



Response to the

**House of  
Representatives  
Standing Committee on  
Employment Education  
and Training**

INQUIRY

**School to Work Transition**

June 2017

Presented by:

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The National Employment Services Association (NESA) welcomes the opportunity to contribute to the House of Representatives Standing Committee on Education and Employment's inquiry into the School to Work Transition. Career planning and assistance services for school leavers are a crucial part of an effective and adaptive employment services ecosystem, and NESA is pleased to see this important topic as a focus of renewed inquiry.

## Scope of the Submission

The Committee's first two Terms of Reference are expressed in terms of the transition from *secondary to tertiary* education and training. This is one important aspect of the school-to-work transition.

But as the title of the inquiry suggests, the overarching concern is the ultimate transition *into work*, and this is where NESA's experience and insight can most assist the Committee in their deliberations.

This submission will comment on the aspects of compulsory schooling necessary to set young people on the right path for their subsequent transitions (Terms of Reference questions 1 and 2), but will focus particularly on **programmes that support pathways into employment**, and the policy orientations underlying them (question 3).

## Key Messages

NESA's key concern – as the peak body for the employment services sector – is for young people who do not transition well from compulsory education into gainful employment – who for various reasons miss out on the necessary support or skills acquisition or who face barriers that prevent them entering their next life phase in an optimal way, and who disengage, falling into "NEET" status (not in employment education or training). A high proportion of NEET youths belong to the disadvantaged cohorts with whom employment services have considerable and longstanding experience.

To effectively address the NEET phenomenon, Government must assure

- an educational philosophy that prioritises professional adaptability through non-technical employability skills ("Transition Tools") training before the end of the compulsory schooling phase as an early-intervention approach aimed at minimising youth disengagement before it occurs.
- a bipartisan, sustained national youth policy that provides comprehensive access to tailored transition to work support for all who need it, built around a consultative and inclusive approach, with annual fresh input of representatives from all relevant Australian youth cohorts.
- incentives for employers to engage in proactive vocational skills development as part of their induction for all incoming new staff, which will be of direct benefit to re-engaging youth.

NESA believes that achieving these objectives would be greatly enhanced through more effective use of the Australian employment services. We already have a unique network of highly tailored support services that could be better used to bridge the gap between education and the labour markets, but at present it is not well known by stakeholders and opportunities are missed. Concerted attention to the effective resourcing and empowering of the employment services networks already in place could greatly assist the Australian Government in more successfully addressing the school-to-work transition, in the ways outlined in detail below.

## The responsibilities of compulsory education

The seeds for successful school-to-work transition are sown during compulsory education. As disengagement beyond the end of compulsory schooling lies at the heart of the problem, attempting to address such concerns any further into the education stream will systematically fail to touch those who will need it most. The task of post school transition to work programmes and the tertiary education sector in bridging the skills deficit of NEET youth becomes significantly more difficult if the fundamental skills are not imparted early, during compulsory schooling.

The 2016 report **Everybody's Core Business**<sup>1</sup> underscores the necessity of providing solid “non-technical capability” training for all Australians before the end of the compulsory school period. It identifies one of the main difficulties of this aim as being **educational culture**: training in such skills is often perceived as an *add-on*, rather than central to the education stream, or worse as *irrelevant* and “not the job” of the secondary teacher. NESAs believes such attitudes are in need of change.

A constructive concern amongst secondary teachers who support the idea of consistent national non-technical skills training is precisely *how to establish national standards and meaningful assessment systems* when the skills in question are themselves often poorly defined.

However, as Everybody's Core Business points out, usable skills frameworks already exist in the General Capabilities definitions of the National Curriculum<sup>2</sup>, the Core Skills for Work Developmental Framework<sup>3</sup>, the Australian Core Skills Framework<sup>4</sup> and the Australian Blueprint for Career Development<sup>5</sup>. The issue lies not so much with the *definition* of these skills, as it does with their effective implementation and assessment within the secondary educational system.

Everybody's Core Business is a very aptly-named piece of work: “non-technical capability” training is squarely the responsibility of K-12 schooling, and it must be the “core business” of all teaching staff, regardless of their area of specialisation. The report's findings can be briefly summed up as follows:

- “Work-readiness” is centrally a question of *adaptability*, and requires opportunities
  - to actively apply acquired skills to new situations, and
  - for guided reflection on the successes and failures of that application process.It is not the skills alone that are important. It is the young person's capacity to *use those skills to adapt to new challenges*.
- Non-technical capability training and application needs to be integrated into fundamental (K-12) schooling such that by the end of secondary school, *all students* have had the opportunity to develop the “Tools for Transitions” (see Figure 1), irrespective of their academic orientation.

*Tools for Transitions must become a central part of educational philosophy: everybody's core business.*

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<sup>1</sup> Department of Education and Training/Ithaca Group, Everybody's Core Business, Research into the non-technical capabilities needed for successful participation in work or further study: Final Report (Aug 2016)

<sup>2</sup> <http://www.australiancurriculum.edu.au/generalcapabilities/overview/introduction>

<sup>3</sup> <https://www.education.gov.au/core-skills-work-developmental-framework-0>

<sup>4</sup> <https://www.education.gov.au/australian-core-skills-framework>

<sup>5</sup> <https://www.education.gov.au/australian-blueprint-career-development>

## Tools for Transitions

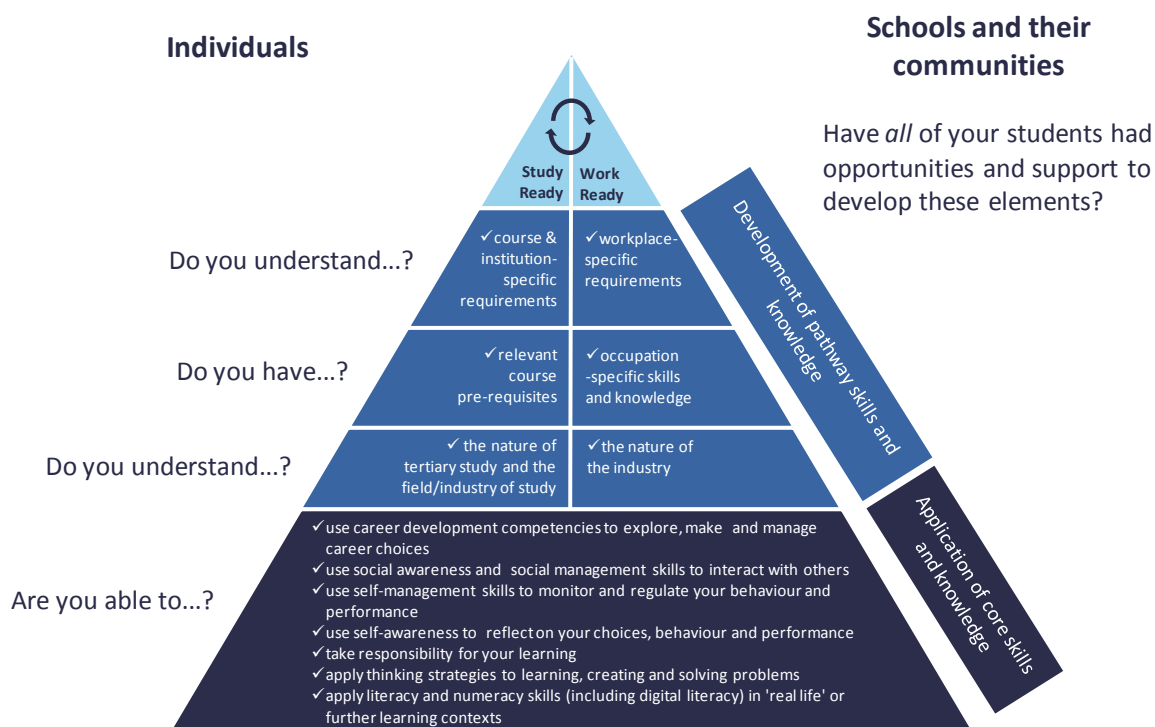


Figure 1 – Tools for Transition, from *Everybody's Core Business*, p.25

### Transition to work programmes

Heading off the problem before it occurs through strengthened educational attention to non-technical capability training is a crucial requirement, but clearly does nothing to help youth who are already disengaged. The second aspect of the question that must be considered here is that of transition to work programmes for youth not engaged in employment, education or training (NEETs).

Here, different difficulties come into play, which have hampered the effectiveness of government and non-government youth transition to work support over the years. Firstly, the task of *re-engaging* NEETs is significantly more difficult, more costly and less effective than pre-empting disengagement through effective education. This should come as no surprise. Studies across the effectiveness of targeted transition to work programs consistently show that early intervention is more effective in terms of both cost and outcomes.

The extra expense of re-engagement programmes has been partially mitigated by funding smaller, targeted programmes with a higher chance of success, but this approach itself has exacerbated a larger problem of insufficient co-ordination and continuity of youth transition to work programmes.

### The complex history of youth employment support programmes

An indicator of the changing nature of approaches to youth engagement and employment can be observed in the varying status of *Youth Affairs* as a ministerial portfolio and corresponding departmental title. Over the last 40 years, this portfolio has been alternately paired with *Education*

or *Employment* or both, has moved from government departments bearing *Youth* in their name, to the Department of the Prime Minister and Cabinet, to the former Department of Community Services, and then to cross-portfolio Ministerial Councils operating under COAG. In 2013, the Youth Affairs portfolio was cancelled altogether, and calls have emerged as recently as May of this year (2017) from various sectors of government to have it re-established.

While varying nomenclature is not itself the problem, it is indicative of the “hot potato” nature of the question of Youth Affairs, and the degree to which its treatment lacks stability and consistency.

### Current government programmes (State and Federal)

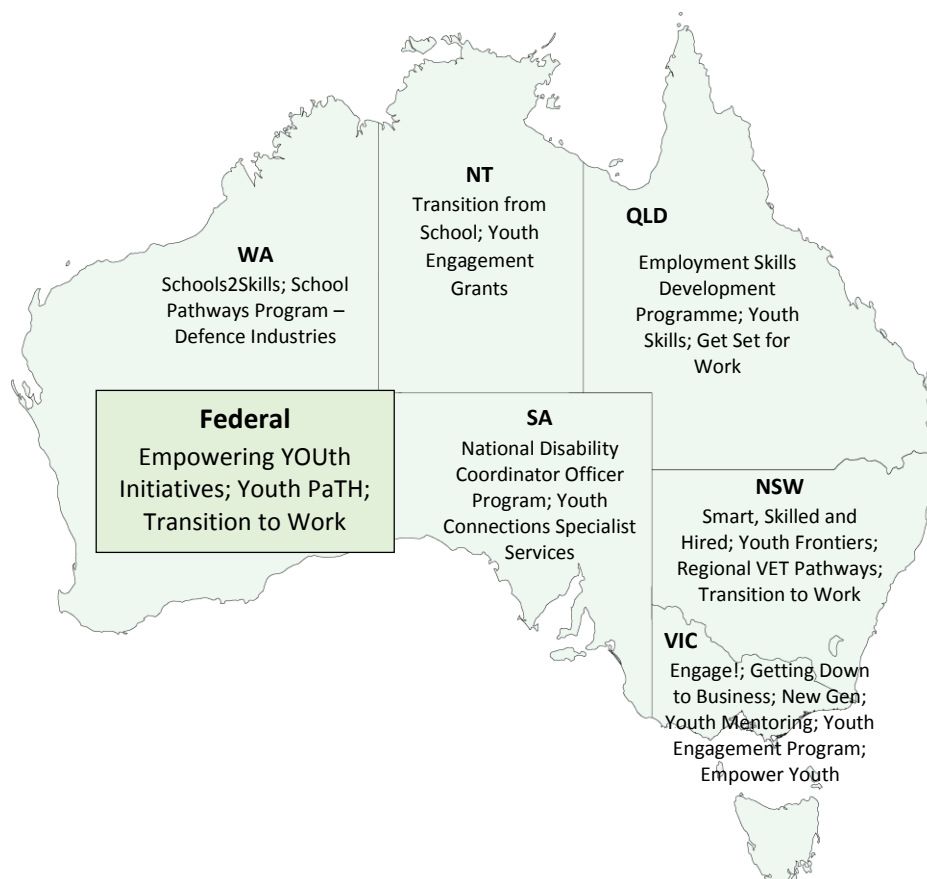


Figure 2 - Major State and Federal Youth Employment programmes in 2017

Figure 2 gives a rough overview of some, but by no means all, government youth transition, employment or training programs that exist across the country at the time of writing. A great many other programmes that are not as specifically aimed at the school-to-work transition phase, or that are run by non-government organisations are absent from this diagram.

The situation is not only complex, as indicated, it is also unstable: there has been considerable churn over the past two decades and it is likely there is churn to come. In this environment, it is not surprising that educators, employers and service providers are often unclear about what services are or are not available. It is also important to note that every programme has its own eligibility and funding criteria, further complicating matters.

Taking the national **Empowering YOUth Initiatives** as an example, at the time of writing there are 21 projects in the second funding round. Despite the strengths, focus and successes of individual

initiatives in this and other programmes, reading down this list – or indeed considering the above diagram – highlights at once the four central problems that continue to plague youth programmes overall. They tend to be

- *locality* specific (with the exception of the Federal Programmes)
- *cohort* specific (Indigenous, youth with disability, youth with mental health issues, etc.)
- *outcome* specific (targeting a specific industry, cultural issues, sporting involvement, etc.)
- and crucially of **short duration** (dependant upon non-renewable funding arrangements)

While the *targeted nature* of individual programmes is not a problem in itself – effective social support programmes of any kind will always require that degree of granularity – their *temporary funding nature* makes it into one. Current initiatives selectively address elements of the school-to-work transition – or broader questions relating to Australian youth – but with non-renewable funding structures, provide no overarching or enduring basis upon which to robustly and transparently address the whole question at an ongoing national level. Over time this leads to inefficient reduplication of effort, to inconsistent and non-cumulative treatment of a growing problem, and to a confusing and opaque support landscape for educational, employer and transitional structures seeking to assist disengaged youth, and indeed for the intended beneficiaries themselves.

### Past findings

In 2014, the Department of Education commissioned the third and final report into the National Partnership on Youth Attainment and Transitions<sup>6</sup>, established by COAG in 2009. This meta-programme sought to improve educational outcomes and transitions for young Australians from school to further education, training or employment, specifically focussing on 15 to 24-year-olds, young people at risk, and young Indigenous Australians. It ran for five years, and comprised a cluster of allied programmes:

- Maximising Engagement, Attainment and Successful Transitions (MEAST)
- School Business Community Partnership Brokers
- Youth Connections
- National Career Development projects
- The Compact with Young Australians

The findings of this report are mitigated. Despite some improvement in various of the metrics being tracked, the overall impression at the end of the five year process was that “[g]iven Australia’s wealth, strong labour market and relatively sound performance in school-aged literacy and numeracy, [...] Australia’s attainment and transition outcomes should be far better than they are” (p. 7)

The report also highlighted lessons drawn from comparable international studies, acknowledging the national specificity of some parameters, but nevertheless listing seven key observations, of which the following five are particularly germane:

- *Early-intervention* is more efficient and effective than treating disengagement later

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<sup>6</sup> [https://docs.education.gov.au/system/files/doc/other/np\\_yat\\_final\\_evaluation\\_report.pdf](https://docs.education.gov.au/system/files/doc/other/np_yat_final_evaluation_report.pdf)

- This observation underscores the crucial importance of non-technical capacity training being embedded in compulsory educational philosophy
- *Rapid responses* to disengagement are most effective
  - The longer a period of disengagement lasts, the harder it becomes to overcome
- *Individualised approaches* are often necessary
  - One-size-fits-all solutions cannot effectively respond to issues that, at an individual level, are highly personal. Where it comes down to assisting a particular disengaged youth (or a youth at risk of disengagement), support staff must be sensitive to the unique situation of that individual and to their particular characteristics and needs
- *Locally driven solutions* tend to be more sustainable and more effective
  - To the extent that factors causing disengagement are connected to local demographic, cultural, economic, social or environmental issues, then localised knowledge becomes essential to achieving effective individualised responses
- *Integrated responses* help reduce confusion and are more efficient and effective
  - This point is crucial: despite the need for granular reactivity at the frontline (as stipulated in the preceding points), support programmes themselves must be transparently part of a coordinated national strategy to maximise awareness and availability of options, and to remove the “lottery” aspect of support for intended recipients based on uncontrollable aspects of their situation (age, location, cultural heritage, aspirations, etc.) A national consistently funded strategy would also overcome the “policy churn” that renders options often temporary, and contributes to opacity and confusion for support providers.

The essence of these five points suggests that *nationally consistent, context sensitive, early schooling and/or consultative and inclusive approaches* are the most likely to achieve results.

## Those most at risk

Who are the NEETs? The 2016 OECD report *Investing in Youth, Australia*<sup>7</sup> notes that Australian NEETs are consistently youth who score lowest on the “big five” personality traits (non-cognitive skills):

- Extraversion (*sociability, ‘out-goingness’*)
- Emotional stability (*confidence, resilience, ability to cope with stress and disappointment*)
- Openness to experience (*both the breadth of reference, and the willingness to explore unfamiliar territory*)
- Agreeableness (*being good-natured, cooperative, socially aware*)
- Conscientiousness (*dependability, will to achieve, willingness to conform to external pressures*)

However, the group represented by low scores across these variables is by no means homogeneous: as is to be expected, the same disadvantaged cohorts that the employment services are well familiar with are also overrepresented here.

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<sup>7</sup> OECD (2016), *Investing in Youth: Australia*, Investing in Youth, OECD Publishing, Paris

## Youth with disability

Youth with disability have a disproportionately high probability of becoming NEETs. Lack of adaptation of early educational systems causes early disengagement from the education stream, beginning a cycle of exclusion that can become difficult to break. The fact that such youth may score poorly on the “big five” might – in certain cases – be related to specific kinds and levels of disability, but is far more likely to be a consequence of lessened educational opportunities and subsequent disassociation firstly from the education stream and subsequently from employment opportunities.

## Indigenous youth

Indigenous youths are more than 3 times as likely to become NEET than non-Indigenous youths. The OECD report cited above shows no significant difference in proportions of *non-Indigenous* NEET youth dependant upon the remoteness of their place of residence, while for Indigenous youth the difference is marked: 28% of Indigenous youth in major population centres had NEET status in 2011, as against 55% in remote areas.

While remote Australia is plagued by logistical difficulties connected to service delivery, and limited labour market opportunities, it is significant that these problems do not touch the Indigenous and non-Indigenous population in these areas evenly. For Indigenous youth, there is additionally a high correlation between NEET status and the lack of access to transport (a motor vehicle), although whether this is a causal link, and which way the causality flows, is difficult to establish.

## Women

Women have a higher NEET rate than men. While this is true across the OECD, in Australia the difference is above average. In 2014, 10% of Australian youth (15-29 years old) were male NEETs, as against 15% female. This is a 51% difference, whereas the OECD average difference is just 36%. A strong proportion of young female NEETs were single mothers with young children, clearly underscoring availability and affordability of child care as a central part of the problem for this cohort.

## Youth with mental health issues

The OECD found that Australian NEET youths express much higher levels of psychological stress than non-NEET youth, but the causality here is impossible to establish: pre-existing mental health concerns may well be a causal factor in disengagement, but the fact of acquiring NEET status itself is highly likely to be a cause of increased stress. Nevertheless, the current increase in attention to youth mental health must not fail to consider the influence of early-onset mental health concerns on the effective acquisition of professional mobility skills, and the effect that this can have on successful transition to work.

## CALD status

Youth born overseas, from non-English speaking backgrounds show a higher proportion of NEET status (17%) than those born in other English-speaking countries (4.6%). Again, this is consistent with the employment concerns of the CALD cohort overall, and underscores the need for effective language skills training for new Australians of all ages.

## Parental influence

28% of NEETs have fathers whose educational attainment was lower-secondary or below; children of unemployed parents show higher rates of disengagement; and NEETs are twice as likely to have had separated or divorced parents at the age of 14 years. Familial environmental factors are one of a

range of localised influences that must be taken into account in a locally sensitive and individually reactive manner.

### Technological change

There are few areas of the lives of Australian youth that are not increasingly impacted by technology: education, entertainment, social interaction, and where the evolution of this kind of influence was too slow to itself be problematic for children growing up in the 50's and 60's, the pace of change is now itself a destabilising factor *within* generations, fuelling uncertainty about the future that is a major contributor to youth mental health issues and educational disengagement.

The Mission Australia Youth Survey Report 2016<sup>8</sup> showed that the third most important source of influence for Australian youth in deciding their future, after parents and family, was *the internet*, ranking higher even than friends (p.17). When the author was facing such decisions, the public internet did not even exist, whereas the twelve other influences surveyed by Mission Australia did.

This rapid technological intrusion into the social life of Australian youth, and cross-cutting all the disadvantaged cohorts listed above, causes a widening “generation gap” that translates as at least a *perceived*, if not real, *understanding gulf* between youth and the decision makers crafting policy aimed at helping them. Generational misunderstanding is obviously not a new phenomenon, but it is exacerbated and amplified by the accelerating pace of social change, driven in particular by new technologies.

As in any other policy-making undertaking, the only way to effectively bridge this gulf, and to effectively address all the other issues in the above list, is through *consultation*.

### With us, not for us

It is growing increasingly clear that policy decisions based on theoretical understandings or generalised data, made with separation between the decision makers and the communities affected by those decisions, is not an efficient way to deal with pressing social issues. The call has been heard from Indigenous communities, as from Australians with disability, that policy decisions be made “with us, not for us”.

Direct participative representation in the decision process is essential if policy is to be a good fit to the real issues affecting such communities – issues that only people with direct experience are able to fully understand.

*A representative cross-section of Australian youth must be directly involved in any investigation into youth problems, and consultation on the specific issue of NEET youth must include youths who find or have found themselves in that situation.*

Reaching out to such youths to actively involve them in the consultative process will require planning and sensitivity and cannot be done in an ad hoc or rubber-stamp fashion. The employment services are excellently positioned to assist in the process of identifying and enlisting the help of a representative youth council.

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<sup>8</sup> Bailey, V., Baker, A-M., Cave, L., Fildes, J., Perrens, B., Plummer, J. and Wearing, A. 2016, Mission Australia's 2016 Youth Survey Report, Mission Australia.

## Responsibilities of employers

Early-intervention to prevent youth disengagement is primarily the responsibility of the education system. Programmes supporting disengaged youth back into work are clearly in part the responsibility of government, but employers also have a role to play.

The nature of the labour market is changing in many ways. Based on ABS statistics for Labour Mobility from 2016, the average time spent with one employer is now 3 years and 4 months. Extrapolating from this, a 15 year old entering the workforce now (if this rate remains constant, which it almost certainly will not) can expect to have 15 different jobs over a 50 year working life.

In this context, the notion of “career path” has a very different meaning now to the one it had in 1980. People no longer necessarily remain in the same professional domain throughout their career, meaning that employers will increasingly be faced with job applicants who may lack industry-specific knowledge and vocational skills, and will need to be capable of bridging these vocational skill gaps themselves as part of their induction process, or else coordinate with highly responsive industry-specific training organisations to do so on their behalf. This requirement is not youth specific, but to the extent that it is taken seriously by employers, will have a direct and beneficial impact on the effectiveness of transition-to-work programmes.

The school-to-work transition is not somebody else’s problem: the whole of society has a responsibility to be part of the solution to inducting young people into adult life, and the changing nature of employment in general places pressure on employers to take a more proactive role in training new employees, which will directly benefit everybody moving into new employment, including first-time job seekers, and importantly, disengaged youth needing a helping hand.

### About NESAs

NESA was established in 1997 to be the voice of Australia’s world-renowned contracted employment services industry. We have served that industry diligently and effectively since that date, and have participated strongly in the establishment of an employment services sector which has a pivotal role in assisting the Australian Government to achieve its policy objectives in workforce participation, productivity and social inclusion.

NESA represents the full range of contracted employment service providers, including not-for-profit and for-profit organisations servicing all current government employment programmes.