

HOW ARE YOUNG PEOPLE FARING IN THE TRANSITION FROM SCHOOL TO WORK?

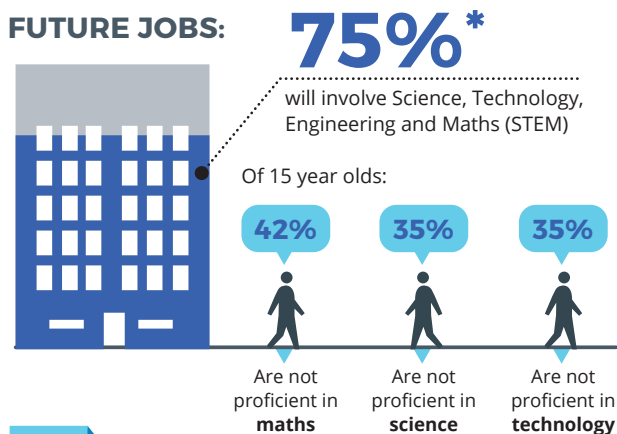
Our recent report, **The New Work Order: ensuring young Australians have the skills and experience for the jobs of the future, not the past**, describes issues ahead for young people as the world of work faces the biggest disruption since the industrial revolution, through technology, globalisation and more flexible employment.

This report card, the 17th in the Foundation for Young Australians' annual series, examines how young people are faring in the transition from school to work and how prepared they are for the future economy.

Young people are staying longer in education which will help for the high skilled work of the future

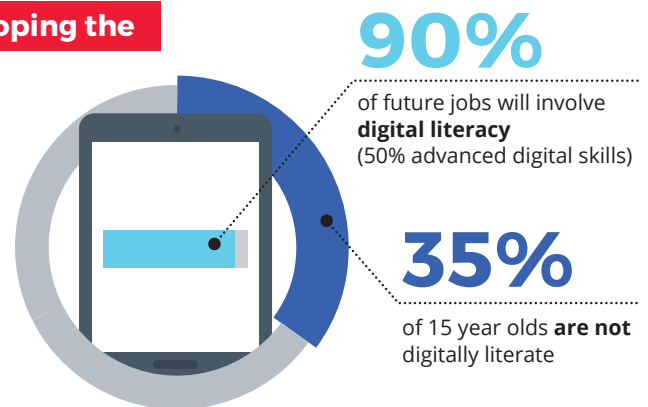
- Education participation, attainment and retention are increasing in general.
- The exception is Indigenous young people (15-19), whose participation has decreased since 2008.

Despite this, a significant minority are not developing the enterprise skills they will need for future work

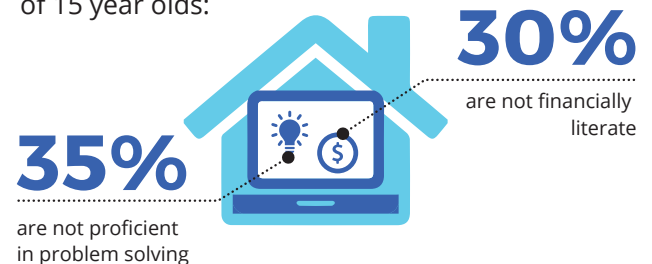


Proficiency in maths, science and reading is getting worse and Australia is falling in international ratings.

The majority of Indigenous* young people, (as high as 77% for maths), are **not proficient** in the skills that will be sought after in future work.



While work of the future will involve young people managing a 'portfolio' of flexible work, of 15 year olds:

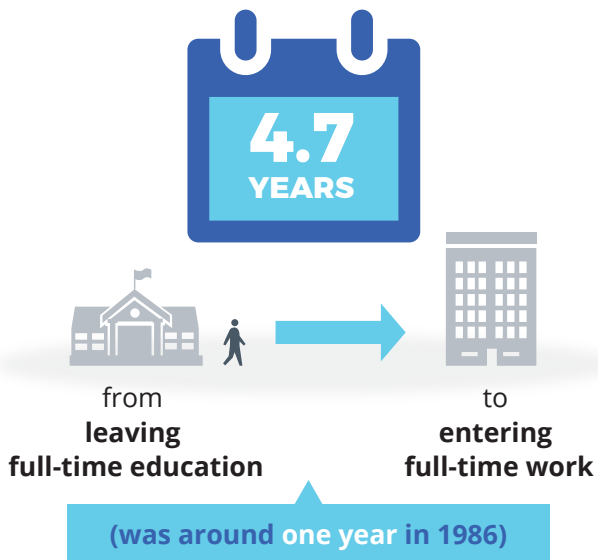


* PwC A smart move 2015

* Throughout this document the term 'Indigenous' is used to refer to both Aboriginal and/or Torres Strait Islander peoples. Unless noted otherwise, the term should be considered inclusive of both Aboriginal and Torres Strait Islander peoples.

Young people are finding it harder to move into full-time work, even after graduating from higher education

On average, it takes young people



The proportion of young people (20-24) in **full-time work** decreased



from **52%** (2008)
to **42%** (2014)

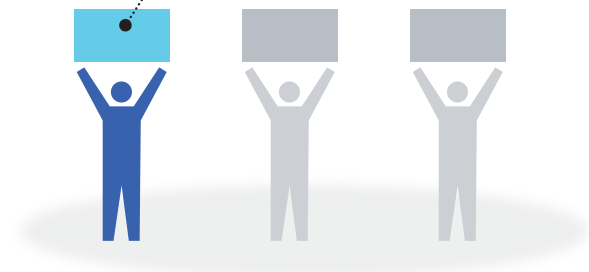


while the proportions in **part-time** and **casual work** have increased



Only **65%** of university graduates, and **58%** of Cert III or higher graduates, are in full-time work four months after graduating.

A third (30%) of young workers **want more work**



30%

of young people aged 15-24 are unemployed or under-employed and this **has increased**



The **New Work Order** report suggests that

70%

of young people's entry-level jobs are at risk of automation in the future

and

60%

of young people are currently studying for jobs that will be radically altered by automation.

It is likely difficulties moving into full-time work will continue into the future.

OUR SOLUTION:

A national enterprising education strategy for young people

The Foundation for Young Australians is calling for a national enterprise education strategy to ensure young people are digitally literate, financially savvy, innovative and adaptable and can navigate the increasingly complex careers of the future. Enterprise skills are transferrable across different jobs. They have been found to be as powerful predictor of long-term job success as technical knowledge and it is predicted they will be increasingly important in the future.

Foundational skills

- ✓ Literacy
- ✓ Language
- ✓ Numeracy



Technical skills

Related to disciplines (e.g. science, technology, humanities, engineering, business studies)

Skills that help young people be enterprising

- Confidence & agency
- Creativity & innovation
- Enthusiasm for ongoing learning
- Ability to critically assess information
- Working with others
- Communication
- Project management
- Financial literacy
- Digital literacy
- Global enthusiasm/citizenship

Source: fya.org.au/unlimitedpotential



Career management skills

- Self-awareness
- Decision-making to build career
- Job-seeking
- Use of career services/information
- Lifelong learning
- Work-life balance

An enterprise education strategy would:



begin early in primary school and build consistently, year on year, throughout high school



be provided in ways that young people want to learn: through experience, immersion and with peers



provide accurate information and exposure about where future jobs will exist and the skills to craft and navigate multiple careers



engage students, schools, industry and parents in co-designing opportunities in and outside the classroom.

Our policy choices today will determine whether Australia's young people are ready to take on the challenges of the future for decades to come. These are not just challenges for individual young people. They are challenges for our nation. We must act now to ensure young Australians can thrive in this new work order.

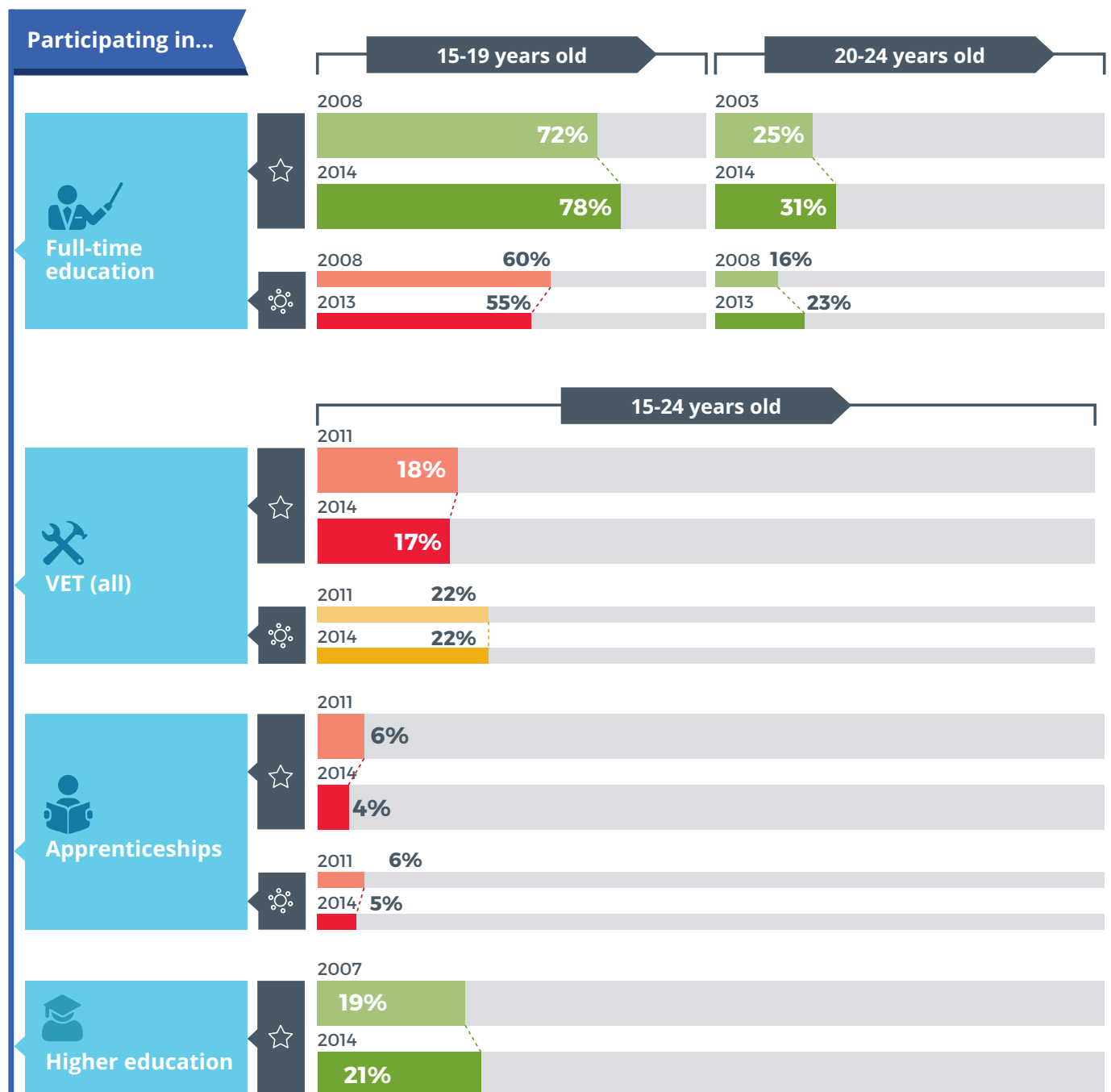
'THIS GENERATION OF YOUNG PEOPLE WILL [NEED TO] PROMOTE INNOVATION AND ENTREPRENEURIALISM AND GROW OUR ECONOMY TO MAINTAIN OUR STANDARD OF LIVING.'

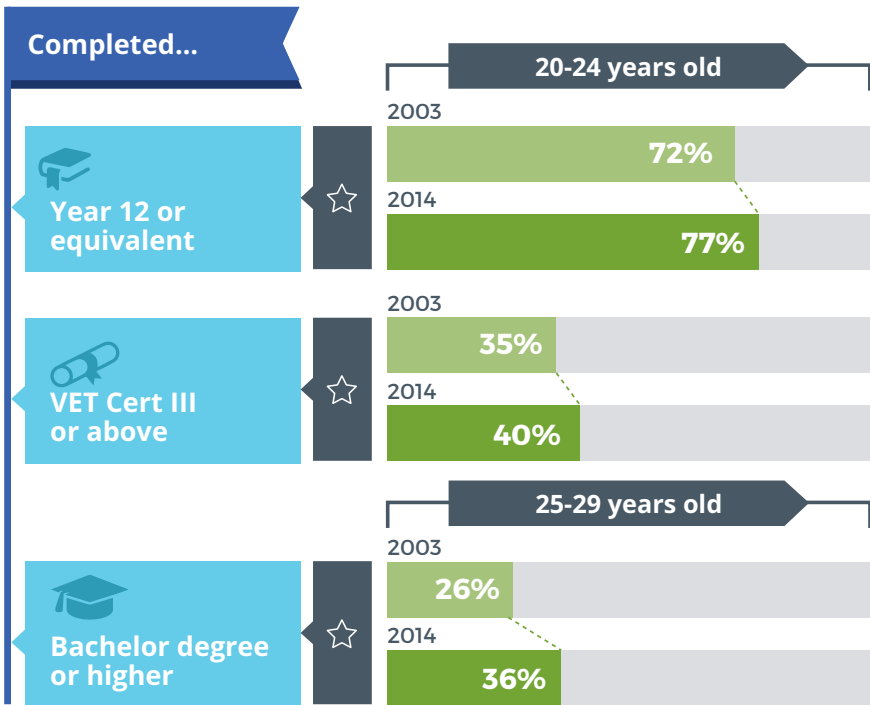
- PHILIP LOWE, RESERVE BANK OF AUSTRALIA 2014



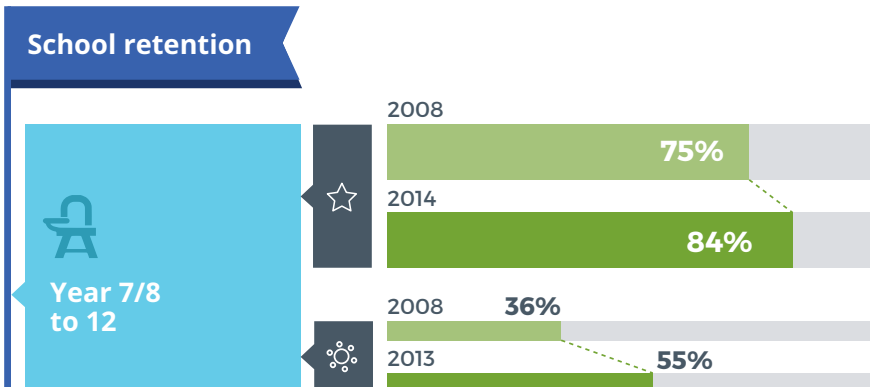
Australian young people are staying in education longer which will help prepare them for the higher skilled work of the future

KEY: ☆ = All young people ⚙️ = Aboriginal and/or Torres Strait Islander young peoples





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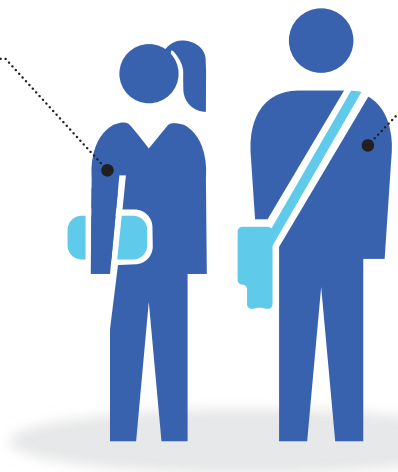


Indigenous and non-Indigenous retention rates are similar between years 7/8 and 10. The gap then widens across years 11 and 12.

Young women

are more likely to ...

- Be in full-time education or higher education
- Complete year 12, a Cert III or above, or a bachelor degree

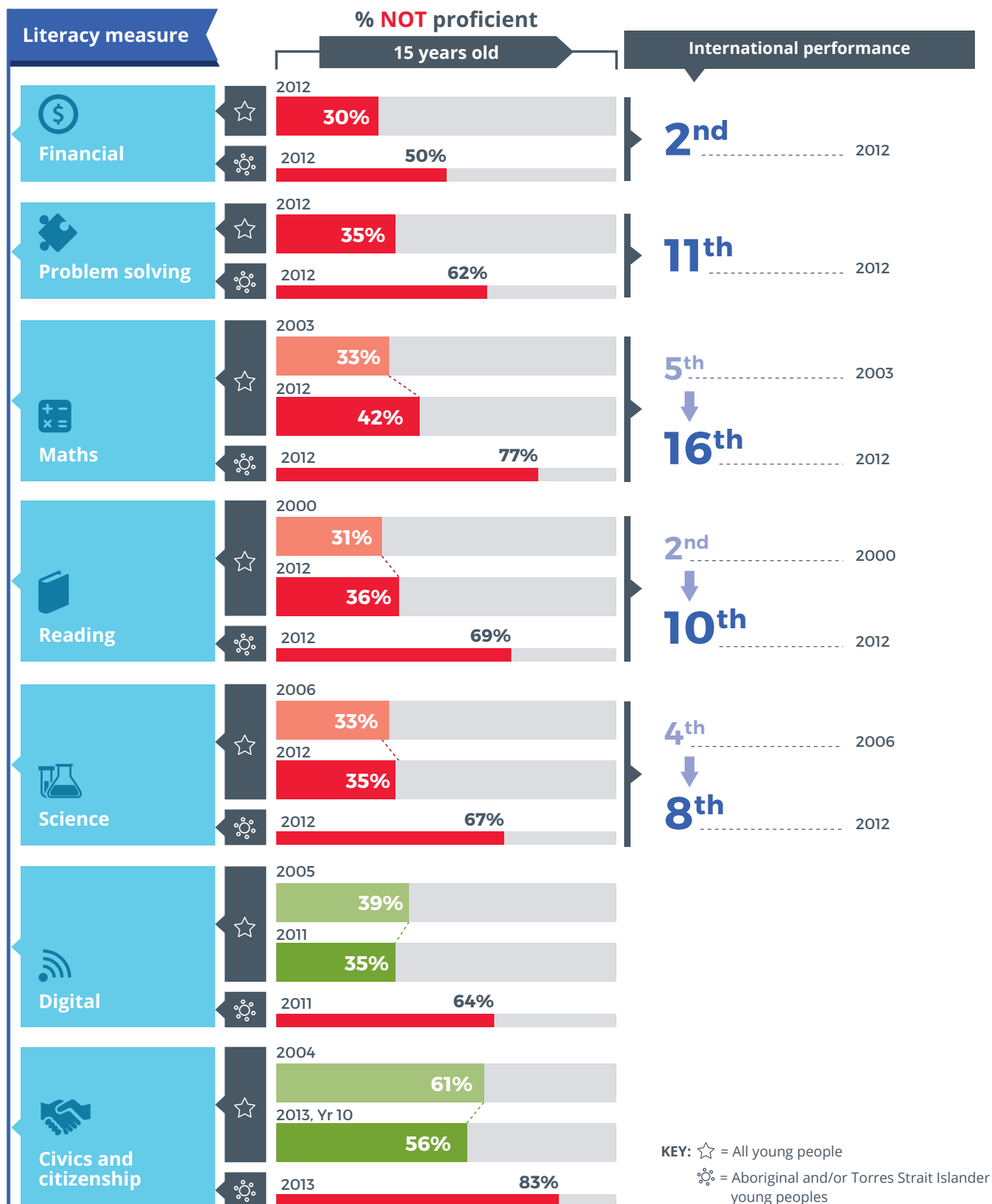


Young men

are more likely to ...

- Be in VET or an apprenticeship

Young people are not learning the enterprise skills in schools they need for the changing and flexible work of the future





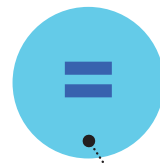
Young women
are more proficient in ...

- Reading
- Digital
- Civics and citizenship



Young men
are more proficient in ...

- Maths/numeracy



There is no difference in...

- Problem solving
- Science

Transitions from education to full-time work are becoming harder

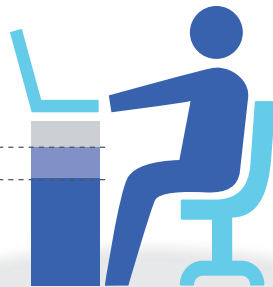
Transition to work

It takes on average **4.7 years** for young people to find **full-time work** after completing full-time education and **2.7 years** to find **any work** (from one year respectively in 1986).

Four months after graduating...

% of **university graduates** in full-time work:

84% 2008
65% 2014



% of **Cert III or higher graduates** in full-time work:

70% 2006
58% 2014



15-19 years old

20-24 years old



Full-time employed

2008

17%

2014

10%

2008

52%

2014

42%



Part-time employed

2008

33%

2014

33%

2008

24%

2014

27%



Casually employed

2002

53%

2012

52%

2002

30%

2012

34%



Self-employed

2013

1%

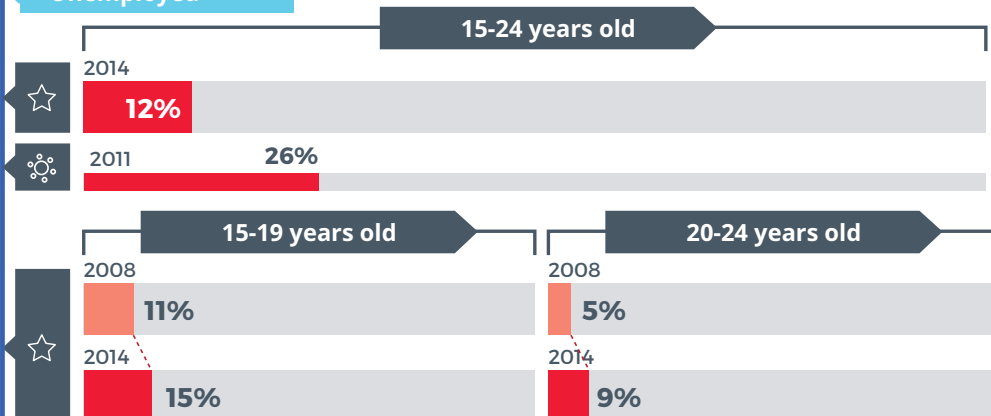
2013

6%

Under-employed

KEY: ☆ = All young people ☉ = Aboriginal and/or Torres Strait Islander young peoples

Unemployed



Under-employed



30%

of 21 year olds are working but **want more hours**

Not in Employment, Education or Training (NEET)



Young women

are more likely to be...



under-employed



employed in part-time or casual work

Young men

are more likely to be...



in full-time work

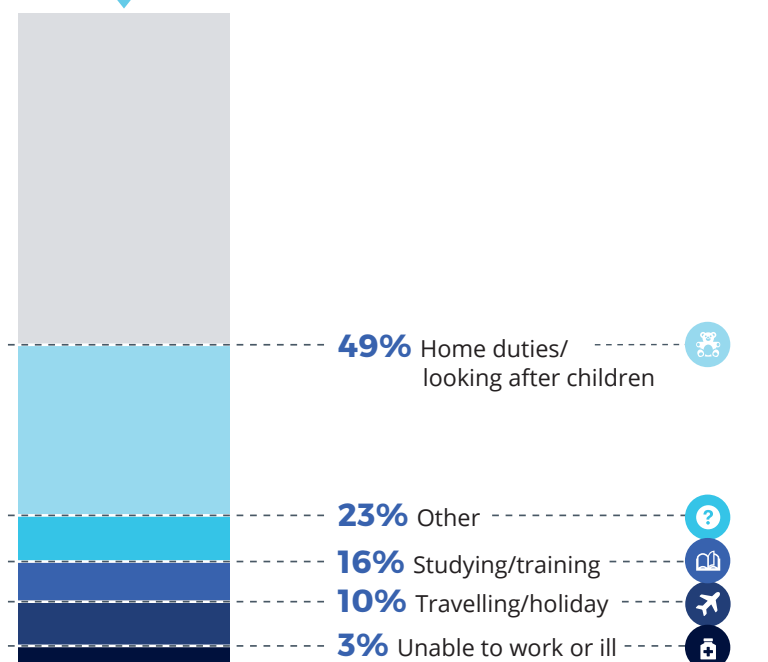


unemployed



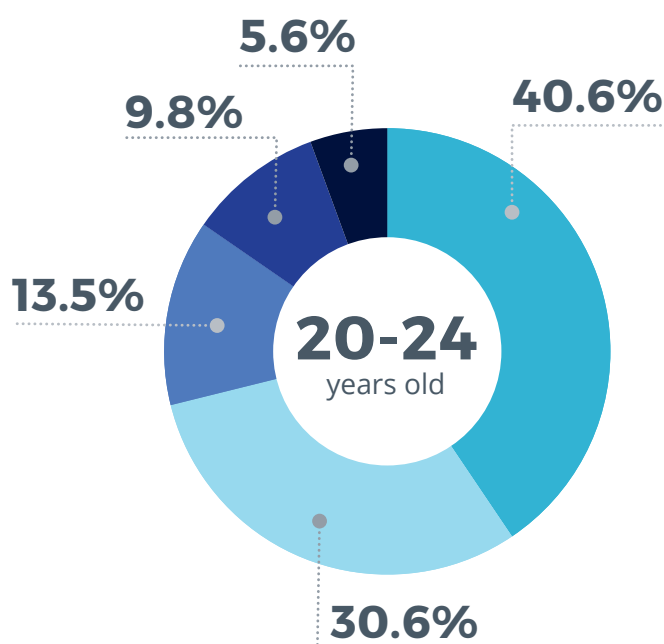
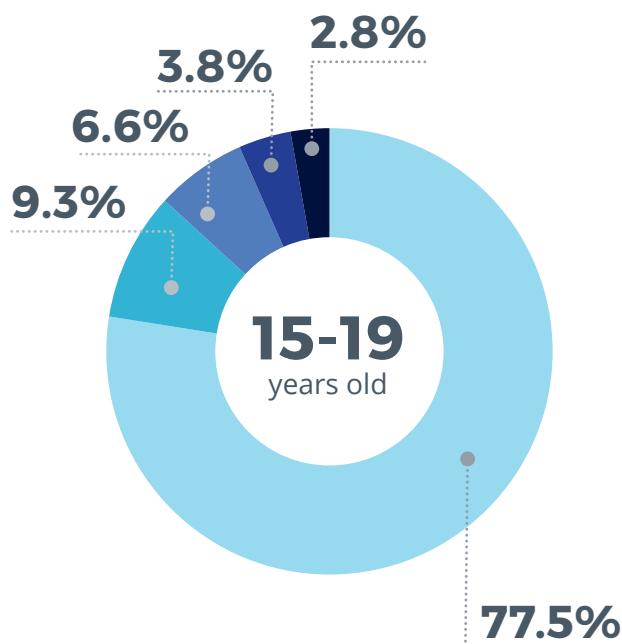
self-employed

The main activity of a 21 year old NEET is...



Where are they now?

A snapshot



Attending full-time education



Employed full-time



Employed part-time



Not in the labour force



Not working and looking for work

RESEARCH SUGGESTS:

YOUNG PEOPLE WILL HAVE **17 JOBS** OVER FIVE CAREERS THROUGHOUT THEIR LIFETIME



FYA is a national for-purpose organisation that is all about backing the next generation of young people who are going to rethink the world and create a better future. At FYA we connect and inspire young changemakers - the innovators, the makers, the dreamers, the thinkers, the doers and the creators.

Find out more at fya.org.au

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Jeanette Pope and Rachel Mutch, Strategy, Policy and Research, Foundation for Young Australians, November 2015, using data from National Centre for Vocational Education Research report *How are young people faring in the transition from school to work*. This report is part of FYA's *Unlimited Potential: an information and data resource on Australian young people*. Available at: unlimitedpotential.fya.org.au. Contact 03 96705436.

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