



Brotherhood
of St Laurence

AN UNFAIR AUSTRALIA?

MAPPING YOUTH UNEMPLOYMENT HOTSPOTS

MARCH 2018

***'Australians all let us rejoice,
For we are young and free;
We've golden soil and wealth for toil ...'***

The first lines of the national anthem, Advance Australia Fair, are a familiar refrain. But the expansive promise of 'wealth for toil' is eluding far too many young people in contemporary Australia.

The story of youth employment in our prosperous country has become a tale of two Australias. Amid more than 20 years of overall economic growth, youth unemployment is rife in some communities, and geography is helping shape a young person's destiny. While some parts of the nation offer young people abundant opportunity, in other areas Australia's young job hunters are struggling for their chance.

A headline national youth unemployment rate of 12.2 per cent – which continues at more than double the rate of overall unemployment – masks striking locational differences. In five regions, all outside capital cities, unemployment among 15 to 24 year olds in the labour force exceeds 20 per cent.

Youth unemployment is at its extreme – more than 65 per cent – in a thinly populated but vast tract of land in the Queensland outback, encompassing Cape York as well as the mining centres of Mount Isa and Weipa.

This report maps youth unemployment trends, zeroing in on 12-month averages to identify 20 'hotspots' that have the highest youth unemployment rates in Australia. Comparing their current youth unemployment rates with two years ago reveals that in all but one of those hotspot regions youth unemployment had worsened.

Conversely, in the 20 regions with the lowest youth unemployment rates in 2018, all but two recorded lower rates today than two years ago.

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

REGIONS UNDER PRESSURE

Using Australian Bureau of Statistics labour force data, Table 1 shows the 20 regions with the highest youth unemployment rates in the year to January 2018. The postcodes for each region are listed in Table 4.

Some regional hotspots have youth unemployment rates well above 20 per cent. In the case of the Queensland Outback region, the rate is 67.1 per cent – more than two-thirds of the young people in the labour force. Southern Highlands and Shoalhaven (NSW), Wide Bay (Qld), Tasmania South East and Murray (NSW) experienced rates between 20 and 30 per cent.

In these 20 hotspots, above-average youth unemployment rates have tended to persist over time. Of the 20 regions with the highest rates, 17 already had youth unemployment rates above the national average in 2016 and 19 had higher levels in 2018 than in 2016.

Table 1: Regions with the 20 highest youth unemployment rates in Australia, January 2018

Rank	Region	Jan 2018 (%)	Jan 2016 (%)	Change 2016 to 2018 (percentage points)
1	Queensland – Outback (Qld)	67.1	32.6	34.5
2	Southern Highlands and Shoalhaven (NSW)	28.7	18.8	10.1
3	Wide Bay (Qld)	27.7	20.3	7.4
4	Tasmania – South East (Tas.)	21.8	20.5	1.3
5	Murray (NSW)	21.5	13.9	7.7
6	Coffs Harbour – Grafton (NSW)	19.8	9.4	10.4
7	Melbourne – West (Vic.)	18.7	17.4	1.3
8	Central Coast (NSW)	18.6	16.3	2.3
9	Adelaide – North (SA)	18.4	16.5	1.9
10	Townsville (Qld)	18.1	17.9	0.2
11	Mandurah (WA)	17.7	13.9	3.8
12	Melbourne – North West (Vic.)	17.5	14.4	3.1
13	Adelaide – West (SA)	17.0	12.4	4.6
14	Logan – Beaudesert (Qld)	17.0	15.9	1.1
15	Adelaide – South (SA)	16.9	15.3	1.6
16	New England and North West (NSW)	16.6	17.8	-1.2
17	South Australia – South East (SA)	16.3	14.2	2.1
18	Bendigo (Vic.)	16.2	11.4	4.8
19	Shepparton (Vic.)	16.1	14.6	1.5
20	Perth – North West (WA)	16.0	14.7	1.3

Note: Regional youth unemployment rates estimated by author using 12-month averages.

Source: ABS 2018, Datacube RM1 – Labour force status by region (ASGS SA4), sex and age, October 1998 onwards

AN UNEQUAL PROSPERITY?

The trend is somewhat more encouraging in the regions with the lowest youth unemployment rates, as shown in Table 2. Most regions in this group already had below-average youth unemployment in 2016. In contrast to the regions with the highest rates of youth unemployment, they have actually experienced improvements since 2016. Indeed, 18 of the 20 regions with the lowest unemployment rates among 15–24 year olds have lower rates today than in 2016. Fourteen of these 20 regions are in capital cities – Sydney, Melbourne, Brisbane, Perth and Darwin. Yet even in these regions, much remains to be done to address youth unemployment.

Table 2: Regions with the 20 lowest youth unemployment rates in Australia, January 2018

Region	Jan 2018 (%)	Jan 2016 (%)	Change 2016 to 2018 (percentage points)
Melbourne – Inner South (Vic.)	9.5	11.4	-1.9
Melbourne – Outer East (Vic.)	9.5	13.6	-4.1
Perth – Inner (WA)	9.3	12.6	-3.3
Darling Downs – Maranoa (Qld)	9.3	9.0	0.3
Melbourne – Inner (Vic.)	9.2	13.8	-4.6
Sydney – Eastern Suburbs (NSW)	9.1	14.2	-5.1
Sydney – Outer South West (NSW)	9.0	14.2	-5.2
Sydney – South West (NSW)	8.9	9.3	-0.4
New South Wales – Central West (NSW)	8.5	13.8	-5.3
Sydney – Inner West (NSW)	8.4	9.8	-1.4
Sydney – North Sydney and Hornsby (NSW)	8.2	8.3	-0.1
Sydney – Outer West and Blue Mountains (NSW)	8.1	8.2	-0.2
Far West and Orana (NSW)	8.0	18.4	-10.4
Warrnambool and South West (Vic.)	7.5	12.5	-5.0
Sydney – Baulkham Hills and Hawkesbury (NSW)	7.4	8.4	-1.0
Darwin (NT)	7.4	7.2	0.1
Hume (Vic.)	7.3	15.2	-8.0
Sydney – Sutherland (NSW)	6.9	8.8	-1.9
Ballarat (Vic.)	6.6	16.5	-9.9
Brisbane Inner City (Qld)	5.8	11.0	-5.2

Note: Regional youth unemployment rates estimated by author using 12-month averages.

Source: ABS 2018, Datacube RM1 – Labour force status by region (ASGS SA4), sex and age, October 1998 onwards

The differences in youth unemployment trends between the low and high unemployment regions highlight the disparities between local labour markets. Place matters. In responding to the challenge of youth unemployment, it is important to understand distinctive features of local labour markets and develop local approaches to foster economic development and job opportunities for young people.

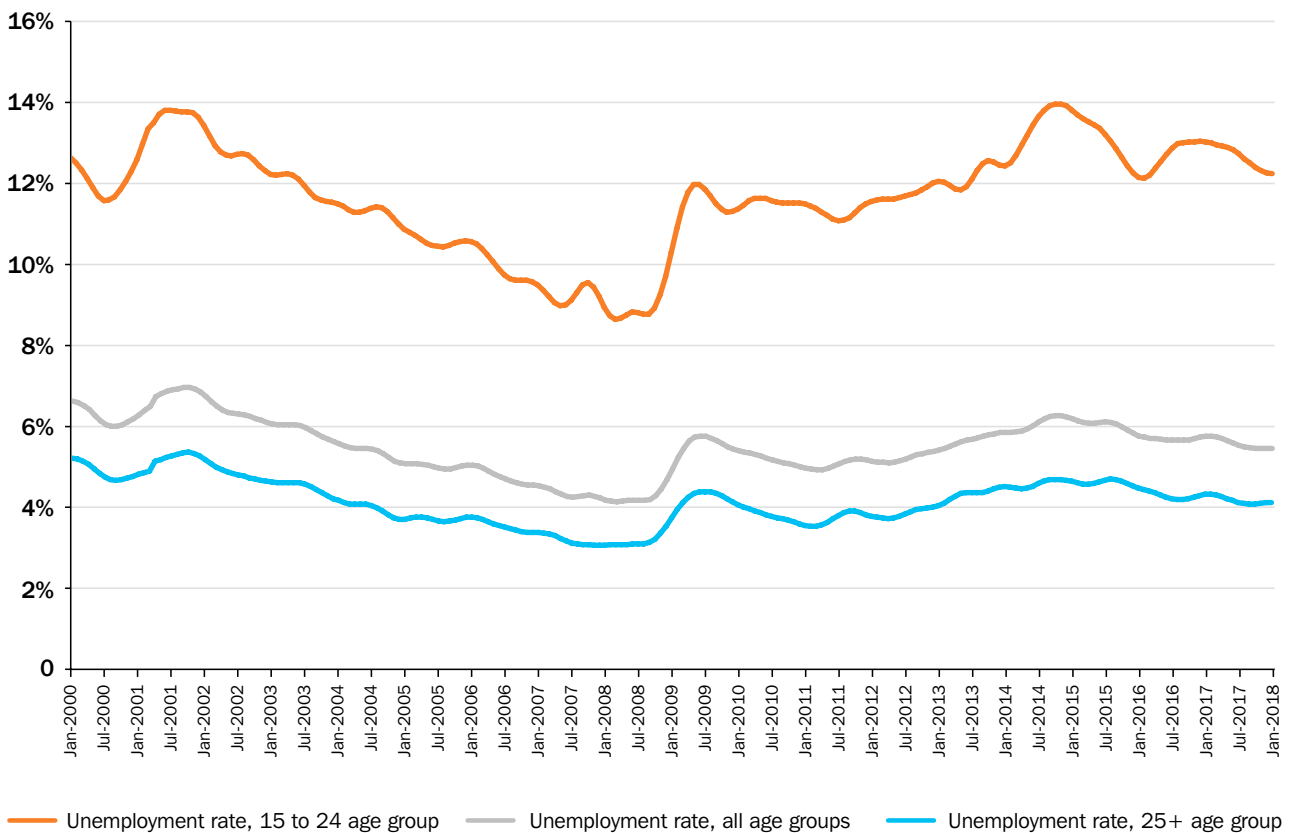
NATIONAL SNAPSHOT

More than 264,000 young people aged 15 to 24 are currently unemployed across the country, accounting for more than a third (36 per cent) of unemployed people in Australia.

The latest ABS data show the unemployment rate of 15–24 year olds in the labour force is much higher than the unemployment rate for all ages. The youth unemployment rate in January 2018 of 12.2 per cent was more than twice the overall rate of 5.5 per cent, and three times the rate of those aged 25 and over (4.1 per cent) (Figure 1).

The rate of 12.2 per cent, however, has come off the recent peak of 2014, when the youth unemployment rate reached almost 14 per cent. Nevertheless, youth unemployment is still well above the levels before the 2008 global financial crisis (GFC). The crisis has left a deep footprint on the youth labour market in Australia, even though the impact was much less than in Europe and the United States. While Australia avoided recession, the GFC has undeniably taken its toll on the prospects of the emerging generation.

Figure 1: Unemployment rates (%) in Australia for different age groups, January 2000 – January 2018

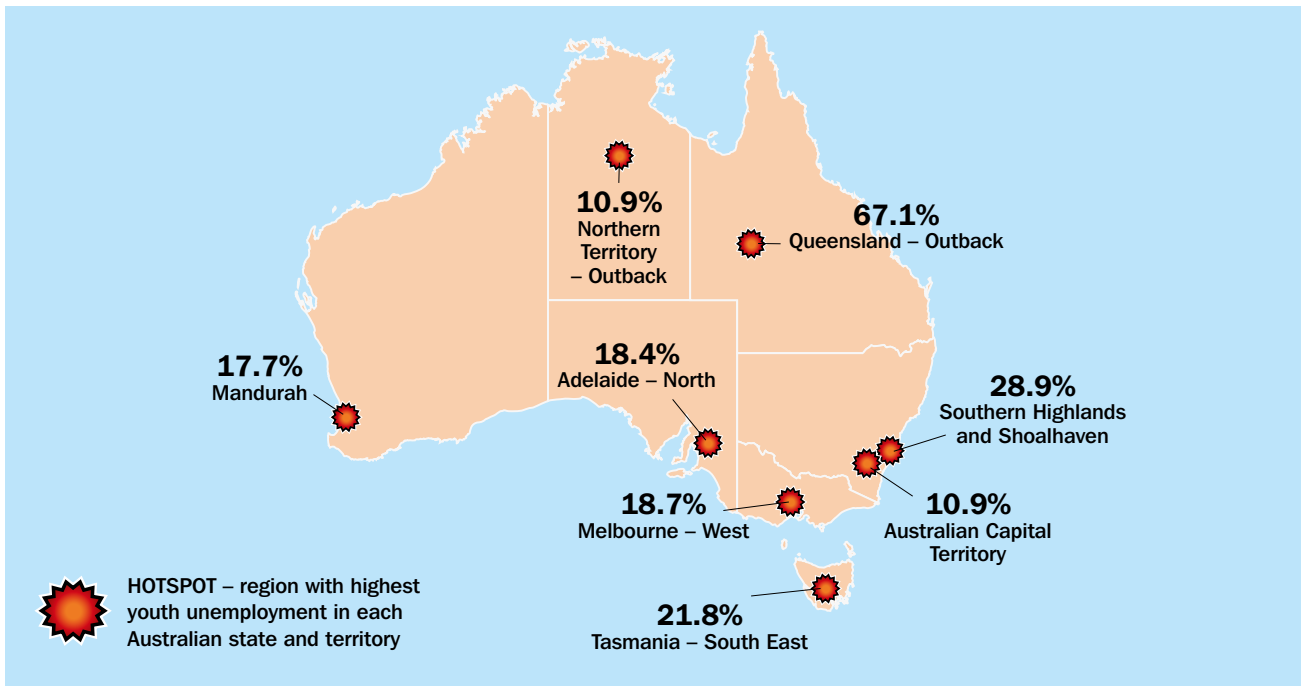


Source: ABS 2018, Labour force, Australia, January 2018, cat. no. 6202.0, trend data

STATE BY STATE OVERVIEW

A central theme of this report is that young people are far more likely to experience youth unemployment in some regions than others. Figure 2 shows the hottest spot for youth unemployment in each state or territory.

Figure 2: Mapping youth unemployment: the worst hotspots in each state, 2018



HOTSPOTS WITHIN STATES

Regional differences are also observed within states, showing that economic conditions are not uniform across each state. Table 3 shows the regions with the highest youth unemployment rates in each state and territory in January 2018.

In all states, there are regions with youth unemployment levels well above the state's average. In New South Wales, the Southern Highlands and Shoalhaven region has an unemployment rate of 28.9 per cent, more than twice the 10.8 per cent state average. In Victoria, the Melbourne West and North West regions have the highest rates in the state, with more than 17 per cent of young people in the labour market unemployed, compared with the state average of 13.1 per cent.

In Queensland, our analysis suggests that more than two-thirds of young people in the labour force in the Outback region are unemployed, the highest regional unemployment rate in both the state and the nation.

While these hotspots deserve particular attention, it remains a concern that 55 of the 87 regions across the nation showed youth unemployment rates above 11 per cent in January 2018. Australia's young people must not be denied a fair share of the nation's prosperity.

Table 3: Regions with high youth unemployment rates by state and territory, January 2018

Region	Jan 2018 (%)	Jan 2016 (%)	Change 2016 to 2018 (percentage points)
New South Wales	10.8	12.1	1.3
Southern Highlands and Shoalhaven	28.9	18.8	10.1
Murray	21.5	13.9	7.7
Coffs Harbour – Grafton	19.8	9.4	10.4
Central Coast	18.6	16.3	2.3
New England and North West	16.6	17.8	-1.2
Victoria	13.1	14.2	-1.1
Melbourne – West	18.7	17.4	1.3
Melbourne – North West	17.5	14.4	3.1
Bendigo	16.2	11.4	4.8
Shepparton	16.1	14.6	1.5
Melbourne – South East	15.1	15.5	-0.4
Queensland	13.3	13.1	0.2
Queensland – Outback	67.1	32.6	34.5
Wide Bay	27.7	20.3	7.4
Townsville	18.1	17.9	0.2
Logan – Beaudesert	17.0	15.9	1.1
Moreton Bay – North	15.6	14.1	1.5
South Australia	15.9	15.5	0.4
Adelaide – North	18.4	16.5	1.9
Adelaide – West	17.0	12.4	4.6
Adelaide – South	16.9	15.3	1.6
South Australia – South East	16.3	14.2	2.1
South Australia – Outback	13.9	16.3	-2.4
Western Australia	13.4	10.6	2.8
Mandurah	17.7	13.9	3.8
Perth – North West	16.0	14.7	1.3
Perth – North East	15.1	10.6	4.6
Western Australia – Wheat Belt	14.5	12.1	2.4
Western Australia – Outback	14.4	8.6	5.8
Tasmania	13.8	15.1	-1.3
Tasmania – South East	21.8	20.5	1.3
Launceston and North East	15.4	16.6	-1.2
Hobart	12.8	15.0	-2.2
Tasmania – West and North West	11.2	12.9	-1.8
Northern Territory	8.5	9.4	-0.8
Northern Territory – Outback	10.9	13.4	-2.5
Australian Capital Territory	10.9	11.9	-1.0

Note: For the most populous states, the table displays the five regions with the highest youth unemployment rates. For Tasmania, the Northern Territory and the Australian Capital Territory fewer regions are shown, because of the smaller populations. All youth unemployment rates estimated by author using 12-month averages.

Source: ABS 2018, Datacube RM1 – Labour force status by region (ASGS SA4), sex and age, October 1998 onward

Table 4: Postcodes for the regions with the 20 highest youth unemployment rates in Australia, 2018

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	Southern Highlands and Shoalhaven (NSW)	2533	2538	2541	2576
2535	2539			2571	2577	2622	
2536	2540			2575	2578		
3	Wide Bay (Qld)	4306	4581	4610	4620	44650	4673
		4405	4600	4611	4621	4655	4674
		4563	4601	4612	4625	4659	
		4570	4605	4613	4626	4660	
		4574	4606	4614	4627	4670	
		4580	4608	4615	4630	4671	
4	Tasmania – South East	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	
5	Murray (NSW)	2640	2648	2711	2732	2878	3579
		2641	2650	2712	2733	3490	3585
		2642	2658	2713	2734	3494	3586
		2643	2659	2714	2735	3498	3639
		2644	2660	2715	2736	3501	3644
		2645	2700	2716	2737	3505	3691
		2646	2707	2717	2738	3549	3694
		2647	2710	2731	2739	3564	3709
6	Coffs Harbour – Grafton (NSW)	2370	2449	2453	2456	2463	2466
		2441	2450	2454	2460	2464	2469
		2448	2452	2455	2462	2465	
7	Melbourne – West (Vic.)	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	
8	Central Coast (NSW)	2083	2251	2257	2259	2261	2263
		2250	2256	2258	2260	2262	2775
9	Adelaide – North (SA)	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
10	Townsville (Qld)	4806	4809	4812	4815	4818	4850
		4807	4810	4813	4816	4819	
		4808	4811	4814	4817	4820	



Rank	Region	Postcodes					
11	Mandurah (WA)	6180	6182	6208	6210	6214	
		6181	6207	6209	6211		
12	Melbourne – North West (Vic.)	3033	3044	3059	3427	3434	3756
		3034	3045	3060	3428	3435	3762
		3036	3046	3061	3429	3437	3764
		3040	3047	3062	3430	3438	
		3041	3048	3063	3431	3440	
		3042	3049	3064	3432	3441	
		3043	3058	3337	3433	3442	
13	Adelaide – West (SA)	5007	5012	5017	5022	5032	5040
		5008	5013	5018	5023	5033	5045
		5009	5014	5019	5024	5035	5082
		5010	5015	5020	5025	5037	5950
		5011	5016	5021	5031	5038	
14	Logan – Beaudesert (Qld)	4114	4123	4128	4132	4270	4287
		4117	4124	4129	4133	4275	
		4118	4125	4130	4205	4280	
		4119	4127	4131	4207	4285	
15	Adelaide – South (SA)	5037	5045	5052	5157	5164	5171
		5038	5046	5062	5158	5165	5172
		5039	5047	5064	5159	5166	5173
		5041	5048	5150	5160	5167	5174
		5042	5049	5152	5161	5168	
		5043	5050	5153	5162	5169	
		5044	5051	5156	5163	5170	
16	New England and North West (NSW)	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	
17	South Australia – South East	3318	5220	5256	5272	5306	5341
		5153	5221	5259	5273	5307	5342
		5157	5222	5260	5275	5308	5343
		5172	5223	5261	5276	5309	5344
		5174	5234	5262	5277	5310	5345
		5201	5235	5263	5278	5311	5346
		5202	5236	5264	5279	5320	5353
		5203	5237	5265	5280	5321	5354
		5204	5238	5266	5290	5322	5356
		5210	5244	5267	5291	5330	5357
		5211	5252	5268	5301	5331	5374
		5212	5253	5269	5302	5332	5440
		5213	5254	5270	5303	5333	
		5214	5255	5271	5304	5340	
		18	Bendigo (Vic.)	3364	3448	3472	3523
3435	3450			3475	3525	3558	3576
3437	3451			3477	3527	3559	3579
3440	3453			3515	3537	3567	
3442	3458			3516	3550	3570	
3444	3461			3517	3551	3571	
3446	3462			3518	3555	3572	
3447	3463			3520	3556	3573	



Rank	Region	Postcodes					
19	Shepparton (Vic.)	2714	3564	3616	3630	3640	3685
		3523	3565	3617	3631	3641	3727
		3551	3566	3618	3633	3644	3728
		3557	3572	3620	3634	3646	3730
		3558	3573	3621	3635	3647	
		3559	3608	3622	3636	3649	
		3561	3610	3623	3637	3669	
		3562	3612	3624	3638	3675	
		3563	3614	3629	3639	3678	
20	Perth – North West (WA)	6014	6021	6027	6033	6050	6064
		6015	6022	6028	6034	6052	6065
		6017	6023	6029	6035	6059	6077
		6018	6024	6030	6036	6060	6078
		6019	6025	6031	6037	6061	6079
		6020	6026	6032	6038	6062	