

AUSTRALIAN
YOUTH UNEMPLOYMENT:
SNAPSHOT - March 2014
COUNTING THE COSTS

BROTHERHOOD OF ST LAURENCE

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

1. FOREWORD

When I left school I wanted to be a musician. Unfortunately my father believed that drumming was a good hobby but not a career.

I left school thinking I could do anything but not really sure what that “anything” was. My parents suggested university so I enrolled in a course that had business in the title. That’s when I got my first big break – I got sick. Glandular fever. It seems strange to look back at glandular fever as a lucky break, but the truth is that it gave me time away from study and while I was lying flat on my back I started thinking – really thinking for the first time about what I wanted to do with my life.

I knew I wanted a job, a car, to travel and eventually a house and a family one day. But I also wanted a job where I wasn’t just punching the clock, going through the motions.

I realised then and there that I had to just get myself into the workforce somehow, somewhere. My first job wasn’t going to be my only job and I needed to just try my best and slowly make my way to the job I really wanted.

I replied to an ad in the local paper and found an entry level job. I stuck at it, and over time I improved and I got more experience.

After that I had an opportunity to do work experience in an advertising agency. After a week I was hooked. I put so much energy into that week they didn’t have the heart to let me go. Thank God. I ended up finishing my degree part-time while working there.

At Channel 10, every one of my senior management team has a different story of how they arrived at their job. None of them has had a smooth and easy ride. Some have faced huge challenges. There isn’t the right way or the only way in the world of work. There is only “your way”.

Sadly many young Australians can find themselves disconnected from the world of work – despite being the most connected generation we’ve known. I would encourage young people to use the technology available to their advantage – use it to expand their networks and understanding about the world of work. There is so much information available about the skills, training and work opportunities and how to take advantage of them – it’s literally only a click away.



What all my colleagues have in common is that they are energetic and passionate. They've all made mistakes, but have learnt from them. When they've stumbled or been knocked down, they've got back up on their feet, dusted themselves off and had another crack.

I always dreamed of having a job like I have today but at the age of 20 I had no idea how I would get there. Now at 48 I can see that I got here by taking one step at a time and making the most of every post. When you start out you can't always see the end-point, but you just need to have a bit of faith in yourself, work hard, and move forward one step at a time.

Russel Howcroft

Executive General Manager, Channel 10

2. INTRODUCTION

Rising youth unemployment in Australia imposes a burden on the economy through both direct and indirect costs. The indirect costs are those associated with losing the valuable talents and potential of young people when they can't enter the workforce and the personal and broader social impacts that often follow unemployment.

This snapshot examines some of the trends that are driving the direct costs of rising youth unemployment and canvasses some of the indirect costs.

3. THE TRENDS

The recent rise in youth unemployment in Australia has led to increases in the number of young people receiving unemployment benefits - Newstart Allowance and Youth Allowance (other than for students). For this summary, we only include Newstart recipients up to and including 24 years of age.

The total number of recipients of Newstart and Youth Allowance (excluding students) has increased 13.5 percent from 95,677 to 108,552 recipients. This increase is highlighted in **Figure 1**

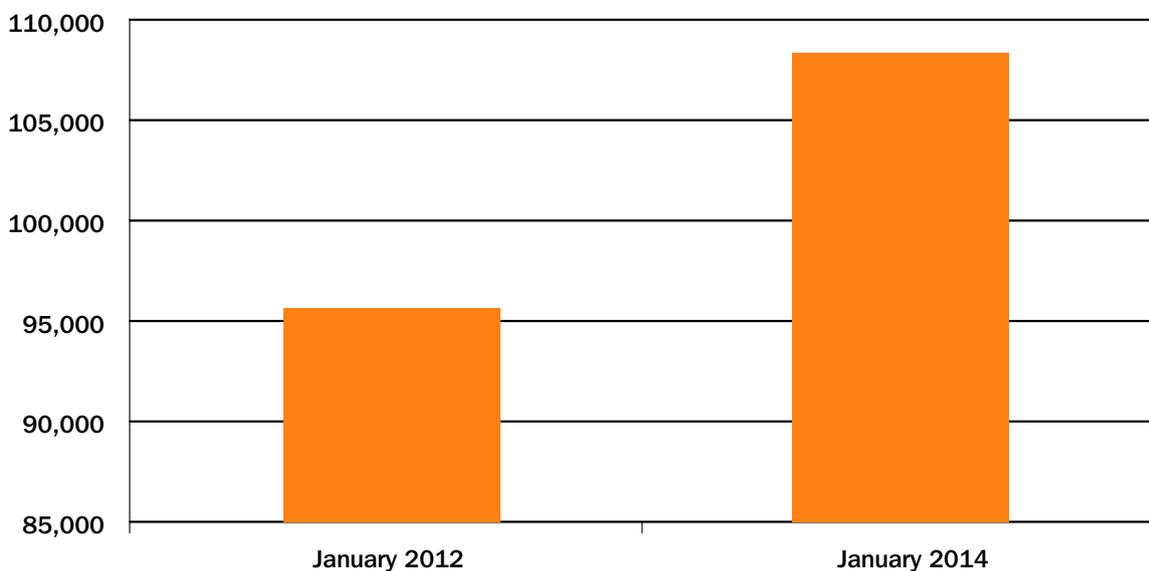


Figure 1: Under 25 years of age NSA & YA (excluding students) recipients
 (Source: DSS Labour Market and related Payments monthly profile, January 2013 & January 2014)

In that two-year period, the number of young people aged 18-20 receiving these allowances has increased by 29 percent, while the increase for those aged 21 to 24 years was 9 percent. This age breakdown is reflected in **Figure 2**.

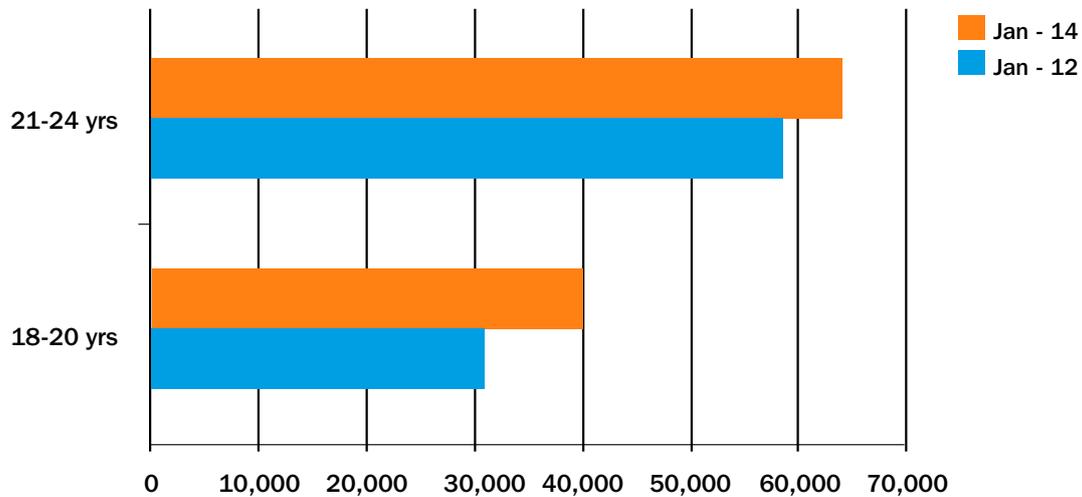


Figure 2: Under 25 years of age NSA & YA(o) recipients (by age)
 (Source: DSS Labour Market and related Payments monthly profile, January 2013 & January 2014)

4. COSTS TO ALL OF US

The direct cost to the public purse lies primarily with the cost of unemployment benefits. Importantly, for too many young people the costs of unemployment tend to carry over much of their working years. This is known as the “scarring” effect - one of the key economic results of youth unemployment.

Young people represent a tremendous opportunity to strengthen our productive capacity at a time when, with an ageing population, the proportion of people of working age is in decline. Neither the economy nor society can afford to leave large numbers of young people at the margins of the labour market, where they represent an avoidable dollar cost to public services and cannot contribute to national growth.

The broader social impacts - that is, the indirect costs - of youth unemployment include those linked to increased homelessness, poor health and social isolation.

Rising youth unemployment not only affects the individual and their family but also leaves a lasting burden on our economy and community.

YOUTH UNEMPLOYMENT MAPS

TOP SPOTS FOR YOUTH JOBLESS SPIKES

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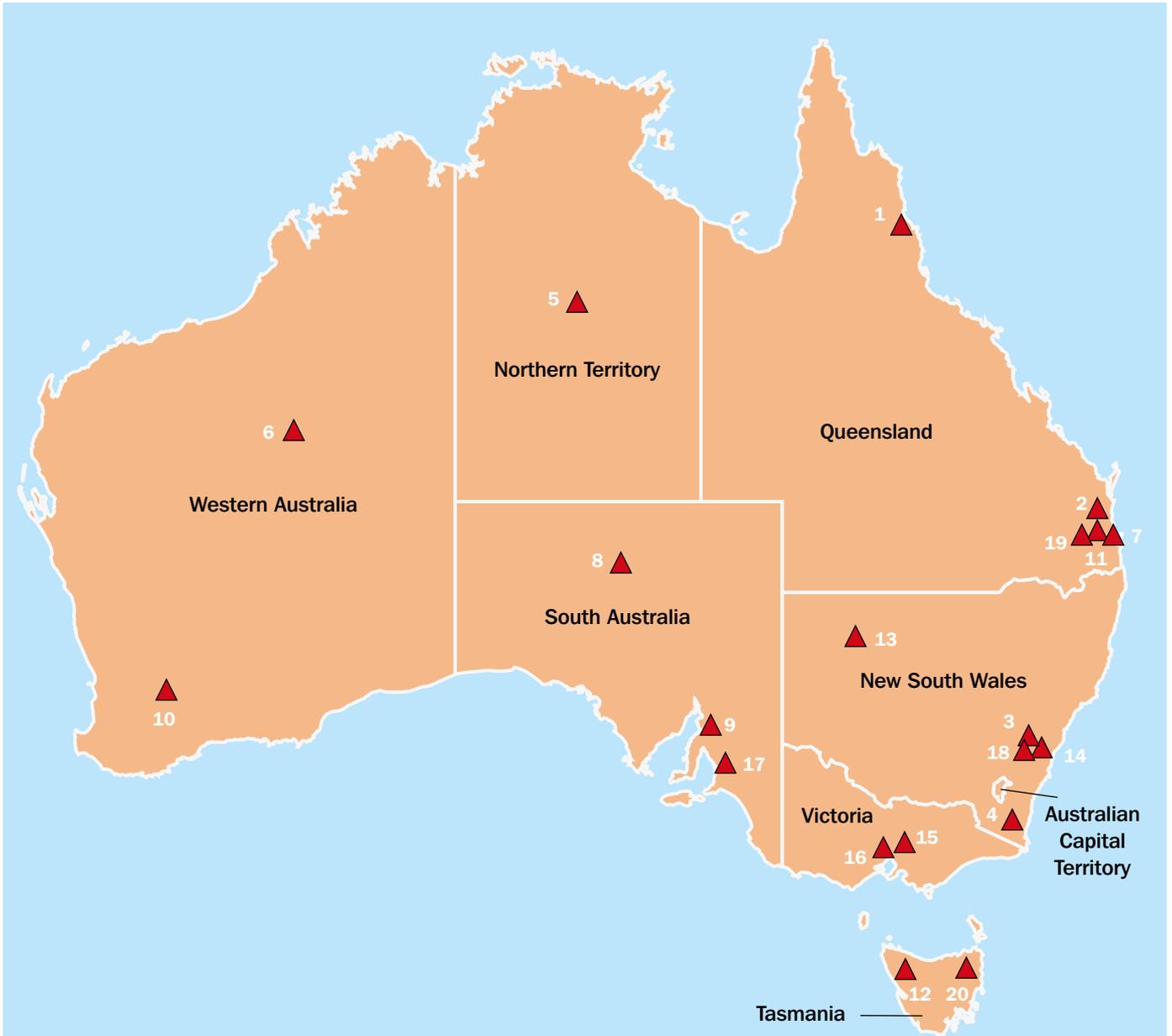
Map 1: Australia

Youth Unemployment Rate (15 to 24 year olds)

Percentage increase over 2 years to February 2014



Data for all maps derived by comparing the average youth unemployment rates in the year to February 2014 with the corresponding rates in the year to February 2012



▲ TOP SPOTS FOR YOUTH JOBLESS SPIKES NATIONALLY

▲ 1. Cairns - 88.39%	▲ 11. Brisbane - South - 60.68%
▲ 2. Moreton Bay North - 78.96%	▲ 12. Tasmania - West and North West - 58.92%
▲ 3. Sydney - Baulkham Hills and Hawkesbury - 73.41%	▲ 13. Far West and Orana - 55.27%
▲ 4. Capital Region - 72.31%	▲ 14. Sydney - Parramatta - 48.15%
▲ 5. Northern Territory - Outback - 70.72%	▲ 15. Melbourne - Outer East - 48.14%
▲ 6. Western Australia - Outback - 69.65%	▲ 16. Melbourne - Inner East - 46.23%
▲ 7. Brisbane - West - 67.58%	▲ 17. Adelaide - West - 44.62%
▲ 8. South Australia - Outback - 66.65%	▲ 18. Sydney - Blacktown - 44.02%
▲ 9. Barossa - Yorke - Mid North - 66.44%	▲ 19. Ipswich - 42.95%
▲ 10. Western Australia - Wheat Belt - 65.21%	▲ 20. Launceston and North East - 42.67%

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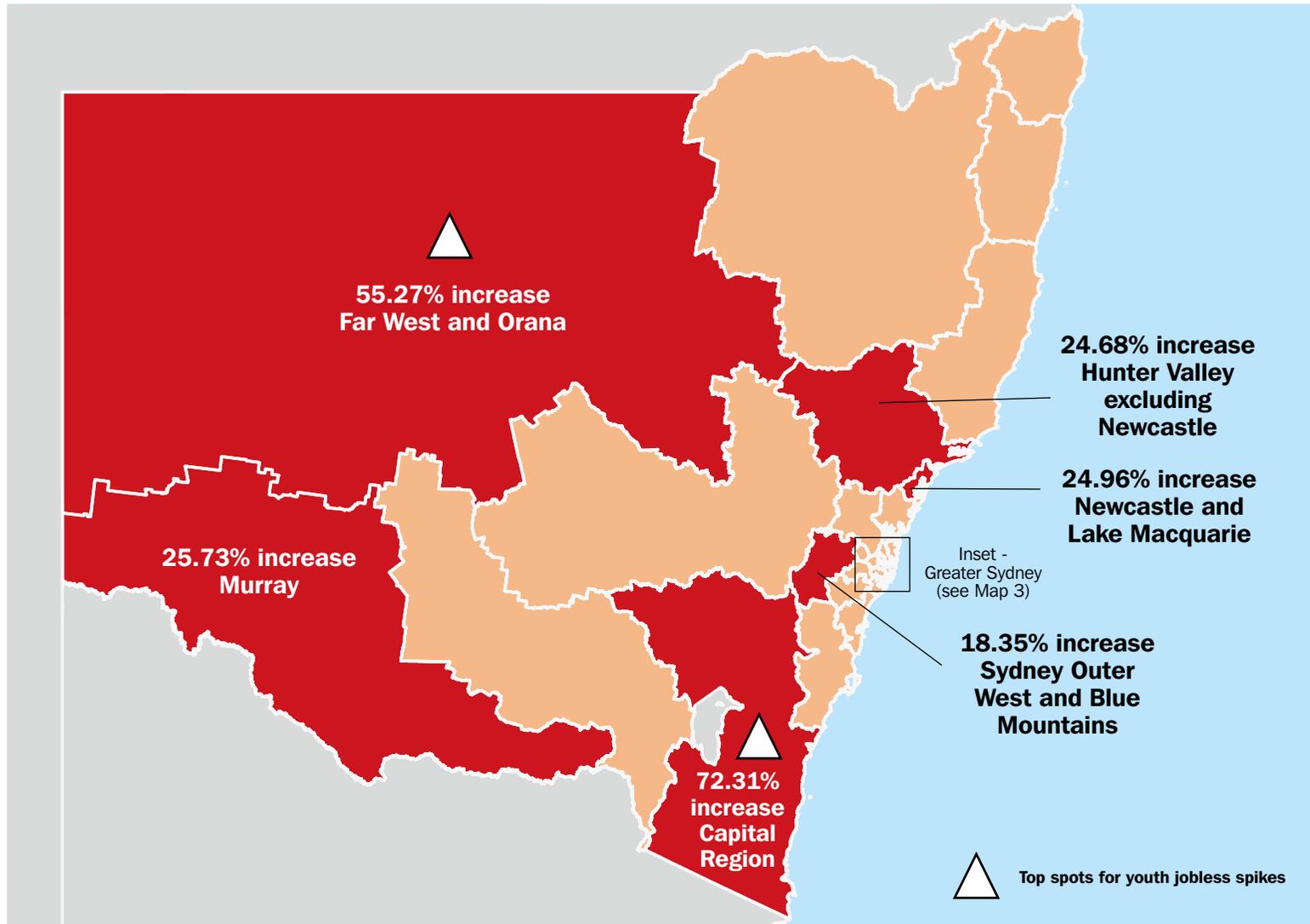
Map 2: New South Wales

Youth Unemployment Rate (15 to 24 year olds)

Percentage increase over 2 years to February 2014



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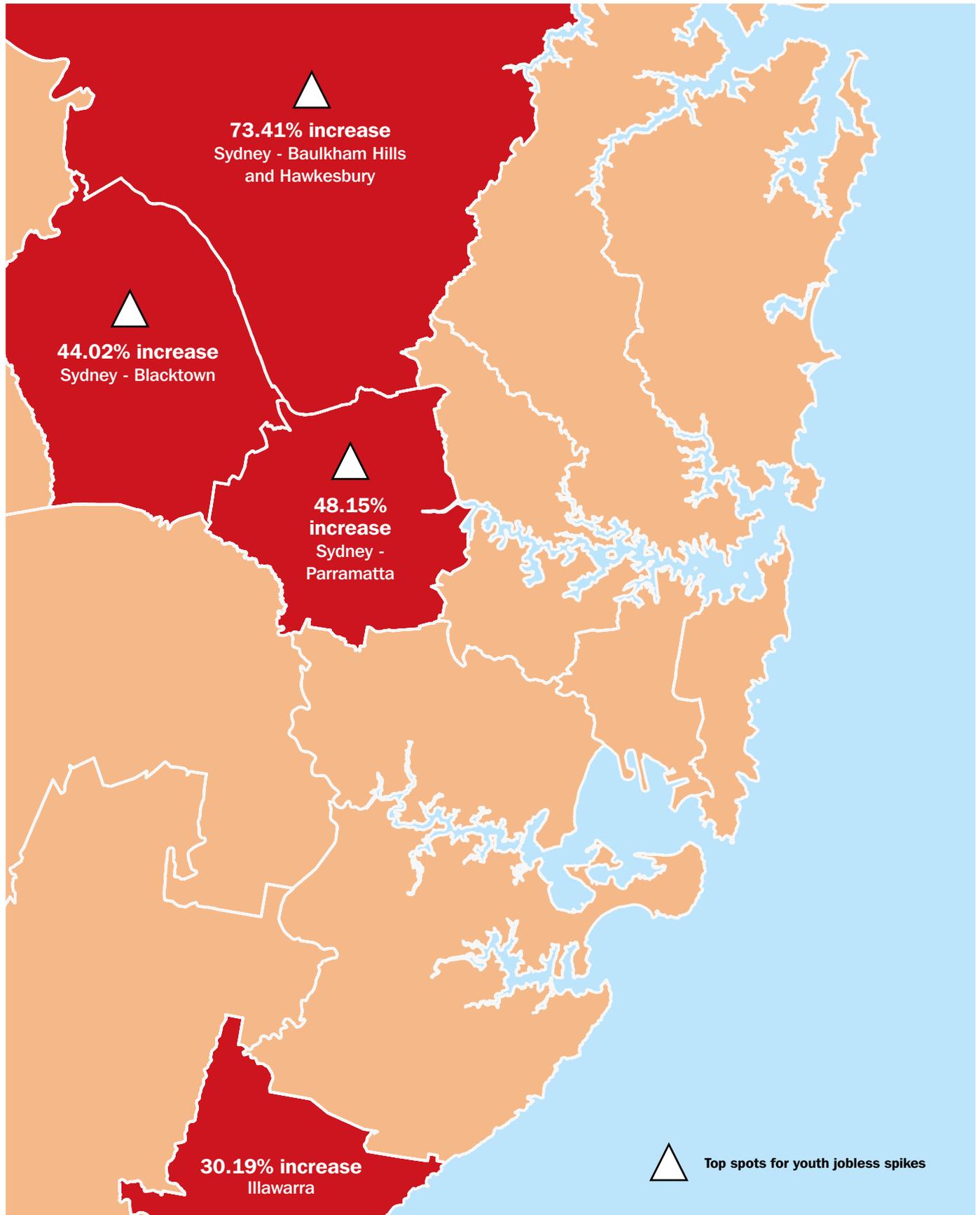
Map 3: Greater Sydney - NSW

Youth Unemployment Rate (15 to 24 year olds)

Percentage increase over 2 years to February 2014



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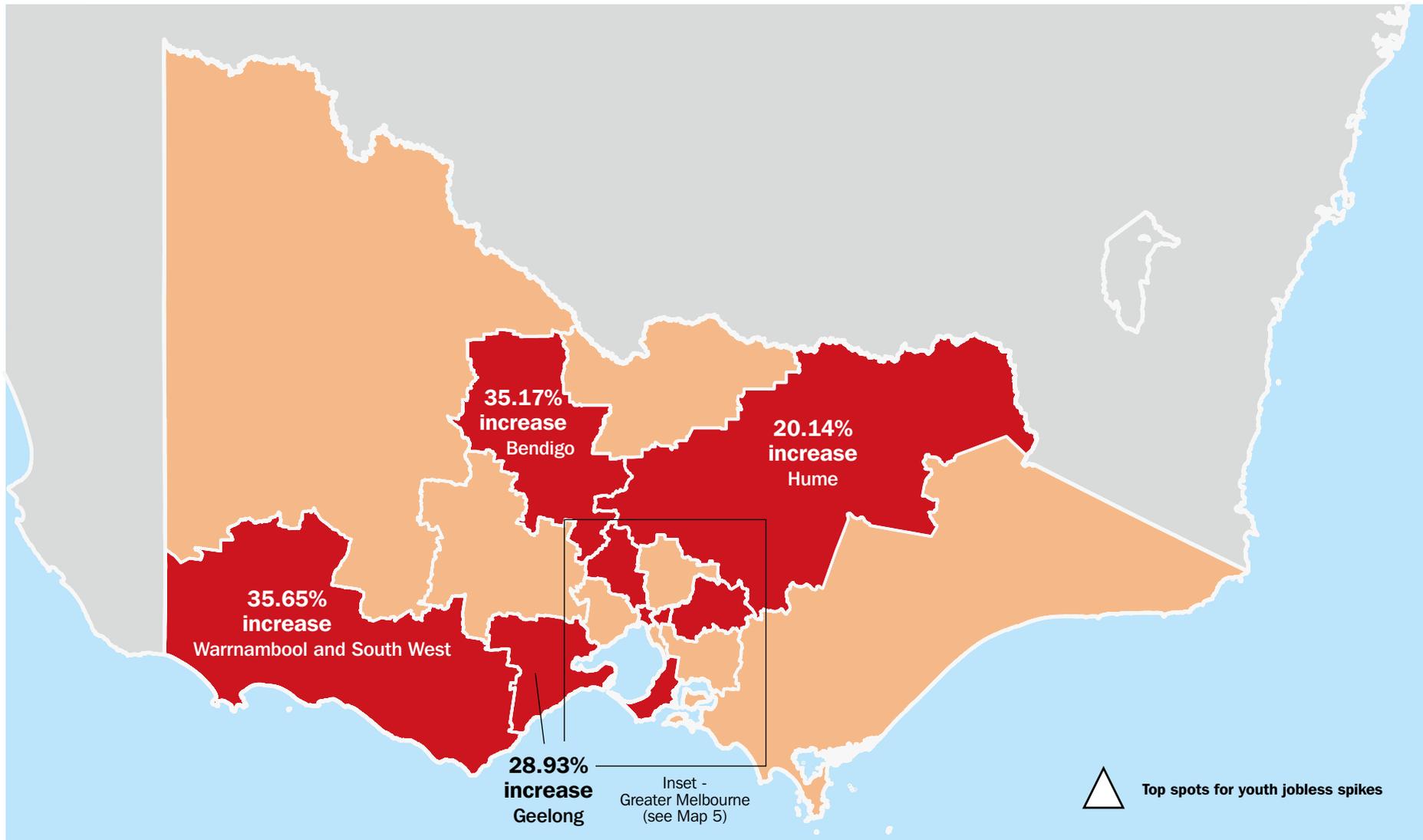
Map 4: Victoria

Youth Unemployment Rate (15 to 24 year olds)

Percentage increase over 2 years to February 2014



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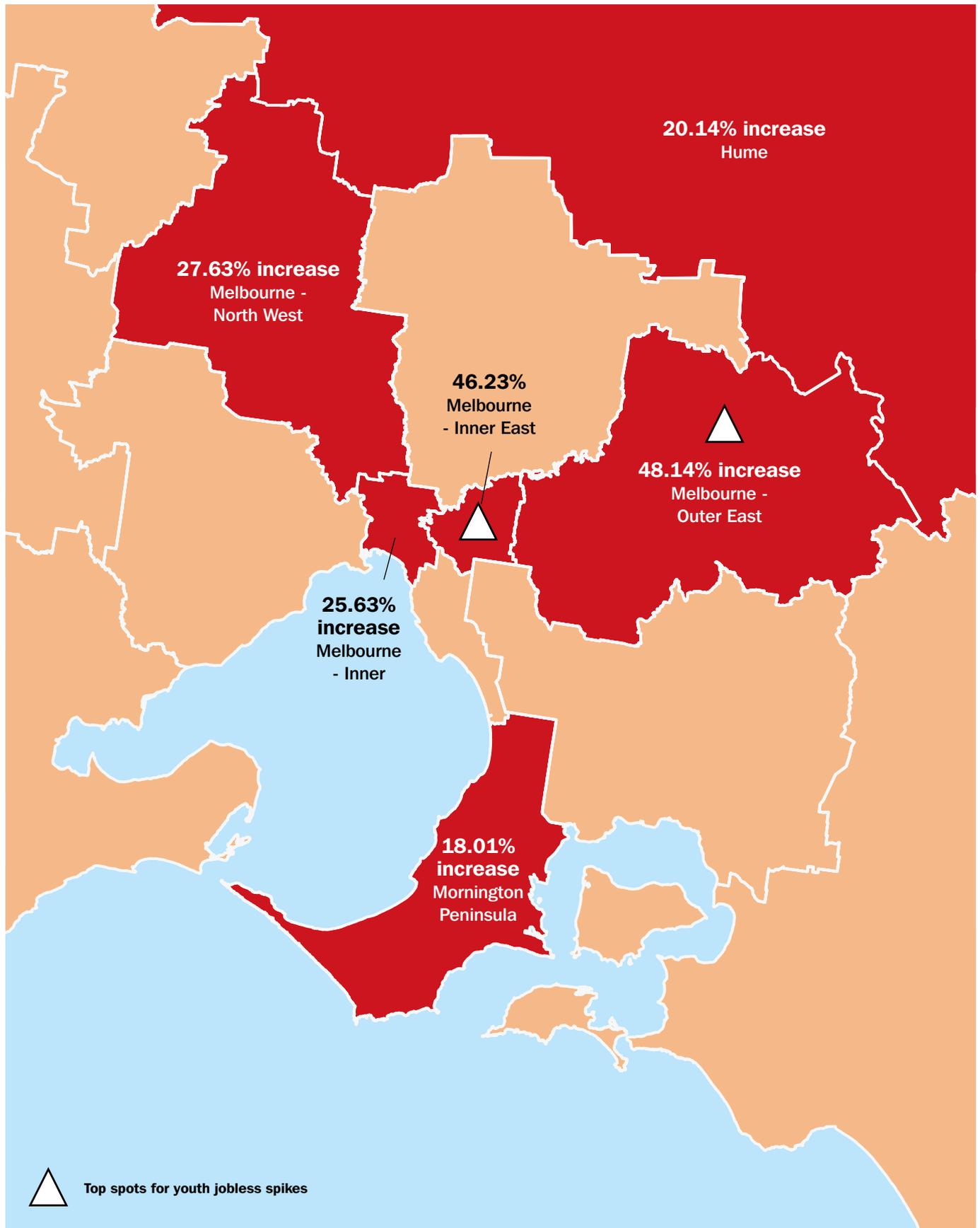
Map 5: Greater Melbourne - Victoria

Youth Unemployment Rate (15 to 24 year olds)

Percentage increase over 2 years to February 2014



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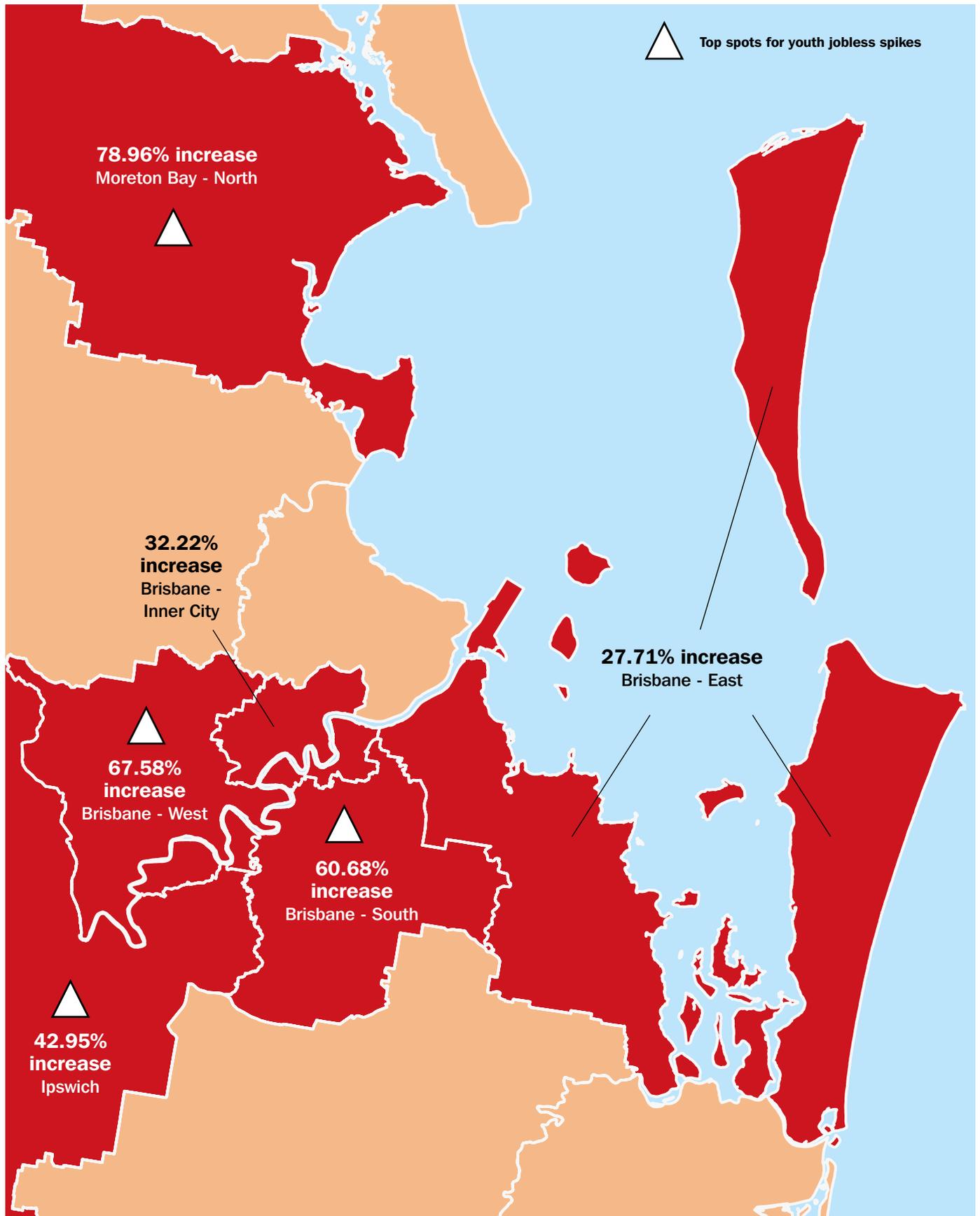
Map 6: Greater Brisbane - QLD

Youth Unemployment Rate (15 to 24 year olds)

Percentage increase over 2 years to February 2014



Data for all maps derived by comparing the average youth unemployment rates in the year to February 2014 with the corresponding rates in the year to February 2012



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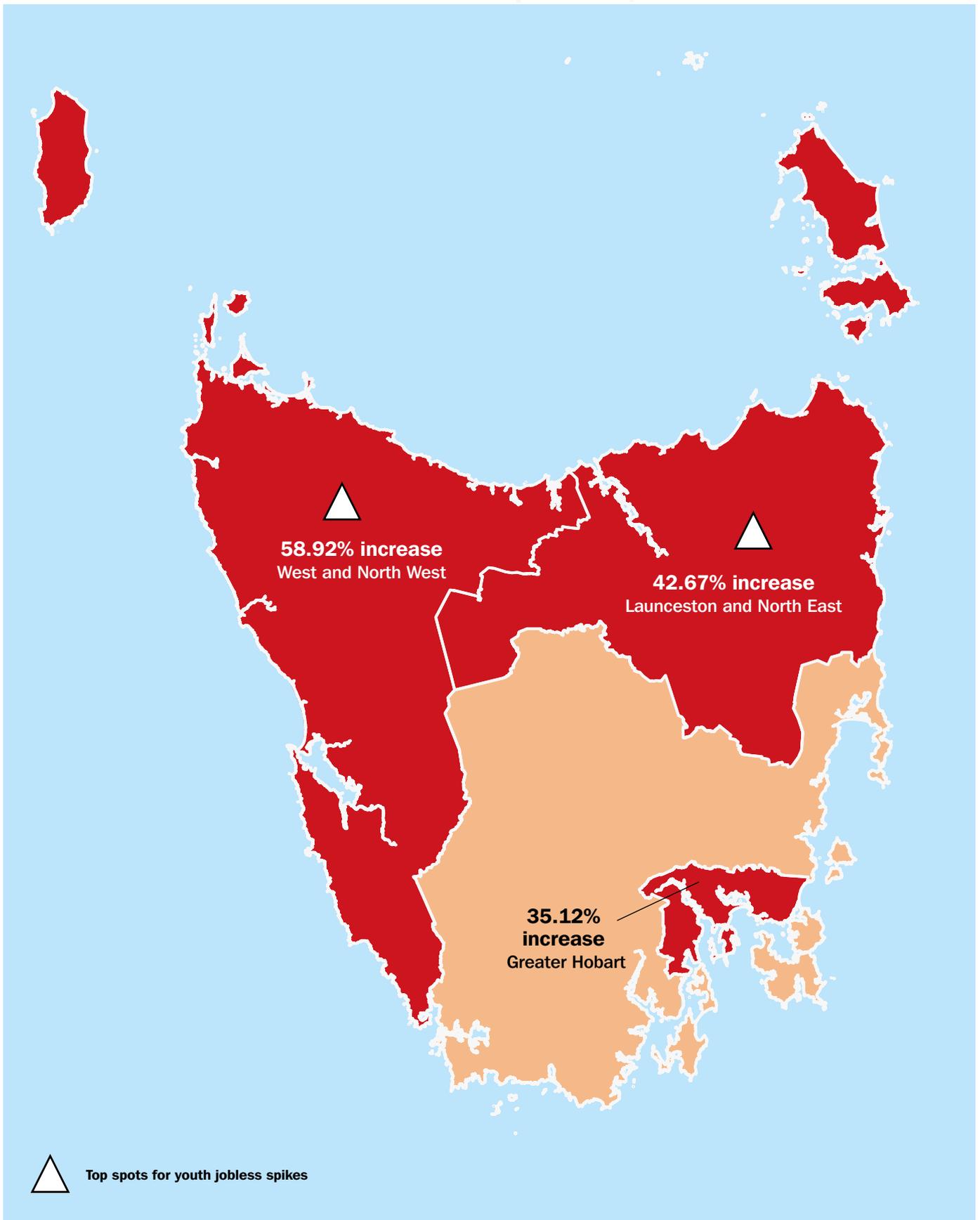
Map 7: Tasmania

Youth Unemployment Rate (15 to 24 year olds)

Percentage increase over 2 years to February 2014



Data for all maps derived by comparing the average youth unemployment rates in the year to February 2014 with the corresponding rates in the year to February 2012



 Top spots for youth jobless spikes