Social Ventures Australia | Funding | Investment | Advice

**Why did SVA produce this report?**

Youth unemployment continues to be a persistent problem globally and locally, reaching as high as 22.4 per cent in some Australian communities (Far west & Orana, North west outback NSW; ABS, April 2015). There are a multitude of causes for this sustained growth in youth unemployment, including a non-buoyant labour market for young people post Global Financial Crisis (GFC), a downturn in the number of entry level positions and apprenticeships available, the casualisation of the workforce and the reality that older employees are not transitioning to retirement at the same rate as pre-GFC.

While this impacts all young job seekers, unsurprisingly the impact is felt the greatest by those young people considered at risk of or already experiencing long-term unemployment.

Since we were established in 2002, Social Ventures Australia (SVA) has been committed to understanding the root causes of and effective interventions for tackling unemployment. Underpinning our work is a commitment to using evidence to drive systemic change. More recently we have focused our attention on seeking the most effective prevention and intervention approaches in supporting young people experiencing long-term unemployment into sustainable employment. This report is the product of a national and international research project into the fundamental principles that underpin successful programs and initiatives supporting young people into sustainable employment.

The research concentrated on identifying the approaches that were most successful at moving long-term unemployed young people (those who have been out of employment for 12 months or more) back into employment. This cohort was chosen as the primary focus of the research because extended periods outside of the workforce when young can result in entrenched unemployment over the course of a person’s life leading to a cycle of disadvantage. Importantly, the fundamental principles of what works for this cohort will ultimately be the same principles that work for all young people at risk of or experiencing unemployment.

**What approach was used to develop the report and key findings?**

This report and Principles Framework were developed following:
- A review of over 200 research reports, journal and media articles
- Analysis of Australian Bureau of Statistics (ABS), Longitudinal Surveys of Australian Youth (LSAY), International Labour Organisation (ILO) and Organisation for Economic Co-operation and Development (OECD) data
- Consultation with representatives working in youth unemployment from government, business, education, academia, social purpose organisations and philanthropy
- A scan of global and Australian organisations and programs to uncover examples of what is most effective in supporting 15-24 year old young people into sustainable work.

The research uncovered an understanding of the underlying causes, interrelated players, risk factors and personal and economic costs of a young person falling into long term unemployment. The international scan offers lessons from global efforts taken by governments and the social sector to tackle youth unemployment.

**The Principles Framework**

The report identifies ten fundamental principles which are essential to effectively support young people into employment. These are detailed in the Principles Framework, and can be broadly split into two key categories:

- **Personal**: the capabilities and experiences a young person needs to develop to gain and retain meaningful employment.
- **Community Infrastructure**: the components of a healthy ecosystem required to support the successful transitions into employment.

**Personal: Young people are ready to work**

<table>
<thead>
<tr>
<th>Identity</th>
<th>Building aspirations</th>
<th>Literacy and numeracy capability</th>
<th>Employability skills</th>
<th>Careers management</th>
</tr>
</thead>
</table>

Unemployment is not experienced equally by all young people. At-risk cohorts including young people with a disability, First Australians, those with caring responsibilities, young people from low socio-economic communities and those without Year 12 attainment are more likely to experience unemployment and for longer periods of time than their peers. Further, many disadvantaged young people experience individual barriers to employment, such as drug and alcohol abuse, unstable housing or limited access to education or transport, that compound their risk of unemployment.

To ensure that these at-risk young people are not stuck in a cycle of unemployment and disadvantage it is crucial to provide them with tailored support that takes into account the range of barriers they may be experiencing.

The Principles Framework outlines the key components of successful initiatives and is designed to provide a guide to organisations looking to support young people into sustainable employment. The 10 principles can be used in any combination depending on the young person’s needs and the complexity of the barriers they face. The case studies and included Appendices provide real examples of how these principles are used by programs and organisations that are successful in supporting long-term unemployed young people to secure sustainable employment.

**Recommendations for practical application of findings**

Throughout the report we have tried to understand the causes and impacts of unemployment on young people so that we are better able to identify critical program elements that are most effective at delivering real employment outcomes for this cohort. We hope that this research will ultimately enable better design and investment decisions of youth employment programs, and provide a more transparent and consistent measurement and evaluation standard for existing programs.