Submission by the Foundation for Young Australians to the
Independent Inquiry into Insecure Work in Australia
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Acknowledgement
This review has been compiled by Lucas Walsh with input from Ros Black from the Foundation for Young Australians (FYA). FYA is a national, independent, non-profit organisation dedicated solely to young people. It provides a national platform of respect and opportunity for the best ideas and actions that young Australians have to offer. FYA believes that all young people have the courage, imagination and will to shape their education and create social change. Its vision is for a generation of connected, confident and optimistic young people with a deep sense of purpose and belonging. Its mission is to empower young Australians to be successful learners and creative, active and valued citizens through research, initiatives and partnerships and by harnessing the passion of young people.

Our research program documents and promotes young people’s capacity for active participation across all aspects of public life. For example, each year FYA commissions the report How Young People are Faring, which provides a point-in-time snapshot of the employment and education situation of young Australians. This submission draws heavily on this research, which is published by FYA in partnership with The Centre for Research on Education Systems at the University of Melbourne. Authored by Lyn Robinson, Mike Long and Stephen Lamb, this year’s edition provides important information on how successfully our education and training system is working to meet the needs of young Australians as they make the transition from school to further study and work. It provides the most up-to-date analysis of the effectiveness of transitions, including information on who is doing well and who is not doing so well in negotiating the various post-school pathways. The full report of How Young People Are Faring is available at http://www.fya.org.au. While efforts have been made to summarise the report here, it is strongly recommended that this Inquiry review this annual report in detail.

This submission also draws heavily on work in 2008 and 2009 by the then Thought Leader at the Foundation for Young Australians, Jack Keating.

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**Introductory Remarks**

The Foundation for Young Australians welcomes the opportunity to contribute to the Independent Inquiry into Insecure Work in Australia.

The 2011 edition of How Young People are Faring shows a labour market that is still recovering from the economic downturn of 2008 while also undergoing a long-term transformation in which young people face an increasingly fluid labour market (Robinson, Long & Lamb, 2011). This submission looks at some of the data collected over the last few years describing the trends in transitions from school to work. The data shows important short-term and long-term implications.

In recent years, young people felt the impact of the economic downturn disproportionately to older population groups (Robinson & Lamb, 2009; Lamb, Robinson & Walstab, 2010). Long-term unemployment for young people has also increased significantly during the last few years.

In the longer-term, the labour market for young people has changed significantly during the last three decades.

Profound changes to the working lives of young people have four notable elements. Firstly, opportunities for teenagers to undertake full-time work have sharply declined over the last 25 years. The rate of full-time employment among teenagers not in education has decreased by more than 22 percentage points since the mid 1980s. Secondly, the stability of working life for young people has decreased. More young people who are not in some form of study or training have part-time jobs. Among those in the labour force, three times as many teenagers and more than twice as many young adults now have part-time jobs compared to the mid-1980s. Thirdly, there is an additional layer to these trends that shows significant differences between the working environments of young people in relation to the rest of the working population. An average of nearly one in five teenagers changed their labour force status every month over the past year, compared with one in ten older workers. Young people change employers more regularly. Unemployment is consistently higher among teenagers with levels of unemployment reaching nearly 16 percent in 2011. Finally, too many young people experience long-term unemployment. One in four of the long-term unemployed is aged 15 to 24. Since 2008 the percentage of young Australians without a job for a year or longer has almost doubled. Australian teenagers have higher rates of long-term unemployment than in some OECD countries. Disengagement from work and/or study can be debilitating, isolating and incur social, economic and personal costs – to those who are disengaged, the communities in which they live and to the broader economy.

There have been gains in educational participation, which is a critical means of addressing current challenges. The evidence continues to affirm the benefits of completing year 12 or equivalent. Educational attainment improves the labour market prospects of young people. Commencements of apprenticeships have started to increase again. But long-term trends indicate that much more needs to be done to address deeper challenges.

The authors of How Young People are Faring 2011 - Lyn Robinson, Mike Long and Stephen Lamb (2011) - rightly recommend that policies to raise educational attainment must be directed at those groups of young people among whom rates of school completion continue to be low, such as those living in regional and remote areas. We need to continue to build pathways to employment, post-school study and training.
The combination of a changing youth labour market, long-term unemployment and persistent marginalisation experienced by certain groups reinforces the need to ask how well we are preparing young people for increasingly changing worlds of work and life. We further need to build the skills and competencies in young people that are relevant to these changing conditions.

The need to respond to these trends becomes all the more urgent at a time of global economic uncertainty. Looking back at the recession of the 1990s, we can see the immediate and deep impact it had on young people in Australia. The challenges faced by young people are compounded by the intersection of these developments with other forms of marginalisation across cultural, social and political lives (Walsh & Black, 2011). They indicate that the needs of young people should be central to this Inquiry.

Though based on a broad range of factors, young people’s sense of wellbeing is related to employment and money. Insecure work has a range of potentially negative effects on the wellbeing of young people and their relationships with others. Understandably, young people who face insecurity in the job market, and who are unemployed or not in the labour force, experience considerable stress in relation to their financial circumstances. Barriers faced by new entrants to the workforce have potentially serious mid-to-long term consequences related to lack of training, experience, erosion of confidence and lack of financial security.

This submission does not focus on insecure work, but seeks to provide a broader overview of young people in the labour market more generally. This is to provide a context to inform the Inquiry’s work in relation to young people in Australia.

The following sections describe in more detail the changing labour market conditions for young people, both in recent years surrounding the Global Financial Crisis (GFC), and in the longer-term.
Section 1: Trends

A. The Labour Market, Young People and the GFC

Labour market conditions for young Australians deteriorated in 2009 (Robinson & Lamb, 2009; Lamb, Robinson & Walstab, 2010). Unemployment among teenagers sharply increased, with a particularly steep rise for young males. Young people throughout the world felt the impact of the economic downturn associated with the GFC. The sharp rise in the percentage of teenagers not fully engaged reflects similar trends in disengagement experienced at the time of the 1990s recession. This is consistent with the experience of other OECD countries. In its report Jobs for Youth: Australia the Organisation for Economic Co-operation and Development observed that “past experience suggests that in Australia, like in most other OECD countries, any deterioration in labour market conditions is disproportionately felt by the youth” (OECD, 2009).

The rise in teenage unemployment was one of the largest annual increases experienced by this age-group in 20 years. Before the global financial crisis, unemployment for youth aged 15 to 24 was at the lowest recorded level since the 1970s. To some extent, this low level of unemployment reflected greater numbers of young people choosing to study before entering the workforce, as well as growth in part-time rather than full-time work (Robinson & Lamb, 2009; Lamb Robinson & Walstab, 2010). Youth unemployment then climbed significantly in 2009. School leavers faced difficulty making the transition to the labour market. Teenagers felt the effects of the downturn more acutely than many other members of the workforce. In Australia, unemployment rates continue to be much higher for teenagers in comparison to the population as a whole (aged 15–64) (Lamb, Robinson & Walstab, 2010; Robinson, Long & Lamb, 2011).

In 2011, improvements in employment have been mainly reflected by increases in part-time and casual opportunities for work. But recent instability in the retail sector will likely have implications for young people for whom this sector would normally provide them with their first exposure to the worlds of work.

B. Long-term trends: A snapshot of the youth labour market

B.1 Declining full-time work

Over the last 25 years, among young people not in education, the decline in full-time employment has been severe for teenagers (dropping by over 22 percentage points, to 55 percent in 2011) but less so for young adults (down by 9 percentage points, to 72 percent). In 2011 one in five of teenagers not in education were looking for a full-time job. Of those looking, more were young females than males (Robinson, Long & Lamb, 2011).

Despite a sustained period of uninterrupted economic growth prior to the GFC, there were little gains in full-time opportunities for young people. Longer-term trends in the labour force suggest that full-time job opportunities for teenagers in particular are becoming scarcer. Decreasing full-time job opportunities for teenagers have been offset to some extent by an increase in participation in full-time education.

But as Keating has argued, even teenagers in full-time work can be more vulnerable in later life: "The structure of a youth labour market, including a youth wage, which is conducive to part-time teenage employment makes teenagers in full-time work more vulnerable when they reach adulthood"
(Keating & Walsh, 2009). This vulnerability becomes evident during periods of economic instability, when teenagers are amongst the first to lose employment. Those lacking in qualifications, networks and experience, struggle to re-engage.

**B.2 Increasing part-time and casual work**

Over the last 25 years, among young people not in education, part-time employment has grown substantially. In 2011, three times as many teenagers and more than twice as many young adults had part-time jobs compared to the mid-80s (Robinson, Long & Lamb, 2011). As casual and part-time work becomes increasingly common in young teenagers’ lives, so too it appears to be more frequent in the late teens.

Young people with the weakest access to part-time work are those from the groups and locations that have the lowest educational outcomes, rural and remote students and students who have to shift residence for study reasons (Keating & Walsh, 2009).

Many young people are seeking full-time work, but have to make do with part-time or casual jobs. Although a percentage of part-time workers are voluntary, the percentage of part-time workers who are involuntary has been higher compared to other OECD countries for which comparable data are available (OECD, 2005). In 2007, for example, 6.7 percent of all workers in Australia were in involuntary part-time work, compared with the Netherlands, where 3.7 percent of all employment was involuntary part-time (Keating & Walsh, 2009). Figure 1 provides an international comparison.

**Figure 1: Incidence of involuntary part-time workers, selected OECD countries, 2007**

As Keating has argued, this trend becomes all the more significant given that “the concentration of part-time work amongst young people and especially women it can be posited that a high percentage of this age group were in involuntary part-time work towards the end of Australia’s long and record economic boom, and at a time when the complaints from industry and from government about skills shortages were most intense” (Keating & Walsh, 2009, p. 12).

This greater fluidity in the labour force has a number of important implications.
School leavers who want full-time labour work but have to take part-time jobs instead remain vulnerable several years later (Polesel, 2007; DETA, 2008).

Young women, in particular, remain vulnerable under these conditions. Prior to the GFC, more than half of women under the age of 35 were working part-time (Keating & Walsh, 2009). Amongst those in part-time work, many women aged 18–19 would prefer to work more but do not have opportunities to do so (Pocock, Skinner & Pisaniello, 2010).

The level of voluntary part-time work increases for people over the age of 24, especially for women; nevertheless, the level for young people is low. Table 1 indicates that in 2008, only 1.1 percent of teenagers were in this category and the figure for young adults is similar.

**Table 1: 15 to 19 year-olds not in full-time education or full-time work, and those combining part-time work and part-time study, Australia, May 2007 (%)**

<table>
<thead>
<tr>
<th>Age</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>0.1</td>
</tr>
<tr>
<td>16</td>
<td>0.5</td>
</tr>
<tr>
<td>17</td>
<td>1.4</td>
</tr>
<tr>
<td>18</td>
<td>2.1</td>
</tr>
<tr>
<td>19</td>
<td>1.3</td>
</tr>
<tr>
<td>15-19</td>
<td>1.1</td>
</tr>
</tbody>
</table>

Source: Lamb & Mason, 2008, p. 12

It is important to note that there is a relatively small number of teenagers and young adults who are in part-time work and part-time study. Most young people want to be fully engaged in either study or work (Keating & Walsh, 2009).

**B.3 Mobility in the youth labour market**

On average, in the year leading up to May 2011, nearly one in five teenagers and one in six young adults changed their labour force status every month. Young workers are more likely than older workers to change employers, but the rate of change of employers has fallen over recent years (Robinson, Long & Lamb, 2011).

While part-time work is important to the development of young people in that it gives them key life-experience and material gains, transitions from part-time work are problematic. Part-time work may not be a stepping stone to full-time work: teenagers in part-time jobs are only slightly more likely to move into full-time employment than those who are unemployed (Robinson, Long & Lamb, 2011).

**B.4 Youth unemployment**

As the teenage labour force has contracted over recent decades, unemployment among teenagers has always been much higher than for adults. The gap in 2011 was 10 percentage points, with adult unemployment at five percent and the rate for all teenagers in the labour force at 15 percent (down two percentage points from 2010). Unemployment was higher for teenagers who are not engaged in
education. It has been consistently higher among teenagers than young adults. In 2011, it was 15.9 percent of teenagers compared with 8.6 percent of young adults (Robinson, Long & Lamb, 2011).

Perhaps more significantly, Australia has higher levels of teenage long-term unemployment but lower levels for young adults compared with other OECD nations (although comparison is delimited by structural differences in education and training systems between countries) (Robinson, Long & Lamb, 2011).

More than one quarter of the long-term unemployed in Australia are 15 to 24 year-olds. The percentage of young Australians who have not had a job for a year or longer has almost doubled since 2008. In 2011, one percent of teenagers and 1.1 percent of young adults in the population are long-term unemployed (Robinson, Long & Lamb, 2011).

Those at the most extreme end of disengagement from work and financial security are homeless. At the time of the 2006 census, almost one in every 100 young people aged between 12 and 24 was homeless (Muir et al., 2009). A 2009 report by the Australian Human Rights Commission stated that 46 percent of homeless people were younger than 25 (Australian Human Rights Commission, 2009).

Many current trends can be traced back to significant changes in labour market conditions for young people during the 1980s alongside the corresponding changes in patterns of participation in education and training. Prior to the GFC, youth unemployment was at its lowest level for almost three decades. This was in part due to a robust employment market with growth in hospitality and retail industries which are responsible for so many youth employment opportunities (Keating & Walsh, 2009).

We can trace the trend of youth unemployment to structural changes in the Australian economy that began during the late 1970s. The emergence of youth unemployment as a significant issue as a result of the recession in the early 1980s was linked to the need for increased skill levels of the Australian workforce. Alongside these was recognition of the need to improve school retention rates and participation in post school education and training (e.g. see Dawkins 1987).

Similarly, the skills agenda and the need for higher levels of participation in education and training again became prominent with the next recession in the early 90s. As Keating notes, in contrast to 15 years earlier, by the mid 1990s, most 17-year-olds were now still at school; most young people were no longer in full-time work; apprenticeships had diminished as a strong employment entry route; there had been a major shift in income away from young people; most young people in full-time education and training were also in part-time work; and the period of transition from the completion of compulsory schooling to full-time work had grown by several years (Keating & Walsh, 2009; DSF 1998; 1999).

Despite relatively high levels of unemployment by OECD standards and highly contingent employment conditions for many young people, youth unemployment then largely disappeared from national policy narratives.

This issue then became prominent after the GFC in light of the trends outlined above. The response at policy levels has been mixed, which in part is attributable to a lack of a coherent effort to more thoroughly understand, address and enter direct dialogue with young people themselves. This has arguably inhibited the development of a more nuanced response to the diversity of young people
and their particular needs in relation to the labour market. One signal of the recent policy agenda is the growing narrative around the need to develop foundational skills to improve adaptability and responsiveness to changing labour markets, however, this narrative is tellingly confined almost exclusively to adults. Nevertheless, a growing awareness of the importance of the needs of young people is favourable.

C. Persistent groups at risk of marginalisation

While this submission seeks to argue that the particular needs and wellbeing of young people in general be placed foremost on the agenda of this Inquiry, it is important to keep in mind that certain groups experience higher levels of risk of marginalisation within current labour market conditions.

The most vulnerable groups of young people include: teenage males who are not engaged in education; young women seeking full-time work; indigenous young people; those living in remote and regional areas; and young people from disadvantaged backgrounds (Walsh, 2010).

Employment opportunities increasingly require higher levels of qualifications (for example, see Foster et al., 2007). When taking into account the increasing significance of completing of year 12 or equivalent and post-school education and training to success in the labour market, it is important to note that attainment of qualifications post-school varies according to where young people live. In 2009, those with no school qualifications by the age of 24 are most likely to be living in the least advantaged areas, in contrast to the wealthiest areas where only 30 percent have no post-school qualifications by the age of 24 (Robinson & Lamb, 2009). The type of qualification young people attain also varies according to where they live. In 2006, 46 percent of young people living in the wealthiest areas had a university degree by the age of 24 as compared to only 14 percent in the poorest areas (Robinson & Lamb, 2009). Hence, where a young person lives has significant implications for their experience of social mobility.

Socioeconomic background impacts upon young people's expectations in relation to education and work. Data from the 1998 Longitudinal Survey of Australian Youth (LSAY) cohort found that students who came from lower socioeconomic backgrounds were significantly more likely to lower their educational and occupational expectations (Sikora & Saha, 2011, p.10). Young people who live in disadvantaged communities have fewer links with people who are employed, university educated or living outside the area (Pope, 2006) and limited access to the networks and connections that can provide the opportunities for social and economic wellbeing (Tennant et al, 2005). They are less exposed to people working in skilled and professional contexts and less likely to form a positive association between school and work than their more affluent peers (Todhunter, 2009).

These factors continue to be significant and persistent in shaping young people's experience in relation to labour market conditions.

D. The impact of insecurity on broader wellbeing

School completion seems to be positively associated with psychological health in the post-school years. For females, in particular, school completion contributes to greater optimism about their future career prospects (Robinson & Lamb, 2009). According to an ABS National Health Survey conducted from August 2007 to June 2008, more than one in four young people who had left school after completing Year 11 reported experiencing high to very high distress levels, compared to one in ten who had finished Year 12. As Robinson & Lamb (2009, p. 50) point out: “School completion
seems to be positively associated with psychological health in the post-school years, a finding that adds another dimension to the other beneficial outcomes of completing secondary school, such as greater security in the labour market."

Those who are fully engaged in work or study at age 19 are happier with various aspects of life. LSAY data suggests that young people who are fully engaged (i.e. in full-time education or full-time work, including apprentices and trainees) express greater satisfaction with their life as a whole (Robinson & Lamb, 2009). Levels of happiness vary according to main activity - be it work or study or unemployment, with apprentices among those more likely to report being very happy with their work and career prospects. This may be related to having a sense of a pathway, of knowing where they are going, and of enjoying the benefits of security associated with this. (It is important to note, however, that while a higher percentage of apprentices at this age (41 percent) indicated that they were very happy with their work than part-time workers (28 percent), they also compared more favourably than those in full-time jobs (35 percent) (Robinson & Lamb, 2009, p. 52).)

Surveys of young adults have shown that their sense of satisfaction with life and wellbeing in general is related to young peoples' education and work status. Those in full-time work have expressed greater satisfaction with their life than those who are unemployed or not in the labour force (Robinson & Lamb, 2009). Looking at the opinions of the 1998 LSAY cohort in the 2007 survey, when most young people were around 24 years old and had been out of school for at least six years, they indicated that their sense of wellbeing, both social and economic, is related to success in study and work. Those in full-time work are much happier about their career prospects, the work they do, their future and their standard of living than those who were unemployed, not in the labour force or in part-time work. For instance, a noticeably higher percentage of apprentices (51 percent) and those in full-time work (57 percent) indicated that they were very happy with their future, compared with those in part-time work (44 percent), unemployed (22 percent) or not in the labour force (46 percent) (Robinson & Lamb, 2009, p. 55).

Observing the percentages of young people who reported experiencing stressful events linked to their financial situation in 2007, Robinson & Lamb (2009, p. 57) write that "Those who were unemployed or not in the labour force far more frequently reported having to sell something to get by, or go without meals, borrow money to live on, or not pay bills due to a lack of money. Young adults who were in full-time study also experienced such difficulties more often than those in full-time work." A more detailed breakdown is provided in Table 2 below:
Table 2: Incidence of financial stress in 2007, by main activity, 24 year-olds (%)

<table>
<thead>
<tr>
<th>In 2007</th>
<th>Full-time study</th>
<th>Full-time work</th>
<th>Appr/Trainee</th>
<th>Part-time work</th>
<th>Unemp-loyed</th>
<th>NILF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sold something to get by</td>
<td>7</td>
<td>5</td>
<td>3</td>
<td>8</td>
<td>29</td>
<td>13</td>
</tr>
<tr>
<td>Went without meals</td>
<td>8</td>
<td>3</td>
<td>2</td>
<td>8</td>
<td>19</td>
<td>8</td>
</tr>
<tr>
<td>Had to ask family for help</td>
<td>32</td>
<td>18</td>
<td>19</td>
<td>27</td>
<td>48</td>
<td>29</td>
</tr>
<tr>
<td>Had to borrow money to live on</td>
<td>12</td>
<td>7</td>
<td>6</td>
<td>18</td>
<td>30</td>
<td>18</td>
</tr>
<tr>
<td>Didn’t get medicines or go to doctor</td>
<td>7</td>
<td>4</td>
<td>3</td>
<td>6</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>Couldn’t buy study books</td>
<td>15</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Couldn’t buy other things I needed</td>
<td>16</td>
<td>6</td>
<td>5</td>
<td>13</td>
<td>35</td>
<td>14</td>
</tr>
<tr>
<td>Couldn’t pay service bills</td>
<td>14</td>
<td>9</td>
<td>11</td>
<td>21</td>
<td>43</td>
<td>18</td>
</tr>
<tr>
<td>Couldn’t pay rent or mortgage</td>
<td>7</td>
<td>5</td>
<td>5</td>
<td>8</td>
<td>27</td>
<td>9</td>
</tr>
<tr>
<td>Couldn’t afford to pay for heating</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>11</td>
<td>3</td>
</tr>
</tbody>
</table>


These provide some insight into the relationship of young people’s participation in education, training and the labour market to other facets of their wellbeing, such as their mental and physical health and satisfaction with various aspects of their lives (Robinson & Lamb, 2009).

The 2011 National Survey of Young Australians, published by Mission Australia, showed that getting a job has become a major issue for young Australians. This annual survey, completed by 45,916 young people, asks what young people value, their issues of concern, who they turn to for support and advice, and what activities they were involved in. It shows a large rise in the proportion of young people valuing getting a job, from 22.7 percent compared with 16 percent in 2010. As importantly, the 2011 survey found that school or study satisfaction was the third top issue valued by young people, (family relationships and friendships ranked more highly). That this is highly valued by 36.9 percent of respondents has additional gravitas given it is a significant increase from 2010’s figure of 29.3 percent (Mission Australia, 2011).

E. Balancing work and life: young people who work while studying

Young people who are employed while at school also face challenges that may be intensified by greater job-market insecurity.
The House of Representatives Standing Committee on Education and Training Combining School and Work: Supporting Successful Youth Transitions has identified some potential risks that may be of relevance to this Inquiry (HOR, 2009). In 2009, over 260,000 secondary school students had part-time jobs (HOR, 2009, p.17). Around 22 percent of students aged 15-19 worked between 11 to 15 hours each week. Approximately 9 percent worked 16 hours or more (ABS, cited in HOR, 2009, p.16). While students work across a wide variety of industries, the vast majority were employed in the retail sector (just over 48 percent) or in fast food and hospitality (just under 30 percent) (HOR, 2009, p.15).

In recent years there is greater awareness of the particular risks faced by teenagers who are working while studying. There is debate over whether undertaking work while at school improves the overall wellbeing of young people. On the positive side, it provides money in the pocket, exposure to working life and opportunities for responsibility. But working too many hours can undermine educational and general wellbeing. One survey of students found that they could manage up to 12 to 15 hours of work a week without impacting on their schooling (HOR, 2009, p.17). Of course, this differs depending on the type of job, type of study and the individual learning needs of each young person. But it seems likely that the combination of greater demands of schooling, combined with insecurity in the youth job market, may increasingly have negative impacts on the wellbeing of young people.

Anecdotally, there has been concern about risk-taking in the workplace. Some young people are unaware of their rights and responsibilities, and face risks of potential exploitation or occupational health and safety risks. Lack of data on the extent of this exposure to risk necessitates more research on a national scale into the working conditions of young people both working while in education and training, as well as young people working in general. One key research question for this Inquiry could be: how is job market insecurity impacting on young people who must work while studying?

F. Balancing work and life post-school

The Monday to Friday working week has become less typical for young workers. For many, the days when they work is less important than stability or regularity in hours. Dan Woodman at The University of Melbourne has been doing some valuable work during the last several years looking at the effects of changing working conditions on young people on The Life Patterns research program (YRC, 2012). This longitudinal study of two cohorts of young Australians making their post secondary school transitions has been researching several thousand Australians through their 20s looking at the effects of working in sectors, such as retail and hospitality. Woodman (2012) makes the point that flexibility can be good for workers provided they have some control over their hours. Where this isn’t the case, the results can be destructive to aspects of wellbeing such as personal distress and relationships.

With their working hours varying from week to week, young people in hospitality, for example, express frustration about a lack of control or stability in their working week. Many young people working in these sectors struggle to find time to be with people they care about. They rate it as one of their greatest challenges above career success (echoing the Mission Australia ‘s Survey of Australia’s Young People 2011 finding). While young people maintain diverse networks, benefited through developments such as social media, this variability in their working hours affects young people’s relationships as “scheduling regular time with others becomes harder... In this world of
work, getting together every night for a meal, or even getting together with close friends once a week for a drink, becomes more difficult, requiring more co-ordination. When life is lived to a different rhythm to others, it can also affect the time people do spend together; people are often tired, or thinking about work or when the boss might call them in, instead of immersing themselves in the company of others. It is even harder when this rhythm is regularly changed" (Woodman, 2012).

Greater fluidity in working life affects young people's ability to plan social and family life, and to budget in the short and long term. Woodman (2012) provides the illustrative example that "This lack of economic security has its own effect on relationships. Those constantly stressed about money are not always the best partners or friends. Some avoid social occasions because they can't afford it, or otherwise suffer the economic consequences when they attend anyway. More than this, it makes it difficult to say no when the boss calls with a last-minute shift, even if it's mum's birthday."
Section 2: Possible responses

The following section outlines some possible responses. These are by no means exhaustive, but seek to serve as possible discussion points for the Inquiry. Responding to challenges arising from the impact of insecure work on young people would take place by looking at: preventative measures seeking to improve the life chances of young people to obtain stable work; equipping young people with the competencies, knowledge, skills and literacies to navigate increasingly fluid conditions of working life; and fostering labour market conditions in which young people have the ability to influence and shape the hours and conditions in which they work. Put another way, addressing the challenges of labour market insecurity begins with at least two key questions:

- Are we preparing young people for changing worlds of work?
- What changes, protections and support mechanisms can be provided to enable more stable pathways for young people?

This section will concentrate primarily on the first question, although some suggestions are made in relation to the second. The deeper issue of structural changes in the workforce and how to address them at a systemic level lies beyond the scope of this submission.

Response 1: Continue to improve participation in education and training

The first preventative measure is to continue to encourage young people to complete year 12 or equivalent. The most direct impact of public policy upon youth pathways and transition is through education and training programs and the support services for young people.

The Council of Australian Governments (COAG) goal of lifting the Year 12 or the equivalent retention rate to 90 percent by 2015 (COAG, 2009) is a worthy target. As Keating has noted, this goal brings together four historic drivers of the policy of increased levels of educational participation and outcomes:

- The reduction of youth unemployment;
- Improved transition from schooling;
- Reducing the risks of long-term social and economic exclusion; and
- Improving the skills base of the Australian workforce (Keating & Walsh, 2009).

People who complete higher levels of education are more likely to gain and maintain full-time employment and have higher income levels throughout their lives. OECD comparative data (OECD, 2008) suggest that people with degree level qualifications will have far higher private rates compared with people with a secondary qualification only (Keating & Walsh, 2009).

Because there also are strong links between patterns of initial and further education and training (OECD, 2005), so that the platform of school and immediate post school education and training is an important foundation for future life chances.

Student family educational background and occupations are a major social and economic factor that influences educational outcomes. Parental backgrounds have a strong influence upon school completion and patterns of lifelong learning (Robinson, Long & Lamb, 2011).

Transition pathways in Australia have several strong characteristics: they are school based; Year 12 completion is an important base line level of educational achievement; university is the major post
Year 12 destination; and part-time work plays an important supportive role for full-time study (Keating & Walsh, 2009).

Young people who have high levels of achievement at school have the highest propensity to undertake immediate post school education. Medium and long-term prospects for full-time employment are further increased with higher levels of education (DETA, 2008; Polesel, 2007).

While there is a large number of early school leavers who enter full-time work and in many of these cases the work is worthwhile, they tend to be more vulnerable to insecurity than Year 12 completers who enter full-time work.

It should be noted here that inherent biases in Australian schooling may be inhibiting the chances of many young Australians to obtain secure work. The vast majority of schools offer the mainstream academic subjects that provide the best preparation and access to university studies (Keating & Walsh, 2009). Although most Year 12 graduates do not enter university, the overwhelming majority of Year 10 students nominate university as their preferred destination, and this has been the case since the rapid increase in Year 12 retention rates into the early 1990s (DEET, 1993). Most Year 12 graduates who enter TAFE have listed university courses as their first preference (Teese & Mason, 2002).

**Response 2: Part-time work remains important**

Despite the evidence suggesting that part-time work does not often lead to full-time work, part–time work remains an important underpinning for the transition process for young people.

There is a need for policy makers to realise that part-time work is an important element of the infrastructure for full-time post 16 education and an essential component for post 18 full-time education. For young people this has been the major change from the situation that was faced by previous generations. Most need to complete Year 12 and gain a post school qualification. Most need to both fund their study and at least supplement their living expenses. This fact also needs to be built into the planning processes for course delivery in tertiary education, and arguably in senior secondary education (Keating & Walsh, 2009).

**Response 3: Apprenticeships remain important**

National efforts to foster apprenticeships continue to be an important and valuable focus of policy (Gospel, 1995; Keating & Walsh, 2009). Labour market outcomes for apprentices tend to be positive (DETA, 2008; Polesel, 2007). They provide valuable stable pathways for young people for whom conventional pathways through higher education or other post-school activities may not be preferred. They are linked to comparatively higher levels of satisfaction with other aspects of life as described previously.

Experience from the 2008 GFC shows that apprentices are particularly vulnerable to economic downturns, however, there are some indications of recovery in commencements, which in part is attributable to a timely government response.

Apprenticeships as a pathway continue to be taken mostly by young males, so there needs to be particular attention paid to young women for whom educational participation is not an option.

Traineeships have been a sound, but less strong pathway (Keating & Walsh, 2009).
Response 4: Improve how we prepare young people for changing worlds of work

The combination of a changing youth labour market, long-term unemployment and persistent marginalisation experienced by certain groups reinforces the need to ask: how well are young people prepared for the increasingly fluid worlds of work? The need to target these challenges is now recognised among the business community, policy makers, VET providers and by NGOs like the Foundation for Young Australians.

Increasing shifts in labour market, the contemporary workplace and transitions to work highlight the need for more careers information and guidance that responds to the changing needs of young people and the economy (Kahn et al., 2011). But a deeper, more robust national approach is required to address labour market uncertainty.

Soft skills and literacies beyond literacy and numeracy are important to developing resilience in young people to deal with changing labour force conditions and responding to insecurity in particular. Many young people, especially those facing disadvantage and exclusion, do not perceive their schooling to have provided them with the necessary skills for work (e.g. Williamson & March, 2009).

One key area of development taking place via a number of initiatives throughout Australia, and in countries such as the US and Great Britain, is to develop ‘soft skills’: literacies and competencies in young people to improve their capacity to navigate changing worlds of work, and life in general. They are important to young peoples’ resilience and focus on emotional and social dimensions as well as problem-solving abilities and creativity.

These skills have been identified under different names and frameworks, including ‘generic and basic skills’ (Roberts & Wignall, 2010). One report produced by The Foyer Federation in the UK argues for the development of approaches that focus on the soft skills (or "character capabilities") needed by young learners as critical to young people's employability and life chances (Margo & Grant, 2010). These capabilities include affective and cognitive skills, such as communication, empathy and the demonstration of self-confidence. They are linked to the needs of a changing labour market that is increasingly oriented towards the service sector industries.

The Young Foundation in the UK has done some important conceptual work via its SEED (social intelligence, emotional resilience, enterprise and discipline) skills framework, which incorporates social intelligence, emotional resilience, enterprise and discipline (Roberts, 2009). In Australia, the need for skills such as problem solving and enterprise is recognised via the National Foundation Skills Strategy for Adults, and in certain COAG targets, federal budget and some state policy, and through the work of VET training providers, universities and not-for profit organisations. These skills are equally important to young people, particularly given the trends identified in How Young People are Faring 2011 and to the challenges of insecure work conditions and a changing labour force in general.

Australia has established mechanisms to assess and report on young people’s basic academic skills including their literacy and numeracy. However, despite a consensus about their importance, there are few current means of assessing or certifying a wider group of employability skills and attributes (Sweet, 2008).
These soft skills include more traditional workplace attributes such as punctuality, politeness, motivation and personal presentation. They also include skills that reflect new forms of work organisation such as teamwork and collaboration, cultural sensitivity, a preparedness to be flexible and embrace change, self-management, the ability to balance work-life commitments, and a willingness to engage in ongoing learning (Curtis & McKenzie, 2002; Field, 2002; McLeish, 2002). These personal qualities are elaborated in far less detail in the Australian employability skills framework and are not accompanied by a list of elements that can help to identify or assess them (Sweet, 2008). This is despite the recognition that the growth of precarious and rapidly changing work roles has made it imperative that young people “become skilled at navigating a sea of uncertainty” (Wyn, 2009, p.iii).

The work of the Finn Review in the 1990s saw the development of a set of key competencies considered essential for effective participation in the emerging patterns of work and work organisation. Various efforts have been made to integrate the assessment of students’ achievements against the Mayer Key Competencies into school practice (for details of these, see Curtis & McKenzie, 2002). Further to this work, the Australian Government has conducted an extensive investigation into the most effective means for the identification, recognition and recording of young people’s employability skills (Allen Consulting, 2004; Curtis & McKenzie, 2002; Field, 2002; McLeish, 2002; Matters & Curtis, 2007; Phillips KPA, 2005).

In Australian Government policy, the importance of soft skills has been identified in relation to employability skills, although the language around these generic skills and competencies has shifted over the last decade. To some extent, recent recognition of the need for employability skills stems from a policy narrative leading back to a report funded in 2001 by the Department of Education Science and Training and the Australian National Training Authority to analyse current business requirements for ‘employability skills’. Conducted by the Business Council of Australia with the Australian Chamber of Commerce and Industry (ACCI & BCA, 2002), the report reflected a need to respond to "the changing nature of work and skills required by enterprises to ensure long-term economic growth" (p. 12) and articulate "how Australia will effectively respond to globalisation and the knowledge economy" (p. 2). Employability skills have been defined as “skills required not only to gain employment, but also to progress within an enterprise so as to achieve one’s potential and contribute successfully to enterprise strategic directions” (ACCI & BCA, 2002, p.3). The Australian national employability skills framework identifies a set of skills required for workplace success that include communication, team work, problem solving, initiative and enterprise, planning and organisation, self-management, learning and technology (ACCI & BCA, 2002). However, consultation with employer groups show that they also value and seek a much wider set of personal attributes, which are sometimes referred to as ‘soft’ skills.

Roberts and Wignall (2010, p.1) note that this definition used by the Business Council of Australia with the Australian Chamber of Commerce and Industry has been recast in recent years: "In Australia the term Foundation Skills has appeared recently in a number of policy environments, including in COAG targets, Victorian Skills Reform and the latest federal budget. The term has not been clearly defined and has at times been used interchangeably with other terms including: Core Skills, Basic Skills, Generic Skills, Key Skills, Essential Skills and Language, Literacy and Numeracy (LLN) (Roberts & Wignall, 2010, p.1). Employability skills include communication, teamwork, problem solving, initiative and enterprise, planning and organising, and self-management. Roberts and
Wignall argue that “Although Foundation Skills can be viewed as those that ‘underpin’ other vocational learning and skills, they cannot be interpreted as only low-level or single-level skills” (p.2). While the development of a National Foundation Skills Strategy by the Australian Government is focussed on adults, the it signals a shift in the recognition of the need to develop soft skills and capabilities as a basis for working life.

There are numerous examples of curricula (e.g. VELS), initiatives (e.g. VET in Schools, Structured Workplace Learning and Trade Training Centres in Schools) and programs (e.g. The Beacon Foundation’s No Dole program and SparkL) that seek to develop soft skills, but no coherent broad-based approach has been articulated for young people at a national level.

There is a diverse range of programs seeking to develop these skills, although they generally operate across a range of locations and in isolation from each other. Some of these work within existing curriculum frameworks while others provide alternative education programs. Non-government organisations are doing some important - and often the most innovative - work to develop soft-skills. Victoria, for example, has 48 alternative education providers, ranging from in-school building and support programs, such as Hands On Learning, to off-site schools for high-needs students, such as the Pavilion (Ryan, 2011). Another notable example is The Brotherhood of Saint Laurence (BSL), which is engaged a wide variety of programs and initiatives, such as the Victorian government’s Youth Foyer as well as those seeking to build school capacity to address the needs of disadvantaged young people. Targeting the effective development of approaches that integrate support with foundational skills, vocational training and work experience aimed at highly disadvantaged groups, their work in addressing young people experiencing disadvantage and disengagement from learning and work has relevance to the development of soft skills for young people in general.

Through initiatives such as Worlds of Work and Young People Without Borders, FYA also sees these skills as critical to the development of young Australians facing the challenges and opportunities highlighted in research such as How Young People are Faring. In preparing young people for twenty-first century learning and employment, the evidence from both short-term and long-term trends reinforces the need to better develop the skills and literacies for learning and life. Worlds of Work (WOW), for example, is a national initiative conducted by FYA to build the skills and beliefs necessary for young people to make successful transitions into life beyond school. WOW targets experiential rather than classroom based learning. Incorporating positive psychology into its approach, WOW seeks to engage students with organisations. The program, which has been implemented in schools within Victoria, Queensland and the Northern Territory, utilises a five-day series of workplace visits and facilitated workshops to improve student awareness of the world of work as well as core skills such as communication skills (FYA, 2011).

Beneath these ancillary approaches lies a deeper question as to how well our current educational institutions themselves are preparing young people for changing worlds of work and life. This question relates to how appropriately an industrial model of schooling can prepare people for a post-industrial workforce.

Response 5: Improve awareness of rights and responsibilities at work
A corollary of the soft skills required for effective workforce participation is a sound knowledge of rights and responsibilities in the workplace, as well as how to navigate working life more broadly. First time workers, in particular, need information ranging from pay, obligations to employers,
health and safety, to understanding work/life balance and where to seek assistance if required. The need to embed this both within workplaces, via information sources such as the web and social networks, and most importantly in school, continues to be important - particularly in light of the changes to the labour market in recent years.

Response 6: Improve support services

Education and training policies can influence the amount, location, character and the quality and relevance of the courses and programs that are provided. Support services include advisory services, income support, personal support and employment access and protection services. The changes in student transitions over the past decade have added significantly to the complexities that young people face. Governments also have invested in other support programs and services such as learning coaches and mentors. Similar services and interventions are also provided through other agencies, including NGOs. It is important that these services should be well designed, of high quality and targeted in an optimal manner (Keating & Walsh, 2009).

Although governments and school systems have invested in a range of information and guidance resources, most young people are located in schools where the dominant pathway is that of university study. As well, there must be doubts as to whether guidance services in Australia reach the benchmarks that have been proposed by the OECD (2004), including the need to balance internal and external guidance (Keating & Walsh, 2009).

Response 7: Avoid myths about young people

When considering the impact insecure work has on young people, it is important not to rely on simple generalisations and misconceptions about young people. We have argued that “Young people are characteristically depicted as a distinct group within the population. They are consistently differentiated from other demographic groups, as though the state of being young automatically denotes a unique set of needs, aspirations and perceptions. They are subject to monolithic or homogenised depictions and generalisations that overlook the diversity of their identities and experience, including inequities between and amongst groups of young people." (Black & Walsh, 2011). We argue that while on one level there are broad conditions affecting young people in different ways to the other population, on another level specific responses are required in relation to young people from particular backgrounds and circumstances.

It is not uncommon to see “Gen Y” as characterised by greater fluidity in career pathways, seeking more choice, changing jobs more times in their career than their parents, and so forth. But the evidence suggests that this may not be a function of choice but rather of necessity in light of the trends outlined above.

More worryingly, in the press and popular media, it is not also uncommon to see “Gen Y” as characterised by a sense of entitlement, or as lazy. Contrary to these erroneous generalisations, it appears this generation of young people seeks some of the same basic qualities of life as any other. So beneath certain differences, there are also similarities in the work experiences of people across all age groups.

Though not without limitations, the findings of Longitudinal Survey of Australian Youth described previously provide insight into young peoples’ attitudes to earning and learning in relation to broader measures of wellbeing. In 2007, young adults in full-time work were much more likely to be
very happy about their career prospects, their future, their life as a whole, and their standard of living, in comparison to part-time workers, those who were unemployed or not in the labour force (Robinson & Lamb, 2009, p. 56). Young people, such as apprentices, who have money in their pocket and a sense of a career pathway are happier about their life in general (Dockery, 2010). The evidence suggests that part-time work, unemployment or withdrawal from the labour force may have a negative impact on young people’s levels of satisfaction with non-economic aspects of their lives, such as their use of spare time, social life and independence (Hillman & McMillan, 2005, p. 22). Most young people seek security just like anyone else.

In looking at youth participation labour market, it may be useful to understand better some of the changing ways that young people are participating (or not participating) in collective forms of representation and in relation to politics in general. Many young people are moving away from conventional forms of representation such as union representation and political party membership towards more issue based and alternative forms of engagement (Walsh & Black, 2011).

Arvanitakis and Sidoti (2011) observe that young people are politically engaged but not without ambivalence for formal institutions and forms of political representation. The dynamic between young people’s negative attitudes to formal politics versus their engagement in informal political activities suggests that some young people are disconnected from conventional political participation, while others cannot see or understand how they might choose to participate instead. Many young people appear to be actively eschewing conventional forms of representation (e.g. through political party or union membership) that are not seen to represent their capacity to voice concerns about their needs and to drive social change. Of particular significance is that many young people who are seeking to bring about change do not necessarily categorise their activity as being ‘political’. This trend escapes much of current discussions and policy narratives related to youth participation.

Arvanitakis and Marren (2009, p. 6) observe that some young people participate in activities that "deliver short-term, visible and efficacious outcomes that eschew traditional hierarchies, operate through transparent processes and afford agency". These activities are frequently taking place through new vehicles such as social enterprises or using new media to create social movements at local and national levels (Walsh & Black, 2011). Others seek to exercise other forms of influence such as market power through consumer choice.

The changing relationship of young people to power should be an important consideration of this Inquiry, and it is important that the changing and particular needs and conditions of young people as a diverse group of people be taken into account.

**Summary**

Addressing the challenges of labour market insecurity begins with at least two key questions raised earlier in this submission:

- Are we preparing young people for changing worlds of work?
- What changes, protections and support mechanisms can be provided to enable more stable pathways for young people?

While this submission has concentrated on the first question, there is a third question that should underpin all thinking of the Inquiry, which is: “to what extent are the particular needs and conditions
of young people taken into consideration when addressing the challenges of a changing labour market?" Though greater policy attention has emerged in recent years, there continues to a lack of attention to the needs and conditions of young people. This submission urges that this attention should be a fundamental component of the Inquiry’s work.

Changes in youth employment are deeply embedded in changes extending back to the early 1980s. The stability of full-time employment is declining. For teenagers especially, remaining in full-time employment is less certain now than in the past. Teenagers continue to miss out on full-time jobs. Since then, aside from the steady erosion of full-time work for teenagers, the context for young people in Australia has arguably not changed radically, however economic uncertainty has intensified their experience of working life considerably. And as the labour market has kept the broad trajectory that it began in the 1980s, the institutional settings established in the late 1980s also have remained unchanged in their basic forms. These settings need to be re-evaluated, and this Inquiry is an ideal setting in which to do so (Keating & Walsh, 2009).

At the radical end of possibilities we need to rethink both the public purposes of education in relation to Australia’s future economic interests, as well as the individual interests of young people as the key stakeholders and beneficiaries of labour market developments now and in the future.

We also need to be mindful of the view that what is in the best interests of the workforce cannot be solely understood through the prism of economic values and processes. As we have attempted to briefly illustrate, insecurity in the workforce has implications across other domains of life, from personal life satisfaction to one’s health and relationship with friends, family and community.

Responsibility for responding to these challenges is spread across all levels of government. It requires engagement with Australia’s school sector, the training sector and the higher education sector. The business sector and employers are also significant actors and stakeholders, and there are other significant participants including union representative bodies, training providers and a range of NGOs seeking to foster better pathways for young people to post-school life (Keating & Walsh, 2009).

Despite these confronting trends, many young people have a positive outlook in relation to the population at large. The challenge to all of us is to provide them with as many opportunities as possible to lead healthy, happy and secure lives.
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