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Illawarra Youth Unemployment Study: A Review of the Literature on the Causes of Youth Unemployment and Existing Policy and Program Responses

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Publication Details
Illawarra Youth Unemployment Study: A Review of the Literature on the Causes of Youth Unemployment and Existing Policy and Program Responses

Abstract
Background:

Youth unemployment has been a contentious issue for years, particularly in the Illawarra. The 15 to 24 year age group tends to suffer from a disproportionately high unemployment rate relative to the entire working age population. According to the June 2007 figures from the Australian Bureau of Statistics, while the overall unemployment rate in the Wollongong Statistical Region was 4.8%, the youth unemployment rate was 15.0%. This was primarily fuelled by the 15 to 19 years age group, with an unemployment rate of 27.5%. While such figures are often quite volatile month to month, the critical point is this: the Illawarra consistently has a youth unemployment rate among the highest in the state.

Purpose of Report:

The first step to understanding why youth in the region have struggled to successfully engage in the labour market is to review and comprehend the relevant literature. Such a review can generate a holistic picture of the broader problems, and identify the many diverse factors that can lead to youth being classified as 'at risk' of longer term unemployment or marginalization. A review of the literature can also uncover existing policy and program initiatives employed to combat youth unemployment.

This report presents a review of selected Australian and international literature on youth unemployment issues and responses. It pinpoints the key issues and responses already acknowledged in published books and papers, available government department reports and research documents, and media commentaries.

The key outcome of this process is a reference paper that can simultaneously provide the Forum with a better understanding of the broader issues at play, whilst also informing the development of research that pinpoints the key local issues of concern. The information from this report will be used to guide our discussions with young job seekers, employers, government, and employment support services as we seek to understand the issues specific to young people in this region.

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Illawarra Youth Unemployment Study

Position Paper:
A review of the literature on the causes of youth unemployment & existing policy and program responses

Prepared for
Youth Unemployment Research Steering Committee

By
IRIS Research

January 2008
Paper Author

Scott Burrows, Illawarra Regional Information Service
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1 INTRODUCTION

1.1 BACKGROUND

Youth unemployment has been a contentious issue for years, particularly in the Illawarra. The 15 to 24 year age group tends to suffer from a disproportionately high unemployment rate relative to the entire working age population. According to the June 2007 figures from the Australian Bureau of Statistics, while the overall unemployment rate in the Wollongong Statistical Region was 4.8%, the youth unemployment rate was 15.0%. This was primarily fuelled by the 15 to 19 years age group, with an unemployment rate of 27.5%. While such figures are often quite volatile month to month, the critical point is this: the Illawarra consistently has a youth unemployment rate among the highest in the state.

1.2 PURPOSE OF REPORT

The first step to understanding why youth in the region have struggled to successfully engage in the labour market is to review and comprehend the relevant literature. Such a review can generate a holistic picture of the broader problems, and identify the many diverse factors that can lead to youth being classified as ‘at risk’ of longer term unemployment or marginalization. A review of the literature can also uncover existing policy and program initiatives employed to combat youth unemployment.

This report presents a review of selected Australian and international literature on youth unemployment issues and responses. It pinpoints the key issues and responses already acknowledged in published books and papers, available government department reports and research documents, and media commentaries.

The key outcome of this process is a reference paper that can simultaneously provide the Forum with a better understanding of the broader issues at play, whilst also informing the development of research that pinpoints the key local issues of concern. The information from this report will be used to guide our discussions with young job seekers, employers, government, and employment support services as we seek to understand the issues specific to young people in this region.
2 EXPLORING THE CAUSES OF YOUTH UNEMPLOYMENT

Reasons for the comparatively high levels of youth unemployment have been widely debated for some time. This section provides an overview of the labour supply and demand factors discussed in the literature as likely drivers of high youth unemployment. It should be noted at the outset that, whilst demand side factors (discussed in section 2.1) are easily outnumbered by the myriad of supply side factors put forward in the literature (section 2.2), labour demand factors tend to be emphasized by economists as the primary causes of youth unemployment (Daly et al, 1998), whilst supply side factors tend to explain the likelihood of a young person gaining employment if jobs are available.

2.1 DEMAND-SIDE FACTORS

2.1.1 Lack of Demand & Shifting Composition of Employment

One of the primary causes of youth unemployment is a lack of suitable jobs for young people - particularly full time jobs. There has been a significant decline in full time opportunities for 15-24 year olds over the past 10-15 years. According to the Dusseldorf Skills Forum (2003), since 1995 there has been a 6.9% decrease in the number of full-time jobs available to teenagers and a 15.2% drop for young adults. Borland and Wilkins (1997) suggest that this trend is evidence of an increase in demand for more highly skilled workers amongst employers seeking full time employees.

The decline in full time opportunities has resulted in a significant shift in the composition of youth employment. The fall in full time opportunities has been more than matched by an increase in part time and casual work. The result of this shift in demand has been that many young people are left with no option but to take casual or part-time positions. Australian Bureau of Statistics Labour Force data (Catalogue 6203.0) reveals that in 1978 less than 20% of teenage workers were engaged in part time employment. Twenty years later, that figure rose to more than 60%, while in June 2007 it surpassed the two-thirds mark. The increase over the same thirty year period for 20-24 year olds has been from less than 10% to just over 30%.

Wooden (1996, p145) noted that incidence of part-time employment rose to over 9 times the 1966 level for teenagers, compared to just a four fold increase for older workers.

For some teenagers, this trend toward part time and casual work has deeper implications for longer term career prospects. Some young people in part time or casual work fail to learn
additional skills or gain adequate experience, which in turn increases the risk that they will find it difficult to gain full-time employment in the future (Muir et al, 2003, p4). According to some commentators (Lewis and McLean, 1998, p160) diminishing job opportunities for teenagers have a ‘discouraged worker effect’ that sees some teenagers who would like to leave school and get a full-time job having to stay on at school in face of a weak labour market. Worse still, a small proportion of marginalized teenagers abandon the labour force and study altogether.

2.1.2 Structural & Technological Changes to Work

The main driver of the demand trends discussed in the previous section has been structural and technological change. This is a particularly well documented issue in the Illawarra, with the rationalization of the Port Kembla Steelworks in the early 1980s forcing a gradual but significant shift in the region’s economic base, which in turn has caused the employment profile of the area to change significantly. Whilst full-time employing primary production industries have rationalized, the tertiary or service sector has experienced strong employment growth over the last ten to fifteen years. Economic commentator Ross Gittins (1998) provides a useful summary of the structural issues and their impact of youth unemployment:

The fundamental reason unemployment is somewhat higher among teenagers is the dramatic decline in employer’s demand for young, unskilled, full-time labour. Over the past 15 years, the number of full-time jobs held by teenagers has declined by 60 percent.

The main explanation for this is technological change. Many of the menial jobs once done by teenagers are now done by machines, and employers hire older and more highly educated young people to work with those machines.

Another development, however, is that many menial jobs in retailing formerly done by full-time juniors have been split into several part-time jobs. Over the past 15 years, the number of part-time jobs held by teenagers has increased by almost 150 percent. For teenagers, there are almost twice as many part-time jobs as full-time. Nearly two-thirds of these part-time jobs are held by full-time students.

2.1.3 Impact of the Labour Market Cycle

There appears to be an inherent ‘stickiness’ of youth unemployment rates that is often linked by economists to cyclical movements in the economy. Typically, the youth unemployment rate climbs upwards during times of recession, but rarely returns to pre-recession levels.
Biddle & Burgess (1999, p87) explain that the persistency of youth unemployment is in part due to the fact that the youth labour market is very sensitive to recession and recovery. Citing Clarke & Summers (1982), it seems that in periods of recession youth appear to lack the skills, credentials and experience for fewer job vacancies, and when the economy recovers and job vacancies rise, so too do youth labour force participation rates.

In the local context it will be interesting to investigate further the impact of the prolonged local economic downturn in the 1980s and early 1990s (triggered by the steel industry restructure). Whilst in recent years there has been relatively strong employment growth in some sectors of the economy, the legacy impact of decades of restructuring on the psyche of two generations of families who became resigned to few employment prospects may have been devastating. Disheartened job seekers can lose the motivation to acquire the skills and knowledge to keep pace with a changing labour market and can quickly lose touch

2.1.4 Youth Wages

There is also evidence that youth unemployment is linked to relative wage levels. In a 1998 report on youth wages and employment, the Productivity Commission found:

... a significant negative relationship between youth employment and youth wages. The best estimates suggest that a 1 per cent increase in youth wages would lead to a decrease in youth employment of between 2 and 5 per cent in industries employing a relatively high proportion of young persons. (Daly et al, 1998, pgs 67-68)
2.2 Supply-side Factors

2.2.1 Educational Attainment

Education is consistently referred to in discussions of youth unemployment as a key supply side factor. It has been identified by many as both a major underlying cause, as well as the panacea to this problem. However, there also appear to be critics of higher-education for all, with evidence that some students remain in the secondary and tertiary education systems with minimal gains and possibly damaging costs due to the absence of opportunities in the workforce.

The Smith Family Report on Youth Unemployment in Australia (2003) found that education is a major factor influencing employability. A World Bank Forum in 2003 cited barriers to education, a lack of appropriate education and the mismatch of skills learnt at school with those required for job opportunities, as contributing factors to youth unemployment. In a similar vein, the OECD maintains that the inflated rates of youth unemployment are largely the result of young people leaving school without adequate skills to enter employment.

According to the findings of the Dusseldorp Skills Forum in 2003, 28% of those who leave school early were either unemployed, not studying, working part-time but not studying, or not in the labour force at all. By comparison, only 11% of school completers fell within these classifications (Muir et al, 2003, p5). The results of the Longitudinal Surveys of Australian Youth (LSAY), managed by ACER and the DEST, also appear to support these arguments. Penman (2004, pp45-58) found that completing year 12 and getting a degree reduced time spent in marginal activities.

It is findings like these that fuel attempts to alleviate the problem of youth unemployment by encouraging students to stay at school and pursue higher educational qualifications. However, the LSAY also revealed some interesting results which raise questions about the appropriateness of ‘forcing’ young people stay in schooling longer than they want to. While school completers are substantially more likely to find full-time work, Marks (2006, pp30-33) found that non-completers who leave earlier (that is, prior to beginning year 11) experience lower levels of unemployment than those who leave later. Of the non-completers, 56% of surveyed late leavers had full-time work in the first year compared to 61% of early leavers, with those figures increasing to 67% and 72% respectively in the fourth year. The percentage of early leavers unemployed in both years was 3% points lower than for late leavers. These
findings indicate that those who choose to leave schooling after beginning year 11 but before completion of year 12 face greater transition problems than earlier leavers. Possible explanations for this may be the lost years of work experience and the higher wages commanded than for younger leavers.

It is undeniable that education does play an important role in increasing the employment prospects of the young. The National Board for Education, Employment & Training identified that for those outside of education, unemployment is reoccurring and there is a greater likelihood of being trapped in involuntary part time and/or casual employment, with little training, limited career prospects and low pay (Biddle & Burgess 1999, p87). However, it is important to consider what forms of education are most appropriate. Decisions about work and education are not made independently of each other, and are likely to be affected by perceptions about the likelihood of finding work (Wooden 1996, p144). Penman found that amongst the LSAY cohort that were in year 9 in 1995, 80% of early leavers and 76% of late leavers said securing job or apprenticeship was important consideration when deciding whether to leave school, with around half saying it was the most important (p 24). For those that may remain in school only because of a lack of job opportunities, it may more beneficial to engage them in vocational education or some forms of on-the-job training that will better prepare them for their desired future careers than to push them into completing their secondary education.

2.2.2 Literacy and Numeracy

Tying in with the issue of education, it appears that one’s literacy and numeracy skills, regardless of whether secondary schooling is completed, has a significant impact on employability. The Smith Family Report on Youth Unemployment in Australia (2003) noted that an International Literacy Survey found ‘employment and unemployment are strongly related to levels of literacy proficiency’.

An analysis of the LSAY results by Penman (2004) revealed that low level performers are at greater risk of leaving before year 11, with literacy and numeracy skills having the strongest impact on the decision to leave school early. Low level performers are also more likely to be unemployed, to be unemployed for a longer duration, and to experience long term unemployment. In fact, respondents with the lowest levels of literacy and numeracy achievement had highest levels of unemployment over all 5 years of the survey and spent more time in marginal activities.
Boese & Scutela (2006, p16) emphasised the importance of ensuring that young people are able to develop adequate literacy and numeracy skills, as those who do not face severely limited opportunities. They are less likely to complete secondary school or move into further education, and are at a higher risk of experiencing unemployment later in life.

2.2.3 Socio-Economic Barriers

There is mixed commentary as to the effect that socioeconomic status has on the labour market outcomes of young people. It is often cited as a major contributing factor to youth unemployment, limiting the opportunities open to young people. However, the LSAY only finds weak correlations between socioeconomic status and unemployment, when compared to other causing factors.

Marks (2006, p36) found Indigenous status and ethnicity to be the only socioeconomic factors that have at least a moderate effect on labour market outcomes, though there is extensive literature to the contrary. His analysis of the LSAY data found that the unemployment rate for youth from language backgrounds other than English was 15% in the first year after school, compared to 9% for those from an English speaking background. Young people within this socioeconomic group also had a higher incidence of part-time work. The impacts of Indigenous status will be discussed later in this review. Despite Marks’ findings, there is extensive literature to the contrary, arguing that many other elements of socioeconomic status impact the likelihood of experiencing unemployment.

Limited household income is believed to have a significant effect on labour market outcomes. According to Long (2006, p3) young people in low income households are less likely to be fully engaged in work or study than those in higher income households. The 2004 Household, income and labour dynamics in Australia (HILDA) survey revealed that 60% of young people in households that earning less than $350 per week are not fully engaged in such activities compared to just 9% of young people whose weekly household income exceeds $1565. There are numerous possible reasons for this. The Australian Council of Social Services indicated that there may be pressure on youth from low socioeconomic families to leave school early in order to earn an income to help alleviate household financial stress (Muir et al, 2003, p6). Long (2006, p3), on the other hand, noted that those from lower income families have less access to private transport, which limits their mobility and therefore their ability to engage in work or study.
Another consequence of low socio-economic status is that it influences the level of access that young people have to information and communication technology. Citing Zappala & McClaren (2003), the Smith Family Report on Youth Unemployment in Australia noted that the so called ‘digital divide’ between low and high income families encompasses access, basic training and content. Inability to access a computer at home or outside school can be disadvantageous to the education and labour market outcomes of young people (Boese & Scutela 2006 p30). Moreover, Long (2006) emphasised that this lack of access to information and communication technologies excludes these young people from a whole virtual commercial and social world, preventing them from developing or updating the skills required for employment in a wide range of occupations.

A report by the Brotherhood of St Laurence (Boese & Scutela 2006) emphasised the impact that inadequate housing can have on the labour market outcomes of disadvantaged youth. The definition of inadequate housing includes homelessness, insecure tenure, and overcrowded, unsafe or unhygienic housing. Without a place to live in security, peace and dignity, Australian youth are more at risk of experiencing worsening health, poor educational outcomes, reduced employment opportunities, discrimination and social exclusion, with some making the transition to chronic homelessness.

2.2.4 Health and Social Stress

The LSAY study showed that young people not fully engaged in study or work are consistently more likely to have experienced stressful life events such as death, serious illness, alcohol or drug problems, mental illness and trouble with the police (Long 2006 p 3).

The Brotherhood of St Laurence report (Boese & Scutela 2006) explained that poor mental health affects people’s ability to participate in schooling, working and socialising. According to Kessler et al (2005) adolescence and young adulthood are the peak periods for the onset of conditions such as depression, anxiety disorders, substance disorders and psychotic illnesses such as schizophrenia, with over 75% of serious mental health problems developing before the age of 25. Meanwhile, in his analysis of the HILDA data, Long (2006 p2) found that the 52% of youth who described their health as only ‘fair’ or ‘poor’ were less likely to be fully engaged in work or study, as were those with disabilities.

Drug and alcohol abuse is often associated with many of such health and social stresses, whether it be a causing factor or a resulting behaviour. Boese & Scutela (2006 p8) indicated that risky alcohol consumption has increased among Australian youth during the last 10
years, while those aged 18-19 years reported the highest incidence of illicit drug use (30.8%). The use of such substances by young people needs to be addressed, particularly given the identification of its role in social disruption and workplace problems.

Long (2006, p3) also identified that being a victim of a physical crime or in fear of crime is more prevalent among those not in full time work or study. The HILDA data revealed that 25% of those not fully engaged in work or study had been the victim of actual or threatened physical violence in the last 12 months compared with 13% of those who were fully engaged. Johnson (1996) noted that fear of crime can result in serious curtailment of everyday activities, lost opportunity, and reduced quality of life (Boese & Scutela 2006).

2.2.5 Previous unemployment

Penman’s analysis of the HILDA study identified that once young people experience unemployment, it becomes the factor most likely to lead to further unemployment in the future (2004, p50). This supports the theory of the ‘scaring effect’ that many claim haunts those who have been unemployed.

The LSAY data revealed that post-school destinations are strongly associated with previous labour market experiences. Of young men unemployed in the first year after leaving school, 30% were still looking for work at the time of the interview in the second year. In the second and third years, that figure rose to nearly 40%. For females, it was 26%, 19% and 12% respectively (Marks 2006, p22). Marks noted that even though the proportion of survey respondents that were looking for work each year amounted to less than 10% of the sample, these young people in particular faced severe difficulties. The amount of time spent unemployed was excessively long, and Marks raised concern that long periods of unemployment are likely to have psychological repercussions that further hinder the prospects of future full-time employment.

Hillman’s analysis of the LSAY data found that young people who spend extended periods of time outside the labour force and full time education are at risk of missing out on employment experience, the development of work skills, and familiarity with new technologies. These place unemployed youth at a position of disadvantage compared to others in the labour market, reducing their chances of finding employment in the future. The longer the time spent not engaged in work or study, the more outdated any skills or qualifications become, and the further the chances of entering the labour force or full time education appear to decline (2005, p23). Boese & Scutela (2006, p18) add that extended
unemployment can contribute to non-economic consequences such as psychological distress, family breakdown and longer term poverty, which again increase the risk of further unemployment.

Marks (2006, p45) emphasizes that obtaining a full-time job soon after leaving school is the best pathway to a successful and rapid transition to ongoing full-time work. Minimising the severity of youth unemployment therefore requires a focus on helping the unemployed secure full-time work as soon as possible rather than further education and training unconnected to the workplace.

2.2.6 Intergenerational Unemployment

Youth employment prospects are connected to the experiences of family members. British research by O’Neill & Sweetmen (1998) found that in families where the father was unemployed for a prolonged period their sons were more likely to experience unemployment. They found that this relationship was a result of factors relating to unemployment such as poverty and poor education.

2.2.7 Lack of previous work experience

The LSAY study also showed that part-time work while at school is associated with higher levels of full time employment and substantially lower unemployment in first year after leaving school. 58% of teenagers engaged in part-time work while at school found full-time work in the first year out of school while 3% were unemployed, compared to 51% and 13% respectively for those that were not (Marks 2006, p33).

The Smith Family report ‘What do students know about work?’ indicated that part-time work appears to provide students with a clearer or more accurate picture of the world of work than if they had not been engaged in part time work (Beavis et al. 2005, p10)

2.2.8 Lack of family support

The Smith Family report ‘Australian young people: their stories, their families and their post school plans’ (Bryce et al. 2007) identified the importance of family support in overcoming other barriers to successful post-school pathways into the labour market. Whether providing advice and guidance, or just love and encouragement, families play an important role in providing young people with a ‘safe and secure’ net while they try to prepare for and navigate through their transition into work.
The report, which analysed the post-school transition of a number of young people involved in the Smith Family Learning for Life program, found that parental support plays a significant role in adolescents' career development. The youth involved in the case study, who all come from disadvantaged backgrounds, said that family and friends are a key source of information and support, particularly as they are at a stage in their lives when they are establishing values and aspirations, and need to begin making decisions about life beyond school (Bryce et al. 2007, p9).

The report demonstrated that a safe and secure set of relationships helps to instil the confidence in young people to freely explore post-school options. Citing Penick & Jepsen (1992) it was suggested that conflicting or disengaged families may have a detrimental impact on young people, as they attempt to navigate their way through school and work without support or encouragement.

### 2.2.9 Unrealistic Expectations About Work

The report ‘What do students know about work?’ (Beavis et al, 2005) revealed that while most young people have an idea of what career they would like to pursue, many do not accurately comprehend the pathways to attaining such work, let alone the availability of jobs in the market.

The survey of over 3000 students involved in the ‘Learning of Life’ program indicated that only half of students had planned the correct level of education or training required for their preferred job. In all, 27% had planned an inadequate level of education, while 23% had planned in excess of what was required. These findings are supported by the qualitative evidence of the study ‘Australian young people: their stories, their families and their post school plans’, in which students stated that familiarity with the tertiary enrolments process was minimal, with many finding the array of courses confusing and consequently resorting to a trial-and-error method of choosing a course (Bryce et al. 2007, p5).

The results of the ‘What do students know about work?’ study also indicated that the proportion of students aspiring to higher level occupations, such as professionals and associate professionals, was higher than the proportion of jobs available in the market. Similarly there were a disproportionately high number of students wanting trade jobs. On the other hand, there was a shortage of those aspiring to lower level jobs, such as clerical, transportation and labourer occupations, in relation to the market (Beavis et al. 2005, p6).
The results of the study suggest that students need more information so that they can better grasp the availability of jobs in the labour market and the appropriate qualifications to gaining entry into those occupations.

2.2.10 Indigenous Youth

Indigenous status is consistently recognised as one of the most significant factors influencing labour market outcomes. Although the sample of Indigenous youth was small, Marks’ analysis of the LSAY data found that in the first year after leaving school nearly 17% of the Indigenous group was looking for work compared to 9% of the non-Indigenous group. By the fourth year, the gap had widened with figures of 18% and 6% respectively (2006, p27).

A report by the Brotherhood of St Laurence (2006, p16-17) indicated that Indigenous students were over-represented in the lowest categories of mathematical proficiency, and also scored poorly in reading and scientific literacy and problem solving. Indigenous students were half as likely to complete year 12 as non-Indigenous students (approximately 40% compared to 77%), while less than one quarter had access to the Internet compared to 60% for the proportion of all youth.
3 RECENT EFFORTS TO ADDRESS YOUTH UNEMPLOYMENT

3.1 GOVERNMENT POLICIES & PROGRAMS

Current government provisions addressing youth employment are extensive, with a range of initiatives undertaken. Current government provided services and programs are described in the following sub sections.

3.1.1 Apprenticeships

Apprenticeships were traditionally a very common passage into full time work for early school leavers, however there has been a well documented decline in the number apprenticeships available for young people over the last decade.

An analysis of the LSAY data by Marks (2006, p24) gave an indication of the strong positive impact apprenticeships can have on the labour markets outcomes of Australian youth. The survey revealed that those that had completed an apprenticeship or traineeship were more likely to be in full-time work at the age of 21 years. In fact, the incidence of full-time employment for such youth was 25% points higher than the overall sample.

Recognising the importance of apprenticeships, the Federal Government established the New Apprenticeships program, now renamed Australian Apprenticeships. It is designed to help young people into a paid pathway to full-time work, by providing training, experience and guidance. Those involved in Australian Apprenticeships may also be eligible for financial support from the government such as Commonwealth Trade Learning Scholarships and Tools for your Trade Initiative payments. The program also aims to make taking on an apprentice more attractive to employers by offering financial incentives and flexible programs, such as Group Training for small to medium enterprises. The DEST administers an Australian Apprenticeship Access Program to help disadvantaged youth make a more successful transition into apprenticeships.

3.1.2 Work for the Dole

Work for the Dole is a mutual obligation program that requires those receiving Youth or Newstart Allowances to become involved in work placements in order to receive the full benefit. Originally established as a measure to address youth unemployment, the program is
designed to develop skills and gain work experience while in periods of unemployment. Participants are paid an extra $20.80 a fortnight, and expenses such as training and protective clothing are provided for. Another benefit of the program is that it keeps unemployed persons engaged with the community at large, minimising the social exclusion that can arise from unemployment (Centrelink, 2007). Participants that complete at least 155 hours of Work for the Dole may also qualify for Training credits of up to $800 that can be used for further skills development (DEWR, 2007).

3.1.3 Youth Pathways

Youth Pathways is an initiative by the Federal Government to help young people at risk of leaving school early and likely to encounter problems in the transition from school to work. It provides personalised assistance to early school leavers, supporting and guiding them in their attempts to overcome barriers to education, work and training (Centrelink, 2007).

3.1.4 Job Placement, Employment & Training Program (JPET)

The JPET program is targeted towards young Australians between the ages of 15 and 21 years who face barriers to work and community engagement. These barriers may include homelessness, mental illness, drug abuse and domestic violence. The program aims to help these youth participate in activities such as education, vocational training or work. It also assists in reaching specialist social services and increasing the engagement of these young people in the community at large (DEWR, 2007).

3.1.5 Personal Support Program (PSP)

The Personal Support Program provides up to two years assistance to people on income support. The program targets people with multiple non-vocational barriers, such as drug and alcohol abuse and mental health problems, who are finding it difficult to get a job. The program began in 2002. Services and support available through the program includes counselling, referral and advocacy. (DEWR, 2007).

3.1.6 Green Corps

This is an environmental training program open to people between the ages of 17 and 20 years, though they do not need to be on income support or registered as unemployed. Those involved in any of the 174 projects across Australia receive a participant’s allowance.
3.1.7 Job Network

Though not specifically targeted at youth, the Job Network is a Government initiative designed to network private and community organisations dedicated to finding work for the unemployed. It provides information, referral services and employment self-help facilities.

Two services administered by the Job Network are Job Search Support and the New Enterprise Incentive Scheme. The JSS gathers job vacancies from employers and matches them to registered job seekers. The NEIS, on the other hand, is a DEWR self-employment programme in which the viability of independent business ideas of unemployed persons, and provide training and support they may need to start up their own businesses (Centrelink, 2007).

3.1.8 Work Experience Placement Program (WEP)

WEP was introduced in 2007 to provide participants in programs such as the Job Network to gain skills and experience through job placements. Work experience placements can run anywhere between one and eight weeks, with the Australian Government providing personal, public and product liability for the duration of the placement. While participants are not paid by their host organization, the host is required to provide adequate training. To qualify to be a host, organizations must be in a position to offer on-going employment (DEWR 2007).

3.1.9 Community Development Employment Projects (CDEP)

CDEP started in 1977 as an alternative to unemployment benefits for the Indigenous community. A voluntary program, it is now the largest Indigenous program in the Commonwealth with over 32,000 participants. The program aims to provide participants with skills, training and employment opportunities. As at 2004, CDEP accounted for a quarter of Indigenous employment. Other goals include empowering Aboriginal and Torres Strait Islander people to make decisions about the development of their community, and the restoration of cultural integrity to these communities (CDEP, 2004). CDEP is an important program, given that the Indigenous population is consistently identified as at risk of unemployment and other social disadvantages.
3.1.10 Language, Literacy & Numeracy Program (LLNP)

Centrelink also provides the LLNP to help disadvantaged persons increase their chances of gaining employment by improving speaking, reading, writing and basic mathematical skills. Those eligible to participate include Newstart and Youth Allowance recipients, registered Jobseekers, and JPET participants (Centrelink, 2007).

3.1.11 The Harvest Trail

The Harvest Trail advertises opportunities for job seekers to become involved in seasonal employment in the Australian fruit growing industry. Though requiring a high level of labour mobility, the Harvest Trail provides information to job seekers about where and when such work is available, as well as other ancillary matters such as accommodation and transportation (JobSearch, 2007).

3.2 Non-Government Programs

A review of the available literature also uncovered a wide range of non-government programs operated by welfare agencies and community organisations. It was not possible to cover all existing programs for this review, however, a selection of prominent services and programs are described in the following sub sections.

3.2.1 The Smith Family’s Learning for Life

Learning for Life is an initiative by the Smith Family to improve the education and labour market outcomes for disadvantaged youth. There are four elements to the program: financial scholarships, personal support, personal development, and literacy skills. A Learning for Life scholarship provides students with financial assistance for educational expenses such as tuition, books and uniforms, as well as access to a support network of tutors, mentors and advisors. Figures from the Smith Family indicate that it has helped over 48,000 disadvantaged students since the program’s inception in 1998, and currently assists more than 26,000 students in over 80 Australian communities. Feedback from past and present participants indicate that the program has had a positive influence on ‘at risk’ youth, with school retention rates rising (The Smith Family, 2005).
3.2.2 Transition workers

Many young Australians, particularly those that leave school early, struggle to successfully navigate through the transition from school to work for a number of reasons. The role of a transition worker is to provide early school leavers with intensive, individual support so as to arm them with the necessary information and preparation to improve their labour market outcomes. Based in schools, but through a joint effort with local community groups, transition workers manage students at risk of leaving school early on a case-by-case basis, providing mentoring and assistance to help these students make positive and guided decisions. The Transition Worker Review found that transition workers have been very successful in guiding students into apprenticeships and TAFE courses. Support for these youth continues after they have left school.

3.2.3 Plan-It Youth Mentoring

Plan-It Youth mentoring is an initiative by the Dusseldorp Skills Forum. The program canvasses mentors from the community, trains them in a custom-designed TAFE course, and links them to potential early school leavers in need of guidance. By establishing a one-on-one relationship between mentor and student, the mentor is able to assist the student with goal setting and making sure that they have all the relevant information needed in order to pursue those goals. The young people that have been involved in the program have indicated that they felt the support was invaluable, while mentors have noted the increased confidence of students after completion of the program.
ABS 1995, Australian Social Trends, Cat. no. 4102.0, ABS, Canberra.

ABS, Labour Force Australia, Detailed – Electronic Delivery, Cat. no. 6291.0.55.001, June 2007, ABS, Canberra.


