



Youth Employment Policy Summary

AUSTRALIA



International
Labour
Organization

Background Figures:

Total population:
24.1 million (2016)¹

**Youth population (%
total):**
3.1 million (2014);
13.1%¹

GDP (USD\$): 1.33
trillion (2015)²

GDP growth: 2.3 per
cent (2015)²

**Urban-rural
breakdown:**
89.4/10.6 per cent
(2015)³

**Net migration rate
(per 1000):**
6.5 (2010-2015)³

**Employment by
sector:**
3.3 agriculture; 21.1
industry; 75.5
services (2009)⁴

**% earning less than
\$2/day:**
N/A⁴

Source:
1. Australian Bureau
of Statistics;
2. World Bank
3. UNESCAP
4. KILM



Source: Infoplease.com

Labour Market Situation of Young People

Australia has weathered through the economic crisis, recovering from its lowest GDP growth in 2009 at 1.7 per cent, to 2.3 per cent in 2015 ([World Bank](#)) and projected to increase to 2.8 per cent in 2016 ([United Nations](#)). With the ageing population and projected decline in the labour force participation rate, Australia aims to target women between 25 and 34 as well as Indigenous Australians to increase their participation in the labour market ([Government of Australia, 2014](#)). Australia will also have to tackle unemployment: while the adult unemployment rate increased slightly post-crisis, the real challenge remains youth unemployment with youth almost three times as likely to be unemployed than adults. The youth unemployment rate has increased since 2005 from 10.6 to 13.1 per cent in 2014.

Young women are less likely to be unemployed than young men, at 11.3 and 13.0 per cent, respectively. Also worrying is the percentage of long-term unemployed, defined as those unemployed for 52 weeks or longer, which reached its 13 year high in 2014 at 1.5 per cent. The number of youth in this category has increased significantly, with approximately 18 per cent of unemployed youth in long-term unemployment in 2014 ([BSL, 2014](#)). Furthermore, those aged 20-24 and not in employment, education or training (NEET) has increased to 13.9 per cent in 2014 compared to 11.2 in 2010. Australia, nevertheless, fares better than the OECD average for NEETs of the same age group which was 18.2 in 2014 ([OECD](#)).

Table 1: Youth Employment Indicators

Indicator	%
Labour Force Participation Rate, ages 25+ (2014) ¹	64.3
Youth Labour Force Participation Rate, ages 15-24 (2014) ²	68.0
Youth unemployment rate (2014) ³	13.3
Youth Unemployment Rate in South Eastern Asia & Pacific Subregion (2014) ⁴	13.6
Net Enrolment in secondary education (2013) ²	87.0
Enrolment in tertiary education (2012) ⁵	86.3

Sources: 1. ILOSTAT; 2. World Bank; 3. KILM; 4. ILO WESO 2016; 5. UNESCAP

Youth Employment Policy Approach

Through various policies and legislation, the Government of Australia tackles the issues of the quality of technical vocational education, general education, social inclusion and the school-to-work transition. It seeks to empower youth to build their own lives, act responsibly and create a more safe and productive country. Most efforts have been placed on the VET (vocational education and training) system, ensuring that business and industry are involved in the provision of skills training and are the main drivers of policies. Through providing quality VET training and encouraging young people to choose vocational education as a career path, youth can more effectively participate in the labour market and reach higher labour market participation rates.

Through social protection policies and labour law, Australia also guarantees a safety net for minimum employment standards and protects employees from discrimination. Target groups across policy provisions include students, the disabled, drop-outs and the indigenous population. Particular focus is placed on the Aboriginal and Torres Strait Islander populations to enable these youth to receive an education and to participate in the labour market through a successful school-to-work transition. In the 2015-2016 Budget the Government allocated AUD 331 million towards a [Youth Employment Strategy](#) to help young people at increased risk of long term unemployment. The strategy targets transition to work; intensive support for vulnerable job seekers and engaging early school leavers. Furthermore, in the 2016-2017 Budget the Government announced a [Youth Employment Package](#), with an allocation of AUD 840 million over four years to assist over 120,000 young vulnerable job seekers to adjust to Australia's diversifying economy. The Package includes pre-employment training, real work experience and wage subsidies.

Policy and Legal Measures

Education and Training: A large portion of youth employment policies relate to the improvement of the vocational education and training (VET) sector. In general, the goals of Australia's different VET provisions are to make the VET system responsive to the needs of the labour market, provide high quality training and remove barriers to education and employment. In terms of structure, there is a **national VET Regulator** which has various powers including registering training organisations, accrediting courses, making Quality Standards for the VET sector and advising the Minister of Education on vocational education and training ([National Vocational Education and Training Regulator Act](#)). **Australian Technical Colleges** are established by the [Australian Technical Colleges Act](#), and each college has an industry-led governing council ensuring industry-relevant training and demonstrating the commitment to an industry-led approach for education and training. In addition, the views of students and the educationally disadvantaged are included in decisions which touch on the delivery of VET ([Skilling Australia's Workforce Act](#)).

The [National Agreement on Skills and Workforce Development](#) includes the creation of a **dataset on VET collection** regarding apprenticeships, employer views on the VET system, and more. The [National Strategy for Young Australians](#) gives faster internet connections to those in the training sector through the Vocational Education Broadband Network, costing AUD 81.9 million. In addition, it creates **trade training centres** in secondary schools through an investment of AUD 2.5 billion. [The Indigenous Education Action Plan](#) also will investigate how to incorporate new technologies into the education and training of the Indigenous population. The [Indigenous Economic Development](#)

Documents containing youth employment policy provisions:

- Youth Employment Package 2016
- Youth Employment Strategy, 2015
- Expansion of the New Enterprise Incentive Scheme, 2016
- Inclusive Entrepreneurship Facilitators will coordinate support initiatives including to youth, 2016
- Aboriginal and Torres Strait Islander Education Action Plan 2010-2014
- Australian Qualification Framework 2013
- Australian Technical Colleges Act 2005
- Fair Work Act 2009
- Indigenous Economic Development Strategy 2011-2018
- National Agreement for Skills and Workforce Development 2012
- National Education Agreement 2012
- National Minimum Wage Order 2014
- National Strategy for Young Australians 2010
- National Vocational Education and Training Regulator Act 2011
- Skilling Australia's Workforce Act 2005
- Social Security Act 1999
- Student Assistance Act 1973

For more information on the policy documents and their provisions, please visit the [YouthPOL webpage](#).

[Strategy](#) will rely on the **Education Investment Fund** to provide funding for infrastructure to create the needed education facilities in locations with dense Indigenous populations. The same *Strategy* also encourages the Indigenous to become **rangers and promotes the recognition of cadetships** in natural resource management and cultural studies as a qualification.

For **career education and career guidance**, Australia has implemented a “National Partnership on Youth Attainment and Transitions” as well as a “Youth Connections Programme” which supports young people who are having difficulties with their studies and in deciding to continue to further

Did you know?

Australia has ratified 59 ILO Conventions, including 7 Fundamental and 3 Priority Conventions:

Fundamental Conventions:

- Forced Labour Convention (No. 29)
- Freedom of Association and Right to Protection of the Right to Organise Convention (No. 87)
- Right to Organise and Collective Bargaining Convention (No. 98)
- Equal Remuneration Convention (No. 100)
- Abolition of Forced Labour Convention (No. 105)
- Discrimination (Employment and Occupation) (No.111)
- Worst Forms of Child Labour Convention (No. 182)

Priority Conventions:

- Labour Inspection Convention (No. 81)
- Employment Policy Convention (No. 122)
- Tripartite Consultation Convention (No. 144).

education ([National Strategy for Young Australians](#)). This also targets young Indigenous who have dropped out of the school system. Young Indigenous should receive improved career services in secondary schools and through mentoring initiatives such as “Learn.Earn.Legend” ([Education Action Plan](#) and [Indigenous Economic Development Strategy](#)).

Regarding **scholarships**, students from low socio-economic backgrounds are supported via the “Higher Education Participation and Partnership Programme” to attend university and the [National Agreement for Skills and Workforce Development](#) introduces a national training entitlement and increases the availability of income-conditional loans to improve the accessibility of training. The [Indigenous Economic Development Strategy](#) provides 230 six-year boarding school scholarships to aid students to attend some of Australia’s leading schools and the Indigenous Youth Leadership Programme and the Indigenous Youth Mobility Programme supports those who are enrolled in education or training away from their home community.

The [National Agreement for Skills and Workforce Development](#) secures the commitment of the Commonwealth, States and Territories in supporting **Australian Apprenticeships** and regulating qualification standards. Apprenticeships are encouraged through the Apprenticeship Kickstart Package, funded by AUD 100 million, providing youth with trade training and aiming to guarantee long-term employment for young people ([National Strategy for Young Australians](#)). The Australian Apprenticeships Mentoring package gives assistance in choosing the right trade and mentoring during the first twelve months of the apprenticeship. Mentoring targets those who face additional difficulties, and can include the Indigenous population ([Indigenous Economic Development Strategy](#)).

Australia also has its [Australia Qualification Framework](#) which provides standards and accommodates the diversity of different education and training qualifications. Due to the mobility of graduates and workers, the AQF also emphasises the importance of being aligned with other international qualifications frameworks. Moreover, informal and non-formal learning is recognised and a scheme for provision of credit towards an AQF qualification is laid out.

Labour Market Policies: Active labour market policies target youth at risk of unemployment and joblessness through tailored assistance by the Job Services Australia (public employment services). AUD 4.9 billion is earmarked for this in the [National Strategy for Young Australians](#). Young disabled Australians are targeted through the creation of the **Disability Employment Services** which

partners with schools to provide disabled students the necessary support to transition from school to employment; AUD 1.2 billion is earmarked for this. In addition, the *Strategy* mentions a **youth guarantee**, through AUD 277 million to provide every young Australian a place in education or training. The long-term unemployed and those under the age of 23 who have been receiving income support are ensured regular meetings at Centrelink to help them plan their return to work ([Indigenous Economic Development Strategy](#)).

In December 2016 Australia will expand the [New Enterprise Incentive Scheme](#) to offer an additional 2,300 places per year and broaden its eligibility requirements to attract more young people and the Government will also set up [Inclusive Entrepreneurship Facilitators](#) in three high youth unemployment regions to coordinate supports for youth entrepreneurship. Youth will have access to Entrepreneurship Starter Packs helping them find the services and assistance they need. These measures along with existing initiatives such as [Transition to Work service](#) and [Empowering YOUth Initiatives](#) will help put youth on a better track to quality employment.

In terms of **better data collection and analysis**, using survey data to better understand the school-to-work transition, listing the necessary indicators, and setting up student identifiers to trace students from compulsory school to post-secondary education and training are mentioned in the [National Education Agreement](#). Young Indigenous are explicitly targeted in **recruitment procedures** through the goal of having them represent 2.6 per cent of the public sector by 2015. This will be done through the facilitation of best practice information sharing, traineeships, work experience programmes and graduate recruitment ([Indigenous Economic Development Strategy](#)).

Income support to attend university is provided to students coming from low or middle income families. The [Social Security Act](#) provides a youth allowance or AUstudy payment dependent on age, course or employment and income. The [Indigenous Economic Development Strategy](#) provides support to teenage parents who have not yet completed Year 12 of education through the provision of the “Parenting Payment” to help them finish their education. In addition, income support payment thresholds will be increased for all single parents and eligible students as a means to encourage and reward increased hours of work.

There are several provisions regarding the **minimum wage** in Australian legal instruments. The [National Minimum Wage Order](#) sets the national minimum wage at AUD 640.90 per week. However, there are different minimum wage rates applicable for junior employees, apprentices and trainees. Junior employees (under 21) receive between 36.8 (under age 16) and 97.7 (age 20) per cent of the nationally agreed minimum wage. For apprentices, their minimum wage is set differently according to whether they are a school-based apprentice or an adult apprentice, and for trainees the wage is set by the National Training Wage of the Miscellaneous Award 2010.

Structure of Governance and Main Actors

As of December 2014, the **Department of Education and Training** (previously Department of Education, Employment and Workplace Relations) came into existence and is responsible for all matters touching upon general education, higher education, vocational education and training and international education. The **Department of Employment** manages policies related to finding employment and ensuring safe and productive working conditions. The **Australian Bureau of Statistics** collects the VET data that is used in performance reporting and the **Fair Work Commission** is responsible for setting the minimum wage to maintain the safety net. As a federation, Australia’s division of powers runs between the Commonwealth and its States and Territories. They collaborate

on issues such as education, skills and workforce development (for example through the National Agreements). The Commonwealth provides support through additional funding and intervenes to support industry training and apprenticeships; the States and Territories usually manage the implementation and service delivery. All three work together to develop policy objectives and to achieve the national objectives.

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