



**SOCIAL SECURITY LEGISLATION AMENDMENT (INCREASED EMPLOYMENT PARTICIPATION) BILL 2014**

**SPEECH**

**HOUSE OF REPRESENTATIVES, 17 MARCH 2014**

**\*\*\* CHECK AGAINST DELIVERY \*\*\***

I rise to speak on the *Social Security Legislation Amendment (Increased Employment Participation) Bill*.

Late last month, the Brotherhood of St Laurence released a report *Australian Youth Unemployment 2014: A Snapshot*.

What it revealed was a dramatic increase in the rate of youth unemployment over the last two years.

Youth unemployment in Australia now sits at more than 12 per cent, over double the overall rate of unemployment.

Whilst Australia has seen a decrease in the rate of youth unemployment over the last 30 years, it is clear that the Global Financial Crisis has had a dramatic impact on young peoples' employment prospects.

We now have a serious problem with youth unemployment in this country.

The Brotherhood's report indicates that youth unemployment currently represents almost 40% of all unemployment in Australia.

More than one in three unemployed Australians are aged between 15 and 24.

And the Brotherhood's report was not the first to highlight this growing issue.

In October last year, the COAG Reform Council handed down its report *Education in Australia 2012: Five years of performance*.

Part of it is devoted to the transition from year 12 to work.

Its findings were also very concerning.

Whilst the report did find that there has been some improvement in Year 12 attainment, young people's full participation in work or study after leaving school is in decline

Nationally, from 2006 to 2011, the proportion of 17-24 year olds who were fully engaged in post-school study, training or work had fallen by more than one percentage point to 72.7 per cent.

More than a quarter of Australians aged between 17 and 24 are not fully participating in work or study following school.

And in some areas the figures are even worse.

In Queensland 30.9 per cent of young people are not fully engaged.

In South Australia it is 30.5 per cent.

The most alarming figures however are from Tasmania and the Northern Territory, where the figures are 33.4 per cent and 42.3 per cent respectively.

Youth participation is a very serious issue for this country.

To be clear, Australia is not alone.

In France, for example, the youth unemployment rate hovers stubbornly around 25%.

In Britain, 21% of people under 25 are unemployed.

Youth unemployment is an issue in many developed countries.

Globally, youth unemployment was estimated to stand at 73.4 million in 2013, an increase of 3.5 million since 2007 and 0.8 million above the level in 2011.

Around the world, young people are almost three times more likely than adults to be unemployed, and the upward trend in global unemployment continues to impact young people very seriously.

The International Labour Organisation has warned of a “scarred” generation of young workers facing a dangerous mix of high unemployment, increased inactivity and precarious work in many developed countries.

Labor understood that youth unemployment was an emerging issue for our nation, and we made a positive start developing policies to tackle this issue.

Our policies focussed on supporting young people to finish school, get the training and higher education they need for well-paying jobs.

For example, the Youth Transitions Program helps young people who have not completed, or are at risk of not completing Year 12 or equivalent qualifications and have barriers that make it difficult to participate in education, training or employment.

Providers in this program work with young people to help make a successful transition to further education, training, or employment.

One such program is being run by the Brotherhood of St Laurence in some of the most disadvantaged areas of Melbourne and its outskirts.

Their Youth Connections program provides flexible, individual support to young people at risk of disengaging from education and training and therefore not attaining Year 12 or equivalent.

In 2012, the Brotherhood undertook an evaluation of the program that had been running on the Mornington Peninsula in Victoria.

It found that of those participating in the program, 70% were successfully moving into work or further learning.

This is a very positive result.

And through this evaluation, the Brotherhood also learnt a great deal about how we should be designing programs to help people with these transitions.

It found that intensive case management was integral to getting people the support they need.

It found community outreach and strong relationships between regional services and community stakeholders was also important.

It found a need for greater cohesion and partnership between community youth and family services and school support services.

All of these things should inform further investment in initiatives to help young people manage this period of their life.

We need to continue to invest in our young people, so that we can ensure that what is now an emerging issue will become a crisis.

Governments cannot expect young people to gain well-paid jobs without providing them with the proper support.

We need new, innovative thinking and urgent investment in our young people so we can reverse the current trend.

As I said when I announced Labor's social policy review two weeks ago, Australia's rapidly changing economy provides Australian's with great opportunity.

But it also comes with a great deal of risk.

For most people, these risks are most acute during periods of transition.

Transitions between jobs.

Transitions between work and parenthood and back to work.

Transitions between work and caring responsibilities.

And clearly, the transition from school to work is one where risk is high.

Governments need to look at how we can best support young people as they make this important transition.

This requires new and innovative thinking.

New program design.

And proper investment.

And let's be clear, this will require investment.

But we should not shy away from making investments in young people.

If ever there is an area where we can see our return on investment most clearly it is when we invest in our young.

It is deeply regrettable that this government has already walked away from one of the most significant investments in our young people in a generation – the Better Schools Program.

It has done so because this government sees social investment as a burden on the budget and on the economy.

It's only objective is to cut.

But cuts will not help young people finish school.

Cuts to education and training will not help them get good grades.

Cuts will not help them get into university, or go to TAFE.

Cuts will not help them get a job.

We need investment in our young people to help them achieve these things, not cuts.

If we do not, we risk developing a generation of unemployed, or underemployed, low skilled young people, and this will never be good for our country.

And it will not be good for our economy.

## **THE LEGISLATION**

We are supporting this legislation today.

Because we agree with the government that it will help young people make the transition from school to work.

But this legislation itself is not enough.

We need new thinking about how we tackle this issue.

New thinking and new program design and new social investment.

Throughout this year I will be convening experts from around the country to look at how we support people through the challenging transitions of their life.

Clearly, one of the social policy issues that will need to be addresses is the transition from school to work.

Because the evidence is in.

Young people need our support.

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