**Long-term Insights Briefing: Executive Summary**

Preparing All Young People for Satisfying and Rewarding Working Lives

**Prepared by:** Ministry of Business, Innovation and Employment, Ministry of Education, Ministry of Social Development, Ministry for Women

Long-term Insights Briefings are future-focused documents that provide information about medium and long-term trends, risks and opportunities that may affect New Zealand. This draft Long-term Insights Briefing has been prepared by the Ministry of Business, Innovation and Employment, Ministry of Education, Ministry of Social Development and Ministry for Women.

What is limited employment and why does it matter?

Preparing all young people for satisfying and rewarding working lives is an important topic for a Long-term Insights Briefing. Although many young people successfully navigate transitions from school to work, further education or training, a significant proportion of young people experience persistent barriers which prevent them from reaching their employment goals and aspirations. This is a longstanding and complex policy challenge with multi-generational consequences.

Most young people are not in education, employment or training (NEET) at some stage from ages 15 to 24. Short-term NEET is not usually a problem if young people shift quickly between jobs, or between work and study to pursue new opportunities. However, some young people experience very high levels of *limited employment*, characterised by:

* long or frequent periods of benefit dependency, unemployment or under-employment
* being trapped in low wage, low skill and precarious work, and/or
* continual enrolment in low level tertiary education.

This briefing identifies opportunities to improve education and employment system responses to support youth employment outcomes in the medium- and long-term. There are opportunities for government to better meet its Te Tiriti o Waitangi responsibilities and to future-proof our education and employment system to address future demographic and labour-market trends. The briefing has a particular focus on actions that require co-ordinated responses from education and employment agencies, rather than single agency responses.

Pathways into limited employment

Chapter 2 uses administrative data from the Stats NZ Integrated Data Infrastructure (IDI) to explore the nature and scale of youth experience of limited employment at ages 16 to 24.

The analysis highlights the complex array of factors that influence young people’s lives. There are clear links between limited employment at ages 16 to 24, early home environment and experience of socio-economic disadvantage in childhood. In turn, early life experiences are strongly associated with education and employment outcomes in adolescence and early adulthood, such as leaving school with low or no qualifications. Educational attainment is not a silver bullet, but it is protective against later experience of limited employment.

While pathways into long-term limited employment are not pre-determined, the influence of earlier life experiences often persists, and cumulative life experiences can influence later employment outcomes. This highlights the need for effective system responses at different ages and life stages. Education and employment system responses have the potential to mitigate – or create – barriers to limited employment. Delivering more equitable employment outcomes requires a focus on creating effective pathways into sustainable work for rangatahi Māori, Pacific young peoples, young mothers, disabled and deaf people.

Towards a more effective system

Chapter 3 discusses future directions for delivering system-level change, organised around three key life stages, from childhood to early adulthood.

Early learning, engagement and attainment in schooling

A greater focus on cognitive and socio-emotional development in the early years holds promise. Future opportunities could include:

* increasing the reach of evidence-based parenting programmes to support cognitive and socio-emotional development for whānau and children most likely to benefit
* building capability of the education workforce to support socio-emotional development in early learning services and schools.

This could be coupled with efforts to systematically identify and scale up what works to deliver equitable outcomes, including:

* identifying and responding earlier to learning and behaviour support needs as they arise, including the development and use of assessment tools
* sustained efforts to grow Māori medium and kaupapa Māori education, and build a more culturally responsive education and learning support workforce
* developing effective responses to early signs of education disengagement, including exploring funding or regulatory changes to enable greater tailoring or education content and delivery to meet individual interests and needs (e.g., combining school-based teaching and learning with online, tertiary education and/or work-based learning opportunities).
* addressing relative under-investment in education sciencesand building up the New Zealand education research and evaluation evidence base.

Implementing system-level changes requires recognising expertise outside of government and new models of working in partnership with others. To address wider barriers to learning, attendance and engagement, local-level collective efforts are needed, with government agencies working with the education workforce, iwi and Māori organisations, and social and community services. There are also opportunities to learn from initiatives such as *Whānau Ora* and *Enabling Good Lives*, that offer strength-based needs assessments and deliver holistic support to children and young people and their whānau.

Preparing to find and secure employment

There are opportunities to better prepare young people for the world of work to prevent poor post-school outcomes before they occur.

A revamped careers system could provide more support for navigating education and employment pathways before leaving school. Quality, personalised careers advice and guided conversations for young people and their whānau can assist young people to explore and prepare for their future. Government could consider:

* creating greater universal access to careers advice and guidance
* targeting more intensive careers services and support to school age ākonga and ara mātauranga (ākonga in alternative education settings) who may benefit the most.

Careers system changes could be accompanied by efforts to provide more opportunities to explore the world of work and gain valuable work experience, prior to leaving school. Choices range from boosting regional efforts to promote work experience opportunities to introducing new school-to-work apprenticeships. The latter would represent a major system change, by enabling more young people to ‘earn while they learn’, providing a direct route into paid work with access to higher-level training.

Government faces choices around *how* any changes to strengthen school to work connections could be implemented. New delivery models to foster school to work connections could involve the development of area-based partnerships, involving groups of schools, local iwi, Te Pūkenga, and/or regional employer and industry groups. There are also opportunities to take a more preventative approach to support young people and their whānau who are most likely to experience significant limited employment. This could involve:

* linking careers services more closely to community-based youth employment and other services
* supporting access to earlier more tailored strengths-based support to assist young people find and secure work
* broadening the target population for community-based youth and other employment services to include those in low paid, insecure work or foundation-level tertiary education.

Government could also encourage more innovative and ‘joined up’ service delivery through changes to commissioning models for youth and other employment services. This could involve funding providers to build capability, work more cohesively across local services, and deliver longer-term outcomes. Government faces future commissioning choices around the level of central prescription or local flexibility, and approaches to monitoring and evaluation.

Building resilient connections to the workplace

Finding and securing a job is just a first step for some young people who experience more complex barriers to sustainable work. However, many youth and other employment support services end once (or very shortly after) a young person is placed into employment, which risks removing support when a young person is still adjusting to work.

Youth and other employment services could be reformed to provide more seamless pre- and post-employment support to young people who need additional assistance to stay in work and/or to progress towards their future employment goals. This could include providing:

* a more consistent access to post-placement employer brokerage and job coaching to troubleshoot workplace issues that could place a job placement at risk
* a “first point of referral” to assist employers in providing pastoral care to young people in the workplace, and raise awareness of available services and support
* access to impartial advice on career pathways and training options alongside job search assistance and matching services for young people seeking to upskill, step up to a new role or enter a new industry.

Some employer behaviours present barriers to sustained connections to work – for example, discriminatory hiring practices and a lack of cultural competence. Future opportunities include:

* working with industry figures to expand the reach of best-practice toolkits that highlight employer responsibilities and encourage greater cultural responsiveness, and
* expanding the accessibility and reach of employment protection and/or health and safety advice as well as reminding employers of their responsibilities and better central monitoring and enforcement.
* This draft represents the second round of statutory consultation for this Long-term Insights Briefing. Your input will be valuable in helping us develop the final briefing for submission to the House of Representatives.
* We are interested in hearing your views on all parts of the draft briefing. However, we are particularly interested in your feedback on the possible **future directions for system-level changes** set out in Chapter 3.

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