# **Summary**

# **Consultation to develop a Long-Term Insights Briefing:**

# Youth at risk of limited employment

## **We are seeking your input and insight**

We are asking for your feedback to help develop a Long-Term Insights Briefing on youth at risk of limited employment.

Your input will help ensure we understand the challenges, priorities and options to get better outcomes for young people who are at risk of limited employment.

The final Long-Term Insights Briefing will be a resource with information, analysis and policy options to help government and communities respond more effectively for youth at risk of limited employment.

By better supporting young people to gain higher skills and work experience, government will be able to support them to achieve longer-term employment. This could also support young people to achieve better outcomes in other areas such as housing, health and overall individual and whānau wellbeing.

# Who are youth at risk of limited employment?

## **Key question to consider: Is youth at risk of limited employment a worthwhile subject to investigate further through a Long-Term Insights Briefing?**

Youth at risk of limited employment are 16 to 24 year-olds who cycle between low-paid, part-time or casual jobs, unemployment or low-level tertiary education.

Young people who get stuck in this cycle are more likely to be in this situation for much of their lives. This is likely to lead to poorer outcomes for young people and their whānau.

Limited employment is a longstanding and pressing issue for young people.

Out of 513,000 16 to 24 year-olds in 2015, an estimated 134,000 were in limited employment. Of these:

* 26,000 were at high risk of longer-term limited employment
* 51,000 were at medium risk of longer-term limited employment
* 57,000 were at low risk of longer-term limited employment.

There are high numbers of youth at risk of limited employment in the Auckland region (30 per cent), as well as the Waikato and Wellington regions (22% each).

There are high proportions of higher risk young people in Northland and Gisborne - 25% of youth at risk of limited employment in those regions were in medium and high-risk groups.

### Risk factors

We know that finding and holding onto a job is more difficult for young people who:

* come from disadvantaged backgrounds
* have had contact with Oranga Tamariki or the justice system
* leave school with no or low qualifications
* get stood down, suspended or are truant from school
* are young parents with children to care for
* are disabled
* have health issues (including addiction and mental health)
* do not have a driver licence.

## **What we have heard from others**

### School and tertiary education doesn’t work for everyone

In the National Education Conversation, we heard from 2,000 8 to 15 year-olds that:

* school does not work for all students
* not all students feel welcome at school
* some students do not feel included or have a sense of belonging
* some experience bullying, discrimination or a lack of recognition of identity, language and culture
* some feel the learning isn’t relevant to them.

We also heard that parents and whānau face difficulties making connections with schools.

Tertiary education helps many young people find a successful career, but some young people get little benefit from repeated attempts at low-level tertiary study.

### Not all young people get the support they need to be ready for work or training

The Welfare Expert Advisory Group (WEAG) received feedback that young people entering the workforce were not getting sufficient support to ready them for training and employment. Suggestions from the WEAG included:

* more focused effort to intervene early before young people entered the welfare system
* more courses or training programmes with a focus on careers and jobs of interest to youth
* more training opportunities that take into account the needs of sole parents.

### Employment support for disabled young people needs to begin early

Public feedback on the Disability Employment Action Plan (Working Matters) highlighted the importance of starting early, with better transitions from school to other education and work, and early access to work experience.

### Limited employment is an issue for young people

Limited employment was highlighted as an issue for young people during engagement on the Youth Employment Action Plan in 2019. The Plan contains actions to prevent young people from falling into limited employment, supporting them to make informed choices when moving between school, training and work, and overcome barriers to employment. We will build on the Youth Employment Action Plan in the Long-term Insights Briefing.

# Government responses and outcomes over the past 10 years

Limited employment is a longstanding problem and a particularly pressing issue for young people. It is strongly linked to a higher likelihood of limited employment later in life, with negative implications for the health and wellbeing of both individuals and their whānau.

## **Responses**

Government responses over the last decade have focused on supporting:

* better school attendance
* young people who are not in employment, education or training (NEET), rather than the wider group of young people at risk of limited employment
* more young people to gain higher qualifications (NCEA Level 2).

## **Progress and limitations**

While some progress has been made, these responses are showing some limitations:

* The focus on supporting young people who are NEET can exclude some young people at risk of limited employment – for example, those in casual, part-time or low-paid jobs or low-level training
* We have seen qualifications and attendance rates trending down over time.
* Children and young people’s sense of belonging at school and experiences of bullying have been getting worse over time.
* We know the school system does not prepare some young people with the knowledge, skills and attitudes to succeed in work or tertiary education.
* For people who leave secondary school with limited qualifications, the tertiary education system can offer limited quality learning options that lead to ongoing employment.
* We have seen that young people who lack the right skills in the labour market face challenges getting into and staying in quality employment.
* Employers may have mismatched expectations about young workers new to employment, or how to best support them.
* Current programmes and support do not help everyone to gain the skills to be part of the work force.
* The social welfare system, which includes employment services and assistance, is less effective in supporting young people to get into sustainable work and stay off benefit.

## **Wider changes may affect young people’s employment opportunities**

Challenges for youth at risk of limited employment could become greater with wider changes in New Zealand. This means we may need to adjust our approaches to better support young people at risk of limited employment.

**The population is changing:** While New Zealand’s population is ageing, Māori and Pacific people will make up more of the youth population in future. We also expect continued growth of young people in urban areas, particularly in the upper North Island. This may have implications for services targeted at young people.

**The labour market is changing:** New technologies and climate change may change the types of jobs and skills needed to be part of the work force, and where industries are located. Some young people may need additional or new types of support to successfully navigate these transitions.

# Effective programmes and approaches

## **Key question to consider: What kind of initiatives, programmes or approaches do you think are most successful?**

Without the right interventions, youth at risk of limited employment may continue to experience poorer long-term outcomes, and the proportion of young people at higher risk may grow in future.

We do not have a complete understanding of what is most effective. Some recent programmes show signs of being effective - for example, Mana in Mahi. However, some programmes have been less effective and need more work to refine them.

Previous research suggests the most effective interventions for youth at risk of limited employment include the following:

* support to develop interpersonal and soft skills such as time-management, working with others and resilience, teaching young people appropriate behaviour and norms in the workplace.
* experience in the labour market, including work experience.
* a combination of multiple services and wraparound supports – such as pastoral care and on-the-job training – as young people often face multiple barriers.
* targeted services based on level of need - from those who need light support through to the most disadvantaged or hard to reach young people.
* effective follow-up systems and incentives to keep young people in the programme.

# Proposed scope of the Long-Term Insights Briefing

## **Key question to consider:** **Do you agree with the proposed scope of the Long-Term Insights Briefing?**

Education, employment and labour market statistics show us more could be done to ensure at-risk young people are not limited in reaching their full potential.

The proposed scope of the Long-Term Insights Briefing covers:

* the education and training system
* the social welfare system (which includes employment services and assistance)
* regulation of the labour market.

We do not propose that other areas such as housing, health and the justice system will be in scope, although we recognise these are closely linked.

# What we should focus on

## **Key questions to consider:**

* We have identified three broad focus areas. Do you agree with those focus areas, and why or why not?
* Which focus areas do you think should get the highest priority?
* Are there any other focus areas you think we should consider?
* What do you see as the best opportunities to get better results for young people at risk of limited employment?
* Are there barriers we have not mentioned?

With better support to gain skills and work experience, more young people will be able to achieve better paid, longer-term employment, and a better future for themselves and their whānau.

Based on current evidence outlined in this document, we have identified three broad areas we could focus on.

## **Focus 1: Young people under 16 years old**

Providing earlier support to prevent young people under 16 years old becoming at risk of limited employment, including:

* more focus on preventative measures when young people are still in school
* making school more inclusive for young people who may become at risk of limited employment by supporting student voices and improving school attendance, engagement and whānau connections
* the relevance of the education pathway at secondary school, including a suitable curriculum and alternative education options and training so young people gain the soft skills they need for employment
* ensuring there are appropriate supports and services for students with learning support needs
* system shifts so Māori learners and their whānau enjoy success as Māori.

## **Focus 2: 16 to 24 year-olds at higher risk**

Supporting transitions into work for 16 to 24 year-olds at risk of being in limited employment, including:

* building intra-personal and soft skills needed to succeed in work
* clear, supported pathways through secondary school into vocational education and work
* relevant careers support so young people can make good decisions
* considering the role employers play in supporting transitions
* addressing barriers to upskilling in the workplace, including youth outside formal education and training, to build skills through work experience.

Refining service delivery including:

* employment support to access the labour market and addressing the known risk factors that cut across government agency responsibilities
* investigating or expanding ways of delivering services and supports that target and engage people more effectively; for example, services designed and led by the community and/or iwi or hapū, and place-based initiatives.

## **Focus 3: At-risk groups**

Targeted support for groups who are most at risk of limited employment, including:

* disabled young people
* LGBTQIA+[[1]](#footnote-1) youth
* young parents
* young Māori and Pacific people, particularly due to their growing youth populations
* locations with high numbers or proportions of youth at risk of limited employment.

A broader focus on labour market settings including:

* how employers can be supported to take on young people and help them flourish
* better understanding the jobs and industries youth at risk of limited employment engage in when they do enter work
* the structures and employment arrangements that affect young people’s ability to stay in work.

# Summary of questions

* Do you agree that youth at risk of limited employment is an important issue to address in the Long-Term Insights Briefing?
* What kind of initiatives, programmes or approaches do you think are most successful?
* Do you agree with the proposed scope of the Long-Term Insights Briefing?
* We have identified three broad focus areas. Do you agree with those focus areas, and why or why not?
* Which focus areas do you think should get the highest priority?
* Are there any other focus areas you think we should consider?
* What do you see as the best opportunities to get better results for young people at risk of limited employment?
* Are there barriers we have not mentioned?

1. LGBTQIA+ includes individuals who identify as Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual and other rainbow identities outside of those mentioned. [↑](#footnote-ref-1)