



Ms Kristy Bryden
Acting Committee Secretary
Standing Committee on Education, Employment and Youth Affairs
Legislative Assembly for the ACT
GPO Box 1020
Canberra City, ACT
committees@parliament.act.gov.au

29 June 2017

Dear Ms Bryden,

Re: Letter of Support for ACTCOSS' Submission to the Inquiry into Insecure Employment in the ACT

On behalf of the Youth Coalition of the ACT (the Youth Coalition), I would like to thank the Standing Committee on Education, Employment and Youth Affairs for the opportunity to provide input into the Inquiry into Insecure Employment in the ACT.

Unfortunately, we do not have the resource capacity to develop a full submission at this time, however, the Youth Coalition is committed to highlighting the experiences and concerns of young people who are impacted by insecure employment.

The Youth Coalition continues to work closely with the ACT Council of Social Services (ACTCOSS), and the ACT Peaks Network more broadly, to advocate on a range of issues that impact people experiencing disadvantage in the ACT.

We understand that ACTCOSS will be making a submission to this Inquiry that addresses a number of important areas related to the extent, nature and consequence of insecure work in the ACT. Having reviewed their recommendations, the Youth Coalition submits this letter of support for their submission. We would also like to take this opportunity to highlight some information that is specific to the employment experience of young people in the ACT.

Insecure work and young people in the ACT

Employment has been a key focus area for the Youth Coalition's policy and advocacy work in recent years. Employment affects many aspects of young people's lives, including housing, health and education, and has an impact on income, social inclusion, workplace rights and relations, independence, and future prospects.

Unemployment and underemployment have been linked to many poor outcomes. Unemployed young people are more likely to have mental health issues, poor dental

and overall physical health, and have a higher mortality rate.¹ Conversely, employment is seen as a protective factor for social inclusion, better health and self esteem.

Research shows that young people are one of the population groups that are likely to be most impacted by insecure work. This is a result of a number of intersecting factors, including the casualisation of the workforce. Research shows that young people are more likely to be employed in industries that rely on casual employees, such as hospitality and retail.

In 2016, the Youth Coalition conducted a survey of young people aged 12 to 25 called *Rate Canberra 2016*. With more than 2000 young Canberra participating in the survey, the findings provide a unique snapshot of the key issues, experiences, and views of young people in the ACT & surrounding region.

Almost 70% of respondents who were working identified that they work in either retail/sales or hospitality/tourism. These industries are known to have a casualised workforce and be disproportionately impacted by economic fluctuations, suggesting that job security is not a common feature of young people's employment experience.²

The ACTU's 2012 *Independent Inquiry into Insecure Work in Australia* found that:

*'For young people, opportunities to find full-time work have declined dramatically over the past 25 years, the stability of working life has decreased, the nature of the working environment young people experience has changed significantly as increasing numbers find themselves in casualised industries, and long-term unemployment remains higher than among the rest of the population.'*³

Findings from the *Rate Canberra 2016* survey showed that unemployment and underemployment is a significant issue for young Canberrans. 21% of survey participants indicated that they were looking for work, a figure that is close to double the reported ACT youth unemployment rate.

Further, 53% of 16-17 year olds and 61% of 18-21 year olds identified they would like to increase the number of hours they work. The Youth Coalition believes this indicates a need for a better understanding of the extent and impact of underemployment for young Canberrans.

In the survey, young people were also asked to report on issues that were affecting their lives and worrying them. The top issue identified was 'school, work or study' with 38% of respondents reporting that it was affecting their lives and worrying them. 'Employment' was also a top concern, with 21% reporting that it affects and worries them.⁴

The Youth Coalition believes that one of the most significant impacts of insecure work is financial insecurity. In the *Rate Canberra 2016* survey, 'money for expenses' also emerged as a top concern for the older age groups, with 34% of 18-21 year olds

¹ Mathers & Schofield, 1998, *The Health Consequences of Unemployment: the Evidence*, Australian Institute of Health and Welfare, Canberra.

² Youth Coalition of the ACT, 2016, *Rate Canberra 2016*.

³ Australian Council of Trade Unions, 2012, *Lives on Hold: Unlocking the Potential of Australia's Workforce*, The Report of the Independent Inquiry into Insecure Work in Australia.

⁴ Youth Coalition of the ACT, 2016, *Rate Canberra 2016*.

and 28% of 22-25 year olds reporting that it was affecting their lives and worrying them.

At this age (18-25), young people are likely to be transitioning to financial independence, however, many under the age of 21 are not receiving a full adult wage. Junior pay rates are a common feature of the awards and enterprise agreements of industries that young people are likely to be employed.⁵

'Having recently moved out of home I know how hard/expensive it is to afford food and rent on a 19 year old's wage. From 18 years old, we should all be paid an adult wage if we're living in an adult's world.' - 19 year old⁶

The Youth Coalition appreciates the opportunity to provide feedback on the Inquiry into Insecure Employment in the ACT. We would welcome the opportunity to appear at any public hearings for the Inquiry and look forward to discussing our views further.

Please do not hesitate to contact me on (02) 6247 3540 or at rebecca@youthcoalition.net. We look forward to hearing from you.

Sincerely,

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⁵ Fair Work Ombudsman, 2017, *Junior Pay Rates*, available online at <https://www.fairwork.gov.au/pay/minimum-wages/junior-pay-rates#1653-1662>, accessed 29 June 2017.

⁶ Youth Coalition of the ACT, 2016, *Rate Canberra 2016*.