

# Investing in Young Australians

**Australia is failing to equip young people with the skills they need to succeed:**



## \$91B

**Total investment each year in skills**

Australian governments invest \$91 billion each year in developing the skills of Australians – through education and training.<sup>1</sup> However, young people are not learning all the skills they need for the future.



## 2.6

**Years for young people to find full-time work**

Young people are taking 2.6 years to find full time work after completing full-time study and almost 1 in 3 are underemployed or unemployed.<sup>2</sup>



## \$4.5B

**Lost opportunity for the economy each year**

The high rate of youth unemployment is a lost opportunity for the Australian economy of more than \$4.5 billion each year<sup>3</sup> and is diminishing the prospects of a generation of young people.



## 70%

**Young people who will need re-skilling**

Around 70% of young people in Australia currently enter the labour market with skills that may soon be redundant as their jobs are impacted by automation.<sup>4</sup>

**Without action, the cost to young people and the economy may become even greater:**

There are nearly **3 million** young people aged 15-24<sup>5</sup>...

Of this number **268,900 young people are unemployed** (15% of the youth labour market). Since 2006, this has grown from 10% to 15%. This compares to a national unemployment rate for those over 25 years of 5%.

**At least 880,000 more young people will need significant re-skilling**, with more than 50% of the tasks they currently undertake in their job expected to change in the coming years.<sup>7</sup>

**To meet the workforce needs of the future we must make changes – and now.**

FYA's *Future Skills Framework 2030* outlines how Australian governments can work with young people, industry, educational institutions and leading thinkers across the country to move from talk to action, proposing:

- 1 A National Future Skills Symposium** to identify a pathway to ensuring young people get the skills they need.
- 2 A digital platform for future career insights** that provides young people with localised information on the jobs available and the skills they need.
- 3 Enterprise and work-integrated learning initiatives** that provide relevant and immersive enterprise education and meaningful paid work experience.
- 4 An ongoing Future Skills research program** to generate new knowledge and evidence in this space.

1 ABS 5518.0.55.001 - Government Finance Statistics, Education 2016-17

2 Foundation for Young Australians, New Work Reality (2018)

3 ABS Census 2016. Figure based on 15-24 years unemployment rate matching all age unemployment rate in each electorate and median earnings for 15-24 years. This figure would be even higher if the cost of youth underemployment was included.

4 Foundation for Young Australians, New Work Order (2015)

5 ABS Census 2016

6 ABS 6202.0 - Labour Force 2018. Figure based on state underemployment rate and national figures on share of underemployment by age

7 ABS Census, O\*NET, AlphaBeta analysis