Introduction

This overview of youth unemployment includes an outline of key trends in Asia and Australia. Within these broad macro trends are a range of factors shaping youth unemployment, such as demographic change and migration. This report provides some recommendations as to how social enterprises could seek to respond to the challenges and opportunities arising in relation to unemployment, as well as proposing several relevant questions to be tackled in the future. The final section provides an overview of two case-studies from Australia: the Worlds of Work program developed by the Foundation for Young Australians and the Education First Youth Foyers, a joint initiative by The Brotherhood of St Laurence and Hanover.

Global Context

It has been estimated that globally almost 73 million young people are looking for work, an increase of nearly three and a half million since 2007 (ILO 2015). Advanced economies are experiencing persistent youth unemployment, a proliferation of temporary jobs and increasing disillusionment among many young people in their job futures. In developing countries, poor quality, informal, subsistence jobs have increasingly become the norm (ILO 2013). Throughout countries within the Organisation for Economic Co-operation and Development (OECD), young people must rely on casual work, have less control of planning their lives either financially or socially, change their job status more regularly, and pursue further study without a guarantee that they will end up in satisfying and secure forms of work.

In Europe, as elsewhere in the world, common causes of unemployment and disengagement of young people include: early school leaving without qualifications; lack of relevant skills and lack of work experience; precarious employment followed by spells of unemployment; limited training opportunities; and a paucity of effective labour market programmes (European Commission 2011).

While youth unemployment rates vary significantly throughout the world, they tend to be higher than those of adult populations. In 2013, for example, over 10 times as many young people were estimated to be as ‘inactive’ in developing economies compared to the overall working population (The Economist 2013b).

Asia Context

Of the 700 million young people in the Asia-Pacific, people aged 15 to 24 make up 20 per cent of the region’s workers. Of these, nearly 50 per cent are unemployed (ILO undated). Youth unemployment is particularly concentrated in certain parts of Asia. It is estimated that one tenth of economically active youth in South Asia, for example, were unemployed in 2013, “as employment is often taken up due to the necessity to make a living, even among the young. South Asia has one of the highest regional working poverty rates, and almost one in four workers are counted among the working poor, while working poverty rates are often higher for youth” (ILO 2013, p.13).

Addressing youth unemployment is “closely intertwined with economic development, child labour, rural livelihoods, urban and trans-border migra-
tion, gender, poverty and vulnerability” (ILO undated). The International Labour Organization (ILO) has cautioned that “Without sufficient numbers of new, decent employment opportunities the social and economic growth potential of the region will be compromised”.

Even in countries within the region that have fared well, such as Australia, there continues to be disproportionately high levels of youth unemployment. Figures from 2014 suggest that youth unemployment represents slightly under 40 per cent of all unemployment in Australia. More than one in three unemployed Australians is aged between 15 and 24 (Brotherhood of St Laurence 2014). Young people face unemployment levels at two or three times the overall working population. Those most at risk come from low socio-economic status backgrounds, live in regional or remote areas, come from indigenous backgrounds and/or have a disability (Lamb & Mason 2008; Robinson & Lamb 2009).

The Global Financial Crisis (GFC) of 2007 to 2008 intensified conditions leading to precarious employment in Asia and Australia. The UN has repeatedly observed the severe impact of the GFC on young people - particularly in the area of unemployment (UNRIC 2012a; 2012b).

As the OECD points out, young Australians were disproportionately affected by the GFC (OECD 2009). Economic downturns have long-term impacts on young people’s participation in work. Following Indonesia’s financial crisis in 1997, young people forced out of work were less likely to be in work 10 years on “and if they were, to have only informal jobs” (The Economist 2013b).

Demographic change is impacting on young people’s worlds of work.

Long term trends

Youth unemployment needs to be understood in the wider context of labour market change. Working life has become more fluid, and for many young people, precarious. Precariousness is characterised by: extremely low wages; the absence of employment protection; high employment insecurity; and low levels of employee control over hours, wages and conditions (Rodgers 1989, p.3).

Today, young people face declining opportunities for full-time work; increasing part-time and casual work; underemployment, underutilisation and involuntary part-time work; and youth unemployment.

Over the past three decades, youth participation in the labour force globally has been decreasing. In the decade following 1998, participation of young people in the labour market went down from 54.7 to 50.8 per cent (ILO 2010, p.3). More young people are taking up part-time work. For some, this is a choice, but many want more work but cannot get secure employment (Walsh 2015). Often, this is in contrast to older age groups. In Europe, for example, the percentage of workers employed on a part-time basis has increased over the past three decades for workers overall (Eurostat 2015, February 2).

Another notable trend is the proliferation of temporary work amongst young people (Eurostat 2015, February 2). Advanced economies in general are heavily reliant on temporary contracts — over a third of young people according to one estimate, ‘which make[es] it hard to gain skills’ (The Economist 2013b).

It is also argued that throughout the world, there is a mismatch between skills and jobs (The Economist 2013b). Business surveys in Australia, for example, suggest that young people are underprepared for working life — ranging from literacy and numeracy to soft skills such as communication and problem-solving (CCIQ 2011). There is an increasing requirement for employees to have high-level qualifications, with skills shortages identified across the EU, Australia and parts of Asia. In 2010, less than one-third of EU citizens (31 per cent) had a higher education degree, compared with over 40 per cent in the US, and over 50 per cent in Japan (European Commission 2010).

In summary, the challenges of youth unemployment are in a number of ways linked to changes in the labour market. There are also broader shifts that contribute to the fluidity and precariousness of youth employment.

Demographic change is impacting on young people’s worlds of work. Globally, there were more than six children aged 15 or less for every person aged 65 or older in 1950. In 2070, it is estimated the latter will outnumber the former and there will be only three working age people to every two people aged 65 and over (Cohen, cited in Hugo 2012). The fertility rate of half of the world is...
An ageing of the population might suggest that demand for labour might increase, however, in some countries this has not flowed on to jobs for young people. Japan’s youth unemployment levels, for example, never fully recovered from the financial crisis of the early 1990s despite its aging population (The Economist 2013b). Older age groups in fact absorbed some of the available work. Genda (2005) notes that in Japan the potential negative effects to the employment of middle-aged and older workers were somewhat shielded by cuts to young people’s employment during the 1990s recession (see also Cuervo, Crofts & Wyn 2013). In Australia, the median age of the population is expected to increase from 36.8 years in 2007 to 45.2 years in 2056 (ABS 2013b). The number of young people as a proportion of the population is shrinking and the proportion of people over 65 years is expected to increase from 13 per cent to 25 per cent by 2056. Between 2003 and 2013, the share of those aged 60-64 in the workforce increased from 39 per cent to 54 per cent. This increasing competition for work particularly affects young people who are qualified but lack experience (Birrell and Healy 2013).

Another trend worth noting is immigration, which has grown at historic levels and has been a major driver behind population growth. Australia, for example, is undergoing a ‘migration boom’ and has the fastest population growth in the OECD.

Australia has experienced a growth in migrants seeking work as Working Holiday Makers from Asia and Europe. Young working holiday makers from places such as Taiwan are intensifying competition for jobs with young local workers. It is argued that particularly vulnerable are those young Australians “without post-school education, who are seeking less skilled, entry-level jobs” (Birrell and Healy 2013a; 2013b). The intensification of migration produces other challenges: for example, In Australia, reports of abuse of young workers from Asia and Europe have recently become prominent issues (Meldrum-Hanna et al. 2015).

Flows of young people in search of work are intensified by economic downturns. In Europe, when youth unemployment soared throughout Europe following the GFC, one of the consequences was the mass migration of young people. Reports of a flight of young people from Spain seeking work (Johnson 2012) in 2012 included nearly 30,000 young people from Spain relocating to Germany in search of work.

Migration within large countries such as China is also significant and is closely linked to employment opportunities for young people. In 2009, around 11 percent of the total Chinese population were rural-urban migrants (approximately 145 million people in China alone), the majority of whom were born after 1980 (around 85 million to 100 million people). Much of this migration has been attributed to domestic policy (such as the One Child Policy) (Hu 2012).

**Recommendations**

As the ILO (2013) has suggested, the tools for addressing youth unemployment are “diverse — education, training, skills development, social protection, self-employment and entrepreneurship, language and technology.” Social enterprises play an important role across Asia in addressing challenges and opportunities related to youth unemployment. They can be nimble and work with and between other actors in the government, corporate and third sectors (UNESCO 2007; Walsh & Black 2011). Below are some recommendations for addressing youth unemployment, but as suggested above, they represent but a few of the diverse ways that social entrepreneurship could address the challenges of youth unemployment.

**Stimulate job creation**

Efforts to stimulate new job opportunities are important; however, these alone are not guaranteed to address the challenges outlined above (European Commission 2011). The evidence also suggests that many young people find work that may be of poor quality or insecure. As the ILO has found: “Finding decent work early in life avoids a vicious cycle of diminished prospects, poverty and social exclusion. Improving youth employment opportunities for individual young people will improve the economic, political and social future of the entire region” (ILO 2013).

**Provide targeted programs**

Because they are nimble, social enterprises can be well-placed to target particular groups or areas of need. Young women, for example, have particularly struggled to find work since the GFC. A 2013 report by Plan International and the Overseas Development Institute (ODI) highlighted how intensely the GFC and aftermath impacted upon young women in Asia (Stavropoulou & Jones 2013). Importantly, more girls drop out of school (29 per cent decrease in primary school completion for girls versus 22 per cent for boys).

**Efforts to stimulate new job opportunities are important; however, these alone are not guaranteed to address the challenges**
Improve student engagement and school completion
Those who successfully complete school tend to fare better in life across a range of indicators. Enterprises could develop programs targeting student engagement and school completion - particularly for at risk groups such as young women. To this point, a recent Plan/ODI report suggests the need in Asia for better social protection programs to keep girls in school (STAVROPOULOU & JONES 2013).

Extend opportunities to learn
The need “to extend and broaden learning opportunities for young people as a whole, including supporting the acquisition of skills through non-formal educational activities” has been widely recognised (European Commission 2010, p.4). Exploring avenues of non-formal and informal learning have been seen to be increasingly important in addressing the challenges of youth employment following the GFC. The recognition of skills acquired through learning activities within these contexts has been a priority in recent years (WALSH 2015). Social enterprises can play a significant role, as illustrated in the case studies below.

Develop soft skills
As economies and job markets undergo change, the need for adaptability to a changing labour force is significant. Kahn et al. (2012, p.5) note that “employers report frustrations that all too often young people are ill-prepared for life in the workplace. The consequence for young people is often a struggle to find meaningful or lasting employment. Governments too acknowledge that these skills are not just useful for the workplace but help to build cohesive communities with active citizens playing a role in civic life.” The need to develop skills and “key competencies... in line with labour market needs” (European Commission 2010, p.3; WALSH 2015) is not new. For example, they have been a feature of European strategies such as the European Commission’s Youth Opportunities Initiative (European Commission 2011). The Young Foundation in the UK has done some work on furthering their identification via its SEED skills framework, which incorporates social intelligence, emotional resilience, enterprise and discipline (Roberts 2009). These skills are often developed in non-formal education programs throughout Asia.

Develop entrepreneurial skills in young people
Efforts to develop entrepreneurial skills in young people to create their own work opportunities have become more prominent in various initiatives in Asia and Europe (eg see Lim and Grant 2014; European Commission 2010). Though valuable, they become problematic in two ways: firstly, in the context of a wider deficit of resources to support young people to generate their own work - particularly since the GFC as government funding has declined - this resource deficit restricts what young people can do; and secondly, when they are promoted within a neoliberal view that reduces the social safety net and shifts the burden of addressing unemployment onto the young, individualising the challenges they face in getting work.

Increase workforce mobility
Increasing workforce mobility is an important response to youth employment. It figures prominently on European agendas. Mobility is promoted through the identification of available jobs and relevant skills via a ‘European Vacancy Monitor’ (European Commission 2010, p.11). This approach could be applied elsewhere. But it is important to note that young people are often very reliant on familial and social networks, which are integral to their resilience. Consequently, efforts to improve geographic mobility should take into consideration the significance of these local networks.

Improve recognition of skills across countries
The European Skills Passport, which builds on the Europass, enables young people to record the competences acquired “throughout their lives in a variety of learning settings, including e-skills and informal and non-formal learning. This should facilitate mobility by easing the recognition of skills across countries” (European Commission 2010, p.10). This could be developed in Asia, and there are a number of start-ups internationally seeking to develop similar ideas.

Reduce the abuse of young people’s work rights
Social enterprises could seek to reduce the abuse of young people’s work rights through education and information campaigns targeting employers, young people and their families. This could be particularly useful to young migrants in light of the abuses mentioned above.
Some relevant questions to be tackled in the future

The issues and recommendations outlined above prompt several relevant questions to be tackled in the future:

• In light of the recent trend in which the global recession is forcing many young people into work and away from schooling, how can enterprises create incentives and programs seeking to re-engage young people in school and other forms of training and education?

• How can opportunities for learning and skills development be fostered through social enterprise in informal and non-formal settings? And how can these opportunities be integrated with formal education settings?

• How can authentic, hands-on opportunities be fostered through social enterprise to enable the development of work-ready skills and exposure to worlds of work?

• How can bureaucratic impediments to social enterprise be reduced?

• Of the 300 million young people in the Asia-Pacific who are employed, an important question arises as to the quality of their work: “Many young men and women... are obliged to take up jobs with poor pay, poor conditions and poor prospects. Without decent work, young people struggle to maintain dignity, build a family and invest in their future” (ILO undated). How can responses to youth unemployment through social enterprise not only seek to get young people in jobs, but in quality jobs? And given the greater labour market fluidity and insecurity experienced by many young people in work, how can social entrepreneurship seek to not only address youth employment, but get young people into secure work?

Conclusion

Recent global data suggests a pervasive pessimism among young people throughout parts of the world. High rates of global youth unemployment, the UN suggests, “results in a lack of hope to young people and social instability” (UNRIC 2012a). A survey of 20 countries found that a majority believe that their prospects will be worse (42 per cent) rather than better (34 per cent) (Ipsos MORI 2014). This pessimism is particularly pronounced in Western Europe, including countries that are faring relatively well such as Sweden and Germany.

These attitudes heighten the need for innovative and diverse responses to youth unemployment that could in part be developed through social entrepreneurship. There is a vibrant social ecology in which social enterprises are developing throughout Asia and the Pacific. One McKinsey report suggests that there are an estimated 116,000 social enterprises in Thailand alone “aimed at making sustainable, positive changes in the country” (LIM and GRANT 2014, p. 13). The ASEF is in a unique position to potential map, link and leverage the collective work of these enterprises across Asia and Europe.
Case studies from Australia

A diverse variety of programs exist in Australia that are administered by social enterprises and non-government organisations. The wider social and economic ecology in which enterprises are working to address the challenges of youth unemployment is in a nascent stage in Australia. Now is in some ways a good time to be investing in the area.

Examples of key actors in the field include: facilitators and enablers of social enterprise, such as Social Traders and enterprises seeking direct intervention, such as The Beacon Foundation. The case-studies below contrast a national prevention-based approach (Worlds of Work) with a more targeted intervention to young people in need (Education First Youth Foyers).

Social Traders’ seeks to develop the social enterprise sector in Australia through raising awareness, building capability, and expanding markets for social enterprises products and services. While not directly involved with youth unemployment per se, Social Traders has produced research and promoted enterprises seeking to address youth unemployment.

The Beacon Foundation, a national not for profit organisation, was established in 1988 in Tasmania. Focusing on young people living in disadvantaged communities and areas of high youth unemployment, Beacon collaborates with schools, businesses and communities to “help bring relevance to the curriculum, and inspire young people to think about careers and experience the workplace, long before they leave school. This helps school retention rates and teaches real-life skills, preparing them for the workplace” (Beacon Foundation 2015a). In 2015, The Beacon Foundation claims that it assists more than 15,000 young Australians across 120 schools and communities. The approach is based on one of prevention by providing hands-on interventions that enable young people to experience workplaces. It features a core community model that works with key community actors (schools, businesses and communities) over a three year period to develop shared objectives, “delivering a range of activities that enable young people to be workready. This results in young people with raised aspirations, confidence and motivation. They leave school with the 21st century employability skills that employers are looking for. Communities have a greater understanding and a heightened sense of belonging and ‘ownership’ that comes from providing long term solutions for their young people” (Beacon Foundation 2015b).

While transition pathways operate very differently across Oceania and Asia, there are some approaches that could be applied across contexts. The two case studies below illustrate how enterprises could address youth unemployment through; (1) prevention (Worlds of Work); or (2) through targeted responses to young people experiencing difficulties that affect their employability (Education First Youth Foyers).
Case study 1: Worlds of Work

Worlds of Work (WOW) is a national program developed and operated by the Foundation for Young Australians based in Melbourne, Australia. Like the Beacon Foundation, WOW works closely with teachers and schools to support young people (aged 15 to 17) to make successful transitions from school to employment by enhancing their understanding of the changing worlds of work through the development of their capabilities and confidence to participate in the workplace. Through exposure to workplace environments and specialist workshops focusing on personal development and future employment, this program seeks to cultivate skills in young people for lifelong career development.

The objectives of the program are to:

- Increase young people’s understanding of what it takes to be successful in life and work
- Enhance the employability skills of participants
- Improve young people’s transitions from school to life in the workforce/further study
- Meaningfully engage organisations and their employees towards the fulfilment of the WOW objectives
- Provide meaningful professional development for teachers
- Positively influence the Careers Development agenda in Australia (FYA 2015).

WOW seeks to provide opportunities for young people to learn about work through hands-on experience and immersion in actual working environments alongside their peers. In so doing, the program seeks to develop soft skills in young people that are aligned with employer needs. During the program, students have direct exposure of industry and workplaces and engage in conversations with employees from a variety of Australia’s workplaces. Participants have “the opportunity to ask questions and develop their understanding of work and careers as well as build contacts and connections, and reinforcing learning through reflective approaches, group discussions and student inquiry projects” (FYA 2015).

An internal evaluation of the program found that from 2011 to 2014, WOW has:

- Delivered 214 weeks of career education to 4900 students aged 15 to 17 from over 100 schools around Australia
- Delivered 72 weeks of career education to specific cohorts such as Indigenous young people and new arrivals from refugee backgrounds
- Worked with more than 200 secondary school teachers to strengthen teacher-student relations and explore more inspiring ways of operating within the classroom
- Partnered with over 90 Australian workplaces, engaged over 4000 workplace volunteers in conversations with young people about work, life and success (POPE, BERMAN, TEE & WILLIAMS 2014, pp. 4-5).

This program responds to at least three of areas of need. Firstly, it is based on the evidence that suggests that young people who have a sense of where they are going, in terms of employment, fare better in life. By exposing young people to different work environments, the program provides an opportunity for them to get hands-on, practical experience of these environments. Many of these young people would not have experienced such exposure during the course of their schooling. Secondly, the program develops soft skills ranging from communication to enterprise that will be beneficial to young people throughout their working lives. These skills are particularly important in light of economic change and uncertainty experienced by a large proportion of young people (WALSH 2015). Thirdly, WOW provides young people to enter into a dialogue with business and industry that could address the mismatch between skills and jobs reported globally (ILO 2013).
The Youth Foyer model has a long history internationally in combining affordable accommodation to training and employment, health and wellbeing and social participation aimed at young people who are homeless or at risk of experiencing homelessness. Over time the foyer approach has evolved across jurisdictions building on local experience together with emerging principles underpinning best practice. Foyers essentially seek to offer stable, affordable accommodation as a foundation for vulnerable young people to engage in programs to build their skills and capacities through access to a range of services to successfully transition to independent living. The foyer model has grown substantially over the past 25 years — particularly in the UK where 135 foyers service the needs of around 10,000 people aged 16-25 per year (MALLETT et al. 2014). Through this model it is claimed that more than 75 per cent of people who leave the program are engaged in employment or further education. The Australian model is currently undergoing evaluation.

The development of the foyer approach has been slow in Australia despite the need for better integrated services to more effectively assist vulnerable young people. The three new Education First Youth Foyers have been developed in Victoria, Australia, through a partnership between the Brotherhood of St Laurence and Hanover Welfare Services with core funding from the Victorian Government. Based on the UK foyer model, these foyers incorporate innovative design principles for both the facilities and service delivery that shift the approach from deficit to advantaged thinking about the problems faced by young people unable to live at home. This approach seeks to focus on “identifying, developing and investing in the skills, capabilities and assets” of young people by offering opportunities emphasizing what they can do rather what they can’t do (MALLETT et al. 2014, p.13).

Each EDYF consists of an integrated accommodation and learning centre collocated with a vocational education establishment. These foyers accommodate 40 students in a safe, secure and affordable facility for up to two years with 24-hour on-site support from trained staff. The young people are expected to participate fully in the range of activities on offer based on their individual plan to develop their core capabilities and resources (living skills, financial skills, social networks and housing residency skills) and to complete education, vocational training and work experience.

The aim of this collaborative initiative is to test the distinctive model and its unique features through a comprehensive evaluation, focussed on core outcomes of sustainable independent living and economic participation achieved by participants, in order to replicate the approach across other programs for vulnerable young people in transition to adulthood.
Lucas WALSH has co-authored two books, co-edited an additional book, nearly two dozen book chapters, monographs and peer reviewed journal articles and has written and presented widely in these areas to national and international audiences. His most recent book, In Their Own Hands: Can Young People Change Australia?, he and co-author Ros Black examined the cultural, social, economic and political experiences of inclusion and participation and provided recommendations on how we can better support young people seeking to make change. Previously Lucas has worked in corporate, government and not-for-profit sectors. He managed the Online Curriculum Centre within the International Baccalaureate in the UK, held three academic research fellowships and has been invited to consult local and commonwealth governments. He has worked extensively in collaboration with universities, NGOs, governments and the private sector throughout his career and has briefed State and Federal Ministers and senior policy advisers.

The Asia-Europe Foundation (ASEF) promotes understanding, strengthens relationships and facilitates cooperation among the people, institutions and organisations of Asia and Europe.

Since 1997, ASEF has contributed as part of its rich thematic portfolio to education policy dialogue and capacity building, and facilitated youth networks. Run by ASEF’s Education Department (ASEFEdu), our projects strengthen collaborations between education institutions and exchanges among young people, academics and educators through interdisciplinary and pragmatic approaches. In doing so, we directly link these key players in education to the ASEM Education Process and ASEM Leaders’ Meetings.

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References


