Improving the employment prospects of young people

A resource for career practitioners

Labour Market Research and Analysis Branch
Department of Employment, Skills, Small and Family Business
June 2019
The labour market is evolving...

- Structural change
- Technological advances
- Social and demographic change
- Globalisation

Some jobs are disappearing as a result of technology...
- Switchboard operators, typists and milkmen

Some jobs have grown due to social and demographic change...
- Aged and disabled care workers, fitness instructors, baristas and chefs

And new jobs are being created due to technology advances...
- 3D printing designers, cyber security engineers and big data analysts

Source: Department of Employment, Skills, Small and Family Business, Australian Jobs 2019
Is the “9 to 5” job a thing of the past?

- Increased flexibility as the new normal
- Rising self-employment, contract work, project work and entrepreneurship
- Holding a portfolio of jobs is becoming more common
- Increasing job mobility and multiple career changes
- Lifelong learning is essential and not optional

More than 1 million Australians now hold a secondary job

Choosing a path is becoming more complex for students

**Aptitude**
What are they good at:
- Numbers?
- Words?
- Working with their hands?
- Working with people?

**Interests & passion**
What are their interests and what will motivate them to go to work?

**Life goals**
What do they want out of life?
Do they want to travel?
Is family important?

**Work preferences**
Do they want to work outdoors or inside?
Do they want to work with people or with computers?

**Training requirements**
For this career, do they need VET or university qualifications, or on-the-job training?

Department of Employment, Skills, Small and Family Business, June 2019
The Australian labour market is doing well

- **5.0%** unemployment rate
- **2.4%** employment growth
- **30,400** more internet vacancies than 2014

Arrows indicate change since March 2014.
But youth unemployment is a persistent challenge...

Unemployment rates, Australia, February 2019

Source: ABS, Labour Force Survey, February 2019, seasonally adjusted data and 12-month averages
...and many young people are not working nor studying

18-24 year olds

Source: ABS, Census of Population and Housing, 2016

Department of Employment, Skills, Small and Family Business, June 2019
There are resources to help students find pathways to employment

Future Outlook on joboutlook.gov.au
There are resources to help students find pathways to employment

Insights on jobjumpstart.gov.au

Tips and ideas about jobs and careers in the one spot

Let's get started! Where are you at?

- I'm at school
- I'm on a gap year
- I'm at uni or in training
- I've just graduated from study
- I'm looking for a job
- I'm already working
Things have changed in the last 10 years

Employed persons (‘000), selected industries, Australia

Professional occupations have accounted for most growth in the last 10 years

Proportion of jobs growth February 2009 to February 2019, Australia

Professionals, 42%

Community and Personal Service Workers, 21%

Managers, 10%

Technicians and Trades Workers, 8%

Machinery Operators and Drivers, 6%

Clerical and Administrative Workers, 5%

Sales Workers, 5%

Labourers, 3%

Currently, services industries are the largest employers...

Proportion of total employment by industry, Australia, as at February 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Service industry</th>
<th>Producing industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care and Social Assistance</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Retail Trade</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>Professional, Scientific and Technical Services</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>Education and Training</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7%</td>
<td></td>
</tr>
</tbody>
</table>


Department of Employment, Skills, Small and Family Business, June 2019
...and most new jobs will also be in services industries

Employment projections, five years to May 2023, Australia

Source: Department of Employment, Skills, Small and Family Business, industry projections, five years to May 2023
The jobs market in Australia is competitive

Vacancies advertised on the internet or in a newspaper

On average, 19 applicants per vacancy

On average, 3 applicants are interviewed

16 not interviewed

Source: Department of Employment, Skills, Small and Family Business, Survey of Employers Recruitment Experiences, 2018
So, what are employers looking for?

**Education & training**

Is vital
Study has become increasingly important and Year 12 or equivalent is now the minimum standard

**Experience**

Is necessary
Many Australian employers want new staff to have experience

**Employability skills**

Distinguish the individual
Employers want the RIGHT MATCH for their job/company/product/service

Source: Department of Employment, Skills, Small and Family Business, Survey of Employers Recruitment Experiences, 2018
Completing a qualification is vital

Unemployment rate for 25 – 34 year olds, Australia

Students should aim to be here

First target

Bachelor Degree or Higher: 4.6%
Advanced Diploma/Diploma: 5.0%
Cert III/IV: 5.2%
Year 12 or equivalent: 7.6%
Below Year 12 with Cert I/II: 17.5%
Below Year 12: 15.0%

Source: ABS, Census of Population and Housing, 2016

Department of Employment, Skills, Small and Family Business, June 2019
Employment growth is in jobs requiring post-school study

Indexed change in persons employed by skill level

91% of all new jobs will require VET or university qualifications

Sources: Department of Employment, Skills, Small and Family Business, skill level projections, five years to May 2023
In recent times, there has been a significant shift away from VET...

Undergraduate commencements

- 2007: 186,700
- 2017: 288,000
  +54%

Apprentice and trainee commencements

- 2007: 275,800
- 2017: 163,000
  -41%

Source: NCVER, Apprentices and Trainees, 2018; Department of Education, uCube, 2018

Department of Employment, Skills, Small and Family Business, June 2019
...but VET has good employment outcomes...

% employed after graduation

- Total VET graduates: 77.3%
- Training was part of an apprenticeship or traineeship: 77.3%
- In a trade occupation course: 91.2%

93% of technician and trade occupations are in national shortage

Source: NCVER, VET Student Outcomes, 2018; Department of Employment, Skills, Small and Family Business, skill shortages research (based on a set of around 70 consistently assessed occupations)
...and has competitive salaries for graduates

Median annual income of recent graduates employed full-time, 2018

Source: QILT, Graduate Outcomes Survey, 2018; NCVER, VET Student Outcomes, 2018
Young people also need work experience

- Shows willingness to work
- Provides opportunities to develop skills
- Improves confidence
- Gives insight into different jobs
- Provides contacts and referees

Department of Employment, Skills, Small and Family Business, June 2019
How can young people get experience and make contacts?

- Part-time jobs
- Work experience
- Internships
- Sports Clubs
- Volunteering
Qualifications and experience are only part of the story

72% of employers place at least as much emphasis, if not more, on employability skills than they do on technical skills

Essential employability skills:
- Communication & teamwork skills
- Interpersonal & people skills
- Creativity & problem solving
- Adaptability & resilience
- Reliability & motivation
- Critical thinking
- Digital literacy

More than 30% of all online job ads list Communication as an essential skill

Source: Department of Employment, Skills, Small and Family Business, Survey of Employers’ Recruitment Experiences, 2010; Burning Glass Technologies, all jobs, November 2018 to April 2019; Foundation for Young Australians, The New Basics, April 2016
Encourage students to approach employers directly – 1 in 5 jobs aren’t advertised!

For example…
Australian JobSearch, Career One, Seek, Jora, Indeed

Facebook jobs groups may exist in your local area – remind students to take advantage of new platforms!

Note: Employers can select multiple methods of recruitment
Source: Department of Employment, Skills, Small and Family Business, Survey of Employers’ Recruitment Experiences, 2018

Department of Employment, Skills, Small and Family Business, June 2019
Applying for jobs is a skill that needs to be learned and practised

- **Start with a good résumé and application...**
  1. Show relevant experience and skills
  2. Keep it simple and short
  3. Check spelling and grammar

- **Plan ahead and be ready for the interview...**
  1. Dress appropriately and be on time
  2. Prepare work examples – use the **STAR** method

**STAR**

- **Situation** – describe the event or situation you were in
- **Task** – explain the task you had to complete
- **Action** – describe how you completed the task in detail
- **Result** – share the result of your work and its impact

Department of Employment, Skills, Small and Family Business, June 2019
A final thought...

Occupations where male employment has increased:

- Early Childhood Teachers
- Midwives
- Physiotherapists
- Registered Nurses
- Teachers of English to Speakers of Other Languages

Occupations where female employment has increased:

- Aircraft Maintenance Engineers
- Architects and Landscape Architects
- Bakers and Pastrycooks
- Butchers
- Dentists

Think outside the box
And tailor career advice to each student’s strengths and abilities

Source: ABS, Census of Population and Housing, 2006 and 2016
Tools to assist

Websites

[joboutlook.gov.au/]

[jobjumpstart.gov.au/]

Publications

[australianjobs.jobs.gov.au]