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My comments are framed in the context of some unifying ideas that we can take away and use for improving the outcomes of young people.

All of us have heard about the 2002 Intergeneration Report of Federal treasurer Peter Costello. Employers are worried about the next generation of young people coming through in the next ten to fifteen years, and the skills that they are going to be bringing into the workforce, and whether they will be able to support not only enterprise, but also an improved national economic performance. The next generation is going to play a critical role in the evolutionary turn of economic growth in the long-term. At the end of this business cycle a key issue is going to be how to support training and different modes of employment to create long term economic sustainability.

Access to education, employment and training is something that has been an issue for most of the people here over a decade, and I suspect that some will be continuing to look at the issue over another two decades. A continuing concern is that reports like *How Young People are Faring* keep arising - we have yet to find the ideal system and we have not achieved the optimal level of change that is required.

I keep thinking about the 'modernity paradox' or the issue of having an economy that appears to greatly benefit a significant proportion of the population while another proportion is completely missing out. The term 'disadvantage' is an inadequate way of describing this disparity yet the conflict in opportunity between the two is extreme.

The important new twists in this report are that firstly, that quality of learning that is currently available of itself may not be sufficient to assist in overcoming this paradox; and secondly, that completing twelve years of learning does not in itself guarantee a secure outcome for young people. Given the rate at which we are addressing these issues I can foresee another five or ten years before we achieve a viable system of early intervention and I hope that governments have the patience to support those changes.

The discussion has again reinforced the importance of VET, particularly in terms of pathways for early school leavers. This needs to be linked to the ANTA research on young people and their investment in education and training; and especially to ensure that they have recognition of vocational pathways and actually enjoy access to those pathways.

A crucial step forward is the concept of a transition worker or a case manager and the early access and support they provide for young people; unfortunately the national rollout of this concept is not really happening at the moment. Young people need to be learning about pathways before Years 9 and 10, so that they are well informed about making decisions when that time comes.

Clearly we need much stronger co-operative arrangements between state and federal governments, sustainable community partnerships built around earlier intervention, tracking and destination reporting, flexible access to different types of schooling options, and much better education and work guidance to ensure young people understand the range of opportunities they can access.

We need much better support from the federal government in terms of its youth transitions policy and approaches. The fundamental thing that comes through today is the need to break down the mental separation between schools and TAFE and the other key sectors in involved in the learning and work pathways of school leavers. Essentially we must have an integrated system of services with local and transparent responsibility for providing a range of options for all young people in the process of transition.

There is no doubt that there is a place for employers in all of this. The challenge for me coming from the Business Council of Australia is to ensure that our great companies not only have a responsibility to their own growth, to generate profits and remain competitive, and to return value to investors that put faith and hard earned dollars into them. It is also to encourage them to see their long term interests as deeply connected to working directly with schools to enrich the learning opportunities for young people, to take an active role in their community partnerships, to renew skills and provide opportunities through training, and to support a robust national policy that will lead to successful transitions for all young Australians.