

# **YACWA's Response to the Select Committee on the Future of Work and Workers**



## **Introduction**

Young people are currently facing significant challenges when it comes to the workplace, unemployment and underemployment. As of February 2017, an estimated 282,000 young people are unemployed and 377,000 people are underemployed nationally. In October 2017, the rate of youth unemployment was 12.4%, almost double the overall unemployment rate of 5.5% (Brotherhood of St Laurence, 2017).

YACWA's employment survey in January 2016 had responses from 993 young people across WA and found that:

- 60% had been required to put in over 20 applications before securing a job the last time they were looking for work, and of this number, 26% were still not successful
- 75% had applied for 'lots' of jobs but did not secure many interviews
- 85% said they believed it was either difficult or very difficult for young people to find work

The data shows that young people are applying for jobs in a shrinking marketplace that is overcrowded and competitive. The majority of young people are also having to travel further to secure long-term work. Our members tell us that commutes of one to two hours are not uncommon for part-time retail work. With a lack of travel subsidies, and with a number of communities in WA that are not well served by public transport, this introduces further barriers to young people who are trying to get a start into a sustainable job.

Given the current predicament many young people in Australia find themselves in when it comes to finding a job and adapting to the workplace, change is needed. This inquiry is critical to ensure that we utilise the changing nature of technology and the workforce to increase the access, flexibility and innovation for young people in Australia, and prevent the problems of unemployment and underemployment that many already face from getting worse.

## **About YACWA**

The Youth Affairs Council of Western Australia (YACWA) is the peak non-government youth organisation in Western Australia with a membership of over 400 youth service organisations, community organisations, academics, individuals and most importantly young people themselves. Established in 1980, YACWA has worked tirelessly for over 35 years to deliver high-level representation and advocacy for the Western Australian youth sector and young people to address the exclusion of young people in a rapidly changing society.

### **YACWA's role is to:**

- Provide information and support to the non-government youth sector
- Promote fair and positive outcomes for young people in our community
- Promote equity, equality, access and participation for young people in Western Australia
- Advocate to all levels of government on the best interests of Western Australia's young people
- Encourage the active participation of young people in identifying and dealing with issues that are important to them
- Provide a strong, united and informed voice capable of effectively advocating for the non-government youth sector and the young people with whom they work

## **Consultation process**

YACWA is passionate about ensuring the best outcomes for young people are the most important factor in all youth policy development. We also want to see that their rights, views, and input is included and valued by decision makers. Young people are the future of the workplace so it is critical that any analysis of the impacts of technology on the future of work and workers places young people at the centre of discussion.

The voices and experiences of young Western Australians are an integral part of our submission and the form the basis of our feedback. Our consultation involved a State-wide survey for young people conducted in January 2018 (89 respondents) and individual consultations. Also, of relevance is responses to a survey we conducted in January 2016 based on young people's experiences in looking for work and unemployment in today's job market (993 respondents).

## **Response to Select Terms of Reference**

- a. The future earnings, job security, employment status and working patterns of Australians;**
- b. the different impact of that change on Australians, particularly on regional Australians, depending on their demographic and geographic characteristics;**

Economic and technological changes are remodeling the workforce and the workers that inhabit it. Automation, globalisation and casualisation are three big workplace changes which are bringing both opportunity and disadvantage to young people in Australia. Statistics from the Foundation for Young Australians show that the critical issues that young people will be facing in the workplace in the next decade include the fact that:

- Around 70% of young Australians are working in roles that will either drastically different or be completely lost in the next 10 to 15 years due to automation
- Nearly 60% of Australian students (70% in VET) are currently studying or training for occupations where at least two thirds of jobs will be automated.
- Over 50% of jobs will require significant digital skills however most schools generally follow traditional models of teaching and as a result these skills are not being taught (FYA, 2017)

Young people are the demographic that has the potential to be the most affected by these changes to the workforce as they are more likely than any other demographic to work in non-permanent jobs (Brotherhood of St Laurence, 2017). These same jobs are the ones most at risk of automation and further casualisation. The rate of insecure (part-time or casual) jobs held by young people has grown from 48% in 2008, before the global financial crisis (GFC), to 61% in 2015, a significant increase (Brotherhood of St Laurence, 2017).

The availability of full-time graduate jobs (another common source of jobs for young people) is also becoming increasingly more uncommon for young people to attain. This is because there is an oversupply of graduates and many employers are requiring increasing levels of experience for entry level jobs. We found that 72% of respondents to our recent survey said that they had not had the right level of work experience required for the job they were applying for, 52% of respondents said they have had to work in a job unrelated to their chosen field and 37% of respondents said there are too many graduates in their field of choice.

Our survey showed that young people are not oblivious to the challenges, and many are significantly worried about the impact on their future job security, employment status working patterns. The survey showed that:

- 50% of respondents either agreed or strongly agreed that casualisation of the

workforce will increase underemployment and make their chosen career financially unsustainable

- 25% of respondents either agreed or strongly agreed that automation would make their job obsolete
- 37% of respondents either agreed or strongly agreed that their job would eventually be outsourced to a cheaper workforce, making them unemployed
- 42 % of respondents either agreed or strongly agreed that technological changes mean that they will have to drastically adapt the way they work in order to stay employed

In order to meet these challenges, targeted youth-oriented initiatives and services are needed to adequately assist young people to adapt to the changing workforce. Better links between schools, training providers and industry employers is critical to create work placements and to bridge the gap between theoretical learning and practical work (Couldrey, 2014). Young people “must must be equipped with the networks and adaptive capabilities they need to take up new work opportunities, and be provided with the knowledge they need to navigate the evolving labour market” (Brotherhood of St Laurence, 2017).

*“Certain tertiary programs might feel too focused on teaching a field from an academic/theoretical perspective. This translates to a lack of emphasis on transferable and practical skillsets.” – Survey respondent*

It is not all doom and gloom however, our survey showed that young people are generally more certain about the positive improvements to the workforce through technological change rather than the negative ones. The survey showed that:

- 65% of respondents either agreed or strongly agreed that young people in general are well placed to harness the benefits of technology and adapt to change in the workplace
- 67 % of respondents either agreed or strongly agreed that technology would make their job easier and more efficient
- 60% of respondents either agreed or strongly agreed that technology will make jobs more accessible to more people (e.g. individuals living with a disability, people living in remote areas)

Technological advances to increase job accessibility must become the norm to ensure that disadvantaged young people are assisted to adapt to changes in the workforce. One young person with a disability that we consulted said that many accessible options are currently available and could make a significant difference, but are under-utilised:

*“Employers (may) see a job candidate as too hard to employ, when in fact there is easy to access accessible technology out there that could make the job accessible. I think in*

*the future technology that makes a job accessible needs to just become the norm. For example, height adjustable tables don't just benefit disabled people, they also benefit non-disabled people who might want to do their job standing up. Technological advances for disabled people can benefit more than just disabled people."*

Studies have shown that many workplaces in Australia "are not inclusive of assistive technologies, such as screen reading software or hearing loops" which would have allowed people with a disability to be employed (The Conversation, 2017).

In order for these technologies to become the norm, the government must lead the way by providing incentives and subsidies for individual and workplace assistive technology, to ensure the gap in workplace equality for disadvantaged young people does not widen.

**c. the wider effects of that change on inequality, the economy, government and society;**

**d. the adequacy of Australia's laws, including industrial relations laws and regulations, policies and institutions to prepare Australians for that change;**

The overwhelming majority of individuals who responded to our survey did not think that (38%), or were unsure if (52%) Australian laws, education and policies were prepared for future changes to the workforce. Some of key messages were:

- *There is not enough focus on technological literacy and workplace practicality in education*
- *Technology is changing too fast for our education system to keep up*
- *There is a current focus on pushing young people into fields where there are not enough workplace opportunities, creating an oversupply of graduates*
- *There is poor internet and technological structure and services, as demonstrated by the current troubles with the rollout of the NBN*
- *There are insufficient laws to prevent manipulation of workers in the sharing economy e.g. exploitation of Uber workers.*

Workforce trends such as the increase in insecure and part-time roles can serve to worsen widening inequality. These jobs often have lower security and higher stress as a result, weaker training levels reducing workplace development and lower and more unstable earnings (OECD, 2015). These deficits only increase the longer the individual is stuck in casual employment, and risks of "summary dismissal, variation in hours and schedules, arbitrary treatment and underpayment" also increase (May, Campbell & Burgess). Given the increase in these types of jobs, the government must ensure that laws are updated to match workforce changes to ensure that the risk of manipulation of at-risk young people in insecure and part-time roles is lessened.

## **Recommendations**

Based on the above discussion, YACWA has developed a set of recommendations for the inquiry to consider when addressing the future of work and workers in Australia.

- 1. Research the current state of youth-focused initiatives and services in both education and training to more adequately assist young people to adapt to the changing workforce.**
- 2. Incentivise links between schools, training providers and industry employers in order to improve the practicality and relevance of educational pathways to the workplace.**
- 3. Invest in education programs and initiatives that encourage entrepreneurship, flexibility and adaptability whilst still acknowledging and maintaining the diversity of options for study.**
- 4. Increase the use of assistive technologies (e.g. screen readers) in governmental employment and provide incentives to private organisations to normalise the shift to inclusivity and to ensure that the gap in workplace equality for disadvantaged young people does not widen.**
- 5. Ensure the rollout of technological updates to Australian society are adequately resourced and planned. These updates must be equitable and accessible by all to ensure that increases in inequality is not an unintended consequence. Many survey respondents were worried about Australia's technical capacity, particularly its internet strength.**
- 6. Conduct research on the impacts of technological changes such as automation and casualisation on disadvantaged areas of society to ensure that any policy response mitigates increased disadvantage for 'at-risk' cohorts that are facing longer periods of unemployment (SVA, Feb 2016) such as:**
  - Young people with a disability**
  - Aboriginal & Torres Strait Islander young people**
  - Those with caring responsibilities**
  - Young people from low socio-economic communities**
  - Those without Year 12 attainment**

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