



Brotherhood
of St Laurence

Working for an Australia free of poverty

AUSTRALIA'S YOUTH UNEMPLOYMENT HOTSPOTS SNAPSHOT

MARCH 2016

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

AUSTRALIA'S YOUTH UNEMPLOYMENT HOTSPOTS

The report card on youth unemployment in Australia is mixed: there has been improvement in the overall rate but this also masks the reality that clusters of high youth unemployment persist – stubbornly and unevenly – across the nation.

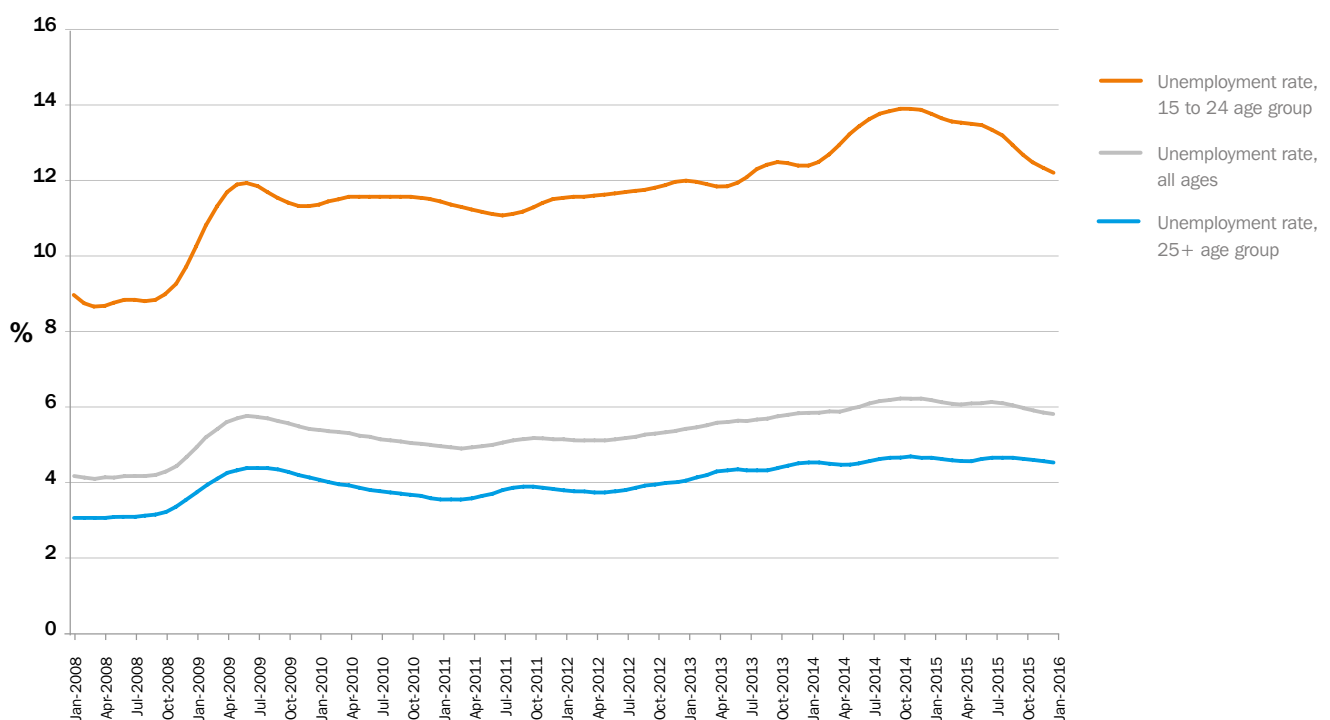
The malaise of unemployment persists in many rural and regional locations. Two years after the Brotherhood of St Laurence first identified ‘hotspots’ from Australian Bureau of Statistics labour force survey data, a new analysis identifies four regional areas where youth unemployment rates cluster above 20 per cent. For the worst performer – in the outback of Queensland, including the mining hub of Mount Isa – the rate reached 28 per cent.

The national youth unemployment rate of 15–24 year olds, at 12.2 per cent (trend rate in January 2016), remains well above the levels before the global financial crisis of 2008, when it dipped below 9 per cent. More welcome news, though, can be found in tracking the decline in youth unemployment from the high in December 2014 of almost 14 per cent.

Overall, in early 2016 more than 258,000 young people in the labour market are still unable to find a job.

In familiar news, young people aged 15–24 continue to be at higher risk of unemployment than other age groups. In January 2016, the youth unemployment rate was more than twice the overall unemployment rate (5.8 per cent) and more than 2.5 times the rate among adults aged 25 and older (4.6 per cent), as Figure 1 shows.

Figure 1: Unemployment rates (%) in Australia for selected age groups, January 2008 – January 2016



Source: ABS Labour force, Australia, January 2016, cat. 6202.0, trend data.

UNEMPLOYMENT HOTSPOTS PERSIST

The improvement in the national youth unemployment rate since December 2014 masks significant differences across regions in Australia. Table 1 shows the 20 ABS regions with the highest youth unemployment rates in January 2016¹. Young people in the labour market in the Outback, Wide Bay and Cairns regions in Queensland and the Hunter Valley in New South Wales all face unemployment rates above 20 per cent, more than 8 percentage points above the national average. In the case of the Outback region of Queensland, the rate is above 28 per cent².

High youth unemployment rates tend to persist: 10 regions in the top 20 in 2016 were in the top 20 in the previous year.

These high rates also reflect overall rates of unemployment across all age groups for these regions. This underscores the importance of understanding regional labour markets and tailoring approaches to economic development to local conditions.

Table 1: Top 20 regions with the highest youth unemployment, Australia

Rank	Region	Youth unemployment Jan 2016 (%)	Top 20 in 2015	Youth unemployment Jan 2015 (%)	Top 20 in 2014	Youth unemployment Jan 2014 (%)
1	Queensland – Outback (Qld)	28.4	Yes	17.7	No	9.5
2	Hunter Valley excluding Newcastle (NSW)	21.8	No	16.8	No	9.5
3	Wide Bay (Qld)	20.6	Yes	17.9	Yes	17.6
4	Cairns (Qld)	20.5	Yes	21.4	Yes	20.4
5	Tasmania – South East (Tas.)	19.6	Yes	23.4	Yes	19.8
6	Mid North Coast (NSW)	19.5	No	13.6	No	13.4
7	Barossa – Yorke – Mid North (SA)	19.4	Yes	17.9	No	13.2
8	Southern Highlands and Shoalhaven (NSW)	18.4	No	7.9	Yes	16.1
9	New England and North West (NSW)	18.1	No	16.2	No	13.8
10	Townsville (Qld)	17.6	Yes	17.4	No	10.1
11	Richmond – Tweed (NSW)	17.4	No	14.5	No	11.4
12	Melbourne – West (Vic.)	17.3	No	16.2	No	13.6
13	Geelong (Vic.)	16.9	Yes	18.6	No	13.3
14	Launceston and North East (Tas.)	16.9	Yes	17.4	Yes	18.3
15	Central Coast (NSW)	16.5	Yes	17.3	No	10.6
16	Adelaide – North (SA)	16.3	Yes	17.4	Yes	19.7
17	Adelaide – Central and Hills (SA)	16.2	No	9.3	No	10.9
18	Far West and Orana (NSW)	16.0	No	13.2	No	11.6
19	Hume (Vic.)	16.0	No	15.4	Yes	17.4
20	Mackay (Qld)	16.0	No	9.3	No	8.8

* Note: Regional unemployment rates estimated using 12-month averages.

Source: ABS 2016, Labour force status by region (ASGS SA4), sex and age, datacube RM1

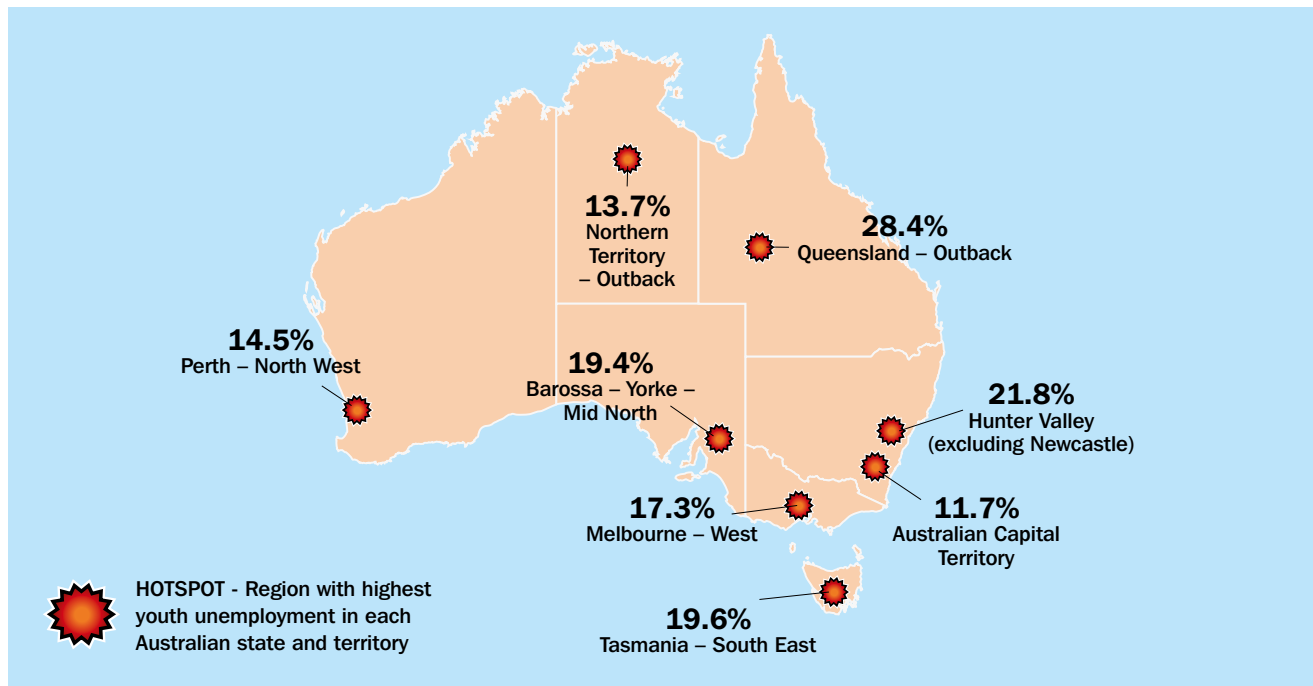
¹Table 3 shows the postcodes for each of these regions.

²Our regional youth unemployment rates were estimated using 12-month averages.

STATE OF THE NATION

Across Australia, young people are far more likely to experience youth unemployment in some regions than others. This map shows the hottest spot for youth unemployment in each state or territory.

Figure 2: Mapping youth unemployment: the worst hotspots in each state



CLUSTERS OF HIGH UNEMPLOYMENT IN EACH STATE

Within each state too, there are locations with higher youth unemployment. Table 2 presents the regions with the highest youth unemployment rates in each state and territory.

For instance, in New South Wales, the Hunter Valley and Mid North Coast regions have youth unemployment rates that are respectively more than 9 and 7 percentage points higher than the state average.

In Victoria, the regions of Melbourne West and Geelong have the highest rates of unemployment, with more than 17 per cent of youth in the labour market unemployed. In this state, youth unemployment hotspots are decidedly concentrated in metropolitan areas.

In the case of Queensland, our estimates suggest that in the Outback region more than a quarter of young people in the labour market are unemployed – the highest in the country. The overall unemployment rate for this region, at 14.6 per cent, is also high compared to the 5.8 per cent national rate.

When comparing how the states and territories are faring, South Australia has the highest youth unemployment rate overall, at 15.5 per cent.



Table 2: High unemployment regions by state and territories, January 2016

Region	Youth unemployment rate (%)
New South Wales	12.2
Hunter Valley excluding Newcastle	21.8
Mid North Coast	19.5
Southern Highlands and Shoalhaven	18.4
New England and North West	18.1
Richmond – Tweed	17.4
Victoria	14.2
Melbourne – West	17.3
Geelong	16.9
Hume	16.0
Melbourne – North East	15.7
Ballarat	15.5
Queensland	13.2
Queensland – Outback	28.4
Wide Bay	20.6
Cairns	20.5
Townsville	17.6
Mackay	16.0
South Australia	15.5
Barossa – Yorke – Mid North	19.4
Adelaide – North	16.3
Adelaide – Central and Hills	16.2
South Australia – Outback	15.5
Adelaide – South	15.2
Western Australia	10.7
Perth – North West	14.5
Western Australia – Wheat Belt	12.6
Mandurah	11.9
Perth – Inner	11.6
Perth – North East	10.8
Tasmania	15.2
Tasmania – South East	19.6
Launceston and North East	16.9
Greater Hobart	14.9
Tasmania – West and North West	13.2
Northern Territory	9.6
Northern Territory – Outback	13.7
Australian Capital Territory	11.7

* Note: For the more populous states, the table shows the five regions with the highest youth unemployment rates. For Tasmania, the Northern Territory and the Australia Capital Territory fewer regions are shown, because of their smaller populations. All youth unemployment rates were estimated using 12-month averages.

Source: ABS 2016, Labour force status by region (ASGS SA4), sex and age, datacube RM1.

Table 3: Postcodes for top 20 hotspots

Rank	Region	Postcodes					
1	Queensland – Outback region	4467	4479	4493	4733	4825	4880
		4468	4480	4724	4735	4828	4887
		4470	4481	4725	4736	4829	4890
		4471	4482	4726	4809	4830	4891
		4472	4488	4727	4816	4871	4895
		4474	4489	4728	4821	4872	
		4475	4490	4730	4822	4874	
		4477	4491	4731	4823	4875	
		4478	4492	4732	4824	4876	
2	Hunter Valley excluding Newcastle (NSW) region	2250	2317	2322	2327	2333	2338
		2311	2318	2323	2328	2334	2420
		2314	2319	2324	2329	2335	2421
		2315	2320	2325	2330	2336	2850
		2316	2321	2326	2331	2337	
3	Wide Bay (Qld) region)	4306	4581	4610	4620	4650	4671
		4405	4600	4611	4621	4655	4673
		4563	4601	4612	4625	4659	4674
		4570	4605	4613	4626	4660	
		4574	4606	4614	4627	4662	
		4580	4608	4615	4630	4670	
4	Cairns (Qld) region	4816	4857	4868	4877	4883	4895
		4849	4858	4869	4878	4884	
		4852	4859	4870	4879	4885	
		4854	4860	4871	4880	4886	
		4855	4861	4872	4881	4887	
		4856	4865	4873	4882	4888	
5	Tasmania – South East region	7001	7054	7119	7162	7180	7187
		7012	7109	7120	7163	7182	7190
		7017	7112	7139	7172	7183	7213
		7026	7113	7140	7177	7184	7215
		7027	7116	7150	7178	7185	7304
		7030	7117	7155	7179	7186	
6	Mid North Coast (NSW) region	2312	2423	2428	2440	2446	
		2324	2424	2429	2441	2447	
		2415	2425	2430	2443	2448	
		2420	2426	2431	2444	2449	
		2422	2427	2439	2445	2898	
7	Barossa – Yorke – Mid North (SA) region	5235	5400	5422	5470	5502	5570
		5320	5401	5431	5471	5510	5571
		5350	5410	5432	5472	5520	5572
		5351	5411	5433	5473	5521	5573
		5352	5412	5440	5480	5522	5575
		5353	5413	5451	5481	5523	5576
		5355	5414	5452	5482	5540	5577
		5356	5415	5453	5483	5550	5580
		5360	5416	5454	5485	5552	5581
		5371	5417	5455	5490	5554	5582
		5372	5418	5460	5491	5555	5583
		5373	5419	5461	5493	5556	5710
		5374	5420	5462	5495	5558	
		5381	5421	5464	5501	5560	

Table 3: Postcodes for top 20 hotspots

Rank	Region	Postcodes					
8	Southern Highlands and Shoalhaven (NSW) region	2533	2538	2541	2576	2579	
		2535	2539	2571	2577	2622	
		2536	2540	2575	2578		
9	New England and North West (NSW) region	2338	2350	2361	2386	2403	2475
		2339	2351	2365	2387	2404	2476
		2340	2352	2369	2388	2405	2833
		2341	2353	2370	2390	2406	4383
		2342	2354	2371	2397	2408	4385
		2343	2355	2372	2398	2409	
		2344	2356	2379	2399	2410	
		2345	2358	2380	2400	2411	
		2346	2359	2381	2401	2453	
		2347	2360	2382	2402	2469	
10	Townsville (Qld) region	4806	4809	4812	4815	4818	4671
		4807	4810	4813	4816	4819	4673
		4808	4811	4814	4817	4820	4674
11	Richmond – Tweed (NSW) region	2469	2473	2477	2481	2485	2489
		2470	2474	2478	2482	2486	2490
		2471	2475	2479	2483	2487	
		2472	2476	2480	2484	2488	
12	Melbourne – West (Vic.) region	3011	3018	3023	3028	3037	3338
		3012	3019	3024	3029	3038	3340
		3013	3020	3025	3030	3211	3341
		3015	3021	3026	3032	3335	3427
		3016	3022	3027	3036	3337	
13	Geelong (Vic.) region	3211	3218	3224	3231	3321	3333
		3212	3219	3225	3232	3322	3334
		3214	3220	3226	3235	3328	3340
		3215	3221	3227	3240	3329	3342
		3216	3222	3228	3241	3331	3351
		3217	3223	3230	3242	3332	3352
14	Launceston and North East (Tas.) region	7120	7215	7254	7262	7275	7262
		7209	7216	7255	7263	7255	7263
		7210	7248	7257	7264	7257	7264
		7211	7249	7258	7265	7258	7265
		7212	7250	7259	7267	7259	7306
		7213	7252	7260	7268	7260	
		7214	7253	7261	7270	7261	
15	Central Coast (NSW) region	2083	2251	2257	2259	2261	2263
		2250	2256	2258	2260	2262	2775
16	Adelaide – North (SA) region	5070	5087	5094	5108	5115	5126
		5074	5088	5095	5109	5116	5127
		5075	5089	5096	5110	5117	5131
		5083	5090	5097	5111	5118	5371
		5084	5091	5098	5112	5120	5372
		5085	5092	5106	5113	5121	5400
		5086	5093	5107	5114	5125	5501

Table 3: Postcodes for top 20 hotspots

Rank	Region	Postcodes					
17	Adelaide – Central and Hills (SA) region	5000	5067	5082	5139	5155	5240
		5005	5068	5083	5140	5156	5241
		5006	5069	5114	5141	5157	5242
		5034	5070	5131	5142	5172	5243
		5035	5072	5132	5144	5201	5244
		5061	5073	5133	5150	5231	5245
		5063	5074	5134	5151	5232	5250
		5064	5075	5136	5152	5233	5251
		5065	5076	5137	5153	5234	5252
		5066	5081	5138	5154	5235	5254
18	Far West and Orana (NSW) region	2357	2396	2825	2833	2843	2877
		2379	2648	2827	2834	2850	2878
		2381	2672	2828	2835	2852	2879
		2386	2820	2829	2836	2866	2880
		2387	2821	2830	2839	2867	4493
		2388	2823	2831	2840	2868	
		2395	2824	2832	2842	2869	
19	Hume (Vic.) region	2640	3658	3677	3705	3717	3739
		2642	3659	3678	3699	3718	3740
		3435	3660	3682	3700	3719	3741
		3444	3662	3683	3701	3720	3744
		3521	3663	3685	3704	3722	3746
		3522	3664	3687	3707	3723	3747
		3523	3665	3688	3708	3735	3749
		3607	3666	3690	3709	3737	3764
		3608	3669	3691	3711	3725	3778
		3610	3670	3694	3712	3726	3779
		3612	3672	3695	3713	3732	3799
		3631	3673	3697	3714	3733	3898
		3646	3675	3698	3715	3738	
20	Mackay (Qld) region	4705	4739	4744	4753	4799	4804
		4707	4740	4745	4754	4800	4805
		4721	4741	4746	4756	4801	4820
		4737	4742	4750	4757	4802	
		4738	4743	4751	4798	4803	