

How Young People are Faring 2005: A commentary

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Living in a buoyant economy, with strong jobs growth and unprecedented wealth connected to home ownership, are Australians comfortable with their lot?

The evidence is mixed. Widespread optimism about economic prospects is generally tempered by anxiety about levels of household debt and concerns about terrorism. Rising levels of clinical depression, popular longing for a personal sea-change, and a profound incidence of family breakdown also tend to counter-balance the sense of economic good times.

As you might expect young people share the national optimism.

Recent longitudinal research shows that in general young people have high levels of life satisfaction consistent with previous generations of young Australians. But their satisfaction in life is intimately related to what they are doing as students or workers, to whether they have a full-time job or not, or a course or a career plan that provides direction. To whether they are part of Australia's economic 'insiders' or 'outsiders'.

It may surprise but there are currently more than 560,000 young Australians not in full-time work or study, people who are predominantly on the 'outside' of the Australian economic success story. Most of them - about 330,000 - are women.

It's a curious thing that there has been such a passionate focus in recent times on boys participation in schooling - and rightly so - but relative indifference to the labour market opportunities for teenage girls and young adult women.

While full-time jobs for young men are gradually recovering and trade apprenticeships have grown, little attention has been focused on the predominance of casual, part-time and often low-skilled jobs for young women who have left education. It is true that young women have lower levels of absolute unemployment than young men and they participate in education more readily and for longer, but they are also considerably more prone to precarious employment and to underemployment.

Perhaps it's part of our social condition. The outward signs of distress (at school) - aggression, bullying, misbehaviour - attract parents, communities and policy-makers. Meanwhile the piecemeal nature of serial part-time work tends to be endured as an individual experience, stoicism rather rebellion being a favoured means of coping.

It was into this pool of hormones, attitudes and structures that the Prime Minister stepped a year ago when he set an unequivocal benchmark for his Government's fourth term: *We aim at nothing less than assisting all young Australians from age 13 to 19 to make a successful transition from school to an enduring career.*

However in 2005 fifteen percent of teenagers are either unemployed, working part-time or have withdrawn from the labour force. Thirty percent of school leavers were in this situation six months after leaving school.

When our strong economy is producing skills vacancies that should be filled by young people, which are not, it's clear there is considerable work ahead if the PM's benchmark is to be achieved.

His frequent suggestion that students use Year 10 as a watershed point to decide about proceeding further with schooling is well-founded. The latest data shows that 45 percent of Year 10 leavers were either unemployed, working part-time (but not in education) or had withdrawn from the labour force six months after leaving school. It is simply not acceptable to encourage students to consider withdrawing from school without providing strong support and guidance and decent alternative learning and work opportunities.

There is a growing sense that the nation could be dividing into the overworked or the underemployed, the insiders and the outsiders mentioned earlier. Many in the middle class are aware of overwork and the pain it brings, even if it is often worn as a badge of honour in the tea room.

Simultaneously however, Australia has one of the highest rates of part-time employment for young people in the OECD, and the growth of part-time employment is outstripping full-time employment. More than half of Australia's young part-time workers (excluding full-time students) say they want to work more hours.

One of the high points of the last federal election was the animation that followed John Howard's commitment to improved transitions from school, the new technical colleges, and support for apprentices and apprenticeships. Similarly Labor's *Learn or Earn* strategy attracted a lot of public comment. For the first time in memory young people and their fates were part of the national political discourse. However, much of that focus has since been lost in the maelstrom of headline issues like terrorism and industrial relations.

Policies and programs that ensure young people leave school better prepared for life and for employment will have an economic benefit and contribute to sustaining even further our long economic boom.

Beyond improving the employability of Australia's young economic outsiders - those growing up in stressed socio-economic circumstances, rural Australia, Indigenous communities and young women not in education – personal support and career guidance, robust learning choices, labour market programs and structural incentives are needed if the PM's pledge is to become a reality.

In recent times there have been numerous Commonwealth and State initiatives to improve participation in education and to provide better support for trade apprenticeships. Many of these are to be applauded, however it will take some time for the impact of these measures to be reflected in data on youth transitions. The challenge is to match the high expectations attached to these initiatives with adequate resources, pooled funding, co-ordination and planning, especially between our levels of government.

One clear oversight in the array of post-compulsory education and training reforms is a focus on the labour market and the quality of employment that young people experience in the first 12 months after leaving school. It is in this phase that a gender gap is emerging. Along with other holes in youth labour and training markets, this is an area that must be addressed by government and employers.

The report also provides a timely reminder that Australia cannot be complacent about its improving level of educational attainment. OECD ranking of estimated completion rates of upper secondary education shows that Australia lies in the middle, significantly adrift of the Scandinavians, Korea and Japan. Our national long-term prosperity will derive more from the skills and capacity of our people rather than our talent to exploit our natural physical resources. Investing in education and skills, and redoubling our efforts to improve participation, achievement and completion rates is critical.

General economic success is clearly a necessary but not a sufficient condition for Australians to be relaxed about our lot.

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