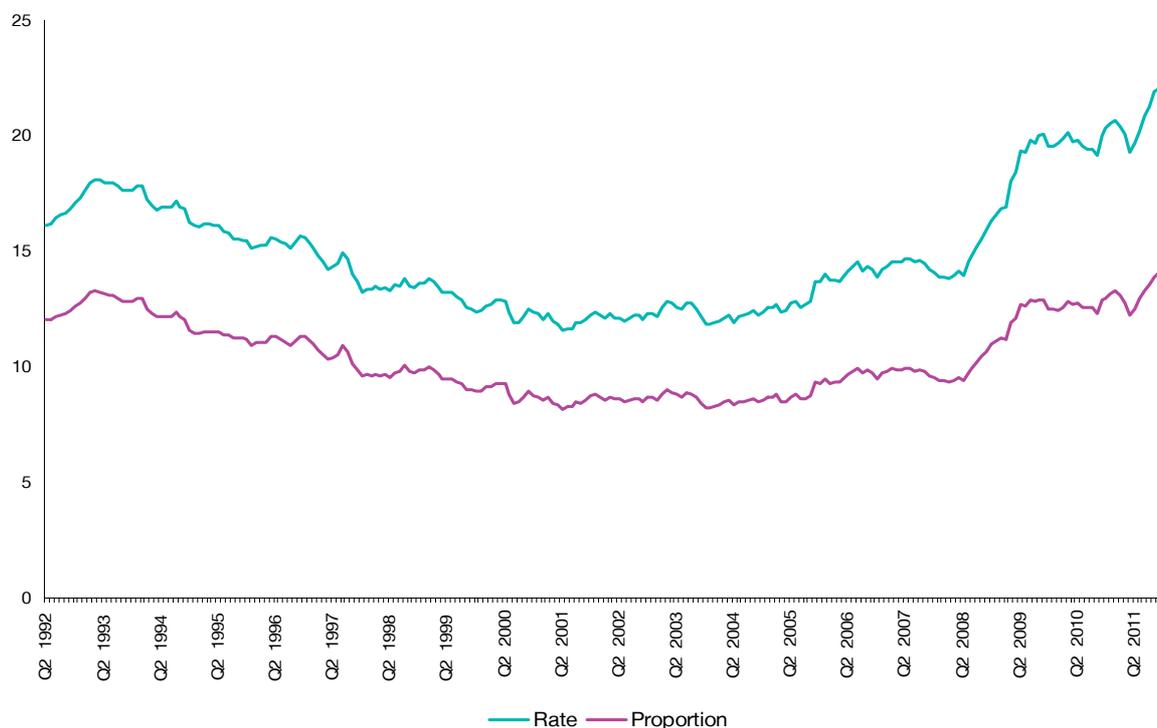
The labour market in the UK has been transformed over the past three or four decades. There has been a long-term decline in employment in manufacturing, and a huge growth in jobs in the so-called 'knowledge economy' and the service sector more generally. The workforce has also become markedly more female and flexible (as denoted by part-time and temporary employment). Many have pointed to the implications of such developments for youth employment and have argued that young people – and especially those with poor qualifications – are increasingly trapped in insecure, poorly paid employment. But Berrington (2010) and others have also highlighted the way in which rising levels of participation in education have complicated the picture, as many 'full-time' students remain economically active and occupy 'multiple roles'.

This is illustrated by the impact on unemployment figures among young people of including and excluding full-time students in the measure. In October to December 2011, the Office for National Statistics estimated there were 1.04 million unemployed young people in the UK aged 16 to 24 - the highest number since 1986/87 (ONS, 2012a). Of these, 307,000 were full-time students who were actively looking for but unable to find work. Around 30% of all youth unemployment at the end of 2011 was, then, accounted for by full-time students. In March to May 1992, by contrast, the corresponding proportion was just 9%.

With students *excluded* from the measure, the number of unemployed among those aged 16 to 24 in the final quarter of 2011 was still the highest since 1994, though lower than the peaks following the recessions in the early 1980s and early 1990s.

Another way of looking at this is to distinguish between the unemployment rate and unemployment proportion among young people. The youth unemployment *rate* across the UK as a whole at the end of 2011 (the number of unemployed as a proportion of those 16 to 24 year-olds who are economically active) was 22% - higher than at any point since the recession of the early 1990s. The unemployment *proportion* (the number unemployed as a proportion of the total population of 16 to 24 year-olds) was 14%, higher than at any point since 1984/5.

Figure 2:5 Unemployed proportion and unemployment rate: 16-24 year-olds, UK, 1992-2011



Source: Labour Force Survey, Office for National Statistics

In general, then, it is clear that – as in previous recessions – young people in the UK have been badly hit by the recent downturn, although on a number of indicators their situation had actually been worsening for several years before that. Several points are worth noting about this.

First, it means that, for many, the already extended transitions into employment that have become a feature of the UK economy in recent decades are likely to lengthen further.

Secondly, it cannot be assumed that individual careers will recover as the economy as a whole does so. There is significant evidence from earlier recessions of so-called ‘scarring’ – long-term disadvantage associated with early unemployment. It is not only that young people who have experienced unemployment are more likely to experience future unemployment; those in work will find it harder to advance their careers and earning potential (Bell and Blanchflower, 2011), and to accumulate reasonable pension entitlements. There are also wider implications: for families, who may be required to use accumulated wealth to support adult offspring; for the state, which will need to find additional resources for benefits and training, and receive less in tax revenues from this cohort; and for the wider economy, as this group will spend less and enter the housing market at a later stage.

Thirdly, even though the greatest impacts are recent school leavers and those with low levels of educational qualifications, ‘older’ young people and those with significant levels of educational attainment are also being badly affected. On that note, we turn to the specific issue of graduates in the employment market.

2.5 Graduate employment

As we saw above, the rate of participation in higher education in the UK is now very much higher than it was before the late 1980s. As a result, the proportion of graduates in the labour force has also grown markedly, especially among women. A key question, then, is whether graduate-level employment opportunities have kept pace with the expansion of higher education, or whether graduates are facing a greater prospect of unemployment or underemployment upon completion of their studies.

Until the middle of the last decade, according to Green and Zhu (2007), there was only limited evidence of ‘departure from the high returns to graduate education’. In other words, graduates were both finding graduate level employment and receiving higher rates of pay as a result.

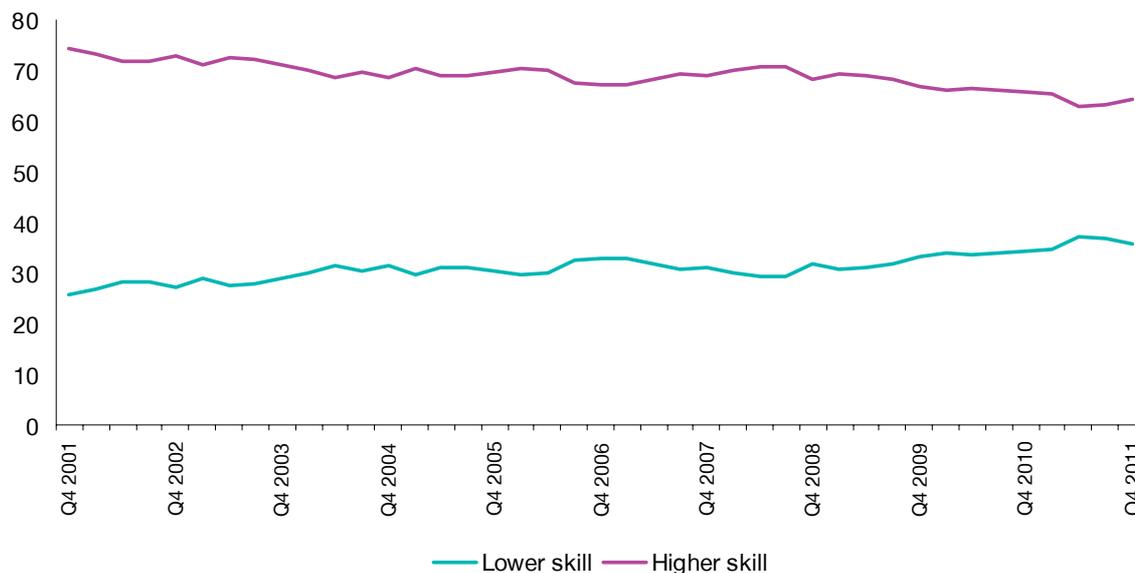
More recent data from the Office for National Statistics (ONS, 2012b), however, suggest that the recent picture is less encouraging, especially for recent graduates (i.e. those who completed a degree or higher education qualification within the last six years). Employment rates among this group are typically higher than for the graduate population as a whole (due to higher levels of flexibility and motivation to enter the workforce), but following the recession in 2008-9 fell below those of the wider graduate population.

It remains the case, however, that graduates as a whole (including recent graduates) continue to have higher rates of employment than do non-graduates. In the final quarter of 2011, for example, 86.0% of graduates were in employment, compared with 72.3% of non-graduates (although this is partly accounted for by higher rates of economic inactivity – e.g. as a result of family commitments, long-term sickness or disability) among the latter group.

Unemployment rates among recent graduates (the number unemployed as a proportion of the total number of economically active individuals in that group) fell sharply in the second half of the 1990s and remained broadly stable until the onset of the recession in 2008-9. The unemployment rate among those who graduated less than two years earlier hit a peak of 20.7% in 2009 and in the last quarter of 2011 was at 18.9%. As this figure is not greatly different for that for 16-17 year-olds leaving school with poor qualifications, it has prompted significant media coverage about the value of a graduate qualification. Nevertheless, the unemployment rate is much lower among graduates who graduated between 2 and 4 years ago, while older teenagers with poor qualifications remain at significant risk of unemployment.

Of course, rates of employment and unemployment only tell part of the story here. There are also indications that recent graduates who are in employment are increasingly likely to find themselves ‘overqualified’ relative to the typical demands of their job. Among this group, the proportion employed in lower skilled jobs (i.e. jobs not normally requiring graduate level qualifications or competency) increased from 26.7% in 2001 to 35.9% in the final quarter of 2011.

Figure 2:6 Recent graduates by skill level of occupation, UK, 2001-2011



Source: Labour Force Survey, Office for National Statistics

Overall, then, the long-term expansion of higher education has been largely accompanied by an expansion in graduate-level employment opportunities, and graduates remain in a significantly stronger labour market position than non-graduates. But, following the 2008-9 recession, UK graduate unemployment has risen sharply too and there are signs that increasing numbers of graduates are now working in lower skill jobs.

2.6 Summary

It is clear from this brief review of wider concepts, evidence and longer-term trends that young people are embarking on adult lives in very different circumstances – and with very different expectations – from those of 30 or 40 years ago. Whether or not their experiences can be characterised (as Arnett suggests) as a new and distinct life stage, there is no doubt that their transitions into employment, family formation and independent life are typically much longer but also more diverse. Many of these long-term developments have had positive consequences for both individuals and society. The expansion of higher education, for example, has been largely accompanied by a growth in graduate-level employment opportunities. Young people – and young women in particular – have enjoyed a greater range of opportunities to study and work. And many have enjoyed having a period in their lives in which they have been relatively free to explore different ways of living and working. But there are also clear signs that, in the context of an economy that appears to be stagnating, that possibilities are becoming more limited and that young adults across all social groups are finding it more difficult to move forwards. In that context, we turn to the specific experiences of young adults in Scotland since 2008.

3 Transitions into employment in Scotland since the downturn

So far, we have illustrated some of the long-term trends affecting different aspects of young people's transitions to adult life. Although we have begun to highlight, in some of these areas, the specific period effects of the recent recession, we now explicitly narrow our focus to look at young people's employment transitions in Scotland over the past four years.

To do this, we draw mainly on Scottish data from the Annual Population Survey (APS) – a study conducted by ONS which combines data and key variables from the Labour Force Survey and its associated boosts (including the Scottish boost). The Labour Force Survey itself is a continuous household survey which is the official source of employment and unemployment rates in the UK. As such, it represents a key resource in trying to understand the experiences of young adults (and indeed other age groups). It also has a relatively large sample size, which is important in terms of maximising the possibilities for more detailed analysis and the confidence with which we can identify real change in key variables over time.

But it also has some limitations, which mean that – slightly frustratingly – the more we zoom in, the more blurry the picture becomes. The first limitation is that, although the APS is the largest dataset of its kind available in Scotland, it can still only support a certain level of analysis. So while we are able to generate a reasonably clear picture of the experiences of, say, 25 to 29 years olds as a whole, the introduction of further breakdowns (e.g. by gender, social class or level of educational attainment) can reduce sub-sample sizes to the point that it becomes difficult to detect statistically significant differences. In places, therefore, we have supplemented our use of the APS by reference to the claimant count (the number of people claiming unemployment benefit).

It is also important to remember that a cross-sectional survey like the APS only provides a snapshot of how the population of young people are faring at a specific point in time. As the survey does not provide any information on the life trajectories of these young people we are unable to examine how early experiences of the labour market impact on other life stages such as independent living, financial independence, family formation and career paths, or to understand the complexity of individual trajectories. We return to this specific issue in the conclusions.

3.1 Unemployment among young people in Scotland

Unemployment among young people is always higher than among the working age population as a whole, so it is not surprising to find that the effects of the downturn in Scotland have been felt especially keenly by those in their late teens and twenties.

As the following table shows, among 16 to 29 year olds in Scotland, the unemployment rate rose from 9.4% in 2007/08 (just before the financial crisis) to 15.0% in 2010/11 (the most recent year for which full data are currently available).

Table 3.1 Unemployment rate for people aged 16 to 29 by survey year

	<i>Annual Population Survey</i>			
	2007/2008	2008/2009	2009/2010	2010/2011
16 to 19	17.9%	19.9%	25.6%	26.4%
20 to 24	8.9%	11.5%	14.2%	16.0%
25 to 29	4.7%	6.9%	8.9%	8.4%
Total 16 to 29	9.4%	11.5%	14.4%	15.0%
<i>Bases 16 to 19</i>	1421	1264	1197	1048
<i>Bases 20 to 24</i>	1805	1649	1615	1571
<i>Bases 25 to 29</i>	1822	1762	1824	1687

Not surprisingly, absolute risks of unemployment are highest among those who enter the labour market directly from school – those aged 16 to 19 – and the risk of unemployment among this group rose from 17.9% to 26.4% in 2010/11.

But it is worth noting that unemployment rates also increased significantly over the same period among those aged 20 to 24 (from 8.9% to 16.0%) and those aged 25 to 29 (from 4.7% to 8.4%) – a group which typically falls outside the rubric of ‘young people’ and ‘youth unemployment’. Indeed, although the absolute unemployment risk among 25 to 29 year olds remains much lower than among those aged 16 to 19 or 20 to 24, the rate of increase has been similar if not greater.³

Table 3.2 Changes in unemployment rates for 16 to 64 year olds between 2007/08 and 2010/11

	<i>Annual Population Survey</i>			
	2007/2008	2010/2011	Percentage point increase (absolute)	Percentage change (relative)
16 to 19	17.9%	26.4%	8.5%	+47%
20 to 24	8.9%	16.0%	7.1%	+80%
25 to 29	4.7%	8.4%	3.7%	+79%

Typically those under 50 are split into three age bands for the purpose of presenting labour market statistics: 16 to 24, 25 to 34 and 35 to 49.

Our analysis of Scottish data separates 25 to 29 year olds from the age group they are usually combined with (i.e. those aged 30 to 34) and shows that unemployment rates do differ between these sub-groups and that, although small, these differences are statistically different. For example, in 2010-11 unemployment rates amongst 25 to 29 year olds were 8.4% compared with the slightly lower rate of 7.7% for 30 to 34 year olds.

All of this raises some important questions about how to conceptualise and support those experiencing difficulty within this age group. Should they be considered as ‘young people’ and as part of the problem of ‘youth unemployment’? Or are they

³ Unemployment rates have, of course, also increased among older age groups since immediately before the recession - for example, from 3.0% to 5.6% amongst those aged 30 to 49 and from 2.2% to 4.5% amongst those aged 50 to 64. However, younger people have experienced the largest percentage point increases – for example, of 8.5% for 16 to 19 year olds, 7.1% for 20 to 24 year olds and 3.7% for 25 to 29 year olds.

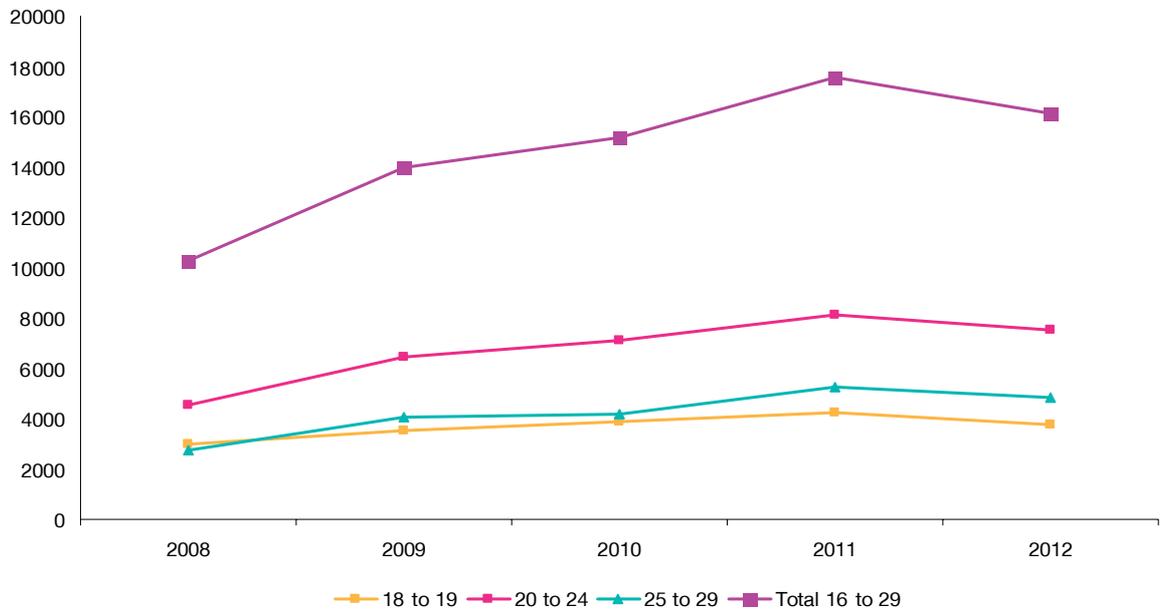
better viewed alongside the definitively adult age groupings of 30 and above? We return to these issues later in the report.

3.1.1 Changes in the claimant count for young people

An alternative indicator of unemployment is the ‘claimant count’ – the number of people entitled to Jobseekers Allowance who are claiming it. This is generally regarded as a poorer measure than the unemployment rate derived from the APS, primarily because it is affected by changes over time in eligibility criteria. It also excludes those aged under 18 (who are not entitled to Jobseekers Allowance.) Nevertheless, it usefully supplements the data on the unemployment rate among young people and paints a very similar picture – at least in terms of trends since 2008.

As the following graph indicates, the total number of claimants in all three age groups followed a broadly similar upward trajectory from 2008 to 2011. Interestingly, it showed a slight year-on-year fall across the three groups in April 2012.

Figure 3:1 Claimant count among young people in Scotland at April, Scotland, 2008-2012



Source: NOMIS

3.2 A gendered transition?

We saw in Section 2 that rates of female participation in both higher education and employment have risen in recent decades, and that women are marrying and having children much later than in the past. To what extent, then, has young women’s experience of the labour market been distinctive in Scotland in recent years? In particular, is there any evidence that recession (and recovery) are impacting on young men and young women in different ways?

Evidence from elsewhere is equivocal on this point. While it appeared that men were affected more quickly and significantly by the initial stages of the recession in 2008-9 – in part, because key ‘male’ industries such as construction experienced rapid

contraction – it seems that women may have benefited less from the recovery and that subsequent cutbacks in the public sector have impacted disproportionately on ‘feminised’ occupations in the service sector.

Our own analysis based on APS data suggests that unemployment rates in Scotland have risen at a broadly similar rate for both males and females aged 16 to 29 – from 10.1% to 16.5% for males and from 8.5% to 13.2% for females.

Table 3.3 Unemployment rates amongst people aged 16 to 29 by survey year and gender

	2007/2008		2008/2009		2009/2010		2010/2011	
	Men	Women	Men	Women	Men	Women	Men	Women
16 to 24	13.6%	10.9%	16.7%	12.1%	20.9%	15.2%	21.9%	17.0%
25 to 29	4.8%	4.6%	6.9%	6.9%	11.4%	5.9%	8.7%	8.0%
Total 16 to 29	10.1%	8.5%	12.8%	10.1%	16.9%	11.4%	16.5%	13.2%
<i>Bases 16 to 24</i>	1667	1559	1514	1399	1489	1323	1386	1233
<i>Bases 25 to 29</i>	937	885	895	867	911	913	830	857

In general terms, the unemployment rate for males aged 16 to 29 is higher than the female rate and there is a statistically significant difference between the sexes in every survey year except 2007/08. The most recent data show that, among 16 to 29 year olds as a whole, unemployment rates were 3.3 percentage points higher among males than females.

But the table also shows the difference between males and females within this broad age group, and this suggests a slightly different gender pattern among those aged 25 to 29. In each survey year, there is a significant difference in unemployment rates between males and females aged 16 to 24, with male unemployment rates always being higher than the female rate. However the difference between male and female unemployment rates virtually disappears for the 25 to 29 year old age group (other than in 2009/10 when male unemployment increased sharply compared to the previous year and female unemployment slightly decreased).

Again, these figures can be usefully supplemented by reference to the claimant count. As Table 3.6 shows, the percentage increase in the claimant count since April 2008 has been higher for women aged 16 to 29 than for men of the same age (68% compared to 53% for men). Women aged 25 to 29 have seen the largest increase, more than doubling from 540 in April 2008 to 1220 in April 2012 (an increase of 126%).

It also appears that the rate of decrease in the claimant count from 2011 to 2012 has been slower for women – indeed, the number of 20 to 24 year old women claimants actually increased during that time. Overall, then, the Scottish data suggest that there is a gender dimension to young adults’ experiences of recession and recovery, and that this may be particularly significant for those ‘older’ young people in the 25 to 29 year-old bracket.

Table 3.4 Claimant counts for people aged 16 to 29 for April by year and gender

<i>Base: All 16 to 29 year olds</i>											<i>Claimant count</i>	
	April 2008		April 2009		April 2010		April 2011		April 2012		Percentage increase since 2008	
	Men	Women	Men	Women								
16 to 19	1845	1130	2260	1275	2490	1420	2655	1560	2325	1415	+26%	+25%
20 to 24	3340	1215	4705	1715	5250	1845	5950	2155	5305	2210	+59%	+82%
25 to 29	2190	540	3125	920	3235	945	3975	1275	3630	1220	+66%	+126%
Total 16 to 29	7375	2885	10090	3910	10975	4210	12580	4990	11260	4845	+53%	+68%

3.3 Any job will do?

Of course, for most young adults, the successful transition into employment is not just about finding a job: it is also about finding meaningful employment that matches their skills and aspirations.

With this in mind, we used the APS data to look at the form of young people's participation in the labour market. The first thing to note here is that, between 2007/8 and 2010/11, there was a significant increase in the proportion of employed 16 to 29 year-olds in Scotland who were in part-time work. Unlike longer-term increases in the rate of part-time working, this does not seem to be the result of increasing numbers of students in employment (as, as we have already seen, the participation rate in higher education in Scotland has been flat or falling in recent years).

Base: All 16 to 29 year olds in employment		Annual Population Survey		
	2007/2008	2008/2009	2009/2010	2010/2011
16 to 24	35.1%	36.0%	42.3%	44.3%
25 to 29	16.2%	16.4%	19.3%	20.4%
Total 16 to 29	27.3%	27.8%	32.2%	33.7%
Bases 16 to 24	2788	2441	2245	2076
Bases 25 to 29	1736	1631	1662	1543

Those aged 20 to 24 (which includes most of the student population) were more likely than those aged 25 to 29 to be in part-time work – for example, in 2010/11, 44.3% of 16 to 24 year olds were working part-time compared with about a fifth (20.4%) of 25 to 29 year olds. However part-time work has become more common in both age groups since 2008/9.

We also used the APS data to look at whether there had also been an increase in non-permanent employment among young adults since the onset of the economic crisis. Here the evidence was less clear. Although young people are more likely than older age groups to be in non-permanent employment (just 4.2% of 30 to 49 year olds and 3.9% of 50 to 64 year olds had jobs that were not permanent in 2010/11), there is no evidence of a statistically significant increase since 2008/9. Of course, this is just one measure, and it may be that a question tapping *perceived* security of employment would produce a different result.

Table 3.6 Non-permanent work status in main job amongst people aged 16 to 29 by survey year

<i>Base: All 16 to 29 year olds who are employees</i>		<i>Annual Population Survey</i>		
	2007/2008	2008/2009	2009/2010	2010/2011
16 to 24	11.1%	10.7%	12.8%	12.6%
25 to 29	7.4%	6.0%	7.6%	8.1%
Total 16 to 29	9.6%	8.8%	10.5%	10.6%
<i>Bases 16 to 24</i>	<i>2657</i>	<i>2345</i>	<i>2160</i>	<i>1968</i>
<i>Bases 25 to 29</i>	<i>1623</i>	<i>1530</i>	<i>1564</i>	<i>1452</i>

3.4 Young adults as graduates and non graduates in the labour market in Scotland

Most of the analysis presented so far has been based on age group. While age is related to levels of educational attainment (there are effectively no graduates aged 16 to 19, for example), it is important not to conflate the two. In this final section, then, we try to understand the way in which the experiences of graduates and non graduates may be playing out differently, especially among those in the second half of their twenties.

In Section 2 we saw that, across the UK as a whole for most of the last few decades, graduate employment opportunities have largely kept pace with the number of graduates entering the job market, but that there is some evidence that recent graduates have begun to struggle more in the last few years.

Table 3.7 Unemployment rates amongst people aged 16 to 29 by highest qualification (degree / non-degree)

<i>Base: All economically active 16 to 29 year olds</i>		<i>Annual Population Survey</i>		
	2007/2008	2008/2009	2009/2010	2010/2011
16 to 24 year old non-degree holders	15.0%	15.3%	19.6%	20.6%
16 to 24 year old degree holders	*	8.3%	6.8%	12.3%
25 to 29 year old non-degree holders	5.4%	8.0%	10.8%	10.6%
25 to 29 year old degree holders	*	4.0%	5.0%	4.8%
16 to 29 year old non-degree holders	11.9%	12.8%	16.5%	17.2%
16 to 29 year old degree holders	*	5.6%	5.6%	7.2%

Note: Data in cells marked with an asterisk in 2007/8 has been suppressed by the Scottish Government because the cell size is below the reliability threshold or potentially disclosive.

The unemployment rate for non-degree holders aged 16 to 29 increased from 11.9% in 2007/08 to 17.2% in 2010/11 (an increase of 5.3 percentage points). An increase in unemployment rates amongst non-degree holders is also apparent within both the 16 to 24 and the 25 to 29 year age groups. In the older age group, it nearly doubled during the time period, from 5.4% to 10.6%.

The pattern is less clear amongst degree holders. The unemployment rate amongst 16 to 24 year olds degree holders in 2010/11 was 12.3% - significantly higher than in 2009/10. However, there is less evidence of increased unemployment amongst 25 to 29 year-old degree holders over the same period compared to non-degree holders.

How are we to interpret these figures? At first sight, they suggest that employment rates among graduates in Scotland are holding up reasonably well, at least among those in the second half of their twenties. But this needs to be read in conjunction with the findings about part-time working and the data from Section 2 suggesting an increase in the proportion of graduates employed in lower skilled jobs. Older graduates certainly have a stronger labour market position than do their younger and poorer qualified counterparts. But this does not mean that they are necessarily forging long-term career opportunities that match their skills and aspirations. And, as they are forced to consider other employment possibilities, they may well be displacing those with fewer advantages. If this is the case, all groups of young adults will find it harder to get a solid foothold in the world of work.

3.5 Summary

Young adults in Scotland between the ages of 16 and 29 – and within each of the narrower age brackets within that range – are clearly in a much more difficult situation than they were four years ago. While recent school leavers remain most at risk of unemployment, there have also been sharp increases too among those aged 20 to 24 and 25 to 29. It is also apparent that part-time working has increased significantly among young adults, and that they remain more likely than other age groups to be in both part-time and insecure employment.

While young men in Scotland remain at greater risk than young women of being unemployed, both have seen significant increases since the onset of the recession. There is some evidence – from claimant counts – that the recovery may be taking longer to impact on young women, or that they are being disproportionately affected by austerity; and there is certainly a general case for remaining alert to the gender dimensions of the crisis for young adults in Scotland.

While non graduates remain much more likely than graduates to be unemployed, there has been a significant increase since 2008 in the proportion of young graduates (aged 20 to 24) out of work. The fact that unemployment rates among older graduates (those aged 25 to 29) have not increased as quickly should not be taken as evidence that this group is prospering – there may be a time lag here, and it is also possible that increasing numbers of those in employment are in part-time or low skill or ‘non-graduate’ occupations. If so, this will impact on not only their own life chances but on those younger and less well qualified young people who will find themselves squeezed amidst growing competition for lower skilled jobs.

4 Conclusions

The aim of this short report was to consider how transitions to adulthood may be changing in Scotland and the implications of such changes for how we support young people during this period of their lives. In Section 2, we looked at the broader context of change over the last few decades, rather than just the last few years, and illustrated the ways in which pathways into adulthood have – for many young people – lengthened and become increasingly diverse. In Section 3, we narrowed our focus to try to understand specifically how young adults in Scotland have fared in the period since the downturn. Both these lenses are useful in prompting consideration about how to take these issues forwards.

4.1 Widening the focus of discussion about youth transitions and youth unemployment

We have illustrated some of the ways in which young people's entry into the worlds of work, family formation and independent living have changed. But it is not clear that wider understandings of young people and youth transitions have evolved in ways that adequately reflect these 'extended pathways'. In particular, the research raises important questions about how to treat those aged between 25 and 29 in policy terms. While the majority of those in this age group continue to find their way into permanent employment, long-term relationships and independent living, there are indications that the number failing to do so is growing. And it is clear that, although higher education continues to bestow labour market advantage, a degree is by no means an immediate passport to a secure and rewarding career.

As such, should we now be extending, as a matter of course, the focus of discussion about youth transitions and unemployment to cover a wider age range? That might imply widening the focus of particular interventions (as ProjectScotland itself has recently done), devising new approaches targeted on this specific group, or simply ensuring that the circumstances and experiences of this age group are separately and adequately reflected in published statistics.

4.2 Improving the evidence base

As demonstrated in Section 2, there are various data sources that provide high level trends and patterns relating to youth transitions – at least at the level of the UK as a whole. But it is difficult to find reliable evidence about the specific experiences and pathways of young people in Scotland. The main sources of data are general population surveys, such as the Labour Force Survey and the Scottish Household Survey. Although these are based on relatively large overall samples, they cover the whole adult age range and so have much smaller samples within the very narrow age bands (e.g. 16-19, 20-24 and 25-29) that one might be interested in from the perspective of youth transitions. This means that it can be difficult to identify statistically robust evidence of change over time. That said, more could be done to mine these resources for data on the experiences of young people and youth transitions in Scotland. The analyses presented in this report give an indication of how secondary analysis can generate specifically Scottish insights, and with greater time and resource, this work could undoubtedly be usefully extended.

But it is also important to bear in mind that such surveys are wholly cross-sectional, generating ‘snapshots’ of the population as a whole at particular points in time, rather than information about individual experiences or pathways across time. In the context of transitions to adulthood, which may be marked by complexity, diversity and discontinuity, this is a significant limitation. It also means that it is difficult to identify individual-level factors that help to predict more or less successful transitions.

In order to address these issues, many countries have some form of longitudinal survey of youth transitions – as, indeed, Scotland did until relatively recently in the form of the Scottish School Leavers Survey (SSLS). Although there were good reasons for discontinuing the SSLS in its existing form (primarily to do with the difficulty of securing an adequate response rate from young people via a self-completion postal survey) the lack of any replacement has led to a significant data gap. An options appraisal for a new longitudinal study of youth transitions in Scotland was published by the Scottish Government in 2008. This revealed strong support for such a project and concluded that: ‘more than ever, such a study is required to follow young people’s more protracted journeys through an increasingly diverse education and training system situated in a more complex economic and social world’ (Howieson, Croxford and Howat, 2008, p.85). Given the pressures currently being faced by young people in Scotland and the uncertainty surrounding future pathways in the face of serious and prolonged economic difficulty, such a resource would appear to be a crucial part of the evidence base.

But important though robust quantitative indicators are, they can only tell part of the story. In a rapidly changing environment, in which it may take a while for patterns to become apparent, there is also a strong case for a programme of on-going qualitative research. This would also allow for a more nuanced engagement with some of the complexity of young adults’ lives and might serve as an early warning system for new issues and emerging problems.

4.3 Anticipating future challenges

On that note, there is a need to recognise not only the way that the experiences and pathways of young people have changed in recent times, but also to think forwards about how they may continue to change in the coming years.

If, for example, the Scottish economy were to experience a ‘lost decade’ in terms of economic growth, what would be the implications for young people and for society more generally? At present, for example, it seems likely that family wealth accumulated during recent decades is being used to help young adults during periods of unemployment or under-employment, and to help them to secure accommodation, either directly, or through help with deposits/security on rented housing or first purchase. As real incomes fall, however, and the effects of austerity begin to be felt by increasing numbers of workers in both the public and private sectors, the scope for this level of inter-generational support is likely to reduce. If and when that happens, we may see an increase in key indicators of vulnerability among young people (e.g. homelessness and reliance on benefits).

There is a need, too, to consider alternative scenarios in relation to participation in higher education. If the ‘returns’ associated with degree-level education are seen to fall and the cost of higher education continues to increase, we may well see a tailing off in the very high levels of participation seen in recent years. That could have a variety of implications – for Scotland’s ability to provide an appropriately skilled workforce, for the viability of the higher education sector itself and, of course, for the

timing of other aspects of the transition to adulthood, such as entry to the workforce or even the timing of family formation and parenthood.

These are just some examples of the ways in which transitions to adulthood, already radically different from those of a generation ago, may be transformed further in the years to come. Finding appropriate responses to those changes – and helping young people to navigate successful pathways to adulthood – will be critical not only for young adults themselves but for inter-generational relationships, the economy and Scottish society more generally.

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