

Wrong sort of record to set on young jobless

MELBOURNE'S north-west achieved a dubious distinction in the latest unemployment data — it has the worst youth unemployment rate in Victoria.

In the region — bounded by the suburbs of Brunswick, Sunbury and Kalkallo — 55 per cent of 15 to 19-year-olds are not in full-time work or education.

Even more concerning, Victoria now has the worst youth unemployment rate in the country at 28 per cent.

And yet the irony is the state continues to deliver some of the best jobs growth in the country.

So what's going on? Why are so many young Victorians out of work — or not in touch with education and training — and why is the situation getting worse?

As politicians and media focus on Australia's ability or luck in avoiding the ravages of the global financial meltdown — and the potential for a new economic boom — it's worth reflecting on how we've allowed a situation like this to develop and what we can do about it.

Historically, young Australians bear a disproportionate burden during economic crises. They also have the least resources to fall back on and are the last to benefit when things pick up.

That's because during a downturn it's the casual, part-time and lower skilled jobs in the labour market — the type of jobs young people rely on — that are first to go and the last to return.

We also know through our research and experience in Melbourne's disadvantaged communities that there is a growing disconnect between labour supply and demand.

Businesses need job-ready applicants with minimal fuss. The steadily rising tide of young job seekers don't have the employability skills required.

Beset by a range of challenges in their families and communities — domestic violence, family conflict and truancy — it's no wonder that youth unemployment is growing and perpetuating a cycle of disadvantage as these young men and women grow up and have children of their own.



PAUL BIRD

Victoria has the highest youth unemployment in the country. Why?

How can we start turning things around? A local area-based, employer-first, co-ordinated approach is required that identifies job needs, builds trust with businesses and focuses on transitions to work for young people so they can fill available vacancies.

The jobs are there; we need to make sure that young people have the capacity to take them. The tough news is that building up this sort of approach takes time, perseverance, innovation and resources. The key is integrated programs that offer struc-

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tured work experience, support to overcome non-vocational barriers, and appropriate training that fill the requirements of local industries.

These young people are not going to be perfect employees immediately. They need to be given an environment to make mistakes, appreciate the value of a wage and receive support from mentors and a new peer group.

Programs that provide all these things, and also link business, training, employment and community service organisations, are not easy, fast or traditional.

One example where it's working is with Jayco, which, along with other Dandenong businesses, has been partnering with Mission Australia to move unemployed young Sudanese

men into local jobs — an initiative supported by the Victorian government and two progressive philanthropic trusts, the Felton Bequest and the Bennelong Foundation.

It has been a challenging process but the efforts are starting to bear fruit, as these young job seekers take up positions with Jayco and other local employers and begin their careers.

There's no silver bullet — this particular initiative has taken two years of hard work to put together — but that's the sort of commitment required if we are serious about breaking the back of this problem.

Another approach is the use of social enterprises: projects that combine a commercial business with personal support and training. They are notoriously difficult to get up and running, but over the past three years Mission Australia's Urban Renewal landscaping and construction business has enabled more than 100 early school leavers to enter careers in trades by giving them experience.

Another idea being trialled in Britain is private investors investing in "social impact bonds". Such bonds are about attracting non-government investment for community programs that otherwise would not get off the ground for lack of government funding.

Returns for investors come via a proportion of the government funds that are saved from not having to provide a range of other acute related support.

For example, by investing in bonds, businesses could benefit from accessing some of the funds government saves on income support because the young person is now in a job.

It is important to remember we all have a stake in this. Governments can provide the resources and policy settings but businesses, community agencies and individual families need to be prepared to put in the hard graft to arrive at a solution.

The bottom line is our businesses need workers and our young people need to work.

Paul Bird is Mission Australia's Victorian state director.