

**Australian Chamber of Commerce and Industry
and
Business Council of Australia**

Response

Responses to: The labour market for young Australians, Mark Wooden

The paper raises doubts about the value of part-time or casual employment particularly for :

- early school leavers, where a limited formal education and lack of exposure to structured work place training, will impede skills acquisition and ultimately have serious detrimental effects on future employability; and
- students in casual employment, where such employment is likely to have little bearing on jobs obtained after completion of school and post-school education.

It is the view of business and industry that any form of work, paid or unpaid, is valuable. It has the potential to provide young people with experience, skills, a referee and evidence of key competency development. The paper 'down plays' these benefits and overall creates a negative perception of part-time and casual work.

The needs of business and industry are driving the increase in part-time and casual work. It would be counter productive to focus on full-time jobs as a means of addressing issues of youth employment. The McDonald's Vocational Certificate of Education (VCE) traineeship is one example of how part-time/casual work can be parcelled into an employee qualification that is valued and recognised by the broader working community. It should also be noted that a large proportion of students undertaking vocational education and training (VET) in schools are undertaking hospitality or retail studies which articulate into part-time/casual employment. There is a need to ensure that schools offer a diversity of opportunities for students which relate to the local labour market.

Business and industry believe that it would be valuable to young people to have the skills obtained during part-time/casual work documented and aligned with the Australian Qualifications Framework (AQF).

Schools need to encourage young people to see the potential benefits to be gained from casual/part-time work. Learning and external work experience must be better integrated, through school curriculums that help young people identify and list the competencies they attain during periods of part-time/casual employment. It is important that young people are encouraged to take responsibility for their own personal development.

Indications from business and industry suggest that the cost of teenage labour is a factor which does not necessarily impact on the number of job opportunities available to young people, including the 'at risk' non-student group. This issue may require some further empirical research.

[NOTE: Subsequent to publication, the ACCI/BCA have contacted the Forum requesting that this original statement be clarified, their position should read: 'The cost of teenage labour is a factor which significantly influences the employment prospects of young people'.]

Response to: School participation, retention and outcomes, John Ainley

Business and industry have noted the report's finding that school completion rates continue to be higher among those with higher levels of earlier school achievements, females, those from 'enriched' social backgrounds and those from non-English speaking backgrounds. The paper implies that there may be particular boys who are disadvantaged. Business and industry see a need for the particular problems of this group to be further investigated before developing a full and considered response.

Anecdotal evidence presented to industry suggests that VET schools, while in its early stages, is experiencing difficulty in the implementation of particular projects. There is also a high drop out rate in some projects which could be due to a lack of support for VET programs from other teachers in the school. From an industry perspective there is value in running general VET and pre-VET programs at Year 10.

It was noted from Dr John Ainley's paper that VET programs in schools are not necessarily being taken up by the 'at risk' group but rather by others with clear vocational goals and capacity who are aiming for tertiary studies and others keen to obtain the 10% TER bonus. This is an important issue and needs to be addressed to ensure that all school students have access to VET programs and that a priority focus may be necessary to involve 'at risk' students.

It should be noted that young people 'at risk' tend to be based in particular communities which should be identified and targeted for VET programs. To achieve this, there may be a need for regional surveys to be undertaken.

Response to: Young peoples' participation in and outcomes from vocational education and training, Katrina Ball and Chris Robinson

It was noted that the recent expansion in trainee numbers has taken place proportionally in older age groups, with 50% of trainees aged over 21. Some sections of the community have expressed a concern but business and industry consider that this is reflective of the increased school retention rates.

NCVER's report of a forecast decline in employment in the retail trade sector, relative to other industry sectors, is strongly disputed by business and industry.

Response to: Young peoples' participation in higher education, Simon Marginson

It was noted that up front payment fees for people who already have degrees may be a deterrent to individuals seeking to upgrade qualifications. This needs to be addressed.

Business and industry strongly support measures which improve pathways between TAFE and High Education. Business and industry also support universities being encouraged to recognise VET programs and qualifications, perhaps through more partnership arrangements, and joint delivery of courses.

Universities should also consider maximising third party access to facilities and extending courses over a longer period of each year thus enabling students to complete their studies in a shorter period of time. This issue of third party access to publicly funded infrastructure and facilities should be addressed as a matter of priority.

It should be noted that many employers place significant 'value' on VET qualifications. Interestingly, there is evidence of a greater number of students moving from University to TAFE, rather than TAFE to University, which has not been the case previously. This suggests students themselves are placing an increased emphasis on VET qualifications.

Response to: Young people and labour market disadvantage: The situation of young people not in education or full - time work, Alison McClelland, Fiona Macdonald, Helen MacDonald

All sections of the community have a role when it comes to providing opportunities for 'at risk' young people. However, it is up to individual employers as to whether or not they choose to participate in initiatives.

School representatives believe that industry can play an important role in working with schools at a local level, to help prepare young people for work. This can be done in a number of ways. For example:

- mapping employment opportunities in particular areas;
- identifying the skills/key competencies that schools might assist young people to develop if they are to access local job opportunities; and/or
- providing opportunities for work placements.

Employer incentives and subsidies help off-set training and supervision costs incurred when employers participate in VET programs. They are an important mechanism in encouraging employers to take on young people.

Response to: Youth incomes, John Landt and Philip Scott

The paper clearly demonstrates the extent to which youth incomes have declined. Business and industry have been advised that the effects of this will be felt by two groups in particular:

- young people whose parents are in the marginal income groups and who have limited access (if any access) to government support (the concept that parents should continue to support their teenage child is felt by many to be a middle class one); and
- by lower middle class parents struggling to support and educate their children, paying both school and university fees.

Response to: Public expenditure on youth education, employment and training Gerald Burke

Business and industry consider that:

- university costs could, at least in part, be contained by a more efficient use of university facilities, and by condensing the time taken to complete courses.
- Teaching methodologies in both schools and universities must change/diversify in order to meet the needs of future students and prospective employers.

Issues And Recommendations

The following conclusions and issues have been drawn from the papers presented at the “Learning and Work: The Situation of Young Australians” forum:

- opportunities tend to be limited for the significant minority of young people who are not in full-time employment, education or training, and therefore the transition to a successful independent adult life appears less likely;
- the expansion of part-time work opportunities is primarily benefiting full-time students who occupy 80% of such positions (the non-students occupying the remaining 20% are at risk of becoming marginalised);
- while the papers convey a sad picture for young Australians many more young people are succeeding in a variety of ways (the picture painted by the papers needs to be placed within this wider context);
- the views of school, business and industry need to be balanced. The research papers, while providing an interesting situation analysis, do not necessarily present a complete and realistic perspective from the variety of other people dealing with youth;
- VET in schools should be better targeted to reflect real job opportunities and skills shortages, particularly of local industry;
- schools need to recognise and promote the advantages of part-time/casual work and to better integrate work and learning;
- improved links and pathways between TAFE and higher education are required;
- universities and schools should be encouraged to maximise third party use of facilities;
- opportunities to supplement part-time/casual jobs with training opportunities such as part-time traineeships or ‘stand alone’ VET courses should be investigated;
- employer subsidies and incentives, to encourage business and industry to assist young people beyond their immediate needs, should be enhanced and publicised;

- additional hard data is needed on marginal groups, particularly by regional area;
- it would be advantageous if schools could provide information on the whereabouts of school leavers, after leaving school;
- additional statistical information about the transition from part-time/casual to full-time work would also be valuable.

Recommendations

It is recommended that:

- consideration be given to 'loading' or supplementing part-time jobs with training opportunities such as part-time traineeships or 'stand alone' training;
- the responsibility for providing job and training opportunities for the targeted 'at risk' group be shared by government, the community, the education sector, employers and the individual;
- early intervention strategies be implemented with equal emphasis in the school and post school systems;
- business, industry and government provide schools with on skills shortages, future demand and specific local job opportunities;
- while the funding and policy impetus for pre-vocational courses may have diminished, a reassessment be undertaken of the value of pre-vocational and stand alone VET courses in terms of their possible use in supplementing skills obtained at school and in work;
- employer subsidies and incentives be enhanced to encourage business and industry to assist in providing more job opportunities and to help offset training and supervision costs;
- VET and all Year 12 completion certificates be better integrated (for example, curriculum delivered in modular format that could better accommodate VET needs);
- the status of VET be increased among educators, parents and the community and that the same rigour be attached to school based courses as with the industry recognised TAFE based equivalent;
- school industry links be maximised to break down cultural differences;

- school students be made aware of career options via an integrated program that develops and assesses key competencies within a context of educating the 'whole person'; and
- the school environment be utilised more broadly, introducing students to learning opportunities relevant to work.