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INTRODUCTION

The idea for this National Youth Commission Australia Inquiry was conceived in 2016, when it was becoming more and more obvious that despite Australia’s apparent prosperity, the prospects for young people leaving school and entering the workforce had been steadily worsening for decades. This was evident in the everyday life and experiences of young people, their families, schools, and the community. It was backed up in trend reports and analysis coming out of government sources, the nation’s think tanks and universities.

The Commission is independent and non-partisan, drawing on the expertise and diverse lived experience of young people across the country, along with input from parents and teachers, employers, researchers, and community workers. The Commission sought to create an intergenerational community discussion about the challenges faced by young people and what should be kept, changed, or created to meet these challenges.

Thanks to the support of many funders and partners, the Commission launched its Inquiry in March 2019.

Why an independent Inquiry

The imperative driving this independent Inquiry was in part due to the absence of a government investigation into the broad-ranging social and economic factors affecting the decline in future prospects for young people aged 15 to 25. More importantly, the independence of the Inquiry meant that its terms of reference would remain broad, and that the organisations and individuals presenting evidence to it could speak freely and frankly about their knowledge, experiences, concerns and solutions.

Who we talked with across Australia

A Secretariat for the National Youth Commission Australia was established late in 2018 and Commissioners were appointed and briefed. A total of ten part-time Commissioners, including four Youth Commissioners, contributed to the Inquiry their diverse and deep experience in youth affairs, education, employment, housing and homelessness, public services, and civic participation. You can find out more about who they are [here](#). So far, the Commissioners have travelled to 23 locations in all states and the Northern Territory over a total of 47 days, to hear from 336 individuals and organisations.

At the same time, the Commission organised 70 discussion groups with over 800 people. Of the 1200 people who Commissioners and workshop leaders met face to face, more than half have been young people of school age or in early adulthood, both in and out of the workforce. Workshops were organised to ensure strong representation of young people living in rural and regional Australia, First Nations young people, those from culturally and linguistically diverse backgrounds, and young people with disability, including intellectual disability.
Terms of Reference

The Terms of Reference for this Inquiry are broad-ranging. The Commission invited young people and all individuals and organisations to consider and report their experiences, opinions, research, and ideas. These Terms of Reference were amended in April 2020 to take account of, and respond to, the impact of COVID-19.

The Inquiry sought to investigate:

a. The nature and extent of social and economic change, and in particular the various impacts of COVID 19, that will affect the labour market, the employability and employment prospects of young Australians.

b. The effectiveness and appropriateness of educational curriculum and programs in school and in post-secondary institutions as preparation for future employment.

c. The issues that affect young people as they embark on pathways to employment, attempt to secure a living, and build sustainable careers.

d. The adequacy of income support payments and the ways that student loans and debt, mutual obligation requirements, and associated employment services operate to optimise the motivation and capacity for young people to learn and work.

e. The adequacy of other various service systems that are implicated in the transition of young Australians from education to employment.

f. The effectiveness of existing policies and programs that are directly relevant to the transition from school to work.

g. Whether reforms and initiatives are required to improve the education, employment, and transition outcomes for young people:
   i. amendments to relevant existing policy frameworks
   ii. changes to guidelines and operations of existing social and educational programs and
   iii. new reforms in policies, initiatives, and programs to achieve a ‘youth futures guarantee’ in response to the impact of COVID-19
COVID-19, climate change, and the context now

The devastating impacts wrought by the COVID-19 pandemic on Australia’s economy and labour market are only beginning to be understood, but one thing is immediately clear: young people will suffer the most. The quality of their education, whether at primary or secondary school, or in vocational or university settings, is deeply compromised by rules for social distancing and online provision. Young people represent a disproportionate share of immediate and longer-term job losses, working in industries that were already characterised by precarious income and wage theft; in particular, hospitality, tourism and retail.

As a generation, young people are taking the hardest hit, and will be affected for decades to come as the population ages. Intergenerational inequality is being increasingly recognised through the work of the Grattan Institute on taxation policies, in the debt that young people incur for their education, and in their inability to access affordable housing. Looking to the future, the point and purpose of the qualifications and credentials that young people are enrolled in, or are planning to enrol in, are obscured by a fog of uncertainty about future labour market prospects, due to the collapse of economic growth and of business certainty and confidence.

The impact of bushfires at the end of 2019 has pushed the consequences of climate change to the forefront of national priorities. Climate action and a greener economy are imperative. Young people have every reason to care and act in response to opportunities to organise, learn skills and create jobs to build a more sustainable environment.

Why this is an Interim Report

This is an Interim Report of the National Youth Commission Australia because the Inquiry process is designed to ensure that the Commission can validate our analysis of the evidence gathered and test the ideas for policy reform: better ways to engage young people; the resources that need to be invested, shared, or reconfigured; and suggestions about who needs to be involved in the changes.

The next stages of this process involve:

1. The National Youth Futures Summit on the 24-28 August, open to everyone.

2. The publication and discussion of a Youth Futures Guarantee, which lays the ground to talk over and build a consensus about what needs to happen to ensure that Australia’s young people can get a fairer go.

What we learned from this Inquiry

The National Youth Commission Australia has become aware of four key dimensions that must be considered in order to build better futures for our young people.

a. The absolute importance of engaging directly with young people to understand their perspectives and the challenges they face. Equally important is engaging with them to co-design and implement solutions and to include them in the decision-making process.
b. The need to appreciate the astonishing variety of people and places in Australia – in geography and climate, in the diverse demography and characteristics of local economies and labour markets. Australia is still a prosperous nation by world standards, and rich in resources, not only natural resources. Most Australians see our young people as our most precious resource who deserve a fair go; not just as an abstract idea, but as a real deal that we owe them.

c. The immense diversity and quality of responses that rally to the common cause of what young people need. Some of these are being developed in remote, rural/regional and metropolitan areas that face serious challenges in terms of access to resources and services, or where jobs are scarce. These efforts are being led by inspiring and committed individuals and organisations, who often reach across their institutional boundaries to achieve common goals for young people.

Civil society in Australia has been challenged by shrinking resources and competitive contracting, but many teachers and community workers, employers, and public servants recognise the value of working collectively, and in new partnerships with citizens, to achieve goals-in-common for young people.

The Inquiry has introduced us to people who have been able to put aside their institutionally-driven competitive instincts, or who were bold enough to operate outside the strict requirements of their professional roles. There is so much more to learn from this kind of courage and common-sense, that drives innovation and change.

d. Finally, and what makes up most of this report, the Inquiry learned how young people are navigating their transitions from school to work, and what they need as they attempt this. Beyond the basic needs for love and social connection, family, and friends, what young people need to learn and grow into adulthood can be readily identified. These are needs for:

- Education and training that is meaningful to them and prepares them for life.
- Employment choices that are well advised from exposure to the world of work.
- Work experience and entry level jobs to get a start in working life, and work that is paid fairly.
- Clear and accessible careers advice informed by an understanding of where the future jobs will be.
- A secure job with fair pay and conditions.
- A basic liveable income when unemployed or underemployed.
- Housing that is stable, affordable, and close enough to where young people work, learn, and develop social connections.
- Mental health services, especially in a crisis, but also to get onto problems early.
- Transport that fits with times for work and learning and help to get driver’s licences.
- An environment that is cared for and a serious commitment to address climate change.

Service responses are complicated and sometimes missing

Though those basic needs seem simple and obvious, we heard over and over during the Inquiry about how complicated it can be to meet those needs. Making life decisions while getting food and shelter is especially complicated for young people without strong family support and good social networks, and the system is failing most obviously for young people in care or who have been in contact with the justice system. Service systems can seem like a maze, due to complex rules for funding and eligibility, and conditions of registering, accessing, waiting, or having to pay for what is needed. It can seem as if the young person needs to fit the service rather than the other way around, and in the maze, some routes that might have been possible can be concealed, while other paths lead to dead ends.
The Commission also learned about the consequences of there being simply too little on the table for young people. This is most painfully evident in the levels of income support, which relates in turn to housing access and affordability. Public transport too is so inadequate in many areas that it threatens the viability of study and work, and this in turn contributes to problems of isolation and access to services, such as mental health services for young people.

The interrelated nature of these kinds of challenges is complex and may feel overwhelming, but if the adequacy of funding and support for any of these could be improved, income support in particular, it would simplify and reduce all the related ramifications that each separate problem represents on its own, while we tackle more fundamental reforms needed.

**Young people should be partners in reform**

The final section of this the report looks at the ways that we need to re-think some of the most common assumptions - or ways of seeing – that we can have about the young people whose lives we seek to improve. One is the risk of characterising and working with a young person in terms of their deficits. This can be due in part to our professional commitments to advocate for young people and to meet their needs. It is also partly related to the ways that service silos arise from funding requirements and contract conditions. Many professionals will recognise this issue from the bid and grant proposals that they have written, claiming to work with the ‘hardest to help’, quoting the Census data on disadvantage and unmet needs. All this feeds assumptions and ways of seeing framed by deficits.

The objective conditions of what is needed and lacking are often true and real. The danger is the way that the material and social needs of people spill over into professional practice and ways of seeing and working with them. Assessment and referral forms, and the questions asked by providers typically align to the information needed for reporting to funders, to meet key performance indicators or contract requirements. We risk defining young people by a category, like ‘early school leaver’ or the ‘recently arrived migrant’ and focusing on what they don’t have, which they will ‘receive’ from a service. This means we can miss out on understanding and working with their strengths and aspirations and the positive qualities that can play an important role in improving their lives. Changing terminology from ‘help’ to ‘assistance’ does not change that framing in terms of deficit.

This kind of alternative approach is sometimes called positive youth development or the strengths-based approach to practice: reframing support work with young people in terms of their capacity, skills, knowledge, connections and potential. It means paying attention to their goals and aspirations, what they can do, and what they want to do, to build a deeper understanding of a young person’s life story and where it might go. Support services must serve young people, not the other way around. The Commission heard much evidence during the Inquiry of young people having to serve the system, as they navigate around and around to get what they need, and of workers who have become their advocates because it is assumed that they could not do that for themselves.

Young people are most definitely capable of advocating for themselves if they are invited to do so. They are capable of reflecting on, contributing to, or even actually managing some part of the plans to improve their lives into the future. This requires a different way of working with young people based on mutual respect and reciprocity rather than ‘providing’ or ‘delivering services’ to or for young people as ‘customers’, or ‘service users.’

At its most radical, in terms of policy, this might be conceived of as a question, both for the young people themselves, and for services and organisations that serve them. If we had this much money, over a realistic timeframe, what needs to be changed? What goals would we most want to achieve?

**How this report is organised**

The wealth of the material collected for this Inquiry has been reported in the sections to be found in the Table of Contents. Each section ends with a list of ‘principles and priorities’ for each area of focus.

An Executive Summary of the purposes and main findings of this report can be found [here](#).

The findings of the report have been written into a proposed Youth Futures Guarantee, which can be found [here](#).
EDUCATION AND TRAINING

Conforming to systems of past generations will no longer serve us as it once has, and young people have expressed schooling needs to adapt accordingly. Schools should be designed to appropriately educate students so that young people are able to leave school with the necessary tools to function successfully in the real world.

Wren Gillette, Victorian Students’ Representative Council, Melbourne VIC, 7 March 2019

Though young people, their parents and teachers, and employers in general share an understanding that it is worth getting a secondary school education, they can differ widely in their views about its purpose. Such differences have major implications for what is valued among the options for teaching and learning, and which words – or numbers – will be used to define educational success. This applies most acutely in the senior secondary years.

The ATAR score dominates school options and purpose

Overwhelmingly, the National Youth Commission Australia heard evidence that there is too much emphasis on the ATAR, the main function of which is to enable universities to decide who will be offered university places. A sign of this is the intense media focus each December on secondary schools’ ATAR results: league tables of the high-performing schools; the publication of study scores over 40; and what scores will be needed for highly contested places in the elite universities.

The ATAR has a disproportionate and over-determining effect on what secondary school can offer young people, meaning that the many possibilities for learning and preparation for life and work are funnelled into a process – as well as a mindset – that is narrowly instrumentalist, comparing and ranking young people so they can be sorted and selected for their next stage in life. The recently completed major review of senior secondary students’ pathways into work, further education and training, Looking to the future, undertaken for the Education Council of the Council of Australian Governments (COAG), also noted that the dominance of the ATAR ‘privileges academic capability over the value of vocational education and training’.

Even from younger years, our system of measurement for success is the academic. It’s around those skills, working toward those skills, that will lead to you doing well at that set of final exams.

~ Tracey Jacobson, Indie School, Hobart TAS, 3 June 2019
Measuring success by the single metric of students’ ATAR scores affects school culture, planning and budget allocations. The Commission heard that:

**Student ATARs are often primarily the only indicator used to reflect a school’s success, sending a subliminal message about the way academic excellence and university entrance is valued.** Too often, schools have a culture that places academic learning above vocational learning and allocates finances and resources accordingly.

Vicki Bawden, Victorian Department of Education and Training, Preston VIC, 13 March 2019

In some schools the goal of university entrance is explicit, and parents see university as the objective, as Bart Turnbull-Gent explained:

> Some schools work on this principle that if you don’t go to university then you’ve failed. Parents are like that as well; we’re to blame as well. That a child has failed because they don’t go to university...

Bart Turnbull-Gent, Victorian Department of Education and Training, Ballarat VIC, 24 June 2019

This means that Vocational Education and Training (VET) pathways are under-valued, even when there is strong evidence that this can be a direct route to sustained jobs in the workforce. One presenter said Vocational Education and Training (VET) pathways could also become a success indicator for schools:

> Instead of an obsession with the students’ ATAR, entrance into VET pathways should be an important performance indicator for schools.

Vicki Bawden, Victorian Department of Education and Training, Preston VIC, 13 March 2019

Though university enrolment as a post-school destination doubled between 1989 and 2016, when just over 40 per cent of 19-year-old Australians were enrolled at a university, a recent Productivity Commission Working Paper, *Climbing the jobs ladder slower*, points to weakening outcomes for graduates in terms of careers advancement and earnings growth.

In any case, the purpose of education is not solely university, and there are valuable skills to learn beyond study skills.

**Life skills should be taught**

Whether university or VET pathways are the goal, some young people suggested secondary schools could better prepare young people for their lives as adults. One young person interviewed by Yarra Youth Services suggested schools don’t prepare young people for the real world:

> I feel like with secondary school, it’s more grades than what else you can prepare, out of school, so even if you finish school, they don’t really prepare you for the real world. You have to go figure it out yourself.

Yarra Youth Services Submission, November 2019

A group of young people from Brophy Family & Youth Services suggested life skills should be taught throughout secondary school and had some suggestions for what should be included:

> Having more life skills taught all the way through secondary school. Maybe a year 9/10 core subject could be ‘Life Class’: dealing with conflict, teamwork, the reality of living independently (costs of renting, bills, cars & petrol), resumes and job interview practice, dealing with your anger/emotions, mental health, rights and responsibilities as a tenant, guest speakers – employers especially, to talk about how to be a good employee.

Brophy Family & Youth Services Submission, November 2019

The false dichotomy between applied learning on one hand and academic learning on the other has limited and over-determined what secondary education can offer for many decades, with negative impacts on the effective provision of inclusive education and training.

The serious implications of COVID-19 for young people’s futures makes it even more imperative for the secondary school system to recognise its role in promoting the broader and more future-focused range of skills and knowledge that will equip all young people for employment.

**Leaving school early limits employment prospects**

Leaving school before completing Year 12 limits young people’s access to post-school education and training and is a disadvantage in gaining employment. Young people who have left school early often have poor literacy and numeracy skills and poor ‘soft’ skills; that is, the kinds of communication, problem-solving, and team-work skills required for employment.
The Commission was told that many young people who disengage from education aged 13 or 14 years:

… lack a lot of the soft skills so that makes them a long way from the labour market. They are not prepared for work. They don’t prepare well. They don’t have a concept of punctuality. They have no confidence, they are unable to follow instructions and don’t know what behaviour is expected in a workforce.

Lisa Legge, Youth Futures, Launceston TAS, 5 June 2019

The young people who do not complete school are often already from disadvantaged backgrounds, and poor or incomplete secondary schooling further entrenches their disadvantage. The struggles of students outside school that affect their education are described by Geraldton Flexible Learning Centre, which recognises and works with these kinds of learners:

[who] have typically experienced a number of disadvantages. Many of those are social disadvantages, poverty, extreme low socioeconomic disadvantage, cultural disadvantage, traumas in their background, and significant dysfunction in the home.

Heather Brett, Geraldton Flexible Learning Centre, Geraldton WA, 16 August 2019

With low retention to year 12 by international standards, at 84.5 per cent in 2018, governments and schools across Australia have been seeking to improve retention rates.8

More flexible education programs are responding to mainstream school failure. At many public hearings across Australia, the Commission heard from a range of schools that seek to prevent early school leaving, or re-engage young people in education, but away from mainstream classrooms. Examples include the Wodonga Flexible Learning Centre, the Pavilion School in Melbourne, and South Australia’s Flexible Learning Option (FLO).

What these alternative sites have in common is that they provide for the individual education needs of young people along with a more intense focus on understanding and responding to their social and emotional needs. For example, the Geraldton Flexible Learning Centre seeks to meet:

… the individual needs of young people, with small group learning and service provision from teachers and youth workers as a combination. So, we don’t employ education assistants. We employ as many youth workers as we do teachers. We support social and emotional needs along with their academic requirements.

Heather Brett, Geraldton Flexible Learning Centre, Geraldton WA, 16 August 2019

These models seek to keep young people engaged in education and to a degree, they succeed in doing so. For example, the Commission was told that the evaluations of the Flexible Learning Options in South Australia showed that young people:

“… find a place to be, they find teachers that they can relate to. They feel that they are cared for. They are hooked into staying in FLO options.”

Andrew Bills, College of Education, Psychology and Social Work, Flinders University
Long-term outcomes and models of alternative school education need more research

Although thousands of young people go through the FLO program in South Australia, there is no longitudinal research into their destinations once they complete the program, according to education researcher Andrew Bills. What we do know is that few young people in the South Australian FLO program complete their South Australian Certificate of Education, which limits their options for post-school education and training.

Research is needed to understand the long-term outcomes and destinations of young people who attend alternative schools. Related to this, it would also be useful to better understand the conditions of operation for alternative schools: their funding and staffing options, and how this relates to the resources assigned to the education providers where young people might have been enrolled but are no longer attending. Various youth-focused organisations providing alternative education programs reported also that they struggled to access funding for their work, and this risks compromising the quality of what can be offered.

Improving mainstream education settings remains a priority

There are clearly not enough alternative learning options available for the young people for whom mainstream school has not worked. It raises the question of whether alternative schools and programs are only a band-aid measure, applied to a problem that should really be addressed more broadly. The Commission heard and understood the suggestion that:

The mainstream school system must create a way of supporting young people to reach their full potential.

Genevieve Peterson, The Salvation Army, Melbourne VIC, 5 March 2019

The Commission learned about a wide range of approaches taken by different schools to re-engage young people and work with them in alternative settings, the merits of which include: a smaller-scale setting; different learner-teacher relationships; more relevant curriculum offerings; real-world and hands-on learning experiences; greater ability to recognise and meet social/emotional needs and the challenges of home life. This work is highly commendable, and we respect and honour the professionals and community members who work so hard to improve the experiences and outcomes of young people who have left mainstream education.

However, there is disturbing evidence of so many remaining unmet needs for these learners, and in so many different locations, that it invites these questions:

• Is establishing an alternative school the only alternative?
• Could some of the characteristics of the flexible learning options seen by the Commission be mainstreamed into core education?
• How could mainstream schools be encouraged, even required, to ensure that they provide for all learners?

This takes us back to the core question posed earlier: Do we measure what matters in secondary education, and are we able to broaden and re-define its meanings of success?

Mainstream schools should be more flexible and inclusive

One of the critiques of mainstream schooling that the Commission heard across the country are that schools are not teaching the young people the skills and knowledge needed for the 21st century. Instead they rely on an industrial model of education that privileges and is clearer about the school’s ‘production processes’, without considering whether the ‘product’ – in this case a young person ready for life and work – is fit for purpose. For example, Tracey Jacobson, Head Teacher at the Indie School in Hobart, told the Commission:

The first main problem with education is that it’s a factory model, it’s a machine. If you can’t keep up with the machine, you get spat out the other side.

Tracey Jacobson, Indie School Hobart TAS, 3 June 2019

This entrenched and established model of education does not adequately teach the 21st century skills needed for existing and emerging jobs: diverse skills in communications, including foreign language skills; critical thinking, and digital literacy skills. Along with those ‘world-wide’ skills, there is an important place also for real-world exposure to the ways that local history, geography and climate, industry and its adopted technologies, and the diverse cultures of people in communities are shaping the world, and the workplaces where they might earn their living.

The Commission is aware that many mainstream secondary schools do make sterling efforts to ensure they can work with a diverse range of young people, and that their programs are relevant and prepare them for the future. It remains the case, though, that ‘the system’ overall is stuck in a limited definition of success, dominated by ATAR scores. This reduces considerably the levels of energy, the resources, and the willingness of schools to pursue more inclusive education offerings. It will take the leadership of the public, parents, and politicians, along with education bureaucracies, and more young people speaking out, to get the deep and wide system change that is needed.
Redefining ‘success’ in secondary education is the key

The Commission heard about some promising initiatives to make school education more engaging and useful by changing the conventional approach of grouping students by year level and re-designing the curriculum by taking learning out of separated subject siloes. Examples include Big Picture Education Australia, the CathWest Innovation College and Lindfield Learning Village.

**Big Picture Education Australia** are re-designing education for young people in over 40 schools around Australia. The Big Picture design for learning is based on research that shows that people learn best when they are personally motivated. Putting students at the centre of decisions around what, how and when they learn is the key to nurturing the next generations of engaged, independent learners. Students are supported by a network of peers, advisory teachers, expert mentors, and family. The schools prepare students for opportunities beyond school with an emphasis on relevance and real-world learning. The students combine academic work with real-world internships, use their head, heart, and hands to explore their world and plan their own pathways to future employment, study, or enterprise.

**CathWest Innovation College** is a Catholic year 10 to 12 school that aims to provide students with a new and different way to learn where students develop transferable, employment focused skills through ongoing engagement with businesses. Students work with business partners on major projects. Students work in flexible learning spaces that replicate workplaces and where staff work alongside students.

**Lindfield Learning Village** is a public Kindergarten to Year 12 school providing a flexible school environment conducive to individualised learning, an integral part of its new educational model. Replacing the traditional classroom, the school has open-plan flexible, open learning spaces. The approach is designed to create independent, resilient learners who possess the learning dispositions required for success in their life within and beyond school.

These approaches have some similar features, including student directed learning, flexible and open learning spaces, and a focus on ‘real world’ learning, including engagement with potential employers.

CathWest and the Lindfield Learning Village have only just started, so it is too early to tell whether these will be transformative in the ways projected. Big Picture Education Australia has existed since 2007, and with over 40 schools participating, it appears to be a successful at sustaining change for a long period.

**Careers education in schools keeps education relevant**

Careers education in schools is generally recognised as inadequate. In most schools, it involves a week or so of work experience in Years 9 and 10, some advice on subject choice for Years 11 and 12, and help to choose where to apply for post-school education and training. Many careers events bring young people into brief contact with employers, universities, and vocational education and training providers, but young people find it difficult to find navigate the information and make choices with confidence.

The Commission heard from several young people about poor and inadequate work experience activities. Here is one example:

**In Year 10, I got to do work experience. We basically got told a week beforehand that we had to find a place for two weeks of work and if we didn’t have that we would fail. I ended up working in retail because I had no idea what else to do.**

Tamika Fossey, Youth Advisory Committee, Frontyard Youth Services, Melbourne VIC, 5 March 2019

Another spoke about how difficult it was to find work experience in his chosen area:

**I called up and looked at over twenty different places that held my interests. I am mainly interested in graphic design, game design, visual arts, and illustration. Every single one except for two companies said that they were a) too small to handle students, b) were too busy to take students on board and teach them or c) don’t accept work experience students and only take interns because they have the skills and practices needed to work for the company effectively. This is an issue because without the work experience students there to learn from professionals and to see exactly what is happening, we can never find out what it’s like to work in a particular industry.**

Jake Barbic, Melbourne VIC, 5 March 2019

Jake also related the experience of a friend of his, referred to as ‘J’:

**He said he wanted to pursue classical music as a career once he finishes secondary school. Our careers teacher then proceeded to tell ‘J’ that if he wanted to pursue a career in music, he should go work at JB Hi-Fi for his work experience.**

Jake Barbic, Melbourne VIC, 5 March 2019

One young person told the Commission about the careers advice for post-school options that she got:

**So, in total, over my schooling years, I had two career sessions: one where I got given a copy**
of a resume and told ‘that’s how you do it’. And then the other was, ‘What do you want to do at university?’, to which I said, ‘I have no idea.’ And they didn’t give me any options.

Jemille MacKenzie, Bendigo VIC, 27 June 2019

The current approach to career education is limited and often too late

The Commission also heard that careers advisors tend to dictate to young people the types of post-school education they should pursue. This over-determines their subsequent career options, rather than enabling young people to explore their interests and aspirations.

Overall, the Commission would agree with the statement that:

Quality career guidance within our secondary education system is best described as probably patchy.

Annette Gill, National Employment Services Association, Melbourne VIC, 7 March 2019

The Commission heard frequently that careers education starts too late and should start in early secondary school or primary school. Tania Hunt suggested:

We need to introduce pathway planning support in schools from Year Seven...

Tania Hunt, Youth Affairs Network, Hobart TAS, June 3 2019

A new and more comprehensive approach to careers education in schools is needed, to allow young people to explore their interests and aspirations for post-school education and training, and the world of work.

School-industry links have two-way benefits

Careers education could be improved by better linking schools and industry, and a presentation by the Schools Industry Partnership based in Penrith in NSW provided strong evidence of improved choices for both employment outcomes and further study for participating young people. The program shows how employers can contribute meaningfully and effectively, and as the Looking to the Future report to Education Council of the Council of Australian Governments pointed out: ‘employers cannot expect school leavers to graduate with the skills they need if they play no part in the student gaining them’.12

However, it is important to take account of the needs of the industry partner, to ensure long-term and sustainable involvement. Katea Gidley, Career Ahead, suggested that:

… virtually every education institution [is] hassling industry for some sort of involvement in a way that works for the educator but not for the industry partner. So, I would like to see some sort of aggregation of that solution or some sort of potentially government strategy around it.

Katea Gidley, Career Ahead, Dandenong VIC, 15 March 2019

The Commission heard about some promising initiatives changing the way careers education is delivered. For example, the Passions & Pathways partnership led by Goldfields Local Learning and Employment Network introduces primary school students to the world of work. Regional Industry Education Partnerships in different parts of NSW work with industry to identify potential job and career paths for young people in their region and link schools with potential employers.

Passions & Pathways, Primary Schools & Workplaces in Partnership gives year 6 students authentic ‘work’ experiences in local businesses. It aims to lift students’ aspirations and reinforce the value of completing their education. Starting in 2012, Passions and Pathways is a partnership between the Goldfields Local Learning and Employment Network, primary schools, local government, and businesses.

The NSW Regional Industry Education Partnership provides students with information on options to support them to plan their future career pathways while at school. It has a focus on areas of skills shortage and also provides hands-on experience of careers. One example is the offer to young people from rural and remote areas the experience of being a nurse.
The VET system is hard to navigate and understand

The main purpose of VET is to teach people the skills and award the qualifications needed to enter occupations and enhance a worker’s skills in their employment. Though that sounds relatively simple, the Commission heard many accounts of how large, complex, and cumbersome the VET system is. That is because there are so many variations in the way that vocational education and training is packaged, delivered, assessed, certified and credited. The Commission agrees with the COAG Education Council’s review of post-school pathways that the system is very confusing and difficult for students and parents to navigate.

The VET system is large. In 2018, almost 4.1 million students aged 20-64 enrolled in some form of nationally recognised VET studies. This makes the VET system substantially larger than the higher education system, which had around 1.3 million students in 2018.

A significant proportion of young people participate in VET. In 2018, 42.9 per cent of the Australian resident population aged 15 to 19 years and 31.8 per cent of 20 to 24-year-olds participated in some form of nationally recognised VET studies.

There are nearly 5,000 VET providers in Australia, comprised of for-profit companies, public Technical and Further Education (TAFE) institutes, not-for-profit community organisations, schools and universities. Unlike the school and higher education systems, the private-for-profit providers comprise the largest part of the system, enrolling 62.0 per cent of all VET students in 2018.

Choosing the right VET course is challenging but outcomes have been good

The diversity of VET providers and the competition between them makes finding and choosing the right course difficult. Rob Sturrock, The Smith Family, said:

[The VET system] is quite difficult to navigate, getting the right information, choosing the right course for you, feeling properly supported or properly informed to make those decisions.

Rob Sturrock, The Smith Family, Sydney NSW, 29 October 2019

Once a post-school VET course has been successfully completed, the available data suggests it leads to good employment outcomes. The Student Outcomes Survey found that 81.9 per cent of VET graduates aged 18 to 19 years and 85.9 per cent of 20 to 24-year-old VET graduates were employed after training. While many may have been employed before or during their training, 55.3 per cent of 18 to 19 year-olds and 65.3 per cent of 20 to 24 year-old VET graduates reported improving their employment status after completion.

However the quality of VET training is patchy

Though VET outcomes can be good, the Commission heard that employers are not always happy with the skills and knowledge of VET graduates. Christine Hayes, Swinburne University, reported that:

We’re hearing from industries and employers that VET qualifications are not changing rapidly enough to keep up with industry, making the qualifications at best confusing, and at worst largely irrelevant.

Christine Hayes, Pathways and Vocational Education, Swinburne University of Technology, Dandenong VIC, 15 March 2019
This could be due to the slow and bureaucratic system for the accreditation of VET courses, which may have led to the focus on micro-credentials by The Skills Council. The Australian Industry Group has called for a more rapid uptake of micro-credentials. In contrast, the Australian Education Union expressed the view that:

Micro-credentials gathered from a series of short competency-based training activities are not equivalent in depth of learning to an accredited qualification. A rounded full qualification is the best way to pursue a vocational pathway.

Australian Education Union Submission, December 2019

In 2019, 235,800 young people were doing VET in Schools, and there were 17,100 school-based apprentices and trainees. The Looking to the Future report, which reviewed post-school pathways for the COAG Education Council, offers some detailed and helpful explanations of the options for VET in schools, and the challenges for many schools to ensure a quality VET learning experience. Among these reasons are that schools can struggle to resource and manage the delivery of a qualification with different teaching, learning and regulatory requirements than those for secondary education. This may be because schools need to outsource to registered training organisations the VET component of their programs. It can also be because schools struggle to get the employers and industry involvement that ensures relevant and adequate workplace exposure.

Despite all these concerns, there are ways that schools can and should consider how they can pursue more VET-oriented learning experiences, working more closely with the partners who have relevant experience and capacity.

VET providers should be more responsive to young learners’ needs

The Commission heard that the needs of students may have been forgotten in the push for greater industry focus. Piper Rodd, from Deakin University, said:

For too long TAFE, all of VET in Australia, have been driven primarily by industry rather than the needs of the students.

Piper Rodd, School of Education, Deakin University, Sunshine VIC, 26 March 2019

This could explain the poor completion rates for young learners. Only around half of the number of VET students complete their course.

Another issue is that VET courses focus on entry-level positions, meaning that the studies do not build a strong base for the learner. Ron Sturrock, The Smith Family, suggested:

The training itself can often be too narrowly focussed on singular entry-level positions rather than also giving a broader skill base they can take forward in their careers generally.

Rob Sturrock, The Smith Family, Sydney NSW, 29 October 2019

There is a clear need for VET courses to not only lead to immediate employment outcomes but also to meet the needs of students and VET graduates’ longer-term learning pathways and careers. Christine Hayes, Swinburne University of Technology, suggested that VET courses should be co-designed with industry and young people to improve outcomes.
VET-related fees and incentives need to be understood

The submission made by the National Council for Vocational Education Research reported that the upfront cost of VET courses is a contributing factor for young people not choosing VET. The Victorian Government’s introduction of free TAFE for selected courses in areas of employment growth has seen an increase in TAFE enrolments.25

Principles and priorities for a better system

The consistency of evidence to the Commission about the shortcomings of the Australian education and training systems informs these five proposed principles and priorities for a better system:

- Broadening definitions of success in secondary education beyond the Australian Tertiary Admissions Ranking (ATAR) score
- Recognising skills and learning other than the ATAR score
- Building in more real-world learning and engagement with workplaces to enhance education relevance and informed decision-making about further study and work
- Ensuring that mainstream secondary schools and VET providers should be more flexible and responsive to the needs and circumstances of diverse and sometimes struggling learners
- Starting career awareness and workplace exposure earlier, enhancing this with stronger school/industry links

Conclusion

The outcome of the overly narrow focus on the ATAR scores in secondary schooling is that it excludes many young people: in terms of its definitions of success and the knowledge and skills it values; the focus and design of curricula and subject studies; and the privileging of academic learning modes and more abstract forms of knowledge.

While academic studies are valuable, and can be made relevant to the world and to everyday life, there is far too little space in most secondary education settings for teaching and learning that prepares young people with the knowledge and skills that they value and keeps them learning and prepared for future life and the workforce. We can do better.
EMPLOYMENT AND UNEMPLOYMENT

I’ve been looking for paid work for three years now, no luck. So, no matter how much volunteering experience I have, … I have a RSA [Responsible Service of Alcohol certificate] and I have Food Handling safety [certificate] and a First Aid certificate, but for some reason those don’t rate with businesses who pay their employees.

Ridge, Youth Council, City of Salisbury, Adelaide SA, 16 June 2019

When the National Youth Commission Australia was launched in 2018, Australia held the record among the world’s most developed economies for the longest run of growth in Gross Domestic Product since 1991.¹ Yet that record of growth has not resulted in access to the employment opportunities young people need to get a start in life.

The unemployment rate for young people as a group has been consistently higher than for the labour force overall. This has been a chronic problem for three decades. Youth unemployment reached 20 per cent during the early 1990s and was struggling to recover when it spiked again during the Global Financial Crisis in 2008-2009. It then climbed steadily, peaking at 14.4 per cent in 2014.² Now, due to the COVID-19 pandemic, Australia faces its greatest job losses since the Great Depression. This current crisis reveals even more starkly the underlying labour market conditions that systematically put young people at a disadvantage as they try to get into paid work.

Youth unemployment has been chronic: COVID-19 makes it a crisis

The loss of jobs resulting from state-of-emergency declarations and lockdowns by governments around Australia due to COVID-19 is still being counted. In April, the Reserve Bank Governor likened the state of the economy to the 1930s Great Depression and predicted an unemployment rate of 10 per cent by June. Without the JobKeeper payment to keep people attached to their employers, the rate would have been higher. At July 2020, the temporary JobKeeper measure was estimated to be keeping an approximately 3.5 million more people from becoming unemployed.
In an early indication of the impact of the current downturn, in May 2020, the ABS reported a 16.1 per cent rate of unemployment for young people aged 15 to 24. This was more than double the overall 7.1 per cent unemployment rate. Even that figure under-reports the problem. If you add the number of young people who have dropped out of the labour force because they are no longer looking for work, the rate of youth unemployment would be closer to 26.5 per cent.

The percentage figures can limit our ability to comprehend the actual number of lives affected. In May 2020, there were 1.63 million young people employed, compared with 1.96 million in March 2020. That is around 330,000 young people were no longer working. Of these, 282,000 young people fell out of the labour force, discouraged from looking for work. Young people are bearing a disproportionate impact of the downturn: 40 per cent of the 835,000 jobs lost between March and May were lost by young people, even though they actually represent only 16.4 per cent of the available labour force.

It is still too early to count the full extent of damage to youth employment brought on by the COVID-19 crisis, but every indicator on the employment status of 15 to 24-year-olds is grim:

- significantly fewer young people employed
- fewer participating in the labour market
- future prospects poor in view of the greater impact of COVID-19 on industries typically employing young people – hospitality, food services, retail, tourism and the arts.

Young people need and value work

Though the employment data just cited show a disturbing trend towards young people giving up the search for work, this is in response to their chances of being successful and should not be confused with the value to them of getting into paid employment.

When we were recruiting our youth panel, I had the pleasure of interviewing probably about a hundred young people from across Greater Sydney. And without doubt I can tell you the number one issue they all talked about that they wanted fixed was employment: job opportunities for young people.

Meredith Jones, Greater Sydney Commission, Parramatta NSW, 4 November 2019

Many presentations at the Commission’s public hearings reported on the multiple benefits to young people beyond the income it generates for basics like housing and food. Work enhances personal development and social inclusion, preventing harms to self, such as isolation, lack of purpose in life, and mental illness.

A job is often seen as far more than just a pay cheque. Rather, it’s a place where they can find their new identity, their confidence, their self-worthiness and place in life.

Maria Golubovskaya, Business School, University of Queensland, Brisbane QLD, 24 September 2019

Our clients have reported that work provides that escape from their normal life and that at work they have purpose. Work has increased their confidence, self-worth and their desire to succeed.

Meghan McGregor, Junction Support Services, Wodonga VIC, 15 May 2019
It also prevents harms to community:

*We know that jobs build resilience and protection against a whole range of at-risk behaviours, not the least being offending behaviour.*

Karen Hart, Youth Junction, Sunshine VIC, 25 March 2019

The benefits of employment are greatest for those most at-risk of exclusion from paid work: young First Nations people; young people with disability; young people with caring responsibilities, or those who are homeless and without family support. Groups like these – who would benefit the most from the income, personal development and social connection that a job offers – are those who have the greatest difficulty in getting a job.

There is no shortage of good ideas about how best to support young people to find and keep jobs. Despite the limitations of existing youth programs and restricted access to complementary supports for young people to get and keep a job, and in particular affordable and secure housing and transport, the Commission was encouraged to hear about the impressive efforts of many individuals and organisations dedicated to working with young people at risk, and the ways that their lives can be turned around by the chance to succeed in employment.

**The labour market has changed**

*Centrelink wants the young people to go and find jobs, not just take Centrelink. I’m fine with that. I’m not against Centrelink, I’m not against the job providers. But it’s a bit of a pain. There’s not a lot of jobs out there.*

Yarra Youth Services Submission, November 2019

People presenting at the Commission’s public hearings told us that stable long-term employment opportunities for young people have been seriously eroding for many years – and that was before the economic impacts of COVID-19. Over time, the youth labour market has been characterised by high unemployment, falling full-time employment, increasing rates of part-time and casual employment, and low wages. Even young people with vocational training qualifications and university degrees have struggled to get into secure jobs.

**Part-time employment is overtaking full-time employment opportunities**

Full-time employment for young people has been in decline since the 1980s, while part-time employment continues to rise. Since 2013, more young people are employed part-time than are engaged in full-time employment. Though the rise in part-time employment can partly be attributed to the preferences of young people as they increase their participation in education and training, many young people employed part-time want more hours of work. At February 2020, of the 1,088,000 young people employed part-time, 406,000 or 37.3 per cent of them were underemployed, wanting more hours of work than they had.

**Employment options and choices for young people are becoming increasingly limited**

Llewellyn Reynders, Victorian Council of Social Service, told the Commission:

*... young people are struggling to find secure full-time jobs and are more likely to be taking whatever position that they can get in order to pay the rent and that is likely, more likely than in the past, to be in a low paid, part-time position. This trend towards greater part-time employment means for* many young Victorians they’re unable to meet basic living costs and housing costs or gain the experiences and skills they will need for the future and to get a full-time position.

Llewellyn Reynders, Victorian Council of Social Service, Melbourne VIC, 6 March 2019
Casual employment poses a series of risks for young people

People employed on casual contracts are in a precarious situation, without guaranteed hours, variable income from week to week, or holiday pay or sick pay to draw on when they aren’t working. Their employment can end without notice.

The Commission heard numerous reports of young people struggling to keep their heads above water due to the casual nature of their employment. The story of Tate is a typical example:

Despite having a great resumé with lots of training, it took me four months of looking to find a job. It was underpaid. I wasn’t paid for my trial and there was a severe lack of communication. I kept hopping from café, hospitality jobs, which were all very familiar. I became appalled at Melbourne’s hospitality scene. Casuals are not valued highly enough or even paid the minimum wage.

Oxygen Youth Committee, Moreland Council, Sunshine, 26 March 2019

Gig employment is also precarious

In addition to casual employment, some young people are considered to be self-employed as freelancers, contractors or sole traders. This type of work is often referred to as ‘gig’ work, and it has been growing, as digital platforms such as Airtasker and Uber become more common. Some people find the gig economy supports the freedom they need to choose what work they will take on and when. For many others the gig economy represents the only available option they have to earn money, though at pay levels and working conditions that are often grossly inadequate.

At worst, gig platforms represent a system by which people voluntarily compete to undercut their own rates of payment, taking them well below Awards. The Work Industry Futures Research Program, Queensland University of Technology reported to the Commission that platform work is precarious because:

… it has low income security, minimal worker entitlements, a lack of superannuation contributions and few opportunities for career development. Furthermore, rates of pay for digital platform work may represent a significant underpayment compared to minimum employment standards.

Work Industry Futures Research Program Queensland University of Technology Submission, November 2019

Related impacts of insecure employment

Other than resulting in fluctuating and inadequate income, casual employment and gig work have longer term consequences, leaving young people vulnerable to insecure housing or compromised health outcomes, including mental illness. These kinds of diverse and related consequences were reiterated through the testimony presented to the Commission. John Thompson, Anglicare WA, noted that:

The lack of stability and security with casual employment makes it difficult for young people to save money, to budget effectively, and also to plan ahead for their future when they have no guarantee of income from week to week, or access to basic employment rights like sick leave.

John Thompson, Anglicare WA, Perth WA, 13 August 2019

Young people who are already disadvantaged in some way are more likely to be in insecure work. Llewellyn Reynders, reflecting the experience of member organisations of the Victorian Council of Social Service, informed the Commission that:

People who face multiple disadvantages are more likely to experience this [casual] work, including
young people, Aboriginal people, people with
disability, single parents, older people, women,
people with low levels of education, people from
culturally and linguistically diverse backgrounds,
migrants and people living in rural, regional and
outer suburban areas.

Llewellyn Reynders, Victorian Council of Social Service,
Melbourne VIC, March 2019

This further entrenches the poverty and disadvantage
often experienced by these groups. As Tim Corney,
Victoria University, said:

Casualisation has the greatest impact on the
weakest labour market participants, the young
without doubt and in particular young women
concentrated in the lowest skilled occupations.

Tim Corney, Victoria University, Sunshine VIC, 25 March 2019

No experience means no job, continuing a
vicious cycle

Back in the 70s and maybe 60s, we weren’t
expected to have experience. You left school at
16, you walked into a full-time job and that was it.
That’s not the case any more.

Jenny Chesters, Youth Research Centre, University of
Melbourne, Melbourne VIC, 6 March 2019

The Commission received widespread reports about
the scarcity of entry-level job vacancies for young
people, a situation that will worsen as a result of the
COVID-19 downturn. Even when they advertise entry-
level jobs, employers are seeking people who already
have work experience. Analysis by Anglicare Australia
in 2019 found that people with the most barriers to
employment also face the greatest competition for
work, and that for every low-skill, entry-level position
advertised, over five people will be competing for
the position – usually people without qualifications or
experience.10

The Unemployed Workers Union put the overall
ratio of unemployed people to vacancies at 15 to 1,
using ABS data on underemployment and ‘hidden’
unemployment, and Department of Employment job
vacancy data.11

Jackie McKenzie, Youth Action, pointed out young
people’s limited chances of getting a job without
experience:

…we’ve seen one million jobs created in the last
five years, and at the same time, we’ve seen the
youth unemployment rate grow across the same
period. So, job creation in Australia does not equal
job outcomes for young people. And we know
that one in three young people are unemployed or
underemployed, and we know that less than one
per cent of jobs are advertised with no experience
necessary.

Jackie McKenzie, Youth Action, Sydney NSW, 30 October 2019

Young people told the Commission that many
employers expected to employ experienced workers for
what could be considered as entry-level positions, and
the high expectations of employers made it impossible
for them to get a foothold in the labour market. Young
clients of Brophy Family and Youth Services’ Transition
to Work program eloquently explained their dilemma:

… every job wants you to have experience, but you
can’t get any experience until you get a job! How
can you break into this cycle?

Brophy Family and Youth Services Submission, November 2019
The rare employer willing to give someone ago is deeply appreciated

... an employer who will 'give you a go' ... I was so lucky I found a job where the boss was willing to give me a chance, then I got to prove myself to them!

Brophy Family and Youth Services Submission, November 2019

Even with university qualifications, young people find it hard to move into a job in their chosen career area and begin to establish their career path. One young graduate, Lily, told the Commission of her difficulty breaking into a job after university without experience:

I lost track of the amount of applications I wrote and I poured every piece of information I knew into the applications trying in vain to manipulate my extensive academic knowledge into practical examples, which I didn’t have. All whilst working up to 40 hours a week in my hospitality job.

Oxygen Youth Committee, Moreland Council, Sunshine VIC, 26 March 2019

Lily’s story also highlights a cascading problem for more inexperienced young people coming up behind her. If young people like Lily can’t move on into graduate-level jobs, it means they will hang on to the entry-level jobs they took on while studying. This in turn limits opportunities for inexperienced or unqualified young people.

Young workers’ rights need better protection

Throughout the Inquiry, the Commission heard from many young people and support services about the underpayment of young workers. It is more bluntly called ‘wage theft’, and though illegal, it is disturbingly widespread among small and large employers. Young people do not always have the confidence or the capacity to challenge this practice.

In 2016, the Young Workers Centre surveyed 1028 young Victorian workers aged 15-30 years and found that:

- 20 per cent of workers were paid less than the legal minimum wage
- 75 per cent were working evenings, nights, or weekends, but less than half of these were being paid penalty rates
- 20 per cent were not paid for undertaking a job trial
- 50 per cent worked early or late without payment.

One young woman, Rebecca, told the Commission about her first job:

My first job I landed was in 2017, at a local pizza bar, which is a great chance to experience a busy environment. Learnt the ropes quickly. However, I was very below the minimum wage, and they would only pay me cash in hand.

Rebecca, Youth Council, City of Salisbury, Adelaide SA, 16 June 2019

Young people are frequently unaware of their rights as employees

I didn’t know it was illegal. I didn’t have that prior knowledge or experience.

Rebecca, Youth Council, City of Salisbury, Adelaide SA, 16 June 2019

Even when told of their rights, some young people will not raise the issue with their employer for fear of being dismissed. Brett Edgington, from the Ballarat Regional Trades and Labour Council, related the story of one young woman who was paid $8.00 per hour, without penalty rates or superannuation. On being informed by him of her entitlements, her response was:
I can go to the boss and I can tell the boss that I’m not getting paid properly and the boss would sack me straight away, and there is a line of people out the door that would walk in and accept the $8.00 per hour job.

Brett Edgington, Ballarat Regional Trades and Labour Council, Ballarat VIC, 24 June 2019

While the practice of underpaying workers is widespread, employers argue that the blame lies with a complex and cumbersome award system. The Commission heard from employer bodies about the difficulties of navigating the award system, resulting in underpayments of workers. For example, Jodie Gillett, Commerce Ballarat, told the Commission of the complexity of awards in the hospitality industry:

...some hospitality businesses can be dealing with over one hundred different rates of pay within one weekend in their business.

Jodie Gillett, Commerce Ballarat, Ballarat VIC, 25 June 2019

Some simple remedies could ensure that young workers are paid their proper entitlements. They are:

- Informing young people of their rights
- supporting small businesses to understand their responsibilities under the awards
- enforcing more strongly and effectively employers’ adherence to award rates and conditions
- stronger penalties for deliberately underpaying workers.

**Employment programs for young people are not fit-for-purpose**

The main employment services program funded by the Commonwealth Government, Jobactive, is not fit for purpose, according to almost everyone who provided evidence to the Commission. They describe the Jobactive system as bureaucratic, standardised and ineffective. Their main criticism is that it has become a compliance program to ensure jobseekers meet often meaningless and unproductive activity requirements for income support, rather than a program to assist people to develop skills and find sustainable employment.

While changes to Jobactive are expected and some piloting of reforms is under way, a more fundamental re-purposing of employment programs is needed.

The Commonwealth Government’s mutual obligation policies mean that the Jobactive program requires income support recipients to undertake activities as a condition of getting their income support payments, even when those activities are not effective in getting young people into work. Charlotte Newbold, Victorian Council of Social Service, told the Commission:

Jobactive requires people to rigidly apply for 20 jobs a month, even in places where there are a few jobs. People end up applying for jobs that they aren’t qualified for, which means the business is swamped with applications for people that aren’t actually suitable for the role.

Charlotte Newbold, Victorian Council of Social Service, Melbourne VIC, 6 March 2019

Paul Costigan from Matchworks pointed out that forced job search is unlikely to get results:

So, automatically there’s this sort of compliance driven, rigidly enforced process. And often what they’re doing just to meet those requirements, is not really effective job search.

Paul Costigan, Matchworks, Bendigo VIC, 27 June 2019

One of the features claimed for the new outsourced employment services system, when it was introduced in the mid-1990s, was personalised service, tailored to meet the needs of each individual jobseeker. Throughout the public hearings, the Commission heard that Jobactive is a ‘one-size-fits-all’ service that does not suit the individual needs of the diverse cohort of young unemployed people.

Each unemployed young person faces their own set of barriers to employment, so a realistic and achievable employment and training plan for each individual jobseeker is essential. Paul Costigan told the Commission:

Better recognition of the special needs of some of this cohort and more personalised services - which ultimately means more training - and from that, hopefully more job opportunities to give them that opportunity to get away from relying on the benefit system.

Paul Costigan, Matchworks, Bendigo VIC, 27 June 2019
The ‘best form of welfare is a job’ has been the mantra of successive governments for the past 20 years. Hence, the focus of Jobactive providers has been to get an unemployed young person any job, not a job in which the young person might succeed. Young people in particular need employment services that offer meaningful career advice, local labour market information, and a training and employment plan that not only leads to a placement but a pathway to secure meaningful work and the opportunity to progress.

Alex Chee, Launceston City Mission, spoke of the risks and consequences for young people cycling through short periods of employment:

[Jobactive] gets people a job, sometimes. It doesn’t get them a vocation, which is actually not sustainable employment because if you get a young person into a job and a couple of months down the track, they hate it and the motivation isn’t there, they’re going to find a way out or you’ll see issues with performance and they’ll be fired...

Alex Chee, Launceston City Mission, Launceston TAS, 5 June 2019

Some features of the Transition to Work program and the Individual Placement and Support program, for young people with mental illness, signpost better ways to achieve more successful and longer-term outcomes than can be achieved through the Jobactive system. These are only two examples of the many programs the Commission learned about, and their principal features are distilled later in this section.

A growing body of evidence shows that young people are more responsive and get better outcomes from positive encouragement through voluntary programs rather than forced and prescribed forms of activity such as job search or Work for the Dole. The Individual Placement and Support program is voluntary for participants, but Transition to Work is only voluntary in the sense that if a young person chooses not to participate, they are referred to Jobactive.

Gina Chinnery, from Orygen, the National Centre of Excellence in Youth Mental Health, told the Commission that the voluntary nature of the Individual Placement and Support program enabled young people with poor mental health to determine their own capacity and get the flexible support they need:

The jobs in this program are matched to what the young person wants... ‘I just want a job for three hours a week, that’s all I can manage at the moment’. And then we can build up from there.

Gina Chinnery, Orygen, the National Centre of Excellence in Youth Mental Health Sunshine VIC, 25 March 2019

These kinds of programs are more resource intensive than Jobactive. They have smaller caseloads and involve more intensive support. Angela Randall, from CVGT Australia, described Transition To Work as having a heavy employment focus but the first priority was to ensure that the challenges young people face are addressed through effective case management:

First and foremost, focus on the holistic case management of that young person and getting a good foundation to make sure they are ready to go into the employment space.

Angela Randall, CVGT Australia, Echuca VIC, 13 May 2019

Some young people, as Dianne Finch, from Access Australia Group, pointed out, are dealing with a lot of problems that need to be addressed simultaneously:

Finding work isn’t the biggest problem. It’s their current world. Unfortunately, most of them have bigger issues, things like troubled and abusive homes, drug and alcohol, homelessness, financial instability. We do our best to work with these
issues because we all know that if we are stable, employment becomes stable and an option - or education.

Dianne Finch, Access Australia Group, Bendigo VIC, 26 June 2019

Programs are more successful when they can offer practical workplace and industry exposure, and work experience. Paid work experience is much more motivating, and more like a real employer-employee relationship than unpaid work placements in programs like Work for the Dole and Youth Jobs Path.

Another factor of sustained employment for young people is longer-term post-employment support, to overcome any difficulties in the early period of employment and ensure the ongoing success of the placement. This means working with the employer in a meaningful way as well as with the young person. For example, to prepare the employer to understand and be equipped to deal with the challenges being faced by the young people they take on, such as their mental illness, or impediments due to disability, or the impacts of family breakdown or trauma that a young person might have experienced.

The Commission heard some inspiring and heartening examples of how well young people could respond, learn and grow, shown some patience and kindness in the workplace, scaffolded with good communication all round.

Redesigning employment services for young people should incorporate these important features:

- Voluntary participation
- Low caseloads
- Intensive and personalised supports
- Practical and relevant training and work experience
- Support to ensure work capacity through access to meet needs for housing, transport, papers/certifications required, and the management of debt/fines
- Post-employment support

**Transition to Work** provides young people aged 15-24 intensive, pre-employment support to improve the work-readiness of young people and help them into work, including apprenticeships and traineeships or education.

The **Individual Placement and Support** program integrates employment and vocational services with clinical mental health and non-vocational support. It focuses on the individual needs of young people with mental illness who are seeking to enter, or remain in, education and/or employment.

**Why a commitment to youth jobs is so important**

Even before the COVID-19 crisis, the Commission formed a picture of a generation of young people who were underemployed, underutilised and increasingly despairing about their future prospects. The currently unfolding health and social crises both in Australia and overseas are a stark reminder of the consequences of people being left behind and excluded.

Young people in particular are at risk: not only of unemployment and insecure income. Without employment they risk losing the related benefits of social integration, mental health, and the ability to maintain housing and manage the further education debt they incurred in the belief it would take them into work. Young people are at risk of losing hope.
In a hearing in Penrith, Ian Palmer, the CEO of the Schools Industry Partnership, talked about the value of getting young people to think early about their careers and job options. This statement might equally have been prescient for the current moment:

Do we really have to wait until they are so deep in mire that we then try to remediate? It’s like waiting for all the horses to run away and then trying to round them up again. It doesn’t make sense.

Ian Palmer, Schools Industry Partnership, Penrith NSW, 11 November 2019

As the economy emerges from the enforced recession caused by the COVID-19 shutdown, and Australian governments are considering investments in recovery, we have a prime opportunity to invest in young people. This is the generation who stand to benefit the most, and make the biggest contribution back to society, by starting long and productive lives in work that sustains and rewards them.

So, there is not and never has been any shortage of work to be done. There is a shortage of a thing called a job.

Charles Brass, Futures Foundation, Melbourne VIC, 6 March 2019

Social procurement can go beyond infrastructure construction. Australian governments pay for services provided by for-profit businesses and not-for-profit community services. A proportion of this funding could be used to employ apprentices and trainees in a similar manner to the Victorian Government’s Major Projects Skills Guarantee.

Governments can directly employ young people in the public service. The Commonwealth Government has a graduate recruitment program that could be expanded. State, territory and local governments could also expand graduate employment. Services provided by state, territory and local governments could employ trainees or recent VET completers.

Governments need to develop industry policies that capitalise on emerging new industries and maximise opportunities for young people. Anticipated growth in the fields of renewable energy, robotics and artificial intelligence present the opportunity to develop entry-level jobs that particularly target young people. Other industries can generate unique opportunities for young people; these include the construction industry and the re-emerging manufacturing sector in some parts of Australia. However, for these opportunities to be realised, industry needs to be strongly encouraged and, in some instances, mandated to provide employment for young people.

Finally, intermediate labour market programs are used to link vulnerable young people to the labour market. These have been used to employ vulnerable people in temporary work at proper rates of pay. The work is often of community or environmental benefit that would otherwise not occur.

**Principles and priorities for a better system**

Governments across Australia can work with business and communities to create and promote employment for young people through these priorities and principles:

- Investing in jobs to provide the infrastructure and core services needed to ensure the safety and wellbeing of the country’s people: affordable housing; land and environment care; health and social care; food security; community transport
• Funding wage subsidies that can be applied flexibly in response to local economic conditions and emerging areas of industry growth, and/or to intermediate labour market programs
• Committing to employ young people in government jobs, setting an example for the business and not for profit sector
• Ensuring that government procurement policies for all services - ranging from infrastructure projects to human services - incorporate social procurement clauses that require suppliers to guarantee jobs and apprenticeship/traineeship opportunities for young people
• Considering incentives and further options to encourage companies to employ young people and report on progress
• Ensuring that young people on income support are not subject to mutual obligations like arbitrary job search, under the threat of sanctions, which will represent a mental health hazard in a worsened labour market
• Supporting and recognising learning as a legitimate outcome for young people on income support, while avoiding training churn that arises from compulsory mutual obligations and a competitive VET provider market

Conclusion
Young people deserve a future they can look forward to. Having a job not only provides the income to sustain a life young people have reason to value, it also creates networks of colleagues and friends; contributes to a sense of meaning and purpose and provides opportunities for achievement and fulfilment. It is time to ensure that Australia’s young people get a better start in life, for the good of everyone.
Australia’s social security system is meant to support people of working age by creating pathways to employment and incentivising people to take up work as it is available. The evidence to the National Youth Commission Australia suggests that the social security system provides neither security, effective pathways to employment, nor appropriate incentives to take up available work.

Australia’s current income support system is designed for a time when most jobs for young people were full-time and the costs of education were largely met by government. However, young people today relying on income support payments are under significant financial stress. Rates of payment fall well short of what is needed to meet the costs of daily living, particularly for those who must live away from home or who have no parental support. The high cost of housing is forcing students and unemployed young people into poverty, compromising education and employment outcomes, physical and mental health.

Repeated themes in the evidence presented to the Commission were the inadequacy, complexity and rigidity of income support for young people, and the poor incentives to take up available work or continue education. Most advice to the Commission about the design and application of income test rules for youth income support centred on its inability to support young people who move in and out of work in what is a highly precarious youth labour market. Along with that, the Commission was presented with substantial evidence about the difficulties young people experience in accessing what is a complex service system.

**Income support payment categories and amounts**

In May 2020, over 547,000 young people under the age of 25 were receiving income support payments, up 77 per cent from December 2019. Around 30 per cent of recipients are under 22 years of age. Youth Allowance has been the main income support payment for young Australians since 1998. It is available to full-time students or apprentices aged 16-24.
Youth Allowance (other) is for young people aged 16-21 who are looking for work or undertaking approved activities. People aged 22 to 24 who are unemployed, sick or injured can apply for JobSeeker Payment (formerly known as Newstart). Older full-time students or apprentices can apply for Austudy. First Nations students can apply for ABSTUDY with similar rates and conditions to Youth Allowance and Austudy.

Younger Youth Allowance recipients under 18 years without dependent children are usually paid at an ‘at home’ rate of $253.90 per fortnight or an ‘away from home’ rate of $462.50 per fortnight for those approved to live away from home, or who have a partner. Those aged 18 or more are paid higher rates ($304.60 at home, and $462.50 away from home). There are supplementary payments for people in private rental housing, or who have dependent children, or have been assessed as having a partial capacity for work because of disability. A single JobSeeker recipient aged 22 to 24 years is paid $565.70 per fortnight. Even with supplementary payments, the young person’s income will fall well below the Henderson Poverty Line of $1,059.50 per fortnight.

Young people can depend on income support for a long time

The average time young people spend on Youth Allowance (other than those who are full-time students) is 17 months; for JobSeeker Payments it is 3 years. Only 62 out of every 100 young people granted JobSeeker Payment (formerly Newstart) and Youth Allowance (other) leave income support within 12 months. This means that only a little over a third of the JobSeeker recipients will be able find secure, long-term employment that allows them to remove themselves from the income support system.

Youth Allowance and JobSeeker Payment were originally designed to support people during short periods of unemployment between long periods of full-time work, but in the current labour market context, unemployment is no longer a short, temporary interlude between full-time jobs. Pre-COVID-19, half of the people on Youth Allowance (other than full-time students) were on payment for more than a year. The average Newstart recipient receives payments for around three years, and 15 per cent of recipients have been on payments for five years or more.

Income support payments are too low

The current rates of payment do not provide even a basic standard of living for young people over these longer time periods. That longer period on inadequate payment represents higher risks in terms of getting into debt, poorer health due to inadequate health care and nutritious food, and reduced opportunities to participate in social and other activities like sport. Inevitably there are consequences for mental health and wellbeing.

The Commission heard repeatedly from presenters that income support payment rates for young people are simply too low to meet the costs of daily living and job search or study, unless young people live at home or have substantial support from their parents support. The maximum rate of JobSeeker payment for a single adult is $277.85 per week, but the UNSW Social
Policy Research Centre has estimated the average minimum cost of basic essentials in Australia for a single unemployed person to be $434 per week. After accommodation expenses, the average JobSeeker recipient has just $17 a day to cover food, utilities, transport, medical costs and all other expenses:

...for those young people who can’t live with their families, existing on Newstart® and Youth Allowance is extreme poverty and is really forcing young people to live in quite precarious situations as the only way they can survive.

Kym Goodes, Tasmanian Council of Social Service, Hobart TAS, 4 June 2019

...the welfare payments are so low ... If you can’t live at home with mum or dad you’ve got to survive on $220 a week. It’s below the poverty line, so these young people are just trapped in a cycle of poverty trying to figure out how they’re going to get their next meal, let alone having the clothes and the confidence and willingness to go out there ... and put their best foot forward in job interviews.

Carly Watt, Youth Off the Streets, Liverpool NSW, 14 November 2019

Youth Allowance is $302.15 a week below the Henderson poverty line ($529.75 a week)

Greg Marston, Zoe Staines and Peter Holtum, School of Social Sciences, University of Queensland Submission, November 2019

Levels of payment increase poverty and disadvantage

A message repeated frequently to the Commission was that inadequate income support has led to poverty, entrenched disadvantage and poor physical and mental health for many young people. Some providers of services observed that young people felt they were backed into a corner financially and had to resort to illegal activities to survive. Young parents and young people with disabilities or chronic illness face particular challenges in managing the costs of daily living:

... [they] struggle to afford basic necessities like baby formula, toilet paper, and sanitary pads, and also things like to cover doctors, medication. Especially if they are wanting to apply for the Disability Support Pension at some point, they need really good medical evidence to do that, [yet] the ability for them to be able to do that

Louise Cornish, Colony 47, Hobart TAS, 4 June 2019

Parents who are on income support can fear losing their own income support or payment supplements if their child were to get Youth Allowance or JobSeeker Payment themselves, or to make income from paid work:

...sometimes the parents are the biggest problem because they are actively working against the young people being successful, and sometimes it’s tied into finances because if they’re on a carer’s pension and things like that, that has an impact. And some parents, it wouldn’t be wrong to say, they probably come from poverty backgrounds and trauma themselves

Darren McGhee, The Salvation Army, Brisbane QLD, 24 September 2019

Not all young people who live at home are guaranteed to get adequate support from their parents. ‘Lily’ moved to Tasmania to live with her mother and the mother’s boyfriend, but the environment exposed her to drugs and domestic violence:

Due to lack of family support, and not being on an income, ‘Lily’ started to struggle to get to school, as she could not afford a bus ticket and her mother had stopped driving her to school. This became one of the first barriers ‘Lily’ experienced accessing the education system.

Louise Cornish, Colony 47, Hobart TAS, 4 June 2019
is quite difficult if they don’t have the financial means to pay for some of those consultations or appointments.

Louise St Guillaume, The Whitlam Institute, Sydney NSW, 29 October 2019

While pension payments have been indexed to average weekly earnings since 1997, JobSeeker Payment and Youth Allowance continue to be indexed to the consumer price index, which is considerably lower. As a result, payments to young people have slipped further and further below broad community living standards. Low payment rates and restrictive conditions around rent assistance for young people sharing accommodation pose real difficulties for young people.

… when they’re just trying to figure out where they’re going to sleep tonight, how they’re going to pay their bills. Do they even have a phone? Can they pay for phone credit which you need? How do they pay for transport which is expensive? You add all those things up and it’s not long before that $220 is gone.

Carly Watt, Youth Off the Streets, Liverpool NSW, 14 November 2019

Payments are not enough to support job search or education

Significant financial hardship compromises the ability of young people to attend and benefit from education, or to look for paid work:

… the first place we would obviously start is the woefully low Newstart Allowance and Youth Allowance … They are so low that they stop unemployed people from finding work. People cannot afford to pay the rent, they can’t feed themselves, let alone pay for the transport in order to attend a job interview and sustain that employment.

Charlotte Newbold, Victorian Council of Social Service, Melbourne VIC, 6 March 2019

… these clients are purely focused on meeting their immediate and day-to-day needs. And if they can’t meet these day-to-day needs, how can we expect them to flourish in studying and working environments?

Madeline Sirris, St Vincent de Paul Society, Liverpool NSW, 13 November 2019

Toby Stoddart, Coordinator of the Reconnect and Step Up Programs at Colony 47, told the Commission about how ‘Caitlin’:

… needed to apply for a Centrelink payment in order to support herself. Her focus was now on surviving, and not attending school. ‘Caitlin’ spent her days working out where she was going to stay that night and could not pay attention to attending school. When she was granted a Centrelink payment, she was required to attend school as part of that payment, and she found that really difficult as she had no stable accommodation, and day-to-day she didn’t know where she was going to stay.

Toby Stoddart, Colony 47, Hobart TAS, 4 June 2019

Desiree Cai drew the Commission’s attention to a student finances survey by Universities Australia. It showed that 58 per cent of students were concerned about their finances and 54 per cent of independent students said that their work and finances negatively affect their university performance. Jemille McKenzie described her experience of trying to balance work and study at the same time as incurring a Centrelink debt under the now discredited income averaging system:

So, I was trying to pay back my Youth Allowance while going for an appeal, while working three jobs and… trying to also do honours year of university. Which as you can imagine, didn’t work out too well … And so, I was sick, working three jobs,

studying honours, and basically pushing myself into the ground for the sake of making sure that I had employment and I could still do my university studies.


Jobactive providers could do more to help with costs of job search

Evidence presented to the Inquiry frequently pointed out that the income support payments are too low to enable young people to cover the costs of daily living and as well as compulsory job search or other participation requirements. Jobactive providers are supposed to have access to a flexible pool of funds from which they can purchase goods and services to help unemployed young people into work (such as training, professional services, and interpreter services). The Employment Fund can also be used by providers to help with costs associated with looking for work, such as clothing and presentation, transport and communication costs. However, the Commission heard evidence that some young people are not getting the help they needed with these extra costs:

…some people are so highly disadvantaged that they can’t afford the clothing to go to an interview. They can’t afford to get a food handler’s certificate or something for one of those for now jobs.

Colleen Travers, Headspace, Bendigo VIC, 26 June 2019

…Job Network providers [now called Jobactive] are inconsistent with what they will and will not resource, for example, RSA [Responsible Service of Alcohol], driver’s licence and uniforms.

Zoe Iveson, Perth Inner City Youth Service, Perth WA, 13 August 2019

The cost of transport gets in the way of effective job search, and not only for young people living in regional areas. Organisations providing emergency relief said they are being asked to help young people with the costs of job search, when those are supposed to be covered by Jobactive providers.

Today’s job market no longer offers stability and economic security for young people

Much of the evidence put to the Commission highlighted the ways that the income support and employment services systems are blind to the reality of the modern labour market. In a youth labour market where many jobs are precarious and growth in part-time work has outstripped growth in full-time work, it is not surprising that many young workers struggle to support themselves.

A youth services provider described the challenge faced by a young woman assessed as having a partial capacity for work and a part-time casual job that fell short of her ‘assessed capacity’ for the work she could do:

Centrelink had assessed her as having the work capacity to work 25 hours a week. She was only averaging 20 hours with the retailer. Of course, the issue with working in casual workforce is it’s not regular hours. So her weeks fluctuated but she still had rent and bills to pay. She still wanted to stay connected to Centrelink because there may be weeks when you don’t get paid enough to pay the bills and you need that additional supplement. In order to keep getting that supplement they said actually you need to work 25 hours a week, you need to keep attending your Jobactive appointments, in addition to her work and everything else, and you need to find a job for 25 hours a week.

Carly Watt, Youth Off the Streets, Liverpool NSW, 14 November 2019

Reliance on insecure short-term contracts and part-
time work makes it tough for young people to establish a career and become financially secure, and assistance from employment services programs is limited. In the four years since Jobactive was introduced in 2015, only 30.6 per cent of all job placements lasted more than six months.11

The reality is that it is becoming harder and harder for young people to find a job that will allow them to exit income support for good:

The system should be flexible enough to incentivise employment, and to continue to provide an income safety net during periods of short-term contracts and casual work, ceasing or reducing only once a transition to stable part-time or full-time employment is achieved.

Ali Faraj, Greater Western Sydney Giants, Parramatta NSW, 4 November 2019

The income support system should do more to reward paid work

The Commission received a great deal of evidence about how the income test for youth income support payments reduces incentives to work. The income test is applied to work out the amount of Youth Allowance or JobSeeker Payment, depending on how much a person earns in each fortnightly reporting period. The income test is targeted, meaning that different groups (such as full-time students, or parents) have different rates of payment reduction applied when they earn money from paid work. These rates of reduction to income support payments are called ‘taper rates’. They vary for different types of payment, and reduce incentives to work, particularly for people on Youth Allowance.

This table shows how the amount of payments are reduced according to fortnightly earnings.

All amounts are **per fortnight** for a single person living away from home

<table>
<thead>
<tr>
<th>Fortnightly payment from Centrelink if there are no earnings from work</th>
<th>INCOME TEST RULES</th>
<th>No reduction to payment if earning up to these amounts. This is called the ‘free area’</th>
<th>50 cents reduction for each extra dollar earned</th>
<th>60 cents reduction for each extra dollar earned</th>
<th>Centrelink payment cuts out altogether once earnings reach this amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth Allowance (full time students)</td>
<td>$462 (16 to 21 years old) $561 (22-24 years old)</td>
<td>How much young people can earn before payment is reduced or cancelled depends on the payment type</td>
<td>$437</td>
<td>After $437 and up to $524, payment is reduced by 50 cents per dollar</td>
<td>After $524, payment is reduced by 60 cents per dollar</td>
</tr>
<tr>
<td>Youth Allowance (other), that is, looking for work</td>
<td>$462 (16-21 years old)</td>
<td></td>
<td>$143</td>
<td>After $143 and up to $250, payment is reduced by 50 cents per dollar</td>
<td>After $250, payment is reduced by 60 cents per dollar</td>
</tr>
<tr>
<td>JobSeeker Allowance (looking for work)</td>
<td>$565 (22-24 years old)</td>
<td></td>
<td>$104</td>
<td>After $143 and up to $254, payment is reduced by 50 cents per dollar</td>
<td>After $254, payment is reduced by 60 cents per dollar</td>
</tr>
<tr>
<td>JobSeeker Payment for single parents looking for work</td>
<td>$612 (22-24 years old)</td>
<td></td>
<td>$104</td>
<td>After $143 and up to $254, payment is reduced by 40 cents per dollar</td>
<td>After $254, payment is reduced by 60 cents per dollar</td>
</tr>
</tbody>
</table>

The precarious nature of the youth labour market means shorter-term jobs and more unpredictable hours. Those typical terms of employment combine with the income test rules, as shown above, to create further uncertainty among young people about the impact of any earned income on payment rates, which can be changed fortnightly and in ways that are not well understood because of the complexity of the rules. Added to that uncertainty is the different treatment of different groups. As the table shows, young people who are not full-time students are subject to steeper payment reductions as they earn more, even though they are required to look for work as a condition of getting their Youth Allowance (other) or JobSeeker Payment. This does not add up to a good incentive to work.

The Working Credit is intended to give a financial incentive for people on income support to take up paid work, by allowing people on Youth Allowance and JobSeeker Payment to add up and keep unused fortnightly ‘free area’ amounts when they first start earning (see table). That creates a Working Credit balance, up to a maximum of $3,500 for those on
Youth Allowance, and $1,000 for those on JobSeeker Payment. There is a similar arrangement for students, called Income Bank, which allows full-time students on Youth Allowance, Austudy and ABSTUDY to accrue up to $10,900, and an apprentice up to $1,000.

However, the Working Credit is complex, which reduces its effectiveness as an incentive to take up available jobs:

Some [new graduates] don’t understand ‘working credits’ or the systems and processes. It’s too complicated for their needs at the time and over exposure is too vast and they get lost again.

Daneka Easthope Submission, October 2019

A further disincentive to going off income support payments altogether is the waiting period – and sometimes delays – in re-qualifying for payment and getting it started again if a job falls through after 12 weeks. There can be lengthy delays before income support can be restarted. The standard of timeliness for Centrelink to process Youth Allowance claims (other than those for full-time students) is that 70 per cent will be decided in 21 days, but even this low standard was not met in 2018-19.12 Given this, it is not hard to understand how the risk of being without income for three or four weeks - or longer - creates a serious disincentive to taking up a job that may not last, as John Thompson noted:

Some young people have found themselves in situations where they’ve gained casual or short-term contract work, and payments and rent assistance have been cut off, as they’ve been earning too much, only for that employment opportunity to end a few weeks later.

John Thompson, Anglicare WA, Perth WA, 13 August 2019

In the pre-COVID-19 context, only around 17 per cent of people on JobSeeker and Youth Allowance (other than full-time students) were reporting earnings in any fortnight. This can be compared with 38 per cent of students (including apprentices) on Youth Allowance who reported earnings. This indicates how much the income test can work to hold back young people not in full-time study from working. It shows how the more generous fortnightly income free area of $437 per fortnight for students, along with their more generous Income Bank, is a greater incentive to earn.

The loss of up to 60 cents in income support payment for each extra dollar of income earned is a higher rate than would be taken back from a higher-income person. Someone on $180,000 a year only loses 45 cents in taxation from each extra dollar they earn. An alternative approach to improving the returns from work was proposed by Ben Spies-Butcher, Macquarie University:

…could we change the taper rates in Youth Allowance so that we don’t apply a rate that’s higher than with the combined effects of the taper rate and taxation. We don’t apply a taper rate that is higher than the rates paid by higher income earners.

Ben Spies-Butcher, Department of Sociology, Macquarie University, Sydney NSW, 30 October 2019

Many young people struggle to access Centrelink and employment services

Accessing Centrelink and employment services is problematic for many young people, especially those who are homeless or who have been in State care. Without identification documents such as birth certificates, driver’s licences, or tax file numbers, a young person’s attempt to claim falters at the first hurdle:
A lot of our young people don’t even have identification. They don’t have birth certificates. They’ve gone from placement to placement or they’re living just with friends and couch surfing … They don’t have bank accounts.

Tahnee Ledgerwood, Anglicare QLD, Brisbane QLD, 23 September 2019

Several people observed that Centrelink and the state child protection departments should work together to make it more straightforward for young people to access Centrelink payments. More social workers at Centrelink, it was suggested, should be available to help young people navigate the system.

People under 25 are often referred to as the ‘digital generation’ but not all young people fit the description. Limited access to technology, the internet, and insufficient digital literacy to engage with myGov or employment services online were repeatedly mentioned in evidence:

To even have access to the internet and be able to submit the forms they need to, are all really presenting major challenges.

Kym Goodes, Tasmanian Council of Social Service, Hobart TAS, 4 June 2019

Most YP wait lengthy times on hold to speak with a customer service representative and often don’t have the funds or mobile data and credit to wait and the call is lost.

Daneka Easthope Submission, October 2019

Some don’t understand the myGov linking process with other services such as linking ATO, Human Services, Medicare etc. Often myGov is not very friendly for young people, because recently we found that many did not have the linked services and some could not log in, due to a text code being sent to a number no longer in use. Others found that they were advised to start an entire new myGov account. Problematic.

Daneka Easthope Submission, October 2019

Around one in four Australian 15-year-olds has low levels of digital literacy.13 Australians who access the internet only through a mobile phone or mobile broadband device with a data allowance cap face higher costs and reduced access to the internet. Unsurprisingly, those most likely to rely on mobile-only access live in households with income below $35,000 a year (30.7 per cent), have low levels of education (28.0 per cent), or are unemployed (25.3 per cent).14

The difficulties young people face in navigating the service system was raised frequently with the Commission. Poor literacy skills or use of English as a second language exacerbate the challenge of dealing with a confusing and complex system.

Many of the young people we see have gaps in their education due to the transient nature of their childhood. So, literacy and numeracy is often an issue.

Rachel Marsh, Perth Inner City Youth Service, Perth WA, 13 August 2019

Greater support for young people from refugee and migrant backgrounds is needed. More support from Centrelink and employment services to be able to engage in their first language, or their second language, or their third language, before they get to English, and not create additional barriers to navigate the complex system with English as another language.

John Thompson, Anglicare WA, Perth WA, 13 August 2019
The lack of information and support for young people at key transition points, such as the end of schooling or other important life events, is a particular problem:

Most Year 12 independent [young people] we have had after graduation get disconnected from [Youth Allowance] payments and are referred to a Job Active Provider, which many are not familiar with or prepared for the transition. Some are not supported during that process especially during Christmas when most businesses are closed for the holiday season. Not ideal for any young person to have limited financial support.

Daneka Easthope Submission, October 2019

Young people, even those with a supportive family, can be defeated by the complexity of the service system:

For families that are struggling and have limited literacy and numeracy and converse quite differently to the way these services actually communicate, they walk away shaking their head, not even understanding one word of what’s been said to them, in a lot of cases.

Jody Wilcox, The Base Support Services, Brisbane QLD, 24 September 2019

It is beyond the resources of the Commission to establish just how many young people are missing out on income support because they lack the skills, resources or support needed to navigate the system. However, the Commission believes that the Commonwealth Government should take up this issue as a matter of urgency.

So, a lot of them would rather just go without money than go and try and sign up for Centrelink

Tania Morgan, Alice Springs Youth Accommodation Support Service, Alice Springs NT, 13 October 2019

The Commission was told that young people living in remote communities are more likely to be going without income support:

We’re hearing anecdotally that there’s a large cohort of people in remote and very remote who are receiving no income at all.

Josie Douglas, Central Land Council, Alice Springs NT, 13 October 2019

Payment eligibility categories are out of step with lived experience

The categorical nature of the income support arrangements attracted some criticism, particularly those relating to deciding when people were in a de facto relationship:

I moved in with my boyfriend (we’d been together a couple of months) and had to be put as ‘de facto’ and therefore ‘dependent’ on him when it comes to our income. That’s crazy! There’s no way ‘couples’ are financially supporting each other when they’ve been together that short a time!!

Brophy Family & Youth Services Submission, November 2019

The value of differentiating between people looking for work, in work, or in education or training for the purpose of qualification, rates or conditions around income support was also felt to be at odds with the lived experience of young people.

There are unacceptable delays in processing applications for income support

The Commission heard that the contract between young people and the Commonwealth Government is not being honoured. Lengthy waiting times for processing Youth Allowance, Austudy or ABSTUDY claims can leave young people without income for long periods of time with very little clarity about when applications might
be finalised. Unfortunately, Jen’s story of her Austudy application is not an isolated case.

I’m at the point where I’m like, what am I supposed to do? Do I: I’ve burned through my savings; it’s getting to the stage where I’m not going to be able to pay rent in another week… The food I have in the fridge right now is pretty much it, I don’t have any money, start selling my furniture? I don’t go out. I don’t do anything. I soon won’t be able to afford my internet bill, which is problematic because I’m studying IT. My phone bill is two weeks overdue; my phone is probably going to cut out soon. (Jen, Austudy applicant)

Greg Marston, Zoe Staines and Peter Holtum, School of Social Sciences, University of Queensland Submission, November 2019

Income management policies create shame and stigma

The evidence provided to the Commission was that while there is value in allowing people to voluntarily sign up for income management or cashless debit cards, the stigma associated with the Cashless Debit Card (CDC) had a profound shaming effect on young people.

Many think we are all bludgers and drug addicts.

Social security recipient on CDC, aged 23 years of age

People stop and stare and probably think that silly girl who should be in a job and not getting [an] allowance. But they don’t know me … It makes me feel really low, like I am worthless.

Greg Marston, Zoe Staines and Peter Holtum, School of Social Sciences, University of Queensland Submission, November 2019

Penalties for non-compliance are disproportionate and counter-productive

The counter-productive impact of the compliance regime on young people was raised by many who presented to the Commission. What emerged from that evidence is the vast gulf between the official description of how the compliance framework is intended to work and the real-life experience of young people.

Commonwealth Government officials who briefed the Senate Inquiry into the adequacy of Newstart in 2019 said the Targeted Compliance Framework recognises that job seekers should not have payment reduced unless they are persistently non-compliant; that is, not meeting obligations to attend interviews, services, or look for work. When payments are suspended, they are restored and back-paid once the person meets their requirements, and according to the officials, this is ‘generally before the suspension has any actual impact on their payment’. They also said ‘there are multiple checks to better identify previously undisclosed barriers to participation’. 15

In practice, young people on very low incomes are extremely unlikely to have sufficient savings to allow them to cope with the impact of any payment suspension. Overdue rent, lack of money for food, transport or phone credit are the very real consequences of even short periods of payment suspension. Emma Dawson, from Per Capita, told the Commission:

…given that each unemployed worker is penalised on average by their [Jobactive] service provider about two and a half times a year on average, and that means losing payments, many of them are forced to live on payments that are even further below the poverty line.

Emma Dawson, Per Capita, Sunshine VIC, 26 March 2019

One 23-year old male described how homelessness made it difficult to meet participation requirements. Having his payments cut reduced his chances of getting both a job and secure accommodation:

I’ve been going through hard times, and unable to go with those requirements. I’ve had my Centrelink payment cut for three months straight. … because apparently I was in the red zone or something like that and I went up past the penalty points or something like that. Yes, almost actually four months, I did not get paid from Centrelink at all.

Yarra Youth Services Submission, November 2019

Evidence to the Commission described the compliance regime as unreasonable, imposing increasingly harsh activity requirements and widespread payment suspensions and penalties for those who do not comply. However, the mutual obligation does not go both ways. As the Australian Council of Social Service observed, payment rates that have not been increased in real terms for over 25 years.
Employment services providers reported that they recognise the challenges young people face, but are bound by a rigid compliance system based on financial sanctions:

…there’s this sort of compliance driven, rigidly enforced process. And often what they’re doing just to meet those requirements, is not really effective job search. It’s just trying to remain compliant and fly under the radar, not upset anyone. Fear of losing benefits is a recurring thing.

Paul Costigan, Matchworks, Bendigo VIC, 27 June 2019

This was borne out by an unemployed young person who questioned the value of being asked to attend Jobactive:

I could have spent that time working or even being at home and looking for something better, but I need to get the money to pay rent, which is on behalf of Centrelink, and if I don’t turn up for the appointment, I get cut off and where the hell am I supposed to stay? So, I have been going there, wasting my time, and they’re just like, yes, here you go … There’s a computer for two hours … I don’t know. I just feel like it’s just going backwards.

Yarra Youth Services Submission, November 2019

People presenting at the Commission public hearings stressed the need for a less punitive approach and a better balance between sanctions and incentives. Employment services providers and advocates both argued for greater discretion for employment services to excuse rather than have to report activity requirement breaches.

As an example of providing incentives rather than sanctions for unemployed young people, Paul Costigan suggested that:

The internship itself, when a client is signed up for that, they [could] get an extra $200 per fortnight in their Centrelink payment. So, they’re reimbursed in some way for committing to that internship placement. And that can range from between four and 12 weeks.

Paul Costigan, Matchworks, Bendigo VIC, 27 June 2019

**Principles and priorities for a better system**

There was no shortage of ideas presented to the Commission on how to design a better income support system for young people. The principles and priorities that emerged were:

- The level of income support provided must reflect the costs of living including the costs of education, training, job search and other approved activities
- The level of income support for young people must recognise the fact that a substantial number receive payment for a long period of time
- Income support for young people must work to underpin more securely and reliably the fluctuating wages and episodic employment in a highly precarious youth labour market
- Income support for young people should be designed around incentives and reward for participation in education, training and work, rather than punishment for non-compliance

A permanent lift in the rates of youth income support is required so that young people can live a decent life, house, clothe and feed themselves, complete their studies, and take up available work.

Youth Allowance has to be raised. We can’t let people languish on payments that haven’t had a real increase in over 25 years, while living costs have gone through the roof.

Jackie McKenzie, Youth Action, Sydney NSW, 30 October 2019
Avoid creating poverty traps as young people move in and out of the workforce, including by providing sufficient and non-stigmatising social security that offers an adequate base level of support, and which can help to guard young Australians against the whims of an increasingly unreliable and unstable labour market.

Greg Marston, Zoe Staines and Peter Holtum, School of Social Sciences, University of Queensland Submission, November 2019

One option to improve the security and incentives of youth income support would be to provide all young people with a basic income, providing they meet some minimum requirements to improve their lives and earning capacity. The taxation system would then be applied to additional income above a certain threshold, as it is for the rest of the population.

Conclusion

The current design of Youth Allowance and JobSeeker Payment reflect a world where there were plenty of full-time, permanent jobs available to young people. Sadly, Australia’s social security system is no longer fit for purpose. It is failing to provide secure, adequate income for young people while they study. Nor does it provide a secure basis from which young people can take up uncertain employment without risking disruption to their income stream or long delays before payment is re-granted after a job ends.

Even before COVID-19, the youth labour market was characterised by insecure, short-term contracts, part-time jobs, and ‘gig’ work, where those with the least resources are expected to shoulder the commercial risk of low-paid and unpredictable sub-contracting. Recovery from the impact of the COVID-19 shut-down will take many years and young people will bear the brunt of its fall-out, not just because they are in industry sectors most exposed to the COVID-19 shut-down, but also because the system that should be supporting them is flawed.

As John Thompson told the Commission:

… the vast majority of young people really want to work…[they] yearn for the independence that comes with working. Not being reliant on

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… the vast majority of young people really want to work…[they] yearn for the independence that comes with working. Not being reliant on
HOMELESSNESS AND HOUSING

I have tried to get into some sort of community housing or government housing since I was 14. Throughout my youth I was failed by the government. I have been homeless numerous times. I’ve had to couch surf. I’ve had to sleep in parks. I’ve slept in gardens, I’ve slept under bridges. All those really traumatic things that nobody should endure, I endured from a very young age.

Danielle King, Adelaide SA, 18 June 2019

Youth homelessness remains one of the biggest unresolved social policy challenges in Australia. In 2017-18, 288,000 men, women and children sought help from Specialist Homelessness Services. Some 43 percent were young adults, adolescents and children - 43,180 young people (16 per cent) aged 15 to 24 years on their own and 81,473 young parents and children.¹

Nationally, about 43,000 adolescents and young people presented to Specialist Homelessness Services on their own in 2017-18 compared to 30,000 in 2000-2003. Between 2006 and 2016, the rate of homelessness for 19 to 24-year-olds doubled, and is over three to four times greater than older age groups.²

The National Youth Commission Australia heard that youth homelessness is widespread. Matilda Harry, Greater Sydney Commission, pointed out that Western Sydney communities “currently have a larger population of homeless individuals than in the city’s CBD.”³ Rural areas like Mount Gambier are also worried about youth homelessness:

There’s enormous concern in the community about youth homelessness and youth unemployment and suicide as well. There was great concern in the schools with that ... We had quite a lot of mandatory reporting of young people. Cases where we needed to take action because there was disclosure of family violence and also family abuse.

Diedre Tedmanson, UniSA College, University of South Australia, Adelaide SA, 18 June 2019
What we heard about the reasons for homelessness

The evidence presented to the Commission about the main reasons for homelessness among those under 25 years of age identified two main factors – family dysfunction and conflict, and poverty. Family conflict was a common reason for presentation to a homeless services, with one service attributing over 50 per cent of the referrals it receives for this reason.4 Margie Fahy reported the reasons why 357 young people aged 15 to 24 years sought help from the Western Adelaide Homeless Service over a 12-month period:

...20 per cent of them presenting due to domestic and family violence. 64 per cent are female and 36 per cent male. And 30 per cent were Aboriginal and Torres Strait Islander people. Just under half of these people were identified as having a mental health issue.

Margie Fahy, Western Adelaide Homeless Service, Uniting SA, Adelaide SA, 20 June 2019

Finding stable, affordable housing is a struggle for students or jobseekers surviving on low rates of income support or in precarious work. As one service provider observed, unemployment and homelessness go hand in hand:

Similar factors lead to unemployment and homelessness. They also become a vicious cycle of feeding each other. It’s very difficult to have a job if you don’t have somewhere to wash. Set up a routine, you don’t have somewhere safe to sleep at night. You don’t have a fixed address to get mail. But then it’s also very hard to get a house if you don’t have a job.

Christy Dunn, Mercy Care, Perth WA, 13 August 2019

Often homelessness results not from a single cause but from compounding disadvantage:

I think one of the most common things with young people who present is this connection, this cyclic connection between homelessness and offending ... And again, an oldie but a goodie, Centrelink benefits that young people are coming in on, there has been no increase to those payments. And so young people are coming in experiencing poverty and effectively backed into a corner to engage in offending behaviour all the time from a survival point of view, and that only serves to perpetuate that cycle, which is what we’re seeing in their presentations in the services because they’re not having their basic needs met.

Yasmine Aleen, Uniting SA, Adelaide SA, 19 June 2019

In a similar vein, others pointed out that leaving school early or disengaging all together from school puts that young person highly at risk of couch surfing and then eventually homelessness.5

How homelessness impacts young people’s path to independence

Homeless young people have much poorer physical and mental health than others their age. They have notably high incidence of reported self-injury and attempted suicide.6 The Commission heard that many homeless young people are in a survival state:

...their brain operates with the priority to keep them safe and free from harm. This survival state prevents emotional and illogical response to everyday events and may delay readiness in participation in work or education. Such states amplify activities that make a person feel good, positive or negative. And we often see heightened risk-taking including alcohol and drug use, joining gangs or other anti-social groups to fit in and gain acceptance.

Sandy McKiernan, St Vincent de Paul Society WA, Perth WA, 13 August 2019
Homeless young people are also more likely to leave school early and have much higher unemployment rates than their peers:

... living a transient and uncertain lifestyle may provide significant stress and pressure, and often homeless young people disengage from school. The longer a young person remains disengaged from the school system, the more difficult it is to re-engage at a later stage.

Youth Homelessness Representative Council Submission, October 2019

Uniting SA described how tough it is for young people to complete their education when they are homeless or in unstable or unaffordable accommodation:

A quarter of these young people were enrolled in study but not surprisingly finding it difficult to maintain their enrolment due to housing stress with nearly 40 per cent couch surfing, seven per cent living in emergency or shelter accommodation, and four per cent rough sleeping.

Margie Fahy, Western Adelaide Homeless Service, Uniting SA, Adelaide SA, 20 June 2019

Sometimes it is the decisions taken at the local level that have the greatest impact on the ability of young people in unstable accommodation to continue with their education. Kelsie Hedge described the challenges of homeless students in a regional community with only one mainstream high school:

... this high school is often reluctant to enrol young people that are experiencing homelessness due to the complexities that these young people often come with to school. This includes irregular and inconsistent attendance to school, which impacts their statistics and data from an education perspective. Additional behavioural needs due to the trauma and complexities of these young people, as well as difficulty accessing transport.

Though these concerns are often warranted by the school because history has shown that these young people sometimes do come with these experiences, it creates a significant barrier for these young people to access the opportunities to engage and feel support in the school setting. And usually this results in further absenteeism and education being a low priority for these young people.

Kelsie Hedge, St Vincent de Paul Society, Liverpool NSW, 13 November 2019

Danielle King found herself homeless after escaping from a horrible relationship. Now living in stable community housing and studying at university, she reflected on her experience of homelessness:

Throughout my youth I was failed by the government. I have been homeless numerous times. I’ve had to couch surf. I’ve had to sleep in parks. I’ve slept in gardens, I’ve slept under bridges. All those really traumatic things that nobody should endure I endured from a very young age.

Danielle King, Adelaide SA, 18 June 2019

Other young homeless people share Danielle’s determination to continue their education. Amy Lawton advised the Commission that in her region of Western Sydney, a small but significant number of young tertiary students remained enrolled despite being homeless:

7.7 per cent of homeless people were actually attending a university or tertiary institution. So even though they were homeless, some of them were still studying, a small proportion but still a proportion, nonetheless. ... Most of them are full-time students aged 15 to 24-years-old.

Amy Lawton, WESTIR, Penrith NSW, 19 November 2019
The Commission heard many stories about the strong motivation of young people to finish their education and find stable employment. Tahnee Ledgerwood, Anglicare, told of one young man who had just been released on bail for minor offences:

He hadn’t had food; he was shoplifting things like clothes and stuff. Didn’t even have shoes on his feet. We went out, took him to the shops, bought some food, bought some clothes. While I was out shopping with him, I was just having general conversation asking, have you spent much time in Brisbane Youth Detention Centre? And I was really shocked by his response. He had this big smile on his face, and he said, no, not yet miss, but I really want to. And I said, why, what for mate, why would you want to spend more time in there? And he said, because I get to go to school when I’m in there.

Tahnee Ledgerwood, Anglicare QLD, Brisbane QLD, 19 September 2019

Early school leaving compromises young people’s life outcomes and increases the risk of long-term unemployment and poverty. Youth homelessness increases the prospects of later periods of homelessness. As one provider told the Commission:

… homelessness obviously has a major impact on young people, particularly as they transition out of school and into the workforce. Unstable housing options for young people of working age make it difficult for them to focus on further studies and gain employment. And then it becomes a vicious cycle. So with poor education and employment outcomes, it makes it even more difficult to secure stable housing without some form of external support.

Amy Lawton, WESTIR, Penrith NSW, 19 November 2019

It was clear from the evidence put to the Commission that many young homeless people really want to work:

… our residents yearn for the independence that comes with working. Not being reliant on Centrelink for income. They want to work at least part-time and have the security that comes with guaranteed hours. They have dreams and aspirations and want to learn and build their skills.

John Thompson, Anglicare WA, Perth WA, 13 August 2019

Young care leavers are a particularly vulnerable group

One group of young people with particularly poor education and employment outcomes are those in out of home care. Peter Sandeman told the Commission that 65 per cent of young care leavers do not complete year 12 education, they represent over 60 per cent of the youth homeless population, and nearly 50 per cent of young men with a care experience become involved with the juvenile justice system. The rate of unemployment among young care leavers was around 30 per cent.

Young people leaving out of home care continue to represent one of the largest feeder groups into youth homelessness. Unlike other young people who are able to call on the guidance and support of their families until their mid-twenties or beyond, young people in out of home care must leave their foster home or other accommodation as soon as they turn 18. Care leavers have consistently poor social and economic outcomes and over one third will become homeless in the first year after leaving care.7 Further, a Swinburne University study in 2015 found that 63 per cent of homeless youth have a state care history.8 As Margie Fahy noted,

Developmentally, many of these young people are not ready to live independently and are highly vulnerable.

Margie Fahy, Western Adelaide Homeless Service, Uniting SA, Adelaide SA, 20 June 2019
Even while in foster care or residential care, young people must grapple with repeated instability in their housing, as Tahnee Ledgerwood told the Commission:

… a lot of our young people get placed way out of the geographical location of the school where they actually might have support networks, they might have a sense of community, they might have peer groups. And they can then be placed in houses that are over an hour away from that location which makes it really hard for them to sustain that. They might then have to change schools due to a change in placements.

Tahnee Ledgerwood, Anglicare QLD, Brisbane QLD, 19 September 2019

Housing costs are too high

Over the past two decades, worsening housing affordability has placed more people under housing stress – particularly young people. Low rates of income support and a precarious labour market means that young people hoping to live independently of their families have very few housing options. Worsening housing affordability has placed increasing pressure on crisis accommodation services. It has become more and more difficult for people to move from crisis accommodation services to more stable accommodation in either the private market or social housing.

Anglicare Australia’s research on rental affordability showed that as at 21 March 2020, there were only three properties out of the more than 69,000 that were affordable and suitable for people receiving Youth Allowance and only nine for a single person on JobSeeker Payment.⁹

An Australian Housing and Urban Research Institute (AHURI) research brief, last updated on 7 March 2019, provided evidence about the precarious position of young people on benefits:

The 2019 Productivity Commission Report into Government Services reveals that young people who are receiving CRA [Commonwealth Rent Assistance] are more likely to be in housing affordability stress (HAS) than any other age or special needs group. Indeed, 57.4 per cent of young people aged 24 years or under receiving CRA are in housing affordability stress, compared to 27.4 per cent of people aged 75 years or older receiving CRA who are in housing affordability stress … That there is a high proportion of young people (aged 16 to 24 years) getting CRA who are in HAS is likely to be a reflection of the lower Newstart and Youth Allowance benefit payments compared to the age or disability support pensions … The reality is younger CRA recipients on Newstart or Youth Allowance would struggle to find a property they could afford to rent without going in to Housing Affordability Stress.

The lack of affordable housing in either the private rental market or in social housing was raised repeatedly at the Commission’s hearings and in submissions:

… Housing is really the foundation for people to feel safe and stable. Without that sense of stability of where they’re going to sleep each night, people really have the challenge of even considering anything else for them.

Kelsie Hedge, St Vincent de Paul Society, Liverpool NSW, 13 November 2019

The importance of stable housing in providing a platform for access to other supports in the community, through schooling or neighbours was also raised by Mission Australia in its submission to the Commission.
In every capital city the Commission visited, and in much of the evidence from regional Australia, the Commission heard that low rates of income support, high rental costs and a highly precarious youth labour market created an impossible situation for young people seeking to move out of the family home. In Tasmania, Tania Hunt described the situation facing 22-year-old Joe:

… he’s been bouncing between living in his parents’ home in rural Southeast Hobart, which is 35 kilometres from Hobart CBD and living independently. However, Joe is currently working as a teacher’s aide on a 12 month, annualised contract … Joe’s been looking for accommodation so that he could move out of his parents’ home. However, he has struggled to find affordable and appropriate housing within 60 kilometres of Hobart for less than 60 per cent of his weekly income.

Tania Hunt, Youth Network of Tasmania, Hobart TAS, 19 June 2019

Joe finally found a place he was able to afford on his current income but decided not to take it because he would not be able to afford the rent if his contract ended and he had to go back on income support.

Matilda Harry told the Commission that the lack of affordable housing in Western Sydney, often results in students and workers having to commute for long distances and this reduces options for education and employment. This was also an issue for young people in Tasmania:

With housing affordability and availability at an all-time low in Tasmania, young people are forced to live further away from the essential services and personal support networks presenting additional challenges in maintaining education and employment

Tania Hunt, Youth Network of Tasmania, Hobart TAS, 19 June 2019

In response to the overall lack of suitable affordable private rental options for young people, there was strong advocacy for greater investment in social and affordable housing. The stability and security that social housing offers is as important as its affordability. However, there were mixed views on whether social housing was an appropriate destination for young people. One provider suggested that placing young people in high density public housing risked exposing them to crime.

In practice, lengthy wait lists for social housing means that it is simply not an option for young people in crisis, as Kelsie Hedge pointed out:

We know that unfortunately within New South Wales, the wait list is between five to ten years for social housing, which is just far too long for young people that are in crisis.

Kelsie Hedge, St Vincent de Paul Society, Liverpool, 13 November 2019

Young people are also locked out of community housing because rents set at 25 per cent of the lower Youth Allowance or JobSeeker Payment are insufficient to cover a housing organisation’s operating costs without a further government subsidy.12

Annemaree Callander advised the Commission that affordability is not the only challenge facing young renters as they face discrimination in the rental market because of their low incomes and lack of experience of living independently.13 This was confirmed by others:

So, let’s now assume that Centrelink is finally sorted for the young person and the financial capacity is there for some of them to rent or share houses … The private rental market is even more difficult for young people to access as a young person must have the capacity to pay rent, to have references, a rental history from previous landlords.

Rachel Marsh, Perth Inner City Youth Service, Perth WA, 13 August 2019

Ideas about homelessness and housing solutions

Many of the young people who access specialist homeless services face multiple and complex barriers. They may not have a safe place to sleep, they may not be working, they may be experiencing mental health issues, interacting with the justice system, or trying to care for children. Finding safe, affordable and appropriate accommodation is important but, as Kelsie Hedge noted:

it’s also not the only solution to address the complexities that these young people are facing … it needs to be a whole systems approach.

Kelsie Hedge, St Vincent de Paul Society, Liverpool NSW, 13 November 2019
This idea of a wrap-around service or services that can help the young person resolve other issues that are going on in their lives was picked up by a number of people who addressed the Commission, although there were different views on how this can be best achieved:

The idea is to work holistically ... but when you look at it, what does holistically actually mean for a young person? This program works with medium to extreme needs. What we’re faced with when working with young people in this particular cohort are numerous barriers... Obviously we talk about homelessness, we talk about drug and alcohol ... It’s a struggle to get the funding to support their needs, it’s a struggle to get the ... support services that will come in and work with this particular cohort, because of the complexities and because of the risk factors that they present.

Jody Wilcox, The Base Support Services, Brisbane QLD, 24 September 2019

Some services, such as Oasis, described their defining characteristic as having all the services a young person needs in the one place. This view was shared by some other service providers who felt that an integrated, multi-disciplinary service approach was the best way to meet client needs:

We’ve worked for many years to ensure that our organisation is multi-disciplinary so that young people don’t have to bounce from one service provider to another but can work with us to get their lives back on track no matter how long that experience lasts with us.

Paul Edgington, SYC LTD, Adelaide SA, 19 June 2019

If system thinking and planning is framed by the concept of a homeless service system for young people as a community-level ecosystem of institutions, services, programs, and supports, then system redesign begins to consider new ways of joining up services and linking homelessness service providers with mainstream agencies such as schools and educational programs. The locus is local not centrally managed discrete programs. Also, within a pre-crisis early intervention framework, risk of homelessness and homelessness as experienced by young people is more evidently linked with other emerging adverse issues in young people’s lives such as early school leaving, mental health, or drug and alcohol issues. In practical terms, community-level early intervention works across issues and thus needs to be cross-sectoral. There is a clear policy imperative to implement ‘early intervention’ to reduce the flow of young people into homelessness.

**Early Intervention reduces youth homelessness**

A major finding of the Commission’s Inquiry into Youth Homelessness report 2008, *Australia’s Homeless Youth*, was that early intervention was necessary to reduce youth homelessness. One of the ideas it proposed was a ‘community of services. The report argued that:

It is too early to know if the cross-sectoral ‘community of services’ concept will achieve sustainable collaboration and coordination at a community level … (and) … building ‘communities of services’ is a long-range task that needs to be thought of as a community infrastructure and receive development as well as maintenance funding.15

An Australian Housing and Urban Research Institute (AHURI) research report, *Redesign of a homelessness service system for young people*, reframes the policy discourse for homelessness in terms of a place-based ‘collective impact’ approach to redressing homelessness:
The Commission’s first report recommended:

That the Commonwealth Government, together with the state and territory governments, develop a ‘community of services’ model to support community level coordination and cross-sectoral collaboration across all issues affecting young people. This would need to involve all community sector stakeholders, including schools, in a sustainable network of youth services.16

Since then a new approach to early intervention which has gained increasing attention is the Community of Schools and Services (COSS) model. This uses the Australian Index of Adolescent Development as a population-level screening tool applied to secondary students across a range of indicators around mental health, school attendance, issues with peers, and so on that can be used to flag young people at risk of homelessness. Early intervention services are then delivered to the entire at-risk group, through secondary school and beyond.

First implemented in Geelong, in three years the model reduced adolescent homelessness by 40 per cent and early school leaving by 20 per cent. Deirdre Tedmanson reported to the Commission that in Mount Gambier the Australian Adolescent Development Index had identified around 90 students, ‘that the school absolutely had no idea were at risk and a majority of those cases that were quite seriously at risk of homelessness.’16 What sets the COSS model apart from other approaches is the co-ordination of local service providers around a ‘collective impact’ and the disciplined use of data as a diagnostic tool to inform early intervention strategies, and the commitment to evaluation.

Crisis accommodation is necessary, but not sufficient

The Commission heard that crisis services need to form part of a broader, integrated suite of services if we are to improve either short term or longer-term outcomes for young people. Margie Fahy pointed to data that showed over 40 per cent of young people who are accommodated by specialist homelessness services re-enter into homelessness.18 As the Youth Homelessness Representative Council said in its submission:

There is increasing recognition within the youth homelessness sector that young people need more than just a place to sleep. The developmental needs of young people require the provision of a range of specialised intensive and appropriate education and employment support services to ensure young people don’t progress into long-term homelessness.

Youth Homelessness Representative Council Submission, October 2019

The current shortage of crisis accommodation for young people was an issue raised repeatedly with the Commission, including in Tasmania, where homelessness services were reported to be turning away around 20 people a night, many of them young people.19

Without serious investment in early intervention and prevention, the pressure on crisis accommodation services will continue to grow. Equally, without more youth-appropriate housing options, young people who do find a temporary place in crisis or transitional housing will be unable to take the next step into secure, affordable housing.
Linking stable housing with work and study

One example of youth-specific accommodation is the Youth Foyer model that was introduced in the early 2000s in Australia, first in Sydney and Melbourne. Foyers provide self-contained housing for young people with on-site support services and a requirement that young people participate in education, training, or employment.

In Western Australia, the Commission heard that Foyer Oxford has a slightly different model. Rather than operating as an education first model, the foyer operates:

… essentially as the exit point from crisis accommodation services across the metro area. Our focus on work and studies reflect the understanding that financial independence is the way to break the cycle of homelessness for young people.

John Thompson, Anglicare WA, Perth WA, 13 August 2019

The outcomes achieved by some youth Foyers are impressive. Mission Australia reported that the percentage of Foyer residents who had completed year 12 or Certificate III increased from 42 per cent at entry to 67 per cent at the point young people left their Foyer accommodation, and to 75 per cent a year after exit.20 John Thompson from the Oxford Foyer in Western Australia reported that of more than 450 young people housed at the Foyer since February 2014, 93 per cent had exited into stable and secure accommodation which they maintained for at least a year after leaving Oxford, and almost 90 per cent were engaged in sustainable employment, education or training.21 It is unclear whether the same level of housing stability and practical support for employment and education can be provided to young people in a distributed housing model, which could avoid the high capital costs of the Foyer model.

John Thompson explained to the Commission that the Foyer Oxford offers an employment service which supports:

… the development of young peoples’ practical employability skills to help them gain and maintain work and to broker opportunities through partners and through partnerships with employers and organisations that can support the transition of young people into work, through the provision of work experience, internship, industry exposure, volunteering and employment.

John Thompson, Anglicare WA, Perth WA, 13 August 2019

The common characteristics of these approaches are the linking of housing with wrap-around supports (for example, mental health services, alcohol and drug services) as well as supporting young people into education, training and employment pathways. There are concerns about the high cost of foyer projects and whether intake is really targeted to young people experiencing homelessness. However a strong feature of the model is the explicit link between support, accommodation and education, training and employment pathways.

Help to move into the rental market and live independently

The evidence to the Commission on housing and homelessness confirmed that young people will continue to struggle with affordability in the private housing market unless the rates of youth income support and Commonwealth Rent Assistance are significantly increased. State-based rental subsidy programs were also valued. However, even if housing affordability improves, some young people would benefit from other practical help to secure or maintain accommodation, as the Commission heard from Matilda Harry in Western Sydney:

And the Department of Communities and Justice has implemented a Rent Choice Youth Program to support young people aged between 16 and 24 years. And the program does so much more than provide rent assistance, its aim is to ensure that young people gain employment and increase their income so that they can afford to rent privately without assistance while achieving their work and study goals.

Matilda Harry, Greater Sydney Commission, Parramatta NSW, 4 November 2019
Other suggestions put to the Commission included specific life skills training, particularly for young people who have left home early, are leaving out of home care, or who come a dysfunctional family background. One example was the ‘certificate I in independence’ which is a collaborative initiative with the Brotherhood of St Laurence, delivered from a Youth Foyer. A similar initiative was proposed by Brophy Family & Youth Services to improve young people’s chances of securing private rental accommodation:

A short course for young people to complete to put on their resumes around understanding rights and responsibilities as a tenant, so real estate’s know that you’re serious about renting and have even done a course to make sure you understand the rules.

Brophy Family & Youth Services Submission, November 2019

**A commitment to better outcomes for young people leaving out of home care**

The Commission heard a range of ideas to help the 3,000 young people who leave out of home care each year make successful transitions to independent living. Improved exit planning was seen as critical, with the explicit objective that no young person leaving out of home care should become homeless. Some states are considering extending the care leaving age to 21 years, and the Commission considers that this should be adopted as the national standard. Irrespective of the outcome of the campaign for a higher uniform care leaving age, the Commission heard that wraparound support for care leavers should be provided right up to 24 years of age. Stable housing is a critical part of this support, but so is stability:

... a supply of housing for young people who are 17 or onwards who are leaving out-of-home care ... [with support from] agencies such as Anglicare prior to leaving. To be able to obtain accommodation which they can then stabilise themselves on. Once they leave out-of-home care they would then take on that property as their own. So, they’re staying in the same community, staying in the same environment.

Tahnee Ledgerwood, Anglicare QLD, Brisbane QLD, 19 September 2019

**Principles and priorities for a better system**

Both at the national and local level, these priority areas must be addressed, to improve youth housing and reduce homelessness:

- Investing significantly in early intervention strategies to reduce the flow of young people becoming homeless
- Increasing the supply of youth-appropriate housing that supports connections with study and work, to enable rapid re-housing of young people who can’t return to family living situations
- Increasing income support and rental assistance programs to improve housing affordability for young people in the rental market
- Taking a holistic approach to service design and delivery that focuses on the collective impact of local services
- Committing to ensure that young people leaving out of home care are housed and supported beyond the age of 18
Conclusion

In the broader frame of transition pathways from school to employment, homelessness and housing problems remain significant issues for many young people. Testimony about these problems was brought to the attention of the Commission throughout the public hearings.

In terms of a comprehensive policy response, homelessness and youth housing issues have generally been addressed as separate domains through Specialist Homelessness Services, which is largely a crisis response. Initiatives that focus on identifying young people at risk while they are still attached to a school are promising provided that support is systematic and applied through school and beyond. Early intervention arguments are not new, but effective early intervention is under-developed.

A national plan of action to address youth homeless is clearly needed, but what emerged from the evidence put to the Commission is that effective responses to housing shortages and homelessness among Australia’s young people must also be local solutions.

1  David MacKenzie, Tammy Hand & Keith Waters, A National Report Card on Youth Homelessness, Youth Development Australia, 2019
2  Ibid.
3  Matilda Harry, Greater Sydney Commission, Parramatta NSW, 4 November 2019.
4  Jodie Burstein, Barnardos, Sydney NSW, 29 October 2019
5  Ibid.
6  Fildes, J. Perrens, & B. Plummer, J: Young People’s experiences of homelessness: findings from the youth survey 2017. Mission Australia, 2018
9  Anglicare Australia, Rental Affordability Snapshot, Anglicare Australia, 2020, p.7.
11  Matilda Harry, Greater Sydney Commission, Parramatta NSW, 4 November 2019
12  Hand, T, & MacKenzie, D. Missing Out: Young People and Social Housing, 2020
13  Annemarie Callander, Brisbane Youth Service, Brisbane QLD, 23 September 2019.
16  Ibid p.349.
17  Deirdre Tedmanson, UniSA College, University of South Australia, Adelaide SA, 18 June 2019
18  Margie Fahy, Western Adelaide Homeless Service, Uniting SA, Adelaide SA, 20 June 2019
19  Andrea Witt, Catholic Care TAS, Hobart TAS, 3 June 2019
20  Mission Australia Submission, November 2019
21  John Thompson, Anglicare WA, Perth WA, 13 August 2019
TRANSPORT

Some towns don’t even have taxis, so how we’re getting to work is largely based around cars and if you can’t afford that, or you’re youth who’s disadvantaged in some way, it makes it hard for you to actually access employment opportunities.

Rhiannon Edwards, Youth Advisory Council, City of Bunbury, Bunbury WA, 12 August 2019

Australia’s geography and population distribution means that people often have to travel considerable distances to study, work and access services. For young people in particular, ‘transport stress’ can be a problem. At hearings across Australia in rural, regional and suburban fringe communities, the National Youth Commission Australia heard about how young people’s access to school and work is restricted by the cost and accessibility of public transport and the complex challenges of getting a driver’s licence.

Young people, parents and youth workers drew attention to the need for a more effective public transport system and the need to help young people to get a driver’s licence. These are important conditions for getting an education and prospects for work.

Transport stress has a chain of consequences

Transport stress is most evident for people living in suburban fringe communities and rural and remote areas. At a hearing in Sydney, Matilda Harry told the Commission of her experience:

I live in the Hawkesbury region where two school buses pass my house every day and the closest train station is 50 minutes from my home. If it were not for the support of my family when I was younger and didn’t have a licence, I would have really struggled to get a job and attend university and even access services.

Matilda Harry, Greater Sydney Commission, Parramatta NSW, 4 November 2019
For young people in rural and regional communities the situation is even more difficult. In these places, a lack of transport options restricts life in general, and has negative consequences for learning and work opportunities, chances to meet people and see friends. Poor local transport services result in social isolation and boredom, contributing to the use of drugs and alcohol, poor mental health, and destructive behaviour like vandalism. Households are stressed by ‘transport poverty’, being forced to spend more on transport costs than they can reasonably afford.

How public transport fails young people

This summary of the inadequacy of public transport systems reflects what the Commission learned from hearings:

- Hours of operation restricting people’s ability to get to where they need to be
- Infrequent services, especially at night and on weekend
- Limited route options on the suburban fringe, and in rural and regional communities
- A lack of service altogether in low population areas because it is financially unviable
- Long travel distances in rural communities
- Postcode discrimination against young people in job interviews and recruitment processes (because of assumptions made about reliability or availability to work)
- The cost of fares, with implications for meeting living costs overall, as well as leading to the risk of fines for fare evasion

No job, no licence

Parents and young people from all locations told the Commission about how employer recruitment processes include questions about how young people will travel to work, and discrimination in favour of young people who hold a driver’s licence. In some cases, a licence is a necessary part of the work requirements, but there are other cases where employers prefer young people with licences because they believe it means they will be more likely to get to work on time:

Too often it comes up that licencing is a mandatory requirement even if they do have public transport nearby. And that tends to block out a lot of people especially when it comes to youth, it blocks out a lot because they haven’t had the opportunity to gain those hours to actually work towards getting their licence.

Aaron McCallum, Strategic Training Group, Brisbane QLD, 24 September 2019

Many presenters at hearings raised licence issues in relation to young people applying for apprenticeships. The Commission heard:

For an apprentice role that requires you to have a licence, and this can make becoming an apprentice an unrealistic goal for some of our young people.

Tracey Jeffrey, Gordon TAFE, Geelong VIC, 28 March 2019

Family support for transport is needed

Families living in communities where public transport is unavailable or inadequate are called upon to make significant sacrifices to support their children through education and into work, and for young people without family support, the challenges of finding work are even more significant.
A youth worker in Queensland pointed out that these challenges apply especially to apprentices in skilled trades, where early starts are the norm:

Some public transport options don’t operate early hours of the morning. Most young people don’t always have an appropriate adult to assist with driver’s lessons or payment of lessons, or to get insurance or have the funds to pay for vehicle registrations or own a vehicle. At 16-years-old most rely primarily on public transport.

Daneka Easthope Submission, October 2019

The Commission heard that a young person seeking an apprenticeship, who was too young to hold a driver’s licence, was asked by a prospective employer if his parents could drive him too work, as worksites would be varied and not accessible by public transport. At the Ballarat hearing, the Commission was told:

With the Education Department we did a bit of research last year … about barriers that are keeping young people from education in regional Victoria. One story we came up with that I thought was particularly poignant was a young fellow who was doing a Certificate II course, and I think he was heading into building construction. When he was training here in Ballarat, they lived in Ararat, his father was driving up in the car and they were staying in the car overnight, him and his dad, so that he could get to his course in the morning.

Brett Edgington Ballarat Regional Trades and Labour Council, Ballarat VIC, 24 June 2019

The combination of shift times and inadequate transport options contributes to employer discrimination against young people who lack a licence. It also generates stress for them about being late for work, and the ability to turn up reliably, which are such important conditions of a positive relationship with employers.

**Why getting a driver’s licence is hard**

When public transport is not a viable option for travelling long distances, getting access to a car and a driver’s licence seems like the logical way to go. For some jobs and apprenticeships, it is a prerequisite. However, getting a licence itself can be an obstacle course, and a long one. The Commission heard about these hurdles and difficulties:

- The cost of driving lessons and qualifying for a licence
- The difficulty of accumulating the many prerequisite practice driving hours to qualify, especially for young people without family support
- The limited opportunities to access programs to help young people get a licence, which typically have long waiting lists
- The lack of access to a car or a licensed driver who can help build up practice hours, especially in families where parents may not have a licence or own a car
- The need to produce the documentation, like a birth certificate, that is needed to get a learner’s permit or a licence, which is especially hard for young people who are in, or have been in, out of home care.

Though the availability and timeliness of public transport were identified as problems more often for fringe and rural communities, the impact of inadequate transport on life, learning and employment outcomes was raised in hearings at all locations.

**Programs to help young people get licences are oversubscribed**

In all states and territories the conditions of getting a licence are qualifying for a Learner’s Permit and fulfilling a minimum number of supervised driving hours. These are stringent requirements, necessary for road safety, but it is challenging to meet them, especially for those without family or community support.
The Commission learned about many programs that help young people to get their licence. Some only help with learner’s permits; others also provide support to build up the required hours of supervised driving experience. Programs such as Regional Youth Driver Education (RYDE), Drive for Life and L2P are highly regarded but seriously oversubscribed, with long waiting lists that mean delays for young people to qualify, which in turn means delays in accessing the things that greater mobility would bring. James Selby, from Salvation Army Youthslink, talked about the Drive for Life program in Western Sydney:

It’s a great program and we get referrals mainly from other youth services. They’re mainly at-risk kids who are on benefits and driving would be a dream. They would have never thought it. And sometimes they’re the first person in four generations of their family to have a licence, which is pretty cool.

James Selby, The Salvation Army, Liverpool NSW, 13 November 2019

Driving support programs are obviously achieving good outcomes, not just in terms of the driver’s licence qualification, but improving self-esteem and employment prospects. We heard also that one of the incidental benefits of all those practice hours at the wheel is the opportunity it represents for social connection, with informal exchange, advice and mentoring from adult volunteers who are willing to help young people get on the road. It is unfortunate therefore that there were not enough programs and resources to help young people in this simple way.

The cost of transport stress

Transport stress gives rise to social, emotional and financial costs. They are particularly high for young people who live on suburban fringes or in regional and rural communities, who are in out-of-home care, or in families experiencing poverty. These costs include:

- The actual costs of public transport to work and social activities
- Stress due to late arrival at school and work
- Debt problems related to the purchase, registration, insurance and running costs of a car
- The prevalence of unsafe behaviours such as hitchhiking, walking long distances late at night, unlicensed and drink driving
- Social isolation and limits to participation in social, sporting, cultural and recreational activities
- Restricted access to support services such as Centrelink, medical and mental health services.
- Employer discrimination based on perceived locational and travel challenges.

Family poverty and the low level of income support payments to young people are contributing factors. The Commission heard:

Poverty: they can’t feed themselves, they can’t house themselves effectively. It also limits their capacity to attend education or to seek work or travel to interviews. So, a lot of emergency relief we provide to young people will include travel vouchers and things like that, and sometimes that is to get to work or to an interview.

Annemaree Callander, Brisbane Youth Service, Brisbane QLD, 23 September 2019

What is left from wages after meeting transport and other costs was also raised:

Other barriers that young people face are what you would consider quite basic. Affording the work boots for the factory job and access to transport to get to those jobs. Often our young people are
in hospitality jobs where the shift finishes late. We don’t have buses and trains that run late. So, some of our clients are catching a taxi back home which is the cost of their shift.’

Meghan McGregor, Junction Support Services, Wodonga VIC, 19 March 2019

Even having a driver’s licence does not necessarily lead to stress-free travel to work, for young people in rural and regional communities:

I got a job in Daylesford which is an hour and a half from Bendigo. So, I would have to commute every day at 5am to get to Daylesford and get home, which was quite hard to do, especially since lots of my money that I was making was just being spent on fuel.

Jemille McKenzie, Bendigo VIC, 27 June 2019

For those without a licence and reliant on public transport, too, the time it takes to travel to work should be factored into an understanding of costs:

Because they’re just that bit further out of the city, you start to face the challenges with transport… We had a young person who’d gone for a job, I think there was a new post office centre that had opened up, and they got a job. But it takes them one bus, two trains and a 20-minute walk. So, we’re looking at an hour and a half, two hours each way.

Amy Wilson, Inala Youth Service, Brisbane QLD, 24 September 2019

At one hearing the Commission heard that service design assumes access:

No transport, none of those supports that are often assumed in service design because services are designed for largest capital cities.

Mark Henley, Uniting SA, Adelaide SA, 19 June 2019

The cumulative impact of transport stress is quite understandably related to the risk of poor mental health, low self-esteem, and a sense of hopelessness. What compounds those risks is the further difficulty of accessing mental health services, most obviously in regional and rural areas but also in urban areas.

**Principles and priorities for a better system**

The design principles and priorities for enhanced mobility for young people are:

- Bringing to light and addressing transport disadvantage and discrimination by employers, both in their recruitment practices and in ongoing workplace relations
- Recognising income support payment levels and the true costs of transport in the income support system, including rates of payment and the withdrawal rates of payment due to earned income
- Requiring employment services providers to demonstrate a practical understanding of transport costs and travel times and its implications for looking for work, ability to keep it, and financial incentives to work
- Analysing and responding to transport needs and access by learners and workers on a local area basis, coordinating public transport, community transport, and other innovative networked transport options
- Continuing to develop and resource programs that help young people get their drivers licence, recognising the multiple benefits it generates

**Conclusion**

Deep concern about transport stress for young people came to light at Commission hearings everywhere, along with vivid illustrations of its impact on young people. Though the problem is recognised by youth services and by some education and employment providers who are responding to needs, so much more is needed. Cross-sectoral commitments, and more diverse and innovative measures will be needed at the local level, in order to enhance the mobility of young people and improve their life chances.
MENTAL HEALTH AND WELLBEING

By Year 12, I was already having these mental illnesses and they hadn’t gone away so... on top of that, I was being told that because I was not smart and I wasn’t going to amount for anything, that I needed to try harder than everyone else in my class, so I stopped eating, cried myself to sleep constantly and kept working really hard.

Jemille McKenzie, Bendigo VIC, 26 June 2019

Young people in Australia are already an age cohort which is uniquely at risk of the negative experiences of mental ill-health. Episodes of mental ill-health often start in adolescence and can greatly impact a young person’s development. The ongoing COVID-19 pandemic has exacerbated these issues, with policy responses disproportionately impacting on young people’s participation in employment, altering their educational experience and isolating them socially.

Mental ill-health is most likely to emerge at the important stage of adolescence and early adulthood, when young people are forming core social, educational, and vocational skills. Fifty per cent of mental ill-health in young people arises before the age of 15 years, and 75 per cent by 24 years.¹

An experience of mental ill-health can negatively impact the life trajectories of young people, who are more likely to become disengaged from education and work life than their peers² and also be at greater risk of homelessness³, crime (both as victims and perpetrators)⁴ and drug and alcohol misuse⁵.

This highlights the importance of having strong systems in place to ensure early and easy access to services and support for young people. Early intervention is widely recognised as the best way to minimise the various possible harms that might arise for young people experiencing mental ill-health.
Anxiety, stress, and depression are prevalent among young people

At every public hearing, the National Youth Commission Australia was told about the high numbers of young people who experience poor mental health, manifested most commonly as anxiety, stress and depression. This is well supported by a series of recent surveys and national data sets.

A 2019 Mission Australia survey of 25,000 young people aged 15-19 found that for the third year running, young people see mental health as the most important issue for Australia today. Mission Australia told the Commission:

Coping with stress was the top issue of concern, with more than four in ten (44.7 per cent) respondents indicating that they were extremely or very concerned about this issue. Around one third of respondents were extremely or very concerned about school or study problems (34.3 per cent) and mental health (33.2 per cent). Over three in ten (31.0 per cent) respondents were either extremely or very concerned about body image.

Mission Australia Submission, November 2019

The Australian Bureau of Statistics estimates that 26 per cent of young Australians aged 18-24 years will experience a mental health condition (including substance-use disorders) in any given year. Among younger people aged 12-17, 14 per cent experienced a mental disorder in the previous twelve months, according to the last Child and Adolescent Survey of Mental Health and Wellbeing in 2013-14.

Young people aged 15-24 years present to hospital emergency departments for mental health-related reasons at a higher rate per population than any other age group, and young people under 25 make up over a quarter of mental health-related emergency department presentations, according to national data analysed by the Australian Institute of Health and Welfare.

Depression or other mental illness are common risk factors for youth suicide, which remains the leading cause of death in people aged between 15 and 24 years. Around 350 young people in this age group die by suicide each year.

Emma Brierty from Youth Focus, a West Australian organisation that provides counselling to young people aged 12-24 years, told the Commission that:

For everyone young person that takes their life by suicide, we have another 20 to 25 that actually attempt suicide in the week.

Emma Brierty, Youth Focus, Perth WA, 13 August 2019

COVID-19 has had an impact, which will last for years to come

The COVID-19 global pandemic appears to have further exacerbated poor mental health among young people. A number of surveys have noted the wide range of its impact:

- The UNICEF survey of 1,000 young people aged 13-17 across Australia has found the proportion of young Australians who feel they are coping at this time is dropping: 45 per cent said they are coping well, compared with 81 per cent in January 2020. Conversely, 20 per cent of young people said their ability to cope now is poor, up from just 4 per cent in January 2020. Almost half of young people in this survey reported that COVID-19 has increased their stress and anxiety.
- The Australian National University has tracked 3,155 Australians to compare mental health data before
and during the COVID-19 pandemic. Preliminary reporting found the proportion of 18-24 year-olds experiencing severe psychological distress to have increased from 14 per cent in February 2017 to 22 per cent in April 2020.¹¹

- A Monash University study found that mental health problems were at least twice as prevalent in the adult population compared to pre-pandemic times and that young people were disproportionately impacted.¹²

- The Youth Affairs Council of WA recently completed a survey with 345 young people aged 12-25. Ninety per cent of them said COVID-19 had had a significant impact on their mental health and wellbeing.¹³

Modelling undertaken by both Orygen and the Brain and Mind Centre to project the impact of the COVID-19 pandemic on young Victorians (including the impact of unemployment) results in projections of an extra 82,000 who will experience common mental health problems by mid-2023,¹⁴ along with a potential 30 per cent increase in youth suicides.¹⁵ Further studies of the impact of the COVID-19 pandemic on the mental health of young people by the Black Dog Institute¹⁶ and by Orygen¹⁷ are under way.

**Mental ill-health limits success in education, training and employment**

Young people experiencing mental ill-health can struggle to remain engaged in education. Around 40 per cent of young people with depression and anxiety disorders did not complete high school, according to a 2016 study.¹⁸ In addition, 37.6 per cent of all people with a mental illness (or 67.3 per cent with severe mental illness) are unemployed or not in the labour force, compared to 22.3 per cent of people without mental health conditions.¹⁹

The Commission heard many accounts of young people’s struggle with school due to anxiety, depression, or other mental illness. Kelly’s story is a typical example:

> Due to Kelly’s current mental health, catching the bus to school is overwhelming by itself. She feels as if she cannot fully engage in school and being at school is all too much. Kelly’s school engagement has dramatically decreased. She attends two to three classes a week when she does attend. She has expressed feeling stressed and overwhelmed at school, and has herself identified that her avoidance of school and strong emotions are likely related to her living arrangements, her mental health and the bullying at school that she is finding difficult to cope with.

Ebony Thurlow, Colony 47, Hobart TAS, 4 June 2019.

The various impacts of mental ill-health cascade into restricted post-school options. A submission by Mission Australia illustrates how experiences of mental illness early in life can lead to significant problems later:

> When experienced early in life, mental illness can seriously derail pathways into adulthood as it impacts on academic performance, higher levels of school drop-out and absenteeism, unemployment, interpersonal problems, increased risk of substance use and an increased likelihood of self-harm.

Mission Australia Submission, November 2019

**Employment and unemployment affect mental health**

Further, unemployment itself can impact on mental health and a negative spiral can develop:

> We know that mental health and unemployment share a reciprocal relationship. We have data that tells us that unemployment can cause poor mental health in young people, and [young people] with

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¹² A Monash University study found that mental health problems were at least twice as prevalent in the adult population compared to pre-pandemic times and that young people were disproportionately impacted.

¹³ The Youth Affairs Council of WA recently completed a survey with 345 young people aged 12-25. Ninety per cent of them said COVID-19 had had a significant impact on their mental health and wellbeing.

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Mission Australia Submission, November 2019

¹⁸ Employment and unemployment affect mental health

Further, unemployment itself can impact on mental health and a negative spiral can develop:
mental health issues are less likely to engage in the workforce.

Silvia Alberti, Uniting, Sunshine VIC, 26 March 2019

Getting a job can improve mental health, particularly where there is decent supervision and favourable working conditions. Unfortunately, however, not all employment contributes to better mental health. Precarious employment can have negative effects. Lorelle Taylor, Link Youth Health Service, told the Commission the story of a young woman who reported being anxious for most of her life:

She was employed by a large fast-food chain but didn’t have enough shifts to manage financially. This contributed to her anxiety. She had anxiety symptoms, panic symptoms, and social anxiety symptoms.

Lorelle Taylor, Link Youth Health Service, Hobart TAS, 3 June 2019

While unemployment itself may be a contributor to poor mental health, the income support system, with its inadequate payment levels and strict compliance regime, also has negative consequences for mental health and wellbeing. Silvia Alberti, Uniting, related June’s story to the Commission:

She struggles financially, and she finds it really difficult to apply for the 20 jobs per month that she’s required to apply for. She finds eating really challenging, so, she relies on baked beans and instant noodles as her main meal types. When she eats these, she says that these have a really poor impact on her wellbeing, and just generally how she feels about herself.

Silvia Alberti, Uniting, Sunshine VIC, 26 March 2019

Appropriate and timely support services combined with better income support can help young people break this cycle. Emma Brierty, Youth Focus, told the Commission:

We’ve seen people that have been homeless come into a Headspace, receive support for their mental health and then get jobs in our local Shire in horticulture, with ongoing support for their mental health, and support to the Shire from the vocational worker.

Emma Brierty, Youth Focus, Perth WA, 13 August 2019

Early intervention is important but accessing needed services is difficult

Young people are less likely to engage with mental health treatment services than other age cohorts. This is a matter of real concern because early intervention, along with tackling the underlying risk factors, is so important in breaking the negative cycle of mental illness.

These obstacles are exacerbated for young people facing further challenges such as alcohol and other drug problems, homelessness, or disengagement from education and employment. As Lorelle Taylor, Youth Link Health, told the Commission:

All of our participants have multiple barriers to employment other than the mental health issues.

Lorelle Taylor, Youth Link Health, Hobart TAS, 3 June 2019

Despite the common co-existence of drug use and poor mental health, which would indicate a need for collaboration between services, there is too little coordination or collaboration. This means that young people can be bounced around between services and left without the coordinated support they need to overcome the multiple issues they face. Jolene Mockbell, Program Coordinator at the Salvation Army Youthlink service, told the Commission:

Some ethnic and cultural groups can be reluctant to access available services because of the perceived stigma associated with mental illness. Jolene Mockbell explained:

In terms of mental health in general, there is unfortunately still a stigma. It is a lack of awareness. Some parents see it as a reflection on them. Some might think that if there is an official diagnosis, that means there’s no hope for their children, or they think it’s forever going to be on their records, they’re not going to get appropriate schooling, appropriate futures, employment.

Jolene Mockbell, The Salvation Army, Liverpool NSW, 13 November 2019
The service system is complex

Despite advances in prioritising and developing responses for youth mental health, young people often have to navigate a complex service system to get the support they need. Any complexity or obstacles in the service system can lead to avoidance or disengagement from the services needed, which have so much potential to head off or help break the cycle of mental ill-health.

Some service models are emerging that can simplify access and integrate assistance for young people experiencing mental ill-health, to address the multiple barriers they face to engage in education, training, and employment. However, significant improvements are needed more widely across service systems if the needs of this especially vulnerable group are to be recognised and responded to.

Integrated and coordinated service approaches are needed

The under-utilisation of mental health services by young people who would benefit from them could be improved if services were better tailored to meet the range of needs they present with. Ways to improve services include a stronger focus on personal relationships between staff and the young person, collaboration and integration with other services, and service accessibility; for example, through more flexible criteria for referral and eligibility, after hours availability, and being located close to public transport.22

Services for young people with poor mental health are getting a stronger profile in Australia, most notably, through Headspace, a national network of services that has been developed to deliver four pillars of care: mental health, physical and sexual health, alcohol and other drugs, and work and study support. The level of demand for Headspace has exceeded its capacity to deliver in some places, and the Commission heard reports that its service model may not be its service model may not be as timely, flexible, or longer-term in ways that would meet the range of needs that young people present with. More analysis of needs by youth and social services along with Headspace could explore how best to meet those needs.

More integrated and innovative approaches are getting good results

An example of the way Headspace supports work and study in new ways showing good results is through the Individual Placement Support (IPS) program currently being trialled in 24 centres across the country. IPS integrates employment and vocational services with clinical mental health and other support. It focuses on the individual needs of young people with mental illness who are seeking to enter or remain in, education and/or employment and includes a post-placement support component.

Orygen has adapted the IPS model by adding vocational peer work, through Headspace Glenroy and Sunshine as part of the Jobs Victoria Employment Network 2016-2020. Vocational peer workers advised young people in ways that included sharing how they looked after their own mental health while working, and how to talk about mental health with their employer.

The way that peer work functions is, not as a clinician. So, we’re not psychologists or counsellors, but as I mentioned, we’re also not vocational specialists. We kind of sit somewhere in a different space to a lot of traditional mental health work. And essentially our role is to provide support for young people that attend our headspace sites, vocational support. So, as you can see here, we have a shared caseload of peer work clients.

Sarah Bostok, Orygen, Sunshine VIC, 25 March 2019
Another example of innovative practice is Headfyrst, which tackles co-existing alcohol and other drug problems along with mental health:

**Headfyrst staff are qualified psychologists, and they provide a range of therapeutic treatment for young people, to address both their AOD and their mental health problems concurrently. It’s also fully integrated into Headspace centres.**

James Selby, The Salvation Army, Liverpool NSW, 13 November 2019

**Principles and priorities for a better system**

The ideas presented to the Commission that have immense capacity to prevent mental ill-health among young people are:

- Ensuring that services are widely available, especially in regional communities, and that ready access is supported through accessible bulk-billing clinics
- Strengthening community, education and training and workplace capacity to identify mental ill-health early and supporting referral
- Ensuring that complementary alcohol and drug programs are available and that outreach and the rehabilitation programs do not involve long waiting periods
- Packaging and designing mental health assistance for young people that recognises and responds to a range of needs in terms of timing, intensity, and duration of help needed
- Preventing mental ill-health through broad-based programs in mainstream settings
- Recognising that mental health and well-being are not always improved through clinical services, and that creative, cultural, outdoor, sports and fitness, and social activities have an important role to play

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17. Orygen research study. Follow link here.
LOCAL RESPONSES

Young people are becoming more and more part of the decision-making processes that affect them. So, it’s important that we feel empowered to step up and spark change. Young people do face a lot of uncertainty in terms of the future of work but we hope that through consulting with other young people and students… we can work to provide the appropriate education necessary to allow young people to feel confident moving forward.

Wren Gillette, Victorian Students’ Representative Council, Melbourne VIC, 7 March 2019

Over the past twenty years or so, place-based community engagement strategies have emerged to understand and address seemingly intractable social problems. Place-based strategies develop and drive local solutions that seek to build stronger, more cohesive and resilient communities. These approaches have arisen in response to the increasing realisation that what will work in tackling entrenched social problems is a deep understanding of local conditions, such as the local economy and labour market, and its social communities: how and where people live and connect; what informs and affects their goals, choices and life outcomes.

An important precursor to the emergence of place-based community engagement strategies in Australia was the adoption of Asset Based Community Development – which sounds like what it is – combined with a method called Appreciative Inquiry. These approaches demonstrate ways to see, understand and build on what makes people and their communities strong, rather than focusing more narrowly on the ways they can struggle.¹

Some early examples of this in Australia have been the Department of Social Services’ Communities for Children, which started in 2004, in an attempt to create a ‘child-friendly community’, addressing the environment in which children could be raised rather than apply resources to fix the ‘problem behaviours’ that arise when it is too late to have much impact.² A later version of this has been an initiative called Stronger Places, Stronger People, which has funded networks in seven places around Australia to organise their local community leaders, residents and organisations to plan, set common goals, and work together to achieve them.
Though these ideas have been around for quite some time, it is important to explain them to fully understand the entirely different ways that it is possible to re-cast ‘the problem’ of youth unemployment and poor transitions from school to work.

**Building social capital for collective impact**

An influential concept that is highly relevant also to thinking about youth unemployment and transitions into work arose out of the comparative studies made of American communities by Harvard Professor Robert Putnam. In an influential essay published in 1995, called ‘Bowling Alone’, he proposed that the key feature of strong local communities is the presence of social capital, which he defines as ‘connections among individuals – social networks and the norms of reciprocity and trustworthiness that arise from them’.

This sounds a lot like what so many people told the Commission during the Inquiry, borne out by research about how people find their way into jobs and social support, some of it not even funded through formal programs.

Not long after ‘Bowling Alone’ was published, the Commonwealth Government established a social capital think tank. In 2003, the Productivity Commission published a research paper, exploring the ways that the concept of social capital could be useful to government. This paper, along with some work by the Australian Bureau of Statistics, grappled with the questions of how to define and monitor social capital, along the lines of government interests in whether and how such a thing could be funded.

Included among the definitions considered by the ABS and the Productivity Commission were qualities of people in social relationships: trust; cooperation; reciprocity; sense of efficacy; civic and social participation; and community support. The Productivity Commission wrote:

> Social capital can generate benefits to society by reducing transaction costs, promoting cooperative behaviour, diffusing knowledge and innovations, and through enhancements to personal well-being and associated spill-overs.

Underlying the challenge of defining ‘social capital’ more precisely was this question for government: how can we promote these important community assets?

As it turned out, this policy direction was too elusive to be defined as some kind of ‘outcome’, to be specified and funded in contracts, which are the key ‘lever’ through which governments typically tackle poverty and unemployment. The Productivity Commission concluded that governments already undertake many functions that implicitly aim to support or enhance social capital, and that ‘devising policies to create social capital generally is problematic’. It did point out though that ‘governments should at least consider the scope for modifying policies that are found to damage social capital, and ways of harnessing existing social capital to deliver programs more effectively.

These ideas inform the following discussion of evidence brought before the National Youth Commission Australia. Presenters pointed to the importance of recognising differences between places and the strengths and opportunities held in each context. They revealed repeatedly the problems that arise with centrally and prescriptively planned government policies and rules for design and delivery. Though this is most frequently recognised as the problem of delivering services in narrow silos that need joining up, there is a deeper and more promising reform potential in collective impact, involving young people as partners in design.
Places differ. So do their strengths and opportunities

Different geographical regions and locations across Australia are inhabited by diverse communities of people, with substantial differences between urban, suburban, regional, rural, and remote communities. Within each area, there are different mixes of socio-cultural groups, from First Nations communities, to communities of recent immigrants. Communities also represent different mixes of people defined in social-economic terms: income level, occupations and educational attainment.

Each community has a unique economy, with differing employment patterns, local industries and mixes of occupations. There are manufacturing hubs, areas dominated by the services industries (such as education, finance etc), and regional towns surrounded by rural areas where agriculture and food processing are prevalent.

The uniqueness of communities was frequently mentioned at public hearings. For example, Danny O’Donoghue highlighted how towns even in the same region differ in labour markets and education offerings:

… what we noticed when we first started to treat those three towns Wang [Wangaratta], Benalla, and Mansfield as one but they weren’t as one at all. They were only 40 kilometres from Wang to Benalla, 60 kilometres from Mansfield to Benalla, they’re all different. They’re all very different. They’ve got different labour markets, they’ve got different education structures. Wang’s got two…three private schools; one Catholic, one independent, and one……it’s a Protestant school anyway. Very, very great schools and a [public] high school. Benalla has just got a Catholic school and a high school. Wang has got a district specialist school too for people with disability. So, they’re all different, with different labour markets. Wang is twice as big as Benalla which is twice as big as Mansfield.

Danny O’Donoghue, North East Tracks Local Learning and Employment Network, Shepparton VIC, 14 May 2019

Centralised design and contracting represent a wasted opportunity

The different composition of communities and their economies affect how programs and services operate in communities. Despite this, governments have tended to develop and design programs on a ‘one-size-fits-all’ basis, contracting the same prescribed requirements for delivery into those vastly different contexts. The services contracted by the Commonwealth Government and delivered by Jobactive (previously Job Services Australia and Job Network), are a prime example. These contracts have increasingly been unable to respond to the communities they serve.

Across Australia, the Commission heard the importance of working differently from that ‘one-size-fits-all’ prescription, instead designing local and collaborative solutions to promote better youth transitions and employment. Nicky Leitch, Hume Whittlesea Local Learning and Employment Network, considered place-based solutions to be the top priority:

Number one, I think the most important thing in moving forward, particularly for young people in both unemployment and education space, is the importance of local place-based solutions and coordination of local service provision. Without it, a community is quite dysfunctional. With it, even though you can challenge the pros and cons when people work collaboratively … it does significantly make a difference.

Nicky Leitch, Hume Whittlesea Local Learning and Employment Network, Preston VIC, 12 March 2019
The Commission learned about a wide range of local initiatives, and while each was unique they shared some key common elements. These included:

- local people including young people taking responsibility for their economic future
- identifying and harnessing community resources and opportunities to stimulate sustainable economic activity
- governments recognising that each community has within itself, or within its grasp, considerable capacity and opportunities to influence its own social, economic and employment future.

Local labour markets call for local decisions

Employment opportunities vary across Australia, community by community. The latest projections for employment change by industry from May 2019 to May 2024 can be found on the Commonwealth Government's Labour Market Information Portal. These projections show that different regions can expect different rates of change in employment by industry, and that demand for different occupations and workforce skills will vary across Australia.

This was reflected in the evidence presented at public hearings. For example, the Commission was told:

… in Bendigo for example, [there is] growth in our engineering sector where there are opportunities for young people, particularly to be able to take up some of the opportunities based on the contracts that some of these engineering companies have been able to secure through some recent announcements through state government about funding for the railway projects.

Paul Costigan, Matchworks, Bendigo VIC, 27 June 2019

Despite this, we find state and national priorities dominate the local economic development agenda, with little flexibility to establish priorities and make plans locally. A case study of regional development by Pugalis and Keegan concluded that “… regional economic strategies tend to reflect a bias towards structured processes, transactional relationships and hierarchical decisions."

Further, education and training decisions also tend to reflect national or state/territory priorities. For example, the fee-free TAFE initiative in Victoria has almost fifty courses on the free list, but these are all state-wide priorities, and TAFE institutions have not been allowed discretion to offer fee-free courses to meet local labour market needs. This means that local education and training opportunities provided, and qualifications earnt, will not necessarily match the local job opportunities.

More local planning is needed to enable adaptive responses to local labour market conditions.

Local industry and business need and can build local solutions

Engaging local businesses is central in developing any local response to improving youth employment. Local business groups that spoke to the Commission were keen to see better links between employers, employment services, schools, VET providers and universities, as well as improving employment opportunities for local young people.

Many local business groups are proactive in building links between employers and education and training bodies. For example, Business Wodonga:

… make it a point to work closely with La Trobe Uni and they do with us too and Wodonga TAFE and a number of the secondary schools. We are really keen to work with them and also with often the employment agencies particularly member employment agencies and the Jobactives.

Neil Aird, Business Wodonga, Wodonga VIC, 19 May 2019

Others work proactively to overcome barriers to employment faced by young people. For example, the Working Together service, an initiative of the Bunbury Geographe Chamber of Commerce, focuses on improving employment opportunities for First Nations people:
The focus of the Working Together Service is to provide information, support and advice to business owners and operators in the South West region, to attract, recruit and retain... The Aboriginal Services and the Working Together aim to raise awareness of the potential benefits of employing Aboriginal people and expand work experience and employment opportunities for young local Aboriginal people.

Kristy Carriage, Bunbury Geographe Chamber of Commerce, Bunbury WA, 12 August 2019

It is this kind of deeper and longer term relationship with local business that improves the employment prospects of young people.

**Collaboration for collective impact backs up local economic development**

In their work with what is called the ‘supply side’ of the labour market, education, social and community service systems have focussed on supporting young people to be ready and able to work. The importance of service integration was discussed at many of the public hearings and written submissions to the Commission, and evidence presented showed that significant improvements to collaboration and service integration are needed.

Rob Sturrock, The Smith Family, pointed out that better collaboration would make it easier for young people to navigate complex services systems:

> From us, we see the education system and its sub-components, the employment system and the community services system still operating mostly in isolation from one another. The interactions and the integration just isn’t quite there, which makes it really difficult, particularly for our cohort, to navigate them individually or try and go between them. Particularly at these challenging points where they’re trying to work out what their career is going to look like or what the end of their education is going to look like.

Rob Sturrock, The Smith Family, Sydney NSW, 29 October 2019

That education and training bodies, community services and employment services are not able to collaborate effectively reflects the ongoing policy ‘silos’ created by government agencies within and between tiers of government. Jodie Gatley, Micah Projects, explained the hurdles experienced by service providers:

> All of the organisations, services and programs work to achieve these aims with the people we support, but obviously, this can be challenging without dedicating, flexible and holistic funding opportunities, or policy directive. Though as a service we consistently work to integrate and bring program’s together, across silos - because that is what works - we remain challenged, by operating within a siloed investment system.

Jodie Gatley, Micah Projects, Brisbane QLD, 24 September 2019

Collaboration and service integration at the community level is especially more effective in the case of working with vulnerable young people. Margie Fahy, Uniting SA, told the Commission that:

> We advocate strongly for service models that provide integrated, flexible, tailored, and, importantly, ongoing support, whether that would be related to skills to maintain successful mental tendencies or social and emotional development to re-engage with the education or the skills, confidence, and networks that can be developed through pre-employment programs. We believe that all these help to address social-cultural barriers and increase opportunities for all young people to participate and flourish.

Margie Fahy, Uniting SA, Adelaide SA, 19 June 2019
The Commission heard many examples of services working together to improve the lives of young people. The work of Youth Junction in Melbourne’s western suburbs is one:

“We’re developing cohesive and integrated service delivery so the wraparound service system across the three LGAs by mobilising what is in local communities and with those organisations who know best their territory or turf. We’re currently looking at On Board and local industry, which YouthNow have got some great relationships with and we’re trying to strengthen not only our place-based service offering but also our outreach component in order to achieve a best practice model.”

Karen Hart, Youth Junction, Sunshine VIC, 25 March 2019

Collective impact is more than service integration

One of the notable features of a more service-integrated response is the value of relationships at a local level. These are relationships of trust and reciprocity between individuals and organisations, building local consensus about what might happen and how it can be achieved.

It is necessary – and possible – to deepen the development opportunities further. These core features of efforts in collective impact have immense potential to generate and resource local responses more effectively:

- A common agenda and coordination of resources and efforts
- Shared measurement: All who have capacity to affect outcomes develop a set of shared indicators against which to monitor progress
- Continuous communication: to build trust
- Coordination of communications, plans, activities and different resources that can be brought in to achieve shared goals
- Mutually reinforcing activities that might be undertaken separately, but that contribute to the shared goals.\(^{11}\)

These kinds of approaches have powerful capacity to generate the valuable social capital that bridges relationships between employers and young people and between the communities of support that work with them, as well as with young people. Importantly, these kinds of coalitions for collective impact represent a sorely needed way out of the competitive contracting processes that have so often proved counterproductive.

At the end of 2019, Terry Moran, a previous head of the Department of Prime Minister and Cabinet, reflected on the move to greater centralisation in Canberra over past decades, and increasing outsourcing of delivery to the private sector and not for profits. In his view, ‘this has resulted in a loss of accountability and less engagement with local communities.’ It has been the disadvantaged, he said, who have been most adversely affected by these changes.\(^{12}\)

Devolved decision-making to local areas promotes innovation

Terry Moran urged the need for more government ‘subsidiarity’: showing new respect for communities at the local level while equipping them with resources, strategies, systems and opportunities to work within local community and business networks and systems of democratic accountability. Devolving decision-making to local communities promotes the innovation in service provision and education that is needed to tackle longstanding shortcomings in the usual approaches.
The Community Innovation and Investment Project, run by the Tasmanian Council of Social Service and funded by the Tasmanian Government, devolves the leadership for decision-making to local areas:

So, we are in four communities at the moment, and we have had some funding from the state government to fund some local solutions. …we call them local action groups, so we have set up these LAGs which brings together the community. And that includes local government; it can include a job active provider potentially. But they’re actually driving, they’re coming up with the ideas, they’re testing them, and then they’re drawing down on the funds themselves to deliver.

Kym Goodes, Tasmanian Council of Social Service, Hobart TAS, 4 June 2019

Young people in communities can inspire and drive innovation

The Commission heard a range of evidence about the importance, and the rewards, of involving young people in partnership with adults when establishing a future vision for a region. The Geraldton Universities Centre in Western Australia is one such example, a flourishing campus that exists today because of the engagement of young people 20 years ago. It originated in response to the exodus of young people from regional Australia to the city, in search of higher education and employment opportunities.

In 1999, the Mid West Development Commission held a youth forum with young people aged 18-30. Together they formulated a vision for young people to access university education without having to leave the region. Delegations travelled to Canberra and an Australian first took place: university places offered by different universities that would be allocated to Geraldton and delivered specifically in and for it.

Today, the Geraldton Universities Centre is an independent not-for-profit body with its own campus, offering young people the opportunity to learn locally to qualify for local employment. Natasha Colliver explains:

Our mission is to provide opportunity for all with a range of high quality, supported university programs to build regional capacity. So, when we actually look at what courses we’re going to provide, it is about building our regional capacity. It’s about providing courses that are needed in regional areas. So, we’re all about support and that is both the pastoral and academic support, of course. Our model has become known as mixed mode. Students are enrolled as distance or online students with our university partners, but they receive the face-to-face components of their courses at the GUC. That means that we provide face-to-face support with tutorials and workshops and a whole heap of things.

Natasha Colliver, Geraldton Universities Centre, Geraldton WA, 16 August 2019

The Commission heard many times the importance of valuing the ideas, contributions and skills of young people within all areas of community life and supporting them to be strategically engaged as both architects and co-designers in all development processes, including program development, implementation and evaluation.

Hume Youth Commitment

The Hume Youth Commitment was developed by the Hume Whittlesea LLEN as a strategic response to the diversity of approaches to employment and youth transition in the City of Hume. The HYC is a partnership of schools, industry, education and community providers, committed to providing all young people with the opportunity and support to complete Year 12 or its equivalent; to implement strategies that promote seamless transitions throughout their schooling and to further education or employment.

Working Together, Bunbury Geographe Chamber of Commerce

Working Together provides information, support and advice to business owners and operators in the South West region of Western Australia to attract recruit and retain young Aboriginal employees. Working with the local Aboriginal Workforce Development Centre, Working Together aims to expand employment, training and mentorship opportunities for young local Aboriginal people by connecting them with local businesses.
Priorities and principles for a better system

These concepts inform the ways that local solutions can be developed for a reformed system that will get better outcomes for communities as a whole, as well as for the young people who live in them.

- Understanding the value of social capital, which means working to build relationships and networks, not only between organisations working together to get better outcomes, but to promote better connections for young people themselves
- Sharing, agreeing and contributing assets and organisational capabilities for commonly agreed goals at the local level
- Devolving decisions about policies and how to use funding and resources to local areas
- Increasing opportunities for young people’s voice and choice, as participants and partners in decision making, local activities and solutions

Conclusion

There are many benefits in recognising the importance of place in efforts to overcome barriers to employment, education and training for young people. Local responses can adapt to local economic conditions. Local services are more likely to work together better if given the freedom to do so. Local communities are more likely to be innovative than state, territory and national governments. Local businesses are keen to get involved in building their workforce for the future.

Businesses, schools, community services and young people value opportunities to connect with each other, not just in the search for jobs and employees but especially when working together in the local search for a shared vision and strong community.

Young people believe in local responses that also build social connections, that could easily be termed the opportunity to develop ‘personal social capital’ in the places where young people live and desire to live.

Business development and job creation are key factors in developing healthy, sustainable and enterprising communities. Sustainable community economic and employment development will not arise from any ‘quick fix’ measures or the imposition of a ‘needs mapping’ exercise or a one-size-fits-all program. What is required is genuine community dialogue with business, schools, VET providers and young people about what helps and hinders business activities and employment pathways, and ideas to improve both.
WHAT HAPPENS NEXT?

The central purpose of this Interim Report is to put a spotlight on the main challenges facing young people as they attempt to build a future amid the uncertainties of these difficult times. Each section ends with a list of the principles and priorities that point to further policy thinking, to develop a better system. Australia is a country that can meet this challenge, but it needs the Australian community to rally and demand that our political leaders put partisan considerations aside to support a national Youth Futures Guarantee.

Since the National Youth Commission Australia began its work, the COVID-19 pandemic has plunged the world into the worst economic downturn in nearly a century. The crisis has had profound consequences, and that includes on the work of the Commission. We are yet to complete some aspects of the Inquiry, including to examine the needs and challenges of First Nations young people, young people with disability, young people in care and young people from multicultural backgrounds, and those from the LGBTQI+ community. Our work on the impact of climate change on future employment, as urged by some participating young people, is not complete. What we have done thus far is to put forward the issues that affect all young people, and around which we hope the broader Australian community will rally.

The Commission seeks feedback and your ideas about the findings and analysis reported to this point. Though we recognise there is unfinished business to attend to, never has this work been more important, as we try to think about what recovery from COVID-19 will mean for young people and for everyone in this country.

This Interim Report is especially an invitation to young people and all those who have contributed to the Inquiry so far to let us know whether we have understood some of the biggest issues around which there seems to be a consensus, and which aspects of the status quo most clearly need to change.

The Interim Report will also be circulated widely to the Australian public, to many different communities, to employers, and decision makers in government for their ideas and contributions. To focus attention on points of reform and ideas for action, we are publishing a companion Youth Futures Guarantee document. This Guarantee outlines changes to improve the education and employment prospects, and the lives, of young Australians.

The Youth Futures Summit is an important event to start this national conversation.
How you can be involved

The National Youth Commission Australia has begun a process of change by undertaking the Inquiry and keeping it going, but in the end, political and policy decisions must be made by our government. A new deal for young people will require the political will to make some bold political decisions. The only way to guarantee that outcome is if we all join up in a common cause – accepting that it is unrealistic to think that everyone must agree on everything.

The Commission would like to hear from everyone who recognises the importance of the core findings from this Inquiry, who would like to learn more, and who are prepared to step forward and work to make necessary changes actually happen. The National Youth Commission Australia commits to facilitating and coordinating that collective action by the Australian community.

We call specifically on all young people to join this cause, to ensure that as Australia attempts to recover from this devastating COVID-19 crisis we change our services and reform our social and economic infrastructure to support our most disadvantaged young people more adequately. This will build a more secure and sustainable future for all Australians, young and old alike.

Thanks and acknowledgements

The findings of this Interim Report have drawn on only a fraction of the thousands of transcribed pages of testimony from public hearings, and the many examples and case studies offered by many participating individuals and organisations. Every single presentation and submission has helped deepen the insights gained by the team of Commissioners, and we thank you all for the time you took to share your experiences.

We are especially grateful to the many young people, not-for-profit agencies, educators, academics, employers, VET providers and others who either participated in the public hearings and workshops or helped support them.

We also want to acknowledge the many organisations who have backed the Commission’s work either financially, or in-kind. We couldn’t have got this far without you – please stay the distance. There is so much more to do.

I am particularly thankful to my fellow Commissioners for their work on this Inquiry and their commitment to young people. Working in the backrooms to support the National Youth Commission Australia has been a dedicated and hard-working Secretariat. Thank you, Keith, Alex, Nina, Dev, Pariece, Marissa and Dominic for all of your hard work and commitment.

A special thanks goes to Dev Mukherjee, Dr May Lam and Keith Waters for being the primary writers of this Interim Findings Report. Thanks also to a small cast of external experts who have contributed feedback along the way.

I invite you now to join the conversation about the Youth Futures Guarantee

David Eldridge AM
Chairperson
National Youth Commission Australia
19 August 2020

Sophie Johnston
On behalf of the Youth Commissioners
19 August 2020