



# YMCA Australia Pre-Budget Submission 2021-22 Federal Budget

Burning Budget Issues for Young People -  
Post-COVID and Beyond

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## YMCA AUSTRALIA

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## Key Statistics on young people in Australia:

- Around 3.15 million young people aged 15-24 (13% or 1 in 8 of the total population) (ABS 2020)
- Just over 70% participate in the labour market, with around 14% or 312,500 of these young people unemployed (LMIP Feb 2020)
- A 21 year old entering the workforce today during the COVID-19 recession will likely earn \$32,000 less over the coming decade (Grattan Institute 2020)
- Young people are over-represented in the gig economy (53%) where there are much fewer workplace protections (FYA 2020)
- For young men the leading health burden was suicide or self-inflicted injuries (12.8%) followed by alcohol use disorders (7.2%) (AIHW Health of Young People 2020)
- For young women the leading health burden was anxiety disorders (11.3%) followed by depressive disorder (8.9%) (AIHW Health of Young People 2020)
- Around 35% of young people live in regional, rural or remote Australia (ABS 2020)
- 41% of young people aged 15-24 are overweight or obese (ABS 2019 - National Health Survey 2017-18) - higher for young men (47%) than young women (36%)
- Indigenous young people aged 10-24 - nearly 250,000 - represent around 5% of the Australian youth population, and live mostly in non-remote locations (ABS 2019)

## 1.0 Background

YMCA Australia (the Y) welcomes the opportunity to provide our input to the Pre-Budget Submission process for the 2021-22 Federal Budget.

In Australia the Y employs over 13,000 staff (including 8,000 young people under the age of 30), is supported by 1,100 volunteers and is active across 600 sites in every state and territory. Although severely disrupted during 2020 and early 2021 due to COVID-19, the Federal Government's support packages such as JobKeeper and the Early Childhood Education and Care package allowed us to retain connection and often employment with young people across the country.

The Y believes in the power of inspired young people and while our programs, services and initiatives support individuals and communities across the lifespan, we are united by our positive impact on young people.

**We acknowledge the significant challenges facing our nation as we put in place recovery measures that help the whole country navigate the economic, social and health outcomes of the COVID-19 pandemic. Initiatives aimed specifically at young people are vital in this effort and must be included in the 2021-22 Federal Budget.**

There can be no doubt that young people have been dramatically impacted over the past year with upheavals in their education, training and employment pathways and disruption to social connections. The Y is extremely concerned about the toll these issues are already having on the confidence and optimism of young people, and both the short term and longer term impact on their life chances and mental wellbeing. Importantly, we also recognise the critical role that young people will play in our economic and social recovery and the Y strongly believes that young people must be at the centre of how we re-imagine our future as a nation, for the benefit of all Australians.

Following our submission to the 2020 Federal Budget, we welcome the Government's inclusion of the youth portfolio in Cabinet through the appointment of The Hon. Alan Tudge as Minister for Education and Youth, and the appointment of an Assistant Minister for Youth and Employment Services, The Hon. Luke Howarth. We also warmly welcome the announcement of \$900,000 in grants to youth advocacy projects to help raise the voice of young people at a national level. This included \$98,000 to the YMCA for its 'Empowering youth voice - economic participation and employment pathways' project, which is working with young people across the country to capture their view and input into a range of policy areas.

This submission is focused on Federal Budget considerations that will not only support young people experiencing the immediate and direct impacts of COVID-19, but also the investment

required to ensure young people are leading and informing our economic and social recovery into the future. As the experts in their own lives, the voice of young people is critical in informing our collective response to the current COVID-19 crisis and beyond.

Young people of today will be the 30 and 40 somethings of tomorrow – so unless we collectively make the investment in young people now, our future tax base, our future workforce, and our future leadership will be eroded. Our economic recovery depends on it.

## 2.0 Priority areas for investment

**In developing the 2021-22 Federal Budget, the Y urges the Federal Government to prioritise:**

### Employment and economic participation

- Support for the new Y Career Agency as a critical end-to-end supported work placement and skills development Agency for young employees as a way of building and developing their 'career portfolio, with a focus on carer careers;
- The restructure of employment policy and service systems to ensure youth specific programs remain and with a focus on prevention and early intervention, addressing and mitigating the risk of disengagement of young people from the labour market;
- Increased funding and access to vocational training opportunities associated with work opportunities through partnership with local businesses;
- Long-term investment in demand driven strategies such as job creation through infrastructure projects, the development of the carers economy and industry partnerships with a particular attention to growth and future-focused sectors; and
- Collaboration and co-design with young people to develop innovative new approaches that meet their needs in the modern labour market.

### Mental health support and services

- Additional investment in mental health for all Australians, with a particular focus on services and initiatives that tackle young people's mental health problems and enhance their capacity to cope with challenging social and economic circumstances;
- Mechanisms to ensure that young people are consulted and engaged in mental health service planning to ensure service delivery is tailored to their specific needs and preferences;

- Funding for programs that highlight the importance of physical activity to promote good mental health, including accessible organised sport with reduced participation costs, increased availability and improved facilities; and
- A renewed commitment and investment in prevention and early intervention to ensure hard to reach and particularly vulnerable young people are supported to seek help before the onset of a mental health crisis.

## Safety - online and in-person

- Continued investment in e-safety initiatives and programs to ensure schools, services and parents/carers are trained and supported to ensure children and young people are engaging in positive online behaviours and have clear mechanisms to report any concerns or breaches;
- An ongoing commitment to the National Children's Commissioner position and the Protecting Australia's Children framework; and
- Commitment to additional investment in the prevention of family violence and the ability of children and young people to seek help and support and report their concerns in a safe and protected way.

## Youth Voices and Policies

- Release the National Youth Policy Framework, developed in consultation with young people and services throughout 2020;
- A commitment to long-term investment in youth advocacy via youth peaks and other organisations supporting and representing young people;
- A commitment to funding and supporting young people themselves to provide policy advice and representation to government portfolios through established and supported advisory structures.

### **Some of the innovative ways in which the Y empowers young people to raise their voice include:**

- Youth-led solutions summit (held online for the first time in 2020)
- Global Change Agent Program, including our Young CEO Program to foster leadership and decision-making amongst young people
- WhyNot - the Y's national online platform to stimulate debate, prompt conversations and create awareness about issues that matter to young people
- Virtual Y platform developed specifically in 2020 to fill the gap when young people couldn't meet in person including youth clubs and Youth Parliaments

## 3.0 Employment and economic participation - post-COVID and beyond

The immediate impacts of COVID-19 on the labour market resulted in deep fissures in an already unstable and uncertain employment landscape for young people. A pre-COVID state for many young people was already characterised by:

- employment in highly casualised sectors such as hospitality, tourism and the arts;
- an escalation of the occurrence of wage theft;
- the precarious and unregulated nature of the gig economy;
- the depletion of entry level jobs; and
- the inadequate level of jobseeker and youth allowance payments.

COVID-19 significantly exacerbated the systemic inequity and exclusion faced by many young people with damaging flow-on effects such as mental ill-health and homelessness.

The Y has worked with partners in business, philanthropy and across government to develop an exciting new initiative - the **Y Career Agency** - to help address the immediate and longer term employment and training issues facing young people. At the same time it seeks to address the serious workforce shortages being experienced in 'carer careers' such as in health, child care, disability care and aged care sectors.

We acknowledge the positive impact of the JobKeeper program in many industries, and also the expansion of JobSeeker payments during COVID-19. We also note however, that access to this support was limited for many young people who did not meet the eligibility requirements. While various economic stimulus measures such as the JobKeeper program had a positive effect in the short-term, Australia requires a commitment to longer term solutions and a reframing of our economy and social support sector to ensure young people are equipped for the future.

**The removal of JobKeeper, slated for the end of March 2021, represents a serious concern for the Y and many other industries with high levels of youth employment.** The prospect that tens of thousands additional young people will join the unemployment queues is an immediate crisis for the Government to address, and should not be left until the Federal Budget in May to resolve.

### The Y Career Agency

The Y Career Agency will provide an end-to-end supported work placement and skills development Agency for young employees to support the development of their career portfolios.

Young people employed or placed with the Y Career Agency will become a 'Y Associate' and assigned their own 'Agent'. They will receive career coaching, on-the-job learning and micro-credentialing of skills, learn employability skills and be supported to enrol in relevant short courses, tertiary courses and apprenticeships to enhance their career portfolio development.

Initially rolling out in Victoria, NSW and Western Australia in 2021-22, the Y Career Agency will be expanded in its second year of operation to cover all jurisdictions and develop partnerships with small businesses and other employers across the community.

A full outline of the Y Career Agency initiative has been developed in consultation with key Y partners, and presented to Government Ministers, Shadow Ministers and senior departmental staff for feedback.

The Y has also undertaken data analysis of all Australian electorates to identify where there are high levels of youth unemployment and high demand for workers in the care workforce. This data will be used to help match and encourage young people to explore careers in the caring sectors, where there are significant employment and career opportunities.

Prior to 2020, young people were already marginalised in the employment market including those in regional, rural and remote communities, young LGBTQIA+ people, those living with disability, culturally and linguistically diverse young people and young Indigenous Australians. These young people face even greater challenges as we collectively navigate the long term impacts of COVID-19 on our economy and society.

Ensuring young people are a priority of Australia's economic recovery will require complex and nuanced solutions and we now have a unique opportunity to make a commitment to systemic and long-term investment in our young people. We recognise that young people are the experts in their own lives, bringing an innovative mindset, a willingness to adapt to change and a strong sense of creativity. It is critical therefore, that young people are part of designing the solutions and we must ensure their voices are heard at this time.

Solutions that seek to address underemployment and unemployment of young people must be focused on prevention and early intervention with a restructuring of the existing service system to ensure that young people don't fall through the cracks in the labour market. Once disengagement from the labour market has occurred for a young person, it is a far greater challenge for this to be reversed.

Moving towards a COVID-normal world, we now have an opportunity and a clear imperative to build a new way for young people to secure gainful, meaningful employment.

Young people are more likely to transition to full time employment when they are provided the opportunity to gain workplace experience, to develop enterprise and entrepreneurial skills, have access to jobs in growth and future focused sectors and be supported to build resilience and an optimistic mindset. Young people who are provided with an opportunity to build their career portfolio with a suite of transferable credentials and skills will be well positioned to navigate a complex and rapidly changing employment market in a COVID normal world.

## Key elements of the Y Career Agency

### Wraparound Employment Support

- ▶ Supporting young people to develop their employability skills and develop across the company
- ▶ Managing and advising on training or credentialing as it become relevant
- ▶ Building young peoples career portfolio

### Job Matching & Placement

Offer an online job platform enabling identification, matching and application support for job opportunities.

Alignment with the skills required and the culture of company.

Throughout the placements, partners can access guidance/advice from Career Agents in supporting young staff.

### Coordination Support

Support employee to navigate:

- ▶ employment administration support
- ▶ consolidating superannuation accounts
- ▶ understand payslips
- ▶ how to seek human resource support and
- ▶ shift scheduling support etc

### Career Coach

Provide tailored, holistic advice to assist with identifying and exploring young persons needs and aspirations as they relate to ongoing employment and education.

They will then support young people to understand and access a range of career development opportunities in partnership with partners that meets these aspirations.

### Training & Learning

Core streams of:

1. Employability skills training
2. Job readiness training across different areas of the business

Additional training/learning will also include

- ▶ On-the-job training – to be provided by partners specific to the roles in partnership with Y Careers where appropriate
- ▶ Online learning content - including micro-credentialing of key employability skills;
- ▶ Supported pathways to accredited training where applicable with support to gain attainment of qualification



## 4.0 Mental health - post-COVID and beyond

Already a significant issue for Australia's young people, mental health concerns have sharply escalated during the COVID-19 pandemic and are becoming more prevalent than ever before.

Disruption to schooling, missing social connection with friends, cancellation of sporting and cultural activities, loss of employment and worrying about the health of family members are just some of the many concerns young people reported as contributing to anxiety, sadness and loneliness during this time. We know that meaningful and secure employment is crucial to young people's optimal wellbeing, hence the Y's strong focus on improving their employment opportunities through the Y Career Agency.

For young people who may have already been experiencing significant psychological distress - including those affected by the devastating 2019-2020 bushfire season - seeking treatment for anxiety, depression and/or eating disorders, the challenges of lockdown periods during COVID-19 also meant a severe interruption in access to counselling and other support services.

While the rapid adoption of tele-health and online counselling services was able to meet some of these needs, concerns remain about the efficacy of online support in the long-term and also the impacts on help-seeking behaviours for young people. Organisations focused on youth mental health such as headspace, Reachout, Orygen, Beyond Blue and Kids Helpline all reported a significant increase in demand over the past 12 months and anticipate this continuing as the long-term impacts of COVID-19 emerge.

The commitment and investment made by the Australian Government to date, including the release of the National Pandemic Mental Health Response Plan is strongly welcomed, but additional investment is required in this space to ensure the needs of all young Australians can be catered for, including repairing the additional damage of COVID-19 impacts.

Importantly for the Y, we'd like to see the Government follow the evidence about the connection between physical activity and good mental health. Funding for programs that support the important link between physical activity and good mental health should be prioritised, including accessible organised sport with reduced participation costs, increased availability and improved facilities.

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**For further information** on any of these issues or to request a follow up meeting or media comment, contact Melinda Crole, CEO - [melinda.crole@ymca.org.au](mailto:melinda.crole@ymca.org.au) or for more information about current Y programs and services go to: [www.ymca.org.au](http://www.ymca.org.au)