



Briefing to the incoming Minister

Working with young people for a better future



MINISTRY OF SOCIAL DEVELOPMENT
Te Manatū Whakahiato Ora



MINISTRY OF
YOUTH DEVELOPMENT
TE MANATŪ WHAKAHIATO TAIOHI
Administered by the Ministry of Social Development

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EXECUTIVE SUMMARY

As our population ages, young people have an increasingly important role to play in our society and economy. Due to the ageing population, however, the proportion of the working-age population (15- to 64-year-olds) made up of young people is falling and will continue to do so. The ethnic composition of our young people is also changing with the rapid growth of the Māori, Pacific and Asian populations.

The difficult economic times of recent years have hit young people hard but the economic outlook for young people is slowly improving. The number of young people on the Domestic Purposes Benefit, Sickness Benefit and Invalid's Benefit has remained relatively static over the last year but the number of young people on the Unemployment Benefit has steadily reduced throughout 2011.

A number of the issues facing young people today are not new but have been exacerbated by the difficult economic conditions of recent years. Even in good economic times, the issues we need to actively focus on for young people remain broadly the same, including:

- addressing youth unemployment and disengagement rates, particularly for the low skilled
- better identifying and treating youth mental health issues
- providing better co-ordination across the youth justice sector
- ensuring all young people make a positive contribution to their communities
- improving outcomes for teen parents.

The responsibility for addressing these challenges cuts across a number of portfolios and there is already a wide range of work under way across the social sector led by other Ministers and agencies to address these issues. In particular, before the election, in your role as the Minister for Social Development and Employment, you had significant work under way to improve outcomes for our young people.

As well as having an interest in youth-focused work led by other Ministers, in your role as Minister of Youth Affairs you have direct responsibility for the work of the Ministry of Youth Development (MYD) and its Vote of approximately \$13 million (2011/2012 financial year).

While MYD does not have the primary responsibility for addressing most of the issues noted above, it does contribute to solutions to these issues through its funded services and through its youth engagement work. There are opportunities to take a fresh look at how MYD can contribute to the work being led by other agencies to meet the challenges identified above.

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We look forward to discussing these opportunities with you and supporting you in your role as Minister of Youth Affairs.

PART

1

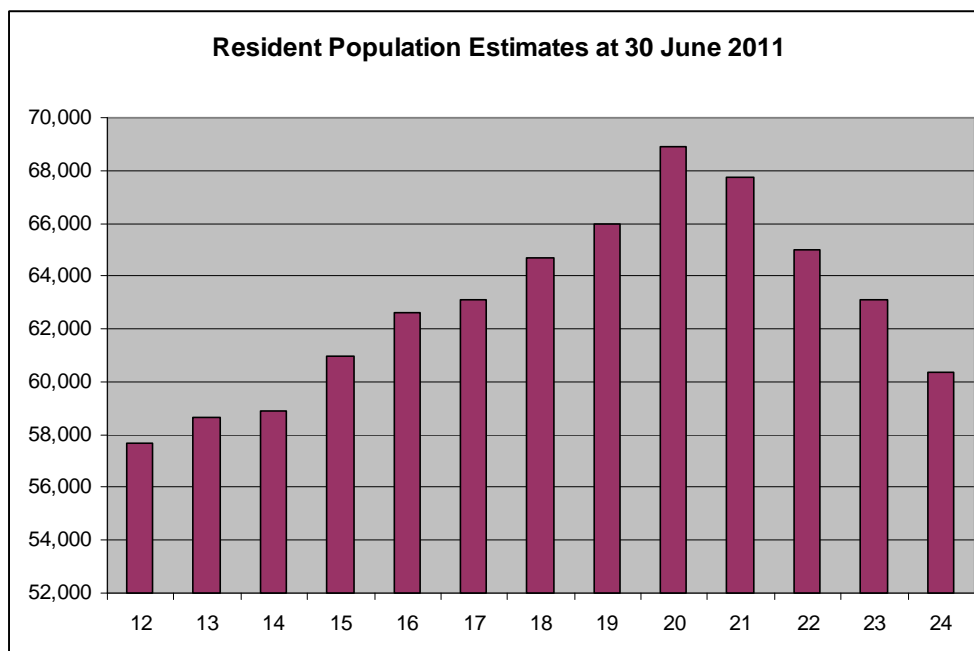
The current situation

THE SITUATION TODAY

Young people make up 19 per cent of today's population, but this proportion is expected to fall as the population ages

As a result of the 'baby blip' of the late 1980s and early 1990s, there are more young people now than there will be in the future. The number of young people aged 12-24 years living in New Zealand has grown from 757,000 at the time of the 2006 Census to approximately 818,000 in 2011. Due to an overall ageing population, however, the proportion of the working-age population (15- to 64-year-olds) made up by young people is falling and will continue to do so.

Figure 1: Estimated resident population by age, as at 30 June 2011



Source: Statistics New Zealand

The ethnic make up of our young people is also changing – the proportion of young people who are of Māori, Asian or Pacific ethnicity is rising.

By 2026 Māori will comprise 22 per cent of the young people aged 15–24 (up by 2 per cent), Pacific 14 per cent (up by 4 per cent) and Asian 17 per cent (up by 3 per cent).

New Zealand's best students do well but there is a group at the bottom who do not succeed

More students are gaining school-level qualifications – the proportion of students leaving school without a Level 2 qualification, the minimum level of competency required for a basic apprenticeship, has fallen from 43 per cent in 2005 to 26 per cent in 2010¹.

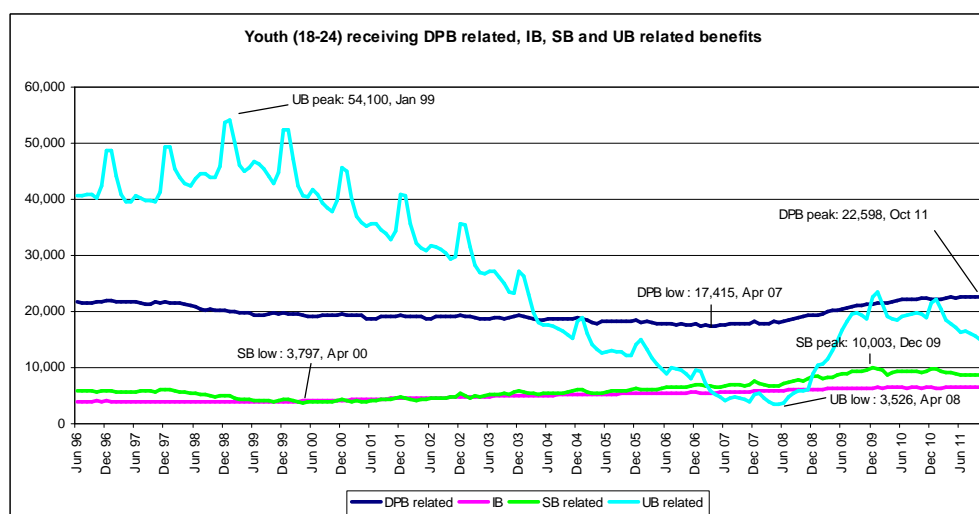
Despite this, there is still a group of young people leaving school without the basic literacy and numeracy skills that a Level 1 qualification requires. While this group is reducing in size, it is still significant – in 2010, 13 per cent of young people left school without NCEA Level 1, down from 27 per cent in 2005.

Disparities in educational achievement persist: Māori and Pacific students continue to be over-represented among low achievers. In 2010, 45 per cent of Māori and 32 per cent of Pacific school leavers did not complete NCEA Level 2.

Youth unemployment: the recession hit young people hard but the outlook is improving

The number of young people on benefit increased during the recession (see Figure 2 below) but did not come close to reaching the levels in previous recessions such as in the late 1990s. Programmes such as Job Ops, introduced as part of the Youth Opportunities Package, helped limit the rise in the number of young people on the Unemployment Benefit during the recession by providing 12,000 six-month job opportunities for unemployed young people.

Figure 2: Young people receiving a benefit 1996-2011



Source: Ministry of Social Development statistics

The number of young people receiving the Unemployment Benefit has steadily reduced throughout 2011. At the end of October 2011 there were 15,080 18- to 24-year-olds on UB-related benefits, compared with 19,666 at the end of October 2010.

The number of young people on other main benefits has remained relatively static over the last year, with the number on Sickness Benefit reducing (a decrease of 3.4 per cent between October 2010 and October 2011) and the number on Domestic Purposes Benefit and Invalid's Benefit increasing slightly (an increase of 1.3 per cent and 1 per cent respectively between October 2010 and October 2011).

Youth disengagement also rose in the recession but decreased slightly over the last year

The recession also saw a rise in the number of young people who were disengaged or NEET (not in employment, education or training, as measured by the Household Labour Force Survey) but these figures improved slightly in 2011 from 2010:

- In the year to September 2011, 9.7 per cent of 15- to 24-year-olds were NEET compared with 7.2 per cent in 2005 (down from a high of 10.4 per cent in the September 2010 year).
- The NEET rate for Māori and Pacific was higher, with 16.4 per cent of Māori and 13.7 per cent of Pacific 15- to 24-year-olds not in employment, education or training.

New Zealand has high rates of youth mental health issues

Many common mental health problems first appear during adolescence. Problems like depression, anxiety and substance abuse can have life-long consequences. Undiagnosed mental health problems at a young age often have detrimental effects leading to poor performance at school, early school leaving and adverse impacts on working life.

Mental illness prevents some people from entering the labour market, while others withdraw from work or struggle to achieve their potential in the workplace². One in five young people will be affected by depression by the age of 18 years.

Our youth suicide rate is among the highest in the world. The suicide rate among 15- to 24-year-olds (a marker of the general wellbeing of the population) is currently 19.44 deaths per 100,000³, compared with the 2007 rate of 15.2.

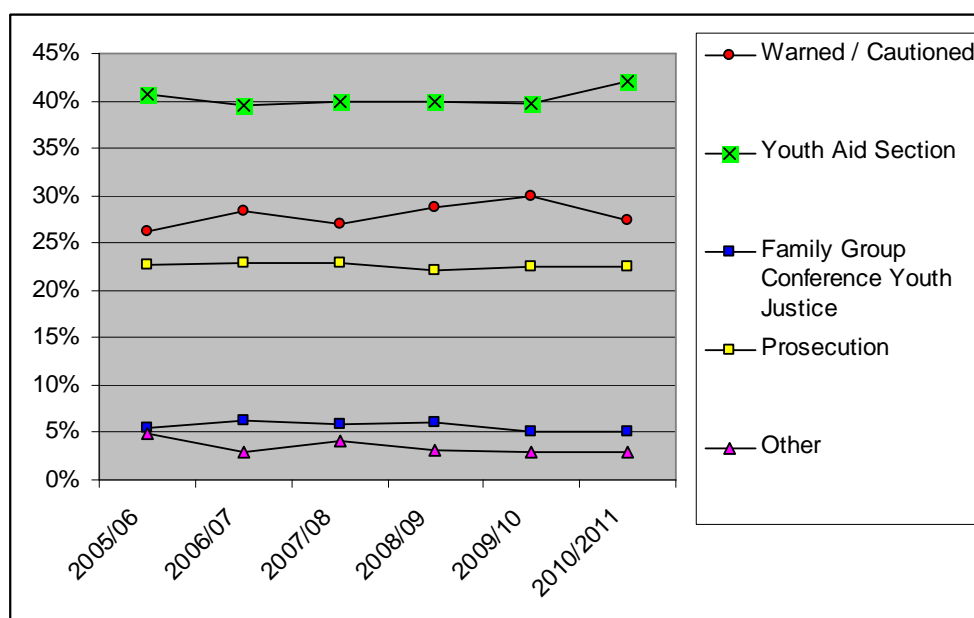
The Adolescent Health Research Group at the University of Auckland will conduct the next comprehensive national survey of young people's health and wellbeing in 2012.

Youth apprehensions are reducing as a proportion of all apprehensions

Police data shows that youth apprehensions are trending down as a proportion of all apprehensions, as well as declining overall for 10- to 16-year-olds, in the period 1999/2000–2009/2010.

Over the last five years, about 78 per cent of Police apprehensions of children and young people have been resolved through Police alternative action or warnings/cautions (refer Figure 3). If this diversion is successful, the young person may not come into contact with Child, Youth and Family or the court process.

Figure 3: Percentage of apprehensions of young people (aged 10-16 years inclusive) resolved through each type of resolution, 2005/2006-2010/2011



Source: Statistics New Zealand, New Zealand Police

Of all apprehensions of young people, only about 20 per cent are prosecuted and end up in formal court processes. Just over 1 per cent of child offenders are prosecuted.

While 19 per cent of the youth population (2006 New Zealand census) self-report as Māori, in 2007 Ministry of Justice statistics showed that 54 per cent of youth offending prosecutions related to Māori youth⁴.

Teen parents are at risk of poor outcomes

New Zealand has a relatively high rate of childbearing at young ages compared with most other developed countries. The New Zealand teenage birth rate is higher than the rate in England and Wales, Scotland, Ireland, Australia and Canada, but considerably lower than that of the United States. Teenage fertility rates have fluctuated over the past decade. In 2009, the teenage fertility rate was 29.6 births per 1,000 females aged 15–19 years, a decline from 33.1 per 1,000 in 2008⁵.

Teen parents are more likely to go onto benefit and stay on benefit longer than those who become parents at an older age. On average, teen parents remain on benefit for seven of the 10 years following their initial benefit receipt. It is estimated that a third of current Domestic Purposes Benefit clients became parents in their teenage years.

Teen births are also associated with socio-economic disadvantage; the teen birth rate in the most deprived areas of New Zealand is 6.5 times higher than in the least deprived areas⁶.

PART

2

Current challenges

CHALLENGES FACING YOUNG PEOPLE TODAY

A number of the issues young people face today are not new but have been exacerbated by the difficult economic times of recent years. Even in good economic times, the issues we need to actively focus on to improve the outcomes for young New Zealanders remain broadly the same. The main challenges include:

- addressing youth unemployment and disengagement rates, particularly for the low skilled
- better identifying and treating youth mental health issues
- providing better co-ordination across the youth justice sector
- ensuring more young people make a positive contribution to their communities
- improving outcomes for teen parents and their children, and reducing the incidence of teen parenthood.

Addressing youth unemployment and disengagement

Even in periods of strong economic growth, young people are at higher risk of unemployment than older workers, so we always need to have an active approach to employment programmes for young people. In harder economic times, this issue becomes even more pressing.

While youth unemployment is currently falling, we need to ensure that young people who became unemployed in the recession and have not yet found jobs do not remain on benefit long-term. In particular, young people with low or no skills will need support to find sustainable employment.

Of particular concern are those young people who are disengaged or NEET. We need to continue to focus on this group to identify them early and reconnect them to education, employment or training as soon as possible.

Better identifying and treating youth mental health issues

Another enduring issue, but one which we have become increasingly aware of in recent years, is the need to improve the way we identify and treat mental health issues in our young people. If these issues are undiagnosed and untreated they can affect the outcomes of our young people and contribute to poor performance at school, early school leaving, and adverse impacts on working life.

Earlier identification and treatment of mild to moderate mental health issues can prevent these issues from becoming too severe and having long-term consequences for our young people.

Providing better co-ordination across the youth justice sector

There is a lot of work under way across government in the youth justice sector but there is no commonly agreed set of objectives across all delivery agencies. We will work with agencies such as the Ministry of Justice, the Department of Corrections and the Police to make sure our interventions are aligned and that we are working

towards the same objectives. Achieving this will improve the effectiveness of the interventions and improve value for money.

Ensuring more young people make a positive contribution to their communities

The low level of enrolment by young people to vote (26 per cent of 18- to 24-year-olds were not enrolled to vote in the 2011 election) is one example of a wider issue of low participation levels by young people in their communities. This is also an enduring issue. While a third of students are involved in a sports group in their community, and one in five students belongs to a church group, there are much lower rates of civic engagement by young people (for example, young people standing for council).⁷

Evidence shows that there are significant benefits for young people who play an active role in their community; they are healthier, perform better at school, have a stronger sense of citizenship than those who do not volunteer⁸, and are more likely to vote⁹. They are also less likely to abuse drugs and alcohol, engage in anti-social behaviour, or drop out of school. There is also evidence that active citizenship may benefit low-income and other disadvantaged youth even more than other young people¹⁰.

Improving outcomes for teen parents

New Zealand research shows that pregnant or parenting teenagers are more likely than teenagers who are not parents to have experienced sexual or physical abuse and/or major depression, to have thought about or attempted suicide, and to have left school early with no qualifications¹¹.

Children of teen parents are also more likely to be disadvantaged. A New Zealand study shows that, compared with the children of later mothers, children of teen parents are more likely to leave school early, be unemployed for 12 months or more, or be a violent offender. We also know that children of teen parents are more likely than children of older parents to become teen parents themselves. This can perpetuate cycles of intergenerational welfare dependency¹².

We need to improve outcomes for this group of young New Zealanders.

PART

3

Opportunities for action

MYD'S ROLE WITHIN THE BROADER CONTEXT

The challenges identified in the previous section cut across a number of portfolios. While MYD has a role to play in meeting these challenges, the primary responsibility for addressing these issues sits with other portfolios. In your role as the Minister for Social Development, you have a particularly important role in leading work to improve outcomes for our young people because of the Ministry of Social Development's (MSD's) role in providing employment services, student support, and child protection and youth justice services.

As well as having an interest in youth-focused work led by other Ministers, in your role as Minister of Youth Affairs you have direct responsibility for the work of MYD and its Vote of approximately \$13 million.

While MYD does not have the primary responsibility for addressing the issues noted in the previous section, it contributes to solutions to these issues through its funded services and through its youth engagement work. There are opportunities to take a fresh look at how MYD can contribute more to the work being led by other agencies to meet these challenges.

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Before looking at these opportunities, it is important to understand the current role of MYD, its place within the broader Ministry of Social Development, and its relationships with the larger MSD service lines such as Work and Income.

The role of MYD

In your role as Minister of Youth Affairs you are responsible for the appropriations in Vote Youth Development and the priorities for the MYD work programme.

Vote Youth Development Budget, July 2011 – June 2012 (source Output Plan and Estimates of Appropriations)¹³

Departmental Output Expenses	
Youth Development (Operations Budget)	\$5,348,000
Non-Departmental Output Expenses	
Services for Young People	\$6,851,000
Youth Development Partnership Fund	\$889,000
Budget Total (GST exclusive)	\$13,088,000

MYD has three main roles:

- **As a direct funder of youth services** – MYD has an annual budget of approximately \$7.7 million for purchasing services to support young people. This funding is administered through two contestable funds with a youth development focus:
 - the Services for Young People Fund (SfYP) provides annual funding of \$6.851 million, which currently funds 38 providers who deliver over 500 services and programmes for 5,000 young people a year. This includes funding for the Prime Minister’s Youth Programme (PMYP), an annual programme which runs for one week for 100 young people from South and West Auckland. We have successfully run two programmes, and the next programme is to be held from 23 to 27 January 2012;
 - the Youth Development Partnership Fund (YDPF) is open to councils who wish to fund youth-related activity and has total annual funding of \$0.889 million. To date, 53 Territorial Local Authorities have been supported to collaborate with young people on projects contributing to youth development opportunities in their communities.
- **To support and facilitate youth involvement and input into decision-making processes** (through consultations, innovations in the way we engage with young people, youth advisory groups). This includes encouraging young people to participate in, connect with and play a leadership role in their communities – for example, in the rebuilding of Christchurch or in the development of the Auckland Super City. MYD has a range of channels and tools for this, including:
 - the Aotearoa Youth Voices Network (AYV), a network of more than 3,500 young people from around New Zealand used by MYD to provide a youth input to policy development
 - using social media such as Facebook and Twitter to engage with young people
 - running youth consultations for government agencies and developing youth-friendly versions of public consultation documents (such as recent work on major Defence and Transport reviews)
 - events – for example Youth Parliament (last held in 2010, and due to be next held in 2013). We also take a leading role in organising the Prime Minister’s Youth Programme, the Young New Zealander of the Year, and any Ship for World Youth ports of call.
- **To build capacity across the youth sector.** As part of this role MYD:
 - trains young people so they can participate in the decision-making process. For example, we have recruited and trained a pool of 36 young people from across the country to participate on regional and national funding panels. We are also selecting and training young people to be involved in auditing processes;

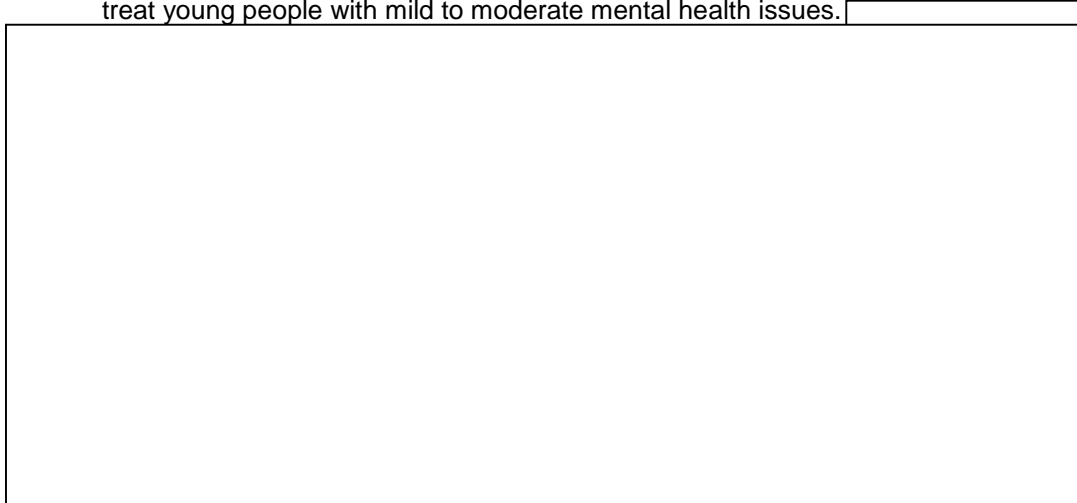
- supports local youth councils (there are now 53 across New Zealand) through youth development training workshops and by supporting the national Youth In Local Government Conference;
- develops good practice resources such as a guide for local government on youth policy.

CROSS-AGENCY WORK ON YOUTH ALREADY UNDER WAY

Opportunities for MYD also need to be considered in light of the work that is already under way across the social sector to address the challenges identified in the previous section. This work has been led by various Ministers and agencies and includes the following key initiatives:

- **Youth Pipeline and the Youth Package** (has been led by you in your role as the Minister for Social Development and Employment) – these initiatives aim to support disengaged 16- and 17-year olds and 18-year old teen parents to reconnect to education, training or employment.
 - The Youth Pipeline aims to identify, engage and support NEET 16- and 17-year olds and help them to re-engage with education, training and employment so they do not come onto benefit when they turn 18. Providers will be incentivised to work closely with disengaged young people to get them back into education, training or employment.
 - The Youth Package is targeted at young people (16- to 17-year-olds and 18-year old teen parents) receiving financial assistance from the Government and will introduce stronger obligations in return for this assistance, including that these young people are enrolled in education or training. Young people receiving financial assistance from the Government will also need to participate in budgeting activities and teen parents will need to attend a parenting programme.
- **Reducing youth unemployment** (has been led by you in your role as the Minister for Social Development and Employment) – in Budget 2011 a Youth Employment Package of \$55.2 million over four years was announced to support young people to move off benefit and back to work. The Package included:
 - 3,000 Job Ops with Training places for 2011/2012 to provide wage subsidies for employers to take on young people from benefit
 - 4,000 Skills for Growth places over four years (1,000 places per year) to subsidise the cost of training a young person in an industry-related qualification at Level 2 or above on the New Zealand Qualifications Framework
 - 5,250 Limited Service Volunteer places over four years on a six-week motivational and confidence building course run by the New Zealand Defence Force.

- Work and Income is also trialling some new approaches in Christchurch to reduce youth unemployment in the aftermath of the earthquakes (for example, challenging every MSD staff member in Christchurch to find one job for a young person). MSD is also working with the Auckland Council to look at how the two organisations can work together to reduce youth unemployment across Auckland.
- **Setting the direction for youth mental health** (has been led by the Prime Minister) – this project is looking at how we can improve the way we identify and treat young people with mild to moderate mental health issues.



- **Social Sector Trials** (has been led by the Chair of the Cabinet Social Policy Committee) – the Trials aim to improve outcomes for young people in six locations across New Zealand (Kawerau, Te Kuiti, Tokoroa, Taumarunui, Levin and Gore) by introducing a new model of service delivery where an individual or a non-government organisation (NGO) has a mandate to co-ordinate youth activities across government agencies to reduce truancy, youth offending and levels of alcohol and drug use and to increase the numbers of young people in education, training or employment.

OPPORTUNITIES



Increasing youth participation

There is also an opportunity to increase young people's participation in the decision-making process. In recent years the Government has devolved some funding decisions to communities through mechanisms such as the Community Response Model. We want to support this trend and get more young people involved in funding, and other, decisions across government.

This could include using some MYD funding to improve young people's skills, especially disadvantaged young people, to enable them to play a part in these decisions. For example young people could be included in the development of new youth-focused programmes such as youth employment and training programmes.

A brokerage and partnership role to work with the philanthropic sector and connect large corporates with youth service providers

There is also an opportunity to develop a stronger partnership with the philanthropic sector. Many large corporates have a desire to contribute, and be seen to contribute, to youth development activities (for example, Vodafone's World of Difference programme). In the current economic environment, public finances are tightly constrained and are likely to remain so for years to come.

By partnering with the philanthropic sector we can both create more opportunities for young people and, over time, reduce the reliance of providers on government funding.

PART

4

How the Ministry works

Our role and responsibilities

The Ministry of Youth Affairs was established in 1988. In 2003 the Ministry of Youth Development (MYD) was created by merging the Ministry of Youth Affairs and the youth policy functions of MSD. MYD is administered by MSD.

MYD is interested in the needs of, and the issues and opportunities for, young people aged 12-24 years. We will ensure that you are informed about the key issues and trends that affect young people and will provide you with advice on opportunities for leadership. We will support you at an official level so you can work with your ministerial colleagues to advance youth issues across government. We will also support your visits and other activities as Minister of Youth Affairs.

An annual performance agreement is signed between you and the Chief Executive of MSD. The agreement outlines our work programme, and sets performance measures for our range of services. We report to you against this agreement on a quarterly basis.

Our structure

From 1 July 2011 MYD was reorganised to form part of the Youth Policy Group within MSD's Social Policy and Knowledge cluster. The Youth Policy Group comprises two policy teams and MYD. MYD reports to the Minister of Youth Affairs while the two policy teams provide advice on youth justice, youth offending, and youth training and employment issues to you in your role as the Minister for Social Development.

MSD supplies policy and infrastructure support, including finance, human resource management, IT, utility and accommodation needs, to MYD. MYD has its own Vote (Youth Development).

MYD has 28 staff - 16 staff members are located at the MSD campus in Wellington, and 12 are located in MSD regional offices situated in Auckland, Rotorua, Wellington and Christchurch.

Working with you

We will work with you to review our work programme to ensure it delivers on your priorities as Minister of Youth Affairs.

We can provide further briefings as a basis for decisions you may wish to take on the issues and actions we have raised.

We look forward to working with you.

ENDNOTES

1 Ministry of Education data - totals may differ from statistics published elsewhere owing to changes in definitions.

http://www.educationcounts.govt.nz/statistics/schooling/school_leavers2/ncea-level-2-or-above-numbers-2009.

2 Department of Prime Minister and Cabinet: Setting the Direction for Youth Mental Health – Interim report, 30 September 2011.

3 Coronial Services of New Zealand (August 2011) Provisional suicides in New Zealand, provisional data.

4 Unreleased Ministry of Justice data (supplied December 2011).

5 The Social Report, 2010 <http://www.socialreport.msd.govt.nz/people/fertility.html>.

6 MSD (2008) Children and Young People: Indicators of Wellbeing, Care and Support chapter, Figure CS 3.4.

7 Youth 2007, initial findings, page 33:

<http://www.youth2000.ac.nz/publications/reports-1142.html>.

8 Palnty, Boznick & Regnier (2006). Helping because you have to or helping because you want to: sustaining participation in service work from adolescence through adulthood. *Youth & Society*, 38 (2) pp177-202.

9 Diemer, A Li, CH (2011). Critical Consciousness Development and Political Participation Among Marginalized Youth. *Child Development*.

10 Youth Service-Learning: A Family-Strengthening Strategy. Family Strengthening Policy Center, Policy Brief No.21. April 2007. National Human Services Center.

11 Boden, J. M., Fergusson, D. M., & John Horwood, L. (2008). Early motherhood and subsequent life outcomes. *Journal of Child Psychology and Psychiatry*, 49(2), 151-160.

12 Jaffee, S. R., Caspi, A., Moffitt, T. E., Belsky, J., & Silva, P. A. (2001). Why are children born to teen mothers at risk for adverse outcomes in young adulthood? Results from a 20-year longitudinal study. *Development and Psychopathology*. 13, 377-397.

13 Note that this does not include funding allocated to the social sector trials.