



Mission Australia

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Employment Initiatives

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REPORT SHOWS WAY FORWARD TO TACKLE YOUTH UNEMPLOYMENT

A report by one of Australia's leading providers of employment programs as well as assistance to young disadvantaged people has called for key changes – including to the Job Services Australia (JSA) system – to bring youth unemployment levels down long-term.

Mission Australia's *Youth Employment Strategy* reports that current policy initiatives aren't enough to bring Australia's high youth jobless rate down – particularly among young disadvantaged people.

Mission Australia's CEO, Toby Hall, said while Australia's employment numbers were improving, youth unemployment remained stubbornly high and would remain so, well into the economic upswing, if action wasn't taken.

“Young Australians bear a disproportionate burden during economic crises. That's because during a downturn it's the casual, part-time and lower skilled jobs in the labour market – the type of work young people rely on – that are first to go. They also have the least resources to fall back on and are the last to benefit when things pick up,” said Mr Hall.

“We've got youth unemployment on NSW's Central Coast at 39.3 per cent, in outer western Melbourne at 41.1 per cent and in Adelaide's west at 36.9 per cent. That can't continue.

“Despite Australia's economy having turned the corner – and the recent introduction of several positive reforms – we expect joblessness among young people to remain high, and entrenched in some areas of the country, unless we see action across a range of fronts.”

Recommendations in Mission Australia's *Youth Employment Strategy* include:

- the establishment of Youth Employment Co-ordinators (YECs) in each of the Federal Government's '20 Priority Areas of Employment' which have higher levels of joblessness. The YECs would work with local employers to create job opportunities specifically for youth. They would ensure all young people have access to optimal levels of part-time work as an integrated part of their education.
- all unemployed youth in the JSA system made eligible for financial support in line with job seekers with significant barriers to finding work. Young job seekers within JSA who have severe barriers to finding work to receive a 20 per cent increase in financial support.
- re-introduction of youth-focussed age limits on a number of subsidised traineeships to ensure young people without qualifications continue to be a priority group for this employment pathway.
- an increase in employer incentives for traineeships and apprenticeships offered to young people and doubling the minimum visits (and associated fees) to trainees to ensure success of their placement.
- JSA providers to offer their services in schools and receive 12-month outcome payment to ensure long-term support for young jobseekers.
- introduction of accreditation for careers counsellors to ensure minimum standards.

Mr Hall suggested piloting the strategy's recommendations in three high jobless areas to test results.

“We estimate that the Federal Government need only spend around \$5 million to run a pilot in three locations for 18 months for us to get a clearer picture of how these changes could work. I'm confident we'd see significant improvements,” Mr Hall said.

“The current model for delivering employment and other supports to young people is too complex – particularly for disadvantaged young people.

“While the JSA is a significant improvement over the previous Job Network system – as are youth-focussed initiatives such as the Youth Compact – there are gaps that need filling if we’re going to get on top of youth unemployment and participation.

“While the JSA model provides for specialist youth employment providers – Mission Australia provides three such specialist programs in Elizabeth (SA), Inala (Qld) and Macquarie Fields (NSW) – this doesn’t guarantee the consistent and cross-the-board help that’s required. In truth, some disadvantaged young people are falling through the cracks.

“For starters, JSA youth specialist providers can receive referrals of job seekers from all ages which undermines their ability to offer a truly youth-focussed service.

“Some JSA youth specialist contracts are also split between several providers in the one geographic area. Because of the competitive nature of the JSA model, it’s hard to see these agencies working together to improve outcomes for young job seekers.

“In terms of our recommended introduction of Youth Employment Co-ordinators (YECs), one of the outcomes of the Federal Government’s Keep Australia Working Forums last year was that many employers believed the current system didn’t adequately prepare young people for real jobs.

“By placing YECs in schools we create the conditions for a full alignment between education and employment.

“The government recently established School Business Community Partnership Brokers to work between schools, employers, parents and community groups to enhance education outcomes and the ability of young people to successfully transition to employment.

“We think establishing YECs at schools to work alongside these brokers would fill the gap that’s currently in the education, training and unemployment system for young people at risk.

“What we ultimately need to arrive at is a system where there is ‘no wrong door’ for a young person at risk of dropping out of school or disengaging with the workforce.

“By that I mean that either through their school, JSA provider, careers counsellor, youth support agency, or any other point of contact, a young person at risk is guaranteed access to the help they need regardless of where they enter the system.

“This is the sort of change of approach we need if we’re going to get on top of youth unemployment once and for all,” said Mr Hall.

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