

AUSTRALIAN  
YOUTH UNEMPLOYMENT 2014:  
**SNAPSHOT**

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BROTHERHOOD OF ST LAURENCE

*My Chance, Our Future*  
**YOUTH EMPLOYMENT  
CAMPAIGN**

## 1. FOREWORD

A little over a year ago I was invited to address the assembly at my somewhat nondescript old state school on the outskirts of Sydney. Given my academic achievement, it was an unusual invitation. I figured the teaching staff must have wanted my input to modernise their truancy program.

To my astonishment the school instead wanted the students to hear my advice on career achievement. I was astonished because I was what educators of the time called a problem. I was rebellious. I liked humour more than hard work. Put more simply, I was immature and foolish.

As it turned out, I was lucky – I got a second chance by getting a job in my chosen field of journalism and being trained on the job. Across the assembly hall I could see many young men who were probably a bit like I was. However, sadly, many of them won't get the lucky break I got.

Today many school leavers don't get the luxury of that first "chance" at a job. They are not just competing for jobs against people in their classroom, across the road, or anywhere in the state or across the country. Ultimately they are competing in a *global* race for the best jobs.

The lucky ones get the careers they cherish; others get the leftovers – or worse, no employment at all.

Many of these young Australians are being consigned to a relatively new underclass, something we have not seen in really large numbers in affluent Australia. However those numbers are rising.

Make no mistake: no skills, no job, no quality of life.

Today we are seeing youth unemployment figures that have reached crisis point.

The My Chance, Our Future campaign launched today by the Brotherhood of St Laurence shines a light on an issue fundamental to the future of Australia. One that affects us all. This isn't just an issue of concern for the parents of these young people or the organisations who support young people trying to make a successful transition from school to further study and or work.

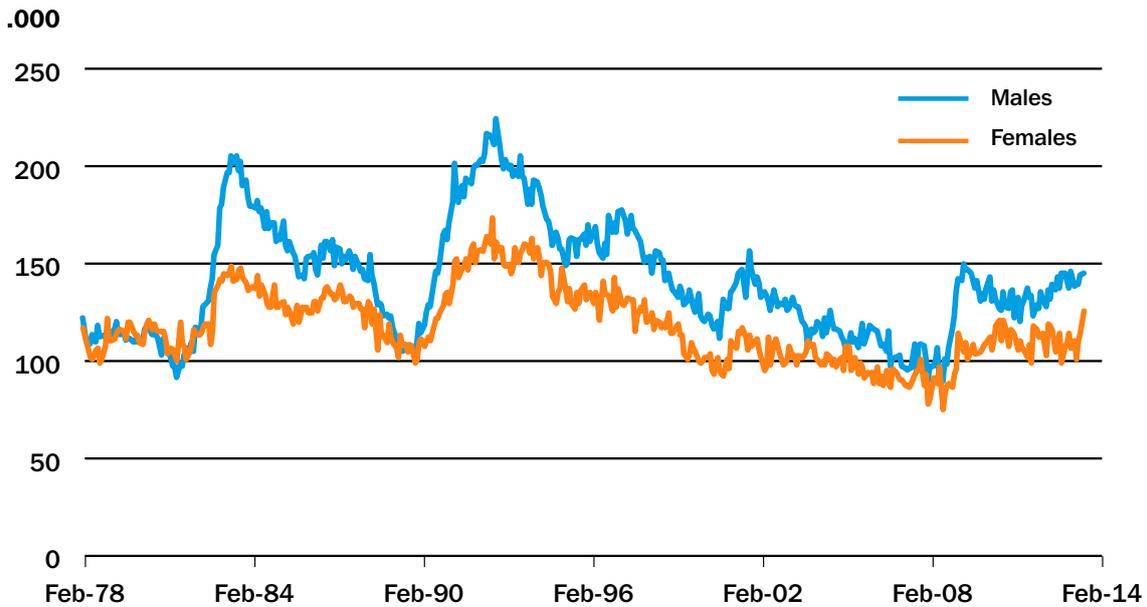
I commend the Brotherhood's leadership role in publishing a monthly Youth Unemployment Monitor which will bring into sharp focus the issue and what we can be done to tackle it.

**John Hartigan**

Former CEO News Limited (Australia)

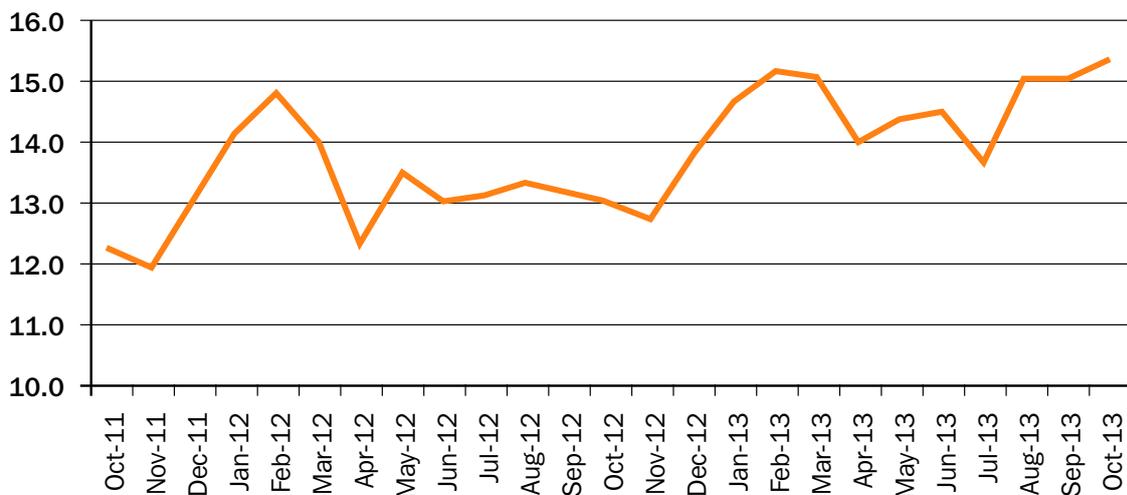
## 2. THE TRENDS

Until the onset of the global financial crisis and global recession, long-term youth unemployment in Australia had been trending downwards. **Figure 1** highlights the significant inroads made into youth unemployment from 1992 to 2008.



**Figure 1:** Number of 15-24 year old youth unemployed (seasonally adjusted)  
 (Source: ABS Labour Force, October 2013, Cat. No. 6202.0. From Department of Parliamentary Services: Labour Stats 101: Youth Unemployment, 5 December 2013)

However over the past two years the rate of youth unemployment has been on the rise (**Figure 2**).



**Figure 2:** Rate of 15-24 year old youth unemployed (Australia)  
 (Source: ABS Labour Force, October 2013, Cat. No. 6202.0. From Department of Parliamentary Services: Labour Stats 101: Youth Unemployment, 5 December 2013)

The global financial crisis has had a scarring impact on the job prospects of Australia’s young people. **Table 1** compares the rise of youth unemployment with that of the overall rate of unemployment since the start of the global financial crisis.

	15-24 Total UE rate %	Overall 15-64 Total UE rate %
<b>Jan-2008</b>	9.0	4.3
<b>Jan-2009</b>	10.4	5.1
<b>Jan-2010</b>	11.4	5.5
<b>Jan-2011</b>	11.5	5.1
<b>Jan-2012</b>	11.5	5.3
<b>Jan-2013</b>	11.9	5.6
<b>Jan-2014</b>	12.4	6.0

**Table 1:** Youth unemployment since the global financial crisis using trend estimates.  
(Source: Labour Force, Australia, Cat 6202.0, Tables 1,13, and 17)

Youth unemployment currently represents just under 40% of all unemployment in Australia. In other words, more than one in three unemployed Australian is young – between the ages of 15 and 24.

### 3. YOUTH UNEMPLOYMENT HOT SPOTS

Youth unemployment is not uniform across Australia. Significant variation occurs between Australian states and territories, and, within states and territories. Significant “hotspots” of youth unemployment have developed in Australia. **Table 2** outlines the ten worst youth unemployment hotspots in Australia.

Region [For a full list of locations in each Region, see Appendix]	State	Youth Unemployment Rate (%)
West and North West Tasmania (including Burnie, Devonport)	TAS	<b>21.0</b>
Cairns	QLD	<b>20.5</b>
Northern Adelaide (including Elizabeth, Gawler)	SA	<b>19.7</b>
South East Tasmania (including Derwent Valley, excluding Hobart)	TAS	<b>19.6</b>
Outback Northern Territory	NT	<b>18.5</b>
Launceston and North East Tasmania	TAS	<b>18.2</b>
Moreton Bay North (including Caboolture, Redcliffe)	QLD	<b>18.1</b>
Wide Bay (including Bundaberg, Gympie)	QLD	<b>17.6</b>
Hume (including Goulburn Valley, Wodonga, Wangaratta)	VIC	<b>17.5</b>
Mandurah (including Dawesville, Falcon)	WA	<b>17.3</b>

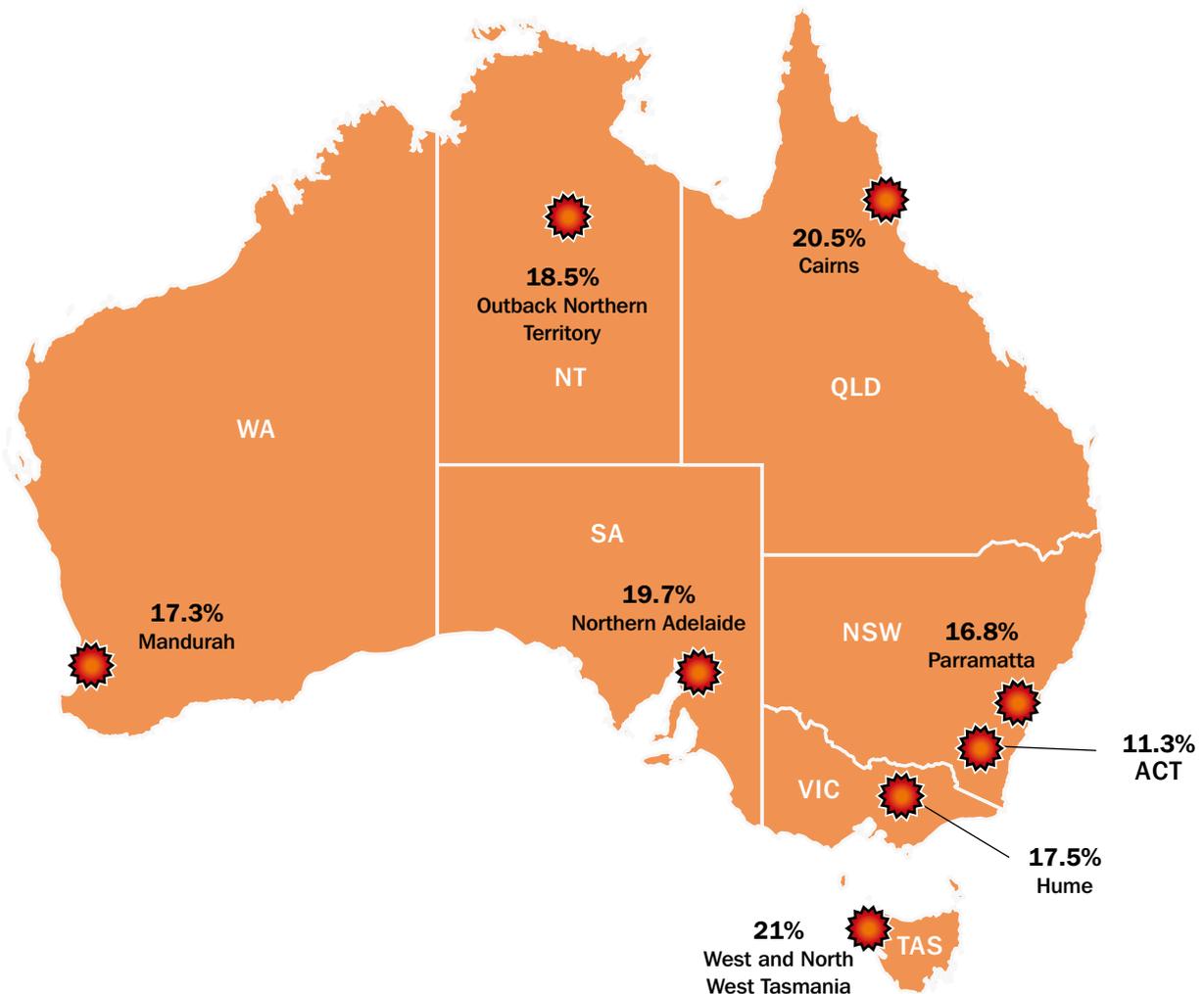
**Table 2:** Worst Youth Unemployment Hotspots Australia-wide, year-to-January 2014  
(Source: ABS. 6291.0.55.001 - Labour Force, Australia, Detailed - Electronic Delivery, Jan. 2014)

Region [For a full list of locations in each Region, see Appendix]	State	Youth Unemployment Rate (%)
West and North West Tasmania (including Burnie, Devonport)	TAS	<b>21.0</b>
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Hume (including Goulburn Valley, Wodonga, Wangaratta)	VIC	<b>17.5</b>
Mandurah (including Dawesville, Falcon)	WA	<b>17.3</b>
Parramatta	NSW	<b>16.8</b>
ACT	ACT	<b>11.3</b>

**Table 3:** Worst Youth Unemployment Hotspots in each state, year-to-January 2014

(Source: ABS. 6291.0.55.001 - Labour Force, Australia, Detailed - Electronic Delivery, Jan. 2014)

**Mapping youth unemployment: the worst hotspots**



## 4. WHAT CAN WE DO?

The globalised economy offers immense opportunity, but there are also risks. For those young people who lack qualifications, skills, work experience or personal connections, securing that first step on the job ladder is becoming much harder. In this prosperous country, a job has always been the passport to build a better life. The substantial rise in youth unemployment outlined in this snapshot should be of deep concern to policy-makers, jobs services and charitable sectors and the broader community. An extended period out of the workforce for a young person in this most formative period of their lives places them at risk of a life sentence of poverty and exclusion from the mainstream of our society.

If we invest in our available pool of young workers, we all benefit as a society and economy. Excluded people cannot contribute productively to our society, which adversely affects prospects for national growth and represents an avoidable dollar cost to public services. The solution is clear: invest in young people now, harness their ambitions, develop their capacities – and we will save in the long term. This national task is as vital as building roads, railways and ports.

### INVESTING IN YOUNG PEOPLE NOW

The Brotherhood of St Laurence recognises the important role successive governments have played in tackling youth unemployment.

Programs such as the federally funded *Youth Connections* have helped over 70,000 young Australians who had disengaged or were at risk of disengaging from education or employment. Remarkably, they have demonstrated that around 95% of the participants in this program got through the thirteen week period – and were still in work or study six months later. The *Youth Connections* program, reconnecting young people with education, has built on the work of the Howard Government’s *Youth Pathways & Connections Program*.

The next step in fighting youth unemployment is to bolster programs that build **work readiness** among Australian youth. The BSL is currently trialling a Youth Transitions Service in the most disadvantaged areas of Melbourne’s western and northern suburbs. Our early evaluations indicate that, of those who participate in our training program, 70% are successfully moving into work and or further learning.

From our experience in dealing with youth unemployment, we propose a move towards a national Youth Transitions Service that has these key elements:

### **‘Employability’ Skills**

Employers have identified that young job seekers are often not job-ready. They need employees who are reliable, willing to learn and able to fit into the workplace. A Youth Transitions Service would focus on building ‘employability’ skills such as punctuality, the ability to work in a team and having a practical understanding of workplace expectations – all of which are essential for successfully moving into work.

### **Work Experience**

Access to real workplace experience is critical to building work readiness. A Youth Transitions Service would connect young people to real-life opportunities to get a taste of varied workplace environments and obtain meaningful work experience and volunteering placements. This would enable young people to try out different jobs, build their personal networks and mentors and learn about the world of work and the available options.

### **Coaching**

Intensive and sustained coaching would assist a young person identify their strengths and aspirations to make sure they are on the pathway to secure their first job. Parents also have a critical role to play. A Youth Transitions Service should also focus on directly engaging with parents to support their children’s transition to work.

### **Vocational Guidance**

Careers advice would be a central component of a Youth Transitions Service. Young people would be supported to identify, plan and work towards their career aspirations in a realistic way. Informed by local labour market conditions, a Youth Transitions Service would assist young people to navigate the vocational education system and to avoid being churned through training courses that do not lead to jobs.

### **Rapid Action**

The longer young people are disengaged, the harder it is for them to move into work. A Youth Transitions Service could actively scan local communities to identify young people who need to be re-engaged, skilled up and placed into work. This would enable rapid action to re-engage a young person and boost their likelihood of returning to study or going on to future employment.

### **Connecting with Local Employers**

Partnerships would be established with local employers to ensure that young people are able to meet current workplace needs and to create links with real employment opportunities.