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## Risk factors of NEET (Not in Employment, Education or Training) in South Korea: an empirical study using panel data

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### ABSTRACT

This study aims to analyse the risk factors for being in NEET (Not in Employment, Education or Training) in South Korea. More specifically, this study examines how individual and family characteristics at ages 16–17 affect the probability of being in NEET during 20–25 years old period using data from the Youth Panel Study. The analysis results reveal that the rate of NEET among poor youth is about four times higher than that of high-income group in 2014. And poverty, not having career plan and school dissatisfaction during high school period are related to the increased likelihood of being in NEET.

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transmission of poverty;  
youth unemployment

## Introduction

Youth unemployment has become a major social policy issue in most world's industrialised economies in recent years. Eurofound (2012) reports that youth unemployment rate increased 7% points from 15.7% in 2007 to 22.4% in 2012. On the other hand, youth employment rate dropped to 33.6% in 2011, reaching the historical lowest point. South Korea is no exception. In 2016, youth unemployment rate has increased to 12.5%, recording the highest point since South Korean Government began reporting the official statistics.

While youth unemployment is a major social problem, we also have to understand that it is not a new problem without precedents. Because youth are generally employed in industry sectors that are sensitive to economic cycles such as construction industry, they are vulnerable to economic downturn. Being employed as part-timer also makes them vulnerable. There also has been consistent mismatch problem in labour market between the skills the youth have and the level of jobs they demand because they lack labour experiences. Because of these problems, youth unemployment rates have been consistently higher than those of adult population in most countries. Nonetheless, the record-setting magnitude of youth unemployment in recent years has made it a new social problem.

In the process of youth employment emerging as a newly discovered social problem, NEET (Not in Employment, Education or Training) has been suggested as a useful indicator to monitor the status of youth in labour market and social situation surrounding them.

Numerous policy documents published by the European Commission have already clearly laid out the necessity of paying special attention to NEET. In the 'Europe 2020 flagship initiative Youth on the Move', the Commission urged to focus on the problem of NEET in order to achieve the policy goal of developing growth potential of all youths (European Commission, 2010). 'Europe 2020 growth strategy' has also adopted NEET as a key indicator.

In terms of the OECD trends of NEET from 2005 to 2014 (OECD, 2015), it shows that the rate of NEET for the 20–24 years old group has reached to 18% in 2014 increasing since global economic crisis in 2008 when it was at the 16% level. OECD also reports NEET situation for the 15–19 years old group because NEET in this age group represents a significant long-term risk. Most countries define this age group as the mandatory education period. Being NEET in this age group represents not only present risk but also a long-term risk. The OECD report shows that about 7% of youth aged 15–19 years old are in NEET in recent years (OECD, 2015).

Meanwhile, there are substantial differences in the rates of NEET across countries. While the average is about 18.3%, countries like Spain, Greece, Turkey and Italy report the rates higher than 20%, and the Netherlands and Iceland report lower than 10% rates. South Korea has the rate of NEET at 22.5%, which is among the second higher tier group with Ireland, Mexico, Brazil and Portugal (OECD, 2015).

Increase of NEET and decrease of employment rate among the youth represent significant problems from the life cycle perspective. In the short term, the period of being in NEET means delay and decrease of human capital. Its negative effect could be particularly serious to those with low education having little labour experiences. Without any accumulated assets or social benefits facing low income and unemployment, youth NEET could lead to immediate poverty situation. In the long term, the period being in NEET could lead to 'scarring effect' which decreases future employment possibilities and lifetime earnings. It can result in significant long-term negative effects (Carcillo, Fernandez, Konigs, & Minea, 2015; Nam & Kim, 2013; OECD, 2010).

Understanding youth NEET is important for any policy effort trying to reduce the risk of long-term poverty. The primary objective of this study is to examine risk factors for being in NEET in South Korea. More specifically, we examine how individual and family characteristics at ages 16–17 affect the probability of being in NEET during 20–25 years old period using data from the Youth Panel Study. Based on the empirical study results, we suggest effective policies and programmes to deal with youth NEET problem which has risen as a major social problem in South Korea.

## **Theoretical background**

### ***Conceptual definition of NEET***

OECD reports the rate of NEET (not in employment, education or training) in the population aged between 15 and 29 on an annual basis (OECD, 2015). OECD has defined youth NEET as the situation not involving education, training or employment in the whole population of youth. The concept of NEET requires two specific conditions: first, being unemployed; second, having received no education or training for the past four weeks. Here, education includes both part-time and full-time education, not non-formal education and educational activities of very short duration. Employment includes all the cases of at least one hour of paid labour for one week before the research directed by OECD or ILO. So unemployment means a situation with <1 h of paid labour for the past week.

According to the conceptual definition by OECD, NEET includes both unemployment and economic inactivity. It is however necessary to differentiate youth unemployment from NEET clearly (Eurofound, 2012; OECD, 2015). Youth unemployment means being unemployed in the economically active population of youth and NEET refers to the rate of that not in employment, education or training in the whole population of youth. For this reason, while the NEET population is larger than the population of unemployed youth, the estimation of each concept leads to a rate of NEET lower than that of youth unemployment.

In Korea, research on NEET is also on the increase as the issue of youth unemployment arises. While South Korean researchers generally define the concept of NEET as an 'unemployed population without school education or vocational training for employment' in the similar way to OECD, they set a somewhat different age group for analysis or sub-areas.

Contrary to the OECD report, the existing research in Korea tended to define NEET in a very large group aged between 15 and 34. This is because of the need to reflect the situational characteristic of military service in defining NEET in South Korea. In reality, however, military service specific to South Korea has failed to be reflected fully in the process of specific manipulation of the concept. It is nevertheless desirable to exclude the period of waiting time for military service, which can be out of individuals' control, from the category of NEET. In this study, therefore, NEET was defined as using no regular education institution, or school or institution for advanced education or employment, not working and not in a situation inevitably preventing employment due to military service or health problems.

### ***Affecting factors for NEET and intergenerational transition of poverty***

The existing studies on the affecting factors for NEET have focused largely on two factors: macroscopic factors and individual and family factors. The research on the macroscopic factors tries to analyse the causes of NEET, focusing mainly on the level of employment protection, influence of group negotiation or labour unions, the size and proportion of active labour market policies, the youth population and GDP growth rates in a given country. It is found that the higher the level of employment regulations and protection and the larger the youth population, the higher the rate of youth NEET and the higher the level of group negotiation and wage adjustment; the larger the ALMP expenditure and the higher the GDP growth rate, the lower the rate of youth NEET (Bassanini & Duval, 2006; Breen, 2005; Eurofound, 2012; Neumark and Wascher, 2007). The studies on these macroscopic factors principally apply the method of cross-national research and generally aim to make an alternative from the macroscopic perspective, which involves the labour market or economic policies.

The research on individual and family factors for NEET tries to analyse the whole households, parents and children and the findings of the literature review. Specifically, first, the households in a lower income bracket or in poverty were more susceptible to NEET (Coles et al., 2002; Cusworth, Bradshaw, Coles, Keung, & Chzhen, 2009). The larger families residing in rural areas, in higher unemployment regions or in overpopulated or poor housing conditions were more susceptible to youth NEET (Meadows, 2001; Strelitz, 2003). Besides, immigrant households and families with children living separately were more susceptible to NEET in youth (Eurofound, 2012).

Second, if the parents were less educated, if one or both of the parents were unemployed or if parents were in poor vocational status, their children were more susceptible to NEET

in youth (Bynner & Parsons, 2002; Coles et al., 2002; Eurofound, 2012). Single parents or parents less concerned about education of their children made their children more susceptible to NEET.

Lastly, emphasis is placed on the factors related to academic work or school for children: those who were at lower levels of academic achievement or motives had difficulty with academic work, were excluded from school, were at lower education levels and were more susceptible to NEET in youth (Cassen & Kingdon, 2007; Social Exclusion Task Force, 2008). Those who had poor self-esteem and who were physically unhealthy had a chronic disease or had a disability and were more susceptible to NEET.

To put the results together, it can be said that youth NEET in a certain age group has resulted from overlapping of the labour market and economic characteristics of a given society from the macroscopic perspective and the personal and household characteristics from the microscopic perspective. In terms of the life cycle, NEET can result from the past ( $t-1$ ) situation, not from the present ( $t$ ) population and household characteristics. This argument can be explained in part through the mechanism of intergenerational transition of poverty. Polarisation of care caused by parents' socio-economic status in infancy and early childhood can be subdivided into monetary, time and cultural resources in the unit of households and be connected to different investments in adolescence (Bonke & Esping-Andersen, 2009; Kalil, Ryan, & Corey, 2012; Noh, 2014). The poverty in adolescence can be connected to different transitions in youth; as a result, adolescents in poverty were more likely to enter the labour market with low wages and insecure jobs than that not in poverty (Noh, 2012). The trigger events, such as temporary jobs and part-time employments, at the early stage of entrance into the labour market can have scaring effects: negative effects on the future career and lifetime chances (Gangl, 2008). These results have already been proved empirically in lots of studies on the intergenerational transition of poverty (Gibbons & Blanden, 2006; Bowels, Edwards, & Roosevelt, 2005).

In a strict sense, however, there is a blank not considered fully in the mechanism of intergenerational transition of poverty. The existing research failed to give full consideration to the age group of early 20s, which was generally regarded as time for academic work, in the logical structure where poverty in adolescence might lead to poverty in adulthood.

As mentioned above, however, the size of NEET – not participating in any activity among academic work, training and employment – is becoming larger in early youth expected to do academic work around the globe as well as in the South Korean society. The experience of NEET at the age of early 20s can occur in the important period of transition from academic work to employment and negatively affect the future career and lifetime chances. This study aimed to analyse NEET status in early youth and examine its affecting factors empirically, focusing on the personal and household factors in adolescence, instead of identifying the factors in the present.

## Method

### Data

This study, which analyses the youth NEET and influential factors in Korea, used secondary data, Youth Panel (2007–2014) from Korea Employment Information Service. These data are one of the most typical panel surveys that have investigated a variety of items, such as

youth economic activity, income, school and the welfare of household and individual family members. These data have been carried out since 2007 and the 10th wave survey has been in progress in 2016. The scope of the data covers the entire nation and 15–29-year olds in 2007.

The Youth Panel investigated 10,206 samples in 2007.<sup>1</sup> In order to confirm the actual size of youth NEET, the present study included all young people aged between 20 and 25 each year. The average number of cases is about 2,300.

### **Variables and analysis methods**

The dependent variable of this research is ‘NEET or not’ according to the question of Youth Panel, ‘what did you do last month?’ The question researches 15 kinds of activities presented in Table 1. This study consisted of four categories of 15 kinds of activities – employed, educated, military service and NEET – and subdivided NEET into ‘NEET inactive’ and ‘NEET unemployed’ according to whether they seek jobs or not. Thereafter, childcare, wedding preparation and rested are included in ‘NEET inactive’, and seeking jobs and employment preparation are included in ‘NEET unemployed’.

And then, this study composited influence factors: mainly, the results of analysis from the previous researches. This study assumes that the current state ( $t$ ) is not affecting the NEET ( $t$ ); adolescence ( $t-1$ ) affects the current situation of NEET ( $t$ ). Therefore, the variables about individual and family factors before and after the age of 16 were extracted and they were analysed on how they affect the current NEET. In this process, the number of cases of the 8th wave data was sharply reduced as shown in Table 3, so the dependent variable was defined as the 7th data.

Independent variables had to be configured as items that can be used in Youth Panel, and four independent variables such as household income, school satisfaction, grades and career planning, and whether or not were extracted. The process of operational definition of each variable is as follows. First, Youth Panel examines the household income including earned income, financial income, property income and other income. This study was divided on the basis of household income to the poor (median income below 50%), middle (between 50 and 150%) and high-income groups (more than 150%). Second, Youth Panel survey is divided into five grades from top to low and this study operated it into three categories. Third, school satisfaction asks for five categories from ‘not satisfied at all’ to ‘very satisfied’ and this study operated it into three categories. Finally, whether the career plan was to use the question ‘what are the career plans after one year?’. ‘It did not determine the course’ and the ‘other cases’ were separated by a dummy variable. Based on these independent variables, this study analysed the impacts of 16–17 years of personal and household situation between 20 and 25 years on whether NEET through logistic regression analysis.

**Table 1.** The definition of NEET.

Employed	Educated	Military service etc.	NEET inactive	NEET unemployed
Employed	Preparatory	Waiting for military service	Child care	Seeking jobs
Unpaid family worker(18+)	In education	Sick or disabled	Wedding preparation	Employment preparation
Unpaid family worker(18–)	Academy for university		Rested	
Appointment	Work-study programme			

## Analysis result

### Youth NEET

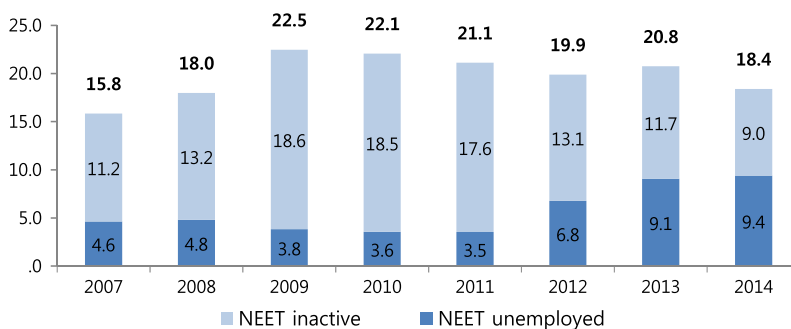
The result in Figure 1 reveals that the size of the youth NEET in Korea is found to stay at a level of about 20% since 2009. The rate of the youth NEET in Korea is higher than the OECD average; therefore, it implies that Korean society can no longer overlook the NEET problem. This result is the same even with the global trends that did not restore the rate of NEET after the economic crisis in 2008 (Carcillo et al., 2015). Since 2007, the rate of NEET has increased by 3% each year until 2009. And the rate was the highest at 22% in 2009 and it was decreased, but it remained high at 18.4% in 2014.

The results in detail reveal that the proportion of NEET that does not seek jobs (NEET inactive) had been decreased, whereas the proportion of NEET that seeks jobs (NEET unemployed) had been increased. Especially, over the last two years, the proportion of the 'NEET unemployed' has been very high and has overtaken 'NEET inactive'. Meanwhile, these results suggest that NEET is an issue in terms of labour market rather than individual.

As stated above, the rate of NEET remains about 20% annually, but these results can also be broken down according to income groups. Turning to the rate of NEET by income group, the result confirms that the group with the highest NEET rate was poor, whereas the group with the lowest NEET rate was youth in household with high income. And, in the case of high-income youth, the rate of 'NEET inactive' is continuously high.

The NEET rate of the poor strata has been increased since 2007, and it reached to about 37.7% in 2014. On the contrary, the NEET rate of high income is only 9.5% in 2014. Looking at the subcategories in the NEET of poor in Table 2, it shows that the rate of 'NEET inactive' of the poor young people continued to fall and the rate of 'NEET unemployed' has been higher since 2013. On the other hand, young people in the high-income household have a higher rate of 'NEET inactive' except 2013. This means that young poor people aged 20–25 years who are NEET want to work; however, decent jobs are scarce in the labour market.

Regarding the ratio by income level, the analysis results revealed that the rate of the NEET in the poor strata is found to be 1.5–2 times as high as the NEET in the high-income strata until 2013. But the NEET rate of poor young people was as much as four times that of high-income people in 2014. In addition, in terms of the gap, Table 2 shows that poor



**Figure 1.** NEET rate, 2007–2014.

Note: The numbers of cases of each year are as follows. 2007 = 3,209; 2008 = 2,413; 2009 = 2,298; 2010 = 2,435; 2011 = 2,607; 2012 = 2,152; 2013 = 1,993; 2014 = 1,522.



**Table 2.** NEET rate, by income level, 2007–2014 (unit: %).

Year	Subcategories	Poor	Middle	High income	Total	$\chi^2$
2007	NEET unemployed	7.6	4.5	2.8	4.6	25,893.976***
	NEET inactive	15.7	11.1	8.1	11.2	
2008	NEET	23.3	15.6	10.9	15.8	15,978.830***
	NEET unemployed	6.5	4.7	3.6	4.8	
	NEET inactive	19.1	12.5	12.3	13.2	
2009	NEET	25.5	17.3	15.8	18.0	24,745.955***
	NEET unemployed	6.1	3.9	1.4	3.8	
	NEET inactive	19.3	20.0	12.9	18.6	
2010	NEET	25.4	23.5	14.3	22.5	18,498.689***
	NEET unemployed	7.0	3.3	2.0	3.6	
	NEET inactive	20.4	17.8	21.2	18.5	
2011	NEET	27.3	21.1	23.2	22.1	9,124.835***
	NEET unemployed	4.7	3.5	2.5	3.5	
	NEET inactive	21.1	17.5	14.2	17.6	
2012	NEET	25.8	20.9	16.7	21.1	4,120.601***
	NEET unemployed	7.0	7.0	6.0	6.9	
	NEET inactive	10.0	13.9	11.2	13.3	
2013	NEET	17.0	20.8	17.1	20.2	21,069.202***
	NEET unemployed	14.1	8.9	6.7	9.2	
	NEET inactive	11.0	12.9	5.2	11.9	
2014	NEET	25.1	21.8	11.9	21.1	36,914.195***
	NEET unemployed	21.7	9.1	3.2	9.4	
	NEET inactive	16.0	8.7	6.4	9.0	
	NEET	37.7	17.9	9.5	18.4	

\*\*\* $p < .001$ .**Table 3.** Factors influencing NEET.

	B(S.E.)	B(S.E.)	B(S.E.)	B(S.E.)
Grade(low)				
Middle	-.174 (.178)	-.250 (.207)	-.276 (.209)	-.314 (.210)
High	-.138 (.182)	-.167 (.210)	-.144 (.211)	-.147 (.212)
School satisfaction(satisfied)				
Averaged		.055 (.285)	.064 (.286)	.081 (.287)
Not satisfied		.329 (.154)*	.353 (.155)*	.355 (.156)*
Having career plan			.499 (.258)+	.465 (.259)+
Income(poor)				
Middle				.098 (.295)
High				-.381 (.167)*
Constant	-1.287 (.155)	-1.439 (.194)	-1.595 (.336)	-1.595 (.336)
$\chi^2$	.941	6.729	11.871*	18.773**
-2LL	1,778.302	1,262.448	1,236.843	1,229.942
Nagelkerke $R^2$	.001	.008	.015	.023

Notes: The findings on having a career plan variable were significant only at .1 level, which is higher a level than usual. One should be more cautious about interpreting these results.

The VIF of all variables was 3.725 or less, so the issue of multicollinearity problem did not exist.

\* $p < .1$

+ $p < .05$ ; \*\* $p < .01$ ; \*\*\* $p < .001$ .

young people are at higher risk of NEET than high-income people by about 10% points, but this level increased to 28% in 2014. The analysis of the NEET rates by income over time reveals that the gap has been worsening and it means that the NEET youth problem in Korea is the issue of poor young people.

The analysis of the gender differences within the NEET reveals that for those aged 20–25 years, the NEET rate is about 3.5% points higher among women than men. This result is similar with existing research (Eurofound, 2012). But, in terms of subcategories



of NEETs, the gender gap is different a little. There is no gender difference in the 'NEET unemployed', but in the 'NEET inactive', women have a 3.7% point higher NEET rate than men. In other words, the gender difference within the NEET is closely linked to the sub-categories of NEETs that seek jobs.

As mentioned earlier, Youth Panel has various questionnaires to find the status of youth, so this study shows concrete status including NEET. The employment proportion of youth aged 20–25 years reached 42.0% in 2014. However, this rate is decreased to 30.2% in the case of the poor. On the other hand, the proportion of those with tertiary education is highest among high-income households, at 45.6%, compared to 30.9% for poor young people. As participation in tertiary education expanded and the rate of entering university remained at the top of the list of OECD, however, the level decreased in terms of attending and is different by income.

On the other hand, in terms of the transitional labour market theory, the trigger events, such as temporary jobs and part-time employments, at the early stage of entrance into the labour market can have scaring effects: negative effects on future career and lifetime chances (Carcillo et al., 2015; Gangl, 2008; OECD, 2010). For these reasons, this study analysed the percentage of decent jobs by targeting the following age group of 26–30 years. Operational definition of decent jobs is built by the following three conditions: (a) they receive above median wage among total employees, (b) they are members of the social insurance and (c) their status in labour market is regular workers, employer or self-employer.

The result shows that the total rate of youth aged 26–30 years and has decent jobs is almost 62.6%, but these results are definitely different by income. Among high-income households, 79.7% start their career in decent jobs, but this level is just 16.4% in the case of poor. And the rate is 59.7% among middle-income households. In other words, the rate of decent jobs in the high-income level is found to be five times as high as that in the poor. These results show that those who were in poverty in adolescence were more susceptible to NEET in youth. This leads to negatively affecting future career and lifetime chances, and they are more likely to start their career in unstable jobs when entering the labour market. This eventually leads to a reduction in their lifetime income (Noh, 2012). Finally, it operates as the mechanism of intergenerational transition of poverty.

### ***Factors influencing youth NEET***

This study investigates the probability of being NEET on the basis of socio-demographic variables at the individual and family levels. The variables influencing youth NEET were included in the model in the order of school grades, school satisfaction, career plan and household income which are known to be related to NEET in previous studies. As presented in Table 3, variables which showed significant influence were household income level, school satisfaction and having career plan except academic achievement. First, in terms of family, the results show that the probability of being NEET is more likely to be lower when they were in high-income households. This implies that poverty in adolescence leads to NEET aged 20–25 years.

Second, in terms of demographic characteristics, if the adolescent aged 16–17 did not have any career plan after one year, they are more likely to be youth NEET. And, with respect to school satisfaction in the period of adolescence, the probability of being NEET appears higher in the case of 'not satisfied' in comparison to 'satisfied'. These results show

that having career plan and being satisfied with school life during adolescent period could be important preventing factors, lowering the risks of NEET during early adulthood. However, there appeared to be no significant difference between the levels of school achievement.

These results imply that there has to be policy intervention to reduce the rate of NEET. Up to date, existing researches investigate NEET on the basis of institutional and structural characteristics such as decent jobs in labour market, economic growth and minimum wage. However, more important question is that ‘when and how are we going to intervene in the NEET?’ because it became one of the processes of intergenerational transition of poverty. Therefore, on the basis of the analytical results, this study suggests that it is necessary to try to increase school satisfaction and to support having their own career plan after graduation.

## Discussion and conclusion

The primary purpose of this study is to examine the current situation of NEET in South Korea to provide a better understanding of the mechanism of youth unemployment and the factors leading to long-term poverty. Youth NEET is not simply a short-term disconnection from productive activities. Economic inactivity during the period of transition from youth to adulthood could lead to long-term disengagement from labour market. If family’s economic background characteristics affect the likelihood of being in NEET, NEET should be understood as a pathway of intergenerational transmission of poverty.

In this study, we examined how the experiences during the adolescent period are related to the likelihood of being in NEET in ages 20 to 25. The results of this study clearly demonstrate that family poverty experienced during adolescent period is an important risk factor for becoming NEET during early adulthood. While school achievement was not significantly related to NEET, we found having a career plan and being satisfied with school life during middle and high school periods reduces the risks of becoming NEET later.

This study provides several important implications. From a theoretical perspective, we investigated youth inactivity focusing on NEET, which has remained as a gap in the literature on studies on intergenerational transmission of poverty. Most previous studies in South Korea have not focused on this critical period assuming most youth in that age group are mostly in school. However, this study focused on adolescent and young adulthood population which is a linkage between childhood developmental disparities across income groups and later income gaps in adulthood, explaining the mechanism of intergenerational transmission of poverty. One of the strengths of this study is considering the temporal dimension in the analysis in order to make a better causal explanation on the factors affecting NEET. In particular, we examined how individual and family characteristics during adolescent period affect NEET later during the ages of 20–25 utilising a longitudinal data-set. The findings of this study suggest that adolescent period could be an important intervention point in an effort to prevent becoming NEET in early adulthood.

This study also provides implications for practice and policy. In particular, the study results provide useful information on when and how we might want to intervene to prevent NEET. The analysis results show that school achievement was not a significant factor in predicting NEET while controlling for family income. Rather, family income is found to be a significant factor. This finding suggests that we need to focus more on gaps that are related to family income other than school achievement. Lack of social

capital and any structural handicaps these poor youths have should be addressed from practice and policy efforts. The findings of career planning and school satisfaction suggest more efforts are needed to help young people planning their careers early on and increasing school satisfaction through school social work. In particular, more policy focus is needed to support youth in poverty by providing services to improve their family relations, raise school satisfaction and establish career plans during their secondary school years. It is also necessary to strengthen career planning services in public education because schools could be the most powerful place to support youth career development. Especially in South Korea, schools should move away from only focusing on preparing for college entrance exam to providing a variety of career support programmes using networks with external resources in the community.

The findings of this study clearly demonstrate that there needs more policy attention to the critical period of transition to adulthood. Policy efforts to prevent NEET could be an effective investment preventing long-term poverty and intergenerational transmission of poverty. Therefore, there might be additional policy measures going beyond traditional education and training programmes to improve the NEET situation. It might no longer be possible to solve the NEET of the youth with education and training support alone in the new knowledge-based economy. It may be necessary to establish a social financing system for the venerable young to support the time of preparation for the successful transition to labour market. OECD (2013, p. 3) suggests providing adequate income support to unemployed youth until labour market conditions improve but subject to strict mutual obligations in terms of active job search. As the findings of this study show, the ratio of 'NEET unemployed' is increasing in recent years. In South Korea, the youth allowance policy is currently being implemented only in the cities of Seoul and Seongnam as a local government policy. Therefore, introduction and expansion of youth allowance as a central government policy should be considered so that poor young people can continue job seeking with adequate income support.

## Note

1. The sample retention rate of each wave is as follows. 91.2% in 2008 (2nd), 86.5% in 2009 (3rd), 81.7% in 2010 (4th), 78.9% in 2010 (5th), 76.8% in 2013 (7th), 73.0% in 2014 (8th).

## Disclosure statement

No potential conflict of interest was reported by the authors.

## Notes on contributors

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