

Select Standing Committee on Education and Employment  
Department of the Senate  
PO Box 6100  
Parliament House  
Canberra ACT 2600

## **The appropriateness and effectiveness of the objectives, design, implementation and evaluation of jobactive**

Beacon Foundation welcomes the opportunity to give the committee feedback on our experience and understanding of joblessness on young Australians. Our vision is to reach, connect and inspire our future workforce. We want an Australia that sees more young people gain further education or meaningful employment. It is our belief that all of our young Australians have the right to experience a job, a financial opportunity and the sense of personal success this brings them.

Beacon Foundation has operated for thirty years, delivering work readiness programs across Australia. Our success has been in our ability to join business, schools and communities together - with the purpose of helping more young people get ready for the future world of work. Supporting young people to be 'work ready' is big piece of the puzzle when it comes to helping them access meaningful employment. But there are also more complex causes to joblessness in Australia that need to address the wider system.

### **The nature and underlying causes of joblessness in Australia**

There are multiple drivers of joblessness in Australia. For young people, the causes of joblessness are woven around:

- Changes in the wider labour force and economic outlook
- Education opportunities
- Needs of business and industry
- The nature of the community they live in and their family structure.<sup>i</sup>

### **What does youth unemployment look like?**

As members of the committee are no doubt aware, young people have been most severely impacted by the Global Financial Crisis.<sup>ii</sup> Young people's opportunities for full time employment has not improved since this time. Some of the current challenges include:

- A national rate of youth unemployment of 11.1 per cent<sup>iii</sup>



- Critical areas of youth unemployment in rural, regional and remote areas that are persistently high.<sup>iv</sup>
- A rise in the number of young people aged 20-24 who are not in employment, education or training since the Global Financial Crisis
- Young people who are not in employment, education or training are much more likely to be from an Indigenous background, low socio-economic area or from a culturally and linguistically diverse background. <sup>v</sup>

### **Why do young people experience higher levels of joblessness?**

There is not one single cause of joblessness. High rates of youth unemployment can be linked to a range of changing factors in our work force. <sup>vi</sup> There have been some big shifts including:

- A move to increasingly flexible work
- An increase in part time and casual jobs in response to the changing work order
- Higher levels of casual and insecure employment
- Declining rates of full time employment
- Declining opportunities for entry level jobs

Young Australians are more likely to 'churn' through periods of study, unemployment or time spent out of the workforce after education. We can clearly see growing rates of youth unemployment and underemployment. Importantly young people are saying that they want more work - but can't find it.<sup>vii</sup>

### **Joblessness – the mismatch between education and employment**

One of the significant barriers to employment for young Australians is the mismatch between education and employment. Young people often struggle in the labour force because our education system lacks the capacity to deal with the future world of work. There is currently a mismatch in the skills young people need, and the increased level of qualifications sought by employers <sup>viii</sup>

Better connection between classroom content and the workforce is needed so that young people can finish school with a pathway to work or further education and training. Without this, our experience at Beacon Foundation tells us that so much is down to chance and the circumstances that the young person is born into. If we want to address underlying causes of unemployment and 'level the playing field' we need a system that understands these complexities. This system shouldn't penalise young people for circumstances outside their control.

## Systems change approaches to addressing joblessness

For young Australians joblessness isn't about lack of aspiration or willingness to work. We believe young people are ready and willing – but that they need better support from government, industry, schools and the wider community to address the barriers they face to unemployment:

- Making sure young people get the right kind of education so they have the skills needed to navigate the changing world of work
- Taking a proactive approach that addresses the links between employment and education – particularly addressing the lack of careers education in our schools<sup>x</sup>

The importance of careers education and exposure was emphasised in the recent 'Gonski 2.0' report. This can be a game changer in preparing young people to transition from school to work. <sup>x</sup>

We need to address these gaps between schools and employment. But we also need to find real options to support young people who are currently out of work – or who are going to struggle to find work when they finish school. Beacon Foundation advocates for a collective impact approach to policy solutions in this instance. This collaborative and place based approach will better address the multiple factors that contribute to unemployment.<sup>xi</sup>

A collective impact approach would see local communities implement local employment solutions. This approach could:

- Have the young person at the heart and centre of addressing a solution – rather than a one size fits all system
- Work in areas who have long standing trends of youth unemployment - particularly rural, regional and remote communities
- Work on shared commitment of a community ready to see change

If we really want to 'move the dial' we need to see communities drive innovation and opportunity.<sup>xii</sup>

As noted by the Organisation for Economic Co-operation and Development, successful government programs are flexible to local communities, where communities drive local, place based solutions. <sup>xiii</sup> While these approaches can be challenging, they have the value in actually addressing solutions to complex issues like unemployment.

## Summary

The road to meaningful employment is not easy for any young Australians. At Beacon Foundation our work in bringing real life relevance to a school environment is invaluable for everyone:

- Young people experience real life career exposure and work place relevance
- Schools gain expertise in delivering career education
- Business and industry build a better prepared generation of young people for their future workforce
- Communities have engaged, connected young people

This model of collaboration better addresses some of the underlying challenges of joblessness in young Australians. This is why we advocate for understanding of systemic barriers to problems like unemployment. At Beacon Foundation we believe in addressing problems by considering the wider system - and in sharing the innovation and learnings that come from working this way. For example, in our work in our Collective ed. initiative (funded by Paul Ramsay Foundation and State Government of Tasmania) we address historically low rates of Year 12 attainment in Tasmania by tackling systems change. Yet there are learnings that have wider application. We believe that sharing principles for locally driven, collective impact approaches would be invaluable in designing local, place based trials that improve employment outcomes for young people. <sup>xiv</sup>

I welcome the opportunity to discuss the evidence presented in this submission in more detail. I can be contacted at (03) 6234 4155 or at [communications@beaconfoundation.net](mailto:communications@beaconfoundation.net)

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**Beacon Foundation**

The logo for Beacon Foundation, featuring the word "BEACON" in a bold, orange, sans-serif font. The letter "A" is stylized with a circular pattern of lines.

## References

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