

# **YOUTH UNEMPLOYMENT IN WESTERN SYDNEY**

## ABOUT YOUTH ACTION

This report was commissioned by Youth Action.

Youth Action is the peak organisation representing 1.25 million young people in NSW and youth services that support them. Our work helps build the capacity of young people, youth workers and youth services, and we advocate for positive change on issues affecting these groups.

It is the role of Youth Action to:

1. Respond to social and political agendas relating to young people and the youth service sector.
2. Provide proactive leadership and advocacy to shape the agenda on issues affecting young people and youth services.
3. Collaborate on issues that affect young people and youth workers.
4. Promote a positive profile in the media and the community of young people and youth services.
5. Build capacity for young people to speak out and take action on issues that affect them.
6. Enhance the capacity of the youth services sector to provide high quality services.
7. Ensure Youth Action's organisational development, efficiency, effectiveness and good governance.

## ABOUT THE AUTHORS

This report was authored by Professor Phillip O'Neill, Director of the Centre for Western Sydney, Western Sydney University.

The images and data on which the report relies are provided by .id The Population Experts, data partners of the Centre for Western Sydney. Rob Hall and Keenan Jackson, Economic Analysts with .id, led the development of the data and co-created the underpinning narrative.

## ACKNOWLEDGEMENT

Direct involvement for Youth Action NSW was undertaken by its Western Sydney Coordinator Ms Natasha Lay, and we express our thanks to Natasha for her expert and friendly advice and direction.

We also acknowledge and thank participants in the Youth Unemployment Workshop for their guidance and robust discussion.

## FEEDBACK

We welcome your feedback on the material. Please email any comments to [p.oneill@westernsydney.edu.au](mailto:p.oneill@westernsydney.edu.au).

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## SUGGESTED CITATION

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# CONTENTS

SOURCES AND TERMINOLOGY	4
GEOGRAPHICAL REFERENCES	5
FIGURES	6
EXECUTIVE SUMMARY	7
INTRODUCTION	9
THE AUSTRALIAN EMPLOYMENT CONTEXT	10
TRENDS IN YOUNG PEOPLE'S EMPLOYMENT	13
GREATER SYDNEY'S LABOUR MARKET AND WESTERN SYDNEY	18
INSIDE WESTERN SYDNEY	33
WESTERN SYDNEY CASE STUDIES	38
FACTORS AFFECTING YOUTH UNEMPLOYMENT IN WESTERN SYDNEY	42
CONCLUSIONS	45
REFERENCES	47

# SOURCES AND TERMINOLOGY

The research that underpins this report is based on data and information from a variety of sources.

## .ID CONSULTING

The report's primary demographic analysis is based on analysis of the databases of .id consulting. This includes ABS data collated for the purpose of this report, alongside other private data sources such as NIEIR and SAFi, .id's small area forecasting tool.

## WORKSHOP

The report was guided and informed by participants in a workshop convened by Youth Action. The contributors to this report thank those attendees for their time, frankness and generosity.

## DEFINITIONS AND ACRONYMS

The following terms and acronyms are used in this report.

### Young People

Those residents aged 15-24 years. Note that 'youth' is sometimes used in the report to refer to this group.

### Unemployed

Those in the labour force not employed but actively seeking employment

### NEOL: Not Earning or Learning

Those unemployed and those not in the labour force and not studying. This report uses the term NEOL, instead of its equivalent, NEET (Not in Education, Employment or Training). The two terms refer to the same group

### Disengaged

Those not in the labour force and not studying

# GEOGRAPHICAL REFERENCES

This is a guide to geographical references used in this report.

## Sydney Basin

The area bounded by the Pacific Ocean to the east, the Hawkesbury-Nepean river system to the north and west, and the Port Hacking river system to the south.

## Sydney Metropolitan Area

The formal planning region of Sydney, which covers the geographical area roughly defined by the Sydney basin, plus the Blue Mountains LGA to the west and the Gosford and Wyong LGAs to the north.

## Greater Sydney

This is another name for the Sydney Metropolitan Area.

## Western Sydney

Except where otherwise stated, Western Sydney refers to the 14 local government areas in the region in 2015. These are Auburn, Bankstown, Blacktown, Blue Mountains, Camden, Campbelltown, Fairfield, Hawkesbury, Holroyd, Liverpool, Parramatta, Penrith, The Hills Shire and Wollondilly. Local government areas (LGAs) referred to in the report are based on 2015 boundaries.

## Local government areas (LGAs)

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# FIGURES

Figure 1   Productivity, Australia, 1973 to 2015	10	Figure 16   Employment makeup, persons 15 to 24 years, Western Sydney, 6-month rolling average, 1998-2016	25	Figure 26   Regression of youth unemployment against SEIFA index of relative socio-economic disadvantage, Western Sydney SA2, 2011	42
Figure 2   Change in employment makeup, Australia, 1978 to 2016	11	Figure 17   Type of employment, employed persons 15 to 24 years, Western Sydney and Greater Sydney, 2011	26	Figure 27   Regression of youth unemployment against low-income households, Western Sydney SA2, 2011	42
Figure 3   How higher qualifications affect employment, Australia, 2015	12	Figure 18   Hours worked, employed persons 15 to 24 years, Western Sydney and Greater Sydney, 2011	27	Figure 28   Regression of youth unemployment against households without a car, Western Sydney SA2, 2011	43
Figure 4   Shifts in employment/population ratio, 15-19 year-olds, Australia, 2008-2016	13	Figure 19   Engagement in study, persons not in the labour force, 15 to 24 years, Western Sydney and Greater Sydney	28	Figure 29   Regression of youth unemployment against rental occupancy, Western Sydney SA2, 2011	43
Figure 5   engagement rates, persons not in school aged 17 to 24 years, NSW 2005-2015	14	Figure 20   Youth categories of employment and education status	29	Figure 30   Regression of youth unemployment against household access to internet, Western Sydney SA2, 2011	43
Figure 6   Share of young job seekers with long durations of unemployment, Australia, 2008 and 2015	15	Table 1   Levels of Engagement, persons aged 15-24 years, Western Sydney and Greater Sydney, 2011	30	Figure 31   Regression of youth unemployment against households with mothers aged 15 to 24 years, Western Sydney SA2, 2011	44
Figure 7   Participation rate, persons 15 to 24 years, Greater Sydney and NSW, 1998 to 2015	16	Figure 21   Post-school qualifications, employed persons, 15 to 24 years, Western Sydney and Greater Sydney, 2011	31	Figure 32   Regression of youth unemployment against households with overseas born parents, Western Sydney SA2, 2011	44
Figure 8   unemployment, persons 15-24 years, 6 month smoothed average, greater Sydney and NSW, 1998 to 2015	17	Figure 22   Highest year of school completed, employed persons aged 15 to 24 years, Western Sydney and Greater Sydney, 2011	32	Figure 33   Regression of youth unemployment against birthplace Western Sydney SA2, 2011	44
Figure 9   Distribution of jobs and jobs growth, Greater Sydney, 2006 to 2015	18	Figure 23   Concentrations of unemployed youth (aged 15 to 24 years), Western Sydney, 2011	33		
Figure 10   Jobs and surplus deficit, Western Sydney LGAs, 2015	19	Table 2   Concentrations of unemployed youth (aged 15 to 24 years), Western Sydney, 2001	34		
Figure 11   Participation and employment rates, persons aged 15 to 24 years, Western Sydney and Greater Sydney, 2011	20	Table 3   Labour force status (percent of total), youth aged 15 to 24 years, Western Sydney and Greater Sydney, 2011	35		
Figure 12   Industry of employment, employed persons 15 to 24 years, Western Sydney and Greater Sydney, 2011	21	Figure 24   Concentrations of disengaged youth (not in labour force and not studying), 15 to 24 years old, Western Sydney, 2011	36		
Figure 13   Occupation of employed persons aged 15 to 24 years, Western Sydney and Greater Sydney, 2011	22	Figure 25   Concentrations of NEOL youth (not in labour force and not studying), 15 to 24 years old, Western Sydney, 2011	37		
Figure 14   Place of work, employed persons aged 15 to 24 years, Western Sydney, 2011	23	Table 4   Profile Lethbridge Park-Tregear and Bidwell-Hebersham-Emerton	39		
Figure 15   Distribution of unemployment in Greater Sydney, persons 15 to 24 years, SA4 levels, 2009 to 2016 average	24	Table 5   Profile Cabramatta-Lansvale and Canley Vale-Canley Heights	41		

# EXECUTIVE SUMMARY

## THE PROBLEM OF DISENGAGEMENT

The Australian economy clocked 26 years of continuous economic growth by mid-2017. On its front page, the Australian government's 2017 budget web site ([www.budget.gov.au](http://www.budget.gov.au)) leads with the sentence "a generation of Australians has grown up without ever having known a recession."

The sentence implies this is a generation that doesn't understand economic hardship. This report questions the absence of economic adversity among the nation's young people.

Since the global financial crisis (GFC) labour force growth has struggled across all age groups. Overall, the nation's ratio of jobs per head of population has fallen by two percentage points, while part-time jobs are growing at the expense of full-time jobs.

The deterioration of the labour market for young people in Australia has been particularly striking post GFC. For those aged 15 to 19 years the number of available full-time jobs in Australia has halved since 2008, while the number of part-time jobs for this group has barely grown.

These trends could be dismissed as the consequence of falling workforce participation among young people as a consequence of rising participation in education and training. While this re-alignment is true in general for the nation there are exceptions in various localities. In many places in Western Sydney, in particular, falling levels of employment are not accompanied by rising levels of education and training. Instead, there has been an increase in 'disengaged' young people and those 'not earning or learning'.

This report reveals a compounding set of problems that push young people towards disengagement from the labour force and from education: if the number of full-time jobs for youth is falling, and if young people are not taking up full-time education and training places to improve their employment prospects, then the duration of young people's unemployment rises. Then, after stints of joblessness, young people cease looking for work. And when the benefits of education and training aren't obvious, or when access to training places is poor – because of geography or cost – then young people leave the labour force *and* education.

The long-term cost of this disengagement shows in government transfer payments as well as in rising health and social costs. Continuing government inattention to the problem of disengagement makes no sense.

## THE YOUTH LABOUR MARKET PROBLEM IN SYDNEY IN GENERAL

The broad Sydney economy has been a primary beneficiary of the sectoral shift in the Australian economy in favour of high value-adding services. The Sydney CBD in particular has experienced standout jobs growth for professional service workers, as our report shows. But this growth spreads insufficiently beyond the CBD, meaning growing disparity between the number of local jobs and local workers in suburban areas. Jobs deficits are growing across Western Sydney despite the region's consistent jobs growth, a consequence of the region's high growth in resident workers.

This deficiency in local jobs hits young people harder. In

figure 11 we show the consequences of Western Sydney's jobs deficit using a sub-region breakdown. The South West sub-region is notable. There, a low rate of employment participation signifies high levels of disengagement. Young people in South West Sydney aren't participating in education; they are disengaging completely.

Not surprisingly, young workers in Western Sydney have jobs in the region's most common economic sectors. The largest employer of young people is retail, followed by accommodation and food services, manufacturing and construction. Compared to elsewhere in Sydney, young workers in Western Sydney are underrepresented across occupations requiring post-school qualifications and in the higher value-added services sectors that have benefitted the Sydney economy as a whole.

## YOUNG PEOPLE AND UNEMPLOYMENT IN WESTERN SYDNEY

Our report shows that youth unemployment is significantly higher in Sydney's west than elsewhere in Greater Sydney, aside from the Central Coast. We are concerned about the long-term decline of full-time jobs for youth in Western Sydney. The number of part-time jobs overtook full-time jobs in 2013.

A particular problem with this changing jobs mix is that it takes place against a background of poor qualifications attainment. When an unskilled young person can't access a full-time job the most likely outcome is disengagement rather than participation in education and training.

Our report takes a close look at these low rates of

education training participation. We find (for 2011) that only 78.2% of Western of Western Sydney youth not in the labour force were full-time students compared to 86.3% elsewhere in Sydney. Put another way, Western Sydney should have had an additional 8,677 young people in full-time education in 2011, the equivalent of 580 additional full TAFE class rooms.

## THOSE NOT ENGAGED

Our report disentangles the categories used to depict the various ways young people engage with work, education and training. Figure 20 shows how the categories are used.

For Australia as a whole, 24.1% of 15 to 24 year olds are not fully engaged in work or education and training – an alarmingly high proportion.

For education, Western Sydney youth have lower rates of school completion and bachelor degree attainment, although attainment of certificate level qualifications is at a higher rate than elsewhere in Sydney.

## INSIDE WESTERN SYDNEY

While the average levels of disengagement in employment and education in Western Sydney exceed those of non-Western Sydney, the levels are significantly lower than those found in regional and remote Australia.

That said, there are geographic clusters of youth within Western Sydney where rates of unemployment and

disengagement are significantly higher. We identify 23 clusters where the rate of youth unemployment (15 to 24 years) ranges from 16.4% to an upper extreme of 26.4% and where the rate of young unemployment (15 to 19 years) ranges from 23.0% to a top of 36.5%. The total number of youth experiencing unemployment – remembering this is the group of active job seekers, excluding those who have withdrawn from the labour force – in these 23 suburban clusters was 6,240, an average of 271 per cluster.

Based on our analysis of disengaged young people shown in table 3 of the report, it is reasonable to infer that a further group, equal or greater in number to the unemployed group, was not involved in seeking work or engaged in education or training.

## CASE STUDIES

We present a small number of case studies in order to better understand the broader social and economic environments for those suburbs experiencing high rates of youth disengagement. Not surprisingly we find very low rates of school completion in these suburban clusters.

We observed a number of other features in these areas. There was a significantly higher rate of young women with parenting responsibilities in these suburbs. Home ownership rates were lower, income levels were depressed and car ownership rates were low. In some of these suburbs, English language proficiency was also found to be significantly lower, especially in the South West sub-region.



# INTRODUCTION

**“Since 2008, the worldwide number of young jobseekers has seen the largest increase on record. There are more than 75 million young people looking for a job globally, constituting 40% of the world’s unemployed. In the OECD alone – a group of mostly 34 rich nations of which Australia is a member – the number of employed youth fell by more than 7.5 million over the same period.”**

Carvalho, P., Centre for Independent Studies, 2015

Unfortunately outcomes for young people in Australia follow the same trends. Levels of youth unemployment in Australia following the global financial crisis persist at high levels. Falling levels of full-time job opportunities are particularly worrying. Carvalho (2015) stresses the complexity of the youth unemployment problem. Employment participation is falling among some groups for the right reason: engagement in full-time education and training. But for others the loss of job opportunities pushes them towards disengagement, both from the labour force and from full-time education and training.

Carvalho’s report is one of many in Australia that exposes the youth unemployment and disengagement problem. Others include Aird et al (2010), Bowman et al (2015), Brotherhood of St Laurence (2015), Brotherhood of St Laurence (2017), Cuervo & Wyn (2011), Foundation for Young Australians (2014), Mitchell Institute (2017), Mitchell (various), Skattebol et al (2015), Smith Family, 2014, Social Ventures Australia 2016 and Vandenbroek 2014. Clearly there is much data, analysis and commentary available in studies such as these. Our purpose is not to reproduce this

body of work. Rather ours is a study that examines the issues from the regional perspective of Western Sydney.

There are two reasons to take a Western Sydney perspective. One is that Western Sydney is a large urban region deserving of separate analysis. The region is home to two million people, about the same size as all of Perth. This is big enough to justify detailed attention. The second reason is that Western Sydney is Australia’s most significant urban growth region. Social and economic issues that emerge in Western Sydney are by definition nationally significant. Related, Western Sydney has grown to become the demographic core of Greater Sydney, Australia’s global city. Two out of every three new Sydneysiders now reside in Western Sydney. It is reasonable to assert that the future prosperity of Sydney (and therefore of Australia) depends to a large extent on the social and economic pathway that Western Sydney travels. Therefore, the future of young people in Western Sydney matters in establishing the future prosperity of Sydney as a global city.

The report takes a straight forward approach. We take the key concepts from the literature concerning youth unemployment (and disengagement) and use them to guide our data collection and analysis. Our data sets come mainly from the Australian Bureau of Statistics, and we draw heavily on its 2011 census of population to show in detail the changing nature of unemployment in Western Sydney. Our data and analysis partner in this exercise is .id the population experts (see [home.id.com.au/](http://home.id.com.au/)). The Centre for Western Sydney has had a close working relationship with .id on a number of projects and we are once again thankful for its clever and diligent contribution.

The report is structured to be read as a detailed report as well as to be used for data extraction and re-use. The executive summary contains the key findings of the study and can be read as a separate document. What then follows is a series of images and tables with dedicated commentaries designed to tease out the detail of youth unemployment in Western Sydney. The presentations commence with more general information followed by a detailed dissection of the issues, some illustrative case studies and then a conclusion and references.

# THE AUSTRALIAN EMPLOYMENT CONTEXT

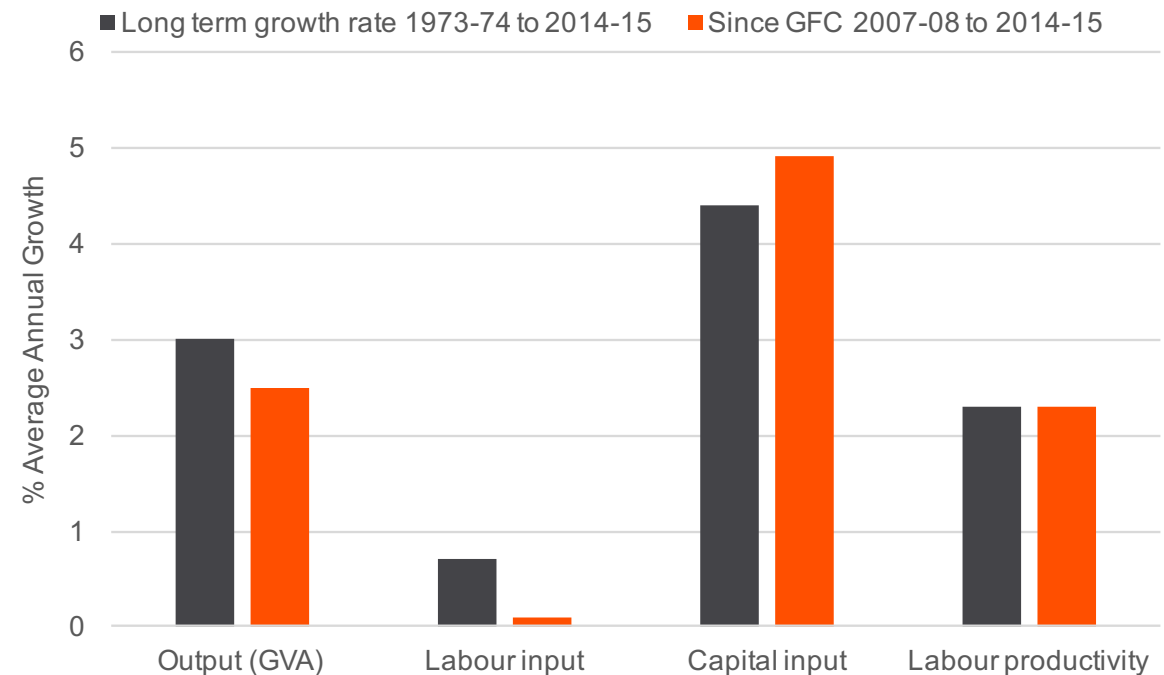
## PRODUCTIVITY GROWTH – BUT WHERE ARE THE JOBS?

Despite persistent – if modest – levels of GDP growth since the GFC and persistently high levels of labour productivity, employment growth in Australia has been disappointing. Figure 1 shows that even though labour productivity remains at historically high levels growth in actual labour input has barely exceeded zero.

Clearly, Australia has a jobs creation problem.

FIGURE 1 | PRODUCTIVITY, AUSTRALIA, 1973 TO 2015

Source: Productivity Commission 2016; compiled by .id



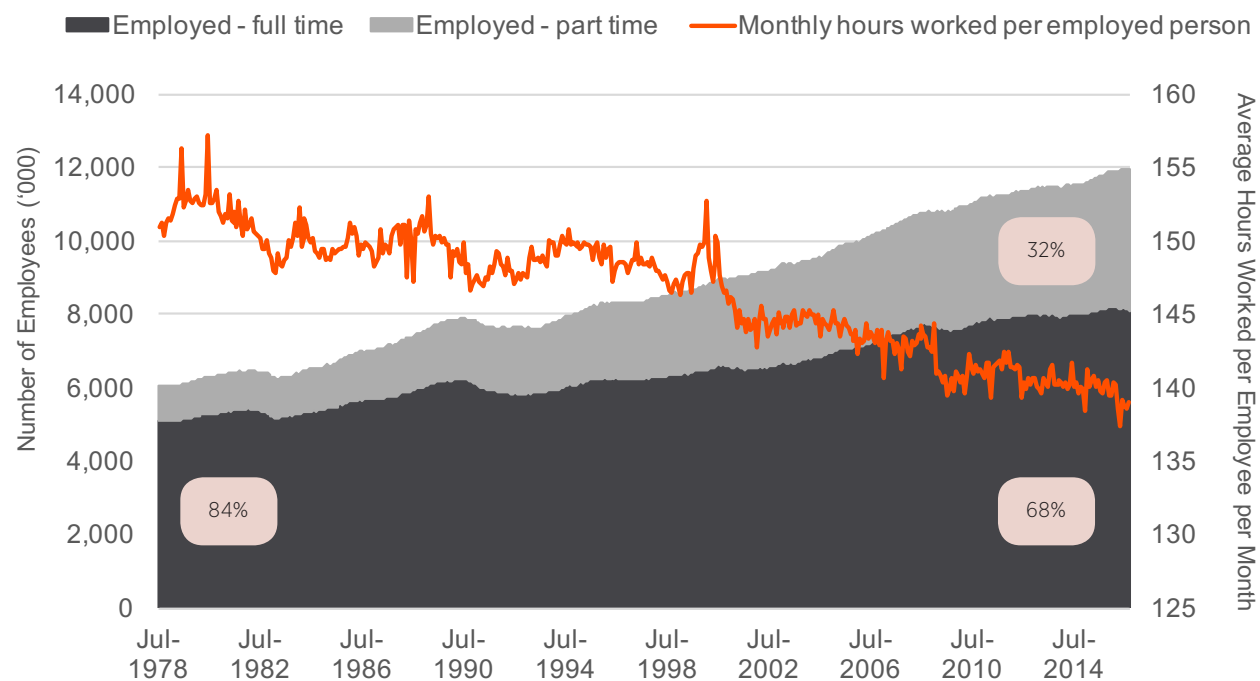
## THE POST-GFC WORKPLACE: MORE PART-TIME JOBS AND FEWER HOURS

Falling employment intensity in Australia can be seen in a number of ways, including in the decline of full-time jobs and the rise of part-time jobs.

Mitchell (2017) calculates a two percentage point fall in the nation's ratio of jobs per head of population since the GFC. Figure 2 shows a fall in the proportion of full-time jobs in the Australian workforce from 84% of all jobs in 1978 to 68% in 2015. The average hours worked per month has also fallen.

FIGURE 2 | CHANGE IN EMPLOYMENT MAKEUP, AUSTRALIA, 1978 TO 2016

Source: ABS Labour Force Survey, 2016; compiled by .id



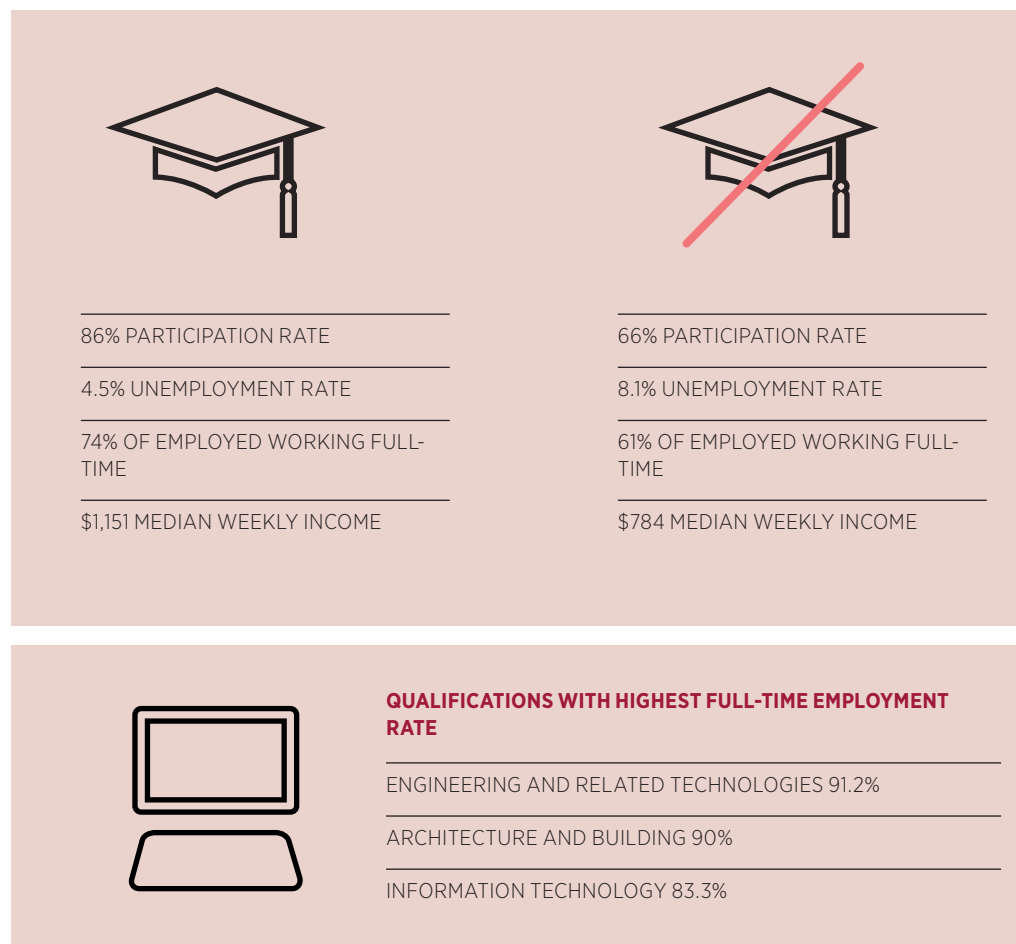
## QUALIFICATIONS AND FULL-TIME WORK

This report outlines the relationships between falling employment intensity, achievement in education and training, and employment outcomes for young people.

Figure 3 shows the different outcomes in Australia for those with and without higher qualifications. Only a selection of qualifications is shown. There is a strong positive relationship between qualifications and access to full-time employment.

Policy that addresses young people's poor labour market outcomes must promote engagement in education and training.

FIGURE 3 | HOW HIGHER QUALIFICATIONS AFFECT EMPLOYMENT, AUSTRALIA, 2015



# TRENDS IN YOUNG PEOPLE'S EMPLOYMENT

To establish a national baseline of young people's employment outcomes, we start by looking at a subset of that group: those aged 15 to 19 years.

Over the last decade:

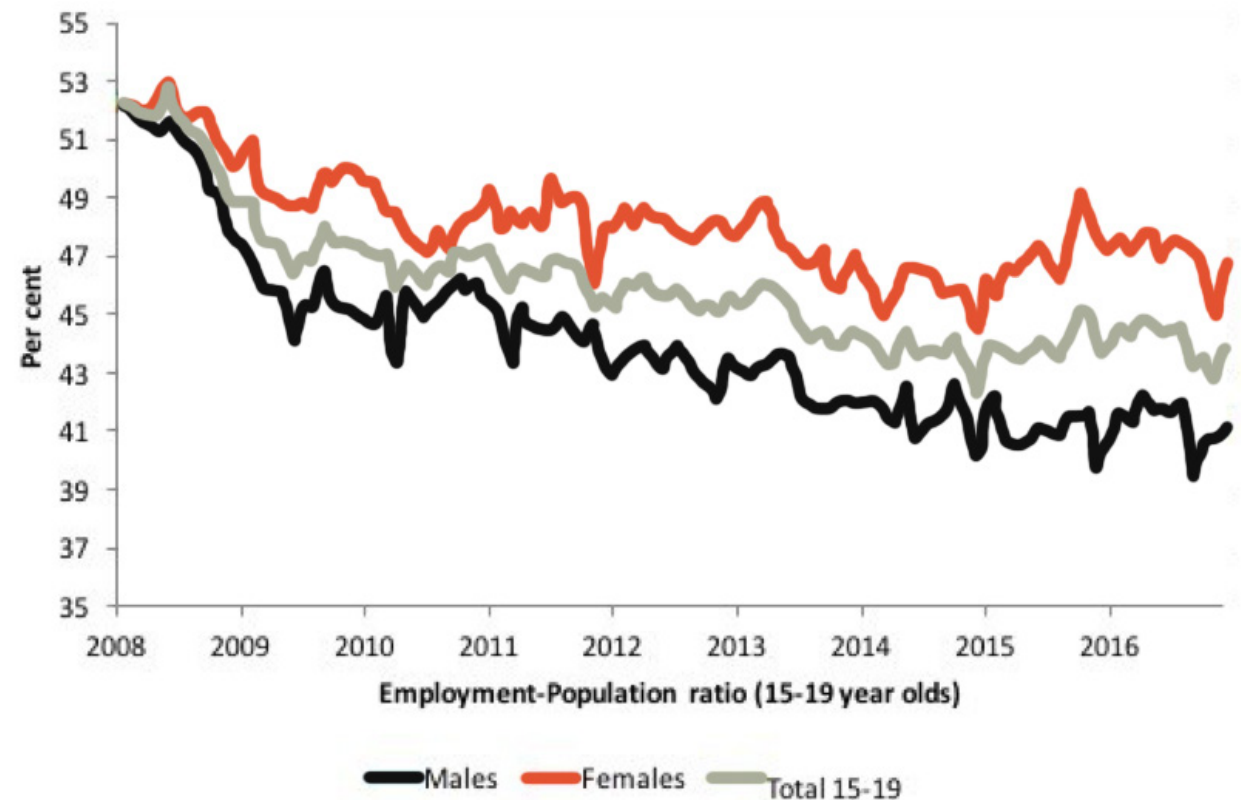
- Total employment grew by 1,350,700
- In total, jobs for those aged 15 to 19 years fell by 97,700
- *Full-time* jobs for those aged 15 to 19 years fell 124,200 (which is about half of 2008 jobs)
- Part-time jobs for those aged 15 to 19 years rose by (only) 26,500
- Part-time jobs overall rose by 866,000.

Over the last 12 months (Mitchell 2017):

- Jobs for 15 to 19 year-olds have increased by 8,900 – compared to an increase of 94,500 jobs across the rest of the labour force
- But full-time employment for 15 to 19 year-olds fell by 18,200.

FIGURE 4 | SHIFTS IN TOTAL EMPLOYMENT/POPULATION RATIO, 15-19 YEAR-OLDS, AUSTRALIA, 2008-2016

Source: Mitchell (2017)



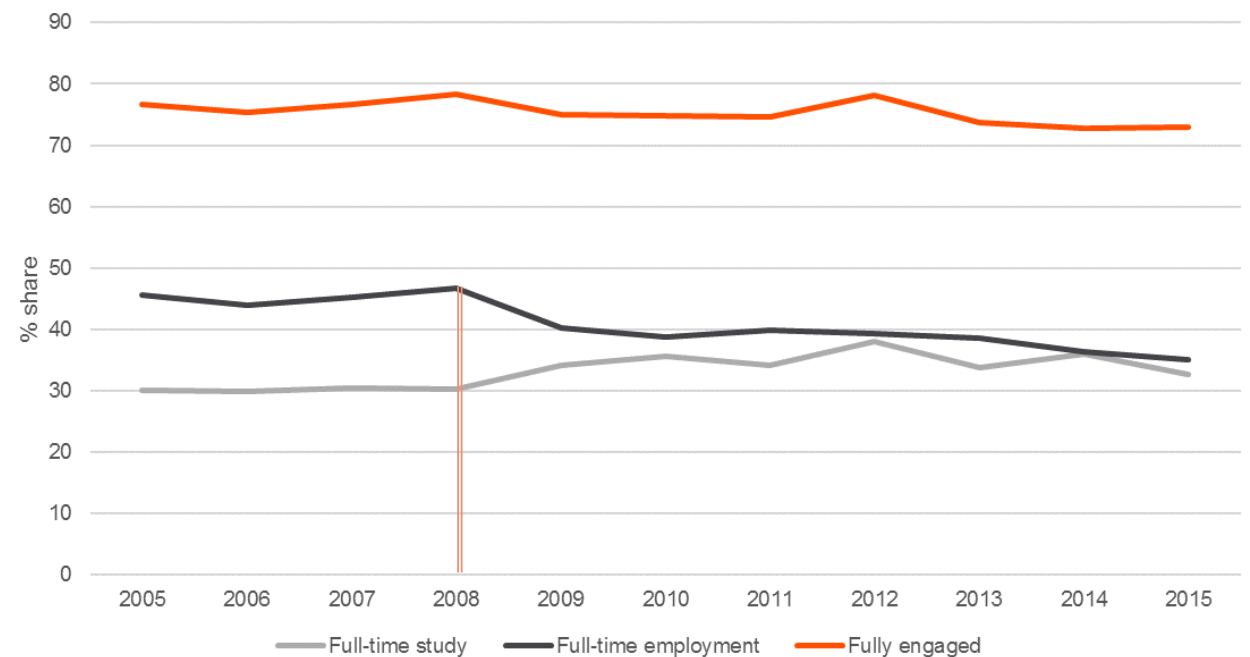
## PARTICIPATION IN EDUCATION DOESN'T ACCOUNT FOR FALLING FULL-TIME EMPLOYMENT

Overall, the engagement of young people in full-time post-school study has risen over the last decade, but not by enough to counter falling levels of full-time youth employment (figure 5). Indeed, as shown in the figure, about one quarter of young people in NSW (aged 17 to 24 years) do not hold either a full-time job or a full-time place at a university or training institution.

In fact, engagement in full-time employment and full-time study have both trended downwards since 2012. This suggests that there is little substitution of full-time work for full-time study.

FIGURE 5 | ENGAGEMENT RATES, PERSONS NOT IN SCHOOL AGED 17 TO 24 YEARS, NSW 2005-2015

Source: ABS Cat. 6227.0 - Education and Work, Australia, May 2015; compiled by .id

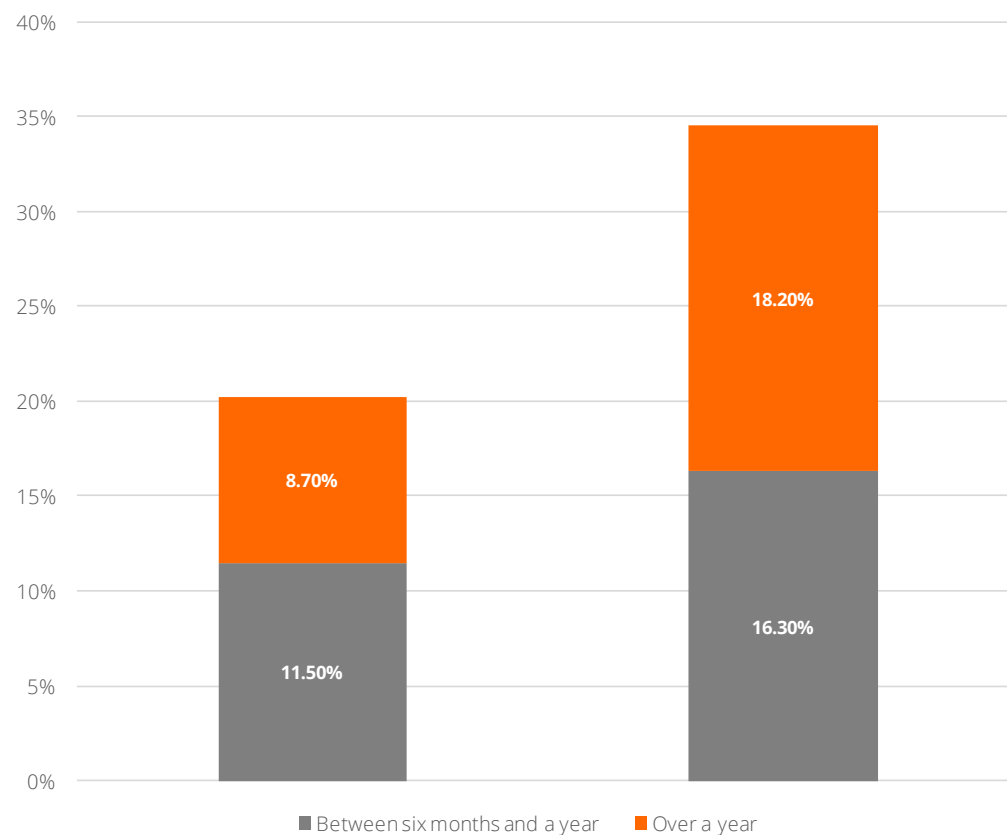


## OUT OF WORK LONGER

If young people are not taking up full-time education and training places at a sufficient rate to improve their employment prospects, and if the number of full-time jobs for youth is falling, then the duration of youth unemployment *has* to rise. We see in figure 6 that the proportion of young jobseekers unable to find work after a year or more increased from 8.7% at the time of the GFC to 18.2% in 2015.

FIGURE 6 | SHARE OF YOUNG JOB SEEKERS WITH LONG DURATIONS OF UNEMPLOYMENT, AUSTRALIA, 2008 AND 2015

Source: ABS Labour Force, Australia



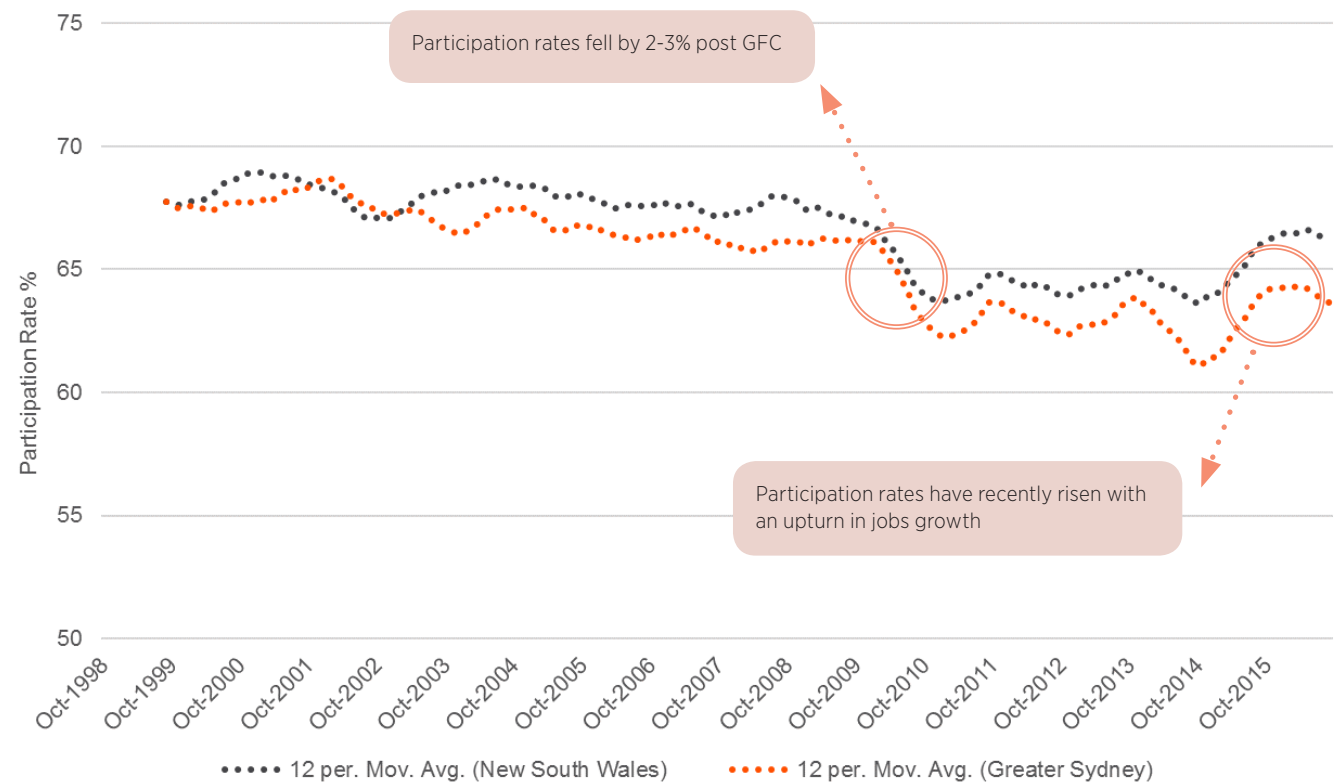
## INCREASING DISENGAGEMENT

When young people fail to land a job the number of them leaving the labour force increases (figure 7) – that is, the rates of disengagement rise.

Participation rates for those aged 15 to 24 years have been falling consistently for over two decades. The recent economic upturn, while welcome, is unlikely to reverse the long-term trend.

FIGURE 7 | PARTICIPATION RATE, PERSONS 15 TO 24 YEARS, GREATER SYDNEY AND NSW, 1998 TO 2015

Source: ABS Cat. 6291.0.55.001; compiled by .id



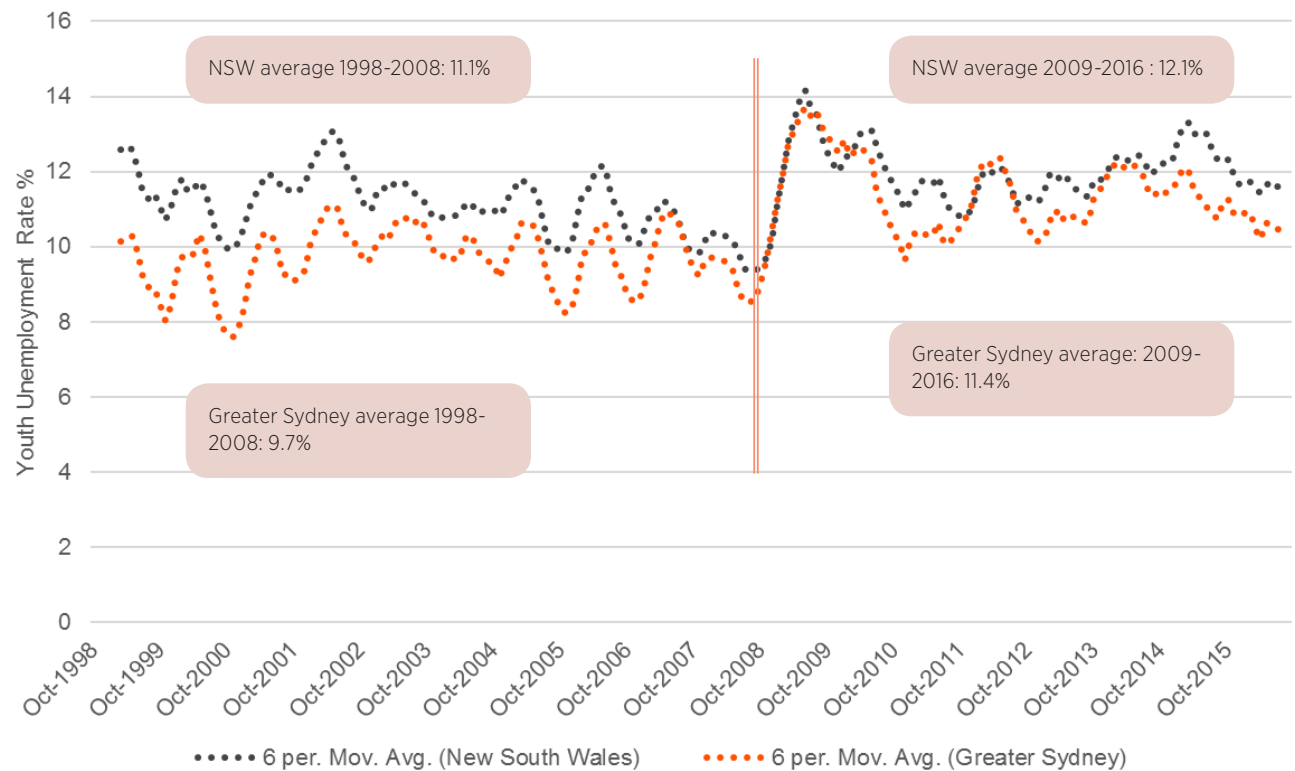


## A HIGHER BASELINE OF UNEMPLOYMENT

The GFC has had a continuing negative impact on young people's unemployment. Figure 8 shows that unemployment in Sydney for those aged 15 to 24 years in the post-GFC period averaged 11.4% compared to 9.7% over the preceding decade. The uplift in youth unemployment for NSW as a whole followed a similar pattern.

FIGURE 8 | UNEMPLOYMENT, PERSONS 15-24 YEARS, 6 MONTH SMOOTHED AVERAGE, GREATER SYDNEY AND NSW, 1998 TO 2015

Source: ABS Cat. 6291.0.55.001; compiled by .id



# GREATER SYDNEY'S LABOUR MARKET AND WESTERN SYDNEY

## JOBS GROWTH IN SYDNEY FAVOURS EXISTING JOBS CONCENTRATIONS

Government stimulus measures and ongoing investment growth in the minerals sector tempered the negative labour market impacts of the GFC in Greater Sydney, with the number of jobs in its metropolitan area growing from 2,138,500 to 2,488,800 from mid-2006 to mid-2015. Full-time jobs grew by 14.4% in this period while part-time jobs grew by 22.0% (ABS 6291.0.55.001).

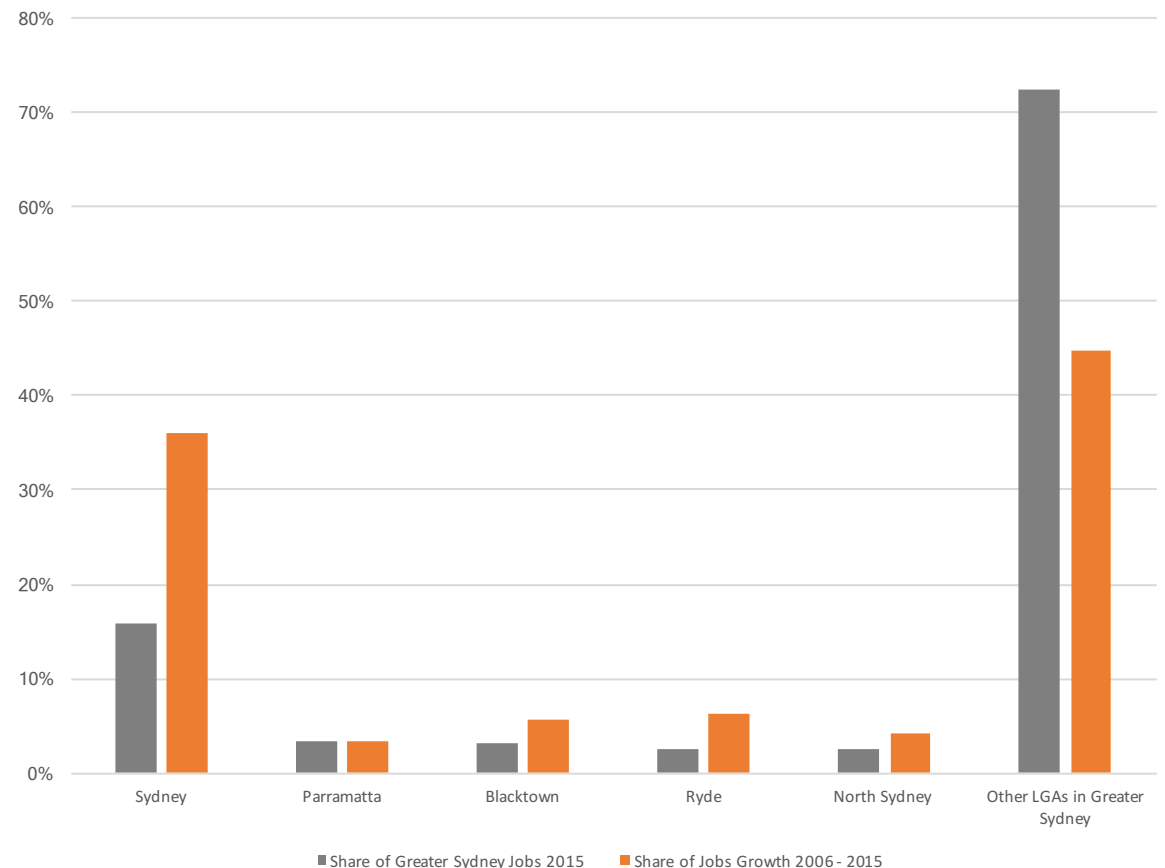
Figure 9 shows where Greater Sydney's jobs were in 2015 and where jobs growth occurred in the 2006 to 2015 period.

The substantial concentration of jobs in the Sydney CBD is obvious. However there are also significant concentrations away from inner Sydney as well as a very large degree of jobs dispersal across the metropolitan area.

In terms of jobs growth, there is a clear relationship between the degree of jobs concentration and growth rate, explainable by the much higher jobs growth in the business and professional services firms which are more likely to be located in the Sydney CBD and to a lesser extent in the regional centres away from the CBD.

FIGURE 9 | DISTRIBUTION OF JOBS AND JOBS GROWTH, GREATER SYDNEY LGAS, 2006 TO 2015

Source: NIEIR 2016; compiled by .id

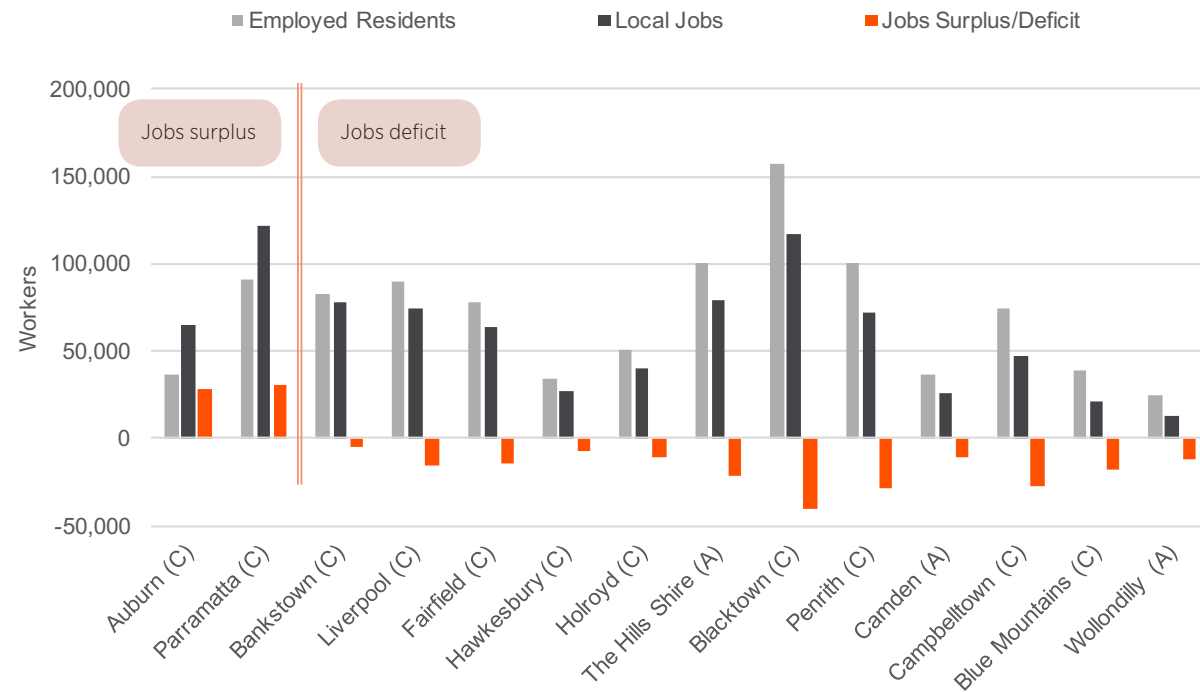


## JOBS GROWTH ACROSS SYDNEY DOESN'T ADDRESS WESTERN SYDNEY'S JOB DEFICIT

A failure to generate sufficient jobs in Sydney's growing western suburbs has exacerbated the deficit of jobs across Western Sydney LGAs. Figure 10 shows that only two of Western Sydney's 14 LGAs (based on their 2016 configurations) hosted more jobs than resident workers.

FIGURE 10 | JOBS AND SURPLUS DEFICIT, WESTERN SYDNEY LGAS, 2015

Source: NIEIR 2016; compiled by .id

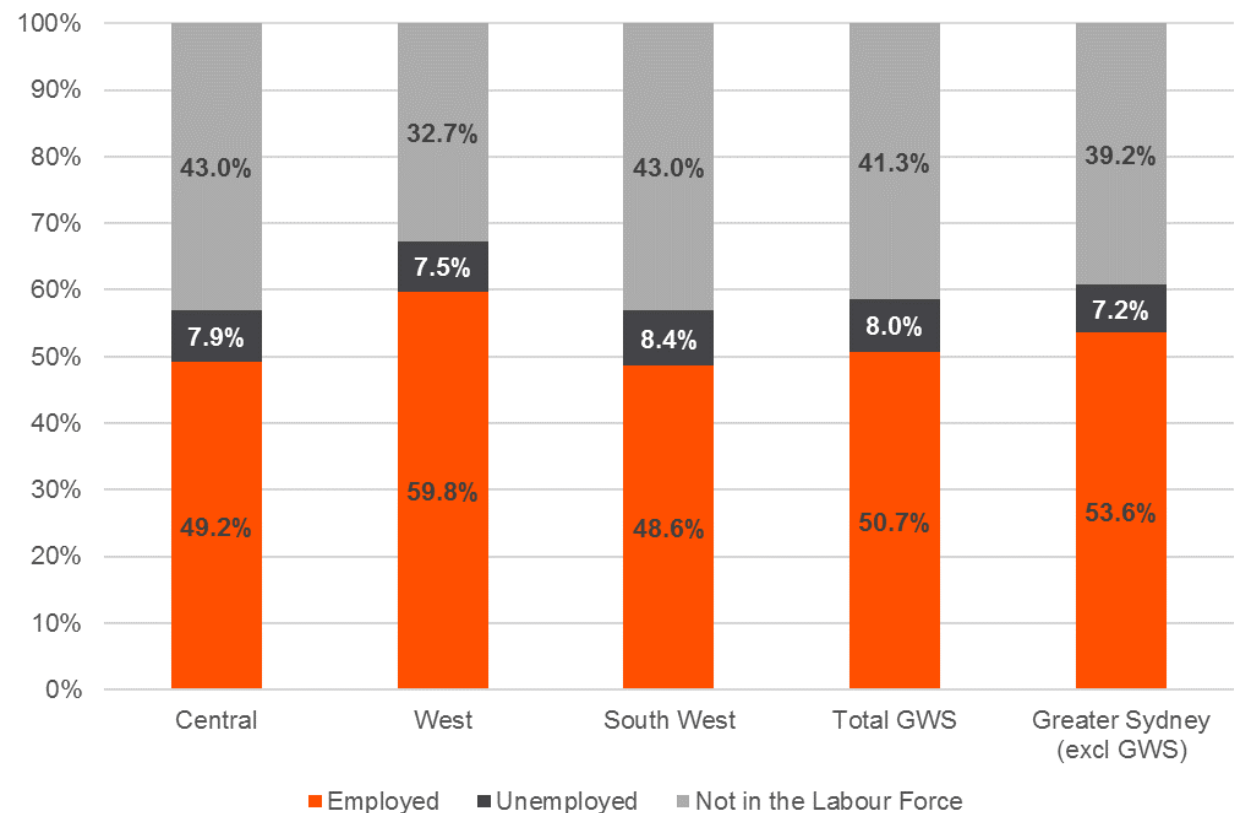


## SIMILAR DISENGAGEMENT RATES: DIFFERENT CAUSES

Figure 11 shows the complex spatial composition of the labour market for young people. The figure shows both the Central and the South West sub-regions as having low rates of employment and therefore high rates of separation from – that is, individuals disengaging from – the labour force. But the explanation for these common outcomes is different in each case. For Central the higher rate for 'Not in the Labour Force' comes from the higher rates of full-time education in the sub-region, whereas for the South West the higher rate reflects a lower rate of employment participation due to poor local job opportunities.

FIGURE 11 | PARTICIPATION AND EMPLOYMENT RATES, PERSONS AGED 15 TO 24 YEARS, WESTERN SYDNEY AND GREATER SYDNEY, 2011

Source: ABS Census 2011, unpublished data; compiled by.id

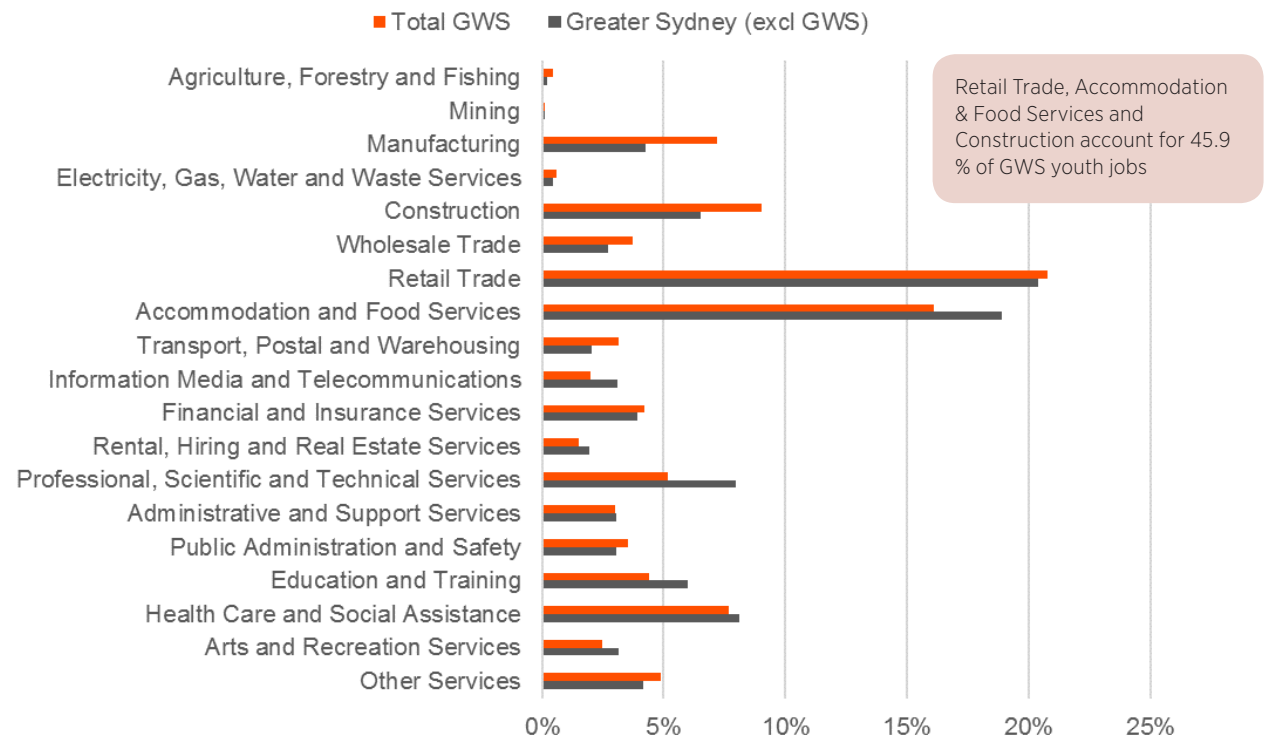


## YOUNG PEOPLE'S WORKPLACES

Employed young people in Western Sydney are concentrated in four industry sectors: retail; accommodation and food services; manufacturing; and construction (see figure 12). Western Sydney youth are over-concentrated in these last two sectors compared to the rest of Sydney, but under-represented in accommodation and food services, a consequence of the higher presence of hotels, restaurants and cafes in Sydney's east and north.

FIGURE 12 | INDUSTRY OF EMPLOYMENT, EMPLOYED PERSONS 15 TO 24 YEARS, WESTERN SYDNEY AND GREATER SYDNEY, 2011

Source: ABS Census 2011, unpublished data; compiled by .id



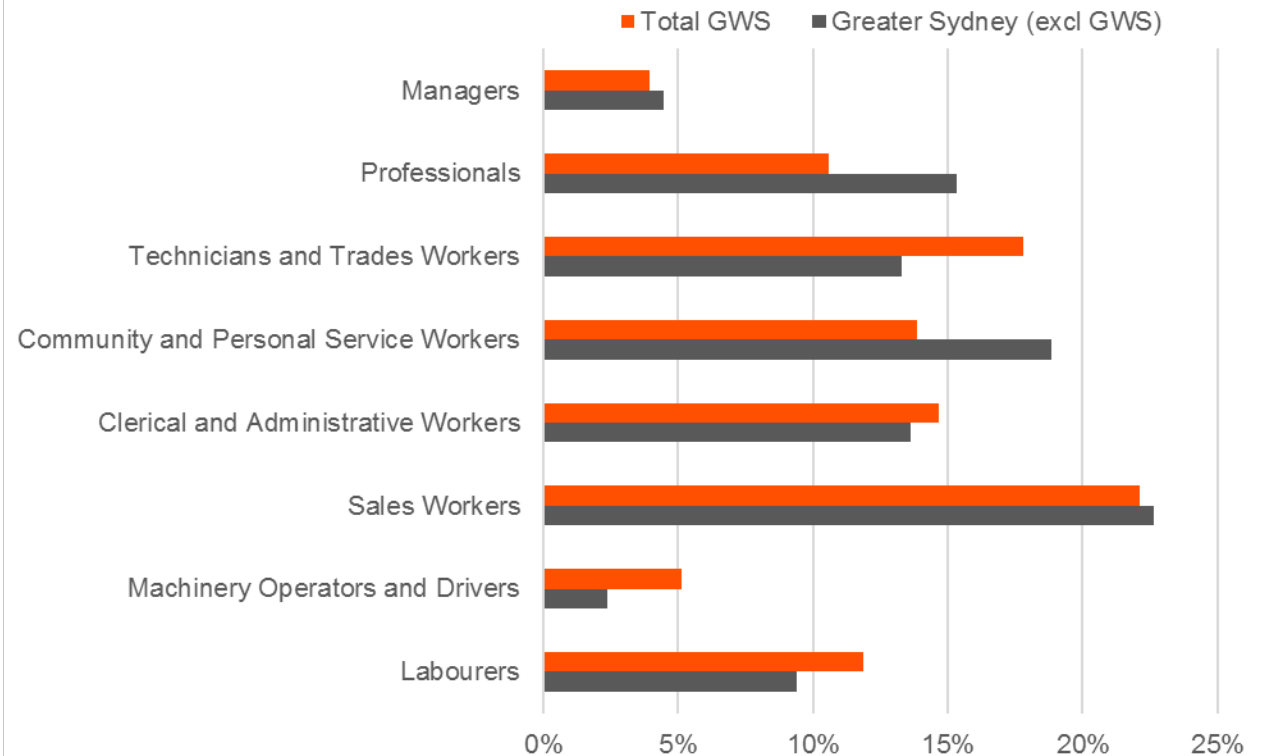
## IN VULNERABLE OCCUPATIONS

The bias of Western Sydney industries toward retail, manufacturing and construction is paralleled by an occupational bias among Western Sydney youth. Figure 13 shows Western Sydney youth are more likely than youth elsewhere in Sydney to be employed as technicians, tradespersons, machine operators, drivers and labourers; and less likely than elsewhere to be employed as professionals and community and personal service workers.

Automation and technological disruption are more likely to affect these occupations.

FIGURE 13 | OCCUPATION OF EMPLOYED PERSONS AGED 15 TO 24 YEARS, WESTERN SYDNEY AND GREATER SYDNEY, 2011

Source: ABS Census 2011, unpublished data; compiled by .id



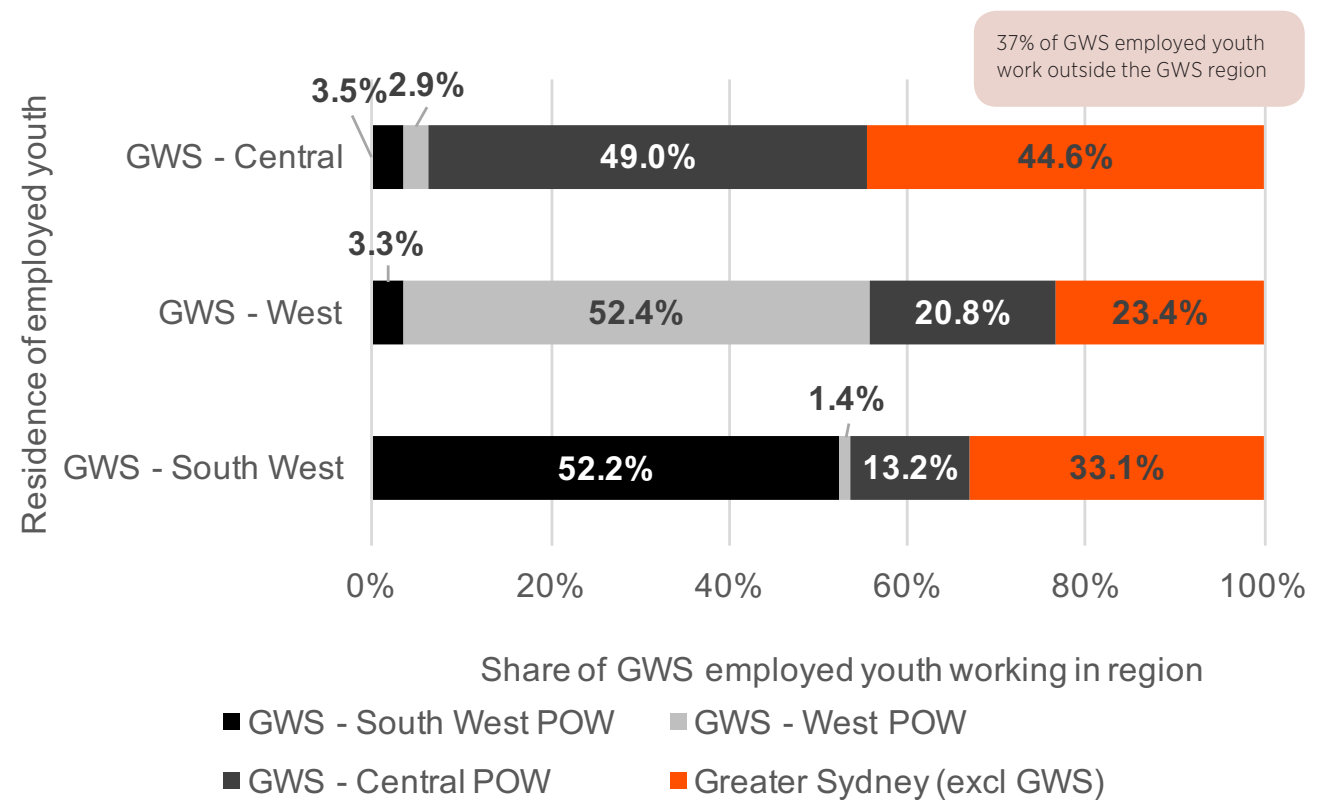
## TRAVELLING FOR WORK

Figure 14 shows that employed youth in Western Sydney work predominantly in their home sub-region. However, in general jobs deficits in Western Sydney force a higher proportion of young Western Sydney workers to seek jobs outside the region. This outflow is greater from the Central (44.6%) and South West (33.1%) sub-regions.

Overall, 37% of employed youth in Western Sydney (or 46,247 young persons) leave the region daily for work. This is markedly higher than the proportion (32%) for all Western Sydney workers who travel outside the region daily for work (see **Jobs Slide** report, Centre for Western Sydney, 2016).

FIGURE 14 | PLACE OF WORK, EMPLOYED PERSONS AGED 15 TO 24 YEARS, WESTERN SYDNEY, 2011

Source: ABS Census 2011, unpublished data; compiled by .id



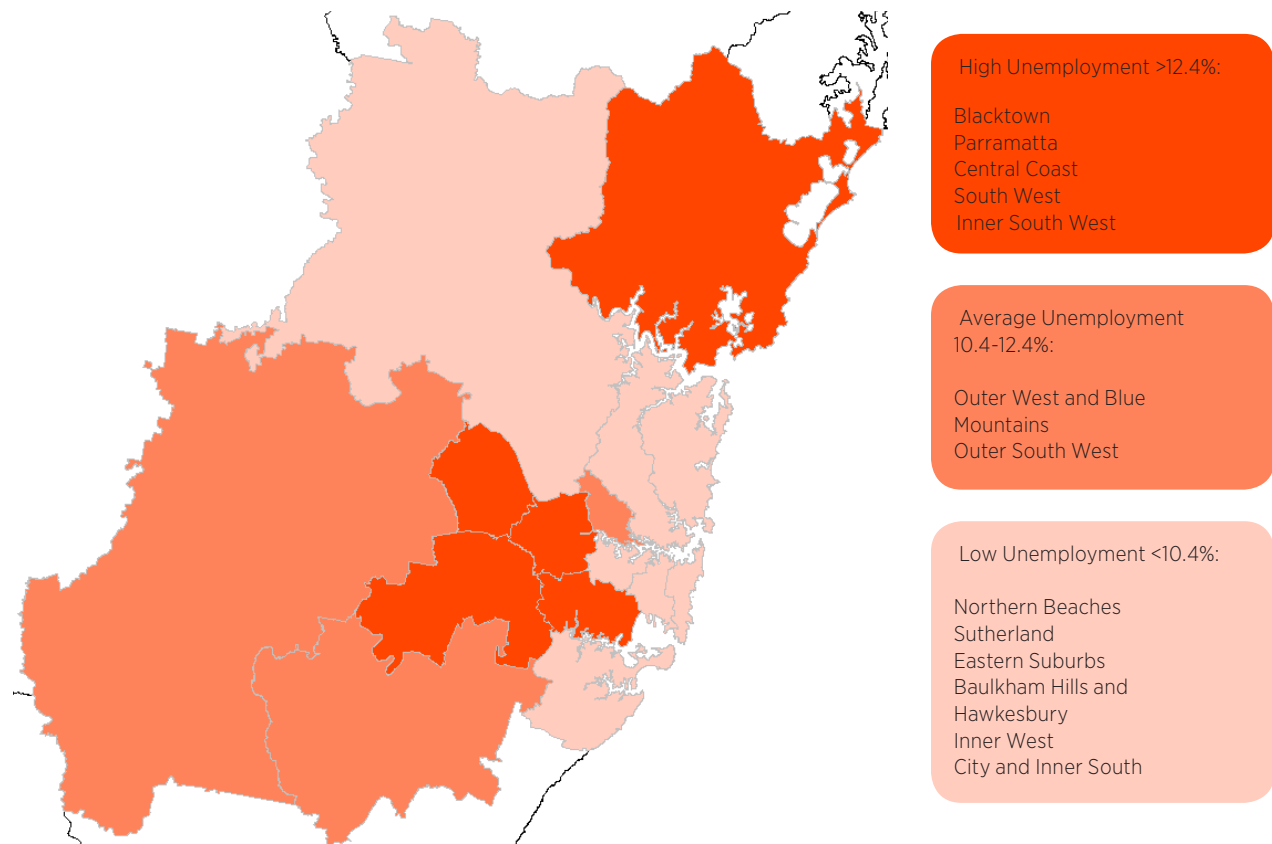
## HIGHER RATES OF UNEMPLOYMENT

Figure 15 shows the spatial incidence of youth unemployment in Greater Sydney. Higher than average rates are persistent in suburbs in the West, South West and Central Coast sub-regions, with comparatively lower rates in Sydney's northern, eastern and southern suburbs.

Unemployed young people are those actively seeking work but unable to find it. Hence the category does not include young people who are out of work and have stopped actively looking, nor does it include young people who have a part-time job and are seeking more hours of paid work (the under-employed). We discuss the makeup of these separate categories in more detail below.

FIGURE 15 | DISTRIBUTION OF UNEMPLOYMENT IN GREATER SYDNEY, PERSONS 15 TO 24 YEARS, SA4 LEVELS, 2009 TO 2016 AVERAGE

Source: ABS Cat. 6291.0.55.001; compiled by .id



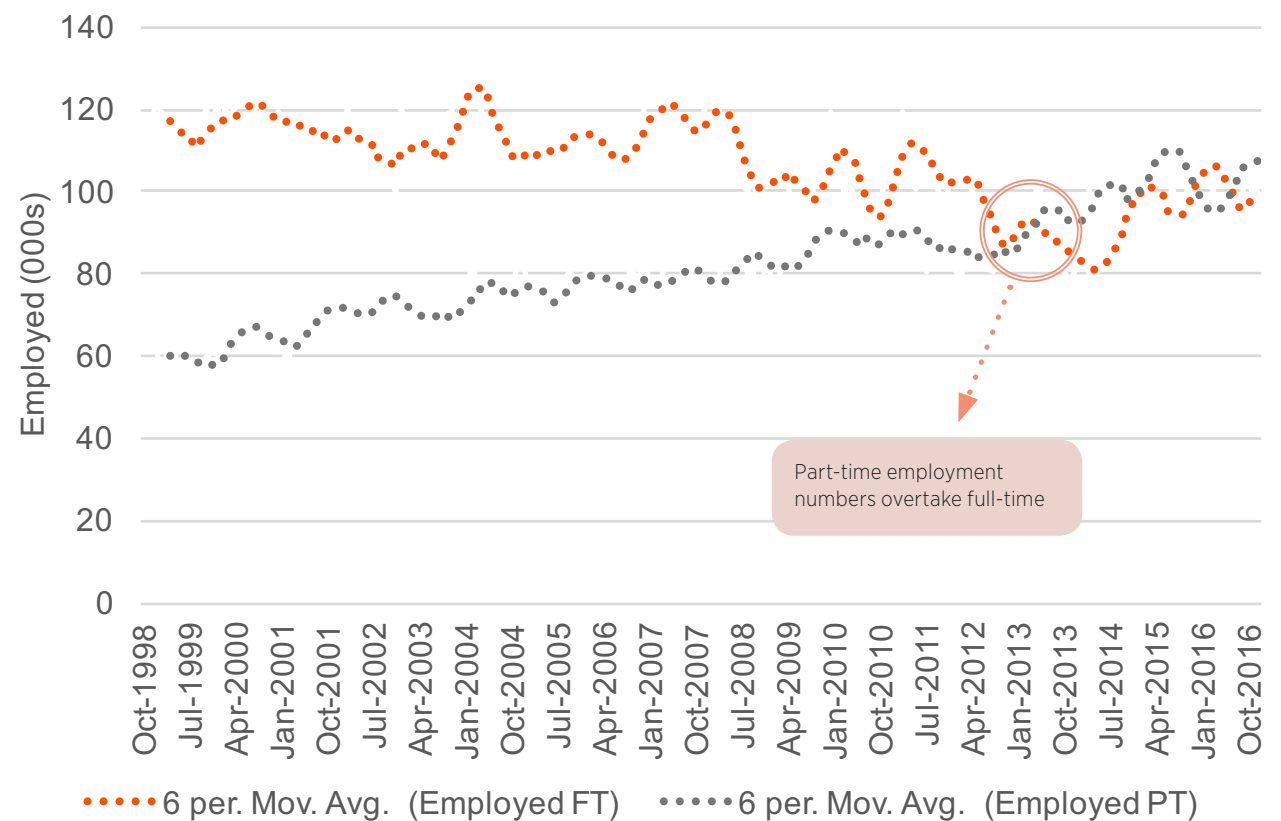


## INCREASING PART-TIME WORK

As we have seen above for Australia as a whole, the level of full-time employment for young people in Western Sydney has declined consistently for a long period (see figure 16), falling below the level of part-time employment in 2013, despite very slow growth in this category.

FIGURE 16 | EMPLOYMENT MAKEUP, PERSONS 15 TO 24 YEARS, WESTERN SYDNEY, 6-MONTH ROLLING AVERAGE, 1998-2016

Source: ABS Cat. 6291.0.55.001; compiled by .id



### LOW PARTICIPATION IN FULL-TIME EDUCATION MEANS INCREASED VULNERABILITY TO FALLING FULL-TIME JOBS

Figure 17 shows that, in 2011, a much higher proportion of Western Sydney's young people were employed in full-time work than those elsewhere in Sydney, with noticeably higher rates in the West and South West sub-regions.

Western Sydney youth's higher participation in full-time work is in part a consequence of its low participation in full-time education. A young person in Western Sydney is more likely to seek a full-time job – for instance, an apprenticeship or retail role – rather than undertake further education.

But there is a flipside: the region's lower participation in full-time education makes it more vulnerable to national and global shifts in the youth labour market as a whole. The loss of full-time jobs in the national youth labour market over time has affected those in Western Sydney more than young people elsewhere in Sydney.

FIGURE 17 | TYPE OF EMPLOYMENT, EMPLOYED PERSONS 15 TO 24 YEARS, WESTERN SYDNEY AND GREATER SYDNEY, 2011

Source: ABS Census 2011, unpublished data; compiled by .id

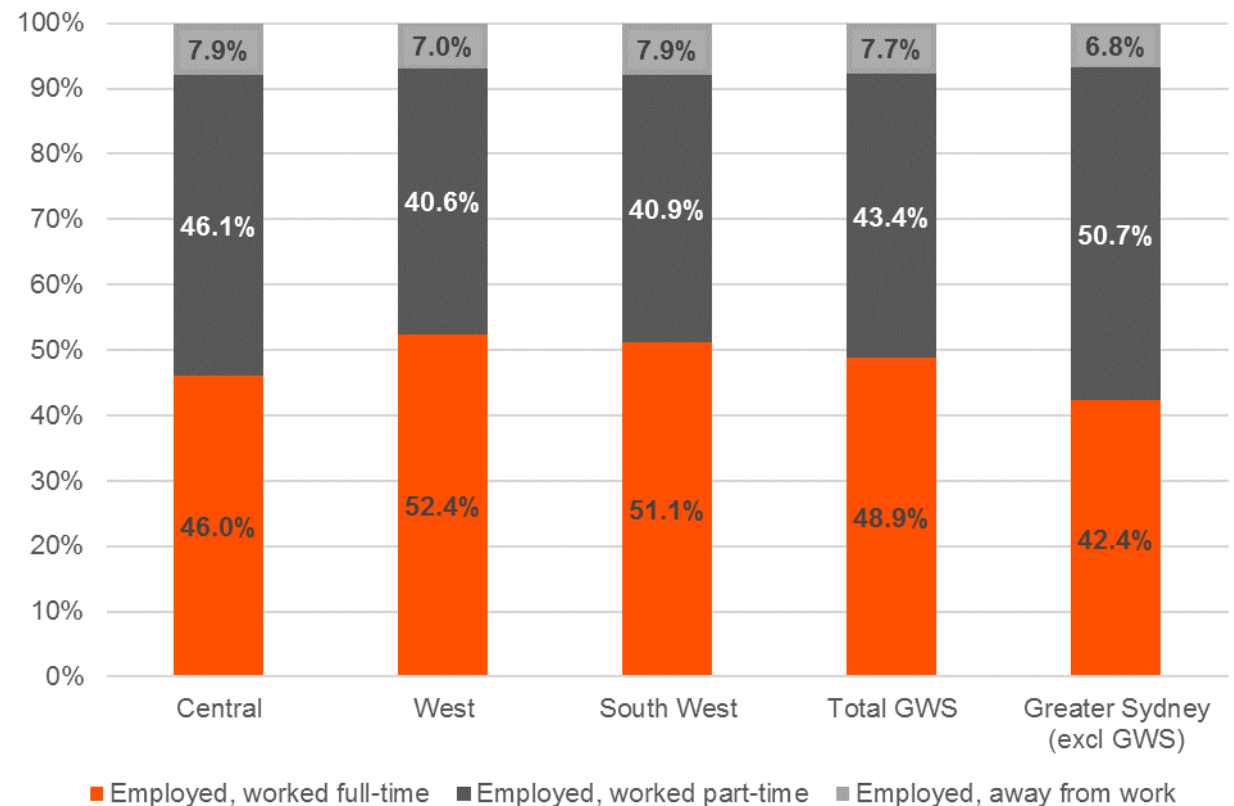
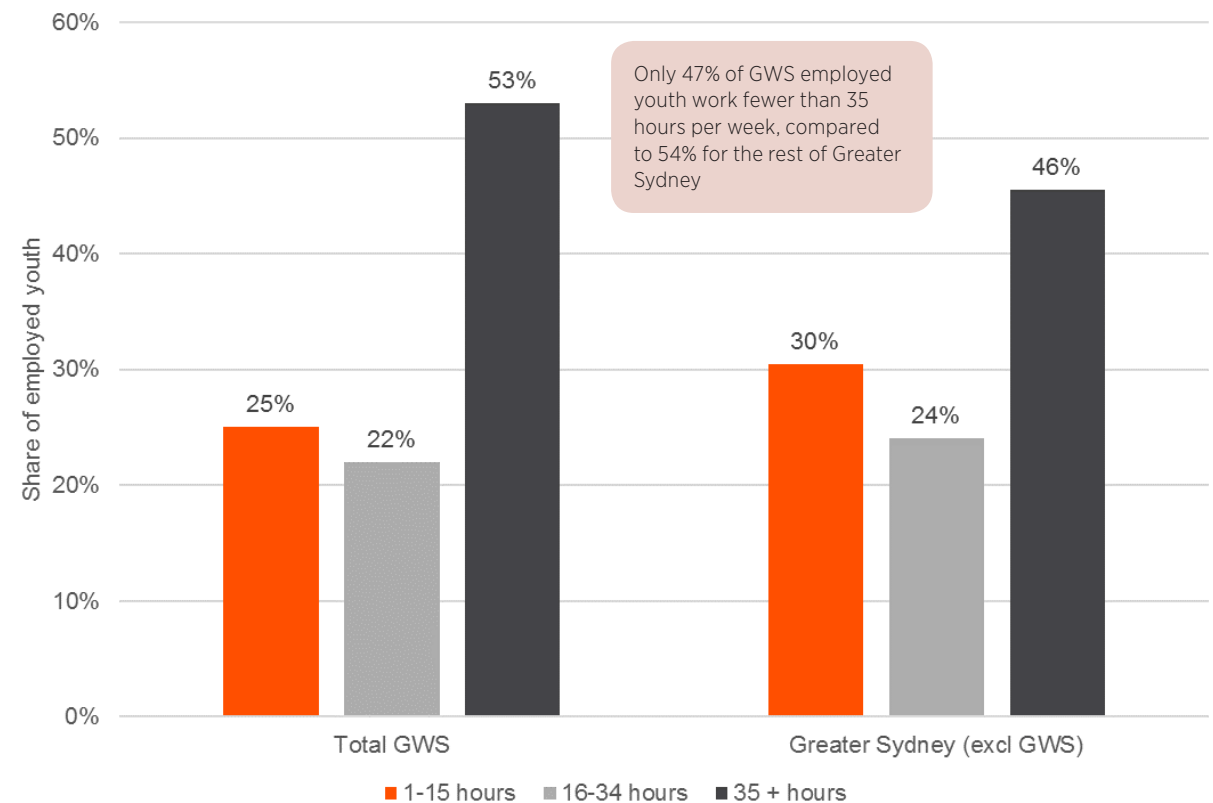


Figure 18 expands on the observation made in the previous figure – this time in terms of hours worked. In 2011 Western Sydney youth were in general more likely to hold full-time positions (35+ hours), while the youth elsewhere in Sydney were more likely to be employed on a part-time basis.

FIGURE 18 | HOURS WORKED, EMPLOYED PERSONS 15 TO 24 YEARS, WESTERN SYDNEY AND GREATER SYDNEY, 2011

Source: ABS Census 2011, unpublished data; compiled by .id



## THE EDUCATION GAP

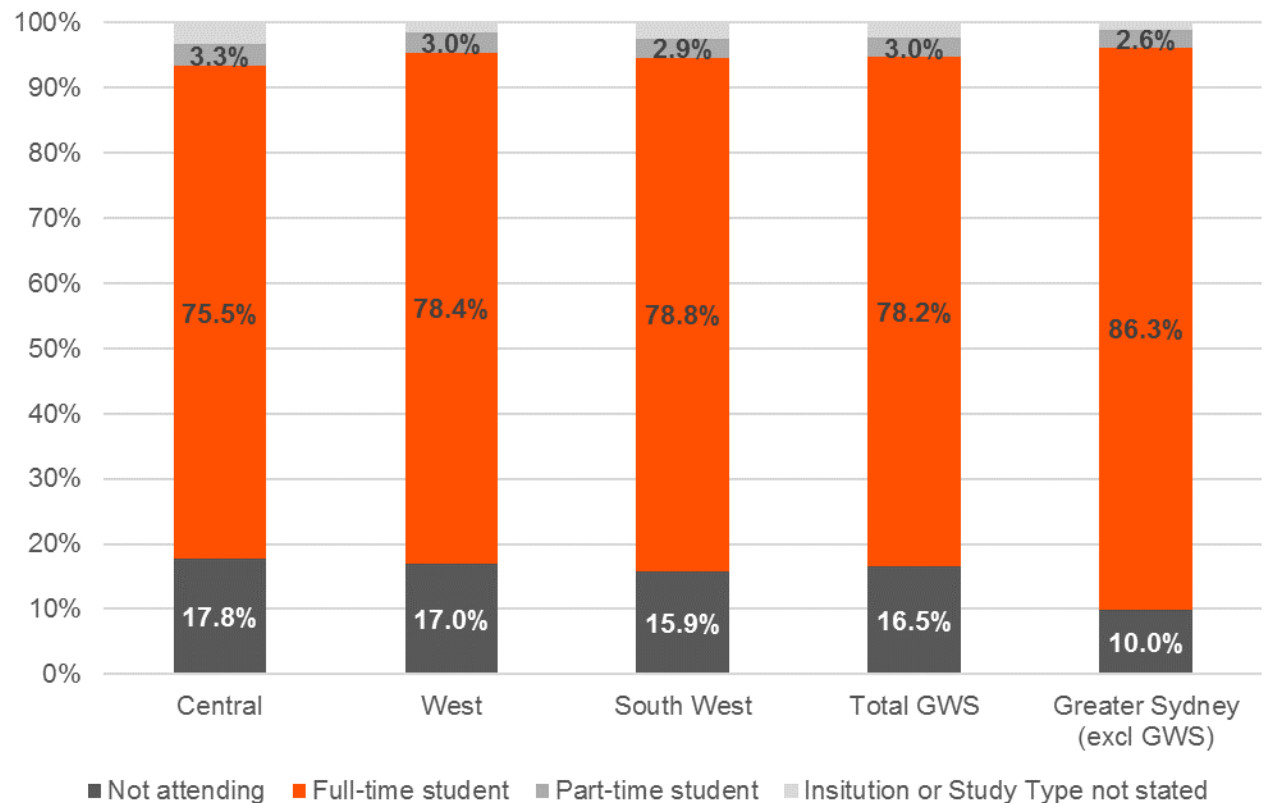
In respect to education participation, the positions of Western Sydney and the rest of Sydney in relation to full-time employment are reversed. Only 78.2% of Western Sydney youth (those not in the labour force) were full-time students in 2011 compared to 86.3% elsewhere in Sydney (figure 19).

Put another way, for Western Sydney to achieve the full-time education participation rate of 86.3% measured for the non-Western Sydney portion of the metropolitan area, an additional 8,677 youth in Western Sydney should have been full-time students in 2011. This is the equivalent of an additional 580 full TAFE classrooms.<sup>1</sup>

1. Based on a TAFE class size of 15 students.

FIGURE 19 | ENGAGEMENT IN STUDY, PERSONS NOT IN THE LABOUR FORCE, 15 TO 24 YEARS, WESTERN SYDNEY AND GREATER SYDNEY

Source: ABS Census 2011, Unpublished data; compiled by .id



## COMPLEX PATHWAYS BETWEEN SCHOOL AND WORK

Young people take multiple pathways as they move from the compulsory school ages into adulthood. Some young people enrol in full-time study and may also have jobs. Others work full-time and may also have some form of education or training enrolment. In all there are many combinations of work and study that are possible with young people moving across these categories with varying degrees of fluidity. There are also young people that are barely or not at all engaged in either employment or education and training activity.

Figure 20 outlines the basic categories. First, if you are working or unemployed and seeking work you are in the 'labour force'. Of course, you can be in the labour force and studying too. The next status is 'disengaged youth'. This term describes young people aged 15 to 24 years who are not in the labour force (i.e. not employed or not seeking work) or formally enrolled in education or training.

The final status is more complicated. 'Youth not in employment, education or training' (or NEET) are, according to the OECD definition<sup>2</sup>, aged 15 to 24 years who are unemployed or inactive and not involved in education and training.

A similar term commonly used in Australia is 'Not

Earning or Learning' (NEOL). Those who are accorded NEOL status are either unemployed, or not engaged in the labour force and not studying – essentially, NEOLs and NEETs are the same.

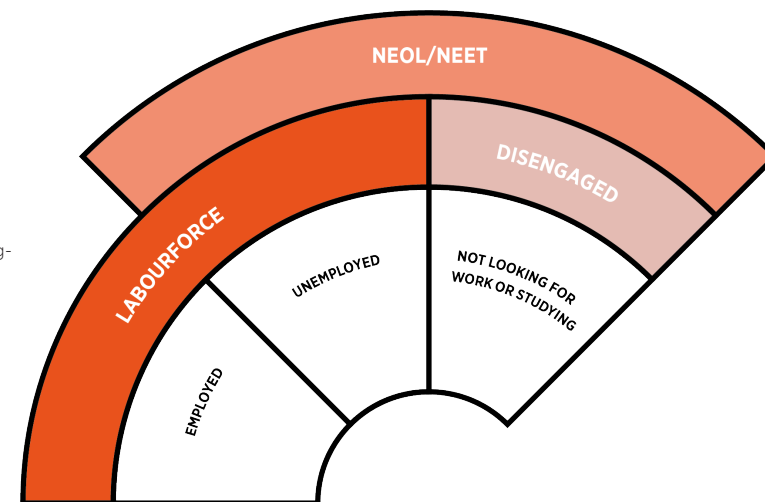
As you can see from figure 20, NEOL/NEET status encompasses those who are disengaged and the unemployed part of the labour force.<sup>3</sup>

These categorisations are useful in providing a snapshot of young people's relationship to work and study. They are, however, static: young people move dynamically between categories – but some categories are easier to move between than others.

2. see [data.oecd.org/youthinac/youth-not-in-employment-education-or-training-neet.htm](https://data.oecd.org/youthinac/youth-not-in-employment-education-or-training-neet.htm)

3. A fuller discussion of these categories can be found in AWP (2014) and Carvalho (2015).

FIGURE 20 | YOUTH CATEGORIES OF EMPLOYMENT AND EDUCATION STATUS



We can now make an assessment of the size of the engagement and disengagement categories for Sydney's young people.

Table 1 teases out the ways young people in Western Sydney (and Greater Sydney) are engaged in employment and/or education and training or not in employment, education or training (i.e. NEOL). For Australia, the ABS estimates that nearly a quarter (24.1%) of 15 to 24 year olds are not fully engaged in work or education and training. Within Australia, however, there are major variations in these rates. In major cities the ABS NEOL rate is 24.1% while in regional areas it averages a much higher 36.0%.<sup>4</sup>

4. ABS cat. 62270DO034\_201605 Education and Work, Australia, May 2016

TABLE 1 | LEVELS OF ENGAGEMENT, PERSONS AGED 15-24 YEARS, WESTERN SYDNEY AND GREATER SYDNEY, 2011

Labour force status	Total GWS	Greater Sydney (excl GWS)	Greater Sydney
Employed, worked full-time	64235	66379	130614
Employed, worked part-time	57023	79356	136379
Employed, away from work	10183	10680	20863
Total Employed	131441	156415	287856
Unemployed, looking for full-time work	10668	7818	18486
Unemployed, looking for part-time work	10020	13079	23099
Total Unemployed	20688	20897	41585
Total Labour Force	152129	177312	329441
Not in the labour force	107133	114459	221592
Total	259262	291771	551033

Labour force status	Total GWS (%)	Greater Sydney (excl GWS) (%)	Greater Sydney (%)
Employed	50.7%	53.6%	52.2%
Unemployed	8.0%	7.2%	7.6%
Not in the Labour Force	41.3%	39.2%	40.2%
Total	100.0%	100.0%	100.0%

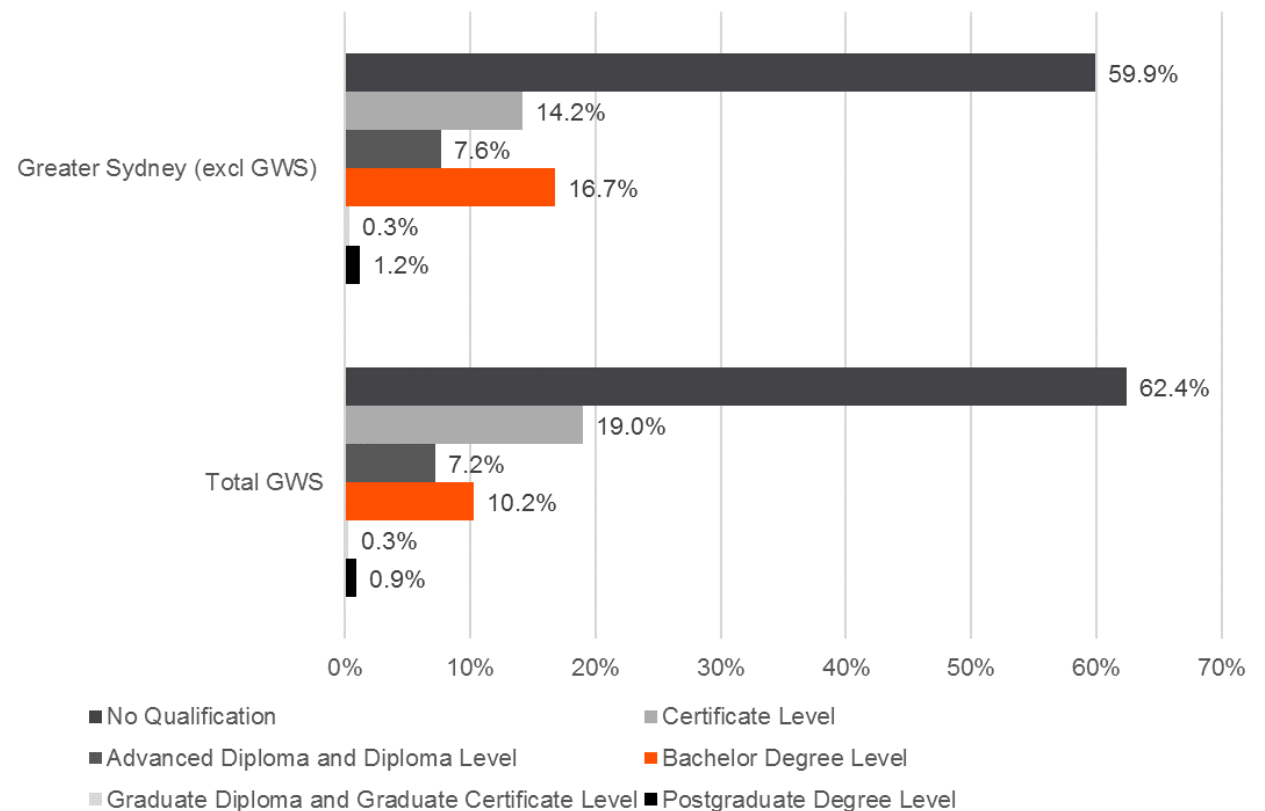
<i>Labour force composition</i>			
Employed, worked full-time	42.2%	37.4%	39.7%
Employed, worked part-time	37.5%	44.8%	41.4%
Employed, away from work	6.7%	6.0%	6.3%
<i>Total Employed</i>	<b>86.4%</b>	88.2%	87.4%
Unemployed, looking for full-time work	7.0%	4.4%	5.6%
Unemployed, looking for part-time work	6.6%	7.4%	7.0%
<i>Total Unemployed</i>	<b>13.6%</b>	11.8%	12.6%
Total Labour Force	100.0%	100.0%	100.0%
Not in the labour force	41.3%	39.2%	40.2%
Employed, worked full-time	48.9%	42.4%	45.4%
Employed, worked part-time	43.4%	50.7%	47.4%
Employed, away from work	7.8%	6.8%	7.3%
Total	100.0%	100.0%	100.0%

## WESTERN SYDNEY'S POST-SCHOOL SHORTFALL

Young people in Western Sydney lag those elsewhere in Sydney in post-school qualification rates. Bachelor degree attainment among young people in Western Sydney is 40% lower than elsewhere in Greater Sydney (10.2% compared to 16.7%), with a lower rate of Western Sydney's young people holding any post-school qualification at all (59.9% compared to 62.4%). On a positive note, 26.2% of young people in Western Sydney in the workforce in 2011 held post-school certificates or diplomas compared to employed youth elsewhere in Sydney where the rate of post-school certificate or diploma qualification was 21.8%.

FIGURE 21 | POST-SCHOOL QUALIFICATIONS, EMPLOYED PERSONS, 15 TO 24 YEARS, WESTERN SYDNEY AND GREATER SYDNEY, 2011

Source: ABS Census 2011, unpublished data; compiled by .id



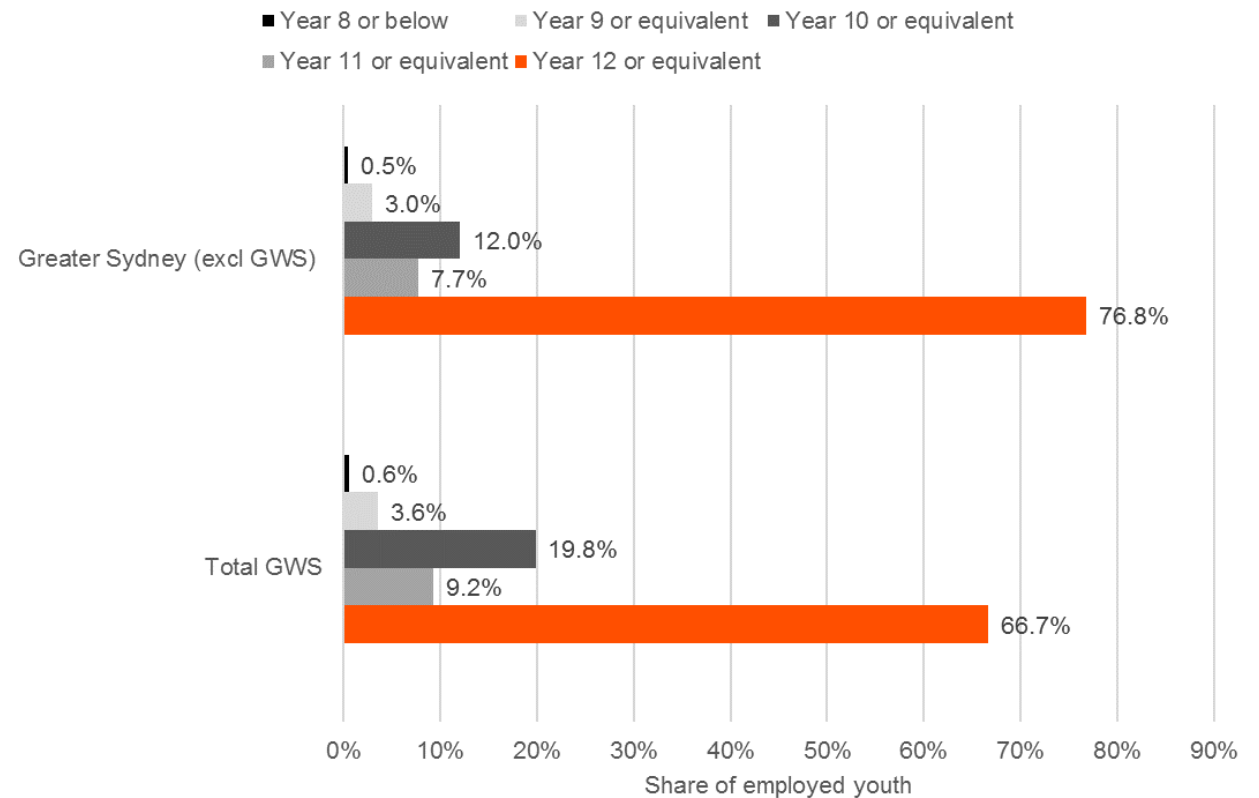
## POORER SCHOOL COMPLETION RATES

The under-participation in post-school education and training by Western Sydney's young people compared to young people elsewhere in Sydney mirrors poorer education participation rates in school-aged education. Figure 22 shows that school completion rates in the metropolitan area outside Western Sydney exceeded Western Sydney's school completion rates by 10.1% (76.8% compared with Western Sydney's 66.7% completion rate).

Translating this comparison from rates to actual numbers: for the 2011 cohort of Western Sydney youth to reach the school attainment of youth elsewhere in Greater Sydney an additional 13,053 young people in Western Sydney should have completed year 12. This is approximately equal to 520 additional senior classrooms full of graduating students.<sup>5</sup>

FIGURE 22 | HIGHEST YEAR OF SCHOOL COMPLETED, EMPLOYED PERSONS AGED 15 TO 24 YEARS, WESTERN SYDNEY AND GREATER SYDNEY, 2011

Source: ABS Census 2011, unpublished data; compiled by .id



5. Based on a class size ratio of 25:1.



# INSIDE WESTERN SYDNEY

## VULNERABLE COMMUNITIES

In this section of the report we examine the incidence of youth employment in Western Sydney at a fine geographic scale, again based on data mined from the 2011 census. At that time, the unemployment rate in Western Sydney for the entire youth group (that is, aged 15 to 24 years) was 13.6% while the teenage component (those aged 15 to 19 years) was 18.6%. These rates were only slighter higher than the national averages at the time (which were 12.2% for total 15 to 24 year olds and 16.2% for the teenage component).<sup>6</sup>

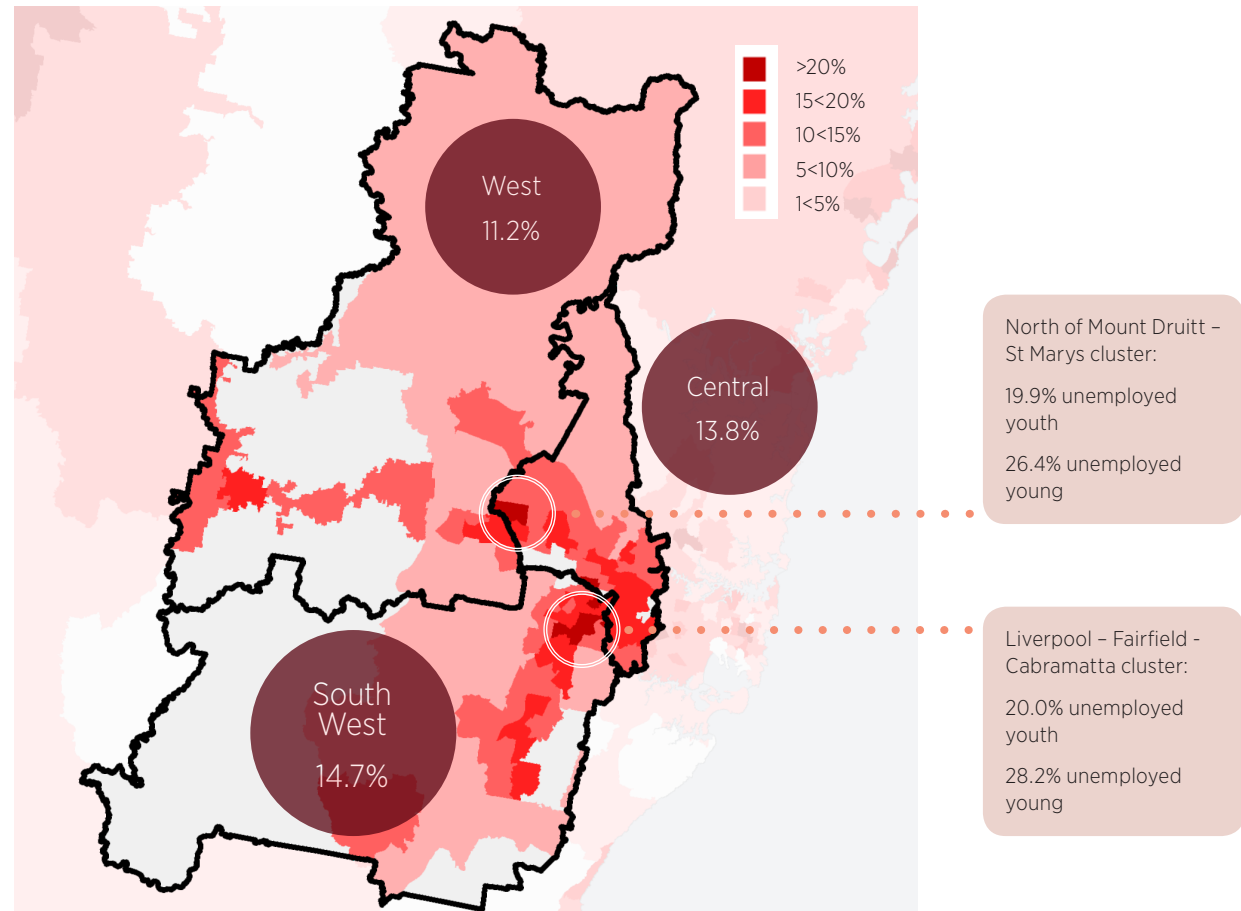
Yet these average figures for Western Sydney disguise significant sub-regional variations. Figure 23 shows the distribution of youth employment across Western Sydney. The figure draws on data shown in Table 2 which shows levels of youth unemployment and the teenage component for selected suburbs at the SA2 level.<sup>7</sup> The dark red circles in figure 23 show the level of youth unemployment for each Western Sydney sub-region.

6. Calculated from ABS Census TableBuilder Dataset: 2011 Census - Employment, Income and Unpaid Work.

7. An ABS SA2 level grouping represents a community of around 10,000 people that interacts together socially and economically.

FIGURE 23 | CONCENTRATIONS OF UNEMPLOYED YOUTH (AGED 15 TO 24 YEARS), WESTERN SYDNEY, 2011.

Source: ABS Census of Population and Housing, 2011



In combination, figure 23 and table 2 demonstrate the variation in youth unemployment across and within Western Sydney *within* sub-regional groups. For example, in the Central sub-region, where average youth unemployment was 13.8% in 2011, two SA2 suburb groups (Lethbridge Park-Tregear and Bidwell-Hebersham-Emerton) experienced youth unemployment rates of 26.0% and 24.0% respectively with equivalent teenage (15 to 19 years old) rates of 36.5% and 31.0%. These are vastly higher than both sub-region and national averages.

TABLE 2 | CONCENTRATIONS OF UNEMPLOYED YOUTH (AGED 15 TO 24 YEARS, WESTERN SYDNEY, 2011.

Source: ABS Census of Population and Housing, 2011

Suburb (SA2)	Region	Unemployed Youth (15-24 years old)		Unemployed Young (15-19 years old)	
		No.	%	No.	%
Lethbridge Park - Tregear	Central	306	26.4%	176	36.5%
Bidwill - Hebersham - Emerton	Central	337	24.0%	181	31.0%
Ashcroft - Busby - Miller	South-West	264	22.2%	137	28.1%
Fairfield	South-West	213	21.5%	89	33.8%
Cabramatta - Lansvale	South-West	276	21.3%	102	32.5%
Liverpool - Warwick Farm	South-West	303	20.0%	104	25.9%
Bankstown	Central	372	19.9%	130	29.1%
Canley Vale - Canley Heights	South-West	244	19.7%	102	30.5%
Mount Druitt - Whalan	Central	297	19.7%	118	24.5%
Bradbury - Wedderburn	South-West	307	19.0%	170	24.4%
Cabramatta West - Mount Pritchard	South-West	189	18.7%	93	26.3%
Granville - Clyde	Central	272	18.6%	104	27.0%
Bonnyrigg Heights - Bonnyrigg	South-West	238	18.4%	117	29.8%
Punchbowl	Central	221	17.2%	104	25.4%
Greenfield Park - Prairiewood	South-West	106	17.2%	51	25.4%
Prestons - Lurnea	South-West	309	17.2%	146	23.0%
Fairfield - East	South-West	159	17.1%	70	27.5%
Fairfield - West	South-West	192	16.9%	79	21.4%
Macquarie Fields - Glenfield	South-West	275	16.8%	146	24.6%
St Marys - Colyton	West	342	16.7%	167	22.6%
Lidcombe - Regents Park	Central	360	16.7%	123	24.9%
Doonside - Woodcroft	Central	272	16.4%	138	23.4%
Auburn	Central	386	16.4%	108	23.0%

## HIGHER RATES OF DISENGAGEMENT

Young people move between school and post-school education, training, employment and unemployment in complex ways. Table 3 captures this complexity.

Of all young people in Western Sydney<sup>8</sup>, 41.1% were outside the labour force and these were mostly full-time students. A further 16.3% of Western Sydney youth were full-time students as well as holding down some sort of paid job.

Disengaged young people – those who are not studying and not in or seeking work – account for 6.9% of Western Sydney youth compared to 3.9% for the rest of Sydney.

TABLE 3 | LABOUR FORCE STATUS (PERCENT OF TOTAL), YOUTH AGED 15 TO 24 YEARS, WESTERN SYDNEY AND GREATER SYDNEY, 2011.

Source: ABS Census of Population and Housing, 2011

Labour force status	Education status	Total Western Sydney	Greater Sydney (excl. WS)	Greater Sydney
<i>Not in the labour force</i>	Not attending	6.9	3.9	5.4
	Full-time student	32.9	34.2	33.6
	Part-time student	1.3	1	1.1
	Total not in labour force	41.1	39.2	40.1
<i>Unemployed</i>	Not attending	4	2.7	3.3
	Full-time student	3.4	3.9	3.7
	Part-time student	0.6	0.5	0.6
<i>Employed</i>	Not attending	27.9	25.3	26.5
	Full-time student	16.3	21.7	19.1
	Part-time student	6.7	6.7	6.7
	Total	100	100	100.0

8. This refers to those youth who supplied appropriate details at the census.

While the disengagement rate for Western Sydney as a whole is 6.9%, rates of disengagement in sub-regions can be much higher.

Figure 24 shows that disengaged young people in Western Sydney are heavily concentrated in particular suburban clusters. These clusters have rates of disengagement that are significantly higher than the average rates of disengagement even for their own sub-regions. Notable are disengagement rates of 10% to 16% in a Mt Druitt-St Marys cluster, 11% to 13% in a Liverpool-Fairfield cluster and 10% in the Bradbury-Wedderburn suburb group.

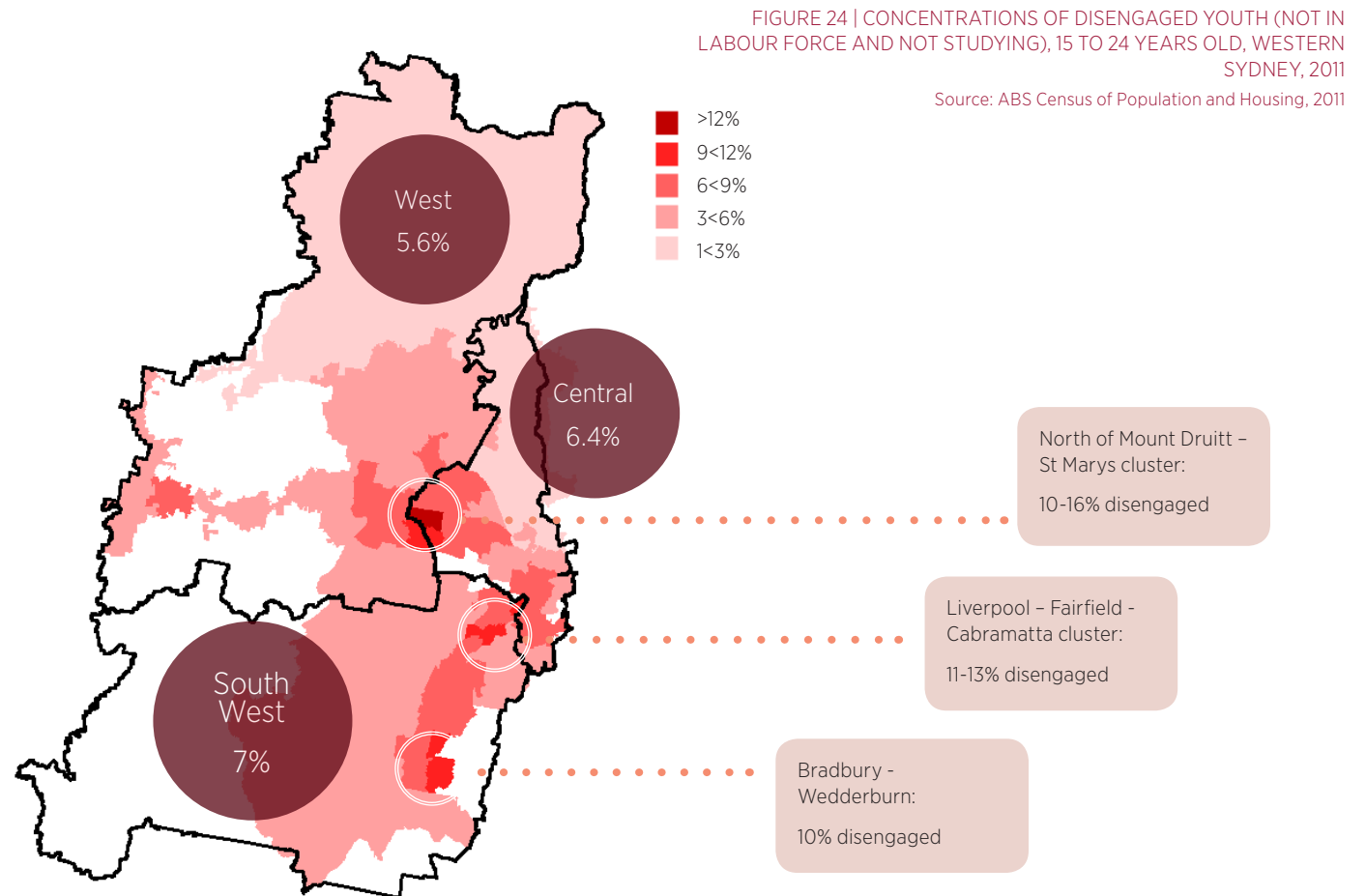
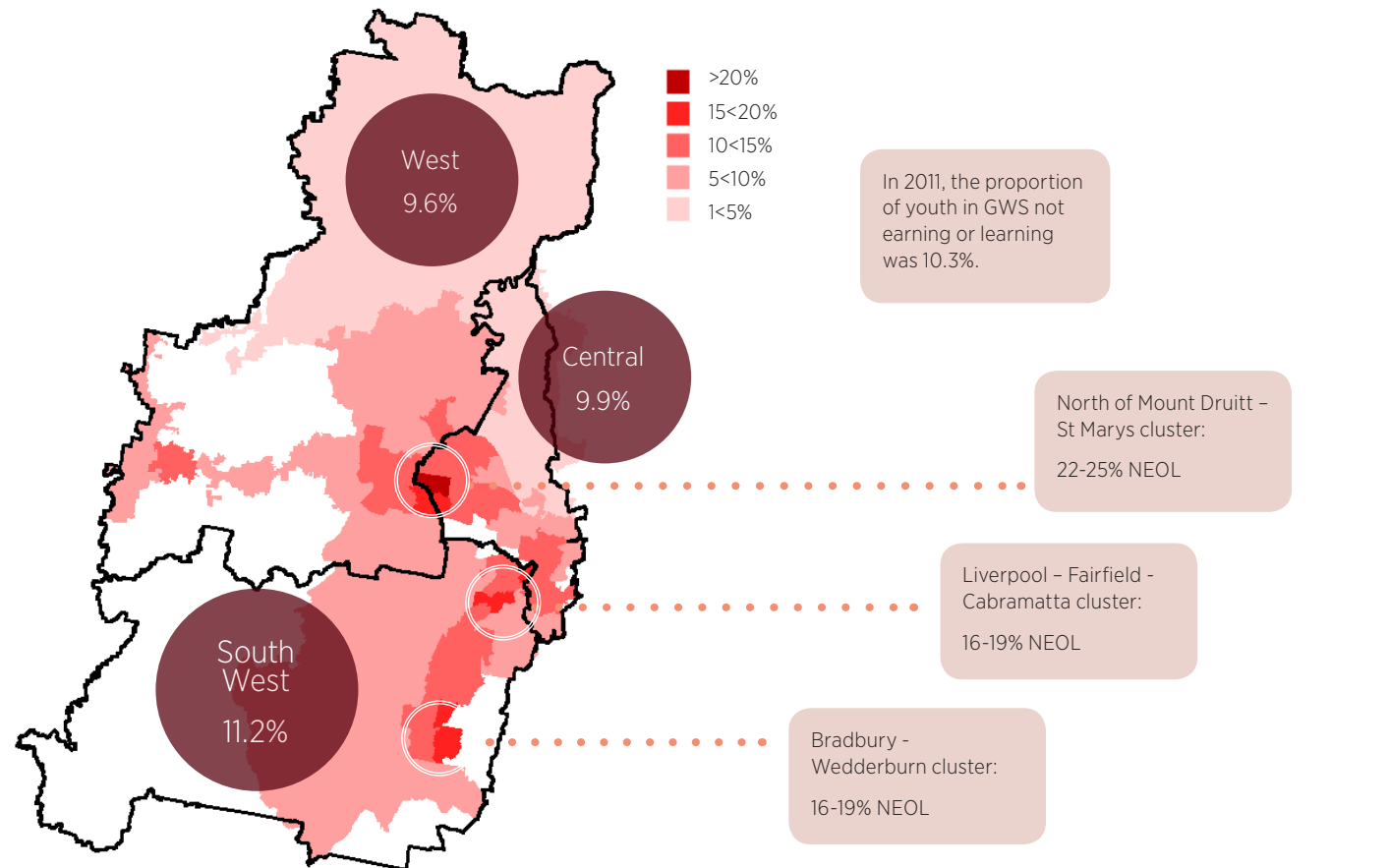


Figure 25 expands the disengaged category by adding unemployed young people: the 'not earning or learning' (NEOL) category. Again we can see suburban clusters where NEOL rates exceed average sub-region rates by significant amounts. These clusters are the same communities as those with the highest rates of disengagement identified in figure 24. Clearly the problem of youth unemployment is exacerbated when young people stop looking for work. They are then no longer recorded as being 'unemployed' and therefore are not officially in the labour force.

When there is also an absence of engagement with formal education and training, the future employment prospects of this group of young people are narrowed considerably.



# WESTERN SYDNEY CASE STUDIES

We see the compounded effects of insufficient participation in education and engagement in the labour force in table 4. Here we profile the education and employment conditions of youth in two suburban clusters in Sydney's West sub-region. These are Bidwell-Hebersham-Emerton and Lethbridge Park-Tregear. The table shows that unemployment in these clusters in 2011 was twice the rate for Western Sydney as a whole, the rate of NEOL climbing to 22.7% and 24.6% for the two clusters respectively.

Compared to Western Sydney as a whole, the two clusters are characterised by very difficult social and economic circumstances. School completion rates (at 39.9% and 37.1% respectively) are well below the Western Sydney average (53.1%); as are the proportions of youth with post-school qualifications (17.0% and 15.6% compared to the Western Sydney average of 25.3%).

Parenting responsibilities are an issue for many young women in pursuing education and jobs: around one in five young women in the area (18.4% and 23.3% respectively) are parents, a much higher rate than the Western Sydney average (at 7.8%).

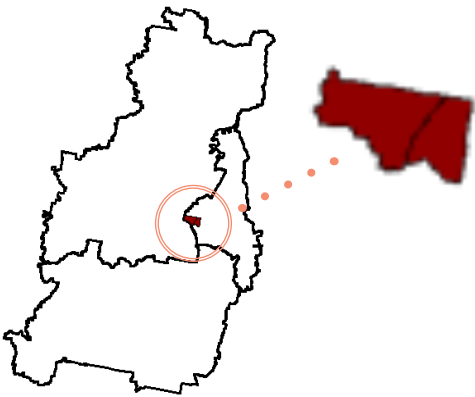
In terms of birthplace, both clusters resemble Western Sydney as a whole in terms of the place of birth of young people and the place of birth of their parents.

However the clusters vary markedly from Western Sydney averages in respect to:

- housing tenure, with households in each cluster being twice as likely to rent compared to the Western Sydney average
- income, with the clusters having about twice the proportion of low income households than the Western Sydney average
- car ownership, with nearly one in five households in these clusters having no car, is around half of the rate for Western Sydney as a whole.

TABLE 4 | PROFILE LETHBRIDGE PARK-TREGEAR AND BIDWELL-  
HEBERSHAM-EMERTON  
Source: ABS Census of Population and Housing, 2011

SA2	Unemployment Rate	Disengaged	NEOL	Youth Finished Year 12	Youth Has Post-School Qualification	Young Females with children	Youth Born in Australia	Youth Parents Born O/S	Families Renting	Low Income Households	Families with no car
Bidwill - Hebersham - Emerton	24.0%	15.0%	22.7%	39.9%	17.4%	18.4%	79.2%	53.1%	50.4%	38.8%	18.2%
Lethbridge Park - Tregear	26.4%	15.9%	24.6%	37.1%	15.6%	23.3%	82.2%	45.2%	52.1%	39.4%	17.5%
GWS Average SA2	13.6%	6.5%	10.3%	53.1%	25.3%	7.8%	78.7%	59.2%	27.0%	22.6%	8.3%



In table 5 we profile two additional suburban clusters: Cabramatta-Lansvale and Canley Vale-Canley Heights in Sydney's South West sub-region. At the 2011 census these areas had youth unemployment rates of 21.3% and 19.7% respectively, which are lower than the clusters profiled in table 4. For Cabramatta-Lansvale and Canley Vale-Canley Heights, however, the disengaged and NEOL rates are significantly lower than the rates for the two clusters in the West sub-region. These lower rates reflect the higher proportion of year 12 school finishers in the South West clusters (at 60.9% and 58.5%, compared to the average Western Sydney rate of 53.1%) and the likelihood of higher post-school education enrolments.

An interesting feature of the two South West clusters is the high proportion of young people born overseas or with parents born overseas; and, accordingly, a higher rate of youth reporting low English language proficiency.

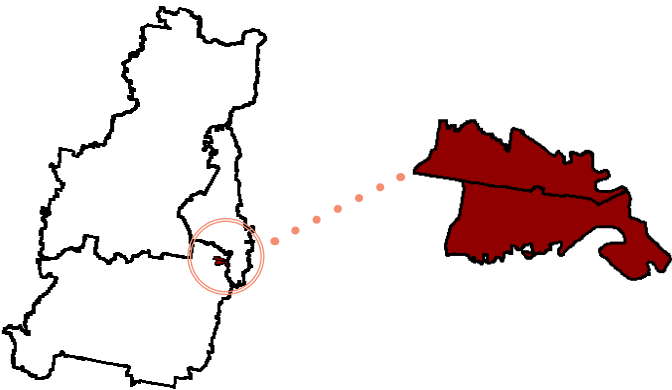
Like in the West sub-region, the two South West clusters had higher levels of renting, lower incomes and poorer access to motor vehicle transport.



TABLE 5 | PROFILE CABRAMATTA-LANSVALE AND CANLEY VALE-  
CANLEY HEIGHTS

Source: ABS Census of Population and Housing, 2011

SA2	Unemployment Rate				Youth Finished year 12	Youth Has Post-School Qualification	Young Females with children	Youth Born in Australia	Youth Parents Born O/S	Youth with Low			
		Disengaged	NEOL	English Proficiency (non-native speaker)						Families Renting	Low Income Households	Families with no car	
Cabramatta - Lansvale	21.3%	7.0%	11.0%	60.9%	22.5%	8.3%	55.4%	94.8%	11.6%	39.2%	41.3%	20.6%	
Canley Vale - Canley Heights	19.7%	7.3%	11.3%	58.5%	21.0%	8.0%	66.3%	93.1%	6.5%	32.9%	38.2%	13.1%	
GWS Average SA2	13.6%	6.5%	10.3%	53.1%	25.3%	7.8%	78.7%	59.2%	3.9%	27.0%	22.6%	8.3%	



# FACTORS AFFECTING YOUTH UNEMPLOYMENT IN WESTERN SYDNEY

As part of our research for this report we conducted a series of regression analyses to assess the household and neighbourhood factors most strongly associated with high incidence of youth unemployment at the SA2 (suburb) level.

The regression analysis revealed that youth unemployment is highest where there are concentrations of poverty. The relationship between youth unemployment and the ABS SEIFA scores is shown in figure 26 and with the presence of low income households in figure 27. Both reveal strong correlations.

FIGURE 26 | REGRESSION OF YOUTH UNEMPLOYMENT AGAINST SEIFA INDEX OF RELATIVE SOCIO-ECONOMIC DISADVANTAGE, WESTERN SYDNEY SA2, 2011

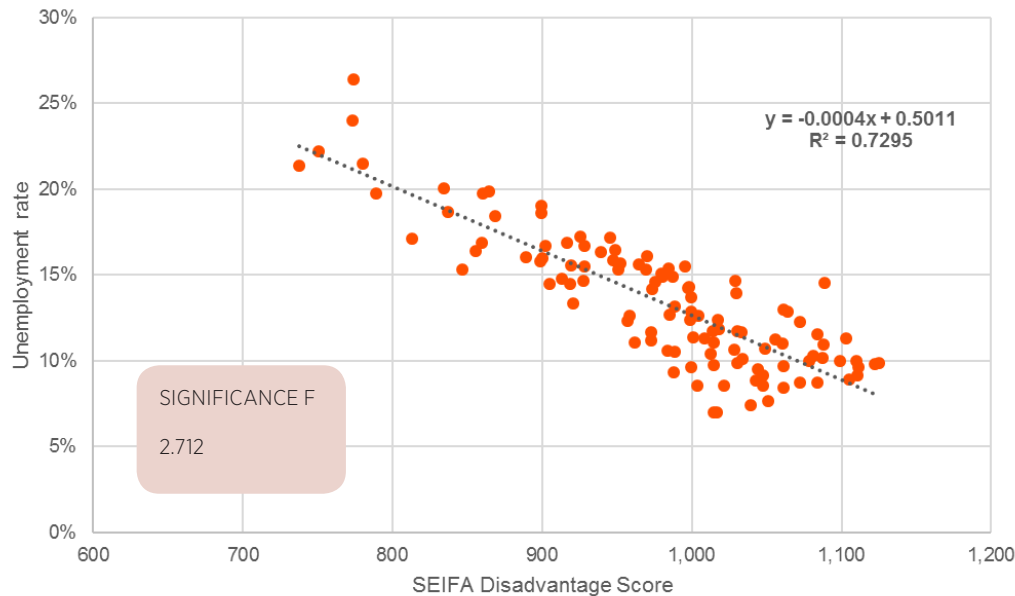
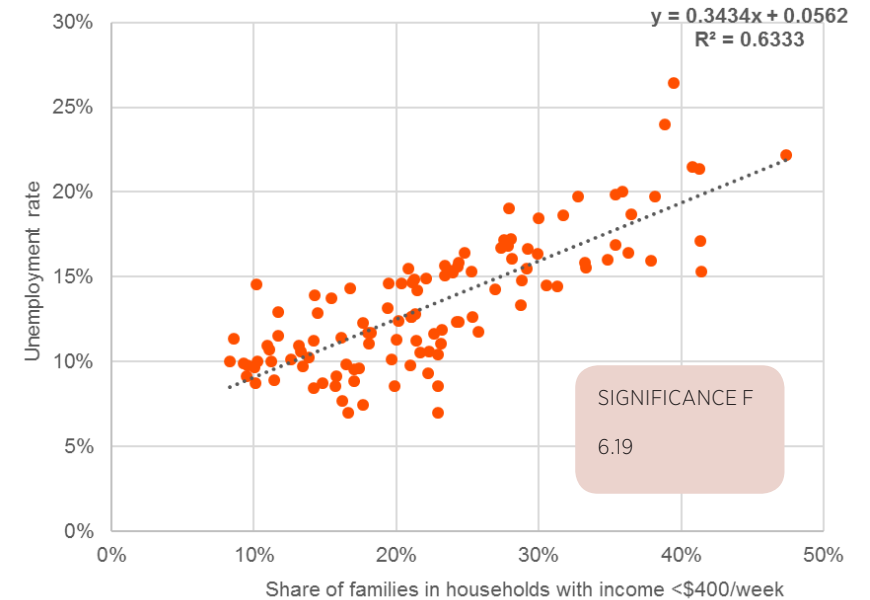


FIGURE 27 | REGRESSION OF YOUTH UNEMPLOYMENT AGAINST LOW-INCOME HOUSEHOLDS, WESTERN SYDNEY SA2, 2011



The effect of poverty on youth unemployment rates also shows up in strong correlations with low car ownership levels, high renting levels and poor access to the internet from home. These correlations are shown in figures 28, 29 and 30.

FIGURE 28 | REGRESSION OF YOUTH UNEMPLOYMENT AGAINST HOUSEHOLDS WITHOUT A CAR, WESTERN SYDNEY SA2, 2011

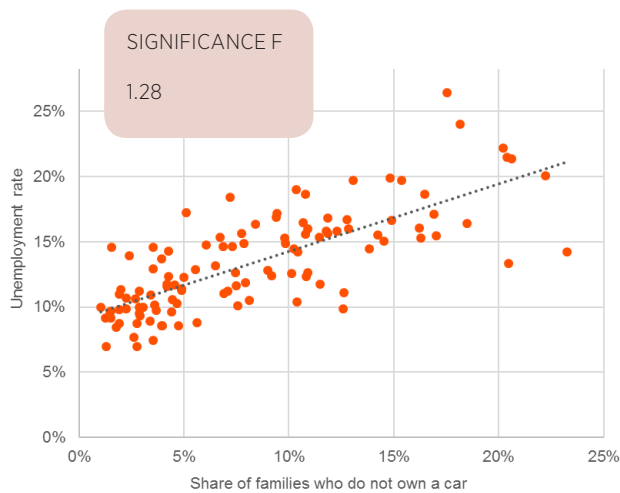


FIGURE 29 | REGRESSION OF YOUTH UNEMPLOYMENT AGAINST RENTAL OCCUPANCY, WESTERN SYDNEY SA2, 2011

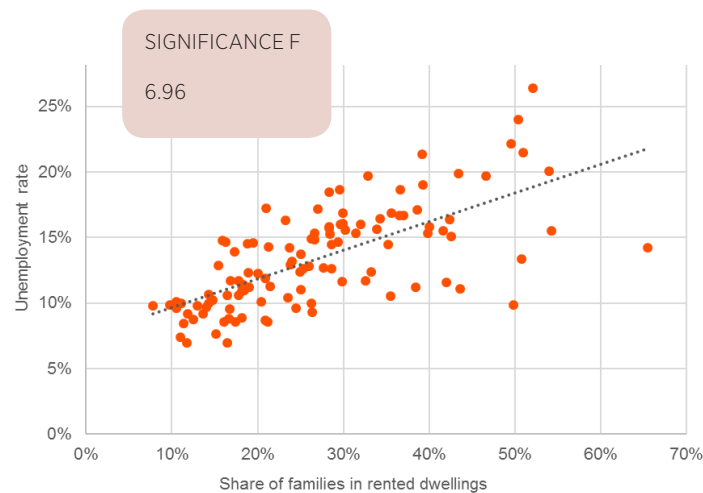
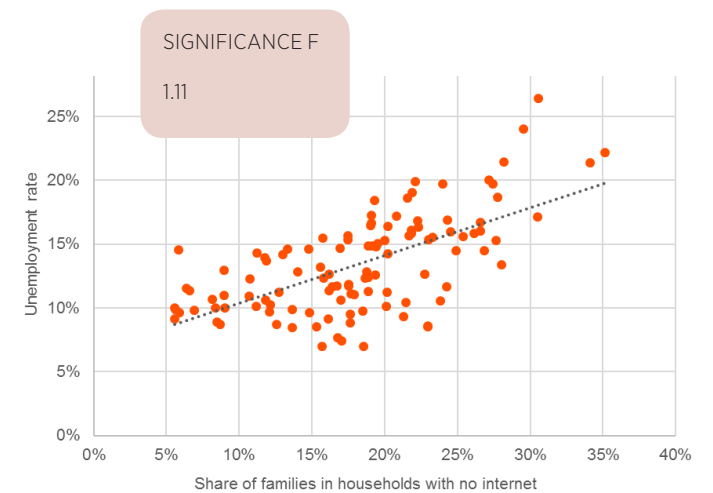


FIGURE 30 | REGRESSION OF YOUTH UNEMPLOYMENT AGAINST HOUSEHOLD ACCESS TO INTERNET, WESTERN SYDNEY SA2, 2011



Two other observations were also found to be significant in our regression modelling, although not to the degree of the associations discussed above.

One is the relationship between youth unemployment and households with young mothers (figure 31) and the other is with birthplace, either when parents were born overseas or when the young person was born overseas (figures 32 and 33).

FIGURE 31 | REGRESSION OF YOUTH UNEMPLOYMENT AGAINST HOUSEHOLDS WITH MOTHERS AGED 15 TO 24 YEARS, WESTERN SYDNEY SA2, 2011

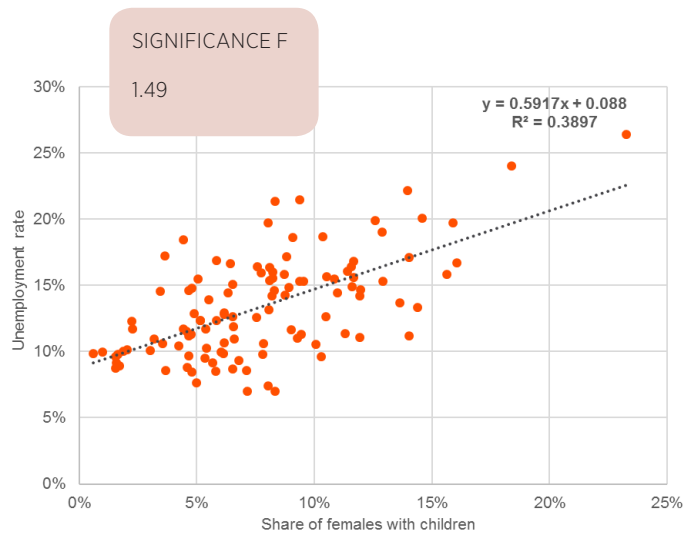


FIGURE 32 | REGRESSION OF YOUTH UNEMPLOYMENT AGAINST HOUSEHOLDS WITH OVERSEAS BORN PARENTS, WESTERN SYDNEY SA2, 2011

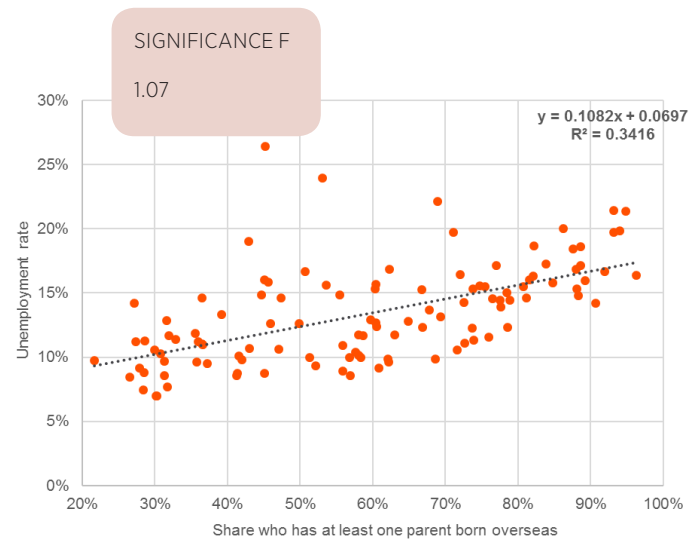
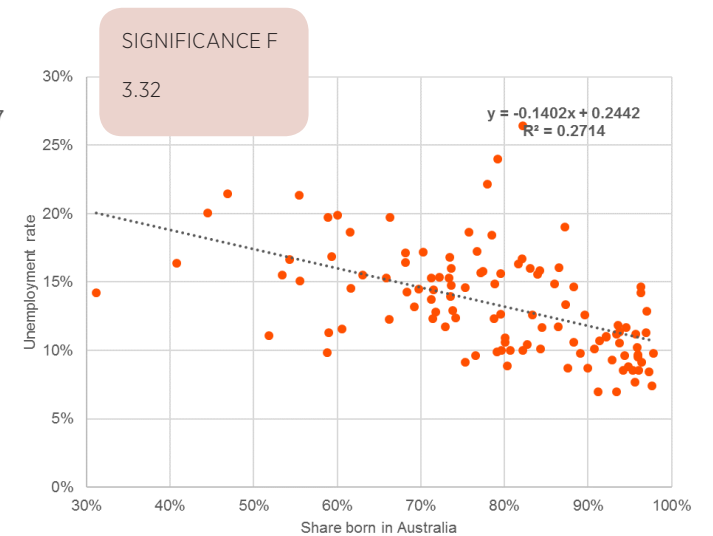


FIGURE 33 | REGRESSION OF YOUTH UNEMPLOYMENT AGAINST BIRTHPLACE WESTERN SYDNEY SA2, 2011



# CONCLUSIONS

Our report does three things. First, it provides an understanding of the national context of youth unemployment. We see that youth unemployment has risen since the global financial crisis and there has been a commensurate fall in participation by youth in the labour market. One reason for this fall is strong participation in full-time education and training. While this is a positive trend, it has been accompanied by higher rates of disengagement among other young people.

Second, our report provides a comparison between youth unemployment and disengagement in Western Sydney with young people elsewhere in Sydney. Here we find that Western Sydney's record of youth unemployment is not as dismal as the experience of young people in Australia's regional and remote communities. Yet our comparisons reveal that geography is having a significant negative effect on the life chances of young people in Western Sydney. Growing up in this region means less chance of completing year 12 and less likelihood of attaining a bachelor degree qualification. Under-training means the career pathways for Western Sydney's young people are more often aligned with industry sectors and occupations where economic disruption is more common; under-training locks young people out of the knowledge and professional services sectors of the economy where there is persistent growth of full-time, well-paid jobs.

Third, we identify areas of Western Sydney where the levels of youth unemployment and disengagement have reached crisis levels. As we note, the levels of youth unemployment and disengagement in Western Sydney on average are not too dissimilar to those of metropolitan Australia in general, even though there are disparities between the region's levels and those found in the non-GWS portion of Sydney.

That said, our report identifies suburban clusters within Western Sydney where rates of youth unemployment and disengagement are extremely high. These areas are also characterised by high levels of poverty, low home ownership, low car ownership and a high proportion of young mothers. Some of these clusters also have higher levels of young people belonging to recently migrated households where English proficiency may affect both education and employment outcomes.

We note in our introduction that the report is very much incremental and descriptive. Its purpose is to position the experience of young people in Western Sydney as part of the wider picture documented by many other authors and reports. In a sense it contains little that is new or surprising to people aware of the problem and its dimensions. That the report has been commissioned to add to the weight of what has been done already, however, shows there remains too many who are unaware of the size of this problem – or are unwilling to confront and solve it.

Solving the problem means addressing its many parts and this requires the coordination of many instruments of government across all levels. Detailed commentary on the solution process is not what this report is about. However we take the opportunity in writing this conclusion to make some observations about how the solution process might be better assembled.

It needs to start with better national policy and this should be centred on young people. Our impression is that there is a political willingness to blame and berate young people for the employment and education conditions they experience. This makes no sense beyond political opportunism. Draconian measures for the payment of living assistance

to unemployed and disengaged youth are not what good public policy theory and practice could ever countenance. Instead, there need to be direct measures that address each part of the problem. Positive measures to raise school completion rates should be a permanent part of education policy budgets at national and state levels. Making the transition easy from school to education and training is next, and this involves all sorts of improvements that promote access and suitability. Current poor rates of further education and training completions in Western Sydney (and Australia generally) should be intolerable to governments.

Moreover, further education and training places must be fashioned in ways that make them desirable to all comers. There is foolishness in a public discourse that pitches university achievement against technical training, for example, as if a large portion of young people are making wrong choices in undertaking a bachelor degree instead of a trade course. The real issue is that some young people choose no further education or training, or find themselves in circumstances where these are not possible. Technical and bachelor degree qualifications are boats in the same harbour. Analysis proves that when the education and training tide rises in general, it lifts as many boats full of university students as it does boatloads of students in occupational training. One rising education and training boat doesn't mean another is sinking.

While education and training is obviously the policy portfolio area that will do the most to solve the youth unemployment and disengagement problem, labour market policy is also of major importance. At a time when it is increasingly difficult to nominate the economic sectors most likely to generate rewarding careers, there is surely a need to fashion labour markets in ways that improve young

people's participation in them. That is, young people in Western Sydney are particularly vulnerable to the forces of automation and disruption. Labour market policies that rely solely on promoting 'knowledge jobs' and fail to provide entry-level opportunities in a range of occupations risk consigning already disengaged young people to a life out of work.

Proper regulation of young people's jobs is also important given young people's inexperience and vulnerability increase the likelihood of exploitation. Deregulated labour markets are not places where young people learn the value of paid work.

Then, public policy around young people's pathways to full-time work needs to follow what we now know as best practice: that the solution of difficult social and economic problems requires coordinated delivery across government portfolios and levels. Measures to counter youth unemployment and disengagement beg for this coordination. We have identified the need for more effective education and training measures, alongside labour market interventions. But these need complementing by actions to improve public transport access, housing affordability, income support, child care, mental health measures and so on. Our report shows these portfolio areas are in play in the creation of the youth unemployment and disengagement problem. They must therefore be part of the solution.

Finally, because geography is a major determinant of where youth unemployment and disengagement strikes, urban planning must play a major role in its solution. Our report shows the appalling incidence of the problem in particular suburban clusters in Western Sydney. Yet discussion of

the problem is absent from planning policies relating to this region – as we have noted, the most important urban growth region in the nation. There is something amiss in planning when long-term strategies devote considerable attention to ideas for things like place-making and creativity hubs, as valuable as these are, and no attention to how urban planning will create pathways to rewarding futures for young people.

We are wary of saying one problem requires more public policy attention than another. So let us say this instead: a modern society will always struggle to find the resources to resolve the problems and injustices within it. The unique thing about the youth unemployment and disengagement problem, however, is that its solution creates a vastly bigger pool of wealth-generating, tax-paying Australians for decades to come, and a higher proportion of households capable of devising successful pathways to adulthood for the next generation. Surely this is a good investment.

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