



## LONGITUDINAL SURVEYS OF AUSTRALIAN YOUTH

### BRIEFING PAPER 28

# Who takes a gap year and why?

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## OVERVIEW

Taking a gap year – a break between high school and university – is becoming increasingly popular with Australian students. In terms of length and purpose, the traditional notion of a gap year being a year off between school and university has expanded considerably over time.

For the purposes of the analysis reported in this paper, a person who takes a gap year is defined as ‘an individual who commenced university one to two years after completing Year 12. This includes those who accept and defer their university placement for one to two years’ (Curtis, Mlotkowski & Lumsden 2012).

## HIGHLIGHTS

- In Australia the incidence of taking a gap year has increased from 10% in the period 1999–2000 to 24% in 2009–10.
- The top four primary activities undertaken by gap students in 2009–10 were work (51%), full-time study leading to a non-university qualification (10%), other study (6%), and travel (6%).
- Characteristics of gap-takers include:
  - being academically less inclined than non-gap-takers
  - living in regional locations when at school
  - having English speaking backgrounds
  - being employed when in Year 12 at school
  - being less likely to receive Youth Allowance payments while at school.
- In their first year of university, gap-takers are more likely to study in the areas of education and creative arts.
- Those who don't take a gap year are substantially more likely at age 24 to be employed full-time and to work in professional occupations than gap-takers. Much of this difference can be attributed to the fact that, in terms of their careers, gap-takers are a year or two behind those who don't take a gap year. The data do not allow us to measure the longer-term outcomes of both groups because the Longitudinal Surveys of Australian Youth (LSAY) stops at age 25.

## INTRODUCTION

The phenomenon of students finishing school and taking a 'gap year' has been on the rise over the last 15 to 20 years. While traditionally the gap year referred to a break, typically of a year, between finishing school and starting university, modern-day circumstances have considerably broadened the notion of a gap year.

During the gap, young people seek to travel, undertake non-university study, employment, military service and other planned and structured activities. Other gap-takers simply define their time as 'having a break' and do not have set plans, although many report that the break of one to two years assisted them in their decision to undertake further study (Hango 2008).

Gap-taking has not been the subject of a great deal of academic research. In the Australian context, Birch and Miller (2007) have looked at the characteristics of gap-takers and their tertiary study outcomes, while Ryan (forthcoming) has examined taking a gap year in terms of accessing Australia's Youth Allowance scheme. A report by Curtis, Mlotkowski and Lumsden (2012), which uses data captured by the LSAY surveys, examines who undertakes a gap year and their reasons for doing so. The data contained in this briefing paper draw largely on this study.

What do we mean by 'a gap year'? There are many definitions in the literature, but Curtis, Mlotkowski and Lumsden (2012) define a gap-taker as 'an individual who commenced university one to two

years after completing Year 12. This includes those who accept and defer their university placement for one to two years.'

We consider, firstly, the conceptual issues surrounding the term 'gap year' and what is encompassed by the term now. Secondly, using LSAY data, we quantify the extent of gap-taking, using the definition developed by Curtis, Mlotkowski and Lumsden (2012). The characteristics of gap-takers, gap-taking activities, and the economic reasons for taking a gap year are examined. The final part of the paper compares the study and employment outcomes of gap-takers and those who don't take a gap year.

In exploring gap-taking, we use data from four cohorts of LSAY (Y95, Y98, Y03 and Y06).<sup>1</sup> These data, which come from annual interviews with students aged between 15 and 25 years, provide detailed information on the education and work pathways of young people, including their labour market outcomes. The data also allow access to rich background information on the students and details of their aspirations and intentions. The LSAY surveys are therefore useful for exploring gap-taking. Prior to 2008, gap-taking was inferred from activities undertaken after completing Year 12. Recently, however, the LSAY questionnaires have been modified to better capture this activity, with, from 2008, respondents in the relevant cohorts asked directly if their main activity was 'taking a gap year', allowing us to explore 'intentional' versus 'unintentional' gap-takers.<sup>2</sup>

## CONCEPTUAL ISSUES

The concept of the gap year originated in Britain in the 1960s and at that time was an activity confined to those from wealthy families, who could afford a year between school and university. In 1974, only about 4% of Australian students embarked on a gap year (Milne, Kennedy & Ward 2009), although since then many more young people from all walks of life have taken a gap year. The term itself is somewhat ambiguous (Jones 2004), largely because the available definitions refer to gaps of varying lengths, to the

various activities undertaken, to various age groups, and to the various routes to and from a gap year.

If we look first of all at the length of the gap, we see there are variations according to the definition. In Britain it was traditionally one year. The period between finishing school and starting university was too short to allow a substantial break, so a year was taken. However, this is not fixed and can vary; for instance, Jones (2004) defines the length of a gap year in the United Kingdom context as anything

1 Throughout this report, all figures are weighted for survey sample distribution and attrition.

2 Prior to 2008, relevant respondents were asked 'what they plan to do in the year immediately after leaving school', with 'take a gap year' as a response option. Following this question was, 'and what are your plans for after your gap year?'

between three and 24 months. Curtis, Mlotkowski and Lumsden (2012) point out that a three-month gap doesn't make much sense in Australia, as there is (generally) a three-month summer break for Australian universities anyway. The Curtis, Mlotkowski and Lumsden definition proposes a gap year of between 12 and 24 months.

A gap year can also potentially be defined according to its intention, although the definitions (see appendix 1) do not take these into account. Nevertheless, intentions can, at least in part, explain the volume of gap-taking. We therefore categorise a gap year under three broad intentions, noting that they may overlap to some extent. Firstly, there is the academic reason for taking a gap year: Gap years can be used to refine study and career goals by various means such as work, informal learning or volunteering. Secondly, the gap year can be used as time off to undertake activities such as travelling or leisure. This reason is partly associated with a burgeoning 'gap year industry'. For example, the website <<http://www.gapyear.com>> is dedicated to activities for backpacker gap year students. Thirdly, there are economic reasons for undertaking a gap year. Students may use the year to work to raise money for further studies.

It is also worth noting that deferral differs from a gap year, although the concepts overlap. Students defer for a variety of reasons, such as travel or work, and may or may not commence university studies

at a later date. They are not necessarily intentionally taking a gap year. However, by definition, all gap year students do commence university.

The gap year is not necessarily restricted to young people, although it is generally thought of as pertaining specifically to them. Jones (2004) points out that gap years can be applied to all ages, with anecdotal evidence indicating that in the United Kingdom people aged 25–65 are taking gap years (although not from the school to university path). One would expect that the intentions of these people may well differ from young people taking time out after school.

The final definitional point for consideration concerns the route to and from a gap year. Jones (2004) suggests three options. The first he called 'the training route', which is a break between some form of structured training and employment. The second is 'the higher education route', which would typically be a gap between the end of schooling and university commencement, although there can also be gaps between undergraduate and postgraduate study. Jones called the third option 'the employment route', and this is a gap between periods of employment. Most definitions of gap year focus on the second option, although there is no reason why a gap year should be restricted to university commencement. It could, for instance, also apply to higher levels of vocational education and training (VET). These points are summarised in table 1.

**Table 1 A rubric for the term 'gap year'**

| Component of term | Modern meaning   | Traditional meaning                         |
|-------------------|--|---|
| Length            | Can vary from three months to over two years   | One year                                    |
| Intention         | Academic: to refine study goals<br>Economic: to raise money for studies<br>Other activities: examples include travel, volunteering and leisure   | Time off for travel etc. for the well-to-do |
| Age               | Generally restricted to young people (< 25), although can apply to people aged 25–65, presumably in terms of a gap between periods of employment   | Immediately post-school                     |
| Routes            | Training route: gap between structured training and employment<br>Higher education route: typically a gap between the end of school and university commencement<br>Employment route: gap between periods of employment | School to university only                   |

We can see that the gap year can be very broadly defined, but from a policy perspective to enable meaningful comparisons, it makes more sense to have a fairly tight definition. The statistics discussed in this paper rely on the definition provided by Curtis, Mlotkowski and Lumsden (2012), which focuses on the transition between school and university.

While this paper is restricted to gap years taken between the completion of Year 12 at school and the commencement of a university degree course, it must be acknowledged that some people enrol at university many years after completing their schooling. The concept of a 'gap year' makes little sense for these people.

## HOW MANY PEOPLE TAKE A GAP YEAR?

Gap-taking has increased substantially since 1999. Table 2 shows the gap-taking behaviour of those who go to university after high school from 1999–2000 to 2009–10. The table shows that,

in 1999–2000, 10% of school completers took a gap year and this increased to 25% in 2006–07, remaining steady after that.

**Table 2 Gap-taking over three LSAY cohorts by study status**

| Gap-taking status           | Gap-taking years (%) |            |            |            |
|-----------------------------|----------------------|------------|------------|------------|
|                             | 1999–2000            | 2002–03    | 2006–07    | 2009–10    |
| No gap <sup>a</sup>         | 85                   | 78         | 69         | 76         |
| 1-year gap                  | 7                    | 12         | 20         | 22         |
| 2-year gap                  | 3                    | 4          | 5          | 1          |
| Later entrants <sup>b</sup> | 5                    | 5          | 6          | 0          |
| <b>Total gap-takers (%)</b> | <b>10</b>            | <b>16</b>  | <b>25</b>  | <b>24</b>  |
| <b>Number of gap-takers</b> | <b>366</b>           | <b>549</b> | <b>846</b> | <b>753</b> |

Notes: a No gap: those who go directly from Year 12 to university.  
 b Later entrants: those who begin university more than two years after completing school. For 2009–10 the data are limited on later entrants. These are not included as gap-takers.  
 Data are for students who commenced university.  
 The proportion of university commencers taking more than two-year gaps is limited by the span of the data collections. Numbers may not sum to 100 because of rounding.

Source: 1999–2000 and 2002–03 columns sourced from Curtis, Mlotkowski and Lumsden (2012); 2006–07 and 2009–10 refers to LSAY Y03 and Y06 cohorts respectively, unpublished data.

There are a few reasons that may explain the increase in gap-taking activity, most of which are interrelated. The first of these is labour market conditions. It is worth noting that the increase in gap-taking took place in good economic times, when jobs for young people were relatively easy to find. Young people may decide to take advantage of these conditions to gain experience in working.

A second reason for an increase in gap-taking is the financial cost associated with study. Costs that students may need to consider include rent, living expenses, text books, electronic equipment and, for some, course fees. Some students may decide to work to earn money to assist with these costs. Also related to financial considerations, it appears that some students take a gap year to be eligible for the independence condition attached to the Youth Allowance scheme (see Bradley et al. 2008). Taking a gap year for economic reasons may be particularly pertinent to certain groups of students, such as those from rural and remote areas, where there is an extra cost associated with relocating to study.

The existence of an entire industry devoted to the gap year (see <<http://www.gapyear.com>>) is also likely to contribute to an increase in gap year-taking, while other initiatives and schemes are around that may entice young people to take a gap year. For example, Stehlik (2008) notes that

the Australian Defence Force offers a one-year taster for gap-takers. During this year young people have the opportunity to learn, earn (up to \$50 000 according to their latest information) and make new friends. The University of Canberra has a scheme known as Gap Year Plus, whereby students can gain credit for gap year activities. The student needs to indicate their intention before the gap year and collect evidence of learning during the year, which can then be used as a portfolio the following year. Students are also required to undertake a unit on gap experience and reflection following the gap year (Milne, Kennedy & Ward 2009).

As explained earlier, questions specific to gap-taking were incorporated into LSAY in 2008, allowing us since that time to compare 'intentional' and 'unintentional' gap-taking. If we look at the post-school plans of 17-year-olds first interviewed in 2006, 9.7% said they intended to take a gap year (table 3). However, far more students take a gap year after Year 12 (24%, table 2) than stated their intention to do so in Year 12. This suggests considerably more 'unintentional' gap-taking.

Of those who answered 'take a gap year', 'have time off' or 'other' as their immediate post-school plans, they were then asked, 'and what are your plans after that?'. Almost three-quarters gave 'university' as their response.

**Table 3 Immediate post-school plans of Year 12 students interviewed in 2008 (average age 17.7 years)**

| Immediate post-school plans                  | N           | %            |
|--|-------------|--------------|
| 1 Go to university                           | 2438        | 45.8         |
| 2 An apprenticeship                          | 400         | 7.5          |
| 3 A traineeship                              | 78          | 1.5          |
| 4 Go to a TAFE college                       | 449         | 8.4          |
| 5 Do some other course or training elsewhere | 79          | 1.5          |
| 6 Work at a job                              | 744         | 14.0         |
| <b>7 Take a GAP year</b>                     | <b>514</b>  | <b>9.7</b>   |
| 8 Have time off (not specific, incl. travel) | 196         | 3.7          |
| 9 Other                                      | 75          | 1.4          |
| 10 Don't know                                | 349         | 6.6          |
| <b>Total valid responses</b>                 | <b>5322</b> | <b>100.0</b> |

Notes: Percentages exclude missing, those not in school in 2008 and those who did not answer the question.  
Due to rounding, may not sum to 100.  
Numbers are weighted counts.

Source: LSAY06 cohort, unpublished data.

Table 4 provides data on the proportions who actually commence university according to their post-school intentions and whether they were a gap year-taker or not.

The interesting feature of this table is the proportions of those not stating university as a

post-school intention but going on to take a gap year and subsequently enrolling in university. For these, the gap year may have been a time to reflect on their aspirations and opportunities and align or readjust their goals and actions.

**Table 4 University commencements by age 23, by gap status (2006–07) and post-school intentions at age 17**

| Post-school intentions at age 17 (2005) | % of all university commencements |                                  |                                      | % not enrolled in university study | All (%) <sup>a</sup> |
|---|-----------------------------------|----------------------------------|--------------------------------------|------------------------------------|----------------------|
|   | Non-gap-taker – commenced in 2006 | Gap-taker – commenced in 2007–08 | Later entrant – commenced in 2009–10 |                                    |                      |
| University course                       | 59                                | 15                               | 2                                    | 24                                 | 100                  |
| Apprenticeship <sup>b</sup>             | 4                                 | 3                                | 2                                    | 92                                 | 100                  |
| TAFE course <sup>c</sup>                | 7                                 | 6                                | 4                                    | 83                                 | 100                  |
| Other (work) <sup>d</sup>               | 8                                 | 16                               | 4                                    | 73                                 | 100                  |
| Unknown <sup>e</sup>                    | 30                                | 15                               | 3                                    | 52                                 | 100                  |
| <b>Total</b>                            | <b>36</b>                         | <b>13</b>                        | <b>3</b>                             | <b>49</b>                          | <b>100</b>           |

Notes: a Due to rounding, may not sum to 100.  
b The 'Apprenticeship' category includes 'Traineeships'.  
c The 'TAFE course' category includes 'Other course or training elsewhere'.  
d The 'Other (work)' category includes 'Look for work, get a job' and 'Other'.  
e The 'unknown' category includes students who did not respond to the question, those who were not sure what they wanted to do and those who did not complete Year 12 (so were unable to be weighted).

Source: LSAY03 cohort, unpublished data.

## WHOTAKES A GAP YEAR?

The extent to which young people take a gap year is known to vary by certain characteristics. Research (Milne, Kennedy & Ward 2009) has shown that participation in a gap year varies, for instance, by home location (outside a capital city more likely to take a gap year), and academic achievement (lower academic achievers more likely to take a gap year). In other research, Birch and Miller (2007) also found that gap-takers are more

likely to be low-achieving students, in addition identifying those offered low-preference courses and those from English speaking backgrounds as gap-takers. They found no difference in gap-taking by gender.

We explored differences in gap year prevalence by varying demographic characteristics across four cohorts of LSAY. The results of this are shown in table 5.

**Table 5 Proportion of gap-takers by demographic characteristics, by year (%)**

| Characteristics                   | 1999–2000  | 2002–03    | 2006–07    | 2009–10    |
|-----------------------------------|------------|------------|------------|------------|
| Gender                            |            |            |            |            |
| Female                            | 10         | 17         | 27         | 25         |
| Male                              | 11         | 16         | 26         | 22         |
| Location                          |            |            |            |            |
| Metro.                            | 9          | 14         | 24         | 20         |
| Regional                          | 13         | 21         | 35         | 37         |
| Rural                             | 13*        | 18*        | 39*        | 53*        |
| Socioeconomic status              |            |            |            |            |
| Low SES quartile                  | 11         | 16         | 26         | 24         |
| Low–medium SES quartile           | 14         | 18         | 27         | 27         |
| Medium–high SES quartile          | 9          | 19         | 29         | 24         |
| High SES quartile                 | 9          | 15         | 25         | 21         |
| Unknown                           | -          | 11         | -          | -          |
| Parental education                |            |            |            |            |
| Did not complete secondary school | 12         | 13         | 27         | 22         |
| Completed secondary school        | 10         | 18         | 23         | 26         |
| Technical qualification           | 8          | 19         | 32         | 26         |
| University qualification          | 10         | 16         | 27         | 23         |
| Unknown                           | 11*        | 18*        | 32*        | 6*         |
| Language background               |            |            |            |            |
| Non-English speaking              | 6          | 10         | 24         | 14         |
| English speaking                  | 11         | 17         | 27         | 25         |
| Unknown                           | -          | 20*        | 25*        | 17*        |
| <b>Total (N)</b>                  | <b>366</b> | <b>549</b> | <b>846</b> | <b>753</b> |

Notes: Percentages are row percentages.

- indicates that there were no or too few cases to generate an estimate.

\* indicates that number of cases is low and that standard errors are likely to be high.

Source: 1999–2000 and 2002–03 data are sourced from Curtis, Mlotkowski and Lumsden (2012); 2006–07 and 2009–10 refers to LSAY Y03 and Y06 cohorts respectively, unpublished data.

The most obvious trend we can discern from this table is that gap-taking has increased across all characteristics, in some instances to a large extent. For example, 9% of people from a medium to high socioeconomic status (SES) background were gap-takers in 1999–2000, but by 2009–10 this had increased to 24%. Similarly, 8% of people whose parental education background was 'technical qualification' were gap-takers in 1999–2000, but this increased to 26% in 2009–10.

There are also differences within characteristics. Those from non-metropolitan areas are still much more likely to take a gap year in 2009–10. Similarly, those from an English speaking background are more likely to be gap-takers. As Birch and Miller (2007) found, there is not much difference in gap-taking by gender, although the increase in gap-taking was larger for females than for males.

We also examined school-related characteristics and prevalence of gap-taking (table 6).

Similar to the trends in table 5, the extent of gap-taking has increased across all categories. We see from the table for 2009–10 that those from lower academic achievement and tertiary entrance rank (now known as ATAR [Australian Tertiary Admission Rank]) quartiles are still somewhat more likely to be gap-takers than their higher achieving counterparts, supporting previous research that suggests that those with lower academic achievement are more likely to be gap-takers.

We also see that those who are employed (full-time and part-time) are more likely to take a gap year. This is supported by Hango and de Broucker (2007) who found, in the Canadian context, that those who undertake part-time work while at school are more likely to take a gap year than those who do not work.

**Table 6 School-related characteristics of gap-takers commencing university (%)**

| Characteristics                  | 1999–2000  | 2002–03    | 2006–07    | 2009–10    |
|----------------------------------|------------|------------|------------|------------|
| Academic achievement             |            |            |            |            |
| Low achievement quartile         | 14         | 20         | 35         | 31         |
| Low–medium achievement quartile  | 13         | 19         | 32         | 26         |
| Medium–high achievement quartile | 10         | 18         | 27         | 22         |
| High achievement quartile        | 9          | 14         | 23         | 23         |
| TER                              |            |            |            |            |
| Low TER quartile                 | 21         | 26         | 44*        | 36         |
| Low–medium TER quartile          | 13         | 18         | 32         | 24         |
| Medium–high TER quartile         | 7          | 14         | 22         | 17         |
| High TER quartile                | 4          | 11         | 20         | 24         |
| Unknown                          | 16         | 31         | 43         | 22         |
| Youth Allowance (YA) at school   |            |            |            |            |
| Never received YA                | 10         | 17         | 25         | 22         |
| Received YA in at least one year | 11         | 14         | 23         | 16         |
| Unknown                          | -          | -          | 25*        | 77         |
| School sector                    |            |            |            |            |
| Government                       | 11         | 17         | 26         | 23         |
| Catholic                         | 11         | 15         | 26         | 25         |
| Independent                      | 9          | 17         | 27         | 23         |
| Employment status in Year 12     |            |            |            |            |
| Employed full-time               | n/a        | n/a        | 31*        | 26*        |
| Employed part-time               | n/a        | n/a        | 29         | 28         |
| Not employed <sup>a</sup>        | n/a        | n/a        | 24         | 20         |
| Unknown                          |            |            | 25*        | 6*         |
| <b>Total (N) – from ad hoc</b>   | <b>366</b> | <b>549</b> | <b>846</b> | <b>753</b> |

Notes: Percentages are row percentages.

Totals exclude respondents whose gap status could not be determined; therefore, totals in this table do not match overall total in table 2.

- indicates that there were no or too few cases to generate an estimate.

\* indicates that number of cases is low and that standard errors are likely to be high.

a Not employed includes those who were unemployed, not in the labour force, or had unknown hours of employment.

Source: 1999–2000 and 2002–03 data are sourced from Curtis, Mlotkowski and Lumsden (2012); 2006–07 and 2009–10 refers to LSAY Y03 and Y06 cohorts respectively, unpublished data.

## WHAT DO THEY DO IN THEIR GAP YEAR?

LSAY contains some data on the activities young people undertake during their gap year. This information is presented in table 7 for two cohorts of gap-takers: 2006–07 and 2009–10.

The table shows that just over a half of gap-takers were working during their gap year – more so part-time than full-time. The curious item in this table, however, is that there were young people studying for a qualification during their gap year. While this may seem contradictory to our concept of a gap year, it is explained by the definition used in our analysis, which specifies a gap between school and university. Hence it is likely that these gap year students were undertaking

VET qualifications, or perhaps even school subjects to improve their TER score.

Only a small proportion (6%) indicated travel as a gap year activity, although travel activity may be under-reported in LSAY. This is because young people in the LSAY cohorts are only allowed to miss a single year of interview before they become ineligible to remain in the survey. Hence young people who choose to travel and are not contactable during this time may not be reported in the survey.



**Table 7 Main activity of 2006–07 and 2009–10 gap-takers at average age 18.7 years**

| Main activity                               | 2006–07    |            | 2009–10    |            |
|---|------------|------------|------------|------------|
|   | N          | %          | N          | %          |
| Studying for qualification (non-university) | 132        | 16         | 78         | 10         |
| Other study                                 | 77         | 9          | 44         | 6          |
| Work full-time                              | 181        | 21         | 171        | 23         |
| Work part-time                              | 261        | 31         | 214        | 28         |
| Working: time unknown                       | 3          | 0          | 3          | 0          |
| Looking for work                            | 11         | 1          | 18         | 2          |
| Home duties/looking after children          | 3          | 0          | 5          | 1          |
| Travel or holiday                           | 51         | 6          | 47         | 6          |
| Other/unknown <sup>a</sup>                  | 127        | 15         | 173        | 23         |
| <b>Total</b>                                | <b>846</b> | <b>100</b> | <b>753</b> | <b>100</b> |

Notes: a 'Unknown' includes people who said their main activity was work, but for whom no information was available on their work, e.g. earnings. For 2009–10 data are limited on two-year gap-takers, which is likely to see a reduction in 'unknown' responses. Due to rounding, may not sum to total.

Numbers are weighted counts and percentages.

Source: LSAY Y03 and Y06 cohorts, unpublished data.

## ECONOMIC REASONS FORTAKING A GAP YEAR

One of the reasons identified for young people taking a gap year is economic – to undertake paid work to raise funds for supporting themselves during later study. Stehlik (2008) notes that the gap year is a choice between personal enrichment and becoming richer. Similarly, gap-taking has been linked to obtaining the Youth Allowance. Ryan (forthcoming), for instance, finds evidence that receiving the Youth Allowance while in tertiary study is associated with an increased probability of taking a gap year. His analysis is based on the Y95 and Y98 cohorts of LSAY – before changes were made to the Youth Allowance scheme.

Until July 2010, there were normally two ways by which the Youth Allowance scheme could be accessed – as a dependant or by claiming independent status. As a dependant, parental income and assets are means-tested, meaning that if a family's income/assets exceed a certain level, the dependant does not qualify for the Youth Allowance. Although the allowance was intended for people from lower socioeconomic backgrounds, the threshold was found to disadvantage many students

from low- to middle-income families for whom the available support proved inadequate (Dow 2011).

A young person under 25 could claim independent living status in 2010 – and therefore access the Youth Allowance – if they earned \$19 500 over 18 months or worked part-time for at least 15 hours a week for two years. A typical way to qualify for this allowance was through gap-taking. The number of students qualifying as 'independent' rose from approximately 55 000 in 2000 to 75 000 in 2007 (Bradley et al. 2008).

As a consequence, more students qualified for the Youth Allowance with independent status than as dependants, although many were not really independent because they still relied on parental support. Of relevance here is that students from any socioeconomic background could satisfy the requirements of independence by taking a gap year and working during that period. Data from LSAY confirm this. Table 8 indicates that a higher proportion of students from higher socioeconomic backgrounds received the Youth Allowance at university than those from lower socioeconomic backgrounds, and this applies even more so to gap-takers.

**Table 8 Receipt\* of Youth Allowance at university by SES quartile and gap year status**

| SES quartile | Gap-takers (%) | Non-gap-takers (%) |
|--------------|----------------|--------------------|
| Low          | 43             | 28                 |
| Low–medium   | 52             | 29                 |
| Medium–high  | 65             | 43                 |
| High         | 59             | 54                 |
| <b>Total</b> | <b>53</b>      | <b>36</b>          |

Note: \* Sample first interviewed in 2003.  
Total (N) = 3172.



Subsequent to the Bradley Review (Bradley et al. 2008), reforms were introduced to the scheme in an attempt to overcome this distortion. The key components of the change revolved around raising the threshold for parental income and 'tightening' the independence criteria, such that to be classified as 'independent' the young person had to work for at least 30 hours per week for 18 months over a two-year period. By making it harder to access Youth Allowance through the independence criteria and easier to access the criteria through the dependent criteria, it was hoped that young people from low- to middle-income families would be the main beneficiaries.

The Bradley Review (2008) did acknowledge that some issues remained, in particular, students moving away from home to study, many of whom are also often in non-metropolitan locations. The data presented in table 4 indicated that young people from regional and remote areas undertake a gap

year at a greater rate than those in metropolitan areas. Part of the reason for this may well have been financial. Amendments to reforms were made, including a \$20 million Rural Tertiary Hardship Fund, but concerns still remained regarding young people living in regional Australia (including in those areas defined as inner regional).

A review of student income support reforms undertaken in 2011 (Dow 2011) found that the reforms 'basically got it right' (p.xv) and that the priority should be on young people from low socioeconomic backgrounds. The review made further recommendations with a view to improving equitable access to higher education. In September 2011, the Australian Government announced new legislation that would increase access to the Youth Allowance for regional students, including those in inner-regional areas and, in addition, increases to the relocation scholarships. It would be interesting to see whether in time these changes to legislation have any effect on gap-taking.

## WHAT DO THEY STUDY?

If we think about the gap year in terms of students using the time to refine their academic and career goals, we would expect that those 'refinements' might be reflected in their courses of study. Table 9 shows the field of education of first year university students by gap-taking status in 2006–07 and 2009–10 for those first interviewed in 2003 and 2006 respectively.

It can be seen from the table that the distribution of gap year commencers across field of education is quite similar to that of all students. There are some slight variations, with gap year commencers more likely to undertake creative arts and education and slightly less likely to undertake natural and physical sciences and engineering and related technologies.

**Table 9 Field of education (Australian Standard Classification of Education [ASCED] broad level) in first year of university study by gap-taking status (%)**

| Field of education                             | 2006–07           |                       | 2009–10           |                       |
|--|-------------------|-----------------------|-------------------|-----------------------|
|  | Gap year students | Non-gap year students | Gap year students | Non-gap year students |
| Natural and physical sciences                  | 11                | 13                    | 14                | 16                    |
| Information technology                         | 2                 | 4                     | 3                 | 3                     |
| Engineering and related technologies           | 6                 | 8                     | 5                 | 8                     |
| Architecture and building                      | 2                 | 3                     | 2                 | 2                     |
| Agriculture, environmental and related studies | 1                 | 1                     | 2                 | 1                     |
| Health   | 12                | 14                    | 14                | 13                    |
| Education                                      | 12                | 7                     | 8                 | 6                     |
| Management and commerce                        | 17                | 21                    | 18                | 17                    |
| Society and culture                            | 20                | 20                    | 22                | 23                    |
| Creative arts                                  | 16                | 10                    | 13                | 11                    |
| <b>Total</b>                                   | <b>100</b>        | <b>100</b>            | <b>100</b>        | <b>100</b>            |

Note: Due to rounding, may not sum to 100.

## STUDY AND EMPLOYMENT OUTCOMES

Given that one of the main purposes of taking a gap year is to refine study and career goals, it would be expected that this would translate into good study and, following this, eventually good employment

outcomes. Table 10 examines study outcomes for one cohort of LSAY, noting that the young people are only 24 years of age when surveyed.

**Table 10 Students' status in their first higher education course at age 24 years in 2007 (%)**

| Course status                         | Non-gap year students | Gap year students |
|---------------------------------------|-----------------------|-------------------|
| Still studying first uni course       | 10                    | 21                |
| Completed first uni course            | 71                    | 59                |
| Withdrew/failed from first uni course | 8                     | 7                 |
| Changed to another course             | 3                     | 3                 |
| Unknown                               | 9                     | 10                |
| <b>Total</b>                          | <b>100</b>            | <b>100</b>        |

Note: Sample was first interviewed in 1998.

Source: Curtis, Mlotkowski and Lumsden (2012, table 11).

The main 'action' in this table is that 12% more non-gap-takers have completed their course than gap-takers, while 11% fewer non-gap-takers are still studying. This can largely be attributed to these students commencing their course one or two years later, so the result is not surprising.

The other features of the table – withdrew/failed, and changed to another course – are very similar for both categories. Other research in this area (Jones 2004; McMillan 2005) though suggests that gap-takers are better organised and more motivated than non-gap-takers and that this results in fewer gap-takers dropping out of or changing courses.

Jones (2004) and Stehlik (2008) report that students who took a gap year receive higher grades in their courses, attributable to their having greater self-discipline in their study resulting from increased maturity and a considered perspective on life ambitions. Their informal learning and socialisation into the world of work creates greater motivation to achieve their educational goals. As Birch and Miller (2007) noted, 'experience complements education'. We cannot explore university grades in LSAY as it does not capture information on post-school study grades.

Previous research on employment outcomes from gap-taking is mixed. Using the Canadian Youth in Transition Survey (YITS), Hango and de Broucker (2007) found employment rates varied little between college completers, whether or not they took a gap year. However, university graduates who took a gap year earned considerably less than their counterparts who did not take a gap year.

Table 11 provides information from LSAY on employment and occupational outcomes for gap-takers and non-gap-takers. Once again we need to be aware that a major influencing factor in the differences is that gap-takers are a year or two behind non-gap-takers in terms of their career.

Given the difference in entry into the labour market, it is not surprising that there are 12% more non-gap-takers employed full-time and 11% less employed part-time. Similarly, it is not surprising that 15% more non-gap-takers than gap-takers are employed at associate professional level or above. What is missing in our analysis are the longer-term outcomes of both groups of people. For example, do gap-takers catch up or even overtake non-gap-takers after age 30, when they have had a chance to settle into a career? Individual differences between gap-takers and those who don't take a gap year may also account for some of the differences in labour market outcomes, but we cannot glean this from the data, as LSAY ceases surveying respondents at age 25.

Of course, the effects of gap-taking extend beyond study and employment outcomes. Jones (2004) discussed the social capital outcomes of gap-taking, finding an increase in participation in civil society and in happiness, a wide interest in politics and a greater ability to relate to wider society. He also suggests that an increase in confidence, the acquisition of skills such as greater financial management, languages or first aid, and lower rates of involvement in risky behaviour may all be associated with gap-taking.

**Table 11 Labour force status and occupation by gap-taking status, at age 24 years in 2007 (%)**

|                             | Gap year student | Non-gap year student |
|-----------------------------|------------------|----------------------|
| Labour force status         |                  |                      |
| Employed full-time          | 53               | 65                   |
| Employed part-time          | 36               | 25                   |
| Unemployed                  | 3                | 2                    |
| Not in the labour force     | 5                | 6                    |
| Unknown                     | 2                | 1                    |
| Occupation (ASCO 1-digit)   |                  |                      |
| Managers and administrators | 7                | 5                    |
| Professionals               | 30               | 46                   |
| Associate professionals     | 6                | 7                    |
| Tradespersons and below     | 46               | 33                   |
| Not employed                | 11               | 10                   |
| <b>Total (%)</b>            | <b>100</b>       | <b>100</b>           |
| <b>Total (N)</b>            | <b>393</b>       | <b>1720</b>          |

Source: Curtis, Mlotkowski and Lumsden (2012, table 19).

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## APPENDIX: FURTHER TABLES

**Table A1 Gap year definitions**

| Definition   | Sample  | Comments  |
|--|---|---|
| 'Students who enter the labour force for a period before attending university' (Lamb 2001)   | Qualitative analysis of Australian students   | Sample was from the late 1980s and observed seven years past completion of Year 12. Analysed those who were working towards or had completed a degree or diploma.   |
| 'Students who begin university a year after completing secondary school' (Krause et al. 2005)  | Qualitative analysis of Australian students   | Mailed questionnaire out to nine different universities; received low response rate.  |
| 'A delay of starting postsecondary studies for more than four months after graduating from high school' (Hango & Broucker 2007)  | Canada (YITS sample of 18 to 20-year-olds)    | Complex pathways are explored, but only use 18 to 20-year-olds. Christmas break holidays in Australia can be from Nov. one year to March the following year. This gap would mean that the majority of Australian students would be classified as gap year students.   |
| 'A period of time out from education, training or employment of between three and 24 months' (Jones 2004)  | UK 16 to 25-year-olds                         | Those taking longer gaps not included in the study. Only accepts those who applied in final year and then deferred as 'gap-takers'. Extended age range.   |
| 'Any period of time between 3 and 24 months which an individual takes "out" of formal education, training or the workplace, and where the time out sits in the context of a longer career trajectory' (Heath 2005) | UK 16 to 25-year-olds                         | This definition could include post-university, career and study breaks as well as pre-university gap years. Structured and unstructured opportunities and mixtures of volunteering, paid employment and travelling explored. Heath (2005) extended Jones's (2004) definition by accepting those who applied for university courses during their first year out of school. |
| 'A break from formal study after completing school with activities including various combinations of paid and unpaid work, leisure and travel' (Stehlik 2008)  | Independent Lutheran school and university    | A South Australian focus of only one-year gap-takers and pre-university time out. The religious school context effect was noted by Stehlik.   |
| 'A year off study between completing high school and commencing university' (Birch & Miller 2007)  | 2002–04 uni enrolments: quantitative analysis | Small sample; restricted to one Western Australian university, and only those who took a one-year gap. Also regarded as a good university, which attracts higher status so students are less likely to defer.   |

**Table A2 LSAY cohorts sample sizes and durations**

| Cohort started | Year of gap-taking activity | Commencement sample size and sampling unit | Survey period | Average age when first surveyed | No. waves |
|----------------|-----------------------------|--|---------------|---------------------------------|-----------|
| 1995 (Y95)     | 1999–2000                   | 13 615 (Year 9)                            | 1995–2006     | 14.7 years                      | 12        |
| 1998 (Y98)     | 2002–03                     | 14 117 (Year 9)                            | 1998–2009     | 14.7 years                      | 12        |
| 2003 (Y03)     | 2006–07                     | 10 370 (age 15)                            | 2003–13       | 15 years                        | 11        |
| 2006 (Y06)     | 2009–10                     | 14 170 (age 15)                            | 2006–16       | 15 years                        | 11        |

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