Australia: Three-fold rise in long-term youth unemployment since 2008

Alan Leigh
6 June 2014

One of the main targets of Prime Minister Tony Abbott's Liberal-National coalition government's austerity budget is the tens of thousands of unemployed young people.

From January 2015, unemployed workers up to the age of 30 will have to wait for six months without any income support before becoming eligible for meagre unemployment benefits. Moreover, these benefits will be tied to compulsory "work-for-the-dole" schemes. The government has also axed the Youth Connections and Wage Connect programs, which provided limited vocational assistance and wage subsidies.

These measures are aimed at forcing young people, now confronting record unemployment levels, into low-paid temporary and casual work or into joining the military.

The Department of Social Security revealed on Wednesday that it is anticipating more than 500,000 requests from youth for emergency assistance—a 30 percent increase on current demand—over the next four years. According to recent figures, more than 50,000 youth are homeless, with over half of these being young women aged 12 to 18. These numbers are expected to rise dramatically as a result of the budget measures.

While youth unemployment—particularly in working-class areas—was already at high levels before the global financial crisis erupted in 2008, a report from the Brotherhood of St Laurence charity group in April indicates dramatic increases in the rate and duration of unemployment during the past six years.

Brotherhood of St Laurence executive director Tony Nicholson told the media: "I really do fear that the worst-case scenario is already beginning to unfold; that is, having large numbers of long-term unemployed youth at risk of never getting a foothold in the world of work, of never being able to build a decent life for themselves through having a job."

The report, based on Australian Bureau of Statistics (ABS) figures, shows that an average 12.4 percent of young people between the ages of 15 and 24 were out of work in the year to January, with figures topping 20 percent in some parts of the country. The average length of unemployment for 15- to 24-year-olds, moreover, climbed from just above 16 weeks during the first months of the 2007-08 financial year, to nearly 29 weeks in February 2014—an 81 percent rise.

Over the same six-year period, the number of long-term unemployed youth—defined as those out of work for 52 or more weeks—jumped threefold to just over 50,000, or 18 percent of the total number of unemployed youth. Altogether, almost 278,000 young people are officially jobless, although these figures underestimate the real levels of unemployment. ABS data excludes those who have stopped looking for work or who work for just one hour a week.

The Brotherhood of St Laurence report also cited results from an ongoing long-term survey on the association between prolonged youth unemployment and poor health, lower educational achievement and further periods of joblessness later in life. The likelihood of being unemployed over the age of 25 is three times higher for those who were not employed while young, and the chances of having poor health 80 percent higher.

These figures replicate those in a report for the UK and European governments last year from the World Health Organisation and the University College London Institute of Health Equity. The report highlights the detrimental health consequences of youth unemployment. Leading researcher Professor Michael Marmot warned that "persistent high levels of youth

© World Socialist Web Site

unemployment are a public-health time bomb waiting to explode."

With no prospect of finding decent full-time work, increasing numbers of young people are being pushed into further education or training. This means that after graduation, they are burdened with tens of thousands of dollars of debt. Under conditions of escalating job destruction throughout the economy, they are being forced to accept casual or part-time, low-paid jobs or even work for free to gain "work experience." According to a 2012 survey by Graduate Careers Australia, nearly a quarter of university graduates looking for work were not able to find jobs four months after they finished their degrees.

With falling investment and the impact on the Australian economy of a slowdown in China, the major corporations, backed by federal and state governments, are intensifying their assault on job, wages and working conditions. In January alone, more than 7,100 full-time jobs were axed. Under these conditions, low-skilled working class youth are the first in the line of fire.

Charities and other so-called not-for-profits are playing their own part in the social offensive against youth. These organisations have often become beneficiaries of the government's privatisation and contracting out of job placement, training and other social services.

The Brotherhood of St Laurence, for example, is currently trialling a program for youth who have supposedly become "disengaged" from the workforce in Melbourne's western and northern suburbs. This service focuses "on building 'employability' skills such as punctuality, the ability to work in a team and having a practical understanding of workplace expectations."

A program run by the BoysTown organisation is operating boot camps in Queensland, New South Wales and South Australia. The camps, for school-leavers aged 15 to 21, claim to instill a "sense of discipline" among youth. The central aim of these programs is to condition young people to accept whatever low-paid, highly exploitative jobs that become available.

The grim prospects now facing Australian youth are the product of three decades of job destruction and social spending cuts by consecutive Labor and Liberal-National governments, aided and abetted by the trade unions, which have presided over the closure of broad sectors of manufacturing and other industries, and endorsed every attack on basic working conditions.

The author also recommends:

Australian youth unemployment reaches "crisis point"
[10 March 2014]

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site