

An abstract graphic design featuring several overlapping circles. A large pink circle dominates the upper right. A light blue circle is positioned below it, overlapping the pink one. A green circle overlaps the bottom of the pink circle and the light blue circle. A white circle is on the left side, partially overlapping the pink circle. The background is white. The text 'and' is visible on the left side, partially cut off.

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About yourtown

yourtown is a national organisation and registered charity that aims to tackle the issues affecting the lives of young people. Established in 1961, **yourtown's** mission is 'to enable young people, especially those who are marginalised and without voice, to improve their quality of life'.

yourtown provides a range of face-to-face and virtual services to young people and families seeking support. These services include:

- Kids Helpline, a national 24/7 telephone and on-line counselling and support service for 5 to 25 year olds with special capacity for young people with mental health issues;
- intervention programs for young people at risk of early disengagement from formal education;
- training programs, social enterprises and services which assist young people to secure and maintain employment;
- training, mentoring and employment services for young Aboriginal and Torres Strait Islander peoples;
- accommodation responses to young parents with children who experience homelessness and women and children seeking refuge from domestic and family violence;
- young parent programs offering case work, individual and group work support and child development programs for young parents and their children;
- Parentline, a telephone counselling service for parents and carers; and
- therapeutic interventions for young children and infants who have experienced trauma and abuse or been exposed to violence.

We are one of the largest providers of charitable youth services in Australia, employing over 700 staff across four states and responding to around 230,000 contacts every year. We currently have 50 service centres in 36 locations across Queensland, New South Wales, South Australia and Tasmania. Our service locations are prioritised to areas of high socio-economic disadvantage.

Most of our face-to-face services are targeted at young people who face significant barriers to employment. We specialise in working with young job seekers who are at the highest risk of long term unemployment, including: early school leavers; young Aboriginal and Torres Strait Islander peoples; young offenders/ex-prisoners; those from culturally or linguistically diverse backgrounds, and single parents from jobless families.

yourtown has over 15 years of experience helping young people who face significant barriers to finding and keeping a job. We currently deliver youth specialist jobactive services under subcontract to MAX Employment in 26 locations and Transition to Work (TtW) in 12 locations across four states, as well as ParentsNext in Port Pirie in South Australia.

We also operate an Indigenous Vocational Training and Employment Centre (VTEC) in South East Queensland and are currently piloting an innovative approach to addressing long-term youth unemployment in Elizabeth in South Australia and Caboolture in Queensland called **your job your way**.

Introduction

As a youth specialist employment provider, **yourtown** sees firsthand the transformational power of employment on young people's lives. Securing a stable and fulfilling job has the potential to improve a range of life outcomes, including health, wellbeing, social and economic outcomes, as demonstrated by a wealth of research.¹ Employment has the power to provide every young person with the opportunity to reach their potential in life, yet their unique set of experiences and needs means that too often young people are unable to obtain work.

The youth unemployment rate has historically been higher than the overall unemployment rate and this remains the case today standing at 11.2% in August 2018, compared with 5.3% for all persons.² What's more, increasing numbers of young people are experiencing long-term unemployment. A tragic start to a young life and a factor we recognise as a barrier to finding work itself, long term unemployment occurs disproportionately among young people who comprise 16% of the total unemployed population, but 26.1% of long term unemployed people.³

Unemployed young people represent a vulnerable and disadvantaged group of job seekers who may have disengaged early from school and lack education and qualifications, and who are likely to have had to deal with a range of deep and persistent social issues growing up.

Their challenging backgrounds are compounded by a lack of work experience meaning they are particularly affected by the changing dynamics of the labour market, including the decreasing accessibility to low skilled, entry level jobs and high rates of casualisation.

In our experience, therefore, this cohort requires specialist support to successfully transition into employment and through providing youth specialist jobactive services, we are able to effectively assist many young people find a job. Nonetheless, given the number of young people requiring assistance and the nature of their needs, our jobactive support is thinly stretched and we often cannot provide the intensive and holistic support that young people need.

In some cases, we can offer young people access to our more specialist additional employment programs, including Transition to Work. However, over time, we have realised that the jobactive model, as it currently stands, does not address the growing number of jobseekers, especially young people, moving into long-term unemployment.

As a result, we have developed and are piloting a new model to address long term youth unemployment, '**your job, your way**'. In this submission, we present this model to demonstrate how it can be incorporated into jobactive to help address the unacceptable growth in long-term unemployment amongst young people, and ultimately resulting in significant long-term welfare savings to the Australian Government. We also provide a summary of our views on priorities to be addressed for future Employment Services.

We have also provided this information to the Employment Services Expert Advisory Panel in response to their Discussion Paper: The next generation of employment services.

¹ Waddell, G. & Burton, K. 2006. Is work good for your health and well-being? Executive Summary. Norwich: TSO

² Australian Bureau of Statistics (ABS), Cat. no. 6202.0 – Labour Force, Australia, August 2018.

³ Australian Government, 2018, The next generation of employment services. Discussion paper. Appendix G, 108

Gaining employment: our model to address long term youth unemployment

Developing our model: our research

yourtown's research indicates that long term unemployed (LTU) young people are among the most disadvantaged in the labour market. They often need to deal with a range of highly complex and multifaceted barriers to engagement with learning and work.

yourtown recently undertook a survey of nearly 300 young people in long-term unemployment across Australia. Through this research, young people told us that the following issues prevented them from finding and sustaining employment:

- educational - such as low levels of formal schooling, literacy and numeracy;
- vocational - such as limited work history and low work skills;
- practical - such as not having a driver's licence and limited access to support through social/familial networks or services;
- contextual - such as intergenerational unemployment and living in low socio-economic areas;
- psycho-social - such as mental health concerns, substance use and homelessness;
- cognitive-motivational - such as low self-esteem and poor decision making skills; and
- anti-social - such as offending history and poor anger management.⁴

Labour market factors such as lack of work experience and required social capital, negative employer perceptions of long-term unemployed young people, competition for entry level jobs from higher skilled workers, credential inflation, and employment protection are also barriers to young people finding work.⁵

Our survey also showed that young people in long-term unemployment are not a homogenous group and different youth cohorts have varying experiences of unemployment - a critical insight when developing effective interventions.⁶ For example, young men, who have a higher rate of long-term youth unemployment than their female counterparts, told us that not having a driver's licence, limited transport, low literacy and numeracy, anger management issues, unstable accommodation, and offending history were more important barriers to employment.

By contrast, young women told us that they more often experienced a lack of available jobs, low self-esteem and mental health issues as employment barriers. Young Indigenous people ranked a lack of qualifications as the main barrier to employment, while young people with culturally and linguistically diverse (CALD) backgrounds rated difficulties in accessing social and institutional support due to their residency or citizenship status as a principal work barrier.

The top issue for young people in regional and remote areas was the lack of jobs, whereas young people in metropolitan cities were more likely to view limited work experience, low work skills and having no car as barriers to employment.

⁴ **yourtown**, 2016, Tackling Long-term Youth Unemployment: [Advocacy Paper](#), Dec 2016. See [Appendix 1](#)

⁵ **yourtown**, 2016, Tackling Long-term Youth Unemployment: Discussion Paper, Mar 2016.

⁶ **yourtown**, 2018, Tackling Long-term Youth Unemployment: [Position Statement](#), Jun 2018. See [Appendix 2](#).

These barriers and their consequences are compounded as the time young people spend in unemployment is prolonged.⁷ This is because:

- the existing jobactive classification system does not place adequate weight on the duration of unemployment as a barrier to employment in and of itself;
- long term unemployed young people are often misclassified as job ready;
- this cohort requires a specific suite of pre and post-employment interventions and tailored, intensive support to make a sustainable transition to employment; and
- mainstream jobactive services are not resourced to provide the intensity of support and engagement necessary to address barriers and improve the life chances of long term unemployed young people.⁸

In our view, there is a need for a more targeted and intensive approach than is offered through jobactive.

your job, your way

In the absence of a program catering to this cohort, we have designed **your job, your way** - an evidence-based model - to augment jobactive as a specific, enhanced service. The model is informed by **yourtown's** internal and external research and over 15 years of experience in delivering federally-funded youth specialist employment services and other youth services.

your job your way targets young people aged 16-21 who have been unemployed for over 52 weeks, and are at high risk of social exclusion and permanent detachment from the labour market. Features of the model include:

- the delivery of intensive, concurrent services and support to small active caseloads of around 25 young people;
- provision of a dual support team of a qualified case manager (Pathways Coach) and an Employment Mentor; and
- working with the young person using a collaborative strengths-based, trauma-informed approach, coupled with targeted employer engagement and intensive 'in work' mentoring to 26 weeks.

Young people eligible for **your job your way** are pre-classified as long term unemployed (LTU) and registered with jobactive. The cohort reflects LTU representation across all three jobactive streams (A,B,C) and may include young people who are: Aboriginal or Torres Strait Islanders; disabled; homeless; struggle with mental health; from a culturally and linguistically diverse background and/or on a humanitarian visa.

We are currently piloting the program with a cohort of job seekers in Elizabeth in South Australia and Caboolture in Queensland, areas of high disadvantage where **yourtown** had identified that there were large numbers of long term unemployed young people on our jobactive registers.

yourtown's research underpinning this model is detailed in our 2016 Advocacy Paper which is at [Appendix 1](#). This paper highlights the voice of young people in long-term unemployment to describe strategies about overcoming barriers. Our stance on effective strategies for tackling long term youth unemployment is described in our June 2018 Position Paper which is at [Appendix 2](#). An overview of the program is at [Appendix 3](#).

⁷ **yourtown**, 2016, Tackling Long Term Youth Unemployment: Discussion Paper, Mar 2016, www.yourtown.com.au/sites/default/files/document/YT-Tackling-Long-Term-Unemployment-Discussion-Paper.pdf

⁸ Melbourne Institute Policy Brief No.4. 16, June 2016.

The pilot will be formally evaluated in conjunction with the Centre for Social Impact (a collaboration of the University of New South Wales, Swinburne University of Technology and the University of Western Australia) and include a cost benefit analysis. The aim is to measure the social and economic impact of the pilot program so as to build a strong evidence base to inform future policy development in this area.

Given the extensive research we have undertaken to inform the design of **your job your way**, we are confident that the model will prove successful and we look forward to being able to share our findings with the Department of Jobs and Small Business as part of the current review of the future of employment services.

Our views on future employment services: an overview

Based on our research and experience, **yourtown** believes that the following issues need to be addressed in future employment services if Australia is to effectively support young people to find and maintain work:

- **provide support for school-to-work transition.** A significant proportion of young people are still disengaging early from formal education and/or having difficulty in making a successful transition from school to work. As noted in the Discussion Paper, as at May 2018, 10.7% of the Australian youth population were not in work or attending full-time education.⁹ There is a need for early intervention in this area which could be accomplished by paying a service fee to employment service providers to connect with at risk students 15 years and above while they are still at school. Providers would facilitate links with support services, provide information and advice on pathways to employment and help students prepare for transition to work;
- **find practical solutions to address young people's transport issues** as this is one of the most significant barriers to their obtaining employment. This includes the problem of accessing a vehicle and accumulating sufficient practice hours to sit for a licence. Options may include allowing highly disadvantaged young people who are unable to obtain sufficient practice hours to complete all required hours through driving schools and/or pass a competency-based test;
- **establish a revised approach to assessment of job seeker needs.** Our view is that the current classification system in jobactive is flawed, particularly in that long term unemployment is not recognised as a barrier in itself. Job seekers should be eligible for intensive support from Day 1 if they fall into cohorts identified as at risk of LTUE, e.g. early school leavers, never employed, Indigenous Australians, ex-offenders.

In recognition of the merits of early intervention, those at risk of long term unemployment (i.e. unemployed more than 6 months) should automatically qualify for additional support. Job seekers who reach the 3 month unemployment mark should be assessed regarding their risk of long term unemployment. We would also argue for the adoption of a more flexible, personalised, strengths-based approach to activation of job seekers through a thorough, engaging and collaborative intake and assessment process exemplified in Transition to Work and ParentsNext;

⁹ Australian Government, 2018, The next generation of employment services. Discussion paper. Appendix G, 108.

- **remove some of the more prescriptive elements of the current jobactive servicing regime.** The current jobactive contract designates prescriptive service points at which job seekers are required to undertake activities that satisfy government policy or community expectation, e.g. contacts with providers, undertaking Work for the Dole activities. The level of prescription regarding these activities detracts from providers' ability to tailor placement strategies to the individual needs and circumstances of job seekers. Providers should be able to work out the best approach to assisting job seekers to connect with the labour market rather than mandating a 'one size fits all' servicing regime;
- **seed fund the development of work-based social enterprises** to assist job seekers facing significant barriers to employment to engage with the labour market. **yourtown** has operated social enterprises for more than 18 years, providing paid transitional work and training for unemployed young people as a stepping stone to open employment.

The Enterprises deliver fee-for-service work for local councils, state government agencies and head contractors and not-for-profit organisations such as Community Housing Providers in areas such as building refurbishment, landscaping, fencing, property maintenance and environmental rehabilitation. **yourtown** focuses on projects which help young people learn practical skills and appropriate workplace behaviours in a real work environment, while providing social, economic and environmental benefits to local communities;¹⁰

Another approach is to ensure that any business receiving government funding has a set target for employing people from disadvantaged groups. Setting these targets should be part of the contract/tender process in low socio-economic areas. Ultimately, this should work across three levels of government; and

- **recognise partial outcomes from job seeker engagement in short term contract work and self-employment,** linked to improvements in work readiness. This would reflect the move towards a gig economy and the increase in participation in part-time/casual work.

Appendices

Appendix 1 - Tackling Long-term Youth Unemployment: **yourtown** Advocacy Paper, Dec 2016,

Appendix 2 - Tackling Long-term Youth Unemployment: **yourtown** Position Statement, Jun 2018

Appendix 3 - **your job your way** Information Sheet. Jun 2018

¹⁰ A two minute video which features young people and Enterprise Trainers speaking of their experiences in **yourtown** Enterprises can be accessed at: <https://www.yourtown.com.au/what-we-do/yourtown-social-enterprises>